

Earnings Release

3Q24



Earnings Call

Date: 11/07/2024 (Portuguese/English)

Brasilia: 11:00am | New York: 09:00am | London: 2:00pm

webcast: ri.cea.com.br

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3Q24 Highlights

C&A continues to show strong and consistent growth in Apparel, with an 18.6% increase in 3Q24

13th consecutive quarter of gross margin expansion in Apparel



Apparel SSS¹ grew by **18.9%** in 3Q24 and square meter sales increased **19%**



Apparel gross margin of **55.1%**, expansion of **1.0 p.p.** in relation to 3Q23



Expansion of **4.4 p.p.** in **Adjusted EBITDA margin²** post-IFRS16, reaching **17.6%**



C&A Pay results totaled **R\$ 17.8 million** and it reached a **customer base** of +6.5 million



R\$52 million Adjusted net income



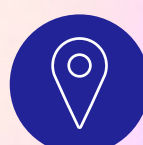
Leverage **1.0x** in 3Q24, reducing from 2.9x in 3Q23³



CAPEX of **R\$ 81.2 million**, an increase of 73.5% vs. 3Q23, with focus on C&A Energy



Customer base expansion of **11%** in 3Q24 vs. same period last year



Inclusion in B3's IDIVERSA portfolio, the first index focused on diversity in Latin America

(1) SSS: Growth in same store sales. This is comprised of sales in stores in activity for more than 13 months compared to the same period in the previous year. It includes e-commerce and all types of sales and deliveries (100% online, direct sales, ship-from-store, and click-and pick-up).

(2) Adjustments include: (i) other net operating revenue (expenses), (ii) trade financial revenue, (iii) recovery of tax credits and (iv) long-term incentives for employees.

(3) Includes commitment with Bradescard.

Highlights 3Q24

Consolidated Results

KPI's (R\$ Million)	3Q24	3Q23	Δ%	9M24	9M23	Δ%
Consolidated net revenue	1,799.8	1,542.7	16.7%	5,084.4	4,426.2	14.9%
Apparel net revenue	1,514.5	1,276.9	18.6%	4,223.8	3,594.0	17.5%
Same store sales - apparel (SSS) ¹ (%)	18.9%	12.5%	6.4 p.p.	17.5%	5.6%	11.9 p.p.
Same store sales - merchandise (SSS) ¹ (%)	16.1%	9.1%	7.0 p.p.	13.5%	2.5%	11.0 p.p.

(R\$ Million)	3Q24	3Q23	Δ%	9M24	9M23	Δ%
Consolidated gross profit	978.5	797.2	22.7%	2,774.7	2,301.1	20.6%
Consolidated gross margin (%)	54.4%	51.7%	2.7 p.p.	54.6%	52.0%	2.6 p.p.
Apparel gross margin (%)	55.1%	54.1%	1.0 p.p.	55.7%	54.7%	1.0 p.p.
Gross merchandise margin (%)	52.7%	50.4%	2.3 p.p.	52.7%	50.3%	2.4 p.p.
Operating expenses ²	(634.3)	(540.8)	17.3%	(1,807.4)	(1,594.3)	13.4%

(R\$ Million)	3Q24	3Q23	Δ%	9M24	9M23	Δ%
Adjusted EBITDA ³ (post-IFRS16)	316.0	203.6	55.2%	856.0	562.7	52.1%
Adjusted EBITDA margin (post-IFRS16) (%)	17.6%	13.2%	4.4 p.p.	16.8%	12.7%	4.1 p.p.

(R\$ Million)	3Q24	3Q23	Δ%	9M24	9M23	Δ%
Net income (loss)	42.8	(44.2)	-	197.5	(166.3)	-
Adjusted net income (loss) ⁴	52.0	(55.1)	-	48.8	(179.6)	-
Investments	81.2	46.8	73.5%	172.1	152.3	13.0%

(1) SSS: Growth in same store sales. This is comprised of sales in stores in activity for more than 13 months compared to the same period in the previous year. It includes e-commerce and all types of sales and deliveries (100% online, direct sales, ship-from-store, and click-and-pick-up).

(2) For analysis purposes, considers sales, general and administrative expenses only.

(3 & 4) Adjustments include: (i) other net operating revenue (expenses), (ii) trade financial revenue, (iii) recovery of tax credits and (iv) long-term incentives for employees.

A Message from Management

C&A delivered a strong performance in 3Q24, demonstrating the same consistency seen in recent quarters, reinforcing our confidence that we are on the right path. Same-store apparel sales grew by 18.9%, marking the fifth consecutive quarter of double-digit growth despite a solid 12.5% comparison base from the same period last year.

The Women's and Men's divisions showed the most robust results, while the strengthening of other divisions is also yielding results, with all categories achieving substantial sales growth compared to the same period last year.

As noted in previous quarters, the winter season in Brazil has been a continuous trend rather than a short-lived event, prompting us to maintain winter stock for 3Q24. With low temperatures in July and August, demand for winter products was strong.

This performance also reflects our focus on executing initiatives within the C&A Energy Strategy, centered on three pillars: Product, Omni Journey, and Customer Relationship Management. These initiatives are clearly defined and set to be implemented by 2026, aiming to enhance product relevance, operational efficiency, and strengthen our connection with customers.

This quarter's key advances included actions to strengthen product categories, accelerate digitalization and analytics for critical processes, refine the in-store journey, and advance online-offline integration. Notable highlights include:

The development of Project Dispersion, aimed at implementing tailored initiatives to boost store productivity, also contributed to this quarter's results. Each quarter, 25 stores are included, and by the end of September, 75 stores were in the program. The impact on sales has been especially visible in higher-income stores. Positive results have also come from store renovations intended to build knowledge and insights for a new store concept launching in 2025.

Enhancements in the Omni Journey have increased customer traffic, sales conversion across all channels, and continued to raise NPS by 5 pp in 3Q24 compared to the same quarter last year. Our app saw a 120% increase in Monthly Active Users (MAU) compared to the same period in 2023, making it the most downloaded fashion app in Brazil in September. These achievements result from ongoing initiatives to elevate product value perception and service levels.

The positive results underscore the strength and preference for the C&A brand among customers. This quarter, we ranked first in the Clothing Stores category in the "Brands that Conquered Brazil" list by Ecglobal Business, published by Meio & Mensagem.

On the ESG front, C&A joined the IDIVERSA B3 portfolio, Latin America's first diversity-focused index, aligning us with a select group of companies committed to promoting a fairer society and diversity as an investment thesis.

Additionally, C&A received the GPTW (Great Place to Work) certification and, for the first time in its history, entered the national list of the top 20 companies recognized as the best places to work. This is an important achievement, reinforcing our commitment to fostering an increasingly inclusive, diverse, and sustainable workplace.

Finally, we kicked off 4Q24 with the launch of our new brand positioning: "A gente se encontra na C&A" ("We meet at C&A"), which celebrates each customer's connection with fashion, with themselves and with C&A. We are ready and confident to offer our customers a competitive fashion product range with quality, creativity, and design for the Christmas and New Year events, starting 2025 with full Energy.

C&A Modas S.A. Management



Financial Performance

Net revenue

Net revenue (R\$ Million)	3Q24	3Q23	Δ%	9M24	9M23	Δ%
Apparel	1,514.5	1,276.9	18.6%	4,223.8	3,594.0	17.5%
Electronics and Beauty	162.8	173.3	-6.0%	490.2	562.8	-12.9%
Merchandise net revenue	1,677.3	1,450.2	15.7%	4,714.0	4,156.8	13.4%
Other revenues	9.9	6.3	56.4%	26.3	16.1	63.4%
Financial services revenues ¹	112.6	86.2	30.7%	344.1	253.3	35.8%
Consolidated net revenue	1,799.8	1,542.7	16.7%	5,084.4	4,426.2	14.9%

Same store sales performance ² (%)	3Q24	3Q23	Δ%	9M24	9M23	Δ%
Apparel	18.9%	12.5%	6.4 p.p.	17.5%	5.6%	11.9 p.p.
Electronics and Beauty	-4.3%	-10.8%	6.5 p.p.	-11.8%	-13.7%	1.9 p.p.
Same store sales - merchandise (SSS)² (%)	16.1%	9.1%	7.0 p.p.	13.5%	2.5%	11.0 p.p.

(1) Excludes merchandise discount rate that C&A Pay receives from C&A Modas which is treated as an intercompany revenue.

(2) SSS: Growth in same store sales. This is comprised of sales in stores in activity for more than 13 months compared to the same period in the previous year. It includes e-commerce and all types of sales and deliveries (100% online, direct sales, ship-from-store, and click-and pick-up).



Net revenue

Apparel

In 3Q24, C&A's net revenue for Apparel reached R\$1,514.5 million, a strong growth of 18.6% compared to the same quarter last year. As seen in previous quarters, the strongest sales performance came from "high" and "concept" stores, which serve a higher-income customer base, outperforming the "pop" and "superpop" stores.

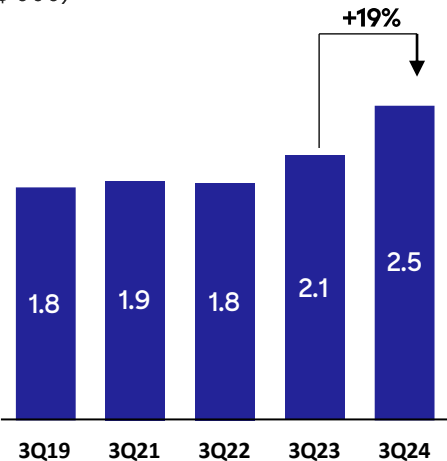
Winter products had a higher contribution to sales this quarter due to cooler temperatures in July and August. Additionally, the year-round collection continued to perform well, and the launch of new products in September was well-received by customers.

This positive performance reflects the strategic processes within C&A's Commercial Intelligence Hub, an integrated commercial planning tool. The "Test & Learn" approach, used for the development and refining of product volume, has boosted product appeal. Other contributors include the management of Continuity Products (Basic), Dynamic Pricing, and the progression of the Push and Pull strategy for mid-range products.

The "Dispersion Project" also made significant advancements, with the third wave rolling out in 25 additional stores, bringing the total to 75 stores in the program. The first wave is showing double-digit growth, above the company's average growth rate.

As a result, C&A continued to deliver consistent results, with same-store sales (SSS) in apparel growing 18.9%—an impressive increase of 6.4 pp compared to 3Q23, when SSS in the category had already posted a strong 12.5% growth.

Net revenue per square meter (R\$ 000)¹



(1) 3Q20 was excluded from the analysis due to the effects of the Pandemic in the period.

+18.6%
Increase in
Apparel net revenue
vs 3Q23



Net revenue

Electronics and Beauty

The Beauty product category once again posted robust growth, with a 64% increase in revenue compared to 3Q23 year, partially offsetting the 24% decline in the Electronics category. This decline is part of a strategic plan to gradually phase out mobile phone kiosks, which is expected to continue through 2026.

As a result, net revenue for Electronics and Beauty in 3Q24 reached R\$162.8 million, representing a 6% decrease compared to the same period last year.



Merchandise

Merchandise net revenue totaled R\$1,677.3 million, a strong increase of 15.7% in relation to 3Q23, since the reduction in Electronics sales was more than offset by an increase in sales of Apparel and Beauty products.

Same Stores Sales had a solid growth of 16.1% in 3Q24, 7.0 p.p. higher than 3Q23, a quarter when merchandise SSS was 9.1%.

Other revenue

Other revenue totaled R\$9.9 million in the quarter and results from shipping fees from e-commerce sales, insurance, and mobile credit top-ups, among other sources.

Net revenue

Retail financial services

Net revenue from retail financial services in the quarter, excluding the merchandise discount rate that C&A Pay receives from C&A Modas totaled R\$112.6 million, which represents an impressive growth of 30.7%. In this period, C&A Pay, the private label credit tool of C&A, had a penetration of 25.3% in retail sales.

Site & App

Site & App (R\$ Million)	3Q24	3Q23	Δ%	9M24	9M23	Δ%
Merchandise net revenue (site + app)	94.6	62.9	50.4%	250.9	193.4	29.7%
Merchandise net revenue (site + app) / merchandise net revenue (%)	5.6%	4.3%	1.3 p.p.	5.3%	4.7%	0.7 p.p.

In 3Q24, C&A's merchandise net revenue from sales through its website and app saw substantial growth, rising by 50.4% compared to the same quarter last year, reaching R\$94.6 million. This boosted the digital channel's share of total merchandise revenue by 1.3 pp, representing 5.6% of total sales.

C&A's digital has been anchoring its growth in four pillars: (i) integration of on and off journeys; (ii) higher growth of site and app visits (+64% vs LY); (iii) improvement in user experience with new functionalities.

The app had a MAU of 3.75 million, equivalent to an increase of 120% vs LY in September, being the most downloaded app of a fashion company in Brazil and (iv) consistent improvement in the NPS (Net Promoter Score) as a result of continuous efforts by the digital operations team.



Gross profit and Gross margin

Gross profit & gross margin (R\$ Million & %)	3Q24	3Q23	Δ%	9M24	9M23	Δ%
Apparel	833.9	690.8	20.7%	2,354.5	1,966.1	19.8%
Gross margin (%)	55.1%	54.1%	1.0 p.p.	55.7%	54.7%	1.0 p.p.
Electronics and Beauty	49.6	39.7	24.9%	131.1	126.4	3.8%
Gross margin (%)	30.5%	22.9%	7.5 p.p.	26.8%	22.5%	4.3 p.p.
Merchandise gross profit	883.5	730.5	20.9%	2,485.7	2,092.5	18.8%
Merchandise gross margin (%)	52.7%	50.4%	2.3 p.p.	52.7%	50.3%	2.4 p.p.
Other	(17.5)	(19.2)	-8.9%	(54.6)	(43.9)	24.6%
Financial services	112.5	85.9	30.9%	343.6	252.5	36.1%
Consolidated gross profit	978.5	797.2	22.7%	2,774.7	2,301.1	20.6%
Consolidated gross margin (%)	54.4%	51.7%	2.7 p.p.	54.6%	52.0%	2.6 p.p.

C&A's gross profit in Apparel reached R\$833.9 million, a solid increase of 20.7% over Q3 last year, with gross margin expanding by 1.0 percentage point to 55.1%.

This growth was driven by higher sales of full-priced items, a result of an effective commercial strategy that minimizes the need for markdowns and allows for more strategic pricing adjustments. The "Test & Learn" methodology, which measures and responds to real customer demand across product categories, played a key role. Additionally, the dynamic pricing tool continues to evolve, optimizing markdowns and enhancing margin-building opportunities. The push-and-pull advance for mid-tier apparel products also contributed to this positive performance.

In the Electronics and Beauty categories, gross profit reached R\$49.6 million, a significant 24.9% increase compared to 3Q23, with gross margin up 7.5 pp, to 30.5%.

Thus, merchandise gross profit totaled R\$883.5 million, with gross margin expanding by 2.3 pp to 52.7%. Consolidated gross profit amounted to R\$978.5 million, a 22.7% increase over the same period last year, with a consolidated gross margin of 54.4%, up 2.7 pp.

This growth was driven by strong performance in Apparel, a reduced share of Electronics in total quarterly sales, and an improved mix within the Beauty category.

+2.3 pp

in merchandise gross margin vs 3Q23



Operating expenses

Operating expenses (R\$ Million)	3Q24	3Q23	Δ%	9M24	9M23	Δ%
Selling expenses	(469.3)	(411.4)	14.1%	(1,355.0)	(1,218.5)	11.2%
General and administrative expenses	(165.0)	(129.4)	27.5%	(452.4)	(375.7)	20.4%
Operating expenses ¹	(634.3)	(540.8)	17.3%	(1,807.4)	(1,594.3)	13.4%
Other operating income (expenses)	(5.7)	14.7	-	98.1	25.9	278.7%
Total operating expenses ²	(640.0)	(526.2)	21.6%	(1,709.3)	(1,568.4)	9.0%
%	3Q24	3Q23	Δ%	9M24	9M23	Δ%
Selling expenses / consolidated net revenue	26.1%	26.7%	-0.6 p.p.	26.6%	27.5%	-0.9 p.p.
General and administrative expenses / net revenue	9.2%	8.4%	0.8 p.p.	8.9%	8.5%	0.4 p.p.
Operating expenses ³ / consolidated net revenue	35.2%	35.1%	0.1 p.p.	35.5%	36.0%	-0.5 p.p.
Operating expenses pre-IFRS 16 ³ / consolidated net revenue	41.7%	42.7%	-1.0 p.p.	42.4%	44.0%	-1.6 p.p.

1) Excludes depreciation and amortization, including right-of-use (lease) depreciation, PDD and other operating revenue (expenses) to facilitate the analysis. This information, excluding IFRS16, is available in the fundamentals spreadsheet on C&A's IR site - <https://ri.cea.com.br>.

2) Includes other operating income (expenses)

3) Excludes depreciation and amortization, including right-of-use (lease) depreciation, net credit losses and other operating income (expenses).

In 3Q24, operating expenses, excluding depreciation and net credit losses, totaled R\$634.3 million, a 17.3% increase compared to 3Q23. As a percentage of net revenue, operating expenses showed a slight increase of 0.1 pp. Under pre-IFRS 16 metrics, operating expenses rose by 13.8% compared to 3Q23, with a dilution of 1 pp.

Selling expenses reached R\$469.3 million, growing 14.1% year-over-year, mainly driven by marketing investments aligned with the C&A Energy Strategy, which included sponsorship of Rock in Rio 2024. As a percentage of net revenue, selling expenses decreased by 0.6 pp.

General and administrative expenses amounted to R\$165 million, a 27.5% increase over 3Q23. This rise primarily reflects the Company's operational expansion, including: (i) a higher provision for short-term incentives, tied to C&A's performance throughout 2024 and increased provisions for charges associated with Long-Term Incentive programs due to share price dynamics over the quarter; and (ii) a higher volume of processed apparel products and the growth of the Push & Pull model, which reached 50% of the Company's product mix.



Retail financial services

R\$ Million	C&A Pay			Parceria			Serviços Financeiros		
	3Q24	3Q23	Δ%	3Q24	3Q23	Δ%	3Q24	3Q23	Δ%
Net revenue from taxes	114.4	86.7	32.0%	10.1	-0.3	-	124.5	86.4	44.2%
Cost of service provided	(7.8)	0.0	-	(0.2)	(0.3)	-39.5%	(7.9)	(0.3)	2993.6%
Gross profit	106.6	86.7	23.0%	10.0	(0.6)	-	116.6	86.1	35.4%
Selling expenses	(41.4)	(39.8)	4.0%	(4.6)	(5.6)	-18.8%	(46.0)	(45.5)	1.2%
General & administrative expenses	(4.5)	(4.7)	-5.2%	(0.0)	(0.1)	-29.4%	(4.5)	(4.8)	-5.5%
Credit losses, net of recoveries	(42.9)	(64.2)	-33.2%	0.0	0.0	-	(42.9)	(64.2)	-33.2%
Other operating income (expenses)	0.0	0.0	-	0.0	0.0	-	0.0	0.0	-
Financial services results	17.8	(22.0)	-	5.4	(6.3)	-	23.2	(28.3)	-
(+) Cost of financing elimination	7.8	0.0	-	0.0	0.0	-	7.8	0.0	-
Financial services results, net of financing costs	25.6	(22.0)	-	5.4	(6.3)	-	30.9	(28.3)	-
Depreciation and amortization	(2.4)	(3.7)	-36.1%	(0.5)	(0.7)	-20.5%	(2.9)	(4.3)	-33.8%

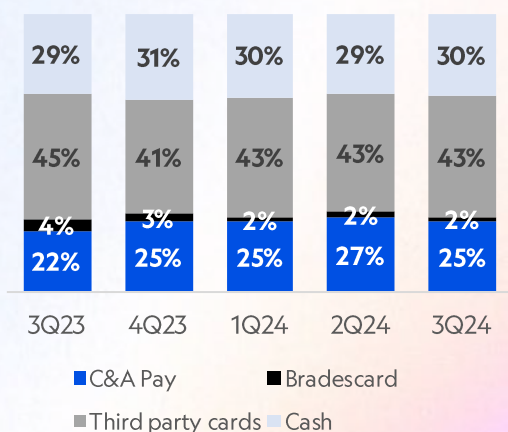
In 3Q24, net revenue for C&A Pay, C&A's private label operation, reached R\$114.4 million, a 32% increase compared to the same period last year.

Selling expenses, which include costs related to personnel, credit & collections, and customer service, totaled R\$41.4 million. This growth was significantly lower than the revenue growth for the operation, resulting in a dilution of 9.7 pp compared to 3Q23, while general and administrative expenses decreased by 5.2% over the same period.

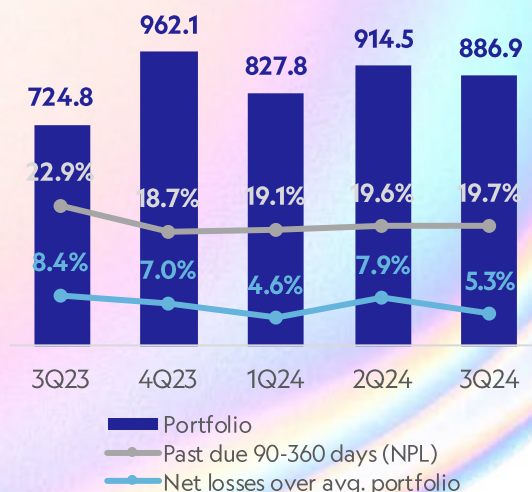
Net credit losses, which include provisions for estimated losses, credit recoveries, commercial agreements, and write-offs, totaled R\$42.9 million, a reduction of 33.2% from the same period last year. Net losses on the average portfolio for the period reached 5.3%, a reduction of 3.1 pp compared to 3Q23 and 2.6 pp from the previous quarter. This decline in net losses is attributed to stronger credit vintages combined with higher recovery levels.

As a result, the operating profit for C&A Pay reached R\$17.8 million, a substantial improvement compared to 3Q23.

Payment methods



C&A Pay Portfolio (360 days)



Retail financial services

In 3Q24, C&A Pay accounted for 25.3% of retail sales, 3.0 pp higher than in 3Q23. Due to the stronger growth in sales from C&A's high and concept stores, where C&A Pay has a lower share, there was a 1.6 pp decrease compared to 2Q24. During the quarter, a total of 486.4 thousand new cards were issued, representing a 16.9% decline year-over-year. This reduction reflects a greater focus on the recurrence and spending of current customers, as well as the evolution of the credit granting model, which has led a better performance in the new portfolios. By the end of 3Q24, C&A Pay had a customer base of over 6.5 million clients.

C&A Pay	3Q24	3Q23	Δ%
Portfolio 720	1,040.6	724.8	43.6%
Portfolio 360	886.9	724.8	22.4%
Share on retail sales	25.3%	22.3%	3.0 p.p.
New digital cards ('000)	486.4	585.1	-16.9%
Total digital cards ('000)	6,578.5	4,182.7	57.3%
Coverage index¹			
over past due > 90 - 720 days	99.9%	-	-
over past due > 90 - 360 days	103.8%	94.2%	9.6 p.p.

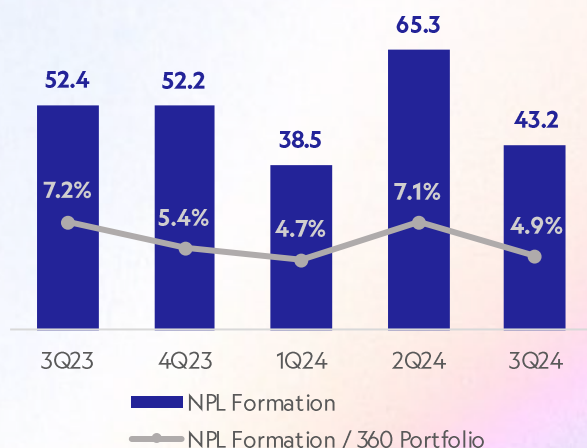
(1) Considers overdue balances of the portfolio by stage (IFRS-9).

The active portfolio up to 360 days reached R\$886.9 million, a 22.4% increase in relation to 3Q23. Compared to 2Q24, the portfolio declined due to a combination of lower new card issuance and the higher volume of sales in the second quarter, which was positively impacted by Mother's Day and Valentine's Day sales.

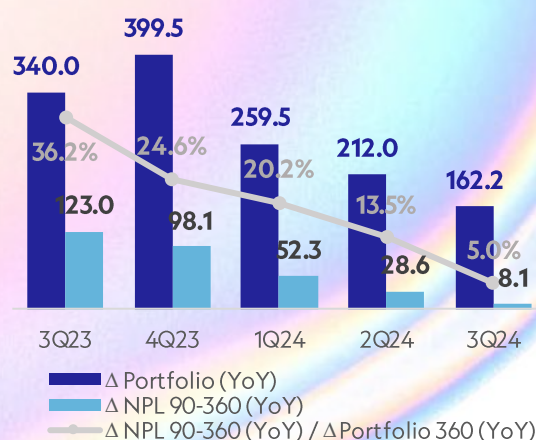
The coverage ratio for overdue accounts between 90 and 360 days reached 103.8%, an increase of 9.6 pp compared to 3Q23. Notably, the provision level for the 360- to 720-day portfolio results in a coverage of 95.3% (+1.0 pp over 2Q24), and this provision balance is considered under the net loss for the period.

The balance of overdue accounts between 90 and 360 days (NPL) reached 19.7% of the portfolio up to 360 days, remaining nearly stable compared to 2Q24, although the portfolio itself decreased by 3.1% during this period. Compared to 3Q23, there was a significant 3.2 pp drop in this ratio. NPL formation showed a notable sequential reduction. Compared to 3Q23, the ratio also showed significant improvement, attributed to the better performance of the 2024 portfolio in more recent vintages. The incremental NPL rate shows a downward trend, reaching 5%.

NPL Formation



Incremental NPL²



(2) Portfolio growth (YoY) vs. 91- to 360-day formation growth (YoY).

Adjusted EBITDA

(Post-IFRS 16)

Consolidated Adjusted EBITDA (post-IFRS 16)

R\$ Million & %	3Q24	3Q23	Δ%	9M24	9M23	Δ%
Net income (losses)	42.8	(44.2)	-	197.5	(166.3)	-
(+) Income taxes	(7.0)	(38.5)	-81.9%	9.3	(113.2)	-
(+/-) Financial results, net	92.1	110.9	-16.9%	197.5	316.5	-37.6%
(+) Depreciation & amortization	167.7	178.7	-6.2%	508.1	528.5	-3.9%
EBITDA (post-IFRS 16)	295.6	206.9	42.9%	912.4	565.5	61.4%
(+) Other operating income (expenses)	3.6	2.2	60.6%	(25.3)	4.3	-
(+) Financial income from suppliers	4.1	3.3	23.7%	12.0	6.8	76.0%
(-) Recovery of tax credits	2.1	(16.9)	-	(72.8)	(30.2)	141.4%
(+) Long term incentive	10.6	8.0	32.9%	29.7	16.3	81.7%
Adjusted EBITDA (post-IFRS 16)	316.0	203.6	55.2%	856.0	562.7	52.1%
Adjusted EBITDA margin (post-IFRS 16) (%)	17.6%	13.2%	4.4 p.p.	16.8%	12.7%	4.1 p.p.

Adjusted EBITDA post-IFRS 16 reached R\$316 million, a robust increase of 55.2% compared to 3Q23. This figure excludes, among other amounts as shown in the table, R\$10.6 million in provisions for labor charges related to the company's long-term incentive program, which varied due to the increase in C&A's share price during this period.

The adjusted EBITDA margin post-IFRS 16 was 17.6%, up by 4.4 pp from 3Q23.

Adjusted EBITDA
(post-IFRS16)

+55.2%

compared to 3Q23

Retail Adjusted EBITDA (post-IFRS 16)

R\$ Million & %	3Q24	3Q23	Δ%	9M24	9M23	Δ%
Adjusted EBITDA (post-IFRS 16)	316.0	203.6	55.2%	856.0	562.7	52.1%
(+/-) Financial services results ¹	(30.9)	28.3	-	(75.9)	70.2	-
Retail Adjusted EBITDA (post-IFRS 16)	285.1	231.9	22.9%	780.1	633.0	23.3%
Retail Adjusted EBITDA margin (post-IFRS 16)	17.0%	16.0%	1.0 p.p.	16.5%	15.2%	1.3 p.p.

(1) Excludes commission revenue between C&A Modas and C&A Pay, as well as cost of funding of the financial operation, as this amount does not impact the Company's consolidated result but is recorded as a cost within C&A Pay.

In the quarter, adjusted EBITDA (post-IFRS 16) for the Retail operation was R\$285.1 million, with a margin of 17.0%, 1.0 pp higher than in 3Q23.

Financial results, net

R\$ Million	3Q24	3Q23	Δ%	9M24	9M23	Δ%
Financial instruments results	(4.0)	0.0	-	(4.0)	0.0	-
Exchange rate variation	5.5	(0.5)	-	(5.5)	1.1	-
Loans	3.6	0.0	-	3.6	0.0	-
Purchases	1.8	(0.5)	-	(9.1)	1.1	-
Financial expenses	(129.0)	(161.1)	-19.9%	(401.9)	(481.7)	-16.6%
Interest expenses	(42.1)	(64.9)	-35.1%	(142.7)	(197.9)	-27.9%
Leasing interest expenses	(35.3)	(40.5)	-12.7%	(110.0)	(118.2)	-6.9%
PVA on suppliers	(23.2)	(29.5)	-21.4%	(74.7)	(84.8)	-11.8%
Interest expenses over suppliers - Bradescard	(17.6)	(18.4)	-4.4%	(50.4)	(53.6)	-6.0%
Interest expenses on taxes and contingencies	(6.6)	(5.0)	31.6%	(17.2)	(16.6)	3.4%
Early receivables charges	0.0	(1.0)	-	0.0	(4.1)	-
Other financial expenses	(4.2)	(1.7)	142.8%	(6.8)	(6.6)	4.1%
Financial income	33.2	48.7	-31.9%	208.7	161.0	29.7%
Interest income	13.4	22.4	-40.5%	136.5	71.5	90.9%
Interest on financial investments	15.7	22.9	-31.6%	60.1	82.6	-27.2%
Interest income over suppliers	4.1	3.3	23.7%	12.0	6.8	76.0%
Other financial income	0.0	0.0	-50.8%	0.0	0.0	-42.5%
Earnings from Bonds and Securities	2.3	1.9	18.1%	5.2	3.1	67.7%
Financial results, net	(92.1)	(110.9)	-16.9%	(197.5)	(316.5)	-37.6%

In 3Q24, the financial result was an expense of R\$92.1 million, a 16.9% improvement compared to the same period last year.

Financial expenses totaled R\$129 million, down 19.9% from 3Q23, primarily due to a 35.1% reduction in interest on loans, driven by a 16.5% decrease in gross debt. Financial income reached R\$33.2 million, impacted by a 40.5% decline in interest income.

Net income

Net income (loss) (R\$ Million)	3Q24	3Q23	Δ%	9M24	9M23	Δ%
Net income (loss)	42.8	(44.2)	-	197.5	(166.3)	-
Net margin (%)	2.4%	-2.9%	5.2 p.p.	3.9%	-3.8%	-
Adjusted net income (loss)	52.0	(55.1)	-	48.8	(179.6)	-
Adjusted net margin (%)	2.9%	-3.6%	6.5 p.p.	1.0%	-4.1%	-

(1) Adjustments include: (i) Other net operating income (expenses); (ii) Supplier financial income; (iii) Tax credit recovery; and (iv) social charges related to the long-term incentive program paid.

In 3Q24, reported net income was R\$42.8 million, reversing the R\$44.2 million loss recorded in 3Q23. The net margin grew by 5.2 pp, reaching 2.4%.

Excluding primarily the effect of the long-term incentive (LTI) of approximately R\$10.6 million, adjusted net income totaled R\$52 million, a significant improvement compared to 3Q23, when a loss was reported, with a substantial increase of 6.5 pp in the adjusted net margin, which reached 2.9%.

Indebtedness

R\$ Million	3Q24	3Q23	Δ%
Short-term debt	299.2	505.1	-40.8%
Long-term debt	1,136.8	1,215.5	-6.5%
Gross debt	1,436.0	1,720.6	-16.5%
Buying back the right to offer credit products and financial services (Bradescarc)	590.3	522.9	12.9%
Total gross debt	2,026.3	2,243.5	-9.7%
(-) Cash, cash equivalents & short-term investments¹	1,148.1	918.9	24.9%
(=) Net cash (debt)	(878.1)	(1,324.6)	-33.7%
LTM Adjusted EBITDA pre-IFRS16	904.3	458.0	97.4%
Leverage	1.0x	2.9x	-1.9x

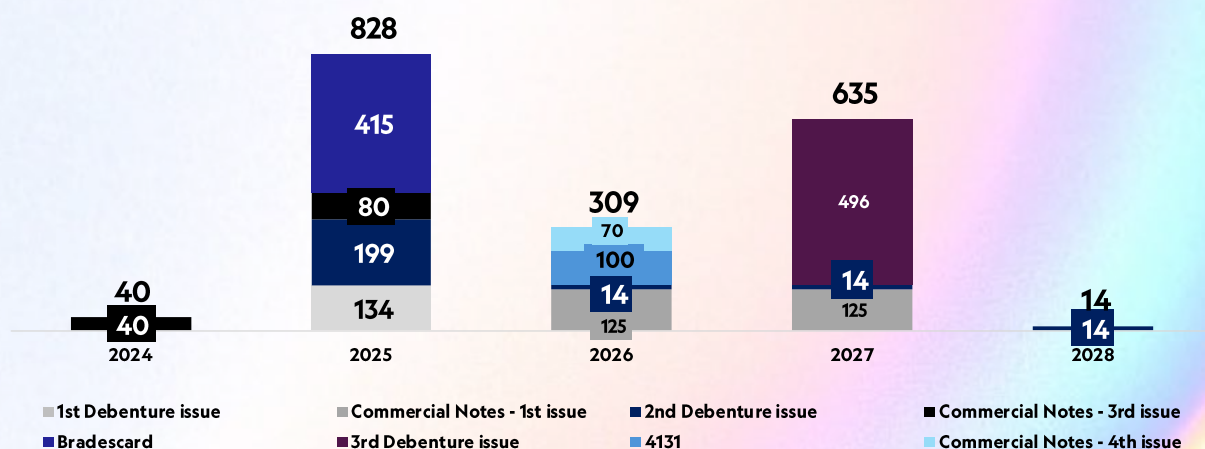
Excludes the effect of receivables advances carried out in 2Q23. There was no such operation in 2Q24.

Due to strong cash generation, at the end of 3Q24, the company's total net debt (including the payment commitment with Bradescard) totaled R\$878.1 million, showing a 33.7% reduction compared to the same period in 2023.

With operations carried out throughout the year (debenture exchange and issuance of Commercial Notes), there was a 40.8% reduction in short-term gross debt, alongside an increase in the average duration from 1.13 to 1.47 years.

The company's leverage (net debt/Adjusted EBITDA pre-IFRS 16 for the last 12 months) reached 1.0x, a substantial improvement over the 3Q23.

Debt Amortization Schedule (R\$ millions)



The amortization schedule refers only to the principal, excluding interest.

Cash flow

Adjusted free cash flow

R\$ Million	3Q24	3Q23	Δ%
Pre-IFRS16 net income (losses) before Income Taxes and Social Contribution	36.6	(75.4)	-
Depreciation and amortization	86.2	93.6	-7.8%
(+/-) Other	107.8	149.4	-27.9%
Adjustments with no impact on cash	194.0	243.0	-20.2%
Income Tax and Social Contribution paid	(14.2)	(3.8)	277.3%
Working capital	124.7	99.2	25.7%
Accounts receivable	100.7	20.7	387.7%
Inventory	(94.1)	(64.7)	45.4%
Suppliers	(44.9)	9.9	-
Other	162.9	133.3	22.2%
Cash from (used in) operating activities	341.1	263.0	29.7%
Cash flow from investing activities	(72.3)	(50.4)	43.6%
(=) Adjusted free cash flow	268.8	212.6	26.4%

In 3Q24, operating activities generated R\$341.1 million in cash, a 29.7% increase compared to 3Q23, the highest level in recent years for a third quarter. This was primarily driven by improved operational results, despite a higher working capital requirement related to the accelerated sales growth.

Cash flow applied to investments totaled R\$72.3 million, a 43.6% increase over the same period last year, aligned with the C&A Energy Strategy.

As a result, adjusted free cash flow was R\$268.8 million, 26.4% higher than in 3Q23.

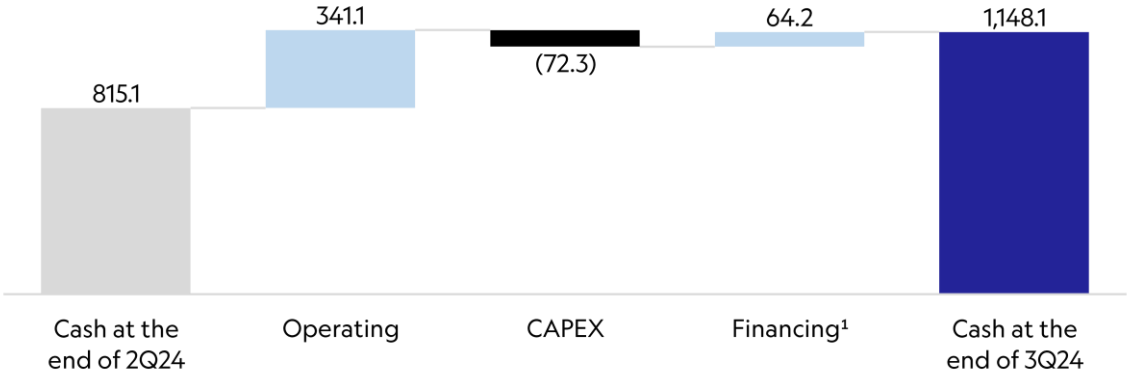
Cash flow

Changes in cash position (R\$ million)

At the end of the quarter, the cash and cash equivalents balance increased by R\$333 million compared to June 2024.

Operating activities generated R\$341.1 million in cash, while investments totaled R\$72.3 million, and financing activities raised R\$64.2 million due to new loans and financing.

As a result, C&A ended 3Q24 with a cash and cash equivalents balance of R\$1,148.1 million.



(1) Considers principal and interest amortization of debt.



Investments

Investments (R\$ Million)	3Q24	3Q23	Δ%	9M24	9M23	Δ%
New stores	4.1	2.6	58.9%	16.2	26.7	-39.4%
Revamps and remodeling	41.5	7.0	493.2%	62.1	16.7	271.9%
Supply chain	3.1	10.5	-70.0%	5.0	15.6	-67.8%
Digital and technology	32.4	26.7	21.3%	88.8	93.3	-4.9%
Total	81.2	46.8	73.5%	172.1	152.3	13.0%

(1) The investment amount corresponds to investments acquired during the period but not necessarily paid. The amount paid (cash outflow) is reported in the cash flow from investing activities.

Aligned with the C&A Energy Strategy, R\$81.2 million was invested in 3Q24, a 73.5% increase over 3Q23. Of this amount, digital and technology investments totaled R\$32.4 million, while investments in new stores accounted for R\$4.1 million. Notably, the company identified opportunities to open two new stores in 4Q24, and throughout 2024, two stores were opened: one at Itajaí Shopping Center and another at North Shopping Barretos.

Renovations and remodels amounted to R\$41.5 million, a significant increase from the same period last year, driven by the launch of a refurbishment program aimed at testing features for a new store concept set to debut in 2025. This quarter, three flagship stores reopened following substantial renovations, located at Ibirapuera, Iguatemi Porto Alegre, and Park Shopping Brasília. An additional four stores are expected to reopen by the end of 2024.



Annex



Adjusted EBITDA

(Pre-IFRS 16)

R\$ Million & %	3Q24	3Q23	Δ%	9M24	9M23	Δ%
Net income (losses)	43.6	(39.4)	-	209.4	(154.5)	-
(+/-) Income taxes	(6.7)	(36.0)	-81.4%	15.3	(107.2)	-
(+/-) Financial results, net	56.5	70.4	-19.7%	87.3	198.3	-56.0%
(+) Depreciation & amortization	86.2	93.6	-7.8%	261.6	271.8	-3.7%
EBITDA (pré-IFRS 16)	179.6	88.6	102.7%	573.6	208.4	175.3%
(+) Other operating income (expenses)	3.6	2.2	60.7%	(35.3)	8.4	-
(+) Financial income from suppliers	4.1	3.3	23.7%	12.0	6.8	76.0%
(-) Recovery of tax credits	2.1	(16.9)	-	(72.8)	(30.2)	141.5%
(+) Long term incentives	10.6	8.0	32.9%	29.7	16.3	81.7%
Adjusted EBITDA (pré-IFRS 16)	200.0	85.3	134.6%	507.2	209.8	141.7%
Adjusted EBITDA margin (pré-IFRS 16) (%)	11.1%	5.5%	5.6 p.p.	10.0%	4.7%	5.2 p.p.



Balance Sheet

R\$ million	3Q24	4Q23
Total assets	8,776.9	9,417.7
Current assets	4,097.2	4,441.8
Cash and cash equivalents	949.1	1,155.6
Bonds and securities	199.0	191.6
Trade receivables	1,341.3	1,778.4
Inventory	1,160.6	875.2
Taxes recoverable	393.2	388.5
Derivatives	0.6	0.7
Related parties	0.1	0.1
Other Assets	53.3	51.8
Non-Current Assets	4,679.6	4,975.8
Taxes recoverable	1,163.4	1,197.8
Deferred taxes	525.2	536.0
Judicial deposits	37.9	47.7
Other assets	3.6	3.2
Properties and equipment	731.5	763.4
Right-of-use assets - leases	1,316.7	1,462.9
Intangible assets	901.4	964.8
Total liabilities and shareholder's equity	8,776.9	9,417.7
Current liabilities	3,215.2	3,200.1
Lease liabilities	535.8	501.6
Suppliers	1,002.4	1,189.2
Drawee risk liabilities	286.5	364.7
Suppliers buying back the right to offer credit (Bradescard)	590.3	0.0
Loans	293.8	511.4
Derivatives	5.9	1.4
Labor liabilities	243.5	231.4
Related parties	121.0	71.7
Taxes payable	87.7	287.2
Other liabilities	48.4	41.5
Non-current liabilities	2,380.9	3,204.8
Lease liabilities	1,038.8	1,209.8
Suppliers	0.5	11.4
Suppliers buying back the right to offer credit (Bradescard)	0.0	539.9
Loans	1,136.8	1,176.4
Derivatives - LT	0.0	0.0
Labor liabilities	21.8	18.7
Provisions for tax, civil, and labor risks	116.6	185.0
Taxes payable	15.7	12.4
Other liabilities	50.6	51.2
Shareholder's equity	3,180.8	3,012.7
Share capital	1,847.2	1,847.2
Shares in Treasury	(31.3)	(8.5)
Capital reserve	46.7	49.9
Accumulated gains (losses)	197.5	0.0
Profit reserve	1,124.7	1,124.7
Other comprehensive income	(4.1)	(0.6)

Income Statement

R\$ Million	3Q24	3Q23	Δ%
Net operating revenue	1,799.8	1,542.7	16.7%
Apparel	1,514.5	1,276.9	18.6%
Fashiontronics and Beauty	162.8	173.3	-6.0%
Net revenue from goods	1,677.3	1,450.2	15.7%
Other revenue	9.9	6.3	56.4%
Retail revenue	1,687.2	1,456.5	15.8%
Financial services	112.6	86.2	30.7%
Cost of goods/services	(821.3)	(745.4)	10.2%
Gross profit	978.5	797.2	22.7%
Apparel	833.9	690.8	20.7%
Fashiontronics and Beauty	49.6	39.7	24.9%
Gross profit from goods	883.5	730.5	20.9%
Other gross profit	(17.5)	(19.2)	-8.9%
Gross profit from retail	866.0	711.3	21.7%
Gross profit from financial services	112.5	85.9	30.9%
Operating (expenses) and revenue	(850.6)	(769.1)	10.6%
General and administrative	(165.0)	(129.4)	27.5%
Selling expenses	(469.3)	(411.4)	14.1%
Depreciation and amortization	(167.7)	(178.7)	-6.2%
Other net operating income (expenses)	(5.7)	14.7	-138.6%
Net credit losses	(42.9)	(64.2)	-33.2%
Profit before Financial Revenue and Expenses	128.0	28.2	354.0%
Finance results	(92.1)	(110.9)	-16.9%
Derivatives result	(4.0)	0.0	-
Exchange variation	5.5	(0.5)	-1284.9%
Finance expenses	(129.0)	(161.1)	-19.9%
Finance income	33.2	48.7	-31.9%
Earnings from bonds and securities	2.3	1.9	18.1%
Profit before taxes	35.8	(82.7)	-143.3%
Income taxes	7.0	38.5	-81.9%
Net income (losses) for the period	42.8	(44.2)	-196.8%

Cash Flow Statements

R\$ Million	3Q24	3Q23
Operating activities		
Allowance (reversal) for expected credit losses	206.8	(279.6)
Adjustments to reconcile income before income taxes to net cash flows:		
Allowance (reversal) for expected credit losses	152.1	171.1
Adjustment to present value of accounts receivables and suppliers	0.5	(12.9)
Expenses with stock-based compensation	10.8	8.6
Provisions for inventory losses	61.7	55.8
Gains/Recognition of tax claims, including monetary correction	(195.2)	(55.7)
Depreciation and amortization	261.6	271.8
Impairment (Reversal) of provisions for property and equipment, intangibles, and right-of-use assets	15.5	(2.2)
Losses from the sale or disposal of property and equipment and intangible assets	0.6	5.5
Right-of-use amortization	270.6	281.9
Lease liabilities	(4.4)	(2.6)
Interest on leases	120.2	127.7
Interest on loans	142.7	197.9
Interest on suppliers	50.4	53.6
Foreign exchange variation on loans	(3.6)	0.0
Provisions (reversal) for tax, civil and labor risks	(36.0)	21.3
Derivatives	4.0	0.0
Amortization of the transaction costs on loans	6.0	4.1
Update of judicial deposits	4.1	(6.9)
Yield from investments in bonds and securities	(11.2)	(0.3)
Variations in assets and liabilities:		
Trade receivables	291.3	112.0
Related parties	49.3	33.4
Inventory	(348.0)	(216.4)
Taxes recoverable	224.9	230.5
Other credits	(1.9)	(22.0)
Bonds and securities	3.8	9.1
Judicial deposits	1.9	4.8
Suppliers	(203.5)	(46.4)
Drawee risk liabilities	(78.2)	(84.1)
Labor liabilities	8.9	7.1
Other liabilities	2.7	(4.6)
Provisions for tax, civil and labor risks	(28.6)	(16.1)
Taxes payable	(127.9)	(174.8)
Income Tax and Social Contribution paid	(66.6)	(25.0)
Cash flow originating (invested in) operating activities	785.3	646.5
Purchase of property and equipment	(73.0)	(58.8)
Purchase of intangible assets	(99.1)	(122.7)
Receivables from the sale of property and equipment	0.1	0.6
Cash flow used in investment activities	(172.0)	(181.0)
New loans and debentures issued	659.1	381.4
Loan/debenture transaction costs	(2.0)	(5.0)
Repayment of loans (principal)	(915.8)	(745.4)
Interest paid on loans	(147.6)	(260.6)
Repayments and interest paid on leases	(384.2)	(388.6)
Share buy-back	(29.3)	(1.7)
Net cash flows originating from (used by) financing activities	(819.7)	(1,020.0)
Net increase (decrease) in cash and cash equivalents	(206.5)	(554.5)

Glossary

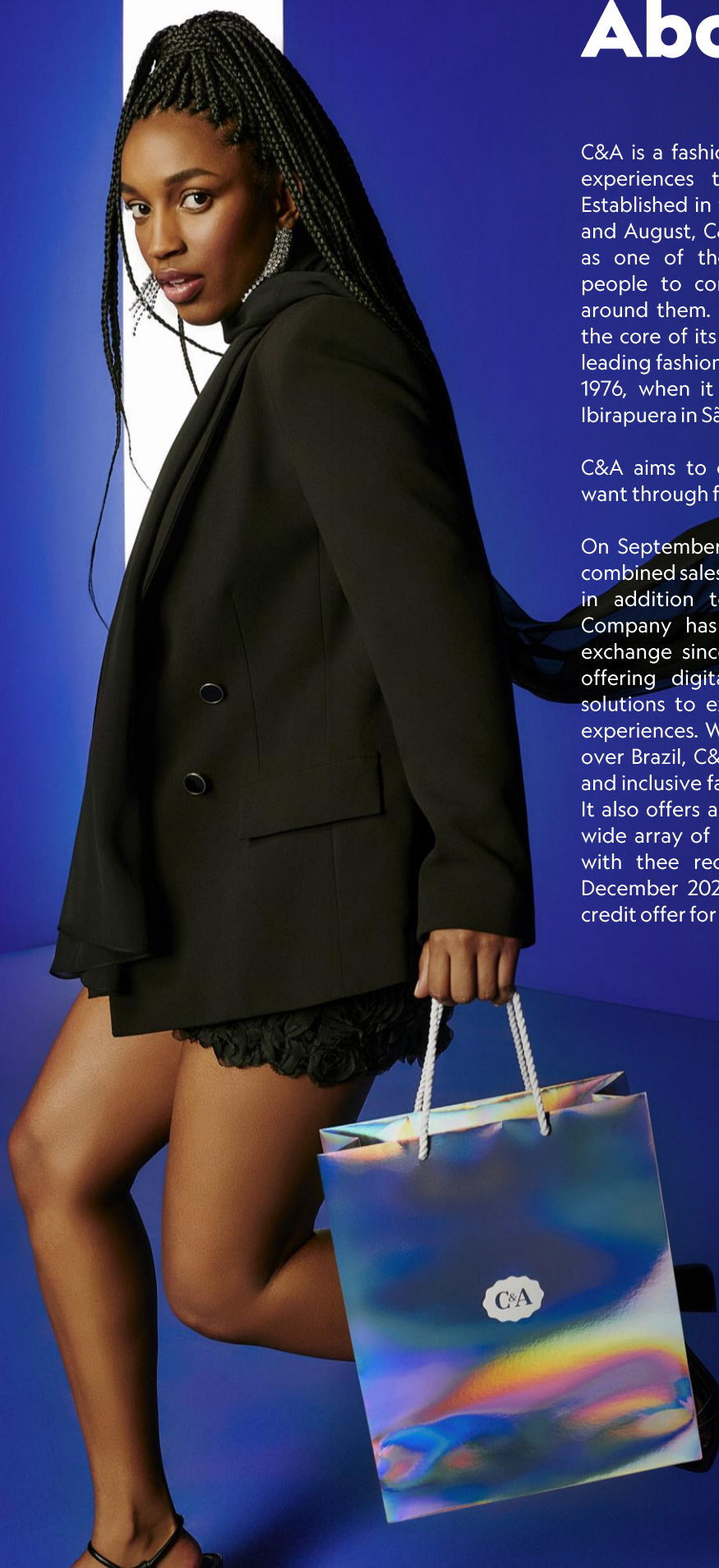
Expression	Meaning
1P	Merchandise in our own inventory marketed by our e-commerce
3P	Third-party (seller) goods marketed by our e-commerce
CAC:	Customer Acquisition Costs
Click and Pick-up	A solution whereby customers can buy online and pick-up their goods in one of our B&M stores
Fashiontronics	Electronics and other related goods such as smartphones, tablets, watches and accessories. This includes earphones/pods and chargers. More recently beauty items and cosmetics were added to the category
Galeria C&A:	C&A Marketplace
GMV	Total transactions on our e-commerce site in Reals (R\$). Includes 1P and 3P
Lead time:	This is the time it takes for raw materials or goods to be delivered to C&A from the supplier once they are ordered
MAU	Monthly Active Users measures how many users used our app for any action in the past 30 days
Mindse7	Launched in November 2018, Mindse7 is a digital native project that presents weekly collections inspired on the main conversations and trends on the streets and on social networks, using a co-creation model between a multidisciplinary team comprised of C&A and its suppliers. Focusing on versatile, timeless items aligned to the desires of Brazilian women, it has already launched some 200 collections, always focusing on innovative offerings of diverse and inclusive fashion for all styles, bodies and ages
NPL 90	Non-performing loan, a term that refers to granted credits that are in default (overdue) for more than 90 days
NPL Formation 90	Net increase in overdue balance within the range of 90 to 360 days
NPL Incremental	Portfolio evolution (YoY) vs. Evolution of NPL Formation 90 (YoY)
Push and pull:	A supply model that consists in replacing individual SKUs of different models, sizes and colors in our B&M stores according to demand, making service to the demand for our fashion items more efficient
RFID:	RFID (Radio-Frequency Identification): enables identifying and locating each SKU in both stores and Distribution Centers
Seller:	Partner sellers who offer their goods on our marketplace
Ship from Store	transforms B&M stores into distribution centers, shipping goods purchased on our e-commerce directly to customers
SKU	Stock keeping unit
Social selling:	A process whereby relationships are developed. and sales made using social networks
Sorter	Individual sorting/picking equipment
SSS	Growth in same store sales. This is comprised of sales in stores in activity for more than 13 months compared to the same period in the previous year. It includes all forms of e-commerce sales and deliveries (100% online, ship-from-store and click-and pick-up)
Supply:	Supply chain
WhatsApp sales:	A type of online sale where C&A associates interact with customers using WhatsApp
WMS	Warehouse management system, an inventory management tool

About C&A

C&A is a fashion company focused on suggesting experiences that go beyond what to wear. Established in the Netherlands in 1841 by Clemens and August, C&A believes in and defends Fashion as one of the most fundamental channels for people to connect with themselves and those around them. For this reason C&A customers are the core of its strategy. C&A is one of the world's leading fashion retailers and has been in Brazil since 1976, when it opened its first store in Shopping Ibirapuera in São Paulo.

C&A aims to empower people to be what they want through fashion.

On September 30, 2024 it had 330 stores, with a combined sales area of over 615,000 square meters, in addition to its e-commerce activities. The Company has been listed on the Brazilian B3 exchange since October 2019, and innovates by offering digital and omnichannel services and solutions to expand customer online and offline experiences. With over 15 thousand employees all over Brazil, C&A offers young, innovative, diverse and inclusive fashion for women, men and children. It also offers a line of electronics products, with a wide array of cell phone and smartphones, along with three recently added beauty products. In December 2021 we launched C&A PAY, a direct credit offer for its customers.





3Q24

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