Individual and Consolidated Financial Statements under BR GAAP and IFRS 2024

Individual and consolidated Financial Statements in BR GAAP and IFRS

C&A Modas S.A.

December 31, 2024 and 2023
and the Report of the Independent Auditor

C&A Modas S.A.

Individual and consolidated Financial Statements

December 31, 2024 and 2023

Content

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A free translation from Portuguese into English of Independent Auditor's Report on Individual and Consolidated Financial Statements prepared in Brazilian currency in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS), issued by International Accounting Standards Board - IASB (currently referred to by the IFRS Foundation as "IFRS standards")

Independent auditor's report on individual and consolidated financial statements

To the Shareholders, Board of Directors and Officers of
C&A Modas S.A.
Barueri - SP

We have audited the individual and consolidated financial statements of C&A Modas S.A. (the "Company"), identified as Individual and Consolidated, respectively, which comprise the statements of financial position as at December 31, 2024, and the statements of profit or loss, of comprehensive income, of changes in equity and of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion, the individual and consolidated financial statements referred to above present fairly, in all material respects, the individual and consolidated financial position of the Company as at December 31, 2024, and its individual and consolidated financial performance and cash flows for the year then ended in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board - IASB (currently referred to by the IFRS Foundation as "IFRS standards").

Basis for opinion

We conducted our audit in accordance with the Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the relevant ethical principles set forth in the Code of Professional Ethics for Accountants, the professional standards issued by Brazil's National Association of State Boards of Accountancy (CFC) and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of matter - Restatement of the individual and consolidated financial statements

We draw attention to Note 2.4 to the individual and consolidated financial statements, which have been changed and are being restated due to the correction of errors and reclassifications, as described in the referred note. On February 28, 2024, we issued an unmodified opinion on the Company's financial statements, which are being restated. Our opinion remains unmodified, since the financial statements and their corresponding amounts to prior period have been adjusted retrospectively.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide an individual opinion on these matters.

For each matter below, a description of how our audit addressed the matter, including any commentary on the findings or outcome of our procedures, is provided in the context of the individual and financial statements taken as a whole.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report, including in relation to these key audit matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the Company's financial statements.

Recoverability of deferred income and social contribution tax assets

As disclosed in Note 15, as at December 31, 2024, the Company has accounted for deferred income and social contribution tax assets amounting to R$741,993 thousand in the Individual, and R$727,554 thousand in the Consolidated, computed on temporary differences and on income and social contribution tax losses. The Company assessed the recoverability of the deferred income and social contribution tax assets based on projections of future taxable profits.

We consider this a key audit matter as such assessment involves a high degree of professional judgment by management in determining the assumptions and criteria used in the projections of future taxable profits, which are affected by market expectations and economic conditions.

How our audit addressed this matter

Our procedures included, among others, the involvement of specialists in financial projections and taxes to assist us in assessing the assumptions and methodology used by the Company in preparing the projections of future taxable profits. The projections of future taxable profits were prepared based on the Company's business plan, which was approved by the management boards. We also assessed the adequacy of the disclosures related to this matter in Note 15.

Based on the result of the audit procedures performed on the recoverability of deferred income and social contribution tax assets, which is consistent with management's assessment, we consider that the criteria and assumptions adopted by management as well as the related disclosures in Note 15 are acceptable in the context of the financial statements taken as a whole.

Realization of previously unused tax credits

As disclosed in Note 12, as at December 31, 2024, the Company has previously unused tax credits related to Contribution Taxes on Gross Revenue for Social Integration Program (“PIS”) and for Social Security Financing (“COFINS”) amounting to R$804,944 thousand, in the individual and consolidated financial statements, and R$107,560 thousand in the individual and consolidated financial statements related to Value-Added Tax on Sales and Services (ICMS) credits, resulting from legal proceedings. The Company assessed the recoverability of these balances based on the tax credit monetization plan, which is based on projections of its prospective financial information.

We consider this a key audit matter as such assessment involves a high degree of professional judgment by management in determining the assumptions and criteria used in income projections, which are affected by future market expectations and economic conditions.

How our audit addressed this matter

Our procedures included, among others, the involvement of specialists in financial projections and taxes to assist us in assessing the assumptions and methodology used by the Company in preparing future financial projections. The projections of prospective financial information were prepared based on the Company’s business plan, which was approved by the management boards. We also assessed the adequacy of the disclosures related to this matter in Note 12.

Based on the result of the audit procedures performed on the recoverability of the balances of previously unused tax credits, which is consistent with management’s assessment, we consider that the criteria and assumptions adopted by management as well as the related disclosures in Note 12 are acceptable in the context of the financial statements taken as a whole.

Tax contingencies

The Company figures as a defendant in legal and administrative proceedings arising from various tax disputes, with a provision of R$252,397 thousand as at December 31, 2024, in the individual and consolidated, as disclosed in Note 26. The assessment of the likelihood of loss and the measurement of the provision to cover probable losses require judgment by the Company’s management, which relies on the opinions of its internal and external legal advisors. Any changes in the assumptions used by the Company, which were the basis for exercising this judgment, or in external factors, including the positioning of tax authorities and courts, may significantly impact the Company’s individual and consolidated financial statements.

Furthermore, as at December 31, 2024, the Company is involved in tax discussions totaling R$513,052 thousand, as disclosed in Note 26.3, for which a provision has not been recorded in the financial statements due to the management’s assessment, supported by its internal and external legal advisors, that the likelihood of loss in these discussions is possible but not probable.

We consider this matter a key audit matter due to the magnitude of the amounts involved and the fact that the assessment of the likelihood of loss as well as the measurement of the provision involve a high degree of professional judgment by the Company's executive board in conjunction with its internal and external legal advisors.

How our audit addressed this matter

Our audit procedures included, among others, the evaluation of the accounting policies adopted by the Company for classifying legal and administrative proceedings as probable, possible, or remote losses, including the assumptions used for measuring the amounts to be recorded as provisions for tax contingencies. We engaged specialists in contentious matters to analyze the provisions recognized and proceedings disclosed related to contingencies classified as possible losses, considering the assessments prepared by the Company's internal and external legal advisors. We obtained evidence regarding the risks of losses considered by the Company in the main proceedings, including existing documentation, legal opinions and reports, as well as external confirmations from the Company's legal advisors containing their opinions on the current status and the likelihood of loss in these legal and administrative proceedings. In addition, we evaluated the adequacy of disclosures in Note 27 to the individual and consolidated financial statements as at December 31, 2024.

Based on the result of the audit procedures performed on tax contingencies, which is consistent with the executive board's assessment, we consider that the criteria and assumptions adopted by the executive board as well as the related disclosures in Note 26 are acceptable in the context of the individual and consolidated financial statements taken as a whole.

Information technology environment

The Company has a high volume of daily transactions conducted through operations occurring in its stores, distribution centers, and e-commerce. Due to the Company's high reliance on systems and technology infrastructure, we consider the information technology environment, for the processing and generation of financial and accounting information that directly impacts the financial statements, as a key audit matter.

How our audit addressed this matter

Our audit procedures included, among others: (i) the assessment of the design and operational effectiveness of IT General Controls ("ITGC"), implemented by the Company for those systems we deemed relevant for the generation of information that directly impacts the financial statements; (ii) evaluation of audit procedures to assess the effectiveness of controls over logical access, change management, IT operations management, report processing, and other technology aspects; (iii) involvement of information technology professionals to assist us in executing these procedures; (iv) evaluation of the report generation and extraction process that supports the accounting balances; and (v) execution of back-testing on the information produced by the Company's systems and applications.

Regarding the audit of logical access: (i) we analyzed the process for authorizing and granting new users access, timely removal of access to transferred or terminated employees, and review of users on a regular basis; and (ii) we assessed the password policies, security configurations, and access to technology resources. Regarding the change management process: (i) we assessed whether changes to the systems were properly authorized and approved by the Company’s executive board; and (ii) we analyzed the operation management process, focusing on the policies for information safeguarding and the timeliness of incident handling.

We identified deficiencies in logical access controls related to segregation of duties and changes, infrastructure management, access granting, access removal, access modification, and access review. The deficiencies found changed our assessment regarding the nature, timing, and extent of our planned substantive procedures to obtain sufficient and appropriate audit evidence for the individual and consolidated financial statements as at December 31, 2024. Accordingly, the results of the audit procedures performed provided us with sufficient and appropriate audit evidence in the context of the individual and consolidated financial statements.

Lease

The Company, due to the nature of its operations, has a high volume of lease agreements for its stores. Additionally, during the fiscal year, there are significant changes in accounts related to lease agreements due to the opening of new stores, contract renewals, and/or remeasurements of existing contracts related to stores in operation, due to changes in previously agreed conditions as well as write-offs of contracts due to store closures. Due to the volume and peculiarities of each negotiation or renegotiation conducted between the Company and lessors, as well as the Company’s reliance on the system that manages the database and measures the changes in each contract, we consider the leases of stores a key audit matter.

How our audit addressed this matter

Our audit procedures included, among others, understanding and evaluating the internal control environment for identifying lease agreements or contracts that contain leases, as well as the internal policies adopted by the Company’s executive board for determining lease assets and liabilities. We reviewed, on a sample basis, the contractual terms to confirm management’s assessment regarding the identification of contracts that contain a lease. We selected a representative sample of contracts for each type of transaction that has impacted the right-of-use assets and lease liabilities, assessed the assumptions used for measuring the identified leases, the practical expedients adopted as allowed by the standard, and evaluated the discount rate used and tested the logical and arithmetic consistency of the calculations. We assessed the accounting for the right-of-use assets and lease liabilities, and reviewed the management’s disclosures in the financial statements regarding this matter.

As mentioned in our emphasis paragraph, the Company's management identified errors from prior periods, and considering the magnitude and nature of the amounts involved, it is restating the corresponding amounts. We performed additional procedures on the judgments and assumptions used by the executive board in measuring the corresponding amounts of the right-of-use assets and lease liabilities for the stores, and we concluded that the calculations are acceptable. In addition, we evaluated the adequacy of disclosures in Note 20 to the individual and consolidated financial statements as at December 31, 2024.

Based on the result of the audit procedures performed on the balances of right-of-use assets and lease liabilities for the stores, which is consistent with the executive board's assessment, we consider that the criteria and assumptions adopted by the executive board as well as the related disclosures in Note 20 are acceptable in the context of the individual and consolidated financial statements taken as a whole.

Other matters

Statements of value added

The individual and consolidated Statements of Value Added (SVA) for the year ended December 31, 2024, prepared under the responsibility of the Company's executive board and presented as supplementary information for purposes of IFRS, were submitted to the same audit procedures conducted together with the audit of the Company's individual and consolidated financial statements. For the purposes of forming our opinion, we evaluated whether these statements are reconciled with the financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria provided for in Accounting Pronouncement CPC 09 - Statement of Value Added. In our opinion, these individual and consolidated statements of value added were prepared fairly, in all material respects, in accordance with the criteria defined in the abovementioned Accounting Pronouncement, and are consistent in relation to the individual and consolidated financial statements taken as a whole.

Other information accompanying the individual and consolidated financial statements and the auditor's report

The executive board is responsible for such other information, which comprises the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the executive board and those charged with governance for the individual and consolidated financial statements

Building a better working world

The executive board is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board - IASB (currently referred to by the IFRS Foundation as "IFRS standards"), and for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, the executive board is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the executive board either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and the subsidiaries' financial reporting process.

Auditor's responsibilities for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Brazilian and International Standards on Auditing will always detect material misstatements when they exist. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identified and assessed the risks of material misstatements of the individual and consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control of Company and its subsidiaries.

- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive board.

- Concluded on the appropriateness of the executive board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or future conditions may cause the Company to cease to continue as a going concern.

- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the individual and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements, including those regarding independence, and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we are required to determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, February 26, 2025.

ERNST & YOUNG
Auditores Independentes S.S. Ltda.
CRC-SP-034519/O

Flávio Serpejante Peppe
Partner

C&A Modas S.A.

Statements of Financial Position
On 31 December 2024 and 2023
(in thousand Reals)

	Note	Parent Company			Consolidated		
		2024	**2023**	**On January 1, 2023**	**2024**	**2023**	**On January 1, 2023**
Assets			Resubmitted (*)	Resubmitted (*)		Resubmitted (*)	Resubmitted (*)
Current							
Cash and cash equivalents	6	**1,262,270**	1,130,245	1,627,977	**1,403,225**	1,155,588	1,674,091
Bonds and securities	7	**-**	-	8,735	**169,310**	191,587	8,735
Trade receivables	8	**1,076,795**	1,054,865	1,070,239	**1,862,821**	1,778,456	1,278,244
Inventory	11	**1,032,231**	875,238	852,224	**1,032,231**	875,155	852,033
Taxes recoverable	12	**469,885**	379,126	898,651	**470,354**	388,451	899,434
Derivatives	34.2	**18,255**	721	1,371	**18,255**	721	1,371
Other Assets	14	**37,186**	51,842	39,257	**37,197**	51,884	39,315
Total current assets		**3,896,622**	3,492,037	4,498,454	**4,993,393**	4,441,842	4,753,223
Non-current assets							
Long-term assets							
Bonds and securities - FIDC	7	**854,604**	791,352	-	**-**	-	-
Deferred taxes	15	**544,580**	546,615	429,482	**530,141**	547,087	429,482
Taxes recoverable	12	**1,127,692**	1,197,839	937,371	**1,127,692**	1,197,839	937,371
Judicial deposits	13	**144,935**	151,392	157,381	**144,940**	151,418	157,381
Derivativos	34.2	**6,551**	-	-	**6,551**	-	-
Other Assets	14	**4,752**	3,238	2,604	**4,752**	3,238	2,604
Total long-term assets		**2.683.114**	2,690,436	1,526,838	**1.814.076**	1,899,582	1,526,838
Investments	16	**187,647**	118,249	48,655	**-**	-	-
Property and Equipment	17	**823,714**	763,401	865,545	**823,714**	763,401	865,545
Right-of-use assets leases	20	**1,529,909**	1,655,976	1,765,124	**1,529,909**	1,655,976	1,765,124
Intangible assets	18	**892,807**	964,493	1,020,702	**892,807**	964,764	1,021,065
Total non-current assets		**6,117,191**	6,192,555	5,226,864	**5,060,506**	5,283,723	5,178,572
Total assets		**10,013,813**	9,684,592	9,725,318	**10,053,899**	9,725,565	9,931,795

(*) Statements include the effects mentioned in note 2.4.

The notes are an inseverable component of the financial statements.

C&A Modas S.A.

Statements of Financial Position
On 31 December 2024 and 2023
(in thousand Reals)

	Note	Parent Company			Consolidated		
		2024	2023	On January 1, 2023	2024	2023	On January 1, 2023
Net liabilities and equity			Resubmitted (*)	Resubmitted (*)		Resubmitted (*)	Resubmitted (*)
Current							
Suppliers	21	**1,877,357**	1,252,838	1,515,205	**1,889,243**	1,260,976	1,522,069
Obligations forfait liabilities	22	**350,043**	364,709	386,266	**350,043**	364,709	386,266
Loans and debentures	23	**456,541**	511,427	582,558	**456,541**	511,427	746,015
Leases	20	**352,734**	337,466	351,549	**352,734**	337,466	351,549
Labor liabilities	24	**276,780**	230,098	198,732	**279,826**	231,364	198,732
Interest on shareholder's equity and dividends payable	29	**101,934**	-	-	**101,934**	-	-
Taxes payable	25	**373,489**	277,772	245,954	**375,899**	287,249	248,041
Derivatives	34.2	**319**	1,392	1,756	**319**	1,392	1,756
Other liabilities	27	**24,033**	19,789	28,968	**43,733**	40,680	62,941
Total current liabilities		**3,813,230**	2,995,491	3,310,988	**3,850,272**	3,035,263	3,517,369
Non-current							
Suppliers	22	**218**	551,248	12,570	**218**	551,248	12,570
Loans and debentures	24	**1,041,472**	1,176,427	1,404,817	**1,041,472**	1,176,427	1,404,817
Leases	21	**1,474,142**	1,607,046	1,664,153	**1,474,142**	1,607,046	1,664,152
Labor liabilities	25	**20,310**	18,740	7,370	**20,310**	18,740	7,370
Taxes payable	26	**15,389**	12,410	15,863	**15,389**	12,410	15,863
Provisions for tax, civil, and labor risks	27	**290,012**	287,542	278,842	**293,052**	288,740	278,938
Other liabilities	28	**50,556**	44,616	43,007	**50,556**	44,616	43,007
Total non-current liabilities		**2,892,099**	3,698,029	3,426,622	**2,895,139**	3,699,227	3,426,717
Total liabilities		**6,705,329**	6,693,520	6,737,610	**6,745,411**	6,734,490	6,944,086
Shareholder's Equity							
Capital stock	29	**1,847,177**	1,847,177	1,847,177	**1,847,177**	1,847,177	1,847,177
Shares in Treasury		**(34,365)**	(8,498)	(6,778)	**(34,365)**	(8,498)	(6,778)
Capital reserve		**49,287**	49,879	37,641	**49,287**	49,879	37,641
Profit reserve		**1,439,134**	1,103,100	1,109,922	**1,439,134**	1,103,100	1,109,922
Other comprehensive income		**7,251**	(586)	(254)	**7,251**	(586)	(254)
Total controlling shareholders		**3,308,484**	2,991,072	2,987,708	**3,308,484**	2,991,072	2,987,708
Total non-controlling shareholders		**-**	-	-	**4**	3	1
Total shareholder's equity		**3,308,484**	2,991,072	2,987,708	**3,308,488**	2,991,075	2,987,709
Total liabilities and shareholder's equity		**10,013,813**	9,684,592	9,725,318	**10,053,899**	9,725,565	9,931,795

(*) Statements include the effects mentioned in note 2.4.

The notes are an inseverable component of the financial statements.

C&A Modas S.A.

Statements of earnings
Periods ending 31 December 2024 and 2023
(In thousand Reals - R$, except earnings per share)

	Note	Parent Company 2024	Parent Company 2023 Resubmitted (*)	Consolidated 2024	Consolidated 2023 Resubmitted (*)
Net Revenue	31	**7,304,317**	6,481,200	**7,636,539**	6,719,317
Sales of goods and services		**7,196,456**	6,376,470	**7,195,564**	6,362,725
Financial Products and Services		**107,861**	104,730	**440,975**	356,592
Cost of goods sold and services rendered	32	**(3,459,741)**	(3,196,478)	**(3,459,970)**	(3,197,049)
Sales of goods and services		**(3,459,466)**	(3,196,073)	**(3,459,382)**	(3,195,966)
Financial Products and Services		**(275)**	(405)	**(588)**	(1,083)
Gross profit		**3,844,576**	3,284,722	**4,176,569**	3,522,268
Operating revenue (expenses):					
Sales	32	**(2,324,746)**	(2,102,493)	**(2,355,001)**	(2,180,332)
General and administrative	32	**(885,982)**	(783,190)	**(887,313)**	(785,479)
Net credit losses	9.6	**-**	-	**(202,442)**	(223,878)
Share of profit of subsidiaries	17	**35,133**	(5,590)	**-**	-
Other net operating income (expenses)	32	**77,612**	66,362	**77,432**	66,106
Profit before financial results		**746,593**	459,812	**809,245**	398,685
Exchange variation		**(13,281)**	1,980	**(13,281)**	1,980
Finance expenses		**(599,721)**	(696,749)	**(555,044)**	(654,565)
Finance income		**254,381**	184,087	**263,567**	198,745
FIDC C&A Pay Earnings		**106,753**	(4,648)	**-**	-
Earnings from Bonds and Securities		**-**	-	**8,432**	7,068
Finance results	33	**(251,868)**	(515,330)	**(296,326)**	(446,772)
Profit/(loss) before income taxes		**494,725**	(55,519)	**512,919**	(48,087)
Income taxes	16	**(42,248)**	48,697	**(60,441)**	41,267
Profit/(Loss) for the period		**452,477**	(6,822)	**452,478**	(6,820)
Attributable to the shareholders:					
Non-controlling				1	2
Controlling				452,477	(6,822)
Basic Profit/(Loss) per share – in R$	38			**1,4839**	(0,0223)
Diluted Profit/(Loss) per share – in R$	38			**1,4682**	(0,0223)

(*) Statements include the effects mentioned in note 2.4.

The notes are an inseverable component of the financial statements.

C&A Modas S.A.

Statement of comprehensive income (loss)
Periods ending 31 December 2024 and 2023
(in thousand Reals - R$)

	Note	Parent Company 2024	Parent Company 2023 Resubmitted (*)	Consolidated 2024	Consolidated 2023 Resubmitted (*)
Net Profit (Loss) for the Period		**452,477**	(6,822)	**452,478**	(6,820)
Other comprehensive results:					
Gains (losses) from derivatives		**12,357**	(286)	**12,357**	(286)
Other comprehensive income	(a)	**(318)**	(144)	**(318)**	(144)
Tax effects		**(4,201)**	97	**(4,201)**	97
Total comprehensive results to be reclassified to results for the period in subsequent periods, net of taxes		**7,838**	(333)	**7,838**	(333)
Total comprehensive results					
Attributable to the shareholders:		**460,315**	(7,155)	**460,316**	(7,153)
Non-controlling				1	2
Controlling				**460,315**	(7,155)
				460,316	(7,153)

(*) this is due to the mark-to-market adjustment of C&A Pay SCD LFTs
(*) Statements include the effects mentioned in note 2.4.

The notes are an inseverable component of the financial statements.

C&A Modas S.A.

Statements of changes in equity
Periods ending 31 December 2024 and 2023
(in thousand Reals - R$)

				Capital reserve		Profit reserve				Other comprehensive income				
	Note	Capital stock	Shares in Treasury	Capital reserve	Other capital reserves	Legal reserve	Reserves for unrealized gains	Reserve for tax incentives	Reserve for investments	Equity valuation adjustments	Accumulated Profit (Loss) accumulated	Total controlling interests	Non-controlling interests	Total shareholder's equity
							Resubmitted (*)	Resubmitted (*)	Resubmitted (*)			Resubmitted (*)		Resubmitted (*)
Balance on December 1, 2023		1.847.177	(6.778)	10.516	27.125	65.092	75.720	12.341	969.256	(254)	-	3.000.195	1	3.000.196
Adjustments for error correction, net of taxes		-	-	-	-	-	-	-	(12.487)	-	-	(12.487)	-	(12.487)
Balance on December 1, 2023 - Resubmitted		1,847,177	(6,778)	10,516	27,125	65,092	75,720	12,341	956,769	(254)	-	2,987,708	1	2,987,709
Equity instruments granted - share-based compensation	11	-	-	-	12,238	-	-	-	-	-	-	12,238	-	12,238
Share buy-back		-	(1,720)	-	-	-	-	-	-	-	-	(1,720)	-	(1,720)
Destination of earnings:														
Net income (loss) for the period		-	-	-	-	-	-	-	-	-	(6,822)	(6,822)	2	(6,820)
Legal reserve		-	-	-	-	116	-	-	-	-	(116)	-	-	-
Reserve for investments		-	-	-	-	-	-	-	(9,157)		9,157	-		
Tax incentive reserve:	29.8	-	-	-	-	-	-	2,219	-	-	(2,219)	-	-	-
Other comprehensive income		-	-	-	-	-	-	-	-	(332)	-	(332)	-	(332)
Balance on December 31, 2023		1,847,177	(8,498)	10,516	39,363	65,208	75,720	14,560	947,612	(586)	-	2,991,072	3	2,991,075
Equity instruments granted - share-based compensation	11	-	-	-	13,358	-	-	-	-	-	-	13,358	-	13,358
Share buy-back		-	(32,364)	-	-	-	-	-	-	-	-	(32,364)	-	(32,364)
Non-exercised options (i)		-	6,497	-	(13,950)	-	-	-	-	-	-	(7,453)	-	(7,453)
Destination of earnings:		-	-	-	-	-	-	-	-	-	-	-	-	-
Net income for the period		-	-	-	-	-	-	-	-	-	452,477	452,477	1	452,478
Legal reserve		-	-	-	-	22,623	-	-	-	-	(22,623)	-	-	-
Reserve for investments		-	-	-	-	-	-	-	291,293	-	(291,293)			
Tax incentive reserve	29.8	-	-	-	-	-	-	22,117	-	-	(22,117)	-	-	-
Interest on shareholder's equity	30	-	-	-	-	-	-	-	-	-	(105,000)	(105,000)	-	(105,000)
Dividends	30	-	-	-	-	-	-	-	-	-	(11,444)	(11,444)	-	(11,444)
Other comprehensive income		-	-	-	-	-	-	-	-	7,837	-	7,837	-	7,837
Balance on December 31, 2024		**1,847,177**	**(34,365)**	**10,516**	**38,771**	**87,843**	**75,720**	**39,056**	**1,237,278**	**7,251**	**-**	**3,308,483**	**4**	**3,308,487**

(i) In March 2024, stock options in the PSU 2021 compensation plan were exercised (see changes in note 10)
(*) Statements include the effects mentioned in note 2.4.

The notes are an inseverable component of the financial statements.

C&A Modas S.A.

Statements of cash flow
Periods ending 31 December 2024 and 2023
(in thousand Reals - R$)

	Note	Parent Company 2024	Parent Company 2023	Consolidated 2024	Consolidated 2023
Operating activities			Resubmitted (*)		Resubmitted (*)
Income (loss) before income tax		**494,725**	(55,519)	**512,919**	(48,087)
Adjustments to reconcile income before income taxes to net cash flows:					
Allowance for expected credit losses	8.5	**326**	2,155	**198,678**	233,482
Adjustment to present value of accounts receivables and suppliers		**(2,338)**	(3,815)	**(2,338)**	(3,815)
Expenses with stock-based compensation	10	**13,358**	12,238	**13,358**	12,238
Allowance for expected inventory losses	11.3	**95,406**	78,027	**95,406**	78,027
Gains/Recognition of tax claims	12.2.1.4	**(284,913)**	(67,821)	**(284,913)**	(67,821)
Share of profit of subsidiaries	16.2	**(35,132)**	5,590	**-**	-
Depreciation and amortization	17.3 and 18.3	**349,043**	366,213	**349,043**	366,307
Allowance (Reversal) for impairment of property and equipment, intangibles, and right-of-use assets	19.2	**21,865**	(2,470)	**21,865**	(2,470)
Losses from the sale or write-off of property and equipment and intangible assets		**11,829**	9,411	**12,100**	9,411
Right-of-use amortization	20.4	**358,647**	380,964	**358,647**	380,964
Write-off of lease liabilities	20.4	**(14,730)**	(9,015)	**(14,730)**	(9,015)
Interest on leases	20.4	**185,061**	191,708	**185,061**	191,708
Expenses with loans and debentures	23.4	**204,123**	259,810	**204,123**	260,609
Interest on trade receivables	32	**69,160**	70,570	**69,160**	70,570
Derivative operations		**(12,801)**	-	**(12,801)**	-
Provisions (reversal) for tax, civil, and labor risks		**35,091**	27,100	**39,075**	28,201
Update of judicial deposits		**(9,544)**	(9,590)	**(9,544)**	(9,590)
Yield from investments in bonds and securities		**-**	(322)	**(18,297)**	1,286
Variations in assets and liabilities:					
Trade receivables		**(21,273)**	21,034	**(282,794)**	(725,883)
Inventory		**(250,365)**	(105,932)	**(250,448)**	(106,040)
Taxes recoverable		**264,299**	326,878	**273,155**	318,335
Other credits		**13,142**	(13,219)	**13,172**	(13,202)
Bonds and securities		**(63,252)**	(782,295)	**40,573**	(184,138)
Judicial deposits		**16,001**	15,579	**16,022**	15,552
Suppliers		**(64,285)**	226,254	**(60,537)**	227,527
Obligations forfait liabilities		**(14,666)**	(21,557)	**(14,666)**	(21,557)
Labor liabilities		**42,013**	42,736	**43,793**	44,002
Other liabilities		**(2,292)**	(7,753)	**(3,480)**	(20,970)
Tax, civil and labor claims		**(32,621)**	(18,399)	**(34,763)**	(18,399)
Taxes payable		**93,924**	(13,918)	**87,485**	(12,965)
Income Tax and Social Contribution paid		**(55,366)**	(26,055)	**(59,277)**	(27,521)
Net cash flow from operating activities		**1,404,435**	898,587	**1,485,047**	966,746
Investment activities					
Purchase of property and equipment	17	**(155,493)**	(74,161)	**(155,493)**	(74,161)
Purchase of intangible assets	18	**(136,342)**	(161,803)	**(136,343)**	(161,805)
Increase (decrease) in capital in subsidiaries		**(35,000)**	(75,328)	**-**	-
Receivables from the sale of property and equipment		**74**	1,543	**74**	1,543
Cash flow used in investment activities		**(326,761)**	(309,749)	**(291,762)**	(234,423)
Financing activities					
New loans and debentures issued	23	**745,963**	250,000	**745,963**	381,372
Loan/debenture transaction costs	23	**(8,721)**	(4,183)	**(8,721)**	(4,983)
Repayment of loan principals	23	**(955,424)**	(452,500)	**(955,424)**	(745,429)
Interest paid on loans	23	**(175,781)**	(352,648)	**(175,781)**	(354,547)
Payment of the principal and interest on leases	20	**(519,321)**	(525,519)	**(519,321)**	(525,519)
Share buy-back	28.3	**(32,364)**	(1,720)	**(32,364)**	(1,720)
Cash flow from financing activities		**(945,648)**	(1,086,570)	**(945,648)**	(1,250,826)
Net increase (decrease) in cash and cash equivalents		**132,025**	(497,732)	**247,637**	(518,503)
Cash and cash equivalents at the start of the period		**1,130,245**	1,627,977	**1,155,588**	1,674,091
Cash and cash equivalents at the end of the period		**1,262,270**	1,130,245	**1,403,225**	1,155,588

(*) Statements include the effects mentioned in note 2.4.

The notes are an inseverable component of the financial statements.

C&A Modas S.A.

Statements of value added
Periods ending 31 December 2024 and 2023
(in thousand Reals - R$)

	Parent Company		Consolidated	
	2024	2023	2024	2023
Revenue		Resubmitted (*)		Resubmitted (*)
Sales of goods and services	9,667,191	8,513,173	9,989,564	8,762,145
Other operating revenue	146,273	69,012	147,515	63,210
Allowance (reversal) for expected credit losses	260	1,478	(202,182)	(222,399)
	9,813,724	8,583,663	**9,934,897**	8,602,956
Inputs acquired from third parties				
Cost of goods and services sold	(3,325,750)	(3,087,933)	(3,310,188)	(3,087,825)
Materials, energy, third party services, and others	(1,160,125)	(936,568)	(1,177,339)	(990,650)
Impairment of assets	(144,559)	(91,108)	(144,745)	(91,108)
	(4,630,434)	(4,115,609)	**(4,632,272)**	(4,169,583)
Gross Value Added	**5,183,290**	4,468,054	**5,302,625**	4,433,373
Depreciation and amortization	(349,042)	(367,559)	(349,127)	(367,653)
Depreciation of right-of-use	(358,647)	(380,964)	(358,647)	(380,964)
Withholdings	**(707,689)**	(748,523)	**(707,774)**	(748,617)
Net value added generated	**4,475,601**	3,719,531	**4,594,851**	3,684,756
Value added received through transfer				
Share of profit of subsidiaries	35,132	(5,590)	-	-
Finance income	406,905	202,514	320,739	232,247
	442,037	196,924	**320,739**	232,247
Total value added for distribution	**4,917,638**	3,916,455	**4,915,590**	3,917,003
Distribution of value added				
Personnel and payroll charges	**1,006,983**	901,293	**1,019,973**	926,850
Direct compensation	757,883	657,645	768,077	680,168
Benefits	152,174	147,664	152,950	148,041
F.G.T.S.	60,749	55,496	61,188	55,811
Other	36,177	40,488	37,758	42,830
Taxes and Contributions	**2,573,830**	2,128,864	**2,603,145**	2,146,254
Federal	849,856	676,971	876,943	698,370
State	1,660,780	1,386,849	1,662,019	1,381,046
Municipal	63,194	65,044	64,183	66,838
Debt remuneration	**884,348**	893,120	**839,994**	850,721
Rentals	229,773	195,049	229,773	195,049
Finance expenses	654,575	698,071	610,221	655,672
Compensation on equity	**452,477**	(6,822)	**452,478**	(6,822)
Interest on shareholder's equity and dividends proposed	116,444	-	116,444	-
Profit/(Loss) for the period	336,033	(6,822)	336,033	(6,822)
Share of withheld profits of non-controlling shareholders	-	-	1	2
Distribution of value added	**4,917,638**	3,916,455	**4,915,590**	3,917,005

(*) Statements include the effects mentioned in note 2.4.

The notes are an inseverable component of the financial statements.

1. Operating Context

C&A Modas S.A. (hereafter the "Company" or "Controlling Entity") has its main offices located at Alameda Araguaia, 1.222 - Barueri - São Paulo - Brazil. The Company is a traded company, currently 45.75% of its shares are traded on the B3 Brazilian stock exchange (São Paulo – Brazil) under the ticker "CEAB3". The ultimate parent company is COFRA Holding AG headquartered in Switzerland.

The primary activities of the C&A Modas and its subsidiaries (jointly the "Group" or "Consolidated") are:

Marketing & Sales:

I. Sale of goods in B&M stores and online. The Company portfolio includes apparel, footwear, accessories, cell phones, watches, costume jewelry, and cosmetics, among others.

Financial Services:

I. Intermediation of credit granted to finance purchases.
II. Issuing (private label) credit cards and granting personal loans.
III. Intermediation in brokering and promoting the distribution of insurance, capitalization bonds, and related products offered by insurers and other third-parties offering such products.
IV. Proprietary payment institution activities, which involves processing financial transactions and related services.

The Group sells its merchandise in 332 stores (334 stores On December 31, 2023), which are supplied by 3 distribution centers in the states of São Paulo, Rio de Janeiro, and Santa Catarina and 1 logistics operation. The Group also sells its goods through e-commerce services.

The non-financial data included in these financial statements, such as number of stores and distribution centers, among others, were not audited or reviewed by our independent auditors.

2. Basis of Preparation

The company's individual and consolidated financial statements for the periods ending 31 December 2024 and 2023 were prepared according to the accounting practices adopted in Brazil, which comprise the accounting pronouncements, instructions, and interpretations issued by the CPC [Comitê de Pronunciamentos Contábeis or Accounting Pronouncements Committee], approved by the Brazilian Federal Accounting Board [Conselho Federal de Contabilidade CFC], and by the Brazilian Securities and Exchange Committee CVM (Comissão de Valores Mobiliários], all of which comply with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board - IASB.

All relevant and appropriate information for the individual and consolidated financial statements, and only this information, is disclosed, and corresponds to that used by Management in managing Company activities, as per Technical Instruction OCPC07.

On February 26, 2025, the Board of Directors authorized issuing the individual and consolidated financial statements for the period ending December 31 ,2024.

2.1 Basis of measurement and presumption of continuity

The individual and consolidated financial statements were prepared based on a historical cost basis, except for certain financial instruments measured at fair value, and based on the premise of going concerns.

Management has assessed the Company's ability, and that of its subsidiaries, to continue normal operations, and is convinced they have the resources to remain as a going concern. Furthermore, Management is unaware of any material uncertainty that might create significant questions on its ability to remain a going concern. Thus, these individual and consolidated financial statements were prepared based on a presumption of continuity.

2.2 Functional and disclosure currency

The financial statements are submitted in thousand Reals (R$), the functional and disclosure currency of the Company and its affiliates. Transactions in foreign currency are initially recorded at the exchange rate of the functional currency in effect on the date of the transaction. Foreign-currency denominated monetary assets and liabilities are converted using the functional currency exchange rate in effect on the date of the Statements of Financial Position. All differences are recorded in the Statement of Operations.

2.3 Statement of Value Added (SVA)

Submission of an individual and consolidated Statement of Added Value (SAV) is a requirement of Brazilian Accounting Standard NBC TG 09 - Statement of Added Value - applicable to publicly-held companies. IFRS does not require submission of this statement. As a consequence, by IFRS, this statement is presented as supplementary information, without prejudice to the set of financial statements. The purpose of the SVA is to demonstrate the wealth created by the Group during the period and demonstrate how it was distributed to the various players.

2.4 Representation of Financial Statements for Error Correction

During the course of 2024, Management found it needed to resubmit certain values of its financial statements, and that there was an opportunity to improve how they are submitted. To comply with the principle of comparability introduced by CPC 23 Accounting Policies, Changes in Estimates, and Error Correction, reflected these adjustments on the balances on December 31, 2023. The adjustments made include:

That do impact earnings:

a) The Company reviewed all of the information in its lease agreement control database, comparing it to what had been agreed in the respective lease agreements. After finding discrepancies related to incremental rates, payment terms, and rent, suitable adjustments to the balances were calculated to comply with applicable accounting standards. As a result, some agreements had to be taken back to the start of their terms. Thus, values entered for right of use, lease liabilities, amortization expenses, interest, and rent expenses were corrected. Because of these adjustments, the Company recalculated deferred taxes, the impact of which is also shown in the chart below.

   These adjustments impacted the Statements of Financial Position, Statement of Earnings, Statement of Comprehensive Income, Statement of Changes in Shareholder's equity, Statements of Value Added, Statements of Cash Flow, and the note on Leases (Note: 20).

That do not impact earnings:

b) Judicial deposits had been submitted as decreases in provisions for contingencies (liabilities) when associated with matters of suspended enforceability. To improve presentations, deposits were reclassified and entered separately as non-current financial assets.

   This adjustment impacted only the Statement of Financial Position and the note on Provisions for Tax, Civil, and Labor risks.

c) Related party transactions were formerly entered into the statement of financial position as specific lines, and were subsequently reclassified to accounts that reflect the nature of these transactions for a better presentation of the balances. Details of related party transactions are available in note 9.

   This adjustment impacted the Statements of Financial Position, Statement of Cash Flow, and the note on related parties (Note 9).

d) The changes in the Statement of Cash Flow associated with supplier interest incurred and not paid, which had been entered under "suppliers" in the asset and liabilities line, were reclassified to "supplier interest".

e) A review of the calculations to determine asset impairment revealed that the approach used considered the Iguatemi store an independent Cash Generating Unit (CGU). It is our view that, as this store plays a strategic role for the Group, it should be considered a corporate asset. As the assets in this store and subject to impairment were old and had already been fully depreciated, we reclassified the amount previously entered as impairment to accumulated depreciation, with no impact on results.

This adjustment impacted only the Property, Equipment, and impairment notes. (Notes 17 and 18).

(in thousand Reals unless otherwise stated)

2.4.1 Statements of Financial Position

		Parent Company			Consolidated		
		December 1, 2023			December 1, 2023		
		Disclosed	Adjustment	Resubmitted (*)	Disclosed	Adjustment	Resubmitted (*)
Assets							
Trade receivables	(c)	1,065,961	4,279	1,070,240	1,278,206	38	1,278,244
Related parties	(c)	4,335	(4,335)	-	95	(95)	-
Other Assets	(c)	39,200	56	39,256	39,259	57	39,316
Total current assets		**4,498,454**	**-**	**4,498,454**	**4,753,223**	**-**	**4,753,223**
Long-term assets							
Deferred taxes	(a)	423,049	6,433	429,482	423,049	6,433	429,482
Related parties	(c)	76	(76)	-	76	(76)	-
Judicial deposits	(b)	61,290	96,091	157,381	61,290	96,091	157,381
Other Assets	(c)	2,528	76	2,604	2,528	76	2,604
Total long-term assets		**1,424,314**	**102,524**	**1,526,838**	**1,424,314**	**102,524**	**1,526,838**
Right-of-use assets - leases	(a)	1,565,447	199,677	1,765,124	1,565,447	199,677	1,765,124
Total assets		**9,423,117**	**302,201**	**9,725,317**	**9,629,594**	**302,200**	**9,931,794**
Net liabilities and equity							
Current							
Suppliers	(c)	1,466,548	48,656	1,515,204	1,478,387	43,682	1,522,069
Leases	(a)	513,238	(161,690)	351,548	513,238	(161,690)	351,548
Related parties	(c)	48,567	(48,567)	-	43,592	(43,592)	-
Other liabilities	(a) e (c)	29,733	(764)	28,969	63,704	(763)	62,941
Total current liabilities		**3,473,352**	**(162,365)**	**3,310,987**	**3,679,731**	**(162,363)**	**3,517,368**
Non-current							
Leases	(a)	1,275,974	388,179	1,664,153	1,275,974	388,179	1,664,153
Provisions for tax, civil, and labor risks	(b)	182,750	96,092	278,842	182,847	96,091	278,938
Other liabilities	(a)	50,226	(7,219)	43,007	50,226	(7,219)	43,007
Total non-current liabilities		**2,949,570**	**477,051**	**3,426,621**	**2,949,667**	**477,050**	**3,426,717**
Total liabilities		**6,422,922**	**314,686**	**6,737,608**	**6,629,398**	**314,687**	**6,944,085**
Shareholder's Equity							
Profit reserve	(a)	1,122,409	(12,486)	1,109,923	1,122,409	(12,486)	1,109,923
Total shareholder's equity		**3,000,195**	**(12,486)**	**2,987,709**	**3,000,196**	**(12,486)**	**2,987,709**
Total liabilities and shareholder's equity		**9,423,117**	**302,200**	**9,725,317**	**9,629,594**	**302,200**	**9,931,794**

(*) Statements include the effects mentioned in note 2.4.

(in thousand Reals unless otherwise stated)

		Parent Company			Consolidated		
		2023			2023		
		Disclosed	Adjustment	Resubmitted	Disclosed	Adjustment	Resubmitted
Assets							
Trade receivables	(c)	1,054,599	266	1,054,865	1,778,421	35	1,778,456
Related parties	(c)	323	(323)	-	92	(92)	-
Other Assets	(c)	51,785	57	51,842	51,827	57	51,883
Total current assets		**3,492,037**	**-**	**3,492,037**	**4,441,842**	**-**	**4,441,841**
Deferred taxes	(a)	535,488	11,128	546,615	535,959	11,128	547,087
Related parties	(c)	19	(19)	-	19	(19)	-
Judicial deposits	(b)	47,641	103,751	151,392	47,668	103,750	151,418
Other Assets	(c)	3,219	19	3,238	3,219	19	3,238
Total long-term assets		**2,575,558**	**114,879**	**2,690,435**	**1,784,704**	**114,878**	**1,899,582**
Right-of-use assets - leases	(a)	1,462,945	193,031	1,655,976	1,462,945	193,031	1,655,976
Total non-current assets		**5,884,646**	**307,910**	**6,192,554**	**4,975,814**	**307,910**	**5,283,724**
Total assets		**9,376,683**	**307,910**	**9,684,591**	**9,417,656**	**307,910**	**9,725,565**
Net liabilities and equity							
Current							
Suppliers	(c)	1,172,988	79,849	1,252,837	1,189,225	71,751	1,260,976
Leases	(a)	501,642	(164,176)	337,466	501,642	(164,176)	364,709
Related parties	(c)	79,760	(79,760)	-	71,661	(71,661)	-
Other liabilities	(a) and (c)	20,571	(781)	19,789	41,462	(781)	40,682
Total current liabilities		**3,160,359**	**(164,868)**	**2,995,490**	**3,200,131**	**(164,868)**	**3,035,264**
Non-current							
Leases	(a)	1,209,781	397,265	1,607,046	1,209,781	397,265	1,607,046
Provisions for tax, civil, and labor risks	(b)	183,791	103,751	287,542	184,989	103,751	288,740
Other liabilities	(a)	51,211	(6,595)	44,616	51,211	(6,595)	44,616
Total non-current liabilities		**3,203,608**	**494,421**	**3,698,028**	**3,204,806**	**494,421**	**3,699,226**
Total liabilities		**6,363,967**	**329,553**	**6,693,518**	**6,404,937**	**329,553**	**6,734,490**
Shareholder's Equity			-	-		-	-
Profit reserve	(a)	1,124,744	(21,644)	1,103,101	1,124,744	(21,644)	1,103,101
Total shareholder's equity		**3,012,716**	**(21,644)**	**2,991,072**	**3,012,719**	**(21,644)**	**2,991,075**
Total liabilities and shareholder's equity		**9,376,683**	**307,910**	**9,684,324**	**9,417,656**	**307,910**	**9,725,565**

(*) This statement presents the effects mentioned in explanatory note 2.4.

(in thousand Reals unless otherwise stated)

2.4.2 Statement of Earnings

	Parent Company			Consolidated		
	2023			2023		
	Disclosed	**Adjustment**	**Resubmitted**	**Disclosed**	**Adjustment**	**Resubmitted**
Operating revenue (expenses):						
Sales	(2,106,144)	3,651	(2,102,493)	(2,183,983)	3,651	(2,180,332)
General and administrative	(783,776)	587	(783,189)	(786,065)	587	(785,478)
Profit before financial results	**455,574**	**4,237**	**394,448**	**394,448**	**4,235**	**398,683**
Finance expenses	(678,660)	(18,089)	(696,749)	(636,476)	(18,089)	(654,565)
Finance results	**(497,241)**	**(18,089)**	**(515,330)**	**(428,683)**	**(18,089)**	**(446,772)**
						-
Loss before income taxes	**(41,667)**	(13,852)	**(55,519)**	**(34,235)**	(13,852)	**(48,087)**
		-			-	**-**
Income taxes	**44,002**	4,695	**48,697**	**36,572**	4,695	**41,267**
						-
Net income for the period	**2,335**	**(9,157)**	**(6,882)**	**2,337**	**(9,157)**	**(6,820)**

(*) This statement presents the effects mentioned in explanatory note 2.4.

2.4.3 Statement of comprehensive income (loss)

	Parent Company			Consolidated		
	2023			2023		
	Disclosed	**Adjustment**	**Resubmitted**	**Disclosed**	**Adjustment**	**Resubmitted**
Net income for the period	2,335	(9,157)	(6,822)	2,337	(9,157)	(6,820)
Total comprehensive results	**2,003**	**(9,159)**	**(7,155)**	**2,005**	**(9,157)**	**(7,153)**
Attributable to the shareholders:						
Non-controlling				2	-	2
Controlling				2,003	(9,157)	(7,154)

(*) This statement presents the effects mentioned in explanatory note 2.4.

(in thousand Reals unless otherwise stated)

2.4.4 Statement of changes in shareholder's equity

				Capital reserve			Other comprehensive income				
	Note	**Capital stock**	**Shares in Treasury**	**Capital reserve**	**Other capital reserves**	**Profit reserve**	**Equity valuation adjustments**	**Accumulated Profit (Loss) accumulated**	**Total controlling interests**	**Non-controlling interests**	**Total shareholder's equity**
Balance on December 1, 2023		1,847,177	(6,778)	10,516	27,125	1,122,409	(254)	-	3,000,195	1	3,000,196
Adjustments for error correction, net of taxes		-	-	-	-	(12,487)	-		(12,487)	-	(12,487)
Balance on December 31, 2022		1,847,177	(6,778)	10,516	27,125	1,109,922	(254)	-	2,987,708	1	2,987,709
Equity instruments granted - share-based compensation	11	-	-	-	12,238	-	-	-	12,238	-	12,238
Share buy-back		-	(1,720)	-	-	-	-	-	(1,720)	-	(1,720)
Destination of earnings:											
Net income (loss) for the period		-	-	-	-	-	-	(6,822)	(6,822)	-	(6,822)
Legal reserve		-	-	-	-	116	-	(116)	-	-	-
Reserve for investments		-	-	-	-	-	-	-	-	-	-
Changes in destination - Profit adjustments						(9,157)	-	9,157	-	-	-
Tax incentive reserve	29.8	-	-	-	-	2,219	-	(2,219)	-	-	-
Other comprehensive income		-	-	-	-	-	(332)	-	(332)	-	(332)
Balance on December 31, 2023		1,847,177	(8,498)	10,516	39,363	1,103,100	(586)	-	2,991,072	3	2,991,075

(*) This statement presents the effects mentioned in explanatory note 2.4.

(in thousand Reals unless otherwise stated)

2.4.5 Statements of value added

	Parent Company			Consolidated		
	2023			2023		
	Disclosed	Adjustment	Resubmitted (*)	Disclosed	Adjustment	Resubmitted (*)
Retentions	(740,978)	(7,545)	(748,523)	(741,072)	(7,545)	(748,617)
Net value added generated	**3,727,076**	**(7,545)**	**3,719,531**	**3,689,678**	**(4,922)**	**3,684,756**
Total value added for distribution	**3,924,000**	**(7,545)**	**3,916,455**	**3,921,925**	**(4,922)**	**3,917,003**
Distribution of value added						
Taxes and Contributions	2,133,020	(4,156)	2,128,864	2,150,410	(4,156)	2,146,254
Debt remuneration	887,352	5,768	893,120	844,953	5,768	850,721
Compensation on equity	2,335	(9,157)	(6,822)	2,335	(9,157)	(6,822)
Distribution of value added	**3,924,000**	**(7,545)**	**3,916,455**	**3,921,923**	**(4,920)**	**3,917,003**

(*) This statement presents the effects mentioned in explanatory note 2.4.

2.4.6 Statements of cash flow

		Parent Company			Parent Company		
		2023			2023		
	Note	Disclosed	Adjustment	Resubmitted (*)	Disclosed	Adjustment	Resubmitted (*)
Operating activities							
Income (loss) before income tax		(41,667)	(13,852)	(55,519)	(34,235)	(13,852)	(48,087)
Right-of-use amortization	(a)	373,419	7,545	380,964	373,419	7,545	380,964
Lease liabilities	(a)	(2,582)	(6,433)	(9,015)	(2,582)	(6,433)	(9,015)
Interest on leases	(a)	173,079	18,629	191,708	173,079	18,629	191,708
Interest on trade receivables	(c)	-	70,570	70,570	-	70,570	70,570
Variations in assets and liabilities:							
Trade receivables		17,021	4,013	21,034	-	-	-
Related parties		35,264	(35,264)	-	28,129	(28,129)	-
Other credits		(13,276)	57	(13,219)	(13,259)	57	(13,202)
Suppliers		265,630	(39,376)	226,254	270,028	(42,501)	227,527
Other liabilities		(8,359)	606	(7,753)	(21,578)	609	(20,969)
Net cash flow from operating activities		**892,092**	**6,495**	**898,587**	**960,251**	**6,495**	**966,746**
Financing activities							
Payment of the principal and interest on leases		(519,024)	(6,495)	(525,519)	(519,024)	(6,495)	(525,519)
Cash flow from financing activities		**(1,080,075)**	**(6,495)**	**(1,086,570)**	**(1,244,331)**	**(6,495)**	**(1,250,826)**
Net increase (decrease) in cash and cash equivalents		**(497,732)**	**-**	**(497,732)**	**(518,503)**	**-**	**(518,503)**
Cash and Cash Equivalents at the start of the period		**1,627,977**	**-**	**1,627,977**	**1,674,091**	**-**	**1,674,091**
Cash and Cash Equivalents at the end of the period		**1,130,245**	**-**	**1,130,245**	**1,155,588**	**-**	**1,155,588**

(*) This statement presents the effects mentioned in explanatory note 2.4.

(in thousand Reals unless otherwise stated)

2.4.7 Recoverable Amount (Impairment)

Nature	Note	Impairment test		
		2023		
		Disclosed	Adjustment	Resubmitted
Property and Equipment	(d)	(15,038)	(13,692)	(1,346)
Total		**(15,038)**	**(13,962)**	**(1,346)**

2.4.8 Changes in property and equipment (Parent Company and Consolidated)

Property and equipment	Note	Accumulated Depreciation			impairment		
		2023			2023		
		Disclosed	Adjustment	Resubmitted	Disclosed	Adjustment	Resubmitted
Machinery and equipment	(e)	(119,650)	(1,272)	(120,922)	(1,272)	1,272	-
Furniture and fixtures	(e)	(363,248)	(1,606)	(364,854)	(1,606)	1,606	-
IT Equipment	(e)	(214,179)	(276)	(214,455)	(276)	276	-
Leasehold improvements	(e)	(1,025,050)	(10,538)	(1,035,588)	(11,884)	10,538	(1,346)
		(1,724,003)	**(13,692)**	**(1,737,695)**	**(15,038)**	**13,692**	**(1,346)**

(in thousand Reals unless otherwise stated)

3. Basis of Consolidation

The fiscal periods of the subsidiaries coincide with those of the Parent Company, and accounting practices are uniformly applied across all subsidiaries. When necessary, adjustments are made in the subsidiary financial statements to align their accounting policies with those of the Company. Consolidation eliminates all transactions and balances between members of the same economic group. In the individual financial statements, Company investments in its affiliates are recorded using the equity method.

Consolidated interim financial statements include the operations of the Company and its subsidiaries, and the FIDC C&A Pay investment fund, given that C&A Modas owns the entirety of the quotas and is exposed to the fund's risks and benefits.

	Direct Subsidiaries			Indirect Subsidiaries	Investment Fund
Shareholding	**Orion**	**Moda Lab**	**C&A Pay Holding**	**C&A pay SCD**	**C&A pay FIDC**
2024	99.99%	-	99.99%	99.99%	100.00%
2023	99.99%	90.00%	99.99%	99.99%	100.00%

3.1 Orion Instituição de Pagamento S.A. ("Orion")

Orion Instituição de Pagamento S.A.'s stated purpose of business is the development of payment arrangements, payment services as an issuer of electronic currency, an issuer of post-paid payment instruments, accrediting, and payment transaction initiator, among other activities inherent to a payment institution.

3.2 Moda Lab LTDA ("Moda Lab")

Moda Lab Ltda. ended its activities in November 2024. It's main purpose of business had been the production of apparel manufactured by third parties at their own facilities, under order of the parent company and the provision of inputs, patterns, dies, or models.
On December 31, 2024 Moda Lab had no balance receivable or payable with other Group companies or third-parties. Management determined to close and liquidate the company on November 7, 2024. In the liquidation process the share capital was returned to the partners.

3.3 C&A Pay Holding Financeira Ltda ("C&A Pay Holding")

C&A Pay Holding Financeira Ltda. was created on December 27, 2022. It's stated purpose of business is ownership of equity in financial institutions and other institutions authorized to operate by the Brazilian Central Bank (BACEN). It is directly controlled by C&A Pay Sociedade de Crédito, which received BACEN authorization to operate on December 30, 2022, and is allowed to offer credit to its end consumers, thus it is subject to this regulatory agency.

3.4 C&A Pay Sociedade de Crédito Direto S.A. ("C&A Pay SCD")

C&A Pay Sociedade de Crédito Direto S.A. received authorization from Bacen to offer credit to end consumers on December 30, 2022. Thus, is it subject to Bacen regulations. This Company started operating on May 2, 2023

3.5 C&A Pay Fundo de Investimento em Direitos Creditórios não padronizados [Investment Fund in Non-Standardized Credit Rights] ("C&A Pay FIDC")

FIDC (C&A Pay Fundo de Investimento em Direitos Creditórios Não Padronizados), of which C&A is the sole quota holder, started operations on May 2, 2023. The FIDC initially purchased C&A Pay's legacy portfolio, which had been in the hands of Orion Instituição de Pagamento. In May 2023, credit management and concession were transferred from C&A Pay to the C&A Pay SCD, which now originates the assets and assigns them to the FIDC.

4. Material accounting policies

The main material accounting policies used to prepare these Individual and Consolidated Interim Financial Statements are submitted in the following notes.

4.1 New statements or statements reviewed and applied for the first time in 2024

Management analyzed the accounting standards, instructions, and pronouncements that became effective for the first time in the period starting January 1, 2024, and concluded that they do not have a significant impact on the financial statements. The Group decided against early adoption of other standards, interpretations, or amendments issued but not yet applicable.

(a) Changes in IAS 1: Classification of liabilities as current or non-current

IAS 1 requires that a company classify debt as non-current only if it cannot be settled within 12 months of the reporting date.
The changes implemented in IAS 1 specify that the covenants to be met following the date of the statement shall not affect classification of the debt as current or non-current on the date of the statement of financial position. Instead, the changes require that a company disclose information about these covenants in the notes to the financial statements.

These amendments are in effect for the annual financial reporting periods starting as of

January 1, 2024, and must be applied retrospectively. The Group analyzed the amendments to the standard and concluded they do not impact current practices.

4.2 New pronouncements that are not yet applicable

(a) Standard IFRS S1 - General requirements for the disclosure of sustainability-related financial information, and S2 – Requirements for climate-related disclosures.

In October 2023, the CVM [the Brazilian Securities and Exchange Commission) issued Resolution 193 on the disclosure of financial information regarding sustainability. IFRS S1 demands information about risks and opportunities, while IFRS S2 focuses on climate aspects.

The Company is analyzing the impact of early adoption.

(b) IFRS 18 - Submission and Disclosure of Financial Statements

This standard fosters better submission and disclosure of financial statements, providing investors with a more transparent and comparable analysis of company performance. The main amendments include:

I. Introduction of new categories and subtotals in the Statement of Earnings (SE) covering operating activities, investments, and financing;
II. A demand for explanatory notes on non GAAP metrics such as EBITDA;
III. Detailed presentation of the operating expenses, classified by nature.

This standard is effective as of January 1, 2027. We are currently analyzing the possible impacts of this change.

(c) CPC 18 (R3) – Investments in Affiliates and Jointly Controlled Entities

In September, 2024 the CVM issued Resolution nº 211, requiring that traded companies adopt Technical Pronouncement CPC 18 (R3) – Investments em Affiliates and Jointly Controlled Entities , as per Annex “A” of said Resolution.

This standard is effective as of January 1, 2025 and applies to the fiscal periods starting on or after this date, revoking CVM Resolution 118. At this time we are analyzing its impact.

(d) ICPC 09 - Individual, Separate, and Consolidated Financial Statements

CVM Resolution n. 212, published in September, 2024, makes Technical Interpretation ICPC 09 (R3) mandatory for traded companies and applicable to individual, separate, and consolidated financial statements.

This standard is effective as of January 1, 2025 and revokes CVM Resolution 124. It seeks to ensure consistency and transparency in accounting practices and align Brazilian standards to international best practices. We are currently analyzing its impact.

(e) CPC 02 (R2) - Impact of Changes in the Exchange rates and Conversion of Financial Statements, and CPC 37 (R1) - Initial Adoption of International Accounting Standards

In September 2024 the CVM issued Resolution 2013, requiring that traded companies issue a Document Reviewing CPC Technical Pronouncement 27, which amends Technical Pronouncement CPC 02 (R2) - Impact of Changes in the Exchange rates and Conversion of Financial Statements, and CPC 37 (R1) - Initial Adoption of International Accounting Standards.

This standard is effective as of January 1, 2025 and applies to the fiscal periods starting on or after this date, and does not impact Company statements.

5. Significant accounting judgments, estimates, and premises

The accounting estimates involved in preparing the financial statements are based on objective and subjective factors, which in turn are based on the judgment of Management to determine the appropriate amount to be recognized in the financial statements. The settlement of transactions involving these estimates may result in amounts significantly different from those recorded in the financial statements due to the probabilistic approach inherent to the estimating process. Significant items subject to these estimates and premises include:

(a) Determination of the lifetime of property & equipment and intangibles;
(b) Analysis of the recovery of values of property & equipment and intangibles;
(c) Estimated credit losses;
(d) Estimated inventory losses;
(e) Realization of deferred income tax and social contribution;
(f) Rates and timeliness applied when determining adjustment to present value of assets and liabilities;
(g) Provisions for tax, civil and labor proceedings;
(h) Determination of the fair value of derivative financial instruments;
(i) Provisions for restoring stores to their original condition;
(j) Short and long-term incentives;
(k) Stock-based compensation; and
(l) Determination of incremental interest rates and contract deadlines to be used to book lease liability cash flows.

The measurement of provisions for civil and labor class actions is based on applying the historical percent losses and costs, considering the phase the case is in. Provisions are made for those in the enforcement phase using the updated amount of the claim, as calculated by the Company's legal advisors.

(in thousand Reals unless otherwise stated)

6. Cash and cash equivalents

6.1. Material Accounting policy

Cash equivalents are held to meet short-term cash commitments and are not for investment or other purposes. The Group considers as cash equivalents financial investments of immediate liquidity that may be redeemed at any time with the issuer of the security for a known cash amount and subject to insignificant risk that the value will change. Thus, investments are normally considered as cash equivalents when they mature over a short period such as three months or less from the date of the transaction.

6.2. Composition of cash and cash equivalents

	Compensation	Parent Company		Consolidated	
		2024	2023	2024	2023
Cash		**5,368**	5,040	**5,368**	5,040
Banks		**23,879**	65,943	**146,288**	72,713
Cash equivalents:					
Interest yielding account	**2% to 10% of the CDI**	**75,993**	51,758	**76,037**	52,697
Bank Certificates of Deposit (*)	**96% to 103.75% of the CDI**	**1,157,030**	1,007,504	**1,175,532**	1,025,138
		1,262,270	1,130,245	**1,403,225**	1,155,588

(*) Interbank Deposit Certificates ("CDIs") can be redeemed at any time from the issuing institution with no loss in contracted yield.

7. Bonds and securities

7.1. Material Accounting policy

Financial investments considered cash-equivalents are those with no buy-back guarantee by the issuer in the primary market. They are liquid only in the secondary market and are measured according to the Group's intent to use.

7.2 Breakdown of bonds and securities

	Index	Rate	Parent Company		Consolidated	
			2024	2023	2024	2023
Treasury Bonds (*)	**SELIC**	**100%**	**-**	-	**160,704**	145,068
FIDC C&A Pay		**100%**	**854,604**	791,352	**-**	-
Fixed Yield Investment Fund			**-**	-	**8,606**	46,519
			854,604	791,352	**169,310**	191,587
Current assets			**-**	-	**169,310**	191,587
Non-current assets			**854,604**	791,352	**-**	-

(*)The Company has LTFs (Brazilian Treasury Notes), which are government bonds indexed to the variation in the SELIC (Special Custody and Settlement System) rate.

(in thousand Reals unless otherwise stated)

7.3 FIDC C&A Pay

FIDC C&A Pay operations started on May 2, 2023. It was established as a non-standardized credit rights investment fund closed condominium. Quotas are only redeemed at the end of each series, or if the Fund is liquidated. The Fund is governed by its own Bylaws and regulated by CVM Instructions 175/2022 and other applicable laws and regulations.

On December 31, 2024, all quotas issued by the fund were owned by C&A.

On December 31, 2024, and 2023 the ownership of FIDC C&A Pay broke down as follows:

Single series	% Fund SE	Number	Value of each quota	Amount
2024	100.00%	986,342	0.9542	941,213
2023	100.00%	978,706	0.8452	827,251

On December 31, 2024 and 2024 the ownership of FIDC C&A Pay broke down as follows:

	2024	2023
Assets		
Cash and cash equivalents	**117,035**	4,817
Financial investments	**10,374**	54,102
Trade receivables	**868,190**	805,156
Other credits	**8,407**	50
Total assets	**1,004,006**	**864,125**
Net liabilities and equity		
Accounts payable	**62,793**	36,874
Shareholder's Equity	**941,213**	827,251
Total liabilities and shareholder's equity	**1,004,006**	**864,125**

(in thousand Reals unless otherwise stated)

7.3.1 Reconciliation of FIDC Shareholder's equity x FIDC consolidated Shareholder's equity

	2024	2023
FIDC Shareholder's Equity	**941,213**	**827,251**
Expected credit losses (CPC48/IFRS 9)	**(24,380)**	(21,097)
Present value adjustment	**(14,901)**	(14,008)
Consolidation adjustments	**(47,328)**	(794)
FIDC Shareholder's Equity - Consolidated	**854,604**	**791,352**

(*) Adjustments for consolidation are basically comprised of the difference in interest revenue recorded by the FIDC, which in turn is the result of the impact of goodwill and negative goodwill on the assignment of receivables. In 2023, SCD C&A Pay assigned its portfolio of with-interest installment payments, and its portfolio of no-interest installment payments to the FIDC, the former with goodwill and the latter with negative goodwill. As of 2024, the portfolio of with-interest installment payments will be assigned at face value, and the portfolio of without-interest installment payments will be assigned at negative goodwill. As a result, FIDC interest revenue will increase. Because goodwill and negative goodwill are intra-group transactions, their effect disappears upon consolidation.

The FIDC result is booked according to IKEM 489 of January 14, 2011, which applies to direct credit risk investment funds. For the purposes of consolidated financial statements, credit revenue and losses are calculated using IFRS/CPC rules and the Group's accounting policies.

8. Trade receivables

8.1 Material Accounting policy

Trade receivables are receivables from the sale of goods to clients paid for using third-party cards and the Company's proprietary digital card through C&A Pay. It also includes amounts to be received from commercial partnerships. These are entered at the realization amount net of present value adjustments and expected losses, as per CPC48/IFRS-9 guidelines.
Installment sales are brought to their present value on the date of the transaction using rates associated with the customer's credit profile. The mean rate used on December 31, 2024 was 0.97% per month (2023: 0.93% a month). Realization is booked as sales revenue. These fees can vary over time based on the economic scenario, which has a direct impact on present value adjustments. Management considers these fluctuations in fees and adjusts provisions for losses as necessary.

8.2 Recognition of credits

The company adopts policies to renegotiate credit with customers who are having trouble paying their debt. This allows it to adjust payment terms according to the client's credit profile. These renegotiations have a direct impact on provisions for expected losses, as clients are frozen into the past due baskets in which they are in. Renegotiated transactions are measured differently, bearing in mind the new expected cash flow and associated risk.
Expected credit losses were constituted in an amount considered sufficient by Management to address expected credit realization losses based on periodic reviews of the macroeconomic scenarios.

(in thousand Reals unless otherwise stated)

8.3 Breakdown of trade receivables

The following table breaks down trade receivables by different card operators, digital C&A Pay transactions, and other categories.

(*) Statements include the effects mentioned in note 2.4.

	Note	Parent Company		Consolidated	
		2024	2023	2024	2023
Card operators		**997,842**	958,344	**997,842**	958,344
C&A Pay Card - related parties	(a)	**53,276**	60,511	**-**	-
C&A Pay Card - third parties		**-**	-	**1,225,708**	963,020
Present value adjustment		**(13,686)**	(13,935)	**(28,587)**	(27,944)
Expected credit losses		**(2,693)**	(2,955)	**(377,040)**	(187,334)
Customer accounts receivable		**1,034,739**	1,001,965	**1,817,923**	1,706,086
Trade receivables - business partners and related parties	(b)	**54,152**	64,996	**56,994**	84,466
Expected credit losses		**(12,096)**	(12,096)	**(12,096)**	(12,096)
Other trade receivables		**42,056**	52,900	**44,898**	72,370
Total trade receivables		**1,076,795**	1,054,865	**1,862,821**	1,778,456

(*) Statements include the effects mentioned in note 2.4.

(a) Amount related to sales made through the Group's own digital card and reimbursement of shared expenses.
(b) Includes an amount of R$846 related to accounts receivable from related parties of the 2024 SCD (R$187 in 2023) and an amount of R$468 related to other business partners in 2024 (R$79 in 2023).

8.3.1 Segmentation by Type of Customer:

Accounts receivable were classified by type of customer to facilitate the analysis of credit risk and financial impact:

Card operators

Sales paid for with third-party cards.

C&A pay

Sales paid for using the company’s private label card, split into related parties and third parties.

Business Partnerships:

Commercial partner trade receivables from other companies.

8.4 Receivables pre-payment

8.4.1 Third-Party

The Group has not advanced third-party credit card receivables since October, 2023. In the period R$ 705,127 were advanced at three different times: R$ 251,589 in March, 2023, R$ 251,818 in June 30, 2023, and R$ 201,720 in September, 2023. This had a transaction cost R$ 4,110, equivalent to a monthly rate of 1% to 1.2%, entered as finance expenses - receivables pre-payment (see note 32).

(in thousand Reals unless otherwise stated)

8.4.2 Intragroup

During fiscal year 2024, the Group advanced receivables with its C&A pay SCD subsidiary in the amount of R$ 2,339,386, at a cost of R$ 44,720 (compared to R$ 1,491,030 in 2023 at a cost of R$ 43,358). The rate used in these transactions ranged from 0.91% 1.05% monthly. (2023: 1.04% to 1.80% monthly) These were booked as finance expenses for C&A Modas and as finance revenue for C&A pay SCD. These transactions were eliminated in the Group consolidation (see note 32).

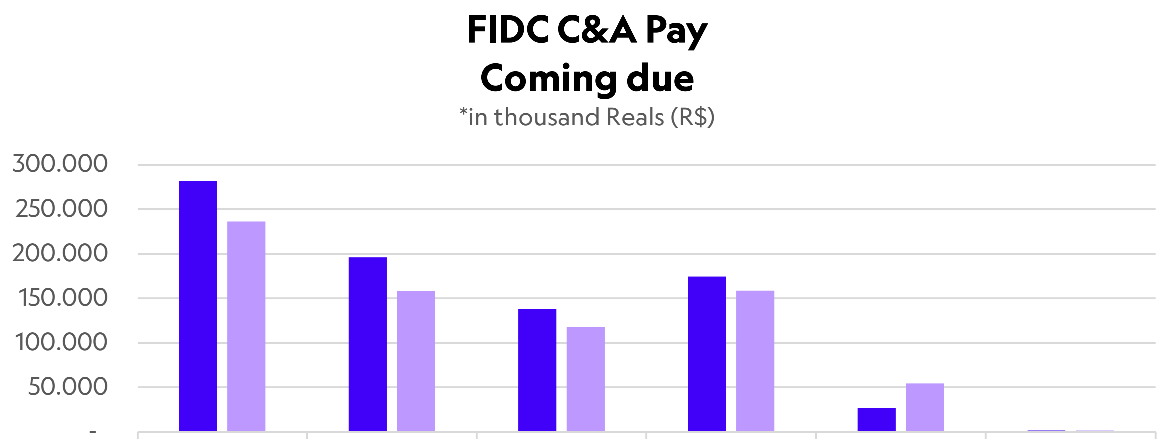
8.4.3 Receivables Assignment to FIDC:

In addition to prepayments, the company assigns receivables to the FIDC (Credit Rights Investment Fund) as a cash-flow management tool. These transactions, which involve premiums and discounts, impact not only financial assets but also parent company and subsidiary operating results. These are, however, eliminated upon consolidation.

8.5 C&A Pay credit portfolio by past due range

The following table show how the composition of the C&A Pay credit portfolio breaks down by past due range. This segmentation enables a more granular analysis of the quality of the credit portfolio, segregating due from past due receivables, which in turn enables deploying suitable collection strategies for each basket.

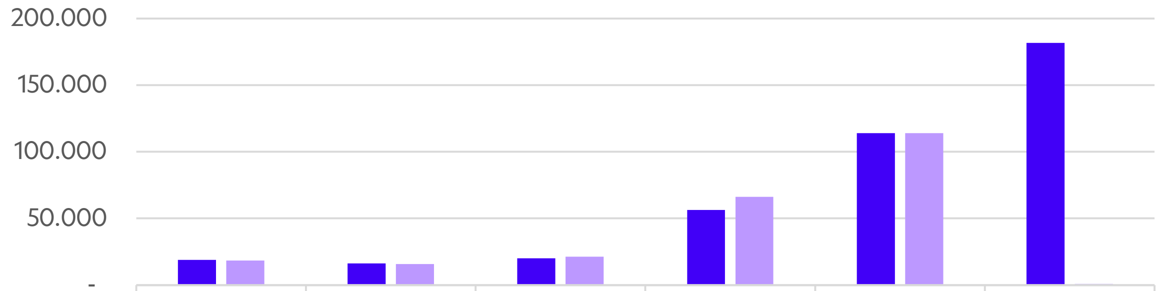
Total in 2023: 726,554
Total in 2024: 818,527



	Up to 30 days	31 - 60 days	61 - 90 days	91 - 180 days	181 - 360 days	Over 360 days
2024	281.547	195.956	138.068	174.257	26.926	1.773
2023	236.208	158.185	117.484	158.440	54.595	1.642

Total in 2023: 236,466
Total in 2024: 407,181

FIDC C&A Pay
Past due:
*in thousand Reals (R$)



	Up to 30 days	31 - 60 days	61 - 90 days	91 - 180 days	181 - 360 days	Over 360 days
2024	18.968	16.365	20.015	56.306	114.032	* 181.495
2023	18.514	15.665	21.336	66.173	113.904	874

*On January 1, 2024 the Company reviewed its asset write-off period from 361 days to 721 days. On December 31, 2024 the coverage index (estimated loss/portfolio) for this range was 97.61%.

8.6 Expected credit transactions losses

8.6.1 Financial Services – C&A Pay

C&A Pay was launched in late 2021 to improve the customer buying experience and support retail sales. This private label card is currently only accepted at C&A Stores. To support this operation a strict credit approval system was developed using tools and analyses to more accurately determine the credit limit suited to each customer.

Expected losses (PELC or Provision for Doubtful Credit) is based on continuous risk assessment, bearing in mind past and future projections of credit behavior. This assessment model complies with the requirements of CPC48/IFRS 9 and Brazilian Central Bank Resolutions (CMN 4966 and BBC 352), both of which are effective as of January 1, 2025.

Although C&A Modas is not directly regulated by the Brazilian Central Bank, it's subsidiary C&A Pay SCD, which is part of the Parent company, is Central Bank-regulated and strictly abides by the guidelines contained in said resolutions, reinforcing the company's commitment to regulatory compliance and prudent management of its assets.

8.6.2 Continuous Review of the PELC (Provision for Doubtful Credit) model

C&A Pay continuously reviews the model it uses for expected losses (PELC or Provision for Doubtful Credit) and proactively adjusts its provisions based on the past behavior of the credit portfolio and its macroeconomic projections. This process includes analyzing adverse economic scenarios and future trends, as required by IFRS 9/CPC48.

8.6.3 Portfolio Breakdown and Loss Estimates by Stage

Provisions for expected losses are calculated based on the composition of the credit portfolio by stage. Assets are classified as follows:

I. Stage 1: Credit with no significant risk of default
II. Stage 2: Credit with a significant increase in the risk of default
III. Stage 3: Past due credit

Loss estimates increase progressively with the risk of default between stages, ensuring a prudent approach to asset measurements.

The provisions and classifications mentioned in this item, in particular those regarding assets between 360 and 721 days past due, and >721 days write-offs, are based on current CPC 48 – IFRS 9 practices. CMN Resolution 4,966 and BCB Resolution 352, effective as of January 2025, converge with these standards.

These standards demand an approach to recognize and measure credit losses, fostering increased prudence and predictability in managing credit risk.

On December 31, 2024, the Group had 97.61% provisions for assets between 360 and 720 days past due, which are more robust provisions for these past due assets, reflecting the company's prudent approach to the risk of long-term default. Thus, assets more than 720 days past due will be written off as a loss, and the provisions made reversed.

8.6.4 Material Accounting policy

The Group uses IFRS 9/CPC 48 methodology, and a simplified approach to calculate expected credit losses (PECLD). This simplified approach enables recognizing expected losses directly throughout the lifetime of these financial assets, and considers variables such as past risk behavior and the macroeconomic scenario. This model is constantly reviewed to accommodate changes in internal and external factors that can justify adjusting provisions to ensure that these accurately reflect the credit risk.

Credit transactions include on-balance sheet balances (active portfolio), and off-balance sheet balances (limits granted but not used). These transactions are entered as a loss (written off) when there is no longer any expectation that past due amounts will be recovered, in which case the associated provisions for expected losses are reversed.

By the end of 2023, as C&A Pay operations matured and it had a more robust basis for calculating customer behavior, the Company, with the support of a specialized consulting firm, refined its model for expected losses. Thus, based on the history of recoverability of past due assets, write-off period was extended from 361 days to 721 days. This change reflects company alignment with industry best practices and IFRS 9 requirements. The impact of this change is directly related to the better quality of the portfolio and provisions made, aligning expected losses to actual behavior and better management of C&A Pay credit receivables assets, which are now better adjusted to the reality of assets with more extended default periods.

The applicability of the simplified expected loss model enables direct recognition of losses over the lifetime of the assets. This model is based on customer default histories and the current economic scenario, ensuring that expected credit losses are duly recognized in an efficient and transparent manner. This simplified process reduces the complexity of measuring provisions and ensure compliance with applicable accounting standards, being in line with Brazilian Central Bank resolutions CMN 4,966 and BCB 352.

8.6.5 Main components of the expected loss model:

Probability of Default (PD): This is the probability that a debtor will not be able to meet its financial obligations within a given period of time

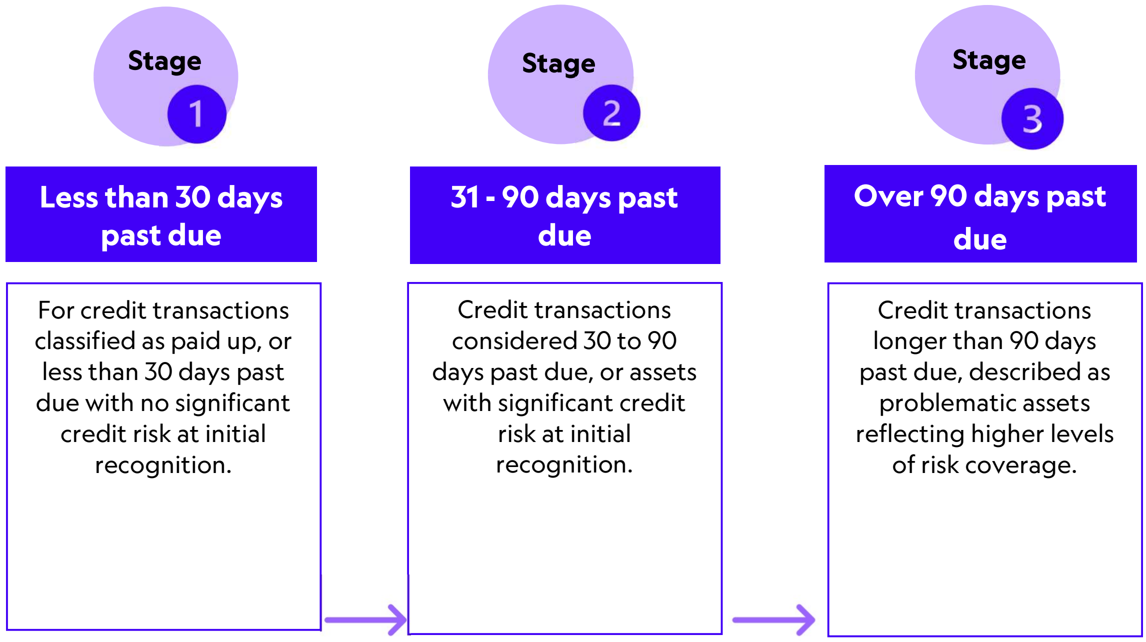
Exposure at Default (EAD): This is total exposure at the time of default

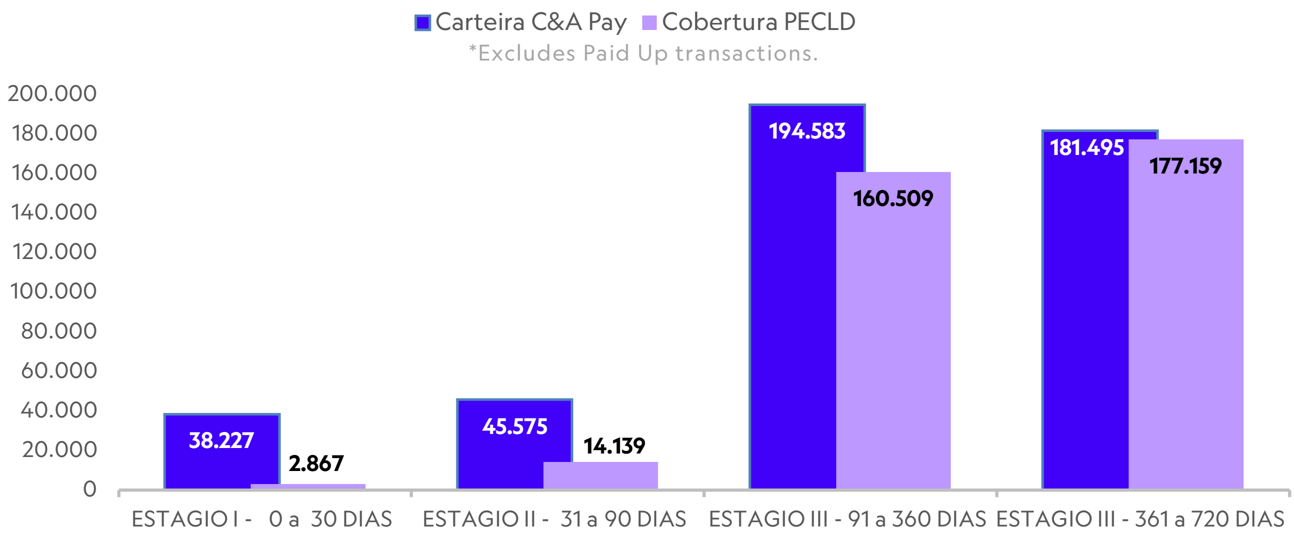
Loss Given Default (LGD): This measures expected losses after default using a specific percentage of the total value of the problem asset

The expected loss model ensures that suitable provisions are made for credit transactions, ensuring that losses are measured such as to reflect the long-term default risk.

This model seeks to make provisions for expected credit losses over the lifetime of the financial assets, and not only when the actual loss occurs. This approach is based on expected losses using variables such as past risk behavior and the macroeconomic scenario.

The expected loss model is based on three stages that determine how losses are measured and booked, as follows:





8.6.6 Portfolio Breakdown and Loss Estimates by Stage

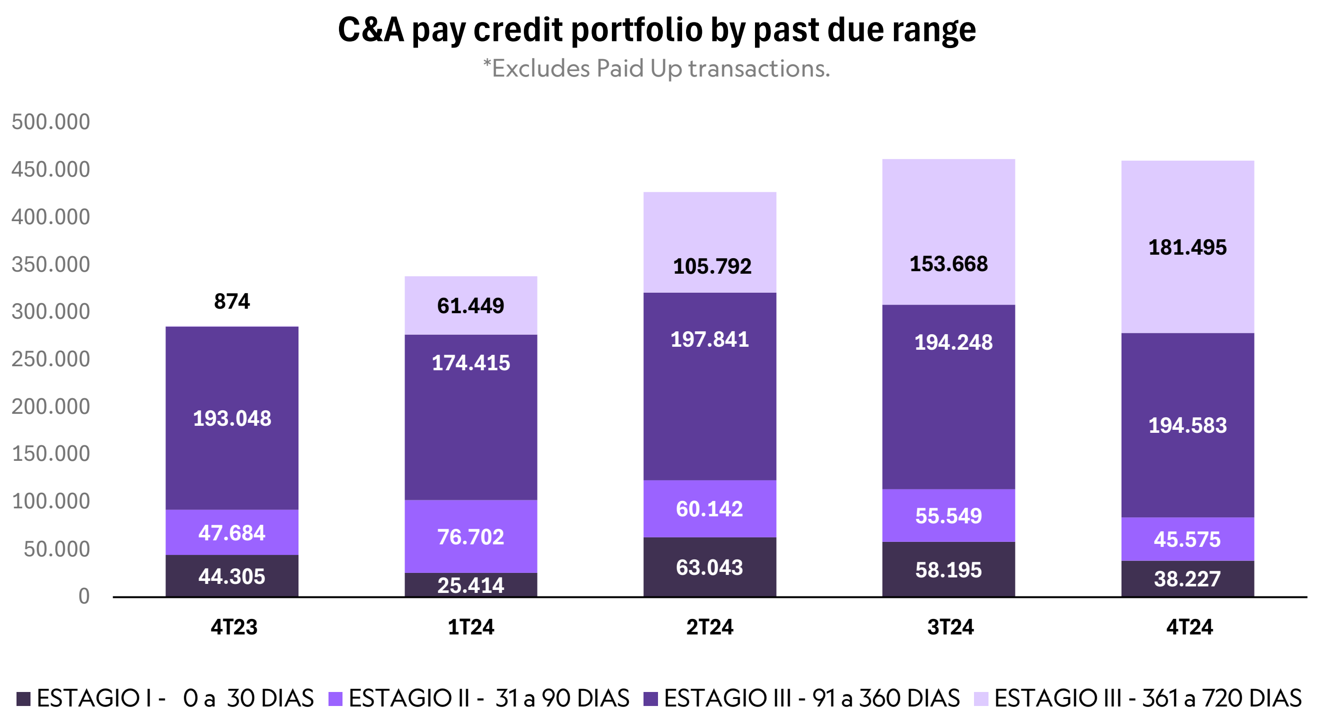
Below is the composition of the C&A Pay credit portfolio, broken down by loss estimate stage. These stages represent different levels of credit risk and reflect how portfolio default has evolved, and are adjusted based on credit recoverability history. This provision policy is adjusted by asset stage, enabling more effective management of the credit risk.

(in thousand Reals unless otherwise stated)

	C&A pay				
	2024				
	Portfolio				
C&A Pay Credit Card (Private Label)	**Coming due**	**Past due**	**Total**	**Estimated losses**	**% Coverage**
Stage 1	**789,854**	**14,201**	**804,055**	**22,396**	**2.79%**
Paid up	765,828	-	765,828	19,529	
Up to 30 days	24,026	14,201	38,227	2,867	
Stage 2	**13,135**	**32,440**	**45,575**	**14,139**	**31.02%**
31 – 60 days	6,963	11,996	18,959	4,025	
61 – 90 days	6,172	20,444	26,616	10,114	
Stage 3 - up to 360 days past due	**15,538**	**179,045**	**194,583**	**160,509**	**82.49%**
91 - 120 days	3,786	20,675	24,461	17,502	
121 - 150 days	1,987	19,186	21,173	15,187	
151 - 180 days	1,337	17,860	19,197	14,705	
181 - 360 days	8,428	121,324	129,752	113,115	
Stage 3 - over 360 days past due	**-**	**181,495**	**181,495**	**177,159**	**97.61%**
Over 360 days	-	181,495	181,495	177,159	
On-balance portfolio	**818,527**	**407,181**	**1,225,708**	**374,203**	**30.53%**
Credit limit available (off-balance)	-	-	**730,883**	**144**	**0.02%**
Grand Total	-	-	**1,956,591**	**374,347**	**19.13%**
Coverage over credit portfolio		-			**30.54%**

(in thousand Reals unless otherwise stated)

C&A Pay Credit Card (Private Label)	C&A pay 2023 Portfolio Coming due	Past due	Total	Estimated losses	% Coverage
Stage 1	**705,829**	**15,586**	**721,415**	**18,582**	**2.58%**
Paid up	677,110	-	**677,110**	16,658	
Up to 30 days	28,719	15,586	**44,305**	1,924	
Stage 2	**12,354**	**35,330**	**47,684**	**5,321**	**11.16%**
31 – 60 days	8,417	13,345	**21,762**	2,384	
61 – 90 days	3,937	21,985	**25,922**	2,937	
Stage 3 - up to 360 days past due	**8,371**	**184,676**	**193,047**	**159,525**	**82.64%**
91 - 120 days	2,313	24,689	**27,002**	19,761	
121 - 150 days	1,385	24,036	**25,421**	18,659	
151 - 180 days	877	19,190	**20,067**	15,731	
181 - 360 days	3,796	116,761	**120,557**	105,374	
Stage 3 - over 360 days past due	**-**	**874**	**874**	**804**	**92.04%**
Over 360 days	-	874	874	804	
On-balance portfolio	**726,554**	**236,466**	**963,020**	**184,232**	**19.13%**
Credit limit available (off-balance)			**748,247**	**147**	**0.02%**
Grand Total			**1,711,267**	**184,379**	**10.77%**
Coverage over credit portfolio					**19.15%**



(in thousand Reals unless otherwise stated)

8.6.7 Details on the Portfolio Quality and Collection strategies

The quality of the C&A Pay credit portfolio varies by past due range. Short term receivables (≤ 90 dpd) have the smallest risk of default and require less provisions for losses. Past due receivables (≥91 dpd) have a greater risk of default, requiring more robust provisions and more vigorous collection strategies.

8.6.8 Estimated changes in credit losses

Below are the changes in estimated credit losses for both the parent company and consolidated. This change reflects provisions made and write-offs taken during the periods indicated, in particular an increase in new provisions and a decrease in write-offs due to changing the approach used to classify expected losses (from 361 to 721 days), as stated in N.E (explanatory note) 8.6.4.

	Parent Company	**Consolidated**
Balance on December 31, 2022	**(16,937)**	**(81,375)**
(*) Composition	(2,155)	(233,482)
(-) Written-off	4,041	115,427
Balance on December 31, 2023	**(15,051)**	**(199,430)**
(*) Composition	(326)	(198,678)
(-) Written-off	588	8,972
Balance on December 31, 2024	**(14,789)**	**(389,136)**
Loss estimate, C&A pay	**-**	**(374,347)**
Estimate of other losses	**(14,789)**	**(14,789)**

8.6.9 Management of credit loss risks

The Group uses a strict and robust policy to approve credit, which is in line with its governance and portfolio management guidelines determined by Management. It also has a financial services committee to regulate and oversee operations. The goal is to minimize default using measures to control this risk, such as specialized credit analysis tools, database access, credit approval management, and monitoring and managing receiving processes. The favorable combination of these elements resulted in the recovery of R$ 88,768 from transactions between 61 and 720 days past due in 2024 (R$ 44,010 in 2023).

Such practices ensure effective credit risk management and keep our retail operations at acceptable levels of exposure, ensuring the quality and sustainability of our credit operations.

9. Related parties

The Company and other group companies enter into related party transactions to support its operations. Terms are commutative and do not generate any undue benefit to the parties, nor losses to the Group. Transactions are entered into:

I. according to specific prices agreed by the parties, bearing in mind the transfer price rules.
II. at market prices.

During the fiscal periods ending on December 31, 2024, and 2023 there was no need to recognize provisions for expected credit losses in related party accounts receivable.

The relationship and main transactions between the Group and related parties are as follows:

Related parties	Transaction type	Transactions between parties	Conditions
Parent companies			
COFRA Investments	Direct parent company	-	-
Incas SARL	Direct parent company	-	-
COFRA AG	Indirect Final Parent Company	-	-
Subsidiaries			
Orion Instituição de Pagamento S.A.	Direct Subsidiaries	Institution activities in payment arrangements and credit securitization	Price negotiated between the parties
Moda Lab LTDA	Direct Subsidiaries	Toll processing for C&A Modas	Price negotiated between the parties
C&A Pay Holding Financeira Ltda	Direct Subsidiaries	Final direct parent company of C&A Pay Sociedade de Crédito Direto S.A.	-
C&A Pay Sociedade de Crédito Direto S.A.	Indirect Subsidiaries	Financial institution acting as the founding body of the closed payment arrangement and issuer and administrator of C&A Pay private label cards.	Market value and price between parties
C&A Pay Fundo de Investimento em Direitos Creditórios	Investment Fund Shareholders	Investment Fund that purchases credit rights originated by assignor SCD C&A Pay, with C&A Modas S.A. as the sole quota holder.	Price negotiated between the parties
Associates			
C&A Services	Associate, with no significant influence	Supply of software licenses	Price negotiated between the parties
C&A Sourcing Limited	Associate, with no significant influence	Import intermediation services (trading)	Price negotiated between the parties
Cora Latin America Ltda	Associate, with no significant influence	Supply of sureties/guarantees for C&A Brasil lease agreements	Price negotiated between the parties
Cyamprev Soc. Previd. Privada	Subsidiary under direct influence	A closed pension fund for C&A Group employees only	Price negotiated between the parties
Instituto C&A	Associate, with no significant influence	Federal public utility institution supported by C&A for volunteering, entrepreneurial activities, and support for humanitarian efforts.	Price negotiated between the parties

(in thousand Reals unless otherwise stated)

On December 31, 2024, and 2023, the outstanding balances in related party transactions were the following:

9.1. On-balance-sheet transactions

Assets		Parent Company		Consolidated	
	Note	2024	2023	2024	2023
Trade receivables					
C&A pay SCD	(a)	**54,122**	60,698		
Instituto C&A	(b)	**27**	27	**27**	27
COFRA LA	(b)	**6**	8	**6**	8
Orion	(b)	**430**	6	**-**	-
C&A Pay Holding		**-**	38	**-**	-
Cyamprev		**6**	-	**6**	-
		54,591	60,777	**39**	35
Other assets					
C&A Services	(c)	**19**	76	**19**	76
Total related party assets		**54,610**	60,853	**58**	111

(a) Sales using the company's private label card and reimbursement of shared expenses.
(b) Amount regarding expenses shared across related parties.
(c) Amount referring to license payments between related parties.

Liabilities		Parent Company		Consolidated	
	Note	2024	2023	2024	2023
Suppliers					
C&A Sourcing	(a)	**96,744**	69,638	**96,744**	69,638
Cyamprev	(b)	**1,717**	1,974	**1,756**	2,021
COFRA LA		**21**	-	**21**	-
Instituto C&A		**-**	2	**-**	2
FIDC C&A Pay	(c)	**4,447**	4,355	**-**	-
C&A pay SCD	(d)	**156**	3,790	**-**	-
		103,085	79,759	**98,521**	71,661
Interest on shareholder's equity and dividends					
Interest on shareholder's equity and dividends	(e)	**53,322**	-	**53,322**	-
Total current liabilities		**156,407**	79,759	**151,843**	71,661

(a) Merchandise suppliers
(b) Amount regarding monthly social security contributions among related parties.
(c) Amounts to pass along for invoice receiving
(d) Reimbursement of expenses
(e) Net of taxes

(in thousand Reals unless otherwise stated)

9.2. Transactions in the statement of earnings for the period

		Parent Company		Consolidated	
	Note	**2024**	**2023**	**2024**	**2023**
Reimbursement of shared expenses					
Cyamprev		**73**	203	**73**	203
Instituto C&A		**134**	-	**134**	-
COFRA LA		**76**	79	**76**	79
Orion		**69**	80	**-**	-
C&A pay SCD		**1,086**	-	**-**	-
		1,438	362	**283**	282
Financial Service Expenses					
Orion		**-**	(143)	-	-
C&A pay SCD	(a)	**(49,456)**	(7,538)	-	-
		(49,456)	(7,681)	-	-
Receivables pre-payment					
C&A pay SCD		**(29,438)**	(43,358)	-	-
		(29,438)	(43,358)	-	-
Merchandise purchased					
C&A Sourcing		**(515,589)**	(336,756)	**(515,589)**	(336,756)
		(515,589)	(336,756)	**(515,589)**	(336,756)
Services purchased					
C&A Services		**(1,916)**	(1,786)	**(1,916)**	(1,786)
COFRA LA		**(179)**	(231)	**(179)**	(231)
		(2,095)	(2,017)	**(2,095)**	(2,017)
Pension fund contributions					
Cyamprev	(b)	**(3,100)**	(6,099)	**(3,176)**	(6,099)
		(3,100)	(6,099)	**(3,176)**	(6,099)

(a) Commission expenses on transactions using the C&A Pay card.

(b) This include the company's share and the employee's share withheld from the payroll and transferred to Cyamprev.

(in thousand Reals unless otherwise stated)

9.3. Compensation of members of the Board of Directors and Executive Board

Expenses (paid and payable) associated with Officer compensation in the periods ending December 31, 2024, and 2023 were as follows:

		Parent Company and Consolidated	
	Note	**2024**	**2023**
Fixed Compensation		**15,465**	14,026
Variable Compensation		**7,594**	4,292
Contributions to post-employment plans		**94**	93
Long-Term Incentives		**5,958**	4,967
Cessation of office		**-**	2,163
Total excluding charges		**29,111**	25,541
Estimated charges	(a)	**12,056**	10,358
Total including charges		**41,167**	35,899

(a) Social charges on share-based compensation are calculated based on the value of C&A Moda stock on the reporting date and, for this reason, is subject to fluctuations.

Global annual compensation of the Board of Directors and Board of Executive Officers for 2024, in the amount of up to R$ 36,331 net of fees and charges was approved at the Ordinary and Extraordinary Shareholder's Meeting of March 26, 2024 (R$ 35,457 in 2023).

10.Stock-based compensation plan

The Group currently has a Stock Option Plan approved at the Ordinary Shareholder's Meeting held on October 2, 2019, which resulted in programs approved by the Board of Directors and grants to eligible individuals. So far, stock has been granted under programs approved in 2019, 2021, 2022, and 2024 (“2019 grant”, “2021 grant”, “2022 grant”, “2023 grant”, and "2024 grant” respectively).

2019 Grants

The first stock-based compensation program was approved at a meeting of the Board of Directors held on October 21, 2019, as per the terms of the Company's Purchase Option Plan. As a result of granting options to purchase stock, 1,148,148 options were given to senior managers in three different batches. Of these, 1,062,037 options now follow the same rules as the “2021 Grants” and have already been exercised. All others follow the rules of the original grant.

Below are the current rules governing stock in the “2019 Grant”.

Ownership of the option to convert stock will be transferred to the participants in identical batches of 33.33% on each anniversary of the plan over a period of three years from the Granting Date.
This transfer will take place regardless of whether the participant remains as a Group employee or officer. It is subject to verification of the following: the average price per share on the Brazilian stock exchange (B3 S.A. – Brasil, Bolsa, Balco) in the 22 (twenty two) trading sessions that immediately precede the date of exercising the Vested Options must be equal to or larger than the price per

share paid by investors in the Initial Public Offering (IPO), corrected according to the IPCA/IBGE less the value per share distributed as dividends distributed and interest on equity, and adjusted to reflect any share bonuses, splits or grouping between the Granting Date and the date of exercise of the Vested Options.

The price of the global exercise payable by the executives for the vested options on each anniversary is R$ 1,00. Vested options are restricted for three years after each transfer date.

The weighted average contractual term for the stock options remaining on December 31, 2024 was 0.81 years. The weighted average fair value of the options granted in fiscal 2024 was R$ 9,14 in the original program, and R$ 1,37 incremental fair value of the options posts-substitution, according to the calculation method established in CPC 10. The exercise price shall be adjusted whenever dividends are paid or stock is grouped or split.

<u>2021 Grants</u>

The Performance Share Units program was approved at a meeting of the Board of Directors on February 24, 2021. The meeting approved granting 1,412,194 options to senior managers in a single batch. The meeting of the Board of Directors on December 21, 2021 also approved uniform rules for the 1,062,037 shares of the 2019 grant, bringing them in line with the rules for the 2021 grants.

In March 2024 a total of 2,236,893 shares in the program were liquidated and transferred from treasury shares net of income tax, representing 2,025,691 shares (in the amount of R$ 6,495).

<u>2022 Grants</u>

The Performance Share Units program was approved at a meeting of the Board of Directors on May 3, 2022. The meeting approved granting 3,619,618 options to senior managers in a single batch.

The value of the stock will be paid in a single installment (100% of the batch) at the end of the three-year restriction period.

The price of the global exercise payable by the executives for the vested options on each anniversary is R$ 1,00. After the transfer date there will be no more restrictions on the vested options.

The contractual term for the stock options remaining on December 31, 2024 was 0.22 years. The fair value of the options granted is R$ 2,66.

The exercise price shall be adjusted whenever dividends are paid or stock is grouped or split.

<u>2023 Grants</u>

The Performance Share Units program was approved at a meeting of the Board of Directors on May 10, 2023. The meeting approved granting 4,712,639 options to senior managers in a single batch.

The value of the stock will be paid in a single installment (100% of the batch) at the end of the three-year restriction period.

The price of the global exercise payable by the executives for the vested options on each anniversary is R$ 1,00. After the transfer date there will be no more restrictions on the vested options.

The contractual term for the stock options remaining on December 31, 2024 was 1.36 years. The fair value of the options granted is R$ 5,29.

The exercise price shall be adjusted whenever dividends are paid or stock is grouped or split.

2024 Grants

The Performance Share Units program was approved at a meeting of the Board of Directors on May 24, 2024. The meeting approved granting 2,068,636 options to senior managers in a single batch.

The value of the stock will be paid in a single installment (100% of the batch) at the end of the three-year restriction period.

The price of the global exercise payable by the executives for the vested options on each anniversary is R$ 1,00. After the transfer date there will be no more restrictions on the vested options.

The contractual term for the stock options remaining on December 31, 2024 was 2.30 years. The fair value of the options granted was R$ 10,20.

The exercise price shall be adjusted whenever dividends are paid or stock is grouped or split.

(in thousand Reals unless otherwise stated)

10.1. Changes

Program	2019 grants; 2nd replacement	2021 Grants	2022 Grants	2023 Grants	2024 Grants	Total
Balance on 12/31/2022	86,111	2,416,712	3,419,789	-	-	5,922,612
Granted	-	-	-	4,712,639	-	4,712,639
Cancelled	(28,709)	(160,787)	(542,946)	(142,959)	-	(875,401)
Balance on 12/31/2023	57,402	2,255,925	2,876,843	4,569,680	-	9,759,850
Granted	**-**	**-**	**-**	**-**	**2,068,636**	**2,068,636**
Cancelled	**(28,701)**	**(19,032)**	**(202,918)**	**(374,621)**	**(178,289)**	**(803,561)**
Exercised	**-**	**(2,236,893)**	**-**	**-**	**-**	**(2,236,893)**
Balance on 12/31/2024	**28,701**	**-**	**2,673,925**	**4,195,059**	**1,890,347**	**8,788,032**

10.2. Premises:

	2019 Grants (substitution add-ons)		2019 Grants (Dec 2021 substitution)	2021 Grants	2022 Grants	2023 Grants	2024 Grants
	Batch 2	Batch 3	Single batch	Single batch	Single batch	Single batch	Single batch
Pricing model	Monte Carlo	Monte Carlo	Monte Carlo	Monte Carlo	Monte Carlo	Monte Carlo	Monte Carlo
Dividend yield	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Risk-free rate	5.95%	6.20%	10.92%	6.395%	12.785%	12.97%	11.00%
Share price considered	16,89	16,89	6,59	11,63	2,51	4,98	9,50
Expected lifetime of the options	10/21/2024	10/21/2025	02/24/2024	02/24/2024	03/23/2025	05/10/2026	04/18/2027
Fair value on the date measured	3.11	1.37	4.39	12.45	2.66	5.29	10.20
Expected annual volatility	37.79%	37.10%	58.69%	53.92%	57.58%	66.50%	65.04%

10.3. Recognition of expenses

Expenses with stock-based compensation payable in company securities are recorded as personnel, administrative, and sales expenses with the capital reserve account - shares granted - as the counterpart. The following expenses recognized and to be recognized in 2024 and 2023 break down as follows:

Expenses recognized

In the period:	2021 Grants	2022 Grants	2023 Grants	2024 Grants	Total
2023	5,910	2,493	3,835	-	**12,238**
2024	857	2,395	6,625	**3,481**	**13,358**

(in thousand Reals unless otherwise stated)

Expenses to be recognized

In the period:	2022 Grants	2023 Grants	2024 Grants	Total
2025	589	6,972	5,748	**13,309**
2026	-	2,483	5,749	**8,232**
2027	-	-	1,701	**1,701**
Total	**589**	**9,455**	**13,198**	**23,242**

11. Inventory

11.1 Material Accounting policy

Inventory is measured as the lowest between the average acquisition cost and net realizable value. It includes the cost to ship inventory to distribution centers, costs incurred in preparing merchandise for shipment between distribution centers and stores, and non-recoverable taxes. The present value adjustment of forward merchandise purchases is deducted from these costs, and booked according to inventory turnover in the cost of goods sold line. The cost of imported goods includes gains and losses from cash flow hedging. The net realizable value is the estimated sales price in the normal course of business less any additional costs estimated to be necessary to complete the sale.

Estimates for inventory losses are created based on estimated losses considering historical data on merchandise theft, provisions for goods with negative margins, and obsolete and damaged merchandise. Actual losses are calculated based on physical inventories completed at least annually.

Expenses with shipping merchandise between distribution centers and stores are recorded directly as sales expenses in the period, at the time in which they are incurred.

(in thousand Reals unless otherwise stated)

11.2 Inventory breakdown

	Parent Company		Consolidated	
	2024	**2023**	**2024**	**2023**
Goods for resale	**995,293**	881,760	**995,293**	881,677
Merchandise sold and in transit for delivery to customers	**1,860**	1,195	**1,860**	1,195
Advances to raw material suppliers	**76**	387	**76**	387
Present value adjustment	**(20,145)**	(22,179)	**(20,145)**	(22,179)
Estimated losses	**(43,180)**	(41,768)	**(43,180)**	(41,768)
	933,904	819,395	**933,904**	819,312
Imports in transit	**98,327**	55,843	**98,327**	55,843
	1,032,231	875,238	**1,032,231**	875,155

11.3 Estimated changes in credit losses

	Parent Company and Consolidated
Balance on December 31, 2022	37,258
(+) Loss estimate	78,027
(-) Reversal due to use	(73,517)
Balance on December 31, 2023	41,768
(+) Estimated losses	**95,406**
(-) Reversal due to use	**(93,994)**
Balance on December 31, 2024	**43,180**

Throughout the year, the Group performs periodic physical counts of goods it classifies as high risk of loss; a full physical count is performed for all items once a year. As physical counts are performed, adjustments are recorded as actual losses, consuming provisions for inventory losses. These provisions, together with losses booked, are reflected in the statement of financial earnings as "cost of goods sold".

In the period ending 2024 332 (332 in 2023) stores and 2 distribution centers (3 in 2023) were fully inventoried Other distribution centers are inventoried in cycles.

12. Taxes recoverable

12.1. Material Accounting policy

Taxes recoverable are taxes generated in standard Group operations, which may be offset and/or returned, and taxes derived from legal claims where it is almost certain that an economic benefit will result and that can be measured with reasonable certainty.

(in thousand Reals unless otherwise stated)

12.2. Breakdown of taxes recoverable

	Note	Parent Company		Consolidated	
		2024	2023 (Resubmitted)	2024	2023 (Resubmitted)
Previously unused PIS / COFINS credit	12.2.1	**804,944**	664,919	**804,944**	664,919
PIS/COFINS		**483,947**	654,855	**483,947**	654,864
Current ICMS		**114,458**	81,565	**114,458**	81,569
Legal claim ICMS	12.2.2	**107,560**	100,875	**107,560**	100,875
IT/CSLL		**61,390**	33,052	**61,390**	40,503
IRRF (withholding taxes)		**20,269**	31,349	**20,738**	33,205
IPI (excise tax)		**15**	366	**15**	366
Other		**4,994**	9,984	**4,994**	9,989
		1,597,577	1,576,965	**1,598,046**	1,586,290
Current assets		**469,885**	379,126	**470,354**	388,451
Non-current assets		**1,127,692**	1,197,839	**1,127,692**	1,197,839

12.2.1 Previously unused PIS / COFINS credit

(a) ICMS on the basis for calculating PIS and COFINS

The Company is involved in two lawsuits on this theme, both of which received final rulings in favor of the company, on 02/28/2019 and on 02/23/2022. On June 31, 2024. the updated amount of credit was R$ 396,179 (R$ 352,397 on December 31, 2023).

(b) Credit for the Manaus Free Trade Zone (FTZ) Lawsuit

On November 30, 2020 the final unappealable ruling was issued, recognizing the Company's right to consider sales in the MFTZ as being equivalent to exports, and thus not subject to PIS and COFINS on revenue generated in the Manaus Free Trade Zone, and the right to enjoy the benefits of REINTEGRA. On September 31, 2024 the updated credit balances amounted to R$ 167,646 (R$ 158,925 on December 31, 2023).

(c) Credit Related to the Lei do Bem Lawsuit

On March 18, 2023 a final unappealable ruling favoring the Group was issued by the Federal Supreme Court (STF), co-validating the right that had already been recognized by the Superior Court of Justice (STJ) on October 17, 2022, recognizing the Company's right to the zero PIS and COFINS on the sale of smartphones made in Brazil prior to December 31, 2018, as per Law 11.196/2005 (known as the "Law for Good" or "Lei do Bem"). On December 31, 2024 the updated balance of tax credits was R$ 163,884 (R$ 153,597 on December 31, 2023).

(d) ICMS-ST on the basis for calculating PIS and COFINS

In the case of a special appeal regarding Theme 1125, the supreme court (STJ) rendered a unanimous decisions stating that ICMS-ST is not part of the basis for calculating PIS and COFINS contributions by taxpayers using the progressive tax substitution regime. The

(in thousand Reals unless otherwise stated)

Company is involved in two lawsuits on this theme, both of which have been the subject of favorable rulings, and are waiting for a final ruling. In the period ended on December 31, 2024, the Company recognized additional PIS and COFINS tax credits in the amount of R$ 77,234.

Changes in previously unused PIS / COFINS credits:

	2024	2023
Opening balance	**664,919**	**1,363,664**
(-) Offset by	**(144,888)**	(766,566)
(+) Recognition of the principal	**122,190**	-
(+) Recognition of interest + updates	**162,723**	67,821
Final balance	**804,944**	664,919

In 2024, the Company recognized the results of additional PIS and COFINS tax credits related to: (i) exclusion of ICMS from the basis for calculating PIS and Cofins in the amount of R$ 164,564, and (ii) exclusion of ICMS-ST from the basis for calculating PIS and COFINS, in the amount of R$ 77,234 (Notes 29 and 30).

During the course of 2024 the Company offset credits resulting from lawsuit in the amount of R$ 144,888 (R$ 766,566 in 12/31/2023). This reduction is the result of Provisional Measure 1,202/2023, later converted into Law 14,873/2024, which defines the limits for the monthly offset of judicial credits and amended the interpretation of when they lapse.

12.2.2 ICMS Credits

(a) Credit from the lawsuit regarding ICMS on the supply of electricity

In December 2021 the Federal Supreme Court (STF) published its understanding with general repercussion (Extraordinary Appeal 714.139/SC) that the general rate should apply, and not the higher rate, as the effective rate for ICMS on electricity and telecommunication services. Thus, although the final unappealable ruling for the claims filed between 2015 and 2016 has yet to be issued, The Company booked its best estimate as it believe the economic benefits are almost a certainty, as per the requirements of CPC 25. The updated balance on December 31, 2024 was R$ 87,201 (R$ 81.794 on December 31 2023).

(b) Credit regarding the DIFAL claim - sales to end consumers not subject to ICMS

On March 30, 2022 the STF passed the final ruling with general repercussion on the leading case (RE 1287019) involving Theme 1093, stating that collecting the difference in ICMS rates (DIFAL) on interstate transactions involving end-consumers not subject to the tax was unconstitutional. This ruling will remain in force until a supplemental law in this regard is issued. Given this scenario, the Company adjusted the book value of the legal claims ruled on in December 2018, which now amount to an updated balance of R$ 17,476 (R$ 16,198 on December 31 2023).

(in thousand Reals unless otherwise stated)

The company is waiting for a ruling on its claims to determine the elements required based on the specific circumstances of each case.

12.3 Expected realization of taxes recoverable Based on management projections the amount of taxes recoverable booked under current and non-current assets had the following expectation of realization on December 31, 2024:

Year	Parent Company	Consolidated
2025	**469,885**	470,354
2026	**347,454**	347,454
2027	**498,361**	498,361
2028	**254,972**	254,972
2029 a 2031	**26,905**	26,905
Total	**1,597,577**	1,598,046

Management continuously assesses the possibility of using these taxes, and does not expect any recoverability loss.

13. Judicial deposits

The Group is contesting the payment of certain taxes, contributions and labor obligations, and has made judicial deposits to ensure that court discussions proceed, either because said deposits are required by the courts, or because of a strategic decision by Management to protect its cash position. These deposits are corrected using the official rates published in the country.
Thus the updated amount of the company's judicial deposits is:

	Parent Company		Consolidated	
	2024	**2023 Resubmitted (*)**	**2024**	**2023 Resubmitted (*)**
Tax	**121,164**	124,273	**121,164**	124,272
Labor and Civil	**23,771**	27,119	**23,776**	27,146
Total	**144,935**	151,392	**144,940**	151,418

(*) Statements include the effects mentioned in note 2.4.

(in thousand Reals unless otherwise stated)

13.1. Judicial deposits with a corresponding liability

The Company has judicial deposits with the corresponding liabilities for issues related to (i) COFINS Imports and (ii) exclusion of ICMS and ISS from the basis for calculating CPRB; (iii) Social Contribution on the 10% additional FGTS.

14. Other assets

	Parent Company		Consolidated	
	2024	2023 Resubmitted (*)	2024	2023 Resubmitted (*)
Prepaid technology service expenses	**15,458**	10,288	**15,458**	10,288
Prepaid employee and benefit expenses	**7,408**	5,369	**7,408**	5,369
Prepaid miscellaneous service expenses	**7,041**	8,025	**7,041**	8,026
Prepaid expenses with licensed goods	**2,875**	13,585	**2,875**	13,585
Prepaid advertising expenses	**258**	3,634	**258**	3,634
Employee advances	**1,358**	1,634	**1,369**	1,675
Insurance to appropriate	**2,621**	4,963	**2,621**	4,963
Other credits	**4,919**	7,582	**4,919**	7,582
	41,938	55,080	**41,949**	55,122
Current assets	**37,186**	51,842	**37,197**	51,884
Non-current assets	**4,752**	3,238	**4,752**	3,238

(*) Statements include the effects mentioned in note 2.4.

15. Income Tax and Social Contribution

15.1. Accounting policy

Tax assets and liabilities from the previous and earlier periods are measured at the expected recoverable amount, or the amount owed the tax authorities. Provisions for income tax and social contribution are calculated using the rate of 15% plus 10% on any taxable income exceeding R$ 20,000 a month as income tax, and 9% of taxable income for Social Contribution on Net Profits [Contribuição Social sobre o Lucro Líquido (CSLL)]. Tax losses and negative basis for social contribution are negative amounts from previous periods that may be used to offset up to 30% of the taxable income calculated in each period; these do not expire.

Income tax and social contribution on items recognized directly as shareholder's equity are also booked as shareholder's equity. From time to time, management analyzes the fiscal position of the situations where tax regulations require interpretation, making provisions as appropriate.

Deferred taxes are generated when there are temporary differences between the fiscal bases of assets and liabilities and their book value, on the date of the balance sheet. Deferred tax credits are recognized to the extent that it is likely that there will be taxable income available to enable using existing tax losses and negative bases against which temporary differences may be used.

Significant Management judgment is required to determine the value of deferred tax assets to be recognized based on the reasonable timing and taxable future profits, together with future tax planning strategies. The recoverability of deferred taxes is analyzed at the end of each period, and written off to the extent that it is no longer likely that taxable profits will be available to enable their use.

(in thousand Reals unless otherwise stated)

15.2. Breakdown and changes in deferred taxes

	Note	Balance in 2023 Resubmitted	Parent Company Increase/(Reduction) in earnings	in shareholder's equity	Balance in 2024
Tax losses carryforward		382,412	(1,536)		380,876
Temporary differences:					
Provisions for tax, civil, and labor risks		97,764	840		98,604
Provisions for losses in inventories and trade receivables		21,360	(1,562)	-	19,798
Provisions for loss of property and equipment and right-of-use assets		5,113	727	-	5,840
Provisions for profit sharing		22,038	11,803	-	33,841
CPC 06 (R2) / IFRS16 leases		98,754	5,991	-	104,745
Adjustment to fair value		-	(2,227)		(2,227)
Expected FIDC credit losses		7,173	1,116	-	8,289
FIDC Present value adjustment		4,763	303	-	5,066
Other	(a)	77,229	14,133	(4,201)	87,161
Deferred tax assets		716,606	29,588	(4,201)	741,993
Previously unused credits		(157,603)	(23,799)	-	(181,402)
Present value adjustment		(12,388)	(3,623)	-	(16,011)
Deferred tax liabilities		(169,991)	(27,422)	-	(197,413)
Balance net of deferred tax assets	(b)	546,615	2,166	(4,201)	544,580

	Note	Balance in 2023 Resubmitted	Consolidated Increase/(Reduction) in earnings	in shareholder's equity	Balance in 2024
Tax losses carryforward		382,412	(1,536)		380,876
Temporary differences:					
Provisions for tax, civil, and labor risks		98,171	1,466	-	99,637
Provisions for losses in inventories and trade receivables		22,269	(1,255)	-	21,014
Provisions for loss of property and equipment and right-of-use assets		5,113	727	-	5,840
Provisions for profit sharing		22,038	12,432	-	34,470
CPC 06 (R2) / IFRS16 leases		98,754	5,991	-	104,745
Adjustment to fair value		-	(2,227)	-	(2,227)
Expected FIDC credit losses		7,173	1,116	-	8,289
FIDC Present value adjustment		4,763	303	-	5,066
Consolidation Adjustment		(845)	(16,472)	-	(17,317)
Other	(a)	77,230	14,132	(4,201)	87,161
Deferred tax assets		717,078	14,677	(4,201)	727,554
Previously unused credits		(157,603)	(23,799)	-	(181,402)
Present value adjustment		(12,388)	(3,623)	-	(16,011)
Deferred tax liabilities		(169,991)	(27,422)	-	(197,413)
Balance net of deferred tax assets	(b)	547,087	(12,745)	(4,201)	530,141

(in thousand Reals unless otherwise stated)

(a) Includes provisions for freight, operating expenses, benefits, and attorney fees.
(b) In 2024, the Company joined the Federal Revenue of Brazil (RFB) programs, *Litígio Zero* and *Autorregularização*, which offered special conditions for the settlement of tax liabilities using tax loss carryforwards. Therefore, the accounting entries for the use of these tax loss carryforwards were offset against the tax liability rather than the Deferred IR/CS accounts in the income statement.

		Parent Company		
		Increase/(Reduction)		
	Balance in 2022	in earnings	in shareholder's equity	Balance in 2023
Tax losses carryforward	412,633	(30,221)	-	382,412
Temporary differences:				
Provisions for tax, civil, and labor risks	94,806	2,958	-	97,764
Provisions for losses in inventories and trade receivables	20,160	1,200	-	21,360
Provisions for loss of property and equipment and right-of-use assets	6,411	(1,298)	-	5,113
Provisions for profit sharing	22,401	(363)	-	22,038
CPC 06 (R2) / IFRS16 leases	87,046	11,708	-	98,754
Expected FIDC credit losses		7,173	-	7,173
FIDC Present value adjustment		4,763	-	4,763
Provision for store closures	9,606	113		9,719
Stock-based compensation plan	9,222	4,161		13,383
Other	54,258	(228)	97	54,127
Deferred tax assets	716,543	(34)	97	716,606
Previously unused credits	(276,650)	119,047	-	(157,603)
Present value adjustment	(10,411)	(1,977)	-	(12,388)
Deferred tax liabilities	(287,061)	117,070	-	(169,991)
Balance of deferred tax assets (liabilities)	429,482	117,036	97	546,615

		Consolidated		
		Increase/(Reduction)		
	Balance in 2022	in earnings	in shareholder's equity	Balance in 2023
Tax losses carryforward	412,633	(31,066)	-	381,567
Temporary differences:				
Provisions for tax, civil, and labor risks	94,806	3,365		98,171
Provisions for losses in inventories and trade receivables	20,160	2,109	-	22,269
Provisions for loss of property and equipment and right-of-use assets	6,411	(1,298)	-	5,113
Provisions for profit sharing	22,401	(363)	-	22,038
CPC 06 (R2) / IFRS16 leases	80,613	7,014	-	87,627
Expected FIDC credit losses	-	7,173	-	7,173
FIDC Present value adjustment	-	4,763	-	4,763
Provision for store closures	9,606	113		9,719
Stock-based compensation plan	9,222	4,162		13,384
Consolidation Adjustment	-	(845)	-	(845)
Other	73,086	4,046	97	77,229
Deferred tax assets	716,543	438	97	717,078
Previously unused credits	(276,650)	119,047	-	(157,603)
Present value adjustment	(10,411)	(1,977)	-	(12,388)
Deferred tax liabilities	(287,061)	117,070	-	(169,991)
Balance of deferred tax assets (liabilities)	429,482	117,508	97	547,087

(in thousand Reals unless otherwise stated)

15.3. Expected realization of deferred tax assets on December 31, 2024

Each quarter the Group reviews its earnings projects, and estimates that it will realize deferred tax assets in the following periods:

Year	Parent Company	Consolidated
2025	151,137	136,180
2026	96,490	97,008
2027	96,762	96,762
2028	142,113	142,113
2029	219,570	219,570
2030 to 2031	18,830	18,830
2032 to 2034	17,091	17,091
	741,993	**727,554**

Management continuously assesses the possibility of using deferred taxes, and does not expect any recoverability loss.

15.4. Reconciliation of effective rate

	Note	Parent Company		Consolidated	
		2024	2023 Resubmitted	2024	2023 Resubmitted
Pre-tax profit/loss		494,725	(55,519)	512,919	(48,087)
Income tax and social contribution expenses at statutory rates - 34%		(168,207)	18,876	(174,392)	16,350
Adjustments to reflect the effective rate					
Share of profit of subsidiaries		11,917	(1,937)	-	-
Interest on shareholder's equity		35,700	-	35,700	-
Non-deductible donations		(2,032)	(2,838)	(2,032)	(2,838)
PAT (worker meal program) and the culture incentive law		2,817	2,071	2,865	2,071
Adjustments in transfer pricing		-	(1,164)	-	(1,164)
Technology innovation - R&D	(a)	20,658	-	20,658	-
Corporate gifts and non-deductible fines		(1,186)	(642)	(1,186)	(642)
Investment Subsidies	(b)	-	4,723	-	4,723
IT and SC from previous periods		(914)	(101)	(880)	(101)
Undue Taxes		58,975	29,699	59,040	29,726
Operating Losses		-	-	(513)	(661)
Deferred taxes on temporary differences not constituted	(c)	-	-	204	(6,255)
Resubmitted		-	(14)	-	(14)
Taxes calculated on that portion exempt from the additional 10%		24	24	95	72
Income Tax and Social Contribution on profits		**(42,248)**	**48,697**	**(60,441)**	**41,267**
Current		(47,853)	(68,339)	(51,136)	(76,241)
Deferred		5,605	117,036	(9,305)	117,508
		(42,248)	**48,697**	**(60,441)**	**41,267**
Effective rate		8%	-88%	9%	-86%

(a) This refers to amounts invested in research and development in 2023 and considered tax incentives according to Law 11.196/05 or the so-called “Lei do Bem”. This law allows companies to deduct a percentage of their R&D investments from their Income Tax.

(in thousand Reals unless otherwise stated)

(b) Until December 31, 2023, the Company deducted tax subsidies for investment from the ICMS tax base when determining the IRPJ and CSLL tax bases, based on Article 30 of Law 12,973/2014, which was amended by Complementary Law 160/2017. As of January 1, 2024, with the enactment of Law 14,789/2023, the Company will no longer deduct ICMS incentives from the IR and CSLL tax bases.

(c) Deferred taxes for subsidiary Orion are not constituted as its activities were transferred to C&A Pay Sociedade de Crédito Direto in 2023.

16. Investments

16.1 Material accounting policy

Company investments in its subsidiaries is booked in the individual financial statements using the equity method. After using the equity method, the Company determines if additional impairment of its investments in subsidiaries must be booked. At each statement of earnings closing date, the company determines if there is objective evidence that its investment in subsidiaries has suffered losses due to impairment. If so, the Company calculates the value of the loss as the difference between the recoverable amount in its subsidiaries and their book value, entering the loss in its statement of earnings.

16.2 Information on investments in the subsidiary

	2024							
Subsidiaries	**Shareholding**	**Assets**	**Liabilities**	**Shareholder's Equity**	**Gross Revenue**	**Profit Losses**	**Book value of the investment**	**Share of profit of subsidiaries**
Direct								
Orion	**99.99%**	**11,342**	**(604)**	**10,738**	**1,648**	**1,648**	**10,737**	**1,695**
C&A Pay Holding	**99.99%**	**261,309**	**(84,397)**	**176,912**	**49,456**	**33,401**	**176,910**	* **33,401**
Moda Lab	**99.00%**	**-**	**-**	**-**	**-**	**(47)**	**-**	**36**
Total							**187,647**	**35,049**

* The difference between Moda Lab losses (R$ 47) and the equity approach R$ 36 refers to unrealized profit from inventories.

Indirect								
C&A pay SCD	**100%**	**252,202**	**(84,413)**	**167,789**	**49,456**	**32,844**	**167,789**	**32,844**
							167,789	**32,844**

	2023							
Subsidiaries	**Shareholding**	**Assets**	**Liabilities**	**Shareholder's Equity**	**Gross Revenue**	**Profit Losses**	**Book value of the investment**	**Share of profit of subsidiaries**
Direct								
Orion	99.99%	13,240	(3,774)	9,466	81,329	(18,831)	9,465	(18,833)
C&A Pay Holding	99.99%	211,276	(102,448)	108,828	10,040	13,189	108,827	13,188
Moda Lab	99.00%	40	-	40	-	(53)	(43)	* 55
Total							118,249	(5,698)

* The difference between Moda Lab (R$53) losses and the equity approach R$55 refers to unrealized profit from inventories.

Indirect								
C&A pay SCD	100%	183,749	(83,443)	100,306	10,040	12,983	100,306	12,983

(in thousand Reals unless otherwise stated)

16.3 Changes in investment

	Orion	C&A Pay Holding	Moda Lab	Total
Balance of investments on December 31, 2022	48,798	-	(143)	48,655
(+/-) Share of profit of subsidiaries	(18,833)	13,188	(53)	(5,698)
(+) Capital increases	40,000	95,783	45	135,828
Capital reduction	(60,500)			(60,500)
(+/-) Unrealized profit from inventories	-	-	108	108
Balance of investments on December 31, 2023	9,465	108,827	(43)	118,249
(+/-) Share of profit of subsidiaries	**1,695**	**33,401**	**(47)**	**35,049**
Dividends	**(423)**	**-**	**-**	**(423)**
(-) Investment write-offs	**-**	**-**	**7**	**7**
(+) Capital increases	**-**	**35,000**	**-**	**35,000**
(+/-) Other comprehensive income	**-**	**(318)**	**-**	**(318)**
(+/-) Unrealized profit from inventories	**-**	**-**	**83**	**83**
Balance of investments on December 31, 2024	**10,737**	**176,910**	**-**	**187,647**

17. Property and Equipment

17.1 Material accounting policy

Assets are booked at the purchase, formation, or construction cost of the assets less recoverable taxes. This includes estimates for store revamps when not included in right-of-use, less depreciation and impairment. Depreciation of assets is calculated using the straight-line approach and takes into consideration the estimated lifetime of the asset. Lifetimes are estimated at the start of each fiscal period, and the cost to restore and the methods of depreciation are reviewed. Any changes in estimates are booked prospectively.

Analysis of lifetime bears in mind the expected use of the assets, scheduled store revamps, and any evidence that an asset might have a lifetime other than the one originally booked. This assessment is documented in the form of a report prepared by Group experts.

A Property & Equipment item is written off when sold, when control is lost, or when it is no longer expected to yield any future economic benefit. Any gain or loss resulted from writing off the asset (calculated as the difference between the net sale value and the book value of the asset) is included in the statement of earnings for the period in which the asset was written off.

(in thousand Reals unless otherwise stated)

17.2 Breakdown of property and equipment (Parent Company and Consolidated)

Property and Equipment	Cost	Accumulated Depreciation	impairment	December 31, 2024
Machinery and equipment	**199,615**	**(110,478)**	**(147)**	**88,990**
Furniture and fixtures	**608,601**	**(376,508)**	**(2,926)**	**229,167**
IT Equipment	**293,980**	**(229,863)**	**(91)**	**64,026**
Vehicles	**20**	**(20)**	**-**	**-**
Leasehold improvements	**1,466,217**	**(1,030,631)**	**(2,002)**	**433,584**
Land	**126**	**-**	**-**	**126**
Construction in progress	**5,448**	**-**	**-**	**5,448**
Assets held by third parties	**227**	**-**	**-**	**227**
Estimated cost of returning stores	**3,780**	**(1,634)**	**-**	**2,146**
	2,578,014	**(1,749,134)**	**(5,166)**	**823,714**

Property and Equipment	Cost	Accumulated Depreciation Resubmitted (*)	Impairment Resubmitted (*)	December 31, 2023
Machinery and equipment	201,405	(120,922)	-	80,483
Furniture and fixtures	562,526	(364,854)	-	197,672
IT Equipment	274,692	(214,455)	-	60,237
Vehicles	470	(470)	-	-
Leasehold improvements	1,455,525	(1,035,588)	(1,346)	418,591
Land	126	-	-	126
Construction in progress	4,728	-	-	4,728
Estimated cost of returning stores	2,970	(1,406)	-	1,564
	2,502,442	(1,737,695)	(1,346)	763,401

(*) Statements include the effects mentioned in note 2.4.

The Group has no property or equipment pledged as guarantee.

17.3 Changes in property and equipment (Parent Company and Consolidated)

	Notes	Average annual depreciation rate	Balance on December 31, 2023	Additions (b)	Depreciation	Write-offs	Transfers	Reversals (provisions) impairment	Balance on December 31, 2024
Machinery and equipment		7%	**80,483**	**-**	**(6,417)**	**(49)**	**15,121**	**(148)**	**88,990**
Furniture and fixtures		11%	**197,672**	**59,906**	**(39,269)**	**(847)**	**14,629**	**(2,924)**	**229,167**
IT Equipment		20%	**60,237**	**25,458**	**(25,211)**	**(18)**	**3,651**	**(91)**	**64,026**
Leasehold improvements	(a)	9%	**418,591**	**406**	**(77,179)**	**(10,053)**	**102,476**	**(657)**	**433,584**
Land		-	**126**	**-**	**-**	**-**	**-**	**-**	**126**
Construction in progress		-	**4,728**	**136,597**	**-**	**-**	**(135,877)**	**-**	**5,448**
Assets held by third parties		-	**-**	**227**	**-**	**-**	**-**	**-**	**227**
Estimated cost of returning stores		-	**1,564**	**810**	**(228)**	**-**	**-**	**-**	**2,146**
Total			**763,401**	**223,404**	**(148,304)**	**(10,967)**	**-**	**(3,820)**	**823,714**

(a) Leasehold improvements include miscellaneous assets such as civil works, lighting, fire-fighting, generators, etc. The depreciation rate is defined based on the lifetime of these assets.
(b) In 2024 the company added R$ 223,514 to the property and equipment line, of which R$ 81,235 were booked as supplier accounts payable (R$13,324 in 2023), and R$ 13.324 were spent in 2024 for purchases made prior to December 31, 2023 (19,364 in 2023 for purchases made in previous years).

(in thousand Reals unless otherwise stated)

18. Intangible assets

18.1 Material accounting policy

Intangible assets with a finite lifetime (software, systems, and trade funds) are booked at cost less accumulated amortization and impairment. Amortization is booked linearly based on the estimated lifetime of the asset. The estimated lifetime and amortization approach are reviewed at the end of each period, and the impact of any changes on the estimates is booked prospectively.

For intangible assets with undefined lifetimes, recoverability tests are performed annually.

Currently the Group has one intangible asset with undefined lifetime: the right to explore financial services. This right was purchased on December 1, 2021 and there is no predefine contractual term for exploring it. The transaction was booked at the acquisition cost of R$ 415,000. There was no Goodwill on this transaction but, because of the nature of the asset, impairment is tested annually.

18.2 Breakdown of intangibles

18.2.1 Parent Company

	2024				2023		
	Cost	**Accumulated amortization**	**Impairment**	**Accounting Balance**	**Cost**	**Accumulated amortization**	**Accounting Balance**
IT systems	**1,418,493**	**(973,826)**	**(6,536)**	**438,131**	1,289,459	(778,548)	510,911
Goodwill	**77,413**	**(56,005)**	**(575)**	**20,833**	71,107	(51,028)	20,079
Right to explore financial services	**415,000**	**-**	**-**	**415,000**	415,000	-	415,000
Intangibles in process	**18,843**	**-**	**-**	**18,843**	18,503	-	18,503
Total	**1,929,749**	**(1,029,831)**	**(7,111)**	**892,807**	1,794,069	(829,576)	964,493

18.2.2 Consolidated

	2024				2023		
	Cost	**Accumulated amortization**	**Impairment**	**Accounting Balance**	**Cost**	**Accumulated amortization**	**Accounting Balance**
IT systems	**1,418,493**	**(973,826)**	**(6,536)**	**438,131**	1,289,923	(778,741)	511,182
Goodwill	**77,413**	**(56,005)**	**(575)**	**20,833**	71,107	(51,028)	20,079
Right to explore financial services	**415,000**	**-**	**-**	**415,000**	415,000	-	415,000
Intangibles in process	**18,843**	**-**	**-**	**18,843**	18,503	-	18,503
Total	**1,929,749**	**(1,029,831)**	**(7,111)**	**892,807**	1,794,533	(829,769)	964,764

(in thousand Reals unless otherwise stated)

18.3 Changes in intangibles

18.3.1 Parent Company

	Average annual amortization rate (% p.y.)	Balance on December 31, 2023	Additions	Amortization	Write-offs	Transfers	Reversals (provisions) *Impairment*	Balance on December 31, 2024
IT systems	18.5%	510,911	-	(197,141)	(10)	130,907	(6,536)	**438,131**
Goodwill	10.0%	20,079	-	(3,598)	(926)	5,853	(575)	**20,833**
Right to explore financial services	undefined	415,000	-	-	-	-	-	**415,000**
Intangibles in process		18,503	137,100	-	-	(136,760)	-	**18,843**
Total		964,493	**137,100**	**(200,739)**	**(936)**	**-**	**(7,111)**	**892,807**

	Average annual amortization rate (% p.y.)	Balance on December 31 2022	Additions	Amortization	Write-offs	Transfers	Property and equipment transfers	Reversals (provisions) impairment	Balance on December 31, 2023
IT systems	18.5%	558,152	-	(200,373)	(855)	153,228	640	119	510,911
Goodwill	10.0%	20,484	-	(2,965)	(1,750)	3,560	-	750	20,079
Right to explore financial services	undefined	415,000	-	-	-	-	-	-	415,000
Intangibles in process	-	27,066	148,225	-	-	(156,788)	-	-	18,503
Total		1,020,702	148,225	(203,338)	(2,605)	-	640	869	964,493

18.3.2 Consolidated

	Average annual amortization rate (% p.y.)	Balance on December 31, 2023	Additions (a)	Amortization	Write-offs	Transfers	Reversals (provisions) impairment	Balance on December 31, 2024
IT systems	**18.5%**	511,182	**-**	**(197,141)**	**(281)**	**130,907**	**(6,536)**	**438,131**
Goodwill	**10.0%**	20,079	**-**	**(3,598)**	**(926)**	**5,853**	**(575)**	**20,833**
Right to explore financial services	**undefined**	415,000	**-**	**-**	**-**	**-**	**-**	**415,000**
Intangibles in process	**-**	18,503	**137,100**	**-**	**-**	**(136,760)**	**-**	**18,843**
Total		964,764	**137,100**	**(200,739)**	**(1,207)**	**-**	**(7,111)**	**892,807**

(a) In 2024 the Group added R$ 137,000 to its intangible line for systems and goodwill. Of this, R$ 13,129 are booked as supplier accounts payable; in 2024, R$ 23,271 were disbursed for purchases made prior to December 31, 2023.

	Average annual amortization rate (%)	Balance on December 31 2022	Additions	Amortization	Write-offs	Transfers	Property and equipment transfers	Reversals (provisions) impairment	Balance on December 31, 2023
Software	18.5%	558,515	-	(200,465)	(855)	153,228	640	119	511,182
Goodwill	10.0%	20,484	-	(2,965)	(1,750)	3,560	-	750	20,079
Right to explore financial services	undefined	415,000	-	-	-	-	-	-	415,000
Intangibles in process	-	27,066	148,225	-	-	(156,788)	-	-	18,503
Total		1,021,065	148,225	(203,430)	(2,605)	-	640	869	964,764

19. Impairment

19.1 Material accounting policy

At the end of each fiscal period, Management reviews the net book value of its assets to assess events or changes in economic or operating circumstances, or in technology, that could indicate deterioration or impairment of value. If any such evidence is identified and the net book value exceeds the recoverable value, provision is made for impairment, adjusting the net book value to the recoverable value. The recoverable value of an asset or cash generating unit is defined as being the largest between value in use and the net sales value. Each store is considered an independent cash generating unit, with the exception of the store located in Shopping Iguatemi São Paulo, which is considered a concept store and generates benefits for other Group operations.
The Company considers it to be an indication of impairment if, at the end of the period, a given store's EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) is negative, and/or stores with impairment in the previous year. This requires that stores be in operation for more than three years, at which point the Company considers a store to be mature.

Intangible assets with a defined lifetime refers to the right to explore financial services, and is submitted to impairment tests annually.

Assessment of impairment is based on detailed financial budgets and provisions, prepared separately by Management for each cash generating unit to which assets are allocated. An average rate of long-term growth is calculated and applied to future cash flows, with key premises based on past experienced and in line with independent data sources.

The Company also records estimates for store closing impairment when approved by Management. The estimate for loss is based on estimates for the assets to be written off, and reversed when the actual write-off is taken.

19.2 Assessment of recoverable value by cash generating unit (CGU)

The company used after-tax cash flow projections based on financial budgets approved by Management, and consistent with the results presented in the past. The following premises were used to develop the discounted cash flows:

I. Discount rate: determined bearing in mind the risk-free rate, the business risk, third-party cost of capital, and the Company's capital structure. An annual discount rate of 13.83% was used; when calculating the discount rate the Company considers lease liabilities as part of financing activities.

II. Revenue: projected to the end of the store's lease term;

III. Costs and expenses: projected in the same period as revenue, corrected for an estimated annual inflation of 5.5% for 2025, and 4% for subsequent periods, as per Central Bank estimates;

(in thousand Reals unless otherwise stated)

On the base dates of December 31, 2024 and 2023, the Company's provisions for asset impairments broke down as follows:

Nature	Impairment test		Discontinued operations and store revamps and closures		Total	
	2024	2023 Resubmitted (*)	2024	2023 Resubmitted (*)	2024	2023 Resubmitted (*)
Property and Equipment	-	(1,346)	(5,166)	-	(5,166)	(1,346)
Intangible assets	-	-	(7,111)	-	(7,111)	-
SUB-TOTAL	**-**	**(1,346)**	**(12,277)**	**-**	**(12,277)**	**(1,346)**
Right-of-use	**(4,900)**	-	**(6,034)**	-	**(10,934)**	-
Total	**(4,900)**	**(1,346)**	**(18,311)**	**-**	**(23,211)**	**(1,346)**

19.3 Assessment of the recoverable value of intangible assets with no defined lifetime

Recoverability of the 'right to explore financial services' asset was assessed based on the value in use approach, using the best estimates provided by Management regarding the future performance of the business. This assessment considered an analysis of past management data, interviews with Management, and a review of past results. The main premises used were:

I. Value of the asset: R$ 415 million

II. Base-date of the assessment: October 31, 2024

III. Discount rate calculated using the cost of equity approach. The discount rate used was 14.11% annually.

IV. Projection horizon: Cash flows were projected for the period between November 1, 2024 and December 31, 2031, or 7 years and 2 months. As of 2030, projections consider a stable cash flow and growth merely to keep up with inflation.

V. Residual value – Calculated using the perpetuity approach considering stable growth relative to inflation over the long term (3.6%)

VI. Revenue: projected considering card issues, churn (cancellations), and average spending per card, among other variables.

VII. Expenses: projected considering interchange expenses, operating expenses, and provisions for losses.

The recoverable value of the 'right to explore financial services' asset is greater than its book value, thus no provision for impairment is recognized.

(in thousand Reals unless otherwise stated)

20. Leases

20.1 Material accounting policy

The Group used the amounts of fixed or in-substance fixed lease payments, which are the minimum payments agreed in contracts with variable payments based on revenue achieved, gross of PIS and COFINS effects, as a cost component. Right-of-use assets are added for pre-payment of leases and provisions for store revamps, less lessor incentives received. Specifically, variable payments are recognized monthly as operating expenses.

A lease liability is initially measured at the present value of residual lease payments, discounted using the incremental interest rate on the lease, which is defined as the equivalent real interest rate (including inflation) the Group would incur if it were to contract a loan for a similar term and similar guarantees.

The Group has applied judgment to determine the lease term of some agreements, considering the provisions of Law 8,245 ("Tenant Law"), which grants the lessee the right to contractual renewals when certain conditions are met, as well as past practices regarding the Group's success in renewing its leases. An assessment of whether the Group is reasonably certain of exercising these options has an impact on the lease term, which significantly affects the amount of recognized lease liabilities and right-of-use assets. Expired agreement that are in the process of being renewed are excluded, as they are not yet a right and it is impossible to determine the value this Agreement would have. Based on past revamps, where negotiated terms and values differed substantially from expired agreements, the Group considers revamps as a new agreement and excludes the time to revamp from the contractual term.

20.2 Incremental interest rate

The Group estimated the incremental borrowing rate, based on the Brazil risk-free interest rates for similar periods to its lease agreements, adjusted to the Group's credit situation (credit spread). Spreads were obtained from the spreads observed for debt securities issued by comparable Brazilian companies (debentures). Rates are updated for each new lease agreement.
Incremental rates based on lease terms practiced on December 31, 2024 and 2023:

	2024		2023	
Agreement terms	**Actual Rate (% p.y.)**	**Nominal Rate (% p.y.)**	**Actual Rate (% p.y.)**	**Nominal rate (% p.y.)**
0 to 3 years	5.3	12.3	6.1	12.3
3 to 5 years	2.1 – 8.8	6.6 – 15.3	6.5 – 8.0	12.1 – 14.5
5 to 6 years	3.5 – 7.5	11.8 – 15.3	3.5 – 5.9	7.9 – 12.3
6 to 10 years or more:	6.5 – 9.4	11.6 – 16.2	3.2 – 7.7	6.8 – 14.8

(in thousand Reals unless otherwise stated)

20.3 Changes in the balance of lease right-of-use assets and liabilities (Parent Company e Consolidated)

20.3.1 Changes in right-of-use assets

	Right-of-use assets			
	Real Estate	**Equipment**	**Total**	**Lease liabilities**
Balance on December 31, 2023 - Resubmitted (*)	**1,633,086**	**22,890**	**1,655,976**	**(1,944,512)**
Amortization	**(354,203)**	**(4,444)**	**(358,647)**	**-**
Financial charges				**(185,061)**
Payments made				**519,086**
Provisions for dismantling costs	**9,429**	**-**	**9,429**	**-**
Prepayments	**2,179**	**-**	**2,179**	**-**
Impairment	**(10,934)**	**-**	**(10,934)**	**-**
New/renewed/closed Agreements	**84,654**	**7,817**	**92,471**	**(76,565)**
Re-measurements	**138,410**	**1,025**	**139,435**	**(139,824)**
Balance on December 31, 2024	**1,502,621**	**27,288**	**1,529,909**	**(1,826,876)**
Current liabilities				**352,734**
Non-current liabilities				**1,474,142**

(*) Statements include the effects mentioned in note 2.4.

In this table, amortization in the amount of R$ 46,386 has not been deducted from the PIS/COFINS credits on lease payments, nor R$ 14,148 in interest. These credits were recorded directly in the income statement as reductions of amortization and interest expenses. In 2024, 28 contracts were renewed, and 11 new contracts were signed.

20.4 Comparison of lease projections in the different scenarios

In compliance with CVM guidelines, and in order to provide the market with a comprehensive view of the different effects of applying models with and without inflation on the flow of minimum lease payments using a given discount rate (3.2% to 14.8%), below is a comparative list of the right-of-use lease liabilities, financial expenses, and amortization expenses for the current and coming years in the following scenarios:

Scenarios	Incremental rate	Future payments flow
1	Nominal	Including projections for inflation
2	Nominal	Not including projections for inflation

The Group adopted scenario 2 for the period ended December 31, 2024, as required by CPC06(R2) / IFRS16. Below are the comparative balances of lase liabilities.

(in thousand Reals unless otherwise stated)

2023

Scenarios	Lease liabilities	Payroll Charges .	Depreciation Expenses	Total Expenses
Scenario 1	1,814,047	178,564	356,700	535,264
Scenario 2 (book value)	1,944,512	173,079	373,419	546,492

2024

Scenarios	Lease liabilities	Payroll Charges .	Depreciation Expenses	Total Expenses
Scenario 1	1,527,976	169,541	344,550	514,091
Scenario 2 (book value)	1,826,876	185,061	358,647	543,708

20.5 Minimum future payments and potential PIS and COFINS rights (Parent Company and Consolidated)

Minimum future lease payments, according to the terms of the lease agreements, plus the fair value of the minimum lease payments are as follows:

	2024		2023	
Coming due in	Payments	Potential PIS/COFINS Rights	Payments	Potential PIS/COFINS Rights
Less than 1 year	**522,899**	**(47,372)**	517,226	(46,195)
One to five years	**1,407,659**	**(126,305)**	1,480,084	(131,693)
Over five years	**551,011**	**(49,118)**	643,666	(56,211)
Total minimum payments	**2,481,569**	**(222,795)**	2,640,976	(234,099)
Minimum payments discounted to present value	**(654,693)**	**58,566**	(696,464)	61,776
Present value of the minimum payments	**1,826,876**	**(164,229)**	1,944,512	(172,323)
Current Liabilities	**352,734**		337,466	-
Non-current Liabilities	**1,474,142**		1,607,046	-

Potential PIS/COFINS rights refer to the amount the Group will have a right to recover if the expected future lease payments happen.

During the period ending 31 December 2024, the expense associated with the 18 variable lease agreements was R$ 6,071 (R$ 5,858 and 20 agreements in 2023). Expenses associated with short-term leases and low-value assets totaled R$ 15,637 (R$ 16,418 in 2023 for leasing printers and forklifts). Because of limited relevance, future commitments with minimum lease payments of low-value assets and short-term contracts are not presented, nor is there any sensitivity analysis of variable expenses with leases and the factors that impact this variation.

(in thousand Reals unless otherwise stated)

The Group does not offer property as collateral in any transaction.

20.6 Impairment

Right-of-use assets are also subject to the impairment test. This approach is the same as used for property and equipment (Note 18).

21. Suppliers

21.1 Material accounting policy

Trade receivables are Group obligations resulting from the purchase of goods, services, occupancy charges, property and equipment, and intangibles. Term purchases are adjusted to present value on the date of the transactions and impact the inventory line for the purchase of goods and suppliers. Term purchases have financial earnings as counterpart due to the maturity term.

21.2 Breakdown of the balance

		Parent Company		Consolidated	
	Note	2024	2023 Resubmitted (*)	2024	2023 Resubmitted (*)
Merchandise suppliers		**716,403**	829,270	**716,403**	829,270
Suppliers - Related parties		**103.085**	79,760	**98,521**	71,661
Bradescard Supplier	(a)	**608,563**	539,898	**608,563**	539,898
Material, asset, and service suppliers		**471,068**	376,648	**487,518**	392,884
Present value adjustment		**(21,544)**	(21,489)	**(21,544)**	(21,489)
		1,877,575	1,804,085	**1,889,461**	1,812,224
Current liabilities		**1,877,357**	1,252,838	**1,889,243**	1,260,976
Non-current liabilities	(b)	**218**	551,248	**218**	551,248

(*) Statements include the effects mentioned in note 2.4.

(a) In November, 2021 the Group purchased the right to explore financial services, also known as *Balcão Bradesco,* for R$ 415 million, recorded as an intangible asset under short-term suppliers. The amount due is updated monthly, and monetary correction is booked against financial expenses in the sub-group "supplier interest" (note 32). On December 31, 2024 the corrected amount was R$ 609 million. This agreement also has covenants that are similar to those mentioned in item 24 6. Restrictive covenants for loans and debentures.

(b) As of August 2024 supplier Bradesco is booked under short-term suppliers due to the maturity in July 2025.

21.3 Present value adjustment

The Group uses interest rates close to those used by the industry to discount the balance of trade receivables to present value. The monthly interest rates used for the calculation of present value of outstanding payables on December 31, 2024 and 2023 were 0.97 and 0.93% respectively. The matching entry to the present value adjustment is made on inventories, and the interest is recognized on a pro rata die basis in financial expenses.

(in thousand Reals unless otherwise stated)

22. Obligations - Forfait

22.1 Material accounting policy The Group offers advanced receivables at a discount over the face value to suppliers who sign a term agreeing with the terms and conditions. This transaction may take place directly with the Group or thorough agreements with financial institutions.

Under these agreements, the financial institution advances a given amount to the supplier and, when this amount comes due, it is paid back by the Group. The decision to subscribe to this type of transaction is solely the supplier's. The agreement does not change the commercial conditions, terms and prices previously agreed between the Group and its supplier. For this reason, the balances payable were booked as operational liabilities. Should obligations forfait balances be considered financial liabilities, all covenant clauses will remain unchanged.

22.2 Breakdown of the balance

	Note	Parent Company		Consolidated	
		2024	**2023**	**2024**	**2023**
Obligations Forfait	**(a)**	**350,043**	364,709	**350,043**	364,709
Time between payment due dates					
Liabilities included in obligations forfait transactions		**107 days**	108 days	**107 days**	108 days
Suppliers and other accounts payable not included in obligations forfait transactions		**90 days**	91 days	**90 days**	91 days

(a) All suppliers received payments from the bank.

This transaction yielded the Group a commission totaling R$ 14,960 for the period ended 31 December 2024 (R$ 12,911 for the same period in 2023). In fiscal 2024, the discount ranged from 1.57% to 1.97% a month (compared to 1.23% and 1.89% in 2023).
During fiscal 2024 the Company made no advances directly to suppliers, thus there was no income recognized as financial income (in fiscal 2023 R$ 43,361 were advanced, yielding R$ 329 in revenue).

23.Loans and debentures

23.1 Material accounting policy Loans and debentures are initially recognized at fair value and subsequently measured at amortized cost, as established in the agreement. The costs incurred, including fees, commissions, and other costs are entered as deductions to liabilities and appropriated in earnings monthly during the debt period. All other loan costs are recorded as expenses in the period in which they are incurred. Loan costs include interest and other costs incurred by the Group regarding those loans.

(in thousand Reals unless otherwise stated)

23.2 Breakdown of loans and debentures (Parent Company and Consolidated)

	Contracted conditions				Transaction of the year						Due dates			
Description	**Notes**	**Annual rates**	**Issue**	**Contracted amount**	**December 31, 2023**	**Additions**	**Principal Payment**	**Interest Payment**	**Expense with Interest, Amortization, and Exchange Variation**	**December 31, 2024**	**2.025**	**2.026**	**2.027**	**2028**
In domestic currency														
CCB	(a)	100% CDI+ 2.79%	06/30/2020	**350,000**	**63,746**	-	(60,000)	(7,234)	3,488	**-**	-	-	-	-
Debentures single series, issue 1	(b)	100% CDI+ 2.15%	20/05/2021	**500,000**	**507,519**	-	(365,720)	(44,050)	38,429	**136,178**	136,178	-	-	-
Book-entry Commercial Notes - single series, issue 1	(c)	100% CDI + 2.45%	03/18/2022	**250,000**	**259,947**	-	-	(33,624)	32,939	**259,262**	9,262	125,000	125,000	-
Debentures 1st series, issue 2	(d)	100% CDI + 2.10%	04/08/2022	**247,500**	**251,749**	-	(62,413)	(29,666)	28,400	**188,070**	188,070	-	-	-
Debentures 1st series, issue 2	(d)	100% CDI + 2.40%	04/08/2022	**352,500**	**358,685**	-	(297,691)	(35,565)	30,283	**55,712**	14,717	13,590	13,702	13,703
Book-entry Commercial Notes - single series, issue 2	(e)	100% CDI+ 2.10%	04/25/2023	**50,000**	**51,193**	-	(50,000)	(3,289)	2,096	**-**	-	-	-	-
Book-entry Commercial Notes – single series, issue 3	(f)	100% CDI+ 2.70%	05/22/2023	**200,000**	**202,560**	-	(119,600)	(22,353)	20,890	**81,497**	81,497	-	-	-
Debentures - 1st series, issue 3	(g)	100% CDI + 1.80%	07/15/2024	**495,963**	**-**	495,963	-	-	25,606	**521,569**	25,606	-	495,963	-
Book-entry Commercial Notes - single series, issue 4	(h)	100% CDI + 1.50%	09/27/2024	**70,000**	**-**	70,000	-	-	2,137	**72,137**	2,137	70,000	-	-
Book-entry Commercial Notes - single series, issue 5	(i)	100% CDI + 1.40%	11/05/2024	**80,000**	**-**	80,000	-	-	1,336	**81,336**	1,336	80,000	-	-
(-) Transaction costs to appropriate					**(7,545)**	-	-	-	(1,998)	**(9,543)**	(4,411)	(3,337)	(1,770)	(25)
National currency					**1,687,854**	**637,243**	**(955,424)**	**(175,781)**	**192,326**	**1,386,218**	**454,392**	**285,253**	**632,895**	**13,678**
In foreign currency														
Working Capital - type 4.131	(i)	USD + 5.35%	09/04/2024	**USD 17.769**	**-**	100,000	-	-	**11,796**	**111,796**	2,149	109,647	-	-
					-	**100,000**	**-**	**-**	**11,796**	**111,796**	**2,149**	**109,647**	**-**	**-**
Total					**1,687,854**	**745,963**	**(955,424)**	**(175,781)**	**195,401**	**1,498,013**	**456,541**	**394,900**	**632,895**	**13,677**
Current liabilities					**511,427**					**456,541**	**456,541**	**-**	**-**	-
Non-current liabilities					**1,176,427**					**1,041,472**	-	**394,900**	**632,895**	**13,677**
Swap – working capital		100% CDI + 1.40%			**-**	**-**	**-**	**-**	**-**	**(6,551)**	-	(6,551)	-	-

(a) Bank Credit Notes (CCB): On June 30, 2020 the Company issued two CCBs, one in the amount of R$ 230,000, which was settled in December 2022, and another for R$ 120,000, which was settled in July 2024.

(b) Debentures - single series, issue 1: 1st (first) series of simple, non-secured, non-convertible debentures for public distribution with limited effort (CVM n. 476). The costs associated with the 1st debenture issue totaled R$ 3,618, and R$ 1,078 were appropriated in the period ended December 31, 2024 (R$ 905 in 2023).

(c) Book-entry Commercial Notes - single series, issue 1 Issued its 1st (first) Commercial Notes ("Commercial Notes" and "Issue") for public distribution with limited effort as per law 14,195 of August 26, 2021, as amended ("Law 14,195") and CVM Instruction n. 476. The associated costs totaled R$ 1,528 and R$ 306 were appropriated in the period ended December 31, 2024 (R$ 306 in 2023).

(d) Debentures - 1st series, issue 2 Issued its 2nd (second) series of simple, non-secured, non-convertible debentures for public distribution with limited effort in two series, limited to Company distribution. The associated costs totaled R$ 4,521 and R$ 2,357 were appropriated in the period ended December 31, 2024 (R$ 963 in 2023).

(e) Book-entry Commercial Notes - single series, issue 2 Issued its 2nd (second) Commercial Notes for public distribution with automatic registration according to the Securities Law, law 14,195, and CVM Instruction n. 160. The associated costs totaled R$ 536, and R$ 134 were appropriated in the period ended December 31, 2024 (R$ 402 in 2023).

(f) Book-entry Commercial Notes - single series, issue 3 Issued its 3rd (third) Book-entry Commercial Notes in a single series, for public distribution and automatic registration ("Issue Term", "Commercial Notes", and "Issue") respectively, as per article 45 and subsequent articles of law 14,195 of August 26, 2021 ("Law 14,195") and CVM Instruction n. 160 of July 13, 2022 as amended ("CVM Resolution 160"). The associated costs totaled R$ 3,331 and R$ 1,665 were appropriated in the period ended December 31, 2024 (R$ 1,110 in 2023).

(g) Debentures - single series, issue 3: Issued its 3rd series of simple, non-secured, single-series, non-convertible debentures with a unit face value of R$ 1,00, in the total amount of R$ 495,963. The associated costs totaled R$ 8,274 and R$ 1,141 were appropriated in the period ended December 31, 2024

For its third issue of debentures the company exchanged its 1st and 2nd issues as follows.

I. On August 1, 2024 231,440 simple, non-convertible, unsecured, single series debentures from its 1st issue, each with a face value of R$ 1,00 were written off. Thus, the company's debenture configuration in numbers and value is now: 268,560 simple debentures totaling R$ 134,280.

(in thousand Reals unless otherwise stated)

II. On August 2, 2024 62,413 simple, non-convertible, unsecured, dual series, debentures from its 2nd issue, each with a face value of R$ 1,00 were written off, and on August 5, 2024 297,691 simple, non-convertible, unsecured, dual series debentures from its 2nd issue, each with a face value of R$ 1,00 were written off. Thus, the company's 2nd debenture issue configuration in numbers and value is now: 239,896 simple debentures totaling R$ 239,896 - R$ 185,087 from its first series, and R$ 54,809 from its second series. The maturity date of the installments and the interest remaining from the first and second issues remain unchanged.

(h) Book-entry Commercial Notes - single series, issue 4 Issued its 4th (fourth) Book-entry Commercial Notes in a single series, for public distribution ("Issue Term"), as per article 45 and subsequent articles of law 14,195 of August 26, 2021 ("Law 14,195").

(i) Secured a type 4,131 US Dollar loan in the amount of US$ 17,769 at a fixed rate of 5.35% a year, protected by a Swap agreement (derivatives) to Reals at an annual rate of 100% of the CDI plus a 1.40% annual surcharge, for settlement on September 4, 2026.

(j) Book-entry Commercial Notes - single series, issue 5 Issued its 5th (fifth) Commercial Notes for public distribution with automatic registration according to the Securities Law, law 14,195, and CVM Instruction n. 160. The costs incurred totaled R$440, and the amount recognized in the year ended December 31, 2024, is R$35.

The Group formerly captured funds through its subsidiary Orion Instituição de Pagamentos; these were used to settle the funding of with-interest installment portfolios, past-due accounts, withdrawals, and refinancing of the new C&A Pay card operations. On May 2, 2023, the Group settled its secured account agreements in the amount of R$ 201,500.

These funds were captured to reinforce working capital and no guarantee was put up by the Group.

23.3 Changes in loans

		Parent Company		Consolidated	
	Note	**2024**	**2023**	**2024**	**2023**
Opening balance		**1,687,854**	**1,987,375**	**1,687,854**	**2,150,832**
(+) New loans/debentures		**745,963**	250,000	**745,963**	381,372
(-) Funding cost		**(8,721)**	(4,183)	**(8,721)**	(4,983)
(-) Interest passed along and to pass along	(a)	**-**	-	**-**	(1,899)
Payment of the principal		**(955,424)**	(452,500)	**(955,424)**	(745,429)
Interest payment		**(175,781)**	(352,648)	**(175,781)**	(352,648)
Total cash effect		**(394,687)**	**(559,331)**	**(394,687)**	**(723,587)**
(+) Interest		**187,753**	255,421	**187,753**	255,421
(+) Cost amortization		**6,723**	4,389	**6,723**	5,188
(+/-) Exchange variation		**9,647**	-	**9,647**	-
Total with no cash effect		**204,123**	**259,810**	**204,123**	**260,609**
Final balance		**1,498,013**	1,687,854	**1,498,013**	1,687,854

(a) Refers to the mandate clause settled on May 2, 2023.

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23.4 Restrictive covenants

The financing agreements and debentures have the normal covenants, failure to comply with such covenants may result in a demand early payment.

Based on the clauses of current agreements, the Group must fulfill the following financial and non-financial covenants. The financial covenants are measured each year on December 31, and include the following key indicators:

I. Net Debt / Adjusted EBITDA Maintain a Net Debt (comprised of loans and debentures plus or minus the balance of derivatives less cash and cash equivalents) over Adjusted EBITDA (comprised of EBITDA plus revenue discounting suppliers less non-operating results, define as the sale of assets, contingency provisions/reversals, impairment, and restructuring clauses) ratio at less than or equal to 3.0x, to be calculated each year based on the consolidated financial statements. For this calculation, Adjusted EBITDA for the past 12 (twelve) months is used, and the effects brought on by adopting CPC06/IFRS16 are ignored.

Non-financial covenants are essentially:

I. Publication of the Financial Statements Publish and make available its audited consolidated financial statements.

II. Being found guilty: The Company shall not be found guilty of activities that involve racial or gender discrimination, child labor, exploration of prostitution, or crimes against the environment.

From time to time, the Group monitors financial indicators that may impact the covenants. The covenants are the normal ones for transactions of this nature and, to date, have in no way limited the Group's ability to conduct its business. As of December 31, 2024 the Company had and was meeting all of its covenant clauses.

24. Labor liabilities

	Parent Company		Consolidated	
	2024	**2023**	**2024**	**2023**
Wages payable	**41,345**	35,039	**41,523**	35,227
Short-Term Incentives	**107,633**	77,601	**109,483**	77,601
Social Charges	**59,441**	53,152	**59,789**	53,525
Vacations payable	**88,671**	83,046	**89,341**	83,751
	297,090	248,838	**300,136**	250,104
Current liabilities	**276,780**	230,098	**279,826**	231,364
Non-current liabilities	**20,310**	18,740	**20,310**	18,740

(in thousand Reals unless otherwise stated)

25. Taxes payable

	Parent Company		Consolidated	
	2024	**2023**	**2024**	**2023**
ICMS	**200,557**	154,009	**200,557**	154,009
PIS/COFINS	**104,641**	61,600	**105,533**	62,323
IT/CSLL	**61,274**	68,339	**61,993**	76,247
Other	**22,406**	6,234	**23,205**	7,080
	388,878	290,182	**391,288**	299,659
Current liabilities	**373,489**	277,772	**375,899**	287,249
Non-current liabilities	**15,389**	12,410	**15,389**	12,410

26. Provisions for tax, civil, and labor risks

26.1 Material accounting policy The Group is a party in numerous legal and administrative proceedings of a tax, civil, and labor nature. Provisions are recognized for all contingencies related to proceedings for which it is probable that an outflow of resources will be required to settle the contingency and a reasonable estimate can be made. Assessment of the likelihood of loss includes an assessment of the available evidence, the hierarchy of the laws, the available case law, and recent court decisions and their relevance in the legal system, as well as the assessment made by independent advisors. Provisions are reviewed and adjusted so as to consider changes in circumstances, such as applicable statute of limitations, the completion of tax audits or additional exposures identified based on new matters or court rulings.

26.2 Balance and changes in provisions for tax, civil, and labor risks

On the advice of its legal advisors, Management creates provisions to cover likely and reasonably estimable losses where disbursement of financial resources by the Group is likely.

26.2.1 Parent Company

	Notes	2023 Resubmitted (*)	Addition (reversal)	Payments	Update	2024
Tax	(a)	**253,499**	**(9,742)**	**(2,744)**	**11,384**	**252,397**
Labor	(b)	**31,155**	**21,525**	**(19,870)**	**2,806**	**35,616**
Civil	(b)	**2,888**	**8,785**	**(10,007)**	**333**	**1,999**
Provisions for tax, civil, and labor risks		**287,542**	**20,568**	**(32,621)**	**14,523**	**290,012**

(*) Statements include the effects mentioned in note 2.4.

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26.2.2 Consolidated

	Notes	2023 Resubmitted (*)	Addition (reversal)	Payments	Update	2024
Tax	(a)	**253,499**	**(9,742)**	**(2,744)**	**11,384**	**252,397**
Labor	(b)	**31,155**	**21,525**	**(19,870)**	**2,806**	**35,616**
Civil	(b)	**4,086**	**12,769**	**(12,149)**	**333**	**5,039**
Provisions for tax, civil, and labor risks		**288,740**	**24,552**	**(34,763)**	**14,523**	**293,052**

(*) Statements include the effects mentioned in note 2.4.

(a) Tax provisions refer substantially to discussions regarding the following taxes:

PIS/COFINS: Disallowed PIS/COFINS credits regarding (I) inputs used in the purpose of business, and (II) COFINS credits on imports;

ICMS: Disallowed credits and discussions on the applicability of fines and bases for calculation, among others.

Other taxes Exclusion of ICMS and ISS from the basis for calculating CPRB and social security contributions on the payroll deductions for transportation and meal vouchers, and medical and dental care.

The main changes in the period ended December 31, 2024 were primarily the result of:

I. Reversal of provisions for PIS and COFINS credits on expenses with credit card fees due to self-regulation of the company's ancillary obligations in the amount of R$ 35,414;
II. The reversal of ICMS credits for electric power charges (TUTS) due to modulation of the impact of the STJ ruling in favor of the company (986/STJ) in the amount of R$ 31,118;
III. Reversal of the provisions for ICMS as the Company subscribed to the Installment Program sponsored by the State of São Paulo, which includes debits regarding the collection of ICMS in transactions with suppliers considered disreputable, in the amount of R$ 9,785;
IV. Provisions for ICMS in the amount of R$ 5,862 in the state do Rio de Janeiro due to investigations that were unfavorable to the company.
V. Creating provisions for INSS due to the ruling STJ ruling on Theme 1174, which defined the understanding that social security applies to employee payroll deductions for transportation and meal vouchers, and medical and dental care. In the amount R$57,296.
On August 26, 2024, the Justices of the 1st Panel of the Superior Court of Justice (STJ) ruled that employee social security contributions deducted from payroll, as well as amounts related to transportation vouchers, meal and food allowances, and health care plans, are included in the calculation base for employer social security

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contributions. Based on legal opinions from its advisors, C&A had credited these amounts in previous Years. Following the STJ's decision, Motions for Clarification were filed in four of the seven leading cases of Topic 1174/STJ (REsp 2.005.029/SC, REsp 2.005.087/PR, REsp 2.027.413/PR, and REsp 2.027.411) to correct flaws in the ruling issued by the 1st Panel.
On November 13, 2024, the Motions for Clarification in the Leading Case were judged unfavorably for taxpayers, resulting in the recognition of a provision for this matter in the amount of R$57,296 thousand.

(b) Civil and labor Provisions for labor claims are calculated by applying the historical percent losses to the total value of the claim (which is the maximum exposure to which the Group is subject) for each claim, as informed by the Group's legal advisors. This calculation is reviewed every six months, most recently in December 2024. Measurement of the provisions for civil cases uses the overall average success and payment rates, with individual assessments made where the amounts are significant.

26.3 Non-provisioned contingencies

26.3.1 Tax contingencies

The updated amount for the Group on December 31, 2024 was R$ 513,052 (R$ 379,235 in 2023) associated with judicial and/or administrative claims where it is considered possible that the Company will lose, and for this reason accounting provisions are not made, as per the relevant accounting standards. Below is a summary of the main claims, with the amount of the principal plus interest and fines that our legal advisors believe we may lose:

		Parent Company and Consolidated	
	Notes	2024	2023
Disallowed PIS/COFINS credits	(a)	**157,769**	146,647
IRPJ/CSLL and PIS/COFINS – At the time of taxation	(b)	**139,931**	-
INSS - Non-homologated and other offsets	(c)	**42,400**	85,928
ICMS - Disallowed credits and others	(d)	**61,484**	47,850
PIS/COFINS - Non-homologated offsets	(e)	**62,682**	51,314
Import Taxes	(f)	**32,389**	32,554
IRPJ and CSLL - Non-homologated offsets		**14,086**	12,812
Other demands		**2,311**	2,130
		513,052	379,235

a) Disallowance of credits related to expenses used as inputs;
b) Taxes on tax credits due to a final court ruling in favor of the company. On September 30, 2024 the Federal Revenue Service issued a citation against the Company due to differences in the timing for paying IRPJ/CSLL and PIS/COFINS on tax credits due to the final court ruling favorable to the company. Taxes on tax credits (R$ 125,906) were duly booked under earnings

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and liabilities using the accrual method. Only the fine and interest (R$ 139,931) are classified as risk. The Company's legal advisors consider these as "risk of possible loss".

c) Non-approval of compensation requests related to social security credits. On November 13, 2024, the Motion for Clarification filed in the Leading Case of Topic 1174/STJ, concerning the incidence of Social Security Contributions on co-participation discounts for indirect benefits in the payroll, related to: (i) transportation vouchers; (ii) meal vouchers; and (iii) co-participation in medical and dental plans, was ruled unfavorably for taxpayers. As a result, a provision for this matter was recognized in the amount of R$57,296 thousand (note 26.2.2.v).
d) Disallowed credits and supposed inventory differences;
e) Non homologation of requests for compensation.
f) Import taxes - Administrative ruling discussing whether to include royalties paid for the use of licensed brands;

26.3.2 Civil and labor contingencies

Regarding civil and labor lawsuits, the Group informs that provisions are periodically reviewed and recognized according to the methodology described in note 26.2.2b.

Due to external factors not under the Group's control, it is not feasible to determine when the associated cash disbursements, if any, will be made in the event the Company loses any such claims.

27. Other liabilities

		Parent Company		Consolidated	
	Note	2024	2023	2024	2023
Derivative operations	(a)	**54,310**	49,167	**54,310**	49,167
Customer credit	(b)	**12,722**	13,217	**22,382**	16,594
Insurer amounts to pass along		**-**	-	**9,996**	17,470
IPTU (Property Tax)		**1,004**	220	**1,004**	220
Other		**6,551**	1,801	**6,596**	1,845
		74,588	64,405	**94,288**	85,296
Current Liabilities		**24,032**	19,789	**43,732**	40,680
Non-current liabilities		**50,556**	44,616	**50,556**	44,616

a) This substantially refers to rental incentives received from lessors in the amount of R$9,613 (R$14,103 in 2023), a provision of R$39,941 for restoring the store to its original condition (R$20,150 in 2023), and amounts under discussion totaling R$1,620 (R$2,259 in 2023) in a revision lawsuit.
b) These refer to exchange vouchers and gift cards not yet used by customers, as well as excess credit from excess payments made by C&A Pay credit card customers, to be deducted from future purchases and/or returned to customers.

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28. Shareholder's Equity

28.1 Material accounting policy Capital stock is represented by common shares. Incremental costs attributable directly to issuing shares are entered as a deduction of shareholder's equity as capital transactions, net of tax effects.

28.2 Capital stock

On December 31, 2024, capital stock in the amount of R$ 1,847,177 was represented by 308,245,068 fully paid-in common shares (308,245,068 in 2023), with a free float of 141,013,341 common shares (101,313,341 in 2023).

On December 31, 2024 and 2023 the ownership of Company shares broke down as follows:

Year/%	COFRA Investment SARL	Incas SARL	COFRA Latin America	Officers	Treasury	Free Float
2024	80,363,049	80,939,166	17,121	2,288,265	3,624,126	141,013,341
%	26.07%	26.25%	0.01%	0.74%	1.18%	45.75%
2023	100,363,049	100,939,166	17,121	2,288,265	3,324,126	101,313,341
%	32.56%	32.75%	0.01%	0.74%	1.08%	32.86%

Total in 2024: 308,245,068

Total in 2023: 308,245,068

According to its Bylaws, the Company is authorized to increase capital by as many as 135,000,000 new common shares, up to a limit of 443,245,068 common shares, regardless of any statutory reform, as per article 168 of Law 6,404 of 15 December 1976, as amended ("Brazilian Corporate Law").

The increase in share capital within the authorized limits shall be completed by issuing shares, convertible debentures or subscription warrants, as decided by the Board of Directors, which is responsible for setting the issuing terms, including price and form of payment. If payment takes the form of assets, the General Meeting shall be responsible for increasing the share capital, with input from the Fiscal Board, if any.

28.3 Shares in Treasury

On November 12, 2021, the market was informed that an 18-month share buy-back program had been approved at a meeting of the Board of Directors (BoD). This share buy-back program ran from the date of notice to May 11, 2023. The end of the program was communicated at the BoD meeting held on May 11, 2023.

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On April 18, 2024, the market was informed that an 18-month share buy-back program had been approved at a meeting of the Board of Directors (BoD), starting on April 19 2024 and ending on October 18, 2025 to enable exercising the buy option of the current share purchasing plans approved at the General Meetings of the Shareholders held on October 2, 2019 and April 28, 2023.

In March 2024 the company set aside 2026375 treasury shares at an average cost per share of R$ 3,21, totaling R$ 6,497 for the participants of share-based incentive plans, with no reduction in share capital.

	Number	Average cost per share	Book value	Market value
Balance on December 31, 2022	1,969,900	3.44	6,778	4,511
Share buy-back	680,600	2.53	1,720	1,720
Balance on December 31, 2023	2,650,500	3.21	8,498	20,753
Shares delivered in the 2021 Plan	(2,026,375)	3.21	(6,497)	
Share buy-back	3,000,000	10.79	32,364	32,364
Balance on December 31, 2024	**3,624,125**	**9.48**	**34,365**	**28,124**

28.4 Capital reserve – shares granted

This refers to the reserve for options granted according to the stock-based compensation plan. See Note 11 for further details.

28.5 Legal reserve

The Company Bylaws stipulate that 5% of net profit will be taken as legal reserves, to the limit of 20% of the capital stock. The amount set aside as legal reserve on December 31, 2024 was R$ 87,831 (R$ 65,208 in 2023)

28.6 Reserve for unrealized profits

The Company set aside R$ 75,720 as reserve for unrealized profits, which is conditional upon using the PIS/Cofins credits from the 2nd claim, which are still unused and for this reason remain in this reserve R$ 75,720 on September 31, 2024.

28.7 Reserve for investments

The purpose of this reserve is to reinforce the Group's working capital and activities. The balance of this reserve, plus the balance of other profit reserves with the exception of contingency reserves, reserves for tax incentives and reserves for future profits may not exceed 100% (one hundred percent) of the share capital. Once this threshold is reached, and pursuant to article 199 of Law

11,638/07, the General Meeting shall determine how to distribute any surplus and shall use it to pay in or increase the capital stock or distribute dividends. Based on the Company's capital budget, on December 31, 2024 R$ 291,293 sere set aside as investment reserves. The balance of investment reserves December 31, 2024 was R$ 1,238,905.

28.8 Reserve for tax incentives

The Group has ICMS tax incentives as presumed credit due to its operations in the state of Santa Catarina. Thus, it recognizes the impact as credit on the statement of earnings in those periods in which it recognizes the related costs. Setting aside this incentive for tax incentive reserves is subject to profit in the period after deducting required reserves. As of December 31, 2024, R$22,117, and the total balance of the tax incentive reserve is R$36,677 (2023: R$14,560).

28.9 Equity valuation adjustments

This refers to the effective portion of financial instruments designated as cash flow hedge, as per Note 35.

29. Interest on shareholder's equity and dividends payable (JCSP)

29.1 Material accounting policy

As stipulated in the Bylaws, each period the shareholders have the right to receive the minimum mandatory 25% of net profits for the period, less legal reserves and plus the reversal of previous reserves, as dividends, and is booked as liabilities on the date of the statement of earnings. Any amounts in excess of the mandatory minimum are booked as proposed additional dividends in the statement of changes in shareholder's equity and entered as dividends payable only on the date on which such additional dividends are approved by the Company shareholder's equity at a General Meeting. Interest on equity is assigned to minimum mandatory dividends net of withholding income tax, as per CVM resolution 143/2022.

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29.2 Distribution de Interest on Shareholder's Equity and dividends

	Note	2024
Net income (loss) for the period		**452,477**
(-) Legal reserve		(22,623)
(-) Tax incentive reserve		(22,117)
Basis for calculating dividends		**407,737**
Minimum mandatory dividends - 25%		**101,934**
Dividends and Interest on Shareholder's Equity (JSCP)		
Distribution of interest on shareholder's equity	(a)	105,000
(-) Withheld income tax on interest on shareholders' equity		(14,509)
Dividends	(a)	11,443
Total for distribution		**101,934**

(a) R$ 53,035 for related party dividends and Interest on Shareholder's Equity.

The fiscal advantages obtained with interest on shareholder's equity was R$ 35,700 recognized in the Statement of Financial Results. (note 15.4).

30. Net revenue

30.1 Material accounting policy Revenue is measured based on the fair value of the counterpart received net of taxes, sales taxes, discounts, and deductions. To be recognized, the transaction must meet the criteria for recognition of transactions described in CPC47/IFRS15. The specific criteria below must also be fulfilled before revenue is recognized:

30.1.1 Sale of goods

Revenue from the sale of goods is recognized when the Group fulfills its obligations to perform, i.e. when control over the merchandise is transferred to the buying customer.

Returned goods happen substantially in our e-commerce transactions. Right now they are not sufficiently significant to be recorded as estimates on the date of the balance sheet. Physical returns to stores are immediately exchanged for other and/or similar goods of the same value.

The Group recognizes a revenue when, based on past behavior, it expects customers will not exercise their contractual rights regarding non-reimbursable prepayments. This happens in the case of unused gift cards and exchange vouchers.

30.1.2 Services provided

Revenue from services includes commissions served for the sale of insurance products to C&A Pay customers, commissions from the sale of cell phone top-ups, and other commissions.

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30.1.3 Revenue from commissions from intermediating financial services - Bradescard Partnership

This revenue is the commissions received for financial intermediation in receiving payment slips (boletos), and commissions for brokering credit cards and other financial services. The calculation includes the commission on revenue from interest and fees charged from Bradesco customers who use the Group's intermediation services, in addition to the related operating costs and expenses.

30.1.4 Revenue from financial products

This is the interest on installment sales and arrears interest from the e portfolio originating from SCD – C&A Pay Sociedade de Crédito Direto S.A. ("SCD") and assigned to FIDC -Fundo de Investimento a um Direito Creditório [Credit Rights Investment Fund]. In compliance with the accrual approach, revenue is recognized when results are calculated in the period to which they belong, to the extent that it is likely that they will be received. Formal transactions with pre-define financial charges are updated pro rata diem and booked as revenue from financial products. The impact of assigning receivables between Group companies on earnings, due to assignments with goodwill or discount, are eliminated in the consolidated result.

30.2 Breakdown of net revenue

		Parent Company		Consolidated	
	Note	2024	2023	2024	2023
Sale of goods		**9,982,943**	8,834,284	**9,982,051**	8,820,276
Cancellations, exchanges, and vouchers		**(496,802)**	(501,109)	**(496,802)**	(501,109)
Sales taxes		**(2,326,562)**	(1,982,467)	**(2,326,562)**	(1,982,467)
Net revenue from the sale of merchandise		**7,159,579**	6,350,708	**7,158,687**	6,336,700
Revenue from commission and financial services and products	(a)	**165,571**	152,151	**504,402**	415,621
Taxes on commissions and services		**(20,833)**	(21,659)	**(26,549)**	(33,004)
Net revenue from services rendered		**144,738**	130,492	**477,852**	382,617
		7,304,317	6,481,200	**7,636,539**	6,719,317

(a) As of May 2023, transactions with C&A Pay funding characteristics migrated to SCD – C&A Pay Sociedade de Crédito Direto S.A. ("SCD"). Formerly they were supported by a mandate clause with the partner financial institution. The portfolio originating from the SCD is assigned to an FIDC - Credit Rights Investment Fund on the day after origination, the FIDC records the interest on installment sales and arrears interest.

(in thousand Reals unless otherwise stated)

31. Earnings by nature

31.1 Classified by function

	Parent Company		Consolidated	
	2024	**2023** Resubmitted(*)	**2024**	**2023** Resubmitted(*)
Cost of goods sold and services rendered	**(3,459,741)**	(3,196,478)	**(3,459,970)**	(3,197,049)
General and administrative	**(885,982)**	(783,190)	**(887,313)**	(785,479)
Sales	**(2,324,746)**	(2,102,493)	**(2,355,001)**	(2,180,332)
Net credit losses	**-**	-	**(202,442)**	(223,878)
Other net operating income (expenses)	**77,612**	66,362	**77,432**	66,106
	(6,592,856)	(6,015,799)	**(6,827,294)**	(6,320,632)

(*) Statements include the effects mentioned in note 2.4.

31.2 General and administrative expenses by nature

	Parent Company		Consolidated	
	2024	**2023** Resubmitted(*)	**2024**	**2023** Resubmitted(*)
Personnel	**(396,127)**	(323,540)	**(397,214)**	(325,355)
Third party materials/services	**(190,039)**	(151,371)	**(190,189)**	(151,660)
Depreciation and amortization	**(214,172)**	(224,490)	**(214,257)**	(224,582)
Depreciation of right-of-use	**(24,497)**	(29,214)	**(24,497)**	(29,214)
Occupancy	**(7,024)**	(9,392)	**(7,024)**	(9,392)
Other	**(54,123)**	(45,183)	**(54,132)**	(45,276)
	(885,982)	(783,190)	**(887,313)**	(785,479)

(*) Statements include the effects mentioned in note 2.4.

31.3 Selling expenses by nature

	Parent Company		Consolidated	
	2024	**2023** Resubmitted(*)	**2024**	**2023** Resubmitted(*)
Personnel	**(728,992)**	(692,063)	**(740,838)**	(714,521)
Third party materials/services	**(363,822)**	(314,152)	**(408,300)**	(358,939)
Depreciation of right-of-use	**(301,913)**	(317,794)	**(301,913)**	(317,794)
Depreciation and amortization	**(134,870)**	(143,073)	**(134,870)**	(143,073)
Occupancy	**(376,434)**	(342,463)	**(376,434)**	(342,463)
Advertising and promotions	**(179,647)**	(106,710)	**(179,647)**	(106,739)
Other	**(239,068)**	(186,238)	**(212,999)**	(196,803)
	(2,324,746)	(2,102,493)	**(2,355,001)**	(2,180,332)

(*) Statements include the effects mentioned in note 2.4.

31.4 Other net operating revenue (expenses) by nature

Other net operating revenue (expenses) are amounts that are not related or only incidentally related to core Group activities, and are not expected to be repeated with any frequency in future periods.

		Parent Company		Consolidated	
	Note	**2024**	**2023**	**2024**	**2023**
Asset write-offs and store /DC closings	(a)	**(29,010)**	201	**(29,196)**	156
Tax expenses and credits	(b)	**116,421**	72,361	**116,421**	72,361
Reversal (provision) for tax contingencies	(c)	**6,204**	10,536	**6,204**	10,536
Other		**(16,003)**	(16,736)	**(15,997)**	(16,947)
		77,612	66,362	**77,432**	66,106

(a) Includes asset write-offs, inventory, contractual fines, and labor terminations.
(b) Tax credit recovery is booked net of attorney and consulting fees, and is comprised substantially of previously unused PIS and COFINS credits in the amount of R$ 62,880 (R$ 31,679 in 2023), credit from the exclusion of ICMS_ST from the basis for calculating PIS/COFINS in the amount of R$51.326, social security credits in the amount of R$ 2,488 (R$ 12,171 in 2023), and other smaller credits;
(c) In 2024 these refer substantially to the reversal of provisions for PIS and COFINS credits in the amount of R$ 35,414 and the reversal of charges on energy transactions (TUST/TUSD) in the amount of R$ 30,111, previously recognized as earnings, and the addition of provisions for social security issues in the amount of R$ 47,908, also previously entered as earnings.

(in thousand Reals unless otherwise stated)

32. Finance results

	Notes	Parent Company 2024	Parent Company 2023 Resubmitted(*)	Consolidated 2024	Consolidated 2023 Resubmitted(*)
Exchange Variation					
Loans		**(3,096)**	-	**(3,096)**	-
Purchasing		**(10,185)**	1,980	**(10,185)**	1,980
		(13,281)	**1,980**	**(13,281)**	**1,980**
Finance income					
Monetary correction of tax credits	(a)	**164,046**	85,300	**164,177**	82,023
Interest on financial investments		**75,373**	87,057	**84,428**	104,992
Supplier financial income		**14,958**	11,687	**14,958**	11,687
Other Finance Income		**4**	43	**4**	43
		254,381	184,087	**263,567**	198,745
Finance expenses					
Interest on loans		**(187,753)**	(255,421)	**(187,753)**	(255,421)
Interest on leases		**(170,913)**	(178,208)	**(170,913)**	(178,208)
Supplier financial expenses - PVA		**(95,928)**	(116,293)	**(95,928)**	(116,293)
Bradescard supplier interest		**(69,160)**	(70,570)	**(69,160)**	(70,570)
Monetary correction of taxes and contingencies		**(21,657)**	(22,151)	**(21,657)**	(22,164)
Charges on prepaid receivables (note 9.3)		**(44,720)**	(47,468)	**-**	(4,110)
Other finance expenses		**(9,590)**	(6,638)	**(9,633)**	(7,799)
		(599,721)	(696,749)	**(555,044)**	(654,565)
FIDC C&A Pay Earnings	(b)	**106,753**	(4,648)	**-**	**-**
Financial revenue from bonds and securities		**-**	-	**8,432**	7,068
Net financial results		**(251,868)**	(515,330)	**(296,326)**	(446,772)

(*) Statements include the effects mentioned in note 2.4.

(a) On December, 2024, revenue from interest amounted to R$ 162,721 (R$ 87,621 in 2023) related to monetary adjustment for previously unused PIS/COFINS credits, less PIS/COFINS taxes in the amount of R$ 7,566 (R$ 3,154 in 2023) see note 13.2.1.

(b) The FIDC C&A Pay operation, created as a credit rights investment funds, with all quotas owned by C&A Modas, started up in May, 2023. This fund purchases and manages receivables generated by C&A Pay's private label card. Fund results are calculated based on the revenue and expenses of this operation, booked as per CPC/IFRS (*International Financial Reporting Standard*).

(in thousand Reals unless otherwise stated)

33.Information by segment

Group Management defined the reportable operating segments based on the reports used to make strategic decisions. The businesses were classified into two segments, retail and financial services. The main characteristics for each of the divisions are:

I. Retail: sale of apparel, perfumery, cosmetics, watches, and cell phones in B&M stores and e-commerce.
II. Financial products and services: consumer credit operations and intermediation of insurance sales through our partners or own operations with the C&A Pay card

			Financial Services				
	Note	Retail	Bradescard Partnership	C&A pay	Total Financial Services	Elimination	Consolidated
				2024			
Net Operating Revenue	(a)	7,195,564	50,006	440,424	490,430	(49,455)	7,636,539
Cost of goods sold and services rendered	(b)	(3,459,382)	(588)	(30,549)	(31,137)	30,549	(3,459,970)
Gross Profit		**3,736,182**	**49,418**	**409,875**	**459,293**	**(18,906)**	**4,176,569**
Sales	(a)	(1,786,811)	(18,653)	(162,210)	(180,863)	49,456	(1,918,218)
General and administrative		(631,552)	(62)	(16,945)	(17,007)	-	(648,559)
Net credit losses		-	-	(202,442)	(202,442)	-	(202,442)
Other net operating income (expenses)		77,614	-	(182)	(182)	-	77,432
Earnings by segment (excluding depreciation)		**1,395,433**	**30,703**	**28,096**	**58,799**	**30,550**	**1,484,782**
Depreciation and amortization		(663,704)	(2,131)	(9,702)	(11,833)		(675,537)
Finance results							(296,326)
Income taxes							(60,441)
Net income (loss) for the period							**452,478**

(a) R$ 49,455 were eliminated; this refers to the Merchant Discount Rate (MDR) or the commission charged by the SCD (Direct Credit Society) on the transactions performed by C&A Retail. As this is an inter-group charge, it's impact is eliminated upon consolidation.

(b) The amount eliminated of R$ 30,549 regards funding, or the expenses incurred by C&A Pay to finance customer balances. This may include amounts in arrears, resolving credit, and with-interest purchases. The financial revenue of these transactions is recognized under Retail. The funding and associated revenue are eliminated upon consolidation.

(in thousand Reals unless otherwise stated)

			Financial Services				
		Retail	Bradescard Partnership	C&A pay	Total Financial Services	Elimination	Consolidated
				2023			
Net Operating Revenue		6,362,724	25,013	339,261	364,274	(7,681)	6,719,317
Cost of goods sold and services rendered		(3,195,966)	(1,083)	-	(1,083)	-	(3,197,049)
Gross Profit		**3,166,758**	**23,930**	**339,261**	**363,191**	**(7,681)**	**3,522,268**
Sales	(*)	(1,537,571)	(42,507)	(147,068)	(189,575)	7,681	(1,719,465)
General and administrative	(*)	(511,009)	(213)	(20,460)	(20,673)	-	(531,682)
Net credit losses		-	-	(223,878)	(223,878)	-	(223,878)
Other net operating income (expenses)		66,362	-	(256)	(256)	-	66,106
Earnings by segment (excluding depreciation)		**1,184,540**	**(18,790)**	**(52,401)**	**(71,191)**	**-**	**1,113,349**
Depreciation and amortization	(*)	(699,125)	(1,627)	(13,911)	(15,538)	-	(714,663)
Finance results	(*)						(446,772)
Income taxes	(*)						41,267
Net income (loss) for the period	(*)						**(6,820)**

(*) Statements include the effects mentioned in note 2.4.

34. Financial instruments and risks

34.1 Financial instruments – Material accounting PolicyA financial instrument is a contract that gives rise to a financial asset for one entity, and a financial liability or equity instrument for another entity. These are essentially financial instruments that grant a right or impose an obligation, such as shares, debt securities, and derivatives, among others.

34.1.1 Classification of financial instruments

The classification of financial instruments depends on the characteristics contractual cash flows, and on the business model used to manage such financial instruments. The Group classifies them at:

I.Amortized cost

Financial results at amortized cost include the following lines: cash and cash equivalents, trade receivables, judicial deposits, and related parties. Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) approach, and are subject to impairment.

Financial liabilities are initially recognized at fair value and, in the case of loans and financing, plus the directly attributable transaction costs. Measuring financial liabilities depends on their classification. Trade payables, related party loans and accounts payable, and leases payable classified as financial liabilities at amortized using the effective interest rate approach.

II.Fair value through profit and loss

Includes financial assets held for trading, and financial assets designed upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they were acquired to be sold short term. This category includes investments in bonds and securities held for trading, and swap transactions entered into to protect foreign currency loans.

III.Fair value through other comprehensive income.

Financial assets and liabilities in this category are derivative transactions to which hedge accounting applies. This category includes investments in bonds and securities (Treasury Bonds) held for trading. The Group uses hedge accounting and considers forward currency contracts (NDF) as cash flow hedges. The fair value of derivative financial instruments is determined based on the exchange rate and interest rate curves.

34.1.2 Financial derivative instruments - Cash flow hedges

The Group uses derivative financial instruments to minimize the risks associated with foreign currency exposure. The Group uses hedge transactions to protect itself from foreign exchange risk associated with as-yet unpaid import orders, and for this reason designates them as cash flow hedges.

The effective and unsettled portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in shareholder's equity as equity valuation adjustments in OCI. This installment is realized when the risk for which the derivative was purchased no longer exists. Regarding liquidation of financial instruments, previously deferred gains and losses in shareholder’s equity are transferred to the initial measurement of the cost of the asset.

Such derivative financial instruments in hedge transactions are initially recognized at fair value on the date the derivative agreement is entered into, and are subsequently reviewed, also at fair value.

The effective portion of the gain or loss on the hedge instrument is recognized in shareholder’s equity under other comprehensive income, while any ineffective portion is recognized immediately in the statement of operations under finance results.

(in thousand Reals unless otherwise stated)

Classification of financial instruments

Financial instruments on December 31, 2024 and 2023 can be summarized and classified as follows:

	Parent Company		Consolidated	
	2024	2023 Resubmitted(*)	2024	2023 Resubmitted(*)
Financial assets				
Amortized cost				
Cash and cash equivalents	1,262,270	1,130,245	1,403,225	1,155,588
Trade receivables	1,076,795	1,054,865	1,862,821	1,778,456
Judicial deposits	144,935	151,392	144,940	151,418
Sub-total	**2,484,000**	2,336,502	**3,410,986**	3,085,462
Fair value through profit and loss				
Financial investments	-	-	169,310	107,604
FIDC C&A Pay	854,604	791,352	-	-
Derivatives	6,551	-	6,551	-
Sub-total	**861,155**	791,352	**175,861**	107,604
Fair value through other comprehensive income				
Financial investments	-	-	-	83,983
Derivatives	18,255	721	18,255	721
Sub-total	**18,255**	721	**18,255**	84,704
Total assets	**3,363,410**	3,128,575	**3,605,102**	3,277,770
Financial liabilities				
Amortized cost				
Lease liabilities	(1,826,876)	(1,944,512)	(1,826,876)	(1,944,512)
Suppliers	(2,227,618)	(2,168,794)	(2,239,504)	(2,176,933)
Loans and debentures	(1,498,014)	(1,687,854)	(1,498,013)	(1,687,854)
Sub-total	**(5,552,507)**	(5,801,160)	**(5,564,393)**	(5,809,299)
Fair value through other comprehensive income				
Derivatives	(319)	(1,392)	(319)	(1,392)
Sub-total	**(319)**	(1,392)	**(319)**	(1,392)
Total liabilities	**(5,552,826)**	(5,802,552)	**(5,564,712)**	(5,810,691)

(*) Statements include the effects mentioned in note 2.4.

The fair value of the Group's assets and liabilities were measured on December 31, 2024 and 2023 using Level 2 hierarchy, which corresponds to significant observable data.

34.2 Financial risk management

The activities of the Group and its subsidiaries expose them to certain financial risks (including foreign exchange and interest rate), credit risk, and liquidity risk. Financial risks are assessed and managed carefully, using the limits and procedures defined in the Group's financial policy.

34.2.1 Market Risk

Market risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate due to market prices. Market prices include three types of risk: interest rate risk, exchange risk and price risk, which can be commodities or shares, among others. Financial instruments affected by market risk includes loans and financing, cash equivalents and other financial assets, investments in debt and equity instruments, and derivative financial instruments.

34.2.1.1 Interest rate risk

The Group is exposed to the risk of changes in interest rate that could impact returns on its short-term assets and financial liabilities indexed to the CDI.

The Group attempts to keep the interest rate indicators for its assets and liabilities equal to reduce the impact of a risk in a fluctuation in interest rates. Currently all our transactions are in the credit and capital markets, and most are fixed rate and indexed to the CDI. The Group is also exposed to the CDI in the payments to Bradescard for the purchase of Balcão, and its Swap transactions regarding US Dollar denominated loans.

Management continuously analyzes its exposure to interest rates, comparing the contracted rates to current market rates and simulating refinancing scenarios and the impact on results.

The Group ran tests using scenarios for the next disclosure to demonstrate how fluctuations in this index impact results. Likely scenario interest rates come from the reference rates on the B3 website on December 31, 2024 (annualized CDI of 14.70%).

(in thousand Reals unless otherwise stated)

					Parent Company			
					Increasing interest		Decreasing interest	
	Risk	Balance in 2024	Rate	Likely scenario	Possible scenario + 25%	Remote scenario + 50%	Possible scenario - 25%	Remote scenario - 50%
Financial investments	Lower CDI	1,233,023	CDI	173,179	216,474	259,769	129.884	86.589
Loans, debentures and Swap	Higher CDI	(1,491,463)	CDI	(219,245)	(274,055)	(328,868)	(164.434)	(109.623)
Bradescard Supplier	Higher CDI	(608,563)	CDI	(89,459)	(111,824)	(134,189)	(67.094)	(44.729)
Net exposure/Impact on earnings prior to IT/SC		**(867,003)**		**(135,525)**	(169,405)	(203,288)	(101,644)	(101.644)
	Impact on earnings, net of IT/SC			**(89,446)**	**(111,807)**	**(134,170)**	**(111,807)**	(44,724)

					Consolidated			
					Increasing interest		Decreasing interest	
	Risk	Balance in 2024	Rate	Likely scenario	Possible scenario + 25%	Remote scenario + 50%	Possible scenario - 25%	Remote scenario - 50%
Financial investments	Lower CDI	1,420,878	CDI	199,292	249,115	298,938	149,469	99,646
Loans, debentures and Swap	Higher CDI	(1,491,463)	CDI	(219,245)	(274,056)	(328,868)	(164,434)	(109,622)
Bradescard Supplier	Higher CDI	(608,563)	CDI	(89,459)	(111,824)	(134,189)	(67,094)	(44,729)
Net exposure/Impact on earnings prior to IT/SC		**(679,147)**		**(109,412)**	**(136,765)**	**(164,119)**	**(82,059)**	**(54,705)**
Impact on earnings, net of IT/SC				**(72,212)**	**(90,265)**	**(108,319)**	**(54,159)**	**(36,105)**

Financial revenue stated net of 4.65% PIS and COFINS. For financial investments we considered an average yield of 100.23% of the CDI (100.43% in 2023) for the parent company, and 100.10% (100.36% in 2023) for the consolidated results.

34.2.1.2 Exchange risk

Foreign currency exchange risk exists in future commercial transactions, primarily those associated with US-Dollar denominated imports of goods, and US-Dollar denominated loans. The foreign currency risk management policy is defined by Group Management, and subsequently submitted to the Auditing and Risk Management Committee for analysis and approval.

I. **Loans:** The Group took out foreign currency loans at fixed interest rates. Interest expenses and foreign exchange variation are charged against "Financial revenue and expenses". The foreign currency risk on foreign currency loans was mitigated through swap contracts, whereby the foreign exchange variation was "swapped" for the rate set by the bank.

Currency	Amount	R$	Long Leg	Short Leg
US Dollar	17,689	100,000	USD + 5.35%	CDI + 1.40%

(in thousand Reals unless otherwise stated)

II. Import of goods: The Group hedges against exchange variations in the outstanding balance of its imports by entering into Non-Deliverable Forward Contracts (NDFs) for highly probable budgeted purchases. Contracts based on the FOB value of the goods limits the exchange exposure and its effect on price composition. As soon as goods are nationalized, taxes must be paid that are not included in the hedge defined when contracting the NDF. These taxes amount to 36% of the value of the order.

The table below shows exposure to exchange variation related to orders issued and not covered by the hedge, and non-recoverable customs clearance taxes for which the Group is not hedged. The Group shows sensitivity to possible changes in the range of 25% to 50%, indicating a deteriorating financial situation for the Group due to increases in the US Dollar exchange rate.

The US Dollar exchange rate used in the sensitivity analysis was taken by the FOCUS report published by the Brazilian Central Bank on December 30, 2024. Scenario estimates were adopted according to CVM Instruction 475/08.

				Scenarios		
		Risk	**Notional USD (Payables)/ Receivables**	**Likely scenario USD 1 = R$ 5,96**	**Possible scenario +25% USD 1 = R$ 7,45**	**Remote scenario +50% USD 1 = R$ 8,94**
Hedge object	Purchasing orders for imported goods and imports in transit	Increase in the USD exchange	(71,695)	16,655	(90,171)	(196,997)
	Payment for imported goods		(3,464)	805	(4,357)	(9,518)
Hedge instrument	NDF	Decrease in the USD exchange	40,203	(9,339)	50,563	110,466
	Net exposure of import orders		**(34,956)**	**8,121**	**(43,965)**	**(96,049)**
	Non-recoverable taxes (36%)		(25,810)	5,996	(32,462)	(70,919)
	Total net exposure		**(60,766)**	**14,117**	**(76,427)**	**(166,968)**
Hedge object	Law 4,131 Loans (object)	Increase in the USD exchange	17,769	(4,128)	22,348	48,824
Hedge instrument	Exchange swap	Decrease in the USD exchange	(17,769)	4,128	(22,348)	(48,824)
	Net exposure					
	Impact on earnings, net of IT/SC		**(40,106)**	**9,317**	**(50,442)**	**(110,199)**
	USD on 12/31/2024 = R$ 6,1923					

Derivative Financial instruments designated for hedge accounting

To manage its market risk, the Group manages its foreign currency exposure related to the purchase of merchandise by contracting US Dollar-based derivative financial instruments, considering the expected date the merchandise will enter Group inventory in the official budget.

(in thousand Reals unless otherwise stated)

The following table shows the outstanding positions by maturity date of the forward contracts (Non-Deliverable Forwards - NDF) used to hedge exchange rate risk on December 31, 2024:

Contract	Maturity	Reference (notional) value - USD	Amount receivable (payable)
NDF	Jan/2025	10,217	5,460
NDF	Feb/2025	6,668	3,447
NDF	Mar/2025	7,436	4,766
NDF	Apr/2025	8,504	2,177
NDF	May/2025	4,228	1,743
NDF	Jun/2025	3,150	343
Total NDF		**40,203**	**17,936**
Current assets			**18,255**
Current Liabilities			**(319)**

Derivative Financial instruments not designated for hedge accounting

The Group manages its exposure to US Dollar denominated loans through Swap transactions. This is not considered hedge accounting and is booked at fair value through earnings.

Contract	Maturity	Reference (notional) value - USD	Amount receivable (payable)
Exchange swap	Sep/2026	17,689	6,551
Total Exchange Swap		**17,689**	**6,551**

34.2.2 Credit risk

I. **Cash and cash equivalents** In accordance with the Group policy, cash and cash equivalents must be invested in financial institutions rated as having low credit risk.

II. **Receivables:** In December 2021 the C&A pay card was launched, operated by subsidiary Orion until April 2023. As of May 2023, this operation is the responsibility of another subsidiary, SCD – C&A Pay Sociedade de Credito Direto. In the current operation, CCD assigns the receivables to FIDC – C&A Pay Fundos de Investimentos em Direitos Creditórios, of which C&A Modas is the sole quota holder (see Note 7.3).

    Expected losses from C&A Pay operations are calculated by the Group based on in-house studies to measure percent loss based on past-due stage and time, bearing in mind the likelihood of exposure to default and the effective loss for each past-due range.

As C&A Pay operations mature, estimates and approaches may be reviewed to adjust provisions to reflect the changes in the macroeconomic scenario and/or changes in customer profiles.

The credit risk of other Group operations is minimized to the extent that assets represented by receivables from the sale of goods and services are intermediated by Bradescard and credit card companies. In the case of credit card companies, the risk is fully transferred to them, and the Group remains only with the risk of non-recognition of purchase by customers (charge-backs) for which an allowance for impairment is measured and recognized. For transactions intermediated by Banco Bradescard, there is a potential loss, contractually limited to 50% of the net doubtful receivables registered with that institution, in addition to customer chargebacks. Historically, credit losses resulting from the agreement with Banco Bradescard are smaller than the gains.

Management believes that the estimates used to make provisions for expected losses are sufficient to cover possible customer portfolio credit losses.

34.2.3 Liquidity risk

Based on the operation's cash cycle, Management approved a minimum cash policy to:

I. Protect itself in times of uncertainty;
II. Ensure execution of its investment and expansion strategy;
III. Ensure that a dividend distribution policy is upheld.

Management constantly monitors the expected demands on the liquidity of the Group and that of its subsidiary to ensure they have sufficient cash to meet their operational needs, investment plans and financial obligations.

The Group invests excess cash in financial assets with floating interest rates and daily liquidity (CDBs, repo transactions, and private credit investment funds that comply with the investment policy approved by Management). The Group also invests in LFTs (Treasury Bonds) (Note 7), that may or may not be kept until they mature. Those that are kept until maturity are registered at amortized cost, and those available for sale at fair value.

(in thousand Reals unless otherwise stated)

The following table summarizes the maturity profile of the Group's financial liabilities:

On December 31, 2024	Less than 1 year	1 to 5 years	More than 5 years	Total
Lease liabilities	352,734	1,014,787	459,355	1,826,876
Loans	456,541	1,041,472	-	1,498,013
Suppliers	1,889,243	218	-	1,889,461
Obligations forfait transactions	350,043	-	-	350,043
Total	3,048,561	2,056,477	459,355	5,564,393

34.3 Capital management

The Group's capital management aims to ensure the maintenance of a structure to fund its operations.

The Group manages its capital structure by making suitable adjustments to changes in economic conditions. To keep this structure adjusted, the Group may pay dividends and take out loans.

There were no changes in the capital structure objectives, policies, or processes in the twelve-month period ending December 31, 2024.

	Parent Company		Consolidated	
Net Debt excluding Lease Liabilities	2024	2023 Resubmitted(*)	2024	2023 Resubmitted(*)
Short and long-term loans and debentures	1,498,013	1,687,854	1,498,013	1,687,854
Cash and cash equivalents	(1,262,270)	(1,130,245)	(1,403,225)	(1,155,588)
Financial investments	-	-	(169,310)	(191,587)
Net debt (cash)	**235,743**	**557,609**	**(74,522)**	**340,679**
Non-controlling interests	-	-	**4**	3
Total shareholder's equity	**3,308,484**	**2,991,072**	**3,308,488**	**2,991,075**
Financial leverage index	**7%**	**19%**	**-2%**	**11%**

(*) Statements include the effects mentioned in note 2.4.

On December 31, 2024 the balance of lease liabilities amounted to R$ 1,826,876 (R$ 1,944,512 in 2023). If lease liabilities are included in the capital management calculations, leverage would be 62%, as follows:

	Parent Company		Consolidated	
Net Debt including Lease liabilities	2024	2023 Resubmitted(*)	2024	2023 Resubmitted(*)
Net debt (cash)	235,743	557,609	(74,522)	340,679
Lease liabilities	1,826,876	1,944,512	1,826,876	1,944,512
Adjusted net debt	**2,062,619**	**2,502,121**	**1,752,354**	**2,285,191**
Total shareholder's equity	**3,308,484**	**2,991,072**	**3,308,488**	**2,991,075**
Financial leverage index	**62%**	**84%**	**53%**	**76%**

(*) Statements include the effects mentioned in note 2.4.

(in thousand Reals unless otherwise stated)

34.4 Changes in liabilities associated with financing activities in the consolidated Group figures:

	December 31, 2023 Resubmitted(*)	Cash flows	Interest incurred	Re-measurements of lease liabilities	Other	December 31, 2024
Leases	**1,944,512**	(384,165)	120,221	58,131	88,177	1,826,876
Loans and debentures	**1,687,854**	(394,687)	187,753	-	17,093	1,498,013
Total	**3,632,366**	**(778,852)**	**307,974**	**58,131**	**105,270**	**3,324,889**

(*) Statements include the effects mentioned in note 2.4.

This amount disclosed as re-measurement of lease liabilities refer to the annual review of inflation adjustments on minimal lease payments as per the respective agreements and lease renewals; “Other” refers primarily to the exchange variation of foreign currency loans in the amount of R$ 9,647, and new, ended, and renewed lease agreements

35. Insurance Purchased

The Group has a policy of keeping insurance coverage in the amount that Management considers appropriate to cover possible risks to its property and equipment (basic coverage: fire, lightning, explosion and other property and equipment policy coverage), inventories, civil liability and transportation of goods. Below is the maximum indemnity limit for each coverage:

	Consolidated	
	2024	2023
Civil Liability and D&O	**327,619**	313,688
Property and Inventory	**538,520**	529,900
Shipping	**64,873**	66,270
Cyber Risk Insurance	**50,000**	50,000
	981,012	959,858

36. Retirement plan

36.1 Material accounting policy The Company sponsors Cyamprev - Sociedade de Previdência Privada, a closed capital private pension company that provides private pension plans for the employees of its sponsors. In essence, the pension plans sponsored by the Company are structured as defined contribution plans e pension plan contributions are made by active participants and/or the sponsor. The plans ensure a minimum benefit paid out in a single installment at the end of their employment link and eligibility for retirement. Contributions to the plans for this minimum benefit are made exclusively by the Company.

Benefit plans are reviewed at the end of each fiscal period to check if contributions are sufficient for forming the necessary reserves to honor current and future commitments. Actuarial losses and gains are recognized on an accrual basis.

In accordance with CPC 33/IAS19, approved by CFC Resolution 1,193/09, the Company recognizes an actuarial asset when: (a) the Company controls a resource, which is the ability to use the surplus to generate future benefits, (b) that control is a result of past events (contributions paid by the Company and service rendered by the employee), and (c) future economic benefits are available to the Company in the form of a reduction in future contributions.

36.2 Retirement plan

In 2024 the Group contributed R$ 5,309 (R$ 7,130 in 2023) to the plans, booked as expenses in earnings in the period. The total number of participating employees on December 31 2024 was 3,652 (4,500 in 2023), with 205 participants cared for (192 in 2023).

On December 31, 2024 the fair value of the plan assets related to the minimum benefit described above exceeded the actuarial present value of the accumulated benefit obligations by approximately R$ 1,114 (R$ 303 in 2023).

37. Earnings per share

Basic earnings per share are obtained by dividing profit attributable to the owners of common shares (numerator) by the weighted average number of outstanding shares (common shares in the hands of shareholders) (denominator) during the period.

Diluted earnings per share are obtained by dividing net profit attributable to the owners of common shares (numerator) by the weighted average number of outstanding shares in the period plus the weighted average number of common shares that would be issued if all potential diluted common shares were converted into common shares.

Equity instruments that should or could be settled only as Company shares are included in the calculation if their settlement would have a dilution effect on earnings per share.

The following chart shows the determination of net profit available to the holders of common shares, and the weighted average of outstanding common shares used to calculate basic and diluted earnings per share in each period:

(in thousand Reals unless otherwise stated)

Basic earnings per share	2024	2023 Resubmitted(*)
Net income for the period	**452,478**	(6,820)
Weighted average of the number of common shares	**304,920,942**	305,594,568
Basic profit per share - R$	**1,4839**	(0,0223)

Diluted earnings per share	2024	2023 Resubmitted(*)
Net Profit (Loss) for the Period	**452,478**	(6,820)
Weighted average of the number of outstanding common shares	**304,920,942**	305,594,568
Weighted average of the options granted as part of the stock-based compensation plan	**3,254,952**	-
Weighted average of the diluted number of common shares	**308,175,894**	305,594,568
Diluted profit per share - R$	**1,4682**	(0,0223)

(*) Statements include the effects mentioned in note 2.4.

The only financial instrument providing dilution is the stock-based compensation plan, described in detail in Note 10.

On December 31, 2024 the share-based compensation plan provided dilution. On December 31, 2023 the share-based compensation plan would provide an anti-dilution effect, which is why it was not considered in the calculation shown above.

38. Non-cash transactions

On December 31, 2024 and 2023 the non-cash investment and financing transactions were:

I. purchase of property and equipment, in the amount of R$ 67,911 (R$ 7,040 in 2023).
II. purchase of intangible assets, in the amount of R$ 758 (R$ 13,580 in 2023);
III. recognition of lease liabilities as a counter-entry to the right to use the asset, where new agreements amounted to R$109,321 (R$ 132,643 in 2023), remeasured at R$107,303 (R$ 135,513 in 2023), and agreements closed in the amount of R$10,934 (R$ 2,581 in 2023).

	Parent Company and Consolidated	
	2024	2023 Resubmitted(*)
Purchase of property and equipment	(67,911)	7,040
Purchase of intangible assets	(758)	13,580
New right-of-use agreements	109,321	132,643
New lease liability agreements	(109,321)	(132,643)
Remeasurements of right-of-use agreements	107,303	135,513
Remeasurement of lease liabilities	(107,303)	(135,513)
Closed/terminated lease agreements	(14,730)	(2,581)

(*) Statements include the effects mentioned in note 2.4.

39. Subsequent events

39.1 Share buy-back

At a meeting held on January 13, 2025, Management approved the creation of a new program to buy back common shares issued by the Company. The goal of this new plan is to purchase Company shares for its current stock option plans. The Company may purchase up to 5,000,000 shares over 18 months, starting on January 13, 2025 and ending on July 13, 2026. The previous program, approved on April 18, 2024, ended on January 13, 2025.

In January and February 2025, the company bought back 4,163,800 shares at an asking average price of R$ 8,65/share, totaling R$ 36,018.