Individual and Consolidated Interim Financial Information
Via Varejo S.A.

Period ended March 31, 2021
with Independent Auditor's Report

Summary

Executive Board's statement on the interim financial information

In compliance with the provisions contained in item VI, paragraph 1, article 25 of Ruling No. 480 of the Brazilian Securities and Exchange Commission (CVM) dated December 7, 2009, the Officers of Via Varejo S.A. (the "Company") state that they have reviewed, discussed and agreed on the Company's quarterly information for the period ended March 31, 2021, authorizing its completion on that date.

São Caetano do Sul (SP), May 12, 2021.

Roberto Fulcherberguer
Chief Executive Officer (CEO)

Sérgio Augusto França Leme
Administrative Vice President

Abel Ornelas Vieira
Commercial and Operations Vice President

Orivaldo Padilha
Financial Vice President and Investor Relations Officer

Helisson Brigido Andrade Lemos
Digital Innovation and Human Resources Vice President

Executive Board's Representation on the Independent Auditor's Report on the interim financial information

In compliance with the provisions contained in item V, paragraph 1, article 25 of Ruling No. 480 of the Brazilian Securities and Exchange Commission (CVM) dated December 7, 2009, the Officers of Via Varejo S.A. (the "Company") state that they have reviewed, discussed and agreed on the opinions expressed in the independent auditor's report on the Company's quarterly information for the period ended March 31, 2021, authorizing its completion on that date.

São Caetano do Sul (SP), May 12, 2021.

Roberto Fulcherberguer
Chief Executive Officer (CEO)

Sérgio Augusto França Leme
Administrative Vice President

Abel Ornelas Vieira
Commercial and Operations Vice President

Orivaldo Padilha
Financial Vice President and Investor Relations Officer

Helisson Brigido Andrade Lemos
Digital Innovation and Human Resources Vice President

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A free translation from Portuguese into English of Independent Auditor's Review Report on Quarterly Information prepared in Brazilian currency in accordance with NBC TG 21 and IAS 34 - Interim Financial Reporting and with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR)

Reports and Representations / Special Review Report - Unqualified

To the Board of Directors, Shareholders and Officers of
Via Varejo S.A.
São Paulo - SP

Introduction

We have reviewed the individual and consolidated interim financial information of Via Varejo S.A. (the "Company") contained in the Quarterly Information Form (ITR) referring to the quarter ended March 31, 2021, which comprise the statement of financial position as at March 31, 2021 and the statements of profit or loss, of comprehensive income, of changes in equity and of cash flows for the three-month period then ended, and notes to the interim financial information.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with the Accounting Pronouncement NBC TG 21 - Interim Financial Reporting and the international standard IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as for the presentation of this information in accordance with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of 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 on review engagements (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards 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 individual and consolidated interim information

Based on our review, nothing has come to our attention that causes us to believe that the individual and consolidated interim financial information included in the quarterly information referred to above was not prepared, in all material respects, in accordance with the NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information (ITR), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).

Other matters

Statements of value added

The quarterly information referred to above includes the individual and consolidated statements of value added (SVA) for the three-month period ended March 31, 2021, prepared under the responsibility of the Company management and presented as supplementary information under IAS 34. 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 to the interim financial information and accounting records, as applicable, and whether their form and content are in accordance with the criteria defined in NBC TG 09 – Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that these statements of value added were not prepared, in all material respects, in accordance with the criteria set forth by this Standard and consistently with the individual and consolidated interim financial information as a whole.

São Paulo, May 12, 2021

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP034519/O-6

Julio Braga Pinto
Accountant CRC-1SP209957/O-2

Via Varejo S.A.

Statement of financial position
March 31, 2021
In millions of Brazilian reais – R$, unless otherwise stated

	Notes	Individual 03.31.2021	Individual 12.31.2020	Consolidated 03.31.2021	Consolidated 12.31.2020
Assets					
Current assets					
Cash and cash equivalents	5	**1,316**	2,925	**1,387**	2,984
Trade accounts receivable	6	**8,010**	7,901	**8,015**	7,907
Inventories	7	**7,831**	6,149	**7,867**	6,176
Taxes recoverable	8	**1,316**	1,366	**1,351**	1,394
Related Parties	9	**287**	254	**221**	209
Prepaid expenses		**303**	276	**310**	281
Other assets		**289**	259	**322**	297
Total current assets		**19,352**	19,130	**19,473**	19,248
Noncurrent assets					
Trade accounts receivable	6	**514**	888	**514**	888
Taxes recoverable	8	**4,216**	4,052	**4,217**	4,052
Deferred taxes	16 (b)	**1,654**	1,535	**1,738**	1,607
Related Parties	9	**62**	57	**102**	97
Judicial deposits	17 (c)	**732**	654	**754**	676
Other assets		**134**	136	**136**	137
Investments	10	**1,188**	1,173	**222**	206
Property and equipment	11	**1,352**	1,335	**1,429**	1,413
Intangible assets	12	**716**	661	**1,709**	1,653
Right-of-use asset	18	**3,075**	3,039	**3,115**	3,079
Total noncurrent assets		**13,643**	13,530	**13,936**	13,808
Total assets		**32,995**	32,660	**33,409**	33,056
Liabilities and equity					
Current liabilities					
Trade accounts payable		**7,558**	7,704	**7,669**	7,799
Trade accounts payable – agreement	14 (e)	**1,409**	484	**1,409**	484
Loans and financing	13	**7,185**	6,687	**7,185**	6,687
Taxes payable	15	**147**	273	**152**	276
Social and labor obligations		**408**	582	**431**	612
Deferred revenue	19	**349**	357	**381**	385
Transactions with related parties	9	**39**	51	**24**	26
Transfer to third parties		**420**	637	**440**	653
Lease liabilities	18	**684**	659	**689**	665
Other liabilities		**845**	864	**891**	910
Total current liabilities		**19,044**	18,298	**19,271**	18,497
Noncurrent liabilities					
Loans and financing	13	**1,937**	2,409	**1,937**	2,409
Deferred revenue	19	**989**	1,036	**1,053**	1,108
Provision for contingencies	17 (a)	**1,542**	1,625	**1,607**	1,691
Taxes payable	15	**22**	22	**23**	23
Deferred taxes	16 (b)	**-**	-	**6**	6
Lease liabilities	18	**3,262**	3,249	**3,311**	3,298
Other liabilities		**36**	42	**38**	45
Total noncurrent liabilities		**7,788**	8,383	**7,975**	8,580
Total liabilities		**26,832**	26,681	**27,246**	27,077
Equity	20				
Paid-in Capital		**5,039**	5,039	**5,039**	5,039
Capital transactions		**(1,232)**	(1,232)	**(1,232)**	(1,232)
Capital reserves		**2,251**	2,656	**2,251**	2,656
Treasury shares		**(1)**	(1)	**(1)**	(1)
Income reserve		**-**	1,004	**-**	1,004
Retained earnings (accumulated losses)		**180**	(1,420)	**180**	(1,420)
Other comprehensive income (loss)		**(74)**	(67)	**(74)**	(67)
Total equity		**6,163**	5,979	**6,163**	5,979
Total liabilities and equity		**32,995**	32,660	**33,409**	33,056

See accompanying notes.

Via Varejo S.A.

Statement of profit or loss
for the period ended March 31, 2021
In millions of Brazilian reais – R$, unless otherwise stated

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		Individual		Consolidated	
Continuing operations	**Notes**	**03.31.2021**	**03.31.2020**	**03.31.2021**	**03.31.2020**
Revenue from sales and/or services	21	**7,538**	6,346	**7,547**	6,339
Cost of goods sold and services rendered	22	**(5,145)**	(4,396)	**(5,178)**	(4,391)
Gross Profit		**2,393**	1,950	**2,369**	1,948
Selling expenses	22	**(1,608)**	(1,259)	**(1,612)**	(1,259)
General and administrative expenses	22	**(219)**	(127)	**(234)**	(127)
Depreciation and amortization	11, 12 and 18	**(188)**	(181)	**(194)**	(182)
Other operating income (expenses), net	23	**(10)**	(60)	**(8)**	(58)
Income (loss) before finance income (costs) and equity pickup		**368**	323	**321**	322
Finance income (costs), net	24	**(284)**	(316)	**(284)**	(318)
Equity pickup	10	**(19)**	12	**16**	13
Income (loss) before income taxes		**65**	19	**53**	17
Income and social contribution taxes	16	**115**	(6)	**127**	(4)
Net income (loss) for the year attributable to the Company's shareholders		**180**	13	**180**	13
Earnings per share (reais/share)	25				
Basic					
Common shares		**0.11227**	0.01001		
Diluted					
Common shares		**0.10967**	0.00991		

See accompanying notes.

Via Varejo S.A.

Statement of comprehensive income
for the period ended March 31, 2021
In millions of Brazilian reais – R$, unless otherwise stated

	Individual		Consolidated	
	03.31.2021	03.31.2020	03.31.2021	03.31.2020
Net income (loss) for the year attributable to the Company's shareholders	**180**	13	**180**	13
Other comprehensive income (loss)				
Items that may be reclassified to P&L				
Fair value of financial instruments	**(4)**	54	**(4)**	54
Taxes on fair value of financial instruments	**1**	(18)	**1**	(18)
Equity pickup on other comprehensive income in Investees	**(4)**	-	**-**	-
Translation adjustments for the period	**-**	-	**(4)**	-
Comprehensive income for the year attributable to the Company's shareholders	**173**	49	**173**	49

See accompanying notes.

Via Varejo S.A.

Statement of cash flows
for the period ended March 31, 2021
In millions of Brazilian reais – R$, unless otherwise stated

	Notes	Individual 03.31.2021	Individual 03.31.2020	Consolidated 03.31.2021	Consolidated 03.31.2020
Cash flow from operating activities					
Net income for the year		**180**	13	**180**	13
Adjustments:					
Depreciation and amortization	11, 12 and 18	**230**	222	**239**	228
Equity pickup	10	**19**	(12)	**(16)**	(13)
Deferred income and social contribution taxes	16	**(115)**	6	**(127)**	4
Unrealized interest and monetary difference		**249**	187	**250**	188
Provision for contingencies, net of reversals		**172**	36	**178**	38
Allowance for expected credit losses	6	**137**	122	**137**	122
Loss on disposal of property and equipment and intangible ass	23	**(6)**	5	**(5)**	5
Estimated impairment loss of inventories	7	**18**	(26)	**18**	(26)
Deferred revenue recognized in profit or loss		**(55)**	(69)	**(63)**	(69)
Share-based payment		**11**	13	**11**	13
Write-off of right of use and lease liabilities	18	**(16)**	(1)	**(17)**	(1)
Other		**(2)**	(4)	**(2)**	(5)
Changes in working capital					
Trade accounts receivable		**125**	2,132	**126**	2,132
Inventories		**(1,700)**	(678)	**(1,709)**	(682)
Taxes recoverable		**(111)**	(217)	**(119)**	(279)
Related parties		**(47)**	(14)	**(16)**	(29)
Judicial deposits		**(78)**	1	**(78)**	1
Prepaid expenses		**(27)**	(85)	**(29)**	(84)
Financial instruments – fair value hedge		**-**	2	**-**	2
Other assets		**(28)**	(77)	**(24)**	(75)
Trade accounts payable		**804**	94	**820**	114
Taxes payable		**(128)**	(61)	**(126)**	-
Social and labor obligations		**(174)**	(48)	**(181)**	(49)
Transfer to third parties		**(217)**	(73)	**(213)**	(73)
Contingencies	17	**(298)**	(146)	**(306)**	(148)
Other liabilities		**(25)**	14	**(26)**	15
Dividends received from investees	10	**-**	4	**-**	-
Net cash from (used in) operating activities		**(1,082)**	1,340	**(1,098)**	1,342
Cash flow from investing activities					
Acquisition of property and equipment and intangible assets	11 and 12	**(176)**	(83)	**(184)**	(84)
Disposal of property and equipment and intangible assets	11 and 12	**-**	-	**-**	1
Capital increase in subsidiary	10	**(38)**	-	**-**	-
Net cash used in in vesting activities		**(214)**	(83)	**(184)**	(83)
Cash flow from financing activities					
Fundraising	13	**1,569**	1,266	**1,569**	1,266
Payment of principal	13	**(1,572)**	(1,475)	**(1,572)**	(1,475)
Payment of interest	13	**(91)**	(58)	**(91)**	(58)
Repayment of principal - lease	18	**(127)**	(131)	**(128)**	(131)
Payment of interest - lease	18	**(92)**	(96)	**(93)**	(97)
Capital increase	20 (a)	**-**	1	**-**	1
Net cash used in financing activities		**(313)**	(493)	**(315)**	(494)
Increase (decrease) net in cash and cash equivalents		**(1,609)**	764	**(1,597)**	765
Opening balance of cash and cash equivalents	5	**2,925**	1,320	**2,984**	1,364
Closing balance of cash and cash equivalents	5	**1,316**	2,084	**1,387**	2,129
		(1,609)	764	**(1,597)**	765
Additional information on non-cash items					
Acquisition of property and equipment and intangible assets through financing	11 and 12	**92**	38	**93**	38

See accompanying notes.

Via Varejo S.A.

Statement of changes in equity
for the period ended March 31, 2021

In millions of Brazilian reais – R$, unless otherwise stated

	Notes	Capital	Capital transactions	Special goodwill reserve	Premium on subscription of shares	Tax incentives	Granted options	Treasury shares	Investment grant	Retained earnings (accumulated losses)	Other comprehensive income	Total
		Attributable to Company shareholders										
				Capital reserves					Income reserves			
Balances at December 31, 2019		2,903	(1,232)	279	-	8	89	(1)	-	(1,420)	(48)	578
								-				
Income for the year		-	-	-	-	-	-	-	-	13	-	13
Adjustments to financial instruments		-	-	-	-	-	-	-	-	-	54	54
Taxes on adjustments of financial instruments		-	-	-	-	-	-	-	-	-	(18)	(18)
Total comprehensive income		-	-	-	-	-	-	-	-	13	36	49
Capital increase	20 (a)	1	-	-	-	-	-	-	-	-	-	1
Recognized options granted	20 (d)	-	-	-	-	-	13	-	-	-	-	13
Balances at March 31, 2020		2,904	(1,232)	279	-	8	102	(1)	-	(1,407)	(12)	641
Balances at December 31, 2020		5,039	(1,232)	279	2,227	8	142	(1)	1,004	(1,420)	(67)	5,979
Income for the year		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**180**	**-**	**180**
Adjustments to financial instruments		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(4)**	**(4)**
Taxes on adjustments of financial instruments		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1**	**1**
Translation adjustments for the period		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(4)**	**(4)**
Total comprehensive income		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**180**	**(7)**	**173**
Recognized options granted	20 (d)	**-**	**-**	**-**	**-**	**-**	**11**	**-**	**-**	**-**	**-**	**11**
Absorption of accumulated losses	20 (f)	**-**	**-**	**-**	**(416)**	**-**	**-**	**-**	**(1,004)**	**1,420**	**-**	**-**
Balances at March 31, 2021		**5,039**	**(1,232)**	**279**	**1,811**	**8**	**153**	**(1)**	**-**	**180**	**(74)**	**6,163**

See accompanying notes.

Via Varejo S.A.

Statement of value added
for the period ended March 31, 2021
In millions of Brazilian reais – R$, unless otherwise stated

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	Notes	Individual		Consolidated	
		03.31.2021	03.31.2020	03.31.2021	03.31.2020
Revenue		**8,647**	7,304	**8,660**	7,306
Sale of goods and services	21	**8,784**	7,426	**8,797**	7,426
Allowance for expected credit losses	6	**(137)**	(122)	**(137)**	(122)
Other revenues		**-**	-	**-**	2
Materials acquired from third parties		**(6,974)**	(5,880)	**(6,973)**	(5,844)
Cost of goods sold and services rendered		**(5,852)**	(4,892)	**(5,829)**	(4,843)
Materials, energy, third-party services and other		**(1,136)**	(990)	**(1,158)**	(1,002)
Recovery (loss) of receivables		**1**	2	**(1)**	1
Other		**13**	-	**15**	-
Gross value added		**1,673**	1,424	**1,687**	1,462
Depreciation and amortization	11, 12 and 18	**(230)**	(222)	**(239)**	(228)
Net value added produced by the Company		**1,443**	1,202	**1,448**	1,234
Value added received in transfer		**4**	42	**39**	44
Equity pickup	10	**(19)**	12	**16**	13
Finance income	24	**23**	30	**23**	31
Total value added to be distributed		**1,447**	1,244	**1,487**	1,278
Value added distributed		**1,447**	1,244	**1,487**	1,278
Employee benefits expense		**768**	554	**806**	574
Salaries		**507**	432	**532**	446
Benefits		**60**	59	**63**	62
Unemployment Compensation Fund (FGTS)		**53**	43	**57**	44
Labor claims		**142**	13	**140**	13
Other personnel expenses		**6**	7	**14**	9
Taxes and contributions		**162**	333	**165**	344
Federal taxes		**68**	179	**66**	190
State taxes		**74**	137	**78**	137
Local taxes		**20**	17	**21**	17
Debt remuneration		**337**	344	**336**	347
Interest	24	**307**	346	**307**	349
Rents		**24**	(9)	**23**	(9)
Other		**6**	7	**6**	7
Equity remuneration		**180**	13	**180**	13
Income for the year		**180**	13	**180**	13
Total value added distributed		**1,447**	1,244	**1,487**	1,278

See accompanying notes.

1. Operations

Via Varejo S.A. ("Company" or "Via"), directly or through its subsidiaries, operates in the retail market of electronics, appliances, telephony and furniture through the brands "Casas Bahia" and "Ponto", in addition to the e-commerce platforms "pontofrio.com.br", "casasbahia.com.br" and "extra.com.br". It is headquartered in the city of São Caetano do Sul, state of São Paulo, Brazil. The Company is listed on the special segment Novo Mercado (New Market) of B3 S.A. - Brasil, Bolsa, Balcão ("B3"), with the highest corporate governance standard, under ticker symbol "VVAR3".

At March 31, 2021, the Company had 27 Distribution Centers and Warehouses and conducted sales through 1,015 active branches (847 with the Casas Bahia brand and 168 with the Ponto brand). Of the total number of stores, 267 were located in shopping malls and 748 were street stores throughout the country.

2. Presentation and preparation of the individual and consolidated interim financial information

2.1. Basis of preparation, presentation and statement of compliance

The individual and consolidated interim financial information has been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board ("IASB") and also with the accounting practices adopted in Brazil issued by Brazil's Financial Accounting Standards Board - FASB ("CPC"), and approved by the Brazilian Securities and Exchange Commission ("CVM"), and discloses all significant information inherent in individual and consolidated interim financial information, and only such information, which is consistent with that used by management.

2.2. Basis of measurement and functional and presentation currency of the individual and consolidated interim financial information

The individual and consolidated interim financial information adopts the Brazilian real (R$) as the functional and presentation currency and is stated in millions of reais (R$). This information has been prepared on a historical cost basis, except for certain financial instruments and share-based payments, measured at fair value.

2.3. Statement of compliance

In compliance with CVM Rule No. 505/2006, authorization to issue the individual and consolidated interim financial information for the three-month period ended March 31, 2021 was granted by the Company's Board of Directors on May 12, 2021.

2.4. Statement of relevance

The Company management applied Accounting Guidance OCPC 7 and CVM Rule No. 727/14, meeting the minimum requirements and, at the same time, disclosing only relevant information that assists readers in decision making.

2.5. Significant accounting judgments, estimates and assumptions

In preparing the individual and consolidated interim financial information, it is necessary to use estimates to account for certain assets and liabilities and other transactions. To make those estimates, the Company's management used the best information available on the date of preparation of the individual and consolidated interim financial information, as well as the experience of past and/or current events, also considering assumptions related to future events.

The individual and consolidated interim financial information therefore includes estimates and assumptions referring mainly to impairment losses on accounts receivable, inventories and intangible assets with indefinite useful lives, deferred income and social contribution taxes, provision for litigation and contingencies. , fair value of assets and liabilities and measurement of financial instruments. Accordingly, actual results may differ from those estimates.

2.6 Impacts of COVID-19

The pandemic has resulted in significant impacts on the Brazilian economy in general and specifically on the retail sector, including guidelines for restricting the opening hours and/or closing of the Company's stores. This situation has resulted in challenging working conditions and even an interruption in the global supply chain, which may affect the availability of certain goods sold by the Company. In addition, the significant increase in COVID-19 cases in several regions of Brazil where the Company has been operating since March 2020 resulted in new temporary store closings in the first quarter of 2021.

As of the second quarter of 2020, due to the implementation of new strategies and investments made in technology and the business platform, the Company had a strong acceleration in sales via the digital channel, resulting in significant gains in market share. Stores have been reopened according to schedules and safety standards defined by the states and municipalities where they operate. The number of stores in operation has varied considerably since the second quarter of 2020. At the end of March 2021, most of the Company's stores were closed.

Regardless of the authorization to reopen stores in several states, the Company continues to adopt a series of measures aimed at mitigating the impacts generated by COVID-19 in its operations, including, but not limited to: (i) the establishment of two extraordinary Committees aiming at greater swift decision-making and the Company's reaction to possible new challenges arising from the COVID-19 pandemic; (ii) adoption of cash preservation measures, so that the Company has the necessary resources to maintain the continuity of its operations along the duration of the pandemic; (iii) inventory optimization, with enough goods available to meet future demand and to avoid possible product shortages; (iv) continuous investment in its network of stores and distribution centers, logistics, business platform and online channel, increasingly seeking to improve the level of service provided to customers, who have become increasingly multichannel; (v) maintenance of the home office structure for its employees as long as necessary, in compliance with the protocols established by the competent public authorities; and (vi) creation of a 0800 hotline to answer any questions from our employees concerning health in general and specifically COVID-19 in view of the pandemic.

However, at this time, neither the Company nor its management is able to accurately predict or estimate the impact on future results of operations, cash flows or the Company's future financial condition, since COVID-19 continues to impact economic activity worldwide and the performance of the Brazilian retail specifically, representing new risks for the Company, employees, service providers, suppliers, customers and other business partners. With the advance of the national immunization plan, however, one is likely to estimate a gradual improvement in Brazilian economic activity at the end of 2021.

Main risks associated with COVID-19 over Company's operations

a) Going concern risk

The risks arising from disease outbreaks and health epidemics, notably those arising from the pandemic caused by COVID-19, may contribute significantly to the deterioration of the economic conditions in Brazil and worldwide, and may cause, among other consequences: (i) risk of shortages for the retail sector, due to the large countries that produce electronic components being located on the Asian continent, so that they are imported months in advance. It is estimated that China itself accounts for 42% of the electronic components imported by the Brazilian industry in the sector. In addition, the Company estimates that: (ii) it may be more difficult or costly to obtain financing for operations or refinance debt in the future; (iii) there will be an impact on the financial condition of some of the customers and suppliers and; (iv) change is expected in overall investment programs.

The Company maintained its purchase planning throughout 2020 being aware of the risk of shortages and continues to adopt a conservative inventory policy, working with greater coverage. In addition, the Company extended debts of approximately R$ 4 billion in the second quarter of 2020, which added to the capitalization via the issuance of the Company's subsequent share offer (follow-on) in the amount of approximately R$ 4.4 billion, resulting in reinforcement and preservation of cash totaling R$ 8.4 billion in 2020.

The Company understands that there is no evidence of any going concern risk. However, future changes that deteriorate the economic environment and business interests in the segment in which the Company operates, or significant changes in the economy or in the financial market, with a possible increase in the perception of risk or a reduction in liquidity and refinancing capacity, greater than estimated, may lead the Company to revise its estimates of future performance and, eventually, may affect the Company's ability to meet its obligations and/or lead to a review of its operation and future growth perspective.

b) Risk of losses based on the realizable value of inventories

Accounting Pronouncement CPC 16 - Inventories establishes that the Company measures its inventories at the lower of cost or net realizable value. The net realizable value is the estimated sale price in the ordinary course of business, less estimated completion costs and directly related selling expenses. The Company evaluates on a monthly basis whether inventories are stated at their realizable value and, when applicable, records impairment losses on inventories. To that end, the Company uses the estimated sale price in the ordinary course of business as an assumption. The total amount of estimated loss to net realizable value is presented in Note 7.

c) Risk related to impairment of financial assets

The expected impairment losses on financial assets were calculated based on the credit risk analysis. The Company considers the aspects determining the portfolio's credit risk, such as the history of losses. In addition, management constantly assesses economic factors that could affect its credit operation. In this process, sales payment profiles are considered during the 12-month period and the corresponding historical credit losses incurred in that period, adjusted for specific prospective factors related to debtors and the economic environment.

The maximum exposure to the Company's credit risk, net of impairment losses on financial assets, refers to the amount of accounts receivable and the amount of the effective risk of losses on trade accounts receivable, which are presented in Note 6.

d) Risk related to impairment of property and equipment

Property and equipment items should be recognized at the lower of the carrying amount and the recoverable amount, the former representing the sum of the historical cost and the accumulated depreciation of the asset. The recoverable amount is the higher of the value in use and fair value less costs to sell. If the carrying amount of the asset exceeds the recoverable amount, the excess amount is recognized in P&L for the year.

The Company tests its P&E items for impairment on an annual basis, assessing the existence of internal or external evidence that the assets are recognized at amounts that exceed their recoverable amount. This evidence is substantially defined by a recurring loss of profitability of cash-generating units and macroeconomic conditions reasonably different from the last impairment test, among others, by virtue of the macroeconomic scenario. The Company carried out new analyses regarding the need to reduce its assets to their recoverable amount. See Note 11.

e) Covenants

Accounting Pronouncement CPC 26 - Presentation of Financial Statements determines that when an entity breaks a covenant related to a long-term loan (debt or interest coverage ratio, for instance) at the end or before the end of the reporting period, making the liability overdue and payable at the creditor's request, the liability must be classified as current even if the creditor has agreed, after the reporting date and before the date the individual and consolidated interim financial statements were authorized for issue, not to require the accelerated settlement as a result of the breach of covenant. The liability must be classified as current since, at the reporting date, the entity does not have an unconditional right to defer its settlement for at least twelve months after that date.

The maintenance of the contractual maturity of debentures at their original maturities is subject to covenants, which are being regularly complied with. Key covenant compliance indicators are stated in Note 13(d).

3. Revised pronouncements and interpretations issued but not yet adopted

Those IFRSs issued/amended by the IASB that are effective for the year beginning in 2021 had no impact on the Company's individual and consolidated interim financial information. Additionally, the IASB has issued/revised certain IFRS standards, which have their adoption scheduled for year 2021 or later. The Company is currently assessing the impacts of adopting these standards on its individual and consolidated interim financial information:

- Amendment to IAS 1 - Classification of liabilities as current or noncurrent: This standard clarifies aspects to be considered for the classification of liabilities as current or noncurrent liabilities. This amendment to the standard is effective for years beginning on or after January 1, 2023, with retrospective application. The Company does not expect significant impacts on its individual and consolidated interim financial information.

In millions of Brazilian reais – R$, unless otherwise stated

4. Significant accounting practices

For cases in which there were no significant changes in the nature of the accounting balances or in the Company's policies, detailed information disclosed in the financial statements for the year ended December 31, 2020 has not been fully reproduced in this quarterly information. Therefore, this quarterly information shall be read in conjunction with the financial statements for 2020, published on March 02, 2021.

Consolidation

In preparing the individual and consolidated interim financial information, financial information from subsidiaries closed at the same reporting date and consistent with the Company's accounting policies was used.

Equity interest in subsidiaries

	03.31.2021		12.31.2020	
	Interest		Interest	
Subsidiaries	**Direct**	**indirect**	**Direct**	**indirect**
Indústria de Móveis Bartira Ltda. ("Bartira")	99.99%	0.01%	99.99%	0.01%
Globex Administração e Serviços Ltda. ("GAS")	99.99%	0.01%	99.99%	0.01%
Lake Niassa Empreendimentos e Participações Ltda. ("LAKE")	99.99%	0.01%	99.99%	0.01%
VVLog Logística Ltda. ("VVLog")	99.99%	0.01%	99.99%	0.01%
Globex Administradora de Consórcio Ltda. ("GAC")	99.99%	0.01%	99.99%	0.01%
Cnova Comércio Eletrônico S.A. ("Cnova")	100.00%	-	100.00%	-
ASAPLog Ltda. ("ASAPLog")	-	100.00%	-	100.00%
Carrier EQ, LLC ("Airfox")	-	100.00%	-	100.00%
BanQi Instituição de Pagamento Ltda. ("BanQi")	-	100.00%	-	100.00%
I9XP Tecnologia e Participações S.A. ("I9XP")	-	100.00%	-	100.00%

5. Cash and cash equivalents

a) Breakdown of balances

		Individual		Consolidated	
	Weighted average rate (p.a.)	**03.31.2021**	**12.31.2020**	**03.31.2021**	**12.31.2020**
Cash and banks		**31**	106	**40**	118
Short-term investments - repurchase agreements	84.97 % of CDI p.a.	**1,280**	2,805	**1,312**	2,837
Sweep accounts	5.42 % of CDI p.a. (i)	**5**	14	**17**	14
Investments in government bonds (LFT´s)	107.51% of Selic rate p.a.	**-**	-	**18**	15
		1,316	2,925	**1,387**	2,984

(i) These refer to investment of funds available in checking account with daily profitability linked to the Interbank Deposit Certificate (CDI) rate, automatically redeemed on the first business day following that of the investment (D+1).

In millions of Brazilian reais – R$, unless otherwise stated

6. Trade accounts receivable

a) Total portfolio

	Individual		Consolidated	
	03.31.2021	12.31.2020	03.31.2021	12.31.2020
Credit card companies	**5,141**	5,512	**5,141**	5,512
Casas Bahia Credit Facility – TOTAL (Note 6.1)	**4,611**	4,488	**4,611**	4,488
Interest to be incurred / to allocate in future periods (Note 6.1)	**(1,114)**	(1,213)	**(1,114)**	(1,213)
Trade accounts receivable - B2B (i)	**238**	217	**238**	217
Other accounts receivable	**316**	327	**322**	334
Allowance for doubtful accounts (ADA) (b)	**(668)**	(542)	**(669)**	(543)
	8,524	8,789	**8,529**	8,795
Current	**8,010**	7,901	**8,015**	7,907
Noncurrent	**514**	888	**514**	888

(i) These refer to sales made to other legal entities for resale or own use.

b) Changes in allowance for doubtful accounts (ADA)

	Individual		Consolidated	
	03.31.2021	03.31.2020	03.31.2021	03.31.2020
Balance at beginning of period	**(542)**	(489)	**(543)**	(489)
Expected loss recorded for the period	**(137)**	(122)	**(137)**	(122)
Write-off of accounts receivable, net of recovery	**11**	127	**11**	127
Balance at end of period	**(668)**	(484)	**(669)**	(484)
Current	**(600)**	(438)	**(601)**	(438)
Noncurrent	**(68)**	(46)	**(68)**	(46)

In millions of Brazilian reais – R$, unless otherwise stated

6.1 Accounts receivable – Direct Consumer Credit (Casas Bahia Credit Facility)

a) Breakdown of balances – Portfolio (Casas Bahia Credit Facility)

These correspond to receivables from time sales financed through Direct Consumer Credit with Seller Intervention (Casas Bahia Credit Facility), according to Note 13(a)(i), payable in up to 24 months, with days sales outstanding of 14 months with average rate of 85% p.a. Set out below are gross balances of time-sale payment slips and the amount of interest to be incurred as per the agreed terms.

	Individual and consolidated		
	03.31.2021	**12.31.2020**	**03.31.2020**
Casas Bahia Credit Facility – Current	**4,095**	3,876	3,153
Casas Bahia Credit Facility – Noncurrent	**516**	612	396
Casas Bahia Credit Facility – TOTAL	**4,611**	4,488	3,549
Interest to be incurred / to allocate in future periods	**(1,114)**	(1,213)	(975)
Casas Bahia Credit Facility – TOTAL Without interest to be incurred (Note 6 a)	**3,497**	3,275	2,574
Allowance for doubtful accounts (ADA) (b)	**(610)**	(479)	(408)
(%) Allowance for Expected Credit Losses - AECL (ADA) / Casas Bahia Credit Facility – TOTAL	**13.2%**	10.7%	11.5%

b) Changes in allowance for expected credit losses – Casas Bahia Credit Facility

	Individual		**Consolidated**	
	03.31.2021	**03.31.2020**	**03.31.2021**	**03.31.2020**
Balance at beginning of period	**(479)**	(422)	**(479)**	(422)
Expected loss recorded for the period	**(110)**	(111)	**(110)**	(111)
Write-off of accounts receivable, net of recovery	**(21)**	125	**(21)**	125
Balance at end of period	**(610)**	(408)	**(610)**	(408)
Current	**(542)**	(363)	**(542)**	(363)
Noncurrent	**(68)**	(45)	**(68)**	(45)

In millions of Brazilian reais – R$, unless otherwise stated

c) Breakdown of estimated loss on doubtful accounts by type of receivable - Total portfolio

	Individual								
	03.31.2021			12.31.2020			03.31.2020		
	Gross	AECL (ADA)	Net	Gross	AECL (ADA)	Net	Gross	AECL (ADA)	Net
Credit card companies	**5,141**	**(36)**	**5,105**	5,512	(42)	5,470	752	(51)	701
Casas Bahia Credit Facility – TOTAL	**4,611**	**(610)**	**4,001**	4,488	(479)	4,009	3,549	(408)	3,141
Trade accounts receivable - “B2B”	**238**	**(7)**	**231**	217	(7)	210	196	(8)	188
Other accounts receivable	**316**	**(15)**	**301**	327	(14)	313	242	(17)	225
	10,306	**(668)**	**9,638**	10,544	(542)	10,002	4,739	(484)	4,255

	Consolidated								
	03.31.2021			12.31.2020			03.31.2020		
	Gross	AECL (ADA)	Net	Gross	AECL (ADA)	Net	Gross	AECL (ADA)	Net
Credit card companies	**5,141**	**(36)**	**5,105**	5,512	(42)	5,470	752	(51)	701
Casas Bahia Credit Facility – TOTAL	**4,611**	**(610)**	**4,001**	4,488	(479)	4,009	3,549	(408)	3,141
Trade accounts receivable - “B2B”	**238**	**(7)**	**231**	217	(7)	210	196	(8)	188
Other accounts receivable	**322**	**(16)**	**306**	334	(15)	319	243	(17)	226
	10,312	**(669)**	**9,643**	10,551	(543)	10,008	4,740	(484)	4,256

In millions of Brazilian reais – R$, unless otherwise stated

d) Aging list of accounts receivable, before the reduction of expected credit losses – Total portfolio

	Individual											
	03.31.2021						12.31.2020					
		Overdue						Overdue				
	Falling due	Up to 30 days	31 – 60 days	61-90 days	Overdue for more than 90 days	Total	Falling due	Up to 30 days	31 – 60 days	61-90 days	Overdue for more than 90 days	Total
Credit card companies	**5,124**	**-**	**-**	**-**	**17**	**5,141**	5,496	-	-	1	15	5,512
Casas Bahia Credit Facility	**4,328**	**106**	**74**	**48**	**55**	**4,611**	4,289	97	41	27	34	4,488
Trade accounts receivable - “B2B”	**206**	**28**	**-**	**-**	**4**	**238**	113	86	8	2	8	217
Other accounts receivable	**309**	**2**	**2**	**2**	**1**	**316**	321	2	2	1	1	327
	9,967	**136**	**76**	**50**	**77**	**10,306**	10,219	185	51	31	58	10,544

	Consolidated											
	03.31.2021						12.31.2020					
		Overdue						Overdue				
	Falling due	Up to 30 days	31 – 60 days	61-90 days	Overdue for more than 90 days	Total	Falling due	Up to 30 days	31 – 60 days	61-90 days	Overdue for more than 90 days	Total
Credit card companies	**5,124**	**-**	**-**	**-**	**17**	**5,141**	5,496	-	-	1	15	5,512
Casas Bahia Credit Facility	**4,328**	**106**	**74**	**48**	**55**	**4,611**	4,289	97	41	27	34	4,488
Trade accounts receivable - “B2B”	**206**	**28**	**-**	**-**	**4**	**238**	113	86	8	2	8	217
Other accounts receivable	**314**	**2**	**2**	**2**	**2**	**322**	326	2	2	2	2	334
	9,972	**136**	**76**	**50**	**78**	**10,312**	10,224	185	51	32	59	10,551

In millions of Brazilian reais – R$, unless otherwise stated

7. Inventories

a) Breakdown of balances

	Individual		Consolidated	
	03.31.2021	12.31.2020	03.31.2021	12.31.2020
Stores	**2,087**	1,970	**2,087**	1,970
Distribution centers	**5,779**	4,204	**5,815**	4,232
Storeroom	**18**	16	**19**	16
Estimated loss to the net realizable value	**(53)**	(41)	**(54)**	(42)
	7,831	6,149	**7,867**	6,176

b) Changes in estimated loss on reduction of cost to net realizable value

	Individual		Consolidated	
	03.31.2021	03.31.2020	03.31.2021	03.31.2020
Balance at beginning of period	**(41)**	(79)	**(42)**	(79)
Reversals (additions)	**(18)**	26	**(18)**	26
Realized losses	**6**	7	**6**	7
Balance at end of period	**(53)**	(46)	**(54)**	(46)

8. Taxes recoverable

a) Breakdown of balances

	Individual		Consolidated	
	03.31.2021	12.31.2020	03.31.2021	12.31.2020
State VAT (ICMS) recoverable (i)	**3,290**	3,123	**3,296**	3,127
Contribution Tax on Gross Revenue for Social Integration Program (PIS) and for Social Security Financing (COFINS) recoverable (ii)	**1,927**	1,878	**1,931**	1,880
Income and social contribution taxes	**247**	243	**263**	257
Other	**68**	174	**78**	182
	5,532	5,418	**5,568**	5,446
Current	**1,316**	1,366	**1,351**	1,394
Noncurrent	**4,216**	4,052	**4,217**	4,052

(i) Realization of ICMS credit

The ICMS credit realization plan is monitored periodically in order to ensure compliance with the established assumptions, which are reassessed based on business events, allowing a better credit realization.

With respect to credits that cannot yet be immediately offset, the Company management, based on a technical recovery study that considers expected operational performance and consequent offset with debts arising from its operations, understands that future offset is feasible. The studies mentioned are prepared and reviewed from time to time based on information extracted from the strategic planning previously approved by the Company's Board of Directors. For the individual and consolidated interim financial information for the period ended March 31, 2021, Company management has monitoring controls over compliance with the plan established annually, reassessing and including new elements that contribute to realization of the ICMS recoverable balance, as shown in the table above.

The credit is also realized through reimbursement from the state finance departments, requiring evidence of the operations carried out that generated the Company's right to reimbursement, through tax documents and digital files. This methodology is determined by the legislation of each state, and is duly complied with by the Company.

(ii) Decision of the Federal Supreme Court of Brazil ("STF") on ICMS in the PIS and COFINS tax base

Since adoption of the non-cumulative PIS and COFINS regime, the Company has been pleading in court the right to deduct ICMS and ICMS-ST from the PIS and COFINS tax base. With the judgment of this matter by the STF under general resonance on March 15, 2017, as well as the Decision published on October 2, 2017, calculation is now made considering the respective deductions.

In August 2019, a final favorable decision was handed down on the proceeding in which the Company pleaded the right to exclude ICMS from the PIS and COFINS tax base.

In May 2020, the Company obtained a favorable decision in another proceeding addressing the right to exclude ICMS from the PIS and COFINS base. The amount recorded in the year was R$ 1,330 recorded under "PIS and COFINS recoverable", the principal being R$ 1,039 in "Cost of goods and services sold" and monetary restatement of R$ 291 in "Finance income (costs), net".

The Company is party to lawsuits that still await a final and unappealable decision under which, in management's best estimate, the effects of such credits, from 2010 to February 2017, total approximately R$71 as of March 31, 2021 (R$70 as of December 31, 2020). These amounts consider monetary restatement and are net of lawyers' fees.

The Company is awaiting judgment of the motion for clarification filed by the Office of the Attorney General of the National Treasury ("PGFN"), as well as the possible limitation of its effects in time. The Company's legal advisors, however, understand that the decision to apply the limitation of the effects in time will not restrict the rights of the lawsuit filed.

In millions of Brazilian reais – R$, unless otherwise stated

b) Expected realization of taxes recoverable

	Individual				
	ICMS	PIS and COFINS	IRPJ and CSLL	Other	Total
9-month period of 2021	323	423	167	15	928
2022	636	729	40	34	1,439
2023	715	775	40	19	1,549
2024	717	-	-	-	717
2025	477	-	-	-	477
2026	235	-	-	-	235
2027	187	-	-	-	187
	3,290	1,927	247	68	5,532

	Consolidated				
	ICMS	PIS and COFINS	IRPJ and CSLL	Other	Total
9-month period of 2021	328	423	168	23	942
2022	636	730	48	36	1,450
2023	715	778	47	19	1,559
2024	717	-	-	-	717
2025	477	-	-	-	477
2026	235	-	-	-	235
2027	188	-	-	-	188
	3,296	1,931	263	78	5,568

In millions of Brazilian reais – R$, unless otherwise stated

9. Related parties

	Assets (liabilities), net				Income (expenses), net			
	Individual		Consolidated		Individual		Consolidated	
	03.31.2021	12.31.2020	03.31.2021	12.31.2020	03.31.2021	03.31.2020	03.31.2021	03.31.2020
Subsidiaries								
Indústria de Móveis Bartira Ltda. ("Bartira") (b) (c)	**53**	21	**-**	-	**(154)**	(115)	**-**	-
ASAPLog Ltda. ("ASAPLog") (c)	**(1)**	-	**-**	-	**(2)**	-	**-**	-
VVLog Logística Ltda. ("VVLog") (c)	**(1)**	(2)	**-**	-	**(4)**	-	**-**	-
BanQi Instituição de Pagamento Ltda. ("BanQi") (c)	**1**	2	**-**	-	**(1)**	-	**-**	-
Associates								
Financeira Itaú CBD S.A. ("FIC") (a)	**(1)**	(3)	**(1)**	(3)	**(2)**	(3)	**(2)**	(3)
Banco Investcred Unibanco S.A. ("BINV") (a)	**(1)**	-	**(1)**	-	**2**	(3)	**2**	(3)
Growth Partners Investimentos e Participações S.A. ("Distrito")	**-**	-	**3**	3	**-**	-	**-**	-
Other								
Casa Bahia Comercial Ltda. ("CB") (b) (d)	**(191)**	(207)	**(166)**	(182)	**(62)**	(51)	**(64)**	(52)
	(141)	(189)	**(165)**	(182)	**(223)**	(172)	**(64)**	(58)
Leases								
Right-of-use asset	**980**	1,008	**1,006**	1,034	**(29)**	(29)	**(29)**	(29)
Lease liabilities	**(1,431)**	(1,457)	**(1,470)**	(1,496)	**(46)**	(46)	**(48)**	(47)
	(451)	(449)	**(464)**	(462)	**(75)**	(75)	**(77)**	(76)
Receivables from related parties								
Current	**287**	254	**221**	209				
Noncurrent	**62**	57	**102**	97				
Payables to related parties								
Current	**(39)**	(51)	**(24)**	(26)				

In millions of Brazilian reais – R$, unless otherwise stated

The transactions with related parties presented in the table above refer to transactions that the Company conducts with its key shareholders, its subsidiaries and other related entities. These transactions were accounted for substantially according to the usual market prices, terms and conditions agreed between the parties, as follows:

a) Loans and financing with FIC and BINV

The Company operates as a banking agent for services operated by FIC and BINV, which purchase credit card receivables from the Company. This operation generates amounts to be transferred, indicated as accounts payable to related parties and amounts receivable for services rendered, indicated as accounts receivable from related parties. The result of these operations is presented in the column "Income (expenses), net" in the table above, and classified as "Revenue from sale of goods and services", in the Company's statement of profit or loss.

FIC and BINV are credit card operators that issue cards and finance purchases for customers. In the period ended March 31, 2021, the balance of credit cards receivable from FIC and BINV totaled R$294 (R$247 as of December 31, 2020). These balances are recorded as "Accounts receivable" under Credit card companies, as shown in Note 6.

For the three-month period ended March 31, 2021, the Company recognized R$1 (R$8 for the three-month period ended March 31, 2020) in finance costs arising from the sale of credit card receivables.

b) Leases

Via has lease operations with GAS. Furthermore, the Company and its subsidiary Bartira have lease contracts regarding 290 properties, including distribution centers and commercial and administrative buildings, entered into under specific conditions with Casa Bahia Comercial ("CB") and its shareholders, pursuant to Association Agreement entered into by Via, CBD, CB and CB's shareholders.

The breakdown of the lease contracts' amounts is as follows:

	Consolidated			
	03.31.2021	**12.31.2020**	**03.31.2021**	**12.31.2020**
Statement of financial position	**Right of use**	**Right of use**	**Lease liabilities**	**Lease liabilities**
Casa Bahia Comercial Ltda.	**1,006**	1,034	**(1,470)**	(1,496)

	Consolidated			
	03.31.2021	**03.31.2020**	**03.31.2021**	**03.31.2020**
Statement of profit or loss	**Depreciation**	**Depreciation**	**Interest on lease**	**Interest on lease**
Casa Bahia Comercial Ltda.	**(29)**	(29)	**(48)**	(47)

c) Purchase and sale of goods and services

In the three-month periods ended March 31, 2021 and March 31, 2020, the Company conducted the following related-party transactions:

		Income (expenses), net	
Counterparty	**Transaction**	**03.31.2021**	**03.31.2020**
Bartira	Purchase of goods	**(154)**	(115)
VVLog	Freight services	**(4)**	-
ASAPLog	Freight services	**(2)**	-
BanQi	Time-sale payment slips intermediation fee	**(1)**	-

In millions of Brazilian reais – R$, unless otherwise stated

d) Association agreement between Via, CBD and CB and related covenants

On July 1, 2010, the First Amendment to the Association Agreement ("Association Agreement") was entered into by Via Varejo, CBD and CB, which, among other rights, guaranteed Via the right to be indemnified, in respect of losses and damages, by CBD and CB, regarding certain lawsuits and reimbursement of expenses related to facts or acts whose origin or triggering event had occurred under the responsibility of the former controlling shareholders of Via (formerly Globex Utilidades) and of the companies included in the Association Agreement.

As provided in the Association Agreement, after the six-year period from the closing date of the transaction, which occurred on November 8, 2016, the procedures referring to indemnification related to new lawsuits were terminated and negotiations between the parties began for collection and settlement of existing balances relating to such losses and damages.

On July 4, 2017, the Company entered into an Agreement with CB, together with CBD, to (i) settle losses and damages already incurred until November 8, 2016; (ii) define new criteria to determine liabilities for losses and damages related to contingencies; (iii) hold periodic meetings in which each party must present the losses and damages incurred as from November 9, 2016, to be indemnified by the other party; and (iv) set up guarantees to meet CB's obligation to indemnify in relation to the contingencies. This Agreement was approved by the Company's Board of Directors and by CBD on July 24, 2017. CB partner sureties were provided as guarantees for compliance with said Agreement, as well as mortgages on properties owned by CB, in an amount sufficient to cover the total potential contingencies identified on November 8, 2016.

On October 24, 2018, the Company and CB, jointly with CBD, entered into an Amendment to the Agreement with a view to improving its criteria and clarifying certain clauses and conditions, thus enabling the settlement of outstanding balances presented in the periodic meetings.

On June 14, 2019, CBD disposed of the totality of the interest held in the Company. As of that date, the amounts receivable started to be recognized under Other assets in Current assets.

The Company has maintained the contractual terms of the Association Agreement and related amendments until the date of approval of this financial information.

e) Key management personnel compensation

Expenses related to total key management personnel compensation (Statutory Officers and members of the Board of Directors), recorded in the statement of profit or loss for the three-month period ended March 31, 2021 and March 31, 2020 are as follows:

	03.31.2021			**03.31.2020**		
	Short-term benefits	**Share-based payment**	**Total**	**Short-term benefits**	**Share-based payment**	**Total**
Executive Board	**2**	**8**	**10**	2	9	11
Board of Directors	**1**	**-**	**1**	2	-	2
	3	**8**	**11**	4	9	13

In millions of Brazilian reais – R$, unless otherwise stated

10. Investments

a) Balances and changes

	Individual				
	Lake	Bartira	VVLog	Other	Total
Balance at December 31, 2019	150	735	36	52	973
Unearned income - inventories	-	3	-	-	3
Distribution of dividends	(4)	-	-	-	(4)
Equity pickup - P&L	13	(4)	-	-	9
Balance at March 31, 2020	159	734	36	52	981
Balance at December 31, 2020	349	723	47	54	1,173
Capital increase (i)	**35**	**-**	**3**	**-**	**38**
Unearned income - inventories	**-**	**(2)**	**-**	**-**	**(2)**
Equity pickup - P&L	**(1)**	**(9)**	**(7)**	**-**	**(17)**
Equity pickup on other comprehensive income (loss)	**(4)**	**-**	**-**	**-**	**(4)**
Balance at March 31, 2021	**379**	**712**	**43**	**54**	**1,188**

(i) In 2021, the Company increased the capital of subsidiary Lake in cash, in the total amount of R$ 35 and the capital of VVLog in cash in the amount of R$ 3.

	Consolidated			
	FIC	BINV	Distrito	Total
Balance at December 31, 2019	108	38	-	146
Equity pickup - P&L	11	2	-	13
Balance at March 31, 2020	119	40	-	159
Balance at December 31, 2020	149	39	18	206
Equity pickup - P&L	**14**	**3**	**(1)**	**16**
Balance at March 31, 2021	**163**	**42**	**17**	**222**

b) Summarized financial information of associates

FIC and BINV

These are financial institutions created with the purpose of financing sales directly to CBD and Via customers. BINV is the result of the association of the Company with Banco Itaú Unibanco S.A., while FIC is the result of the association of CBD and the Company with Banco Itaú Unibanco S.A. The Company has significant influence on investments, but not control over them. The share in the total voting capital of FIC and BINV corresponds to 14.24% and 50.00%, respectively, arising from the investments of subsidiary Lake.

In millions of Brazilian reais – R$, unless otherwise stated

Distrito

Distrito is an innovation hub that has a complete platform to support companies in their transformation through technology. With its ecosystem of open innovation, supported by data and artificial intelligence, Distrito connects large companies, startups, investors and academics to generate new, more collaborative, efficient, transparent and sustainable business models. The Company has significant influence over the investment, but not control over it. As at March 31, 2021, interest in the total voting capital of Distrito corresponds to 14.58% arising from the investment of subsidiary Cnova.

Information on the associates deemed material by the Company for equity pickup calculation purposes is as follows:

	FIC		**BINV**	
Statement of financial position	**03.31.2021**	**12.31.2020**	**03.31.2021**	**12.31.2020**
Current assets	**6,549**	6,574	**683**	679
Noncurrent assets	**48**	52	**-**	-
Total assets	**6,597**	6,626	**683**	679
Current liabilities	**5,259**	5,391	**602**	603
Noncurrent liabilities	**25**	22	**2**	2
Equity (i)	**1,313**	1,213	**79**	74
Total liabilities and equity	**6,597**	6,626	**683**	679
Statement of profit or loss	**03.31.2021**	**03.31.2020**	**03.31.2021**	**03.31.2020**
Net income	**100**	76	**5**	5

(i) The calculation of the investment considers the investee's equity, less the special goodwill reserve, which is the exclusive right of Itaú Unibanco S.A.

In millions of Brazilian reais – R$, unless otherwise stated

11. Property and equipment

a) Breakdown of balances and changes

	Individual						Consolidated					
	Balance at 03/31/2021			Balance at 12/31/2020			Balance at 03/31/2021			Balance at 12/31/2020		
	Cost	Accumulated depreciation	Net	Cost	Accumulated depreciation	Net	Cost	Accumulated depreciation	Net	Cost	Accumulated depreciation	Net
Land	**11**	**-**	**11**	11	-	11	**15**	**-**	**15**	15	-	15
Buildings	**14**	**(8)**	**6**	15	(8)	7	**20**	**(13)**	**7**	19	(12)	7
Leasehold improvements	**1,104**	**(465)**	**639**	1,090	(452)	638	**1,106**	**(464)**	**642**	1,092	(451)	641
Machinery and equipment	**264**	**(156)**	**108**	251	(151)	100	**458**	**(301)**	**157**	440	(290)	150
IT equipment	**621**	**(417)**	**204**	602	(393)	209	**624**	**(420)**	**204**	605	(393)	212
Facilities	**163**	**(56)**	**107**	158	(53)	105	**179**	**(61)**	**118**	177	(62)	115
Furniture and fixtures	**358**	**(200)**	**158**	356	(191)	165	**362**	**(203)**	**159**	358	(193)	165
Vehicles	**5**	**(4)**	**1**	5	(4)	1	**10**	**(5)**	**5**	12	(7)	5
Construction in progress	**100**	**-**	**100**	82	-	82	**103**	**-**	**103**	85	-	85
Other	**62**	**(44)**	**18**	61	(44)	17	**63**	**(44)**	**19**	63	(45)	18
	2,702	**(1,350)**	**1,352**	2,631	(1,296)	1,335	**2,940**	**(1,511)**	**1,429**	2,866	(1,453)	1,413

	Individual						Consolidated					
	Balance at 12/31/2019	Additions	Write-offs	Depreciation	Transfers	Balance at 03/31/2020	Balance at 12/31/2019	Additions	Write-offs	Depreciation	Transfers	Balance at 03/31/2020
Changes in 2020	1,277	47	(6)	(48)	(3)	1,267	1,369	48	(8)	(52)	(3)	1,354
	Balance at 12/31/2020	Additions	Write-offs	Depreciation	Transfers	Balance at 03/31/2021	Balance at 12/31/2020	Additions	Write-offs	Depreciation	Transfers	Balance at 03/31/2021
Changes in 2021	1,335	**74**	**7**	**(63)**	**(1)**	**1,352**	1,413	**75**	**7**	**(65)**	**(1)**	**1,429**

In millions of Brazilian reais – R$, unless otherwise stated

b) Classification of depreciation and amortization of Property and equipment and Intangible assets in the statement of profit or loss

In the periods ended March 31, 2021 and March 31, 2020, the Company recognized the following depreciation and amortization amounts in Cost of goods and services sold:

	Individual		**Consolidated**	
	03.31.2021	**03.31.2020**	**03.31.2021**	**03.31.2020**
Depreciation and amortization	**10**	10	**12**	14

c) Impairment tests of property and equipment

The recoverable amount of the CGUs was determined by means of a calculation based on the value in use considering cash projections for the next five years. The following assumptions were used in the calculation: (i) growth rate for the five-year period 2021-2025, according to the Company's strategic planning; and (ii) discount rate representing the Company's weighted average cost of capital of 9.72%. The inflation rate of 4.5% p.a. was considered for all periods.

As a result of this analysis, in the three-month period ended March 31, 2021, no impairment loss was recorded (nil at December 31, 2020).

In millions of Brazilian reais – R$, unless otherwise stated

12. Intangible assets

a) Breakdown of balances and changes

	Individual						Consolidated					
	Balance at 03/31/2021			Balance at 12/31/2020			Balance at 03/31/2021			Balance at 12/31/2020		
	Cost	Accumulated amortization	Net	Cost	Accumulated amortization	Net	Cost	Accumulated amortization	Net	Cost	Accumulated amortization	Net
Goodwill (i)	-	-	-	-	-	-	830	-	830	830	-	830
Software under development	310	-	310	251	-	251	310	-	310	251	-	251
Software and licenses	722	(365)	357	703	(344)	359	822	(369)	453	801	(347)	454
Contractual rights (ii)	251	(207)	44	251	(206)	45	251	(207)	44	251	(206)	45
Trademarks and patents (iii)	-	-	-	-	-	-	46	-	46	46	-	46
Favorable contract (iv)	-	-	-	-	-	-	36	(16)	20	36	(15)	21
Goodwill (v)	73	(68)	5	73	(67)	6	73	(67)	6	73	(67)	6
	1,356	(640)	716	1,278	(617)	661	2,368	(659)	1,709	2,288	(635)	1,653

	Individual						Consolidated						
	Balance at 31.12.2019	Additions	Write-offs	Amortization	Transfers	Balance at 03/31/2020	Balance at 12/31/2019	Additions	Write-offs	Foreign exchange difference	Amortization	Transfers	Balance at 03/31/2020
Changes in 2020	547	35	1	(35)	3	551	1,245	35	2	-	(36)	3	1,249

	Balance at 12/31/2020	Additions	Write-offs	Amortization	Transfers	Balance at 03/31/2021	Balance at 12/31/2020	Additions	Write-offs	Foreign exchange difference	Amortization	Transfers	Balance at 03/31/2021
Changes in 2021	661	77	(1)	(22)	1	716	1,653	84	(2)	1	(28)	1	1,709

(i) **Goodwill:** The Company records goodwill based on expected profitability arising from the acquisition of: (a) Bartira in 2013, in the amount of R$ 627; (b) ASAPLog in 2020, in the amount of R$ 3; (c) Airfox in 2020, in the amount of R$ 189; and (d) I9XP in 2020 in the amount of R$ 11;
(ii) **Contractual rights:** The Company's contractual rights refer to re-acquisition of insurance intermediation rights and extended warranty. The useful lives of these assets were established based on the end date of the re-acquired rights.
(iii) **Trademarks and patents:** As a result of Bartira's business combination, a value for this brand was recognized in the amount of R$46 based on the royalties relief methodology, which represents the remuneration that would be adopted in the market for use of the brand had it not been acquired;
(iv) **Favorable contract:** As part of Bartira's business combination, the property used by Bartira is leased from the lessor Casa Bahia Comercial Ltda. Its measurement was made using information from comparable transactions in the market;
(v) **Goodwill:** Refers to amounts paid to former owners of points of sale.

In millions of Brazilian reais – R$, unless otherwise stated

b) Impairment testing of intangible assets

The Company analyzes, at least annually, if there is any indication that intangible assets are not capable of generating future economic benefits through the generation of revenue from the sale of products or services, cost reduction, or other benefits resulting from the use of the asset by the Company.

In the three-month period ended March 31, 2021, the Company assessed and understood that there was no significant change in the internal and external indicators of impairment and, therefore, did not perform a new impairment test of its intangible assets.

The Company will perform new impairment tests for the financial statements for the year ending on December 31, 2021, or earlier, if indications of impairment are identified.

13. Loans and financing

a) Breakdown of balances

		Individual and consolidated	
	Rate	**03.31.2021**	**12.31.2020**
CDCI (i)	5.37% p.a.	**5,023**	4,647
Loans in local currency (ii)	CDI + 3.65% p.a.	**2,094**	2,448
Debentures (iii)	CDI + 3.27% p.a.	**2,005**	2,001
		9,122	9,096
Current		**7,185**	6,687
Noncurrent		**1,937**	2,409

(i) Direct Consumer Credit with Seller Intervention (“CDCI”)

Direct Consumer Credit with Seller Intervention (“CDCI”) operations correspond to the financing of sales in installments to customers (Casas Bahia Credit Facility), through financial institutions (see Note 6), at fixed rates for each contract the Company performs. At March 31, 2021, the weighted average of the rates adopted by financial institutions for CDCI operations was 5.37% p.a. (5.39% p.a. as at December 31, 2020). The segregation of the respective balances between current and noncurrent is as follows:

	Individual and consolidated		
	03.31.2021	**12.31.2020**	**03.31.2020**
CDCI – Current	**4,613**	4,124	3,329
CDCI - Noncurrent	**538**	654	428
	5,151	4,778	3,757
Interest to be incurred	**(128)**	(131)	(105)
CDCI, net of interest to be incurred	**5,023**	4,647	3,652

In millions of Brazilian reais – R$, unless otherwise stated

(ii) Borrowings in domestic currency

In the period ended March 31, 2021, the Company did not enter into any new Bank Credit Notes (CCB) contracts. In 2020, the following contracts were executed:

Contract date	Amount raised	Term	Interest	Amortization
06/29/2020	R$2,503	2 years	CDI + 3.82%	Grace period of 6 (six) months for principal, quarterly amortization and quarterly interest
11/26/2020	R$150	3 years	CDI + 2.59%	Principal and semiannual interest
11/26/2020	R$150	3 years	CDI + 2.65%	Principal and annual interest

(iii) Debentures

On December 23, 2019, the Company made the 4th issue of simple, nonconvertible debentures in a single series. The Company issued 500,000 (five hundred thousand) debentures at the par value of R$1,000.00 (one thousand reais), at CDI + 0.99% p.a., final amortization and semiannual interest, which were publicly distributed with restricted placement efforts pursuant to CVM Ruling No. 476/2009. The debentures mature within two years from the issue date, and the funds raised were used to extend the Company's debt maturity profile.

On June 25, 2020, the Company made the 5th issue of simple, nonconvertible debentures in 2 (two) series. 650,000 (six hundred and fifty thousand) debentures were issued at the par value of R$1,000.00 (one thousand reais) for the 1st series and 850.00 (eight hundred and fifty thousand) debentures at the par value of R$1,000.00 (one thousand reais) for the 2nd series, at CDI + 3.75% p.a. and CDI + 4.25% p.a. respectively, with final amortization and quarterly interest, which were publicly distributed with restricted placement efforts pursuant to CVM Ruling No. 476/2009. The 1st series matures within 1 year and the 2nd series matures within 2 years from the issue date, and the funds raised were used to extend the Company's debt maturity profile.

In millions of Brazilian reais – R$, unless otherwise stated

b) Changes

The table below shows the changes in the cash flow financing activities.

	Individual and Consolidated
Balance at December 31, 2019	5,899
Cash flows from financing activities	
Fundraising (i)	1,266
Amortization (i)	(1,475)
Payment of interest (i)	(58)
Non-cash changes	
Interest incurred (i)	81
Swap	(4)
Foreign exchange difference	(4)
Balance at March 31, 2020	5,705
Balance at December 31, 2020	9,096
Cash flows from financing activities	
Fundraising (i)	**1,569**
Amortization (i)	**(1,572)**
Payment of interest (i)	**(91)**
Non-cash changes	
Interest incurred (i)	**120**
Balance at March 31, 2021	**9,122**

(i) At March 31, 2021, the amounts related only to CDCI operations included fundraising of R$1,569, repayments of R$1,215, payment of interest of R$40, and interest incurred of R$62 (R$1,266, R$1,358, R$58 and R$56 respectively, at March 31, 2020).

c) Aging list of loans and financing recognized in noncurrent liabilities

Year	Individual and Consolidated
9-month period of 2022	**1,818**
2023	**119**
	1,937

d) Covenants

The Company constantly monitors significant indicators, such as the consolidated financial leverage ratio, which is total net debt divided by Earnings Before Interest, Tax, Depreciation and Amortization adjusted (Adjusted EBITDA).

Debentures

The maintenance of the contractual maturity of debentures at their original maturities is subject to covenants, which are being regularly complied with. The key covenant compliance indicators are the following:

In millions of Brazilian reais – R$, unless otherwise stated

Covenants on net debt:

(i) Adjusted net debt consolidated (*) not exceeding Equity; and
(ii) Adjusted net debt to adjusted consolidated EBTIDA ratio (**) less than or equal to 3.25.

In the period ended March 31, 2021, the Company fully complied with all covenants related to loans and financing.

(*) **Consolidated net debt:** Short and long-term loans and financing, including debentures and promissory notes, excluding balances from CDCI operations and Lease agreements.

(**) **Adjusted consolidated EBITDA:** Gross profit, less operating expenses, excluding depreciation and amortization charges, plus other operating income and excluding general, administrative and sales expenses over the last 4 (four) quarters covered by the most recent consolidated financial statements.

14. Financial risk management

a) Breakdown of financial instruments

The key financial instruments and related amounts recorded in the individual and consolidated interim financial information, by category, are as follows:

	Individual		Consolidated	
	03.31.2021	12.31.2020	03.31.2021	12.31.2020
Financial assets				
Amortized cost				
Cash and cash equivalents	**1,316**	2,925	**1,387**	2,984
Trade accounts receivable (except Credit card companies)	**3,383**	3,277	**3,388**	3,283
Related parties	**349**	311	**323**	306
Fair value through other comprehensive income				
Credit card companies	**5,141**	5,512	**5,141**	5,512
Financial liabilities				
Amortized cost				
Trade accounts payable	**(7,558)**	(7,704)	**(7,669)**	(7,799)
Trade accounts payable – agreement	**(1,409)**	(484)	**(1,409)**	(484)
Loans and financing	**(9,122)**	(9,096)	**(9,122)**	(9,096)
Lease liabilities	**(3,946)**	(3,908)	**(4,000)**	(3,963)
Related parties	**(39)**	(51)	**(24)**	(26)
Transfer to third parties	**(420)**	(637)	**(440)**	(653)

The Company's treasury operations are regularly reported to the Financial Committee, the Board of Directors' advisory body, and, if necessary, directly to the Board of Directors, which approves the policies to be followed by the Company's treasury department. The most significant risks to which the Company is exposed are related to market risks arising from changes in basic interest rates, exchange differences, liquidity and credit risks. The Company monitors such risks and the respective impacts on financial projections.

In millions of Brazilian reais – R$, unless otherwise stated

b) Market risk

To calculate the sensitivity analysis, the interest rate risk for asset and liability balances presented by the Company at March 31, 2021 is the increase in the CDI percentage, since the total balance of loans and financing exceeded the balance of short-term investments indexed to the same interest rate type.

(i) Basic interest rate

The Company raises loans and financing in local currency from the major financial institutions, at fixed and floating rates, among which the CDI, to cover working capital and investment needs. Likewise, the Company makes short-term investments by reference to the CDI as part of its cash management strategy.

The sensitivity analysis prepared considered an estimate of the net effect on P&L for the next 12 months. Three scenarios were considered. In scenario I, the annual interest rate was defined based on the CDI curve obtained from B3 for the maturity dates of transactions, limited to 12 months, at the rate of 5.10% p.a. Scenarios II and III considered interest rate increases of 25% and 50%, respectively.

The table below shows the basic interest rate risk sensitivity analysis, with the possible net impact on P&L for each scenario:

		Consolidated	**Sensitivity analysis**		
Transactions	**Risk**	**Balance at 03/31/2021**	**Scenario I**	**Scenario II**	**Scenario III**
Short-term investments	CDI increase	**1,347**	**58**	**72**	**87**
Bank loans (*)	CDI increase	**(4,099)**	**(255)**	**(288)**	**(321)**
Impact on P&L - expense			**(197)**	**(216)**	**(234)**

(*) Does not include CDCI loan agreements as these are subject to fixed interest rates.

c) Liquidity risk

The Company adopts the policy of maintaining sufficient short-term investments, loans and lines of credit to meet short- and long-term cash needs. The Company regularly monitors cash forecasts that include, upon the respective maturities, the settlement of contracted financial assets and liabilities. The Company's Treasury department maintains sufficient lines of credit to meet the expected working capital needs. Sensitivity analyses are carried out on a regular basis to assess the impact on the Company's liquidity position, in case the existing lines of credit are not renewed.

In millions of Brazilian reais – R$, unless otherwise stated

The table below shows the undiscounted cash flows of the financial liabilities held by the Company. The table includes principal and interest, calculated until the maturity of the financial liabilities. Accordingly, the balances presented may not match the statements of financial position balances.

	03.31.2021							
	Individual				Consolidated			
	Less than 1 year	1 - 5 years	Above 5 years	Total	Less than 1 year	1 - 5 years	Above 5 years	Total
Trade accounts payable	7,558	-	-	7,558	7,669	-	-	7,669
Trade accounts payable – agreement	1,412	-	-	1,412	1,412	-	-	1,412
Loans and financing	7,503	1,889	108	9,500	7,503	1,889	108	9,500
Lease liabilities	1,051	3,544	1,169	5,764	1,061	3,593	1,194	5,848
Related parties	39	-	-	39	24	-	-	24
Transfer to third parties	420	-	-	420	440	-	-	440
	17,983	5,433	1,277	24,693	18,109	5,482	1,302	24,893

d) Credit risk

The Company is exposed to credit risk for cash and cash equivalents held with financial institutions, in the position of accounts receivable generated in commercial transactions, as well as in non-recurring transactions, such as sale of non-financial assets.

To minimize credit risk in relation to cash and cash equivalent balances, the Company adopts policies that restrict its relationship with banks to financial institutions validated by the Financial Committee and approved by the Board of Directors. The authorized banks are classified as top-tier banks. This policy also establishes monetary limits and concentration of risks that are regularly updated.

The credit risk relating to Accounts receivable balances is mitigated as a significant portion of the Company's sales takes place with credit cards, which are substantially securitized with the credit card companies. Sales financed through Direct Consumer Credit with Seller Intervention ("CDCI") are lines of credit acquired from Bradesco, Safra, Banco do Brasil and Daycoval, with the objective of customer financing with the Company's intervention. Under this method, the Company holds the credit risk, adopting careful procedures when granting the credit. The balance receivable from customers is dispersed, with no representative individual amounts.

Estimates of impairment of financial assets are calculated according to the Company's accounting policy, as described in Note 6(a) of the 2020 annual financial statements. Balances of these estimates presented at March 31, 2021 and December 31, 2020 were considered sufficient by management to cover possible losses on the receivables portfolio.

In millions of Brazilian reais – R$, unless otherwise stated

e) Capital management

The objective of the Company management is to ensure an adequate credit risk rating, in addition to a well-established proportion of third-party capital, in order to support the business and maximize shareholders' value. The Company manages the capital structure and monitors the financial position considering changes in economic conditions. The Company is not subject to any capital requirements of regulatory agencies.

	Consolidated			
	03.31.2021		12.31.2020	
	With CDCI	Without CDCI	With CDCI	Without CDCI
Cash and cash equivalents	**1,387**	**1,387**	2,984	2,984
Accounts receivable – Casas Bahia Credit Facility (CDCI)	**3,497**	**-**	3,275	-
Trade accounts payable – agreement (i)	**(1,409)**	**(1,409)**	(484)	(484)
Loans and financing	**(9,122)**	**(4,099)**	(9,096)	(4,449)
Net debt	**(5,647)**	**(4,121)**	(3,321)	(1,949)
Equity	**6,163**	**6,163**	5,979	5,979
Net debt ratio	**(0.92)**	**(0.67)**	(0.56)	(0.33)

(i) Trade accounts payable - agreement: these refer to financial liabilities characterized by prepayments to suppliers, through financial institutions, whose maturities have been postponed. Due to the characteristics of commercial negotiation of deadlines between suppliers and the Company, these financial liabilities were included in programs for advancing funds through the Company's credit lines with financial institutions, at the implied financial cost of 3.96% p.a. at March 31, 2021 (3% p.a. at December 31, 2020). The Company understands that this transaction is of a specific nature and classifies it separately from Trade accounts payable.

f) Fair value measurement

At March 31, 2021, the Company maintained certain financial assets and liabilities, for which the disclosure of fair value measurement is required in accordance with CPC 40 (IFRS 7), as shown in the table below:

	Individual and consolidated	
	Book value	Fair value
Amortized cost		
Casas Bahia Credit Facility (i)	**3,497**	**3,677**
Loans and financing – CDCI (ii)	**(5,023)**	**(4,998)**
Fair value through other comprehensive income		
Credit card companies (ii)	**5,141**	**5,141**

(i) These are classified at level 3, as non-observable inputs are used for fair value measurement. For this calculation, the Company used as assumption the Casas Bahia Credit Facility receivables portfolio and the expectation of loss on the notes, as well as the average discount rate of trade notes.
(ii) These are classified at level 2, as readily observable market inputs are used, such as interest rate projections, spot and future exchange rate parity quotes, and negotiations with independent parties.

The Company evaluated and concluded that, except for those indicated in the previous table, most of its financial assets and liabilities are equivalent to their book values, mainly due to their short-term maturities.

The Company's financial instruments are not traded on organized markets and will be held until their maturity, except for the financial assets of Credit card companies.

In millions of Brazilian reais – R$, unless otherwise stated

15. Taxes payable

a) Breakdown of balances

	Individual		Consolidated	
	03.31.2021	**12.31.2020**	**03.31.2021**	**12.31.2020**
ICMS payable	**88**	228	**88**	228
Special Tax Settlement Program (PERT)	**25**	25	**26**	27
Withholding Income Tax (IRRF) payable	**42**	28	**44**	28
Other	**14**	14	**17**	16
	169	295	**175**	299
Current	**147**	273	**152**	276
Noncurrent	**22**	22	**23**	23

16. Current and deferred income and social contribution taxes

a) Reconciliation of income and social contribution tax income (expense)

	Individual		Consolidated	
	03.31.2021	**03.31.2020**	**03.31.2021**	**03.31.2020**
Income before taxes	**65**	19	**53**	17
Income and social contribution taxes at the statutory rate of 34%	**(22)**	(6)	**(18)**	(6)
Investment grant (i)	**149**	-	**150**	-
Equity pickup	**(6)**	4	**5**	4
Effect of differences in tax rates of entities abroad	**-**	-	**(3)**	-
Unrecognized tax loss (ii)	**-**	-	**(1)**	-
Other permanent differences	**(6)**	(4)	**(6)**	(2)
Effective income and social contribution taxes	**115**	(6)	**127**	(4)
Current tax recognized through profit or loss	**-**	-	**-**	-
Deferred tax recognized through profit or loss	**115**	(6)	**127**	(4)
Income and social contribution tax income (expenses), net	**115**	(6)	**127**	(4)

(i) Investment grant
The Company has tax benefits that reduce the State Value-added Tax (ICMS) expense such as ICMS matching credit, reduction of the taxable base and reduction of tax rate. These benefits are distributed in 21 Brazilian states that result in a considerable amount of exclusion from the IRPJ and CSLL tax bases. To make the use of this tax benefit feasible, the Company complies with the legal requirements. Up to March 31, 2021, the excluded amount represented 2% of the revenue from goods sold, net of taxes. In 2020, that proportion was 3%.

(ii) Unrecognized tax loss
Subsidiary BanQi recognized deferred tax assets, considering the Company's business plan. Subsidiary Cnova, in its turn, keeps not recognizing deferred tax assets resulting from tax losses since there is no expectation of realization due to losses recorded in previous years. In the period ended March 31, 2021, deferred income and social contribution taxes not recognized in the statement of financial position referring to IRPJ and CSLL tax losses are as under:

	Consolidated	
	03.31.2021	**12.31.2020**
Cnova	**450**	450
BanQi	**-**	15
Other companies	**1**	-

In millions of Brazilian reais – R$, unless otherwise stated

b) Breakdown of deferred income and social contribution taxes:

	Individual		Consolidated	
	03.31.2021	12.31.2020	03.31.2021	12.31.2020
Provision for contingencies	**472**	502	**485**	515
Allowance for expected credit losses	**227**	184	**227**	185
Income and social contribution tax losses	**695**	528	**788**	609
Provision for current expenses	**48**	115	**49**	118
Estimated loss on property and equipment and inventories	**40**	42	**41**	42
Leases	**258**	250	**263**	255
Other	**71**	66	**74**	68
Total deferred tax assets	**1,811**	1,687	**1,927**	1,792
Depreciation and amortization of property and equipment and intangible assets	**(157)**	(152)	**(167)**	(162)
PPA Bartira	**-**	-	**(22)**	(23)
Other	**-**	-	**(6)**	(6)
Total deferred tax liabilities	**(157)**	(152)	**(195)**	(191)
	1,654	1,535	**1,732**	1,601

Deferred income and social contribution taxes are stated in the statement of financial position for the net amount, by taxpaying entity, as follows:

	Individual		Consolidated	
	03.31.2021	12.31.2020	03.31.2021	12.31.2020
Deferred tax assets	**1,654**	1,535	**1,738**	1,607
Deferred tax liabilities	**-**	-	**(6)**	(6)

c) Expected realization of deferred income and social contribution tax assets

Deferred income and social contribution tax assets were recognized as a result of studies prepared by management that show the generation of future taxable profits in an amount sufficient for the full realization of these amounts, in addition to the expected realization of deductible temporary differences, as follows:

At March 31, 2021	Individual	Consolidated
9-month period of 2021	**293**	**312**
2022	**266**	**277**
2023	**228**	**245**
2024	**267**	**281**
2025	**295**	**312**
Above 5 years	**462**	**500**
	1,811	**1,927**

In millions of Brazilian reais – R$, unless otherwise stated

17. Provision for contingencies

a) Balances and changes

	Individual			
	Tax	Social security and labor	Civil and other	Total
Balance at December 31, 2019	2	1,475	322	1,799
Additions of new proceedings and other additions	-	180	49	229
Write-off of provision due to settlement	-	(124)	(22)	(146)
Write of provision due to success and other write-offs	-	(218)	(29)	(247)
Monetary restatement	-	41	9	50
Balance at March 31, 2020	2	1,354	329	1,685
Balance at December 31, 2020	-	1,352	273	1,625
Additions of new proceedings and other additions	**-**	**199**	**38**	**237**
Write-off of provision due to settlement	**-**	**(269)**	**(29)**	**(298)**
Write of provision due to success and other write-offs	**-**	**(58)**	**(8)**	**(66)**
Monetary restatement	**-**	**36**	**8**	**44**
Balance at March 31, 2021	**-**	**1,260**	**282**	**1,542**

	Consolidated			
	Tax (i)	Social security and labor (ii)	Civil and other (iii)	Total
Balance at December 31, 2019	39	1,503	323	1,865
Additions of new proceedings and other additions	-	185	49	234
Write-off of provision due to settlement	-	(126)	(22)	(148)
Write of provision due to success and other write-offs	-	(221)	(29)	(250)
Monetary restatement	-	41	9	50
Balance at March 31, 2020	39	1,382	330	1,751
Balance at December 31, 2020	38	1,380	273	1,691
Additions of new proceedings and other additions	**-**	**206**	**38**	**244**
Write-off of provision due to settlement	**-**	**(277)**	**(29)**	**(306)**
Write of provision due to success and other write-offs	**-**	**(59)**	**(8)**	**(67)**
Monetary restatement	**-**	**37**	**8**	**45**
Balance at March 31, 2021	**38**	**1,287**	**282**	**1,607**

(i) Tax

Tax proceedings are subject, by law, to monthly restatement, calculated based on index used by each tax jurisdiction. In all proceedings, both interest charges and fines on unpaid amounts, when applicable, were fully computed and provisioned.

At March 31, 2021, significant tax proceedings provisioned refer to PIS/COFINS credit amounting to R$38 (R$38 at December 31, 2020), whose offset was not approved. The provision was recorded based on the assessment of external legal advisors and corroborated by management.

(ii) Social security and labor

The Company is party to various labor claims relating to employee severance, as result of the ordinary turnover of its business. At March 31, 2021, the Company maintained a provision in the amount of R$1,287 (R$1,380 at December 31, 2020).

The Company has 22,540 ongoing labor claims at March 31, 2021 (22,275 at December 31, 2020). The provision for labor contingencies is calculated based on effective historical losses applied to the total ongoing claims per position, and individual risk assessment for certain proceedings having particular characteristics.

(iii) Civil and other

The Company responds to civil claims, the main ones being related to the following:

- Proceedings requesting the renewal of store lease, in which the Company is required to pay provisional rent amounts until a final and unappealable decision on the litigation. During the trial period of proceedings, the Company recognizes a provision based on the difference between the amount paid as provisional rent and the amounts claimed by the lessors. At March 31, 2021, this provision totaled R$38 (R$37 at December 31, 2020);

- Proceedings involving consumer relations law: The Company has 35,072 ongoing civil claims at March 31, 2021 (34,522 at December 31, 2020). The provision for these contingencies is calculated based on effective historical losses applied to the total ongoing claims per position, and individual risk assessment for certain proceedings having particular characteristics. At March 31, 2021, this provision totaled R$244 (R$236 at December 31, 2020).

b) Contingent liabilities

The Company is a party to other contingencies that were analyzed by legal advisors and assessed as possible loss which, therefore, are not provisioned, totaling R$3,665 at March 31, 2021 (R$3,612 at December 31, 2020), mainly related to:

Tax

- COFINS, PIS, IRPJ, IRRF, CSLL and INSS: (i) administrative and legal proceedings related to offset requests not recognized by the taxation authorities, generated due to credits from favorable court decisions, payment differences and fine for noncompliance with accessory obligations; (ii) tax delinquency notice as a result of PIS and COFINS not levied on amounts deemed by the Brazilian IRS as taxable revenues, such as bonuses paid to suppliers; (iii) use of PIS and COFINS credits relating to advertising expenses and card administration fees; (iv) tax delinquency notice as a result of insufficient offset tax loss balance; (v) other proceedings of less materiality. The amount involved in the referred to proceedings at March 31, 2020 is approximately R$953 (R$908 at December 31, 2020).

- Tax Relief Law (“Lei do Bem”): tax assessment for calendar year 2016 due to disregard of the repeal of the benefit of the PIS/COFINS zero contribution tax rate on retail sales of IT products and smartphones, under the Digital Inclusion Program, by operation of Provisional Executive Order (MP) No. 690/2015, signed into Law No. 13241/15. The amount of the tax assessment notice corresponds to R$ 927 of PIS and COFINS at March 31, 2021 (R$924 at December 31, 2020).

- ICMS-ST (Tax Substitution taxation regime) on purchases of goods: tax assessment notice arising from the appropriation of PIS and COFINS credits on the ICMS-ST disclosed in the purchase invoices relating to goods for resale in calendar year 2016. The amount of the tax assessment notice corresponds to R$ 258 at March 31, 2021 (R$258 at December 31, 2020).

In millions of Brazilian reais – R$, unless otherwise stated

- ICMS, ISS and Real Estate Tax ("IPTU"): (i) administrative and legal proceedings resulting from ISS not levied on amounts deemed by the municipal tax authorities as service revenue; (ii) tax delinquency notices arising from alleged differences upon crosschecking the information filed with the state finance departments, and ICMS not levied on rendering of extended warranty services; (iii) tax delinquency notices arising from the use of Company's credits for acquisition of goods from suppliers with irregular state registration and fine for noncompliance with accessory obligations; and (iv) other proceedings of less materiality. The amount involved in the referred to proceedings at March 31, 2021 is approximately R$1.075 (R$1,048 at December 31, 2020);

- Mandala goodwill: tax delinquency notices due to the deduction of amortization charges in years 2012, 2013, 2015 and 2016 relating to goodwill arising from the acquisition of Ponto in calendar year 2009. The restated amount of the tax delinquency notice corresponds to IRPJ and CSLL amounting to R$266 at March 31, 2021 (R$265 at December 31, 2020).

Civil and other

At March 31, 2021, the Company is party to other civil contingencies totaling R$143 (R$167 at December 31, 2020) that were analyzed by legal advisors and assessed as possible loss which, therefore, are not provisioned.

c) Judicial deposits

The Company is challenging the payment of certain taxes and contributions, as well as social security, labor and civil matters for which supplied appeal bonds (restricted) in amounts equivalent to those pending decisions. This amount is recorded in the Company's assets, as follows:

	Individual		**Consolidated**	
	03.31.2021	**12.31.2020**	**03.31.2021**	**12.31.2020**
Social security and labor	**386**	412	**403**	429
Tax (i)	**271**	166	**275**	170
Civil and other	**75**	76	**76**	77
	732	654	**754**	676

(i) Upon enactment of Constitutional Amendment No. 87/2015 and of CONFAZ Agreement No. 93/2005, the States and the Federal District, by means of state laws, started to demand the ICMS Tax Rate Differential ("DIFAL") on interstate operations involving final consumers who are not ICMS taxpayers.

Nonetheless, due to the unconstitutionality of this requirement established by state laws, not supported by a previous supplementary law, the Company filed lawsuits challenging the collection of DIFAL.

On February 24, 2021, the Plenary Session of the Federal Supreme Court (STF), upon judging Appeal to STF No. 1.287.019, a case of general resonance, established the following legal theory: "The collection of the rate differential referring to the ICMS, as introduced by Constitutional Amendment No. 87/2015, presupposes the edition of a supplementary law providing for general rules applicable thereto".

There was a limitation of the effects of this decision for the financial year following the conclusion of this judgment, that is, for the year of 2022. However, such limitation does not affect the Company, since the lawsuits were filed before the date of publication of the STF decision.

In millions of Brazilian reais – R$, unless otherwise stated

d) Collaterals and bank guarantees

At March 31, 2021, the Company offered guarantees in connection with social security, labor, tax and civil proceedings, as follows:

Proceedings	03.31.2021
Social security and labor	**1,927**
Tax	**1,182**
Civil and other	**368**
	3,477

At March 31, 2021, the Company presents bank guarantees involving commercial agreements on financial services (deferred revenue) and administrative agreements totaling R$656.

The corporate guarantees granted by Companhia Brasileira de Distribuição at March 31, 2021 total R$2,216.

18. Leases

a) Breakdown of balances and changes

Right-of-use asset

	Individual	Consolidated
Balance at December 31, 2019	3,612	3,640
Additions and remeasurements	46	46
Depreciation	(139)	(140)
Balance at March 31, 2020	3,519	3,546
Balance at December 31, 2020	3,039	3,079
Additions and remeasurements	**225**	**226**
Write-offs	**(44)**	**(44)**
Depreciation	**(145)**	**(146)**
Balance at March 31, 2021	**3,075**	**3,115**

Classification of depreciation of right-of-use asset in the Statement of profit or loss

In the three-month periods ended March 31, 2021 and March 31, 2020, the Company recognized the following Right-of-use asset depreciation amounts in the Cost of goods and services sold:

	Individual		Consolidated	
	03.31.2021	03.31.2020	03.31.2021	03.31.2020
Depreciation	**32**	31	**33**	32

In millions of Brazilian reais – R$, unless otherwise stated

Lease liabilities

	Individual	Consolidated
Balance at December 31, 2019	4,543	4,583
Addition and remeasurement	45	45
Payment of principal	(131)	(131)
Payment of interest	(96)	(97)
Interest incurred	96	97
Balance at March 31, 2020	4,457	4,497
Balance at December 31, 2020	3,908	3,963
Addition and remeasurement	**225**	**226**
Write-offs	**(60)**	**(61)**
Payment of principal	**(127)**	**(128)**
Payment of interest	**(92)**	**(93)**
Interest incurred	**92**	**93**
Balance at March 31, 2021	**3,946**	**4,000**
Current	**684**	**689**
Noncurrent	**3,262**	**3,311**

b) Aging list of the lease liabilities recognized in noncurrent liabilities

	Individual			Consolidated		
Year	**Gross flow**	**Embedded interest**	**Lease liabilities**	**Gross flow**	**Embedded interest**	**Lease liabilities**
9-month period of 2022	**922**	**(314)**	**608**	**933**	**(320)**	**613**
2023	**822**	**(269)**	**553**	**833**	**(274)**	**559**
2024	**702**	**(227)**	**475**	**712**	**(231)**	**481**
2025	**602**	**(188)**	**414**	**611**	**(192)**	**419**
2026	**495**	**(150)**	**345**	**504**	**(153)**	**351**
Above 5 years	**1,169**	**(302)**	**867**	**1,195**	**(307)**	**888**
	4,712	**(1,450)**	**3,262**	**4,788**	**(1,477)**	**3,311**

c) Potential right for PIS and COFINS recoverable

The Company has potential right for PIS and COFINS recoverable embedded in the considerations of leases. In measuring cash flows from leases, tax credits were not recorded, and the potential effects of PIS and COFINS on gross contractual flow at March 31, 2021 amounted to R$425 in the Individual financial statements and R$433 in the Consolidated financial statements (R$426 in the Individual financial statements and R$433 in the Consolidated financial statements at December 31, 2020).

In millions of Brazilian reais – R$, unless otherwise stated

19. Deferred revenue

a) Breakdown of balances

	Individual		Consolidated	
	03.31.2021	12.31.2020	03.31.2021	12.31.2020
Additional or extended guarantees	**1,102**	1,127	**1,102**	1,127
Bradesco	**118**	145	**118**	145
Insurance and services	**110**	113	**110**	113
Other	**8**	8	**104**	108
	1,338	1,393	**1,434**	1,493
Current	**349**	357	**381**	385
Noncurrent	**989**	1,036	**1,053**	1,108

b) Management's estimate for realization of amounts classified as "Noncurrent"

Year	Individual	Consolidated
9-month period of 2022	**251**	**251**
2023	**335**	**336**
2024	**331**	**335**
2025	**40**	**47**
2026	**8**	**16**
2027 to 2029	**24**	**68**
	989	**1,053**

20. Equity

a) Capital

At March 31, 2021, the Company's paid-up and subscribed capital amounted to R$5,133 (R$5,133 at December 31, 2020) and was represented by 1,597,354 thousand common registered no-par-value shares with voting right. In the period ended March 31, 2021, the following capital increases took place:

Date of capital increase (*)	Amounts in Brazilian reais (R$)	Number of common shares
03/02/2021	52,538.93	12,507

(*) Capital increase from the exercise of stock options plans.

b) Treasury shares

In 2018, as a result of the Company's migration to the B3 listing segment called Novo Mercado and the respective conversion of all the preferred shares issued by the Company into common shares, the holders of preferred shares who did not attend the Special General Meeting (SGM) held on September 3, 2018 were granted the right to withdraw. The Company repurchased 300 thousand preferred shares totaling R$ 685,839.75 (six hundred and eighty-five thousand, eight hundred and thirty-nine reais and seventy-five cents) paid on October 5, 2018.

c) Capital transactions

Differences arising from changes in the equity interest of subsidiaries or investees under common control with CBD are recorded in this account, considering that these are capital transactions, i.e. transactions with shareholders as owners.

d) Capital reserves

(i) Goodwill reserve

The amount recognized in "Special goodwill reserve" derives from the merger of Mandala Empreendimentos e Participações S.A. into the Company on December 22, 2009, a company whose goodwill had been generated upon acquisition of Via by CBD. The merged goodwill has a provision for integrity of equity of 66% in order to keep the tax benefit that was amortized according to the economic benefit of goodwill. As established in the Merger Agreement of Casa Bahia's Shares entered into on October 5, 2010 (approved at the Special General Meeting held on November 9, 2010), the tax benefit arising from such amortization will be capitalized without issuing new shares, that is, in benefit of all shareholders of Via.

(ii) Premium on subscription of shares

The premium on subscription of shares arises when the Company trades its shares and the buyer pays a value per share higher than the equity value; this positive difference must be accounted for as capital reserves. On June 15, 2020, a public offering of primary distribution of common registered book-entry shares without par value was made after approval at a meeting of the Company's Board of Directors, through which 297,000,000 new shares at the price of R$15.00 (fifteen reais) each were issued, within the limit of the authorized capital; thus, the total amount of the Restricted Offer was R$4,455,000,000.00 (four billion, four hundred and fifty-five million reais).

The Company determined that, of the price per share of R$15.00: (i) the amount of R$7.50 would be allocated to the Company's Capital account, totaling R$2,227,500,000.00 (two billion, two hundred and twenty-seven million, five hundred thousand reais) in capital increase, and (ii) the remaining amount of R$7.50 would be allocated to Capital Reserve, under the premium on subscription of shares account, totaling R$2,227,500,000.00 (two billion, two hundred and twenty-seven million, five hundred thousand reais).

(iii) Options granted

The Company maintains share-based compensation plans with the purpose of: allowing the participation of the Company's managing officers and employees in its capital and in capital increases arising from earnings to which the referred to managing officers and employees have contributed; fostering the achievement of the Company's corporate purposes; and aligning the interests of the Company's managing officers and employees to those of the Company's shareholders.

Stock option plan (equity-settled transaction)

The total expense including taxes and social charges withheld, relating to the stock option programs and recognized in the three-month period ended December 31, 2021 totaled R$11 (R$12 in the three-month period ended March 31, 2020).

Phantom Stock Option Plan ("Phantom Shares")

In January and March, 2021, 21,232 phantom shares equivalent to 63,696 common shares issued by the Company were granted to the beneficiaries of the program. Once the service condition is fulfilled, which means to remain under employment relationship as an officer or employee of the Company or company under its control over the whole vesting period, elapsing in July 2025, the beneficiary will be entitled to receive the premium in 3 installments as of the third anniversary of the grant date in proportion to the following percentages: (i) 40% of the premium on the third anniversary date; (ii) 30% of the premium on the fourth anniversary date; and (iii) 30% of the premium on the fifth anniversary date.

At March 31, 2021, the liabilities corresponding to this premium, including social charges, is recorded in noncurrent liabilities amounting to R$17 (R$20 at December 31, 2020). The expense recognized in the quarter ended March 31, 2021 totaled R$3 (R$3 in the quarter ended March 31, 2020).

e) Income reserves

Investment grant

The Company has ICMS tax incentives that are classified as investment subsidies. In view of Supplementary Law (LC) No. 160/2017, as at December 31, 2020 the Company allocated R$ 1,004 to the investment grant reserve, under Income reserve.

The investment grant amounts are not part of the minimum mandatory dividend calculation base, as it can only absorb losses or be incorporated into capital, pursuant to Law No. 6404/76.

f) Absorption of accumulated losses from previous years

Pursuant to the Brazilian Corporation Law, the income for the year must be used to absorb accumulated losses from previous years. The income as at December 31, 2020 was R$ 1,004 and the existing amount of accumulated losses from previous years was R$ 1,420.

On April 27, 2021, the Special General Meeting (SGM) approved the resolution on absorption of the remaining accumulated losses, which at December 31, 2020 amounted to R$ 416, thus absorbing the entire balance of accumulated losses from previous periods.

In millions of Brazilian reais – R$, unless otherwise stated

21. Sales and service revenue

a) Breakdown of balances

	Individual		Consolidated	
	03.31.2021	03.31.2020	03.31.2021	03.31.2020
Goods	**7,898**	6,636	**7,901**	6,636
Operational finance transactions (b)	**533**	467	**533**	467
Services	**259**	215	**269**	215
Freight and assembly services	**94**	108	**94**	108
Gross sales revenue net of returns and cancellations	**8,784**	7,426	**8,797**	7,426
Taxes on goods	**(1,167)**	(1,009)	**(1,171)**	(1,015)
Taxes on operational finance transactions (b)	**(24)**	(20)	**(24)**	(20)
Taxes on services	**(34)**	(29)	**(34)**	(29)
Taxes on freight and assembly services	**(21)**	(22)	**(21)**	(23)
Taxes on revenue	**(1,246)**	(1,080)	**(1,250)**	(1,087)
Net operating revenue	**7,538**	6,346	**7,547**	6,339

b) Revenue from operating finance transactions

	Individual		Consolidated	
	03.31.2021	03.31.2020	03.31.2021	03.31.2020
Casas Bahia Credit Facility (i)	**505**	436	**505**	436
Other	**28**	31	**28**	31
Gross revenue from operating finance transactions – returns and cancellations	**533**	467	**533**	467
Casas Bahia Credit Facility	**(21)**	(17)	**(21)**	(17)
Other	**(3)**	(3)	**(3)**	(3)
Taxes on operating finance transactions	**(24)**	(20)	**(24)**	(20)
Operating finance income – Casas Bahia Credit Facility	**484**	419	**484**	419
Revenue from operating finance transactions (Other)	**25**	28	**25**	28

(i) These correspond to time sales financed through Direct Consumer Credit with Seller intervention (Casas Bahia Credit Facility), which can generally be paid in up to 24 monthly installments.

	Individual		Consolidated	
	03.31.2021	03.31.2020	03.31.2021	03.31.2020
Casas Bahia Credit Facility	**505**	436	**505**	436
Interest to be incurred - Casas Bahia Credit Facility (Note 6.1)	**1,114**	975	**1,114**	975
Total interest - Casas Bahia Credit Facility	**1,619**	1,411	**1,619**	1,411

In millions of Brazilian reais – R$, unless otherwise stated

22. Expenses by nature

	Individual		Consolidated	
	03.31.2021	**03.31.2020**	**03.31.2021**	**03.31.2020**
Cost with inventories sold	**4,922**	4,194	**4,898**	4,156
Personnel expenses	**730**	637	**765**	656
Third-party service expenses	**727**	562	**751**	569
Freight expenses	**251**	220	**258**	220
Estimated loss on doubtful accounts – Casas Bahia Credit Facility, net of recovery (ADA)	**110**	111	**110**	111
Estimated losses on doubtful accounts – Other (ADA)	**27**	11	**27**	11
Expenses with labor contingencies	**122**	(31)	**121**	(30)
Other	**83**	78	**94**	84
	6,972	5,782	**7,024**	5,777
Cost of goods sold and services rendered	**5,145**	4,396	**5,178**	4,391
Selling expenses	**1,608**	1,259	**1,612**	1,259
General and administrative expenses	**219**	127	**234**	127
	6,972	5,782	**7,024**	5,777

23. Other operating income (expenses), net

	Individual		Consolidated	
	03.31.2021	**03.31.2020**	**03.31.2021**	**03.31.2020**
Restructuring expenses (i)	**(15)**	(55)	**(15)**	(56)
Gain (loss) on disposal of property and equipment and intangible assets	**6**	(5)	**5**	(4)
Other	**(1)**	-	**2**	2
	(10)	(60)	**(8)**	(58)

(i) This line includes, mainly, expenses with logistics adjustments, employment contract termination and labor contingencies, resulting from the implementation of measures to adjust the Company's expense structure, both in the operational and administrative functions.

In millions of Brazilian reais – R$, unless otherwise stated

24. Finance income (costs), net

a) Breakdown of balances

	Individual		Consolidated	
	03.31.2021	03.31.2020	03.31.2021	03.31.2020
Finance costs				
Cost of debt (b)	**(123)**	(68)	**(123)**	(68)
Costs of sales and discount on receivables	**(25)**	(109)	**(25)**	(109)
Losses on restatements	**(45)**	(52)	**(46)**	(53)
Interest on lease liabilities	**(92)**	(96)	**(93)**	(97)
Other finance costs	**(22)**	(21)	**(20)**	(22)
Total finance costs	**(307)**	(346)	**(307)**	(349)
Finance income				
Yield from cash and cash equivalents	**1**	4	**1**	4
Gains on restatements	**8**	18	**8**	18
Advances to suppliers	**13**	8	**13**	8
Other finance income	**1**	-	**1**	1
Total finance income	**23**	30	**23**	31
Finance income (costs), net	**(284)**	(316)	**(284)**	(318)

b) Cost of debt

	Individual		Consolidated	
	03.31.2021	03.31.2020	03.31.2021	03.31.2020
Consumer financing - CDCI (i)	**(61)**	(57)	**(61)**	(57)
Other	**(62)**	(11)	**(62)**	(11)
Cost of debt	**(123)**	(68)	**(123)**	(68)

(i) Direct Consumer Credit with Seller Intervention- CDCI ("Casas Bahia Credit Facility") operations correspond to the financing of sales in installments to customers through financial institutions (see Note 13), at fixed rates for each contract the Company performs. At March 31, 2021, the weighted average of the rates adopted by financial institutions for CDCI operations was 5.37% p.a. (5.39% p.a. at December 31, 2020). Costs incurred with these operations are as under:

25. Earnings (loss) per share

a) Table of earnings (loss) per share

The table below shows the determination of net income available to shareholders and the weighted average number of outstanding shares.

	03.31.2021	03.31.2020
Basic numerator		
Basic earnings (loss) allocated and not distributed	**180**	13
Basic earnings (loss) allocated and not distributed	**180**	13
Basic denominator (in thousands of shares)		
Weighted average number of shares	**1,597,046**	1,299,522
Basic earnings (loss) per share (in R$)	**0.11227**	0.01001
Diluted denominator (in thousands of shares)		
Stock options	**37,956**	12,790
Weighted average number of shares	**1,597,046**	1,299,522
Diluted weighted average	**1,635,002**	1,312,312
Diluted earnings (loss) per share (in R$)	**0.10967**	0.00991

26. Insurance coverage

The Company's practice is taking out insurance coverage to minimize the risks of damage to its equity that may cause losses for its business. The insurance coverage encompasses protection of stores, distribution centers and administrative buildings, including all property and equipment and inventories. The fleet of trucks and light vehicles is likewise insured. For any losses that the Company might suffer due to the interruption of its activities due to accidents covered by the insurance policy, the loss of profit insurance covers the losses caused.

At March 31, 2021, the insurance coverage is deemed sufficient by management to cover claims, if any, and is summarized as follows:

Insured assets	Insured perils	Insured amount
Property and equipment and inventories	Named perils	**14,763**
Profit	Loss of profits	**5,388**
Vehicle and other (*)	Losses and damages	**102**

(*) This does not include coverage of bodywork, which is insured at an amount equivalent to 100% of the Foundation Institute of Economic Research ("FIPE") table.

The Company has specific policies covering civil and administrative liability risks in the amount of R$436.

27. Segment information

Operating segments are defined as components of a business for which financial information is available and is evaluated regularly by the chief operating decision maker in deciding how to allocate resources to an individual segment and in assessing the segment performance. Considering that all decisions are made based on consolidated reports and that all decisions relating to strategic, financial, procurement and investment planning and to investment of funds are made on a consolidated basis, it is possible to conclude that the Company operates in one single operating segment in the retail market of electronics, home appliances and furniture.

28. Events after the reporting period

6th Public issue of debentures

As per communications disclosed by the Company on April 18, and May 11, 2021, the Board of Directors approved the 6th (sixth) public issue of non-privileged unsecured nonconvertible debentures, in up to 2 (two) series of the Company, for public distribution with restricted distribution efforts, under the terms of CVM Ruling No. 476/2009 ("Issue"). This is the first issue of the Company with conditions linked to the achievement of sustainability targets (sustainability-linked bond - SLB), which will be ascertained and supported by an opinion issued by a specialist independent consulting firm.

One million (1,000,000) debentures were issued at a unit value of R$ 1,000.00 (one thousand reais), of which 771,959 (seven hundred and seventy-one thousand, nine hundred and fifty-nine) debentures of the 1st series of the Issue ("Debentures of the 1st Series") and 228,041 (two hundred and twenty eight thousand, forty-one) debentures of the 2nd series of the Issue ("Debentures of the 2nd Series"), totaling R$ 1,000,000,000.00 (one billion reais) on the Issue Date.

The Debentures were issued on April 30, 2021 and settled on May 10, 2021. The 1st Series Debentures will have a term of 3 (three) years as of the Issue Date, remunerated at CDI + 1.90% p.a. ("Original 1st Series Surcharge"). The 2nd Series Debentures will have a term of 5 (five) years as of the Issue Date, remunerated at CDI + 2.10% p. a. ("Original 2nd Series Surcharge"). If the targets for achieving the use of renewable electric energy provided for in the Debentures Indenture in the first measurement are not met, the remuneration surcharge will be increased by 10 basis points (10bps), so that the Original 1st Series Surcharge will be adjusted to up to 2.00 % p.a. ("1st Series Adjusted Surcharge") and the Original 2nd Series Surcharge will be adjusted up to 2.20% p.a. ("2nd Series Adjusted Surcharge"). If the second measurement of the target regarding the use of renewable electricity provided for in the Indenture is not met and the first measurement of the target has been met, the Company must pay the Debenture Holders of the 2nd Series a flat premium of 0.125% on the Maturity Date of the 2nd Series. In the event that the first target is not met, the Company must pay the 2nd Series Debenture Holders a flat premium of 0.025% on the 2nd Series Maturity Date.

The renowned rating agency Standard & Poor's (S&P) rated the issue as br.AA, considered an investment grade on a national scale.

Acquisition of Celer fintech

On April 25, 2021, the Company disclosed to its shareholders and the market in general that its subsidiary Lake Niassa Empreendimentos e Participações Ltda. executed the documents relating to the acquisition of 100% (one hundred percent) of the units of interest issued by Celer Processamento Comércio e Serviço Ltda. (“Celer”).

Celer is a fintech established as a proprietary payment solutions platform that currently offers a complete Bank-as-a Service (BaaS) package, allowing other fintechs to provide their customers with a full-fledged digital account integrated with payment services, comprising cash-in and cash-out alternatives, card issuance and processing, collection and transfer management, including PIX in the traditional portfolio.

Currently, Celer has approximately 200 integrated fintechs, which offer their customers, in addition to their own solutions, acquisition solutions and digital account for more than 24,000 accredited commercial establishments.

The completion of the operation and integration with Celer will allow the Company to expand the financial services available to sellers in their marketplace, such as (i) acquiring and gateway for physical and online sales, (ii) expansion of a complete digital banQi account integrated with PIX , (iii) a platform for anticipating receivables and also (iv) a complete management of the financial agenda, in addition to enabling the Company’s omnichannel journey, easing (a) the financial interaction between the marketplace seller and the Company’s physical stores, and (b) partnerships with relevant market players to design more innovation in the sector.

The consummation of the operation is subject to performance of conditions provided for in the definitive documents, as well as prior approval by the Brazilian Antitrust Agency (CADE).