



**Individual and Consolidated
Financial Statement 2025**

Parent Company and Consolidated financial statements

C&A Modas S.A.

December 31, 2025 and 2024
with Independent auditors' report

C&A Modas S.A.

Parent company and consolidated financial statements

December 31, 2025 and 2024

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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, 2025, 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, 2025, 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 Accounting Standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB).

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), applicable to financial statements audits in Brazil, 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.

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



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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 10, as at December 31, 2025, the Company has accounted for deferred income and social contribution tax assets amounting to R\$700,655 thousand in the Individual, and R\$669,299 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 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 10.

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 10 are acceptable in the context of the financial statements taken as a whole.



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Tax contingencies

The Company figures as a defendant in legal and administrative proceedings arising from various tax disputes, with a provision of R\$148,834 thousand as at December 31, 2025, in the individual and consolidated, as disclosed in Note 20. 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, that result in a change in the loss forecast by legal advisors, may significantly impact the Company's individual and consolidated financial statements.

Furthermore, as at December 31, 2025, the Company is involved in tax discussions totaling R\$591,507 thousand, as disclosed in Note 20, 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 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 20 to the individual and consolidated financial statements as at December 31, 2025.

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 20 are acceptable in the context of the individual and consolidated financial statements taken as a whole.



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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.

Based on these results, we consider the information extracted from the Company's systems to be appropriate for the planning and execution of our tests in the context of the individual and consolidated financial statements, taken as a whole.

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.



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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.

Based on the result of the audit procedures performed on the balances of right-of-use assets and lease liabilities, 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 15 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, 2025, 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



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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

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.



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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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.



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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 24, 2026.

ERNST & YOUNG
Auditores Independentes S/S. Ltda.
CRC-SP-034.519/O


Flávio Serpejante Peppe
Partner

C&A Modas S.A.

Statements of financial position

December 31, 2025 and 2024

(In thousands of reais)



	Note	Parent Company		Consolidated	
		2025	2024	2025	2024
Assets					
Current assets					
Cash and cash equivalents	5	748,512	1,262,270	774,521	1,403,225
Trading securities	6	-	-	268,854	169,310
Accounts receivable	7	962,127	1,076,795	1,753,283	1,862,821
Inventories	8	1,154,866	1,032,231	1,154,866	1,032,231
Recoverable taxes	9	560,872	469,885	569,544	470,354
Derivatives	4	2,552	18,255	2,552	18,255
Other assets		36,172	37,186	36,209	37,197
Total current assets		3,465,101	3,896,622	4,559,829	4,993,393
Non-current assets					
Long-term assets					
Trading securities	6	757,850	854,604	-	-
Deferred taxes	10	529,421	544,580	489,748	530,141
Recoverable taxes	9	791,364	1,127,692	791,364	1,127,692
Judicial deposits	20	91,358	144,935	91,360	144,940
Derivatives	4	-	6,551	-	6,551
Other assets		4,615	4,752	4,615	4,752
Total long-term assets		2,174,608	2,683,114	1,377,087	1,814,076
Investment	11	254,986	187,647	-	-
Property, plant and equipment	12	1,057,438	823,714	1,057,438	823,714
Right-of-use - Lease	15	1,474,548	1,529,909	1,474,548	1,529,909
Intangible assets	13	849,731	892,807	849,731	892,807
Total non-current assets		5,811,311	6,117,191	4,758,804	5,060,506
Total assets		9,276,412	10,013,813	9,318,633	10,053,899

	Note	Parent Company		Consolidated	
		2025	2024	2025	2024
Liabilities					
Current liabilities					
Suppliers	16	1,318,136	1,877,357	1,324,832	1,889,243
Drawee risk obligations	16	421,205	350,043	421,205	350,043
Loans and debentures	17	139,796	456,541	139,796	456,541
Leases	15	372,743	352,734	372,743	352,734
Labor obligations	18	290,811	276,780	293,617	279,826
Dividends and interest on own capital payable	23	139,779	101,934	139,779	101,934
Taxes payable	19	374,578	373,489	385,977	375,899
Derivatives	4	1,760	319	1,760	319
Other liabilities	21	17,220	24,033	36,452	43,733
Total current liabilities		3,076,028	3,813,230	3,116,161	3,850,272
Non-current liabilities					
Suppliers	16	-	218	-	218
Loans and debentures	17	820,676	1,041,472	820,676	1,041,472
Leases	15	1,407,500	1,474,142	1,407,500	1,474,142
Labor obligations	18	16,152	20,310	16,152	20,310
Taxes payable	19	14,325	15,389	14,325	15,389
Provision for tax, civil and labor risks	20	184,468	290,012	186,554	293,052
Other liabilities	21	50,209	50,556	50,209	50,556
Total non-current liabilities		2,493,330	2,892,099	2,495,416	2,895,139
Total liabilities		5,569,358	6,705,329	5,611,577	6,745,411
Shareholders' equity					
Capital	22	1,847,177	1,847,177	1,847,177	1,847,177
Treasury shares	22	(48,190)	(34,365)	(48,190)	(34,365)
Capital reserve		39,243	49,287	39,243	49,287
Profit reserve		1,868,222	1,439,134	1,868,222	1,439,134
Comprehensive income		602	7,251	602	7,251
Total controlling interest		3,707,054	3,308,484	3,707,054	3,308,484
Non-controlling interest		-	-	2	4
Total shareholders' equity		3,707,054	3,308,484	3,707,056	3,308,488
Total liabilities and shareholders' equity		9,276,412	10,013,813	9,318,633	10,053,899

See the accompanying notes to the financial statements.

C&A Modas S.A.

Statements of profit or loss

Years ended December 31, 2025 and 2024

(In thousands of reais - R\$, except earnings/loss per share)



	Note	Parent Company		Consolidated	
		2025	2024	2025	2024
Net revenue	26	7,730,456	7,304,317	7,982,958	7,636,539
Sale of goods and services		7,670,574	7,196,456	7,665,846	7,195,564
Financial products and services		59,882	107,861	317,112	440,975
Cost of goods sold and services rendered		(3,550,347)	(3,459,741)	(3,550,502)	(3,459,970)
Sale of goods and services		(3,550,167)	(3,459,466)	(3,550,167)	(3,459,382)
Financial products and services		(180)	(275)	(335)	(588)
Gross income		4,180,109	3,844,576	4,432,456	4,176,569
Operating revenues (expenses):					
Sales	27	(2,505,722)	(2,324,746)	(2,511,645)	(2,355,001)
General and administrative	27	(958,273)	(885,982)	(959,532)	(887,313)
Credit losses, net		-	-	(134,301)	(202,442)
Equity in net income of subsidiaries	11	66,781	35,132	-	-
Other operating revenues (expenses), net	27	218,356	77,613	217,571	77,432
Income before financial income (loss)		1,001,251	746,593	1,044,549	809,245
Income (loss) from exchange rate change		(9,171)	(13,281)	(9,172)	(13,281)
Finance expenses		(636,975)	(599,721)	(564,671)	(555,044)
Finance income		223,869	254,381	256,275	271,999
Income (loss) from FIDC C&A Pay		113,586	106,753	-	-
Financial income (loss)	28	(308,691)	(251,868)	(317,568)	(296,326)
Income before income taxes		692,560	494,725	726,981	512,919
Income taxes	10	(105,471)	(42,248)	(139,894)	(60,441)
Net profit for the year		587,089	452,477	587,087	452,478
Attributable to shareholders:					
Non-controlling shareholders				(2)	1
Controlling shareholders				587,089	452,477
Basic earnings per share - in R\$	33			1.9381	1.4839
Basic/diluted earnings per share - in R\$	33			1.8913	1.4682

See the accompanying notes to the financial statements.

C&A Modas S.A.

Statements of comprehensive income
Years ended December 31, 2025 and 2024
(In thousands of reais - R\$)



	Parent Company		Consolidated	
	2025	2024	2025	2024
Net profit for the year	587,089	452,477	587,087	452,478
Other comprehensive income:				
Income (loss) from derivatives	(10,277)	12,357	(10,446)	12,357
Other comprehensive income (a)	134	(318)	134	(318)
Tax effects	3,494	(4,201)	3,663	(4,201)
Total comprehensive income to be reclassified to income (loss) for the year in subsequent periods, net of taxes	(6,649)	7,838	(6,649)	7,838
Total comprehensive income attributable to shareholders:	580,440	460,315	580,438	460,316
Non-controlling shareholders			(2)	1
Controlling shareholders			580,440	460,315

(a) The amount refers to the mark-to-market adjustment of the Financial Treasury Bills of C&A Pay SCD.

See the accompanying notes to the financial statements.

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Statements of changes in shareholders' equity

Years ended December 31, 2025 and 2024

(In thousands of reais - R\$)



	Capital reserve				Profit reserve				Other comprehensive income	Retained earnings	Total controlling shareholders	Non-controlling interest	Total shareholders' equity
	Capital	Treasury shares	Capital reserve	Other capital reserves	Legal reserve	Unrealized profit reserves	Tax incentive reserves	Investment reserve	Equity valuation adjustments				
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 remuneration	-	-	-	13,358	-	-	-	-	-	-	13,358	-	13,358
Repurchase of shares	-	(32,364)	-	-	-	-	-	-	-	-	(32,364)	-	(32,364)
Settled shares (i)	-	6,497	-	(13,950)	-	-	-	-	-	-	(7,453)	-	(7,453)
Allocation of income (loss):													
Net profit for the year	-	-	-	-	-	-	-	-	-	452,477	452,477	1	452,478
Legal reserve	-	-	-	-	22,623	-	-	-	-	(22,623)	-	-	-
Reserve for investments	-	-	-	-	-	-	-	291,293	-	(291,293)	-	-	-
Tax incentive reserve	-	-	-	-	-	-	22,117	-	-	(22,117)	-	-	-
Interest on own capital	-	-	-	-	-	-	-	-	-	(105,000)	(105,000)	-	(105,000)
Dividends	-	-	-	-	-	-	-	-	-	(11,444)	(11,444)	-	(11,444)
Other comprehensive income	-	-	-	-	-	-	-	-	7,837	-	7,837	-	7,837
December 31, 2024	1,847,177	(34,365)	10,516	38,771	87,831	75,720	36,677	1,238,905	7,251	-	3,308,483	4	3,308,487
Equity instruments granted – Share-based remuneration	-	-	-	23,401	-	-	-	-	-	-	23,401	-	23,401
Repurchase of shares	-	(36,039)	-	-	-	-	-	-	-	-	(36,039)	-	(36,039)
Settled shares (i)	-	22,214	-	(33,445)	-	-	-	-	-	-	(11,231)	-	(11,231)
Net profit for the year	-	-	-	-	-	-	-	-	-	587,089	587,089	(2)	587,087
Legal reserve	-	-	-	-	29,355	-	-	-	-	(29,355)	-	-	-
Reserve for investments	-	-	-	-	-	-	-	399,734	-	(399,734)	-	-	-
Interest on own capital	-	-	-	-	-	-	-	-	-	(158,000)	(158,000)	-	(158,000)
Other comprehensive income	-	-	-	-	-	-	-	-	(6,649)	-	(6,649)	-	(6,649)
December 31, 2025	1,847,177	(48,190)	10,516	28,727	117,186	75,720	36,677	1,638,639	602	-	3,707,054	2	3,707,056

(i) In March 2024 and April 2025, the shares of the PSU 2021 remuneration plan and the 2022 plan, respectively, were settled (see changes in Note 25).

See the accompanying notes to the financial statements.

C&A Modas S.A.

Statements of cash flows

Years ended December 31, 2025 and 2024

(In thousands of reais - R\$)



	Note	Parent Company		Consolidated	
		2025	2024	2025	2024
CASH FLOW FROM OPERATING ACTIVITIES					
Income before income taxes		692,560	494,725	726,981	512,919
Adjustment to reconcile net profit with the cash generated by operating activities:					
Formation (Reversal) of expected credit losses	7	91	326	124,756	198,678
Formation of losses on inventories	8	106,127	95,406	106,127	95,406
Recognition of tax credits	9	(69,555)	(284,913)	(69,555)	(284,913)
Equity in net income of subsidiaries	11	(66,781)	(35,132)	-	-
Depreciation and amortization	12/13	344,612	349,043	344,612	349,043
Amortization of right-of-use	15	375,700	358,647	375,700	358,647
Interest, inflation adjustments and exchange-rate changes		421,468	435,999	384,671	417,702
Formation (reversal) of losses for tax, civil and labor risks		(16,874)	35,091	(17,828)	39,075
Other		25,520	29,984	25,520	30,255
(Increase) decrease in operating assets					
Trade accounts receivable		115,388	(21,273)	(13,849)	(282,794)
Inventories		(238,729)	(250,365)	(238,729)	(250,448)
Recoverable taxes		314,896	264,299	306,693	273,155
Judicial deposits		58,957	16,001	58,960	16,022
Other assets		1,151	13,141	1,125	13,172
Increase (decrease) in operating liabilities					
Suppliers		51,346	(64,285)	46,156	(60,537)
Bradescard Supplier (**)	16	(650,648)	-	(650,648)	-
Drawee risk obligations		71,162	(14,666)	71,162	(14,666)
Taxes payable		9,185	93,924	15,844	87,485
Labor obligations		(1,358)	42,013	(1,598)	43,793
Tax, civil and labor lawsuits		(88,670)	(32,621)	(88,670)	(34,763)
Other liabilities		(10,828)	(2,292)	(11,296)	(3,480)
Net cash generated from operating activities before financial investments and income tax		1,444,720	1,523,052	1,496,134	1,503,751
Trading securities		96,754	(63,252)	(62,916)	40,573
Income and social contribution taxes paid		(114,199)	(55,366)	(120,889)	(59,277)
Net cash generated by operating activities		1,427,275	1,404,434	1,312,329	1,485,047
Acquisition of property, plant and equipment	12	(395,179)	(155,493)	(395,179)	(155,493)
Acquisition of intangible assets	13	(144,726)	(136,342)	(144,726)	(136,343)
Capital decrease in subsidiary		-	(35,000)	-	-
Receipt from sales of property, plant, and equipment		68	74	68	74
Net cash consumed in investing activities		(539,837)	(326,761)	(539,837)	(291,762)
New loans and issuance of debentures	17	300,000	745,963	300,000	745,963
Transaction costs of loans/debentures	17	(644)	(8,721)	(644)	(8,721)
Payment of principal on loans	17	(828,776)	(955,424)	(828,776)	(955,424)
Interest paid on loans	17	(188,265)	(175,781)	(188,265)	(175,781)
Payment of lease principal and interest	15	(545,538)	(519,321)	(545,538)	(519,321)
Interest on own capital and dividends paid	23	(101,934)	-	(101,934)	-
Repurchase of shares	22	(36,039)	(32,364)	(36,039)	(32,364)
Net cash consumed in financing activities		(1,401,196)	(945,648)	(1,401,196)	(945,648)
Net (decrease) increase in cash and cash equivalents		(513,758)	132,025	(628,704)	247,637
Cash and cash equivalents at the beginning of the year		1,262,270	1,130,245	1,403,225	1,155,588
Cash and cash equivalents at the end of the year		748,512	1,262,270	774,521	1,403,225

(**) Payment relating to the acquisition of the right to operate financial services, known as "Balcão Bradesco" (Note 1.1).

In the year ended in 2025, the Management, aiming to improve the presentation of the cash flow, grouped items of similar nature related to the adjustments to reconcile net profit to cash.

See the accompanying notes to the financial statements.

C&A Modas S.A.

Statements of value added

Years ended December 31, 2025 and 2024

(In thousands of reais - R\$)



	Parent Company		Consolidated	
	2025	2024	2025	2024
Sale of goods, products and services	10,293,061	9,667,191	10,551,509	9,989,564
Other operating revenues	184,594	146,273	183,915	147,515
Provision, reversal, and loss of receivables	102	260	(134,199)	(202,182)
Revenues	10,477,757	9,813,724	10,601,225	9,934,897
Cost of products, good and services sold	(3,428,746)	(3,325,750)	(3,428,746)	(3,310,188)
Materials, energy, outsourced services and other	(1,173,135)	(1,160,125)	(1,167,421)	(1,177,339)
Provision, reversal, and loss on other assets	(110,263)	(144,559)	(111,048)	(144,745)
Inputs acquired from third parties	(4,712,144)	(4,630,434)	(4,707,215)	(4,632,272)
Gross value added	5,765,613	5,183,290	5,894,010	5,302,625
Depreciation and amortization	(344,612)	(349,042)	(344,612)	(349,127)
Depreciation of right-of-use	(375,701)	(358,647)	(375,701)	(358,647)
Retention	(720,313)	(707,689)	(720,313)	(707,774)
Net value added produced	5,045,300	4,475,601	5,173,697	4,594,851
Equity in net income of subsidiaries	66,781	35,132	-	-
Finance income	400,762	406,905	323,904	320,739
Value added received through transfers	467,543	442,037	323,904	320,739
Total value added to be distributed	5,512,843	4,917,638	5,497,601	4,915,590
Personnel and charges	1,073,269	1,006,983	1,084,220	1,019,973
Direct remuneration	785,508	757,883	794,159	768,077
Benefits	178,852	152,174	180,102	152,950
FGTS (Severance Pay Fund)	65,587	60,749	66,184	61,188
Other	43,322	36,177	43,775	37,758
Taxes, fees and contributions	2,922,397	2,573,830	2,968,507	2,603,145
Federal	1,027,617	849,856	1,073,280	876,943
State	1,831,393	1,660,780	1,830,713	1,662,019
Municipal	63,387	63,194	64,514	64,183
Third-party capital remuneration	930,088	884,348	857,787	839,994
Rents	242,450	229,773	242,450	229,773
Finance expenses	687,638	654,575	615,337	610,221
Remuneration of own capital	587,089	452,477	587,087	452,478
Retained profits	429,089	336,033	429,089	336,033
Interest on own capital and dividends proposed	158,000	116,444	158,000	116,444
Non-controlling interest in retained earnings	-	-	(2)	1
Distribution of added value	5,512,843	4,917,638	5,497,601	4,915,590

See the accompanying notes to the financial statements.

C&A Modas S.A.

Notes to the financial statements

December 31, 2025 and 2024

(In thousands of reais - R\$, unless otherwise indicated)



1. Operations

C&A Modas S.A. ("Company" or "Parent Company") has its registered office located at Alameda Araguaia, nº1.222 - Barueri - São Paulo - Brazil. The Company is a publicly-held corporation, holding shares traded on B3 (São Paulo - Brazil) under the ticker "CEAB3" and its Parent Company is COFRA Holding AG, based in Switzerland.

C&A Modas and its subsidiaries, referred to collectively as "C&A", are mainly engaged in the following activities:

Retail trading:

- I. Sale of goods in brick-and-mortar stores and online. The portfolio includes apparel, footwear, accessories, watches, jewelry, cosmetics, among others.

Financial services:

- I. Intermediation of credit granted to finance purchases.
- II. Issuance of credit cards (private label) and granting of personal loans.
- III. Intermediation in brokering and promoting the distribution of insurance, saving 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.

C&A sells its goods in 340 stores (332 stores on December 31, 2024), and e-commerce supplied by 3 distribution centers in the states of São Paulo, Rio de Janeiro, and Santa Catarina, as well as one logistics operation.

The non-financial data included in these parent company and consolidated financial statements, such as the number of stores and distribution centers, among others, have not been subject to audit or review by our independent auditors.

1.1. Transactions and significant events

1.1.1. Sale of the rights to the Bradescard branded card portfolio

On June 23, 2025, the Company signed the Transaction and Termination Agreement of the Partnership Agreement with Banco Bradesco S.A. and Banco Bradescard S.A., through which it terminated the partnership maintained between the parties since 2009. Under the terms of this document, the Company sold the rights related to the Bradescard card portfolio for the amount of R\$ 170,000. This amount was recorded as other operating revenues, net of taxes.

On the same date, the Company settled the amounts owed to Banco Bradesco S.A., relating to the repurchase of the rights to offer financial products and services to its clients, which were operated exclusively by Banco Bradesco S.A. and Banco Bradescard S.A. The amount of R\$ 650,648 was recorded in the suppliers' account and the original due date was July 31, 2025 (Note 17.2).

1.1.2. Tax reform

C&A Modas S.A.

Notes to the financial statements

December 31, 2025 and 2024

(In thousands of reais - R\$, unless otherwise indicated)



The Company has been monitoring the discussions and the evolution of the approved Tax Reform, which brings significant changes to the consumption tax system in Brazil. However, considering that, as of the present date, the sub-constitutional regulation has not yet been completed, as well as the transition periods provided for the implementation of the new model, the Management assessed that there are no measurable impacts or that require specific recognition or disclosure in the financial statements ended December 31, 2025. The potential accounting, financial, and operational impacts resulting from the Tax Reform can only be adequately assessed upon the completion of the regulatory process and the final definition of the applicable rules, including rates, credit regimes, and other operational aspects.

The Company will continue to monitor the evolution of the issue and will assess any effects on the financial statements of future periods when there are sufficient elements for such remeasurement.

1.1.3. Effects from Complementary Law 224/2025

Complementary Law 224/2025, published on December 26, 2025, enacted a reform in the federal tax incentive policy, covering various economic sectors. The regulation introduced a linear reduction of tax benefits and reinforced criteria for governance, timeliness, and evaluation for the granting and maintenance of incentives. Additionally, the legislation increased the rates of the Social Contribution on Net Profit (CSLL) applicable to fintechs, financial institutions, and other entities equipped with them, effective from April 01, 2026.

In the case of Direct Credit Companies (SCDs), Complementary Law 224/2025 established an increase in the CSLL rate, in a staggered manner, as follows:

- 12% in the period 04/01/2026–12/31/2027;
- 15% as of 01/01/2028.

Despite the increase in the CSLL, no significant impact is expected for the Company, since SCD C&A Pay does not generate significant income, making the estimated tax effect minimally material in the income (loss).

2. Basis for preparation and presentation of financial statements

C&A's parent company and consolidated financial statements for the years ended December 31, 2025, and 2024 were prepared in accordance with accounting practices adopted in Brazil, which comprise accounting pronouncements, guidelines, and interpretations issued by the Accounting Pronouncements Committee ("CPC"), approved by the Federal Accounting Council ("CFC") and the Brazilian Securities and Exchange Commission ("CVM"), which are in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board - IASB.

All relevant information specific to the parent company and consolidated financial statements, and only such information, is being evidenced, and which corresponds to the information used by the Management in C&A's activities' management, as Technical Guidance OCPC 07.

C&A Modas S.A.

Notes to the financial statements

December 31, 2025 and 2024

(In thousands of reais - R\$, unless otherwise indicated)



The issue of parent company and consolidated financial statements for the year ended December 31, 2025 was authorized by the Board of Directors on February 24, 2026.

2.1. Measurement basis and going concern assumption

The parent company and consolidated financial statements have been prepared based on the historical cost, except for certain financial instruments measured at fair value, and based on the going concern assumption of the operations of the consolidated companies.

Management assessed the ability of the Company and its subsidiaries to continue as a going concern and believes that they have the necessary resources to allow the going concern of its business for the future. Additionally, Management is not aware of any material uncertainty that may generate significant doubts about its ability to continue operating. Thus, the parent company and consolidated financial statements were prepared based on the going concern assumption.

2.2. Functional and presentation currency

The parent company and consolidated financial statements are being presented in thousands of reais, functional and presentation currency of the Company and its subsidiaries. Transactions in foreign currency are initially recorded at the exchange rate of the functional currency in force on the date of transaction. Monetary assets and liabilities denominated in foreign currency are translated into the foreign exchange rate of the functional currency in force on the date of statement of financial position. All differences are reported in the statement of profit or loss.

2.3. Consolidation basis

The consolidated financial statements include the operations of the Company, its subsidiaries, and the FIDC C&A Pay investment fund, considering that C&A Modas is the sole holder of the shares and is exposed to the risks and rewards of the fund.

The fiscal year of the subsidiaries is the same as that of the parent company, and accounting practices are applied uniformly. All transactions are fully eliminated in the consolidation.

	Direct subsidiaries		Indirect subsidiaries	Investment fund
Interest	Orion	C&A Pay Holding	C&A Pay SCD	C&A Pay FIDC
2025	99.99%	99.99%	99.99%	100.00%
2024	99.99%	99.99%	99.99%	100.00%

2.4. Statement of value added - SVA

The presentation of the Statement of Value Added (SVA), parent company and consolidated, is required by the Brazilian Accounting Standard NBC TG 09 - Statement of Value Added - applicable to publicly-held companies. The IFRS do not require the presentation of this statement. Accordingly,



in conformity with IFRS, this statement is presented as supplementary information, without prejudice to financial statements as a whole. The purpose of the SVSA is to disclose the wealth generated by C&A during the year, and well demonstrating how it was distributed among the various agents.

2.5. Significant judgments, estimates and assumptions

The preparation of Company's parent company and consolidated financial statements requires Management to make judgments, use estimates and adopt assumptions that affect the amounts presented for revenues, expenses, assets and liabilities, including the disclosure of contingent liabilities assumed. However, uncertainty relating to these judgments, assumptions and estimates could lead to results that require a significant adjustment to the book value of certain assets and liabilities in future years. The accounting practices that require the highest level of judgment and complexity, as well as those for which estimates and assumptions are significant, are:

- (a) determination of useful life of property, plant and equipment and intangible assets;
- (b) analysis of recovery of values of property, plant and equipment and intangible assets;
- (c) estimated credit losses;
- (d) estimated losses in inventories;
- (e) realization of income and social contribution taxes;
- (f) rates and terms applied in determining the present value adjustment of assets and liabilities;
- (g) provision for tax, civil and labor risks;
- (h) determination of fair value of derivative financial instruments;
- (i) provision for restoring stores to their original condition;
- (j) short- and long-term incentives – estimate of target achievement and pricing based on mathematical models;
- (k) determination of the incremental interest rates and term of the leases to be used for accounting the cash flows of lease liabilities.

3. Accounting policies

The accounting policies adopted in the preparation of these parent company and consolidated financial statements, parent company and consolidated, are presented in the respective notes.

3.1. New or reviewed pronouncements applied for the first time in 2025

Management assessed the standards, guidelines, and accounting pronouncements that came into effect for the first time starting from the current period beginning on January 1, 2025, and concluded that they do not have a significant impact on the financial statements.

(a) Amendments to CPC 18 (R3) - Investment in Affiliates and Joint Venture and ICPC 09 - Parent Company, Separate and Consolidated Financial Statements

In September 2024, the CPC issued amendments to CPC 18 (R3) and ICPC 09 (R3), aligning Brazilian standards with IASB standards, aiming to ensure consistency and transparency in accounting



practices, as well as aligning Brazilian standards with the best international practices. This standard had no impact on our statements, since we were already applying this methodology.

(b) Amendments to CPC 02 (R2) -The Effects of Changes in Foreign Exchange Rates and CPC 37 (R1) - First-Time Adoption of International Accounting Standards

The Brazilian Securities and Exchange Commission (CVM) issued the Review of Technical Pronouncement 27, which presents amendments to CPC 02 (R2) and CPC 37 (R1), specifying the assessment of currency convertibility, determination of the spot rate, and related disclosures. There was no impact on our statements.

(c) Amendment OCPC 10 - Carbon Credits (tCO₂e), Emission Allowances, and Decarbonization Credits (CBIO)

CVM Resolution 223 makes it mandatory for publicly-held companies to follow OCPC 10, which directs the accounting treatment of carbon credits (tCO₂e), emission allowances, and decarbonization credits (CBIO) for entities operating in the Brazilian capital market, aiming to ensure the consistency of financial statements and allow their connection with the sustainability financial report approved by CVM Resolution 193/23.

The Resolution became effective as of January 1, 2025, and there were no impacts on the Company's disclosures.

3.2. New pronouncements, but not yet effective

(a) CBPS 1/ IFRS S1 - General Requirements for Disclosure of Sustainability-related Financial Information

The standard aims to require entities to disclose information on risks and opportunities related to sustainability, aiming to provide relevant data to the main users of general purpose financial reports, supporting decision-making regarding the provision of resources to the entity.

(b) CBPS 2 / IFRS S2 - Climate-related disclosures

This standard aims to establish requirements for the identification, measurement, and disclosure of information regarding climate-related risks and opportunities. This information should be useful to the main users of general purpose financial reports, helping them to make decisions about providing resources to the entity.

The Company is preparing for the early compliance with the disclosure of information related to CBPS 1 and CPBS 2 standards, with publication in 2026.

(c) Standard IFRS 18 - Presentation and Disclosure of Financial Statements

The standard aims to enhance the presentation of financial statements, with special emphasis on the statement of profit or loss, by requiring the classification of revenues and expenses into the following categories: operating activities, investing, financing, income taxes, and discontinued operations.



Furthermore, the standard requires the disclosure, through Notes, of performance measures defined by management – subtotals of revenues and expenses that are not specified in the draft or in other pronouncements, interpretations, or guidelines issued by the CPC – but that are used in public communications to express management’s perspective on certain aspects of the entity’s financial performance.

The standard also introduces new principles for the aggregation and disaggregation of information, both in the presentation of the financial statements and in the respective notes.

Standard will become effective on January 1, 2027. The Company is assessing the requirements and preparing for the implementation of this change.

There are no IFRS standards or IFRIC interpretations that are not yet in effect that could have a significant impact on the financial statements of the Company or its subsidiaries.

4. Financial instruments and risk management

4.1. Financial instruments - Accounting policy

A financial instrument is an agreement that gives rise to a financial asset for one entity and a financial liability or equity instrument of another entity. Essentially, they are financial instruments that confer a right or an obligation, such as stocks, debt securities, derivatives, among others.

4.1.1. Classification of financial instruments

The classification depends on the characteristics of the contractual cash flows and on the business model for the management of these financial instruments. At C&A, they are classified as:

I. Amortized cost

Financial assets at amortized cost include: cash and cash equivalents, accounts receivable, judicial deposits and related parties. Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment.

Financial liabilities are initially recognized at fair value, and in the case of loans and financings, include directly related transaction costs. The subsequent measurement depends on its classification. In the case of suppliers, loans, accounts payable with related parties, and leases payable are classified as financial liabilities at amortized cost using the effective interest rate method.

II. Fair value through profit or loss

Include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held-for-trading if they are acquired with the purpose of sale in the short term. This category includes investments in securities held for trading and swap operations aimed at protecting loans in foreign currency.



III. Fair value through other comprehensive income

Financial assets and liabilities classified in this category are derivative transactions to which hedge accounting applies. It also includes investments in government securities held as available for sale or for receiving contractual interest. C&A adopts hedge accounting and assigns futures contracts (NDF) as cash flow hedges. The fair values of derivative financial instruments are determined based on the exchange rate and interest rate curve.

4.1.2. Categories of financial instruments and their values

The accounting balances of financial assets and liabilities and the measurement criteria are presented according to the following categories:

- (a) Level 1 - Traded prices (unadjusted) in active markets for identical assets or liabilities
- (b) Level 2 - different inputs of the prices negotiated in active markets included at Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)
- (c) Level 3 - inputs for the asset or liability that are not based on observable market variables (unobservable inputs).

4.1.3. Financial instruments and fair value

The fair value of the C&A's financial assets and liabilities was assessed at December 31, 2025 and 2024, using the hierarchy in the level 2 category, which corresponds to significant observable input.

C&A does not have financial instruments measured at fair value classified in Level 3 of the fair value hierarchy. Thus, no additional disclosures related to this level are presented, as there are no use of unobservable inputs in the measurement of its financial instruments.

The derivative financial instruments designated in hedging operations are initially recognized at fair value on the date on which the derivative contract is signed, and are subsequently restated also at fair value.

The effective portion of the gain or loss on the hedging instrument is initially recorded directly in shareholders' equity or other comprehensive income, while any ineffective portion is recognized in financial income (loss).

C&A Modas S.A.

Notes to the financial statements

December 31, 2025 and 2024

(In thousands of reais - R\$, unless otherwise indicated)



	Note	Level	Parent Company				Consolidated			
			2025		2024		2025		2024	
			Fair value	Book balance	Fair value	Book balance	Fair value	Book balance	Fair value	Book balance
Financial assets										
Amortized cost										
Cash and cash equivalents	5	-	748,512	748,512	1,262,270	1,262,270	774,521	774,521	1,403,225	1,403,225
Accounts receivable	7	Level 2	962,127	962,127	1,076,795	1,076,795	1,753,283	1,753,283	1,862,821	1,862,821
Judicial deposits	20	Level 2	91,358	91,358	144,935	144,935	91,360	91,360	144,940	144,940
Subtotal			1,801,997	1,801,997	2,484,000	2,484,000	2,619,164	2,619,164	3,410,986	3,410,986
Fair value through profit or loss										
Trading securities	6	Level 1	-	-	-	-	76,159	76,159	10,374	10,374
FIDC C&A Pay	7	Level 2	757,850	757,850	854,604	854,604	-	-	-	-
Derivatives	-	Level 2	-	-	6,551	6,551	-	-	6,551	6,551
Subtotal			757,850	757,850	861,155	861,155	76,159	76,159	16,925	16,925
Fair value through other comprehensive income										
Financial investments	6	Level 1	-	-	-	-	192,695	192,695	158,936	158,936
Derivatives	-	Level 2	2,552	2,552	18,255	18,255	2,552	2,552	18,255	18,255
Subtotal			2,552	2,552	18,255	18,255	195,247	195,247	177,191	177,191
Total assets			2,562,399	2,562,399	3,363,410	3,363,410	2,890,570	2,890,570	3,605,102	3,605,102

	Note	Level	Parent Company				Consolidated			
			2025		2024		2025		2024	
			Fair value	Book balance	Fair value	Book balance	Fair value	Book balance	Fair value	Book balance
Financial liabilities										
Amortized cost										
Lease	15	Level 2	(1,780,243)	(1,780,243)	(1,826,876)	(1,826,876)	(1,780,243)	(1,780,243)	(1,826,876)	(1,826,876)
Suppliers	16	Level 2	(1,739,341)	(1,739,341)	(2,227,618)	(2,227,618)	(1,746,037)	(1,746,037)	(2,239,504)	(2,239,504)
Loans and debentures	17	Level 2	(918,802)	(960,472)	(1,495,693)	(1,498,013)	(918,802)	(960,472)	(1,495,693)	(1,498,013)
Subtotal			(4,438,386)	(4,480,056)	(5,550,187)	(5,552,507)	(4,445,082)	(4,486,752)	(5,562,073)	(5,564,393)
Fair value through other comprehensive income										
Derivatives	-	Level 2	(1,760)	(1,760)	(319)	(319)	(1,760)	(1,760)	(319)	(319)
Subtotal			(1,760)	(1,760)	(319)	(319)	(1,760)	(1,760)	(319)	(319)
Total liabilities			(4,440,146)	(4,481,816)	(5,550,506)	(5,552,826)	(4,446,842)	(4,488,512)	(5,562,392)	(5,564,712)

4.2. Financial risk management

Due to its activities, C&A is exposed to certain financial risks, among which the following stand out:

- I. market, including foreign exchange and interest rate risk;
- II. credit and;
- III. liquidity.

C&A Modas S.A.

Notes to the financial statements

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These risks are assessed and managed continuously and systematically, in accordance with the limits, guidelines, and procedures established in the Company's financial policies, with the aim of mitigating any adverse impacts on its financial position, cash flow, and income (loss).

Hedge instruments are contracted exclusively to protect cash flow against mismatches.

The Treasury department is responsible for identifying, assessing, and seeking protection against potential financial risks. The Management approves the financial policies that establish the principles and standards for global risk management, the areas involved in these activities, the use of derivative and non-derivative financial instruments, and the allocation of surplus cash and currency;

4.2.1. Market risk

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

4.2.1.1. Interest rate risk

C&A is exposed to the risk of changes in interest rates, which may impact the return on its short-term assets and its financial liabilities indexed to the CDI.

C&A seeks to keep the interest rate indexers of its assets and liabilities the same, in order to reduce the impact of the risk of changes in the interest rate. Today, 100% of operations are in the credit and capital markets, predominantly in fixed-income instruments indexed to the CDI.

The Management continuously analyzes exposure to interest rates, comparing contracted rates to those currently in the market and simulating refinancing scenarios and calculating the impact on income (loss).

Tests were conducted considering scenarios for the next disclosure with the aim of demonstrating the effect of the fluctuation of this indexer on the income (loss). The interest rates for the probable scenario were obtained from the reference rates on the B3 website on December 31, 2025 (annualized CDI 13.81%).

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		Parent Company						
		Balance in 2025	Rate	Probable scenario	Increase in interest		Decrease in interest	
Risk					Possible scenario +25%	Remote scenario +50%	Possible scenario - 25%	Remote scenario - 50%
Financial investments	CDI decr.	703,492	CDB (i)	93,440	116,800	140,160	70,080	46,720
Loans and debentures	CDI increase	(960,472)	CDB (i)	(147,817)	(184,771)	(221,725)	(110,862)	(73,908)
Net exposure/effect in income (loss) before income tax/social contribution		(256,980)		(54,377)	(67,971)	(81,565)	(40,782)	(27,188)
Effect on net income (loss) of IR/CS				(35,889)	(44,861)	(53,833)	(26,916)	(17,944)

		Consolidated						
		Balance in 2025	Rate	Probable scenario	Increase in interest		Decrease in interest	
Risk					Possible scenario +25%	Remote scenario +50%	Possible scenario - 25%	Remote scenario - 50%
Financial investments	CDI decr.	994,548	CDB (i)	131,624	164,530	197,436	98,718	65,812
Loans and debentures	CDI increase	(960,472)	CDB (i)	(147,817)	(184,771)	(221,726)	(110,863)	(73,908)
Net exposure/effect in income (loss) before income tax/social contribution		34,076		(16,193)	(20,241)	(24,290)	(12,145)	(8,096)
Effect on net income (loss) of IR/CS				(10,687)	(13,359)	(16,031)	(8,016)	(5,343)

Finance income is shown net of PIS and COFINS (4.65%), and it is considered an average earning of 100.84% of the CDI (2024: 100.23%) for the parent company and 100.51% (2024: 100.10%) of CDI in consolidated. For loans and debentures, 111.46% of the CDI is considered (2024: 117.19%).

4.2.1.2. Foreign exchange risk

Exchange rate risk exists in future commercial operations generated mainly by imports of goods and loans contracted abroad denominated in US dollars. Foreign exchange risk management guidelines are defined by the C&A's Board of Directors and subsequently submitted for analysis and appraisal by the Audit, Risks and Finance Committee.

Import of goods: C&A hedges the outstanding balance of its imports against exchange-rate changes by contracting Non-Deliverable Forwards (NDFs) for highly probable budgeted purchases. Contracting based on the FOB value of the goods limits exchange rate exposure and its effect on price composition. When purchases are nationalized, taxes are levied that do not belong to the hedge object defined in the NDF contract.

In the table below, we highlight the exposure to exchange-rate change related to orders issued not covered by the hedging instrument and non-recoverable taxes on the clearance of goods for

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which C&A is not protected. C&A is sensitive to any changes in the 25% to 50% level, indicating a deterioration in C&A's financial situation as a result of an increase in the dollar exchange rate.

The dollar exchange rate used in the sensitivity analysis was taken from the FOCUS report released by Bacen on December 31, 2025. The estimation of the scenarios was adopted according to CVM Instruction 475/08.

	Risk	Notional - USD (Pay)Receive	Risk		
			Probable USD1 = R\$ 5.50	Possible +25% USD1 = R\$ 6.88	Remote + 50% USD1 = R\$ 8.25
Hedged object					
Purchase orders for imported goods and imports in progress	USD incr.	(83,274)	200	(114,719)	(228,806)
Payment for imported goods	USD incr.	(23,814)	57	(32,805)	(65,430)
Hedge instrument					
NDF	USD decr	54,507	(130)	75,089	149,764
Net exposure of import orders		(52,581)	127	(72,435)	(144,472)
Non-recoverable taxes - 36% (a)		(29,979)	72	(41,299)	(82,370)
Total net exposure		(82,560)	199	(113,734)	(226,842)
Effect on net income (loss) of IR/CS		(54,490)	131	(75,064)	(149,716)

USD on 12/31/2025 = R\$ 5.5024

(a) The percentage of 36% of non-recoverable taxes on the NDFs was determined based on the import tax percentages (35%, on average) and the non-recoverable percentage of COFINS on imports (1%).

Derivative financial instruments - Designated to hedge accounting

C&A uses derivative financial instruments to minimize the risks arising from exposure to foreign currency. It enters into hedge operations to protect itself against the currency risk arising from import orders not yet paid; and for this reason, it designates them as cash flow hedge.

The effective and unsettled portion of the change in the fair value of designated derivatives and qualified as cash flow hedge is recognized in shareholders' equity as equity valuation adjustments in other comprehensive income. This installment is realized when the risk for which the derivative was contracted is eliminated. This happens in two stages: in the nationalization of the goods and in the settlement of financial instruments. At these times, previously deferred gains and losses in shareholders' equity are transferred and included in the initial asset cost measurement and in financial income (loss), respectively.

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2025						
Contract	Contracted rates		Maturity	Reference value (notional) - USD	Fair value	
	Assets	Liabilities			Assets	Liabilities
NDF	US\$	R\$	01/2026	10,451	322	(898)
NDF	US\$	R\$	02/2026	8,673	489	(520)
NDF	US\$	R\$	03/2026	10,401	558	(284)
NDF	US\$	R\$	04/2026	10,436	339	-
NDF	US\$	R\$	05/2026	10,303	636	(51)
NDF	US\$	R\$	06/2026	4,243	208	(7)
Total NDF				54,507	2,552	(1,760)

2024						
Contract	Contracted rates		Maturity	Reference value (notional) - USD	Fair value	
	Assets	Liabilities			Assets	Liabilities
NDF	US\$	R\$	01/2025	10,217	5,460	-
NDF	US\$	R\$	02/2025	6,668	3,447	-
NDF	US\$	R\$	03/2025	7,436	4,766	-
NDF	US\$	R\$	04/2025	8,504	2,315	(137)
NDF	US\$	R\$	05/2025	4,228	1,795	(52)
NDF	US\$	R\$	06/2025	3,150	472	(129)
Total NDF				40,203	18,255	(319)

4.2.2. Credit risk

- I. **Cash and cash equivalents:** According to the C&A's policy, cash and cash equivalents should be invested in financial institutions classified as low credit risk.
- II. **Receivables:** C&A has its own card called C&A Pay, which is operated by the subsidiary SCD - C&A Pay. SCD assigns the receivables to FIDC - C&A Pay, whose sole shareholder is C&A Modas (see Note 7).

The expected losses from C&A Pay operations are determined by C&A based on internal studies for the remeasurement of loss percentages according to the stages and the time of delay, considering the probability and exposure to default and actual loss for each delay range.

These estimates and methodologies may be revised to adjust the loss estimate levels to reflect changes in the macroeconomic scenario and/or changes in the profile of customers.

The credit risk of C&A's other operations is minimized as the assets represented by receivables from the sale of goods and services are intermediated by credit card companies and the risk is entirely theirs.

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

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4.2.3. Liquidity risk

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

- I. Take precautions in times of uncertainty;
- II. Ensure the execution of the investment and expansion strategy; and
- III. Observe the maintenance of the dividend distribution policy.

Management continuously monitors the forecasts of the C&A's liquidity requirements to ensure there is enough cash to meet operational needs, investment plans, and financial obligations.

C&A invests excess cash in financial assets with floating interest rates and daily liquidity (CDBs from financial institutions, repurchase agreements and private credit investment funds that comply with the investment policy approved by Management).

The chart below summarizes the C&A's consolidated financial liabilities maturity profile:

December 31, 2025	Book value	Contracted value	≤1 year	1-2 years	2-5 years	>5 years
Lease	(1,780,243)	(2,456,485)	(547,966)	(453,815)	(952,318)	(502,386)
Loans	(960,472)	(1,222,473)	(230,340)	(622,641)	(369,492)	-
Suppliers	(1,324,832)	(1,324,832)	(1,324,832)	-	-	-
Drawee risk obligations	(421,205)	(421,205)	(421,205)	-	-	-
Total	(4,486,752)	(5,424,995)	(2,524,343)	1,076,456)	(1,321,810)	(502,386)

4.3. Capital management

The aim of C&A's capital management is to ensure that it maintains a financing structure for its operations.

C&A manages its capital structure by adjusting it to the current economic conditions. To maintain this structure adjusted, C&A may make dividend payments and raise loans.

There was no change in the objectives, policies or processes of capital structure in the year ended December 31, 2025.

	Parent Company		Consolidated	
	2025	2024	2025	2024
Net Debt without Lease Liabilities				
Short and long-term loans and debentures	960,472	1,498,013	960,472	1,498,013
Cash and cash equivalents	(748,512)	(1,262,270)	(774,521)	(1,403,225)
Financial investments		-	(268,854)	(169,310)
Net debt (cash)	211,960	235,743	(82,903)	(74,522)
Non-controlling interest	-	-	2	4
Total shareholders' equity	3,707,054	3,308,484	3,707,056	3,308,488
Leverage ratio	6%	7%	-2%	-2%

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Considering the lease liability in the capital management calculation, the Company's leverage ratio would be:

	Parent Company		Consolidated	
	2025	2024	2025	2024
Net Debt with Lease Liability				
Net debt (cash) without lease liabilities	211,960	235,743	(82,903)	(74,522)
Lease liabilities	1,780,243	1,826,876	1,780,243	1,826,876
Adjusted net debt	1,992,203	2,062,619	1,697,340	1,752,354
Total shareholders' equity	3,707,054	3,308,484	3,707,056	3,308,488
Leverage ratio	54%	62%	46%	53%

5. Cash and cash equivalents

5.1. Accounting policy

Cash equivalents are maintained for the purpose of meeting short-term cash commitments rather than for investment or other purposes. C&A considers cash equivalents, a financial investment readily convertible, redeemable with the issuer itself into known amounts of cash and subject to an insignificant risk of change of value. Consequently, an investment normally qualifies as cash equivalent when it has short-term maturity; for example, three months or less, as of the transaction date.

5.2. Breakdown of cash and cash equivalents

	Remuneration	Parent Company		Consolidated	
		2025	2024	2025	2024
Cash and banks		45,020	29,247	48,827	151,656
Cash equivalents:					
Interest bearing account	2-10% CDI	8,656	75,993	8,692	76,037
Bank deposit certificate (*)	96-103% CDI	694,836	1,157,030	717,002	1,175,532
		748,512	1,262,270	774,521	1,403,225

(*) Bank Deposit Certificates ("CDBs") can be redeemed at any time with the issuer of the instrument without losing the contracted remuneration.

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6. Securities

6.1. Accounting policy

Financial investments that are not classified as cash equivalents are those without repurchase guarantees by the issuer in the primary market, with liquidity only in the secondary market, and are measured according to C&A's intended use.

6.2. Breakdown of securities

	Index	Rate	Parent Company		Consolidated	
			2025	2024	2025	2024
LFT - Financial Treasury Bills	SELIC	100%	-	-	199,600	160,704
FIDC - C&A Pay		100%	757,850	854,604	-	-
Fixed income investment fund			-	-	69,254	8,606
			757,850	854,604	268,854	169,310
Current assets			-	-	268,854	169,310
Non-current assets			757,850	854,604	-	-

6.3. FIDC C&A Pay

In 2023, the operations of FIDC C&A Pay started. The Fund was established as a closed-end investment fund in non-standard credit rights. The shares shall only be redeemed at the end of the duration period of the respective series or in the event of the Fund's liquidation. The Fund is governed by internal regulations and regulated by the Brazilian Securities and Exchange Commission (CVM) Instruction 175/2022 and other legally applicable provisions.

On December 31, 2025 and 2024, the statement of financial position of FIDC C&A Pay is shown below:

	2025		2024	
	FIDC	Adjusted FIDC (a)	FIDC	Adjusted FIDC (a)
Assets				
Cash and cash equivalents	2,641	2,641	117,035	117,035
Financial investments	76,158	76,158	10,374	10,374
Accounts receivable	872,198	745,663	868,190	775,288
Other receivables	3,987	3,987	8,407	8,407
Total assets	954,984	828,449	1,004,006	911,104
Liabilities and shareholders' equity				
Trade payables	77,413	70,599	62,793	56,499
Shareholders' equity	877,571	757,850	941,213	854,604
Total liabilities and shareholders' equity	954,984	828,449	1,004,006	911,103

(a) The consolidation adjustments are composed of the elimination of difference in interest revenues recorded in the FIDC, resulting from the effect of the discount in the receivables assignment operation between C&A PAY and FIDC.



7. Accounts receivable

7.1. Accounting policy

Accounts receivable are presented at their realizable amounts, net of the present value adjustment and expected losses calculated according to the criteria established by CPC 48. These balances comprise amounts receivable from the sale of goods to customers, made through third-party credit cards and through the company's own digital card provided via C&A Pay.

Installment sales are subject to present value adjustment on the date of the financial statements, using market rates that reflect the Company's risk spread. As of December 31, 2025, the average rate applied was 1.17% p.m. (2024: 0.98% p.m.), and the realization of the adjustment is recognized as sales revenues.

C&A measures expected credit losses (ECL) based on the simplified CPC 48 model, which does not consider customer-by-customer risk and credit assessment; instead, it considers the mass portfolio based on historical data, economic projections, continuous risk assessment, and future estimates of credit behavior, recognizing them over the life of financial assets.

The methodology includes both active balances and unused credit limits. Overdue credits with no expectation of recovery are written off as losses (write-off) after 721 days of default, with the reversal of previously established provisions.

In the context of credit renegotiations, C&A applies specific policies for customers with payment difficulties, adjusting the terms according to the credit profile. The renegotiated operations are classified in Stage 3 in the receivables portfolio, impacting the provisioning for expected losses. In these cases, the remeasurement starts to consider the expected new cash flow and the associated risk.

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7.2. Breakdown of accounts receivable

The table below details the breakdown of accounts receivable, segmented between card operators, C&A Pay digital card operations, and other categories. The balance of accounts receivable is influenced by the seasonality of the business activity.

	Parent Company		Consolidated	
	2025	2024	2025	2024
Credit card operators	875,801	997,842	875,801	997,842
C&A Pay Card – related parties (a)	77,722	53,276	-	-
Card&A Pay Card – third parties	-	-	1,214,130	1,225,708
Present value adjustment	(12,317)	(13,686)	(33,230)	(28,587)
Expected credit losses	(371)	(2,693)	(324,162)	(377,040)
Trade accounts receivable	940,835	1,034,739	1,732,539	1,817,923
Accounts receivable - business partners	21,292	54,152	20,744	56,994
Expected credit losses	-	(12,096)	-	(12,096)
Other accounts receivable	21,292	42,056	20,744	44,898
Total accounts receivable	962,127	1,076,795	1,753,283	1,862,821

(a) Amount referring to sales made using the C&A's own digital card and reimbursement of expenses shared.

During 2025, C&A Modas anticipated R\$ 2,625,939 (R\$ 2,342,066 in 2024) in receivables with C&A Pay SCD, generating a financial cost of R\$ 69,199 (R\$ 44,720 in 2024).

Transaction fees ranged from 1.04% to 1.25% p.m. (compared to 0.91% to 1.05% p.m. in 2024). The charges were recorded as finance expenses in C&A Modas and as finance income at C&A Pay SCD.

7.2.1. Changes in estimated credit losses

We present below the changes in estimated credit losses:

	Parent Company	Consolidated
Balance at December 31, 2024	(14,789)	(389,136)
(-) Formation	(91)	(124,756)
(+) Write-off	14,509	189,730
Balance at December 31, 2025	(371)	(324,162)
Estimate of loss on C&A Pay	-	(323,791)
Estimate of other losses	(371)	(371)

In 2025, C&A PAY FIDC carried out assignments of receivables from credit card operations that had already been written off (exceeding 720 days of delinquency), amounting to R\$ 97,145 to Fundo de Investimento em Direitos Creditórios Não Padronizados NPL II, and R\$ 83,328 to Fundo de Investimento em Direitos Creditórios Multisegmentos NPL VI, resulting in a recovery of losses of R\$ 7,636 recorded in the line "Credit losses, net" in the statement of profit or loss.

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7.3. C&A Pay

7.3.1. Breakdown of the portfolio by maturity bracket and estimated loss by stage

The breakdown of the C&A Pay loan portfolio, segmented by loss estimation stage, is as follows: The loss estimate policy adapts to the stage of the asset, allowing for more effective credit risk management.

Breakdown of portfolio by maturity bracket

	FIDC C&A Pay	
	2025	2024
≤30 days	283,074	281,547
31–90 days	341,958	334,024
>90 days	236,401	202,956
Falling due	861,433	818,527
≤30 days	14,956	18,968
31–90 days	24,925	36,381
>90 days	312,816	351,832
Overdue	352,697	407,181
Total	1,214,130	1,225,708

7.3.2. Management of credit loss risks

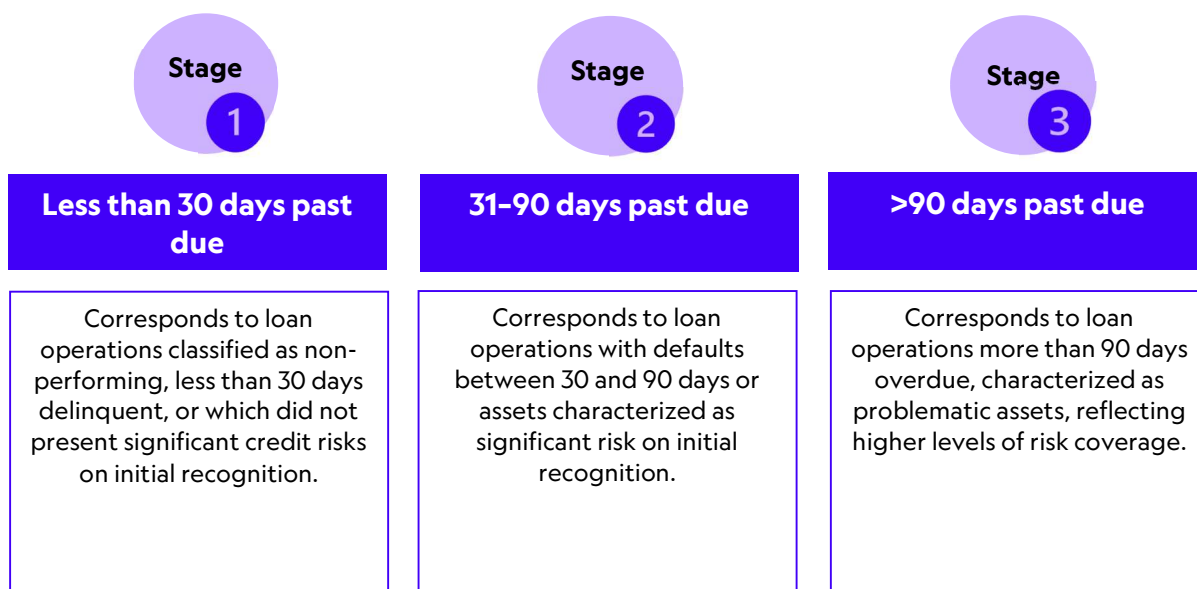
C&A adopts a credit granting policy aligned with the governance and portfolio management guidelines established by Management and has a financial services executive committee to regulate and supervise operations. It aims to minimize default through mechanisms to control this risk, such as the use of specialized credit analysis tools, access to databases, credit concession management, as well as monitoring and management of receivables processes. The combination of these factors resulted, in 2025, in total recoveries of R\$ 85,213 from delinquent operations that are still in active portfolio between 61 and 720 days overdue (R\$ 88,768 in 2024).

These practices ensure guarantee effective credit risk management, keeping C&A's operations within acceptable exposure levels and ensuring the quality and sustainability of our loan operations.



7.3.3. Stages and components of expected losses in loan operations

The expected loss estimates are calculated according to the composition of the credit portfolio classified by stage, which represent different levels of credit risk and reflect the evolution of defaults in the portfolio, adjusting according to the historical recoverability of the loans.



$$\text{Expected loss} = \text{PD} \times \text{EAD} \times \text{LGD}$$

Expected Credit Loss (ECL) *Probability of Default* *Exposure at Default* *Loss Given Default*

- ✓ Probability of Default (PD): This refers to the probability that a debtor will not be able to meet their financial obligations in a given period.
- ✓ Exposure at Default (EAD): Refers to the monetary value that will be exposed when default occurs, including the principal balance, accrued interest, and unused available balances.
- ✓ Loss Given Default (LGD): Refers to the expectation of loss once default has been characterized, considering a specific percentage of the total value of the problematic asset.

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7.3.4. Breakdown of estimated loss by stage

Estimated loss by stage

C&A Pay Credit Card (Private Label)	C&A Pay				
	2025				
	Portfolio			Estimated loss	% Coverage
Falling due	Overdue	Total			
Stage 1	843,010	12,389	855,399	20,995	2.45%
Stage 2	12,109	23,281	35,390	12,091	34.16%
Stage 3 - ≤360 days	6,314	140,485	146,799	119,530	81.42%
Stage 3 - >360 days	-	176,542	176,542	171,020	96.87%
Active portfolio balance (On balance)	861,433	352,697	1,214,130	323,636	26.67%
Available credit limit (Off balance)			788,743	155	0.02%
Grand total			2,002,873	323,791	16.17%
Coverage ratio on loan portfolio					26.68%

C&A Pay Credit Card (Private Label)	C&A Pay				
	2024				
	Portfolio			Estimated loss	% Coverage
Falling due	Overdue	Total			
Stage 1	789,854	14,201	804,055	22,396	2.79%
Stage 2	13,135	32,440	45,575	14,139	31.02%
Stage 3 - ≤360 days	15,538	179,045	194,583	160,509	82.49%
Stage 3 - >360 days	-	181,495	181,495	177,159	97.61%
Active portfolio balance (On balance)	818,527	407,181	1,225,708	374,203	30.53%
Available credit limit (Off balance)			730,883	144	0.02%
Grand total			1,956,591	374,347	19.13%
Coverage ratio on loan portfolio					30.54%

8. Inventories

8.1. Accounting policy

Inventories are measured at the lower of cost between the average acquisition cost and net realizable value. Include transportation costs to the distribution centers, costs incurred in preparing the dispatch of goods from the distribution centers to the stores, and non-recoverable taxes. They are deducted from supplier bonuses and from the present value adjustment of goods' purchases on credit, which is carried out based on inventory turnover, recorded under "cost of goods sold". The reversal of present value adjustment is recognized as finance expenses. The cost of imported goods considers the gain or loss on cash flow hedges. The net realizable value is the estimated selling price in the normal course of business, less estimated additional costs necessary to make the sale.

The estimate for inventory losses is based on historical data on thefts of goods, as well as provisions for goods with negative margins, obsolete and damaged goods. Actual losses are determined through physical inventory counts carried out annually.

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Freight costs for transporting goods from distribution centers to stores are accounted for directly as selling expenses in the current income (loss) at the time they occur.

8.2. Breakdown of inventories

	Parent Company and Consolidated	
	2025	2024
Goods for resale	1,121,082	995,293
Raw material inventories	1,133	-
Goods sold in transit for delivery to clients	4,291	1,860
Advance to supplier of raw material	57	76
Present value adjustment	(30,112)	(20,145)
Estimated losses	(53,491)	(43,180)
	1,042,960	933,904
Imports in progress	111,906	98,327
	1,154,866	1,032,231

8.3. Changes in estimated losses

	Parent Company and Consolidated
Changes in the year:	
Balance at December 31, 2023	41,768
(+) Estimated losses	95,406
(-) Write-off for use	(93,994)
Balance at December 31, 2024	43,180
(+) Estimated losses	106,127
(-) Write-off for use	(95,816)
Balance at December 31, 2025	53,491

C&A carries out periodic inventories of products with a high risk of loss throughout the year and annually carries out complete inventory counts of all items. During these inventory counts, the adjustments identified are considered as effective losses, using the provisions for inventory losses recorded for this purpose. This provision, along with the realized losses, is reflected in the statement of profit or loss under "cost of goods sold."

9. Recoverable taxes

9.1. Accounting policy

Recoverable taxes generated in C&A's usual operations, which may be offset and/or refunded by it, and taxes derived from lawsuit in which it is practically certain that there will be an inflow of economic benefits and can be measured with reasonable certainty.

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9.2. Breakdown of recoverable taxes

	Parent Company		Consolidated	
	2025	2024	2025	2024
PIS/COFINS lawsuits	763,700	804,944	763,700	804,944
Current PIS/COFINS	183,294	483,947	183,294	483,947
Current ICMS	163,534	114,458	163,534	114,458
ICMS lawsuits	110,761	107,560	110,761	107,560
IR/CS - Income and social contribution taxes	101,257	61,390	109,312	61,390
IRRF - Withholding income tax	19,063	20,269	19,680	20,738
Other (a)	10,627	5,009	10,627	5,009
	1,352,236	1,597,577	1,360,908	1,598,046
Current assets	560,872	469,885	569,544	470,354
Non-current assets	791,364	1,127,692	791,364	1,127,692

a) It refers mainly to social security benefits.

9.2.1. Expected realization of recoverable taxes

Based on the projections prepared by Management, the amount of recoverable taxes, presents the following expectation of realization on December 31, 2025:

Year	Parent company	Consolidated
2026	560,872	569,544
2027	380,756	380,756
2028	255,680	255,680
2029	137,649	137,649
2030-2031	17,279	17,279
Total	1,352,236	1,360,908
Current assets	560,872	569,544
Non-current assets	791,364	791,364

Management continually assesses the ability to use these taxes and does not expect any impairment losses.

9.2.2. PIS/COFINS lawsuits

	Parent Company and Consolidated	
	2025	2024
ICMS from PIS and COFINS calculation basis (a)	337,463	396,179
Lawsuit - Manaus free trade zone (b)	161,287	167,646
Lawsuit - Good Law (c)	177,234	163,884
ICMS-ST on PIS and COFINS calculation basis (d)	87,716	77,235
	763,700	804,944

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Changes:

	2025	2024
Opening balance	804,944	664,919
(-) Offsetting	(110,799)	(144,888)
(+) Recognition of principal	7,853	122,190
(+) Recognition of interest + updates	61,702	162,723
Closing balance	763,700	804,944

(a) ICMS from PIS and COFINS calculation basis

The Company has two lawsuits on the topic that were finalized on February 28, 2019 and February 23, 2022, respectively, with favorable decisions. The balance of the first lawsuit was fully offset in October 2025.

(b) Credit arising from Lawsuit - Manaus Free Trade Zone (ZFM)

On November 30, 2020, the Company received a final and unappealable decision, recognizing the right to equate sales made in the ZFM to exports and, therefore, acknowledging the non-levy of PIS and COFINS on the revenues generated in the ZFM, as well as the right to enjoy the benefit from the REINTEGRA program.

(c) Credit arising from Lawsuit - Good Law

On March 18, 2023, the proceeding was finalized in the Supreme Federal Court (STF), with a favorable decision to the Company, validating the right already recognized by the Superior Court of Justice (STJ) on October 27, 2022, acknowledging the right to enjoy the benefit of reducing the PIS and COFINS rates to zero, as provided for by Law 11196/2005 (known as the "Good Law"), for the retail sale of smartphones produced in the country until December 31, 2018.

(d) ICMS-ST on PIS and COFINS calculation basis

In a unanimous decision issued by the Superior Court of Justice (STJ) under the repetitive appeal for Topic 1125, the court established the thesis that ICMS-ST is not included in the PIS and COFINS calculation basis owed by the replaced taxpayer under the progressive tax replacement regime. The Company has two lawsuits on the topic with favorable decisions, awaiting the final and unappealable decisions.

9.2.3. ICMS credits

(a) Credit arising from Lawsuit - ICMS rate on the supply of electric power

In December 2021, the Federal Supreme Court (STF), in a case of general repercussion (Extraordinary Appeal 714139/SC), decided to apply the general rate for ICMS on electricity and telecommunication services, to the detriment of the increased rate. Thus, even though its lawsuits distributed between 2015 and 2016 have not yet received a final and unappealable decision, the Company assesses the entry of economic benefits as virtually certain. The updated balance on December 31, 2025, is R\$ 93,582 (R\$ 87,201 on December 31, 2024).

**(b) Credit arising from Lawsuit - DIFAL - sale to final consumer who is not an ICMS taxpayer**

On March 30, 2022, the leading case (RE 1287019), referring to Topic 1093, was judged by the STF on the basis of general repercussion, which declared the collection of the ICMS Rate Difference - DIFAL unconstitutional in interstate transactions involving non-taxpaying final consumers, until a complementary law was enacted in this regard. Considering this scenario, the Company recognized the amounts of its lawsuits filed in December 2018, whose updated balance is R\$ 19,134 (R\$ 17,476 on December 31, 2024).

10. Income and social contribution taxes**10.1. Accounting policy**

Tax assets and liabilities are measured at recoverable value expected or at value, payable to the tax authorities. The income and social contribution taxes are calculated based on the rates of 15% plus a surcharge of 10% on taxable income in excess of R\$ 20,000 each month for income tax and 9% on taxable income for the Social Contribution on Net Profit (CSLL). Tax losses and negative basis of social contribution are negative results determined in previous periods that can be offset up to the limit of 30% of the taxable income determined in each year, with no statute of limitations for offsetting.

Deferred IRPJ and CSLL are recognized when there is a temporary difference between tax and accounting balances, given that tax credits and debits are not subject to statute of limitations, and arise mainly from provisions for differences between cash and accrual, tax losses, lease operations, tax loss carryforwards and provisions for tax, civil and labor risks. The credits are based on the continued profitability of its operations.

For disclosure purposes, the deferred tax asset was offset against the deferred tax liability, IRPJ and CSLL of the same taxable entity. On December 27, 2024, Law 15079 was published, which established the CSLL Surcharge with the aim of aligning Brazilian legislation with the GloBE Rules, bringing the country in line with Pillar 2 of the OECD's BEPS Project, whose guideline establishes a global minimum tax rate of 15% for multinational groups with annual revenues exceeding € 750 million.

The Company was not impacted by the regulations related to Pillar 2, as its consolidated effective rate for the current period was 19%, remaining above the minimum threshold established by the aforementioned rules.

Management exercises judgment to determine the amount of deferred tax asset that can be recognized, based on the probable term and amount of future taxable income, along with future tax planning strategies. At the end of each year, the recoverability of deferred taxes is assessed, and write-offs are made to the extent that it is no longer likely that taxable income will be available to allow their use.

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10.2. Breakdown and changes in deferred taxes

	Parent Company			
	Increase/(decrease)			
	Balance in 2024	in income (loss)	in shareholders ' equity	Balance in 2025
Tax loss carryforwards and negative basis	380,876	(38,072)	-	342,804
Temporary differences				
Provision for tax, civil and labor risks	98,604	(35,885)	-	62,719
Provision for loss in inventories and accounts receivable	19,798	19,053	-	38,851
Provision for loss on property, plant and equipment and right-of-use assets	5,840	(3,345)	-	2,495
Provision for profit sharing	33,841	(9,021)	-	24,820
Leases - CPC 06 (R2)	104,745	4,732	-	109,477
Adjustments to fair value	-	1,539	-	1,539
Realization of negative goodwill (FIDC)	16,091	17,504	-	33,595
Expected credit losses - FIDC	8,289	(8,289)	-	-
Share-based remuneration plan	7,170	5,504	-	12,674
Provision for expenses for store returns	12,850	1,135	-	13,985
Other (a)	51,050	3,153	3,493	57,696
Deferred tax assets	739,154	(41,992)	3,493	700,655
Extempore credits	(181,402)	17,908	-	(163,494)
Present value adjustments	(10,945)	3,205	-	(7,740)
Adjustments to fair value	(2,227)	2,227	-	-
Deferred tax liabilities	(194,574)	23,340	-	(171,234)
Net balance of deferred tax assets	544,580	(18,652)	3,493	529,421

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	Consolidated			Balance in 2025
	Balance in 2024	Increase/(decrease)		
		in income (loss)	in shareholders' equity	
Tax loss carryforwards and negative basis	380,876	(38,072)	-	342,804
Temporary differences				
Provision for tax, civil and labor risks	99,637	(36,209)	-	63,428
Provision for loss in inventories and accounts receivable	21,014	18,839	-	39,853
Provision for loss on property, plant and equipment and right-of-use assets	5,840	(3,345)	-	2,495
Provision for profit sharing	34,470	(9,123)	-	25,347
Leases - CPC 06 (R2)	104,745	4,732	-	109,477
Adjustments to fair value	-	1,539	-	1,539
Expected credit losses - FIDC	8,289	(8,289)	-	-
Share-based remuneration plan	7,170	5,504	-	12,674
Provision for expenses for store returns	12,850	1,135	-	13,985
Other (a)	51,050	2,984	3,663	57,697
Deferred tax assets	725,941	(60,305)	3,663	669,299
Extempore credits	(181,402)	17,908	-	(163,494)
Adjustments to consolidation	(1,226)	(7,091)	-	(8,317)
Present value adjustments	(10,945)	3,205	-	(7,740)
Adjustments to fair value	(2,227)	2,227	-	-
Deferred tax liabilities	(195,800)	16,249	-	(179,551)
Net balance of deferred tax assets	530,141	(44,056)	3,663	489,748

(a) Includes provisions for freight, operating expenses, benefits and legal fees and mark-to-market of derivatives.

	Note	Parent Company			Balance in 2024
		Balance in 2023	Increase/(decrease)		
			in shareholders' equity		
Tax loss carryforwards and negative basis		382,412	(1,536)	-	380,876
Temporary differences:					
Provision for tax, civil and labor risks		97,764	840	-	98,604
Provision for loss in inventories and accounts receivable		21,360	(1,562)	-	19,798
Provision for loss on property, plant and equipment and right-of-use assets		5,113	727	-	5,840
Provision for profit sharing		22,038	11,803	-	33,841
Leases - CPC 06 (R2) / IFRS16		98,754	5,991	-	104,745
Adjustments to fair value		-	(2,227)	-	(2,227)
Expected credit losses - FIDC		7,173	1,116	-	8,289
Present value adjustment - FIDC		4,763	303	-	5,066
Share-based remuneration plan		13,383	(6,214)	-	7,170
Provision for store closing		9,719	3,131	-	12,850
Other (a)	(a)	54,127	17,215	(4,201)	67,141
Deferred tax assets		716,606	29,587	(4,201)	741,993
Extempore credits		(157,603)	(23,799)	-	(181,402)
Present value adjustments		(12,388)	(3,623)	-	(16,011)
Deferred tax liabilities		(169,991)	(27,422)	-	(197,413)
Net balance of deferred tax assets (b)	(b)	546,615	2,166	(4,201)	544,580

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Note	Balance in 2023	Consolidated Increase/(decrease)		Balance in 2024
		in income (loss)	in shareholder s' equity	
Tax loss carryforwards and negative basis	382,412	(1,536)		380,876
Temporary differences:				
Provision for tax, civil and labor risks	98,171	1,466	-	99,637
Provision for loss in inventories and accounts receivable	22,269	(1,255)	-	21,014
Provision for loss on property, plant and equipment and right-of-use assets	5,113	727	-	5,840
Provision for profit sharing	22,038	12,432	-	34,470
Leases - CPC 06 (R2) / IFRS16	98,754	5,991	-	104,745
Adjustments to fair value	-	(2,227)	-	(2,227)
Expected credit losses - FIDC	7,173	1,116	-	8,289
Present value adjustment - FIDC	4,763	303	-	5,066
Adjustments to Consolidation	(845)	(16,472)	-	(17,317)
Share-based remuneration plan	13,384	(6,214)	-	7,170
Provision for store closing	9,719	3,131	-	12,850
Other	(a) 54,127	17,215	(4,201)	67,141
Deferred tax assets	717,078	14,677	(4,201)	727,554
Extempore credits	(157,603)	(23,799)	-	(181,402)
Present value adjustments	(12,388)	(3,623)	-	(16,011)
Deferred tax liabilities	(169,991)	(27,422)	-	(197,413)
Net balance of deferred tax assets	(b) 547,087	(12,745)	(4,201)	530,141

(a) Includes provisions for freight, operating expenses, benefits and legal fees.

(b) In 2024, the Company joined the programs of the Federal Revenue Service of Brazil (RFB), Zero Litigation and self-regulation, which offered special conditions for the regularization of tax debts, using tax losses. Therefore, the accounting entries for the use of this tax loss were offset by the tax liability and not by the deferred income tax/social contribution accounts in the income (loss).

10.3. Estimated realization of deferred tax assets as of December 31, 2025

C&A reviews the income (loss) projections every quarter and estimates that it will realize the deferred tax assets in the following years:

Year	Parent company	Consolidated
2026	204,273	172,561
2027	101,600	101,954
2028	118,441	118,441
2029	121,542	121,542
2030–2031	137,687	137,687
2032–2036	17,112	17,114
	700,655	669,299

Management continually assesses the usability of deferred taxes and does not expect any impairment losses.

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10.4. Reconciliation of effective rate

	Parent Company		Consolidated	
	2025	2024	2025	2024
Income (loss) before taxes	692,560	494,725	726,981	512,919
Income and social contribution tax expense at nominal rates - 34%	(235,470)	(168,207)	(247,174)	(174,392)
Adjustments to obtain effective rate				
Equity in net income of subsidiaries	22,706	11,917	-	-
Interest on own capital	53,720	35,700	53,720	35,700
Technological Innovation - R&D	25,687	20,658	25,687	20,658
Interest update (SELIC) on tax overpayment	26,902	58,975	26,918	59,040
Other (a)	984	(1,291)	955	(1,447)
Income and social contribution taxes	(105,471)	(42,248)	(139,894)	(60,441)
Current	(86,819)	(47,853)	(95,838)	(51,136)
Deferred	(18,652)	5,605	(44,056)	(9,305)
	(105,471)	(42,248)	(139,894)	(60,441)
Effective rate	15%	9%	19%	12%

(a) Deferred taxes are not being recognized at subsidiary Orion, as the generation of future taxable income to utilize them is not considered probable. The unrecognized balance of these deferred taxes is R\$ 22,809.

11. Investment

11.1. Accounting policy

The investment of the Company in its subsidiaries is accounted for under the equity method in parent company financial statements. After applying this method, the Company assesses whether it is necessary to recognize additional impairment on the recoverable amount of its investments in subsidiaries. The Company verifies, on each closing date of statement of financial position, if there is objective evidence that investment in the subsidiaries suffered impairment loss. If there is such evidence, the Company calculates the amount of loss as the difference between the recoverable amount of the subsidiary and the book value, recognizing the loss in the statement of profit or loss.

11.2. Information of investment in subsidiaries

Subsidiaries	2025							Equity in net income of subsidiaries
	Ownership interest	Assets	Liabilities	Shareholders' equity	Gross revenue	Net profit	Book value of the investment	
Orion	99.99%	14,002	(1,621)	12,381	712	1,219	12,380	1,219
C&A Pay Holding	99.99%	352,262	(109,656)	242,606	56,106	65,562	242,606	65,562
Total							254,986	66,781

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Subsidiaries	2024							Equity in net income of subsidiaries
	Ownership interest	Assets	Liabilities	Shareholders' equity	Gross revenue	Income/ (loss)	Book value of the investment	
Orion	99.99%	11,342	(604)	10,738	1,648	1,695	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 the loss of Moda Lab (R\$ 47) and the equity income of R\$ 36 refers to the unrealized income (loss) in the inventories.

11.3. Changes in investments

	Orion	C&A Pay Holding	Moda Lab	Total
Balances of investments at December 31, 2023	9,465	108,827	(43)	118,249
(-/+) Equity in net income of subsidiaries	1,695	33,401	(47)	35,049
(-) Dividends	(423)	-	-	(423)
(-) Settlement of investment	-	-	7	7
(+) Capital increase	-	35,000	-	35,000
(+/-) Other comprehensive income	-	(318)	-	(318)
(+/-) Unrealized income (loss) in inventories	-	-	83	83
Balances of investments at December 31, 2024	10,737	176,910	-	187,647
(-/+) Equity in net income of subsidiaries (a)	1,219	65,562	-	66,781
(+/-) Reversal of dividends	424	-	-	424
(+/-) Other comprehensive income	-	134	-	134
Balances of investments at December 31, 2025	12,380	242,606	-	254,986

(a) In 2025, it considers the elimination of related-party transactions regarding the discount of C&A Pay of R\$ 81,864.

12. Property, plant and equipment

12.1. Accounting policy

Assets are recorded at the cost of acquisition, formation or construction, less recoverable taxes. They include the estimate for store restoration, when not included in the right of use, and are reduced by depreciation and impairment estimate. Depreciation is calculated by the straight-line method, considering the estimated useful life of assets. At the beginning of each fiscal year, the estimated useful life, the restoration cost, and the depreciation methods are reviewed, considering the expected use of the assets, the planning of store refurbishments, and evidence of a useful life other than that recorded. This assessment is documented in a report by C&A's experts. Any changes in the estimates are accounted for prospectively.

A property, plant and equipment item is written off when it is disposed of, when the entity loses control over it, or when future economic benefits are no longer expected to be generated. Currently, the gain or loss from the transaction is recognized, measured by the difference between the net sales price and the book value of the asset.

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12.2. Breakdown of property, plant and equipment (Parent Company and Consolidated)

Property, plant and equipment	Cost	Accumulated depreciation	Impairment	2025
Improvements	1,620,259	(1,061,434)	(2,868)	555,957
Furniture and fixtures	735,366	(416,999)	(27)	318,340
Machinery and equipment	217,343	(114,994)	(23)	102,326
IT equipment	325,955	(255,475)	(26)	70,454
Construction in progress	9,192	-	-	9,192
Estimated cost of store returns	3,086	(2,043)	-	1,043
Land	126	-	-	126
Vehicles	20	(20)	-	-
	2,911,347	(1,850,965)	(2,944)	1,057,438

Property, plant and equipment	Cost	Accumulated depreciation	Impairment	2024
Improvements	1,466,925	(1,030,631)	(2,002)	434,292
Furniture and fixtures	607,893	(376,508)	(2,926)	228,459
Machinery and equipment	199,615	(110,478)	(147)	88,990
IT equipment	293,980	(229,863)	(91)	64,026
Construction in progress	5,448	-	-	5,448
Estimated cost of store returns	3,780	(1,634)	-	2,146
Assets held by third parties	227	-	-	227
Land	126	-	-	126
Vehicles	20	(20)	-	-
	2,578,014	(1,749,134)	(5,166)	823,714

C&A has no property, plant and equipment items provided as collateral.

12.2.1. Changes in property, plant and equipment (Parent company and Consolidated)

	Average depreciation period in years	Balance at December 31, 2024	Additions (b)	Depreciation	Write-offs	Transfers	Reversal (formation) Impairment	Balance at December 31, 2025
Machinery and equipment	14	88,990	249	(7,510)	(154)	20,627	124	102,326
Furniture and fixtures	9	228,459	108,125	(49,299)	(2,819)	30,975	2,899	318,340
IT equipment	5	64,026	31,987	(26,191)	(2,021)	2,588	65	70,454
Improvements (a)	11	434,292	72	(74,786)	(7,108)	204,353	(866)	555,957
Land	-	126	-	-	-	-	-	126
Construction in progress	-	5,448	262,060	-	-	(258,316)	-	9,192
Assets held by third parties	-	227	-	-	-	(227)	-	-
Estimated cost of store returns	-	2,146	108	(279)	(932)	-	-	1,043
Total		823,714	402,601	(158,065)	(13,034)	-	2,222	1,057,438

(a) Improvements include several assets, such as civil works, lighting, fire systems, etc. The depreciation rate is defined by the useful life of these assets.

(b) During 2025, C&A acquired R\$ 402,493 of property, plant and equipment items, of which R\$ 93,243 are recorded as suppliers (R\$ 56,596 in the same year of 2024) and R\$ 85,821 were disbursed in 2025 for acquisitions that occurred prior to December 31, 2024 (in 2024, R\$ 13,324 were disbursed for previous years).

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	Average depreciation period in years	Balance at December 31, 2023	Additions (b)	Depreciation	Write-offs	Transfers	Reversal (formation) Impairment	Balance at December 31, 2024
Machinery and equipment	14	80,483	-	(6,417)	(49)	15,121	(148)	88,990
Furniture and fixtures	9	197,672	59,198	(39,269)	(847)	14,629	(2,924)	228,459
IT equipment	5	60,237	25,458	(25,211)	(18)	3,651	(91)	64,026
Improvements (a)	11	418,591	1,114	(77,179)	(10,053)	102,476	(657)	434,292
Land	-	126	-	-	-	-	-	126
Construction in progress	-	4,728	136,597	-	-	(135,877)	-	5,448
Assets held by third parties	-	-	227	-	-	-	-	227
Estimated cost of store returns	-	1,564	810	(228)	-	-	-	2,146
Total		763,401	223,404	(148,304)	(10,967)	-	(3,820)	823,714

(a) Improvements include several assets, such as civil works, lighting, fire systems, generators, etc. The depreciation rate is defined by the useful life of these assets.

(b) During the current year of 2024, the Group acquired R\$ 223,514 of property, plant and equipment items, of which R\$ 81,235 are recorded as suppliers (2023: R\$ 13,324) and R\$ 13,324 were disbursed in 2024 for acquisitions that occurred prior to December 31, 2023 (2023: R\$ 19,364 for previous years).

13. Intangible assets

13.1. Accounting policy

Intangible assets with defined useful lives (software, systems, and goodwill) are recorded at cost less accumulated amortization and impairment losses. IT systems includes spending on software licensing and in-house systems development.

Development expenditures that correspond to direct costs with personnel and services are capitalized as intangible assets when they meet the following criteria: technical feasibility for project completion, intention and capacity for use or commercialization, generation of future economic benefits, and the possibility of reliable measurement of the costs involved. Expenses related to maintenance and research are recognized directly as an expense in the income (loss) for the year.

The amortization of these assets begins when they are available for use, being calculated under the straight-line method based on the estimated useful life. The useful life and amortization method are reviewed at the end of each reporting period, and changes in estimates are accounted for on a prospective basis.

Intangible assets with indefinite useful lives are subject to recoverability tests performed annually.

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13.2. Breakdown of intangible assets (Parent company and Consolidated)

	2025				2024			
	Cost	Accumulated amortization	Impairment	Book balance	Cost	Accumulated amortization	Impairment	Book balance
IT systems	1,076,698	(693,705)	(384)	382,609	1,418,493	(973,826)	(6,536)	438,131
Goodwill	77,273	(58,910)	-	18,363	77,413	(56,005)	(575)	20,833
Right to exploration of financial services	415,000	-	-	415,000	415,000	-	-	415,000
Intangible assets in progress	33,759	-	-	33,759	18,843	-	-	18,843
Total	1,602,730	(752,615)	(384)	849,731	1,929,749	(1,029,831)	(7,111)	892,807

C&A holds an intangible asset with undefined useful life: the right to exploration of financial services. This right was acquired on December 1, 2021, and has no set deadline for its use. The operation was recorded at the acquisition value of R\$ 415,000. Although there was no goodwill in the transaction, due to the nature of the asset, the recoverability test is carried out annually. The financial settlement related to this acquisition took place on June 23, 2025, for the amount of R\$ 650,648.

13.3. Changes in intangible assets

13.3.1. Parent Company

	Average amortization period in years	2024	Additions	Amortization	Write-offs	Transfers	Reversal (formation) Impairment	2025
IT systems	5	438,131	-	(183,217)	(6,246)	127,789	6,152	382,609
Goodwill	10	20,833	-	(3,330)	(575)	860	575	18,363
Right to exploration of financial services	undefined	415,000	-	-	-	-	-	415,000
Intangible assets in progress		18,843	143,565	-	-	(128,649)	-	33,759
Total		892,807	143,565	(186,547)	(6,821)	-	6,727	849,731

(a) During the current year of 2025, C&A acquired R\$ 143,565 in intangible assets, related to systems. Of this amount, R\$ 29,982 is recorded as suppliers, and R\$ 31,143 was disbursed in 2025, related to acquisitions that occurred before December 31, 2024.

	Average amortization period in years	2023	Additions	Amortization	Write-offs	Transfers	Reversal (formation) Impairment	2024
IT systems	5	510,911	-	(197,141)	(10)	130,907	(6,536)	438,131
Goodwill	10	20,079	-	(3,598)	(926)	5,853	(575)	20,833
Right to exploration of financial services	undefined	415,000	-	-	-	-	-	415,000
Intangible assets in progress		18,503	137,100	-	-	(136,760)	-	18,843
Total		964,493	137,100	(200,739)	(936)	-	(7,111)	892,807

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13.3.2. Consolidated

	Average amortization in years	2024	Additions	Amortization	Write-offs	Transfers	Reversal (formation) Impairment	2025
IT systems	5	438,131	-	(183,217)	(6,246)	127,789	6,152	382,609
Goodwill	10	20,833	-	(3,330)	(575)	860	575	18,363
Right to exploration of financial services	undefined	415,000	-	-	-	-	-	415,000
Intangible assets in progress		18,843	143,565	-	-	(128,649)	-	33,759
Total		892,807	143,565	(186,547)	(6,821)	-	6,727	849,731

	Average amortization in years	2023	Additions	Amortization	Write-offs	Transfers	Reversal (formation) Impairment	2024
IT systems	5	511,182	-	(197,141)	(281)	130,907	(6,536)	438,131
Goodwill	10	20,079	-	(3,598)	(926)	5,853	(575)	20,833
Right to exploration of financial services	undefined	415,000	-	-	-	-	-	415,000
Intangible assets in progress		18,503	137,100	-	-	(136,760)	-	18,843
Total		964,764	137,100	(200,739)	(1,207)	-	(7,111)	892,807

14. Impairment

14.1. Accounting policy

Management reviews, at the end of each fiscal year, the net book value of assets to assess possible events or changes in economic, operating or technological circumstances that might indicate an impairment of assets. When such evidence is identified and it is determined that the net book value exceeds the recoverable value, an impairment estimate is recognized, adjusting the book value to the recoverable value. The recoverable value of an asset or a cash-generating unit is defined as the higher of value in use and net sales value. Each store is considered an independent cash-generating unit, except for the store located in Shopping Iguatemi in São Paulo, which is considered a concept store and generates benefits for C&A's other operations.

The Company uses as an indicator of recoverable value loss the stores that, at the end of the year, show negative EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) and/or that suffered impairment in the previous year. To that end, the stores must have been in operation for more than three years, an age at which they are considered mature by the Company.

The intangible asset with an indefinite useful life, related to the right to explore financial services, is subjected to impairment tests annually.

The impairment assessment is based on detailed financial forecasts and budgets, which are prepared separately by Management for each cash-generating unit to which the assets are



allocated. An average long-term growth rate is calculated and applied to future cash flows, with key assumptions based on past experience and aligned with external sources of information.

In addition, the Company records an estimate for impairment in cases of store closures when they are approved by Management. The estimate for loss is constituted in the estimated amount for write-offs of assets, being reversed at the time of the effective write-off.

14.2. Assessment of recoverable value by cash-generating unit (CGU)

The Company used cash flow projections, after income tax, based on financial budgets approved by Management, ensuring consistency with the results presented in the past. For the preparation of the discounted cash flow, the assumptions below were considered:

I. Discount rate: calculated considering the risk-free rate, the business risk, the rate charged for third-party capital, and the Company's capital structure. The discount rate used was 13.27% p.a. For the calculation of the discount rate, the Company considers the lease liability as part of the financing activity.

II. Revenues: projected until the end of the store lease agreement; and

III. Costs and expenses: projected in the same fiscal year as the revenues, adjusted for an estimated inflation of 4.5% p.a. for 2026 and 4% p.a. for the subsequent periods, based on estimates from the Central Bank.

On the base date December 31, 2025 and 2024, the Company had a provision for impairment of its assets, as shown in the table below:

Type	Recoverability test		Discontinued operations, renovations, and closings of stores		Total	
	2025	2024	2025	2024	2025	2024
Property, plant and equipment	(2,509)	-	(435)	(5,166)	(2,944)	(5,166)
Intangible assets	-	-	(384)	(7,111)	(384)	(7,111)
Subtotal	(2,509)	-	(819)	(12,277)	(3,328)	(12,277)
Right-of-use	(2,015)	(4,900)	(1,419)	(6,034)	(3,434)	(10,934)
Total	(4,524)	(4,900)	(2,238)	(18,311)	(6,762)	(23,211)

14.3. Assessment of the recoverable value of intangible assets with indefinite useful life

The recoverability of the "right to explore financial services" asset is assessed annually based on the value in use method, using the best estimates provided by Management regarding the future performance of the business. This assessment considered the analysis of historical management data, interviews with the Management, and the review of the results obtained. Main assumptions:



- I. Asset value: R\$ 415 million;
- II. Evaluation base date: December 31, 2025;
- III. Discount rate: calculated using the cost of equity method. The discount rate used was 14.32% p.a.;
- IV. Projection period: Cash flows were projected for the period from January 1, 2025, to December 31, 2035, totaling 10 years. From 2036, the projection considers the stabilization of the flow, with growth only at the inflation rate;
- V. Residual value - Calculated through perpetuity considering stabilized growth relative to the expected long-term inflation (5%);
- VI. Revenues: projected considering card issuance, churn (cancellations), average spending per card, among other variables;
- VII. Expenses: projected considering card processing fee (interchange) expenses, operating expenses, and provision for loss.

The recoverable value of the “right to explore financial services” asset is higher than its book value, and for this reason, no estimate for loss to the recoverable value is recognized.

15. Leases

15.1. Accounting policy

A contract is or contains a lease if it transfers the right to control the use of an identified asset for a period of time in exchange for consideration for which is needed to evaluate if:

- (i) the contract involves the use of an identified asset, which may be explicit or implicit, and may be physically distinct or represent substantially the full capacity of a physically distinct asset. If the supplier has a substantial right to replace the asset, then the asset is not identified;
- (ii) the Company has the right to obtain substantially all economic benefits from the asset use during the contract period; and
- (iii) the Company has the right to direct the use of the asset. The Company has the right to make a decision to change how and for what purpose the asset is used if:
 - has the right to operate the asset, or
 - projected the asset in a way that predetermines how and for what purpose it will be used.

At the beginning of the contract, the Company recognizes an asset with right of use and a lease liability that represents the obligation to make the payments related to the underlying asset of the lease.

C&A used, as a cost component, the amounts of fixed lease payments or lease payments that are fixed in essence, which would be the minimum payments agreed upon in contracts with variable

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payments according to the attainment of revenues, gross of PIS and COFINS. The amounts of assets for right of use also include the prepaid lease payments and provisions for store restoration, deducted from the incentives received from lessors. The amounts of specifically variable payments are recognized monthly as operating expenses.

The lease liability is initially measured at the present value of the lease payments that were not paid at the start date of the contract, discounted using the incremental interest rate, defined as the nominal interest rate (with inflation) equivalent to that which C&A would have if contracting a loan for a similar term and with similar guarantee.

C&A applied judgment to determine the lease term of certain contracts, considering the provisions of Law 8.245 (Tenancy Law), which grants the lessee the right to contract renewals when certain conditions are met, as well as past practices regarding C&A's success in renewing its contracts. The assessment whether C&A is reasonably certain to exercise these options has an impact on the lease term, which may significantly impacts the value of the lease liabilities and the recognized right-of-use assets. Expired contracts that are in the process of being renewed are not considered, as they do not yet constitute a right, nor is it possible to determine the value of the contract. Based on the history of the latest renewals, in which the terms and amounts negotiated differ substantially from the expired contracts, C&A considers renewals to be a new contract, so it does not consider renewals on time.

15.2. Incremental interest rate

C&A determines its incremental interest rates based on the credit curves made available by ANBIMA, which reflect different terms and levels of risk in the secondary market. The rates extracted are adjusted to C&A's reality, considering its credit profile. The rates are updated monthly and with each new lease contract.

Incremental rates at contract terms practiced as of December 31, 2025 and 2024:

Terms of agreements (years)	2025		2024	
	Actual rate (% p.a.)	Nominal rate (% p.a.)	Actual rate (% p.a.)	Nominal rate (% p.a.)
0-3 years	6,1-9,4	14,1-16,3	5,3	12,3
3-5 years	6,4-8,2	13,9-16,1	2,1-8,8	6,6-15,3
5-6 years	6,2-7,6	13,5-15,6	3,5-7,5	11,8-15,3
6-10 years (or more)	6,6-9,1	14,2-17,2	6,5-9,4	11,6-16,2

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15.3. Changes in balances of right-of-use asset and lease liability (Parent Company and Consolidated)

15.3.1. Changes in right-of-use assets

	Right-of-use asset			Lease liabilities
	Properties	Equipment	Total	
Balance at December 31, 2023	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
Provision for disassembly costs	9,429	-	9,429	-
Prepayments	2,179	-	2,179	-
Impairment	(10,934)	-	(10,934)	-
New/renewed/terminated contracts	84,654	7,817	92,471	(76,565)
Remeasurement	138,410	1,025	139,435	(139,824)
Balance at December 31, 2024	1,502,621	27,288	1,529,909	(1,826,876)
Amortization	(369,517)	(6,183)	(375,700)	-
Financial charges	-	-	-	(191,167)
Payments made	-	-	-	545,538
Provision for disassembly costs	3,240	-	3,240	-
Prepayments	561	-	561	-
New contracts	94,042	-	94,042	(94,042)
Contractual terminations	(25,756)	-	(25,756)	34,556
Remeasurement	247,258	994	248,252	(248,252)
Balance at December 31, 2025	1,452,449	22,099	1,474,548	(1,780,243)
Current liabilities				(372,743)
Non-current liabilities				(1,407,500)

The amount presented above is not deducted from the PIS/COFINS credits on the payment of leases, of R\$ 48,585 (R\$ 46,386 in 2024), and on the interest, of R\$ 15,360 (R\$ 14,148 in 2024). These credits were recorded directly in the income (loss) as reductions of the amortization and interest expense. In 2025, 30 contracts were renewed, 21 new contracts were signed and 4 were terminated (in 2024, 28 contracts were renewed and 11 new contracts were signed).

15.4. Comparison of lease projections between the scenarios

In accordance with the guidance from the CVM/SNC/SEP Circular Letter 02/2019 and with the aim of providing the market with a comprehensive view of the various effects that arise from the application of models with and without inflation on the minimum payment flows of leases, using the same incremental interest rate for discounting (6.1% to 17.2%), the comparative balances of the lease liability of the right of use, finance expenses, and amortization expense for the current fiscal year are presented below according to the following scenarios:

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Scenarios	Incremental rate	Future payment flow
1	Nominal	With inflation projection
2	Nominal	Without inflation projection

Scenario 2 was adopted by C&A for the current year ended December 31, 2025, as determined by CPC 06 (R2)/IFRS 16. Below are the comparative balances of lease liabilities:

2025				
Scenarios	Lease liabilities	Financial charges	Depreciation expense	Total expense
Scenario 1	1,951,336	113,770	414,411	528,181
Scenario 2 (accounted for)	1,780,243	191,294	375,701	566,995

15.5. Minimum future payments and potential right of PIS and COFINS (Parent Company and Consolidated)

The minimum future payments under leases, in accordance with the commercial leases, along with the fair value of the minimum lease payments, are as follows:

	2025		2024	
	Payments	Potential right to PIS/COFINS (*)	Payments	Potential right to PIS/COFINS (*)
With maturity				
≤01 year	547,966	(49,005)	522,899	(47,372)
1-5 years	1,406,133	-	1,407,659	(126,305)
>5 years	502,386	-	551,011	(49,118)
Total minimum payments	2,456,485	(49,005)	2,481,569	(222,795)
Discount to present value of minimum payments	(676,242)	16,711	(654,693)	58,566
Present value of minimum payments	1,780,243	(32,294)	1,826,876	(164,229)
Current liabilities	372,743		352,734	
Non-current liabilities	1,407,500		1,474,142	

The potential right to PIS/COFINS corresponds to the amount that C&A may recover if the future lease payments are realized. With the enactment of Constitutional Amendment 132/2023, these payments will generate PIS and COFINS credits only until December 31, 2026, since these contributions will be extinguished and replaced by the Contribution on Goods and Services (CBS), whose rate will still be defined by regulation.

During the year ended December 31, 2025, the expense related to the 21 variable lease contracts was R\$ 17,613 (18 contracts in the same year of 2024 of R\$ 6,071). Expenses related to short-term leases and leases of low-value assets totaled R\$ 16,281 (R\$ 7,639 in the same year of 2024), and refer to rentals of printers, forklifts, stores and lease renewal action. Due to low relevance, the future commitment of minimum payments for leases of low-value assets and short-term contracts, as well as projected expenses and the sensitivity analysis of variable leases, are not being presented. C&A does not provide real estate as collateral for any of its operations.

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16. Suppliers

16.1. Accounting policy

Suppliers represent the C&A's obligations arising from the purchase of products, services, expenses with occupancy, property, plant and equipment, and intangible assets. The installment purchase operations for goods are adjusted to the present value on the transaction dates. The contraentry of the Present value adjustment of the suppliers of goods is made against inventories and the recovery of interest is recorded *pro rata die* and recorded as a finance expense. For the other suppliers, the balancing entry of the present value adjustment and the recomposition of the interest are made directly as finance expenses.

The monthly interest rates used for the present value calculation of outstanding suppliers as of December 31, 2025 and 2024 were 1.17% and 0.97%, respectively.

16.2. Breakdown of balances

	Parent company		Consolidated	
	2025	2024	2025	2024
Suppliers of goods	734,876	716,403	734,877	716,403
Suppliers – related parties (a)	125,046	103,085	115,974	98,521
Bradescard Supplier (b)	-	608,563	-	608,563
Suppliers of materials, assets, and services	486,289	471,068	502,056	487,518
Present value adjustment	(28,075)	(21,544)	(28,075)	(21,544)
	1,318,136	1,877,575	1,324,832	1,889,461
Current liabilities	1,318,136	1,877,357	1,324,832	1,889,243
Non-current liabilities	-	218	-	218

(a) Refers to transactions with C&A Sourcing related to purchases of goods imported from the East

(b) It refers to the amount to be paid relating to the acquisition of the right to operate financial services, also known as “*Balcão Bradesco*,” for R\$ 415 million, which is recorded as intangible assets. The updated amount was recorded in the income (loss) as an inflation adjustment against the finance expenses in the “interest with suppliers” subgroup (Note 28). On June 23, 2025, the restated amount of R\$ 650 million was settled.

16.3. Drawee risk obligations

C&A enters into financing agreements with its suppliers, and participation in the agreement is optional for them. The suppliers that adhere to the financing agreement receive advance payment for the invoices sent to C&A through external financial institutions, by paying a fee to the financial institution, of which C&A is not a part. In order for the financial institution to pay the invoices, the goods must have been received and the invoices must be approved by C&A. Payments to the suppliers before the invoice due date are processed by the financial institution and, in all cases, C&A settles the original invoice by paying the financial institution according to the original due date mentioned.

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The agreement does not change the characteristics of the commercial conditions, deadlines, and prices previously established between C&A and its suppliers, and for this reason, the amounts payable have been considered as operational liabilities. If the balances of drawee risk obligations were considered financial liabilities, compliance with the covenants would be maintained.

	<u>Parent Company</u>		<u>Consolidated</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Drawee risk obligations (a)	421,205	350,043	421,205	350,043
Payment maturity range:				
Liabilities that are part of drawee risk operations	104 days	107 days	104 days	107 days
Suppliers and other accounts payable that are not part of the drawee risk operations	103 days	90 days	103 days	90 days

(a) All the suppliers received the payments directly from the bank with which the contract was signed.

C&A received a commission of R\$ 14,729 for this transaction for 2025 (R\$ 14,960 during 2024). During the same year, the discount rate applied by financial institutions to suppliers ranged between 1.57% p.m. and 1.87% p.m. (from 1.57% p.m. to 1.97% p.m. during 2024) and part of this rate corresponds to the spread transferred to C&A as commission.

17. Loans and debentures

17.1. Accounting policy

Loans and debentures are initially recognized at fair value and then measured at amortized cost as provided for in the contract. The costs incurred, including fees, commissions and other costs are being recorded as reductions in liabilities and are appropriated to income (loss) monthly during the debt period. All other loan costs are accounted for as expenses in the period in which they are incurred. Loan costs involve interest and other expenses incurred by C&A in relation to the loans. Interest paid on loans, debentures, and lease liabilities is presented as financing activities in cash flow.

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17.2. Breakdown of loans and debentures (Parent Company and Consolidated)

Contracted conditions				Changes for the year						Maturities				
Descriptions	Rates p.a.	Issuance	Amount	Balance in 2024	Funding	Payment of principal	Interest payment and funding cost	Interest expense, Amortization of costs, and Exchange-rate change	Balance in 2025	2026	2027	2028	2029	2030
In domestic currency														
1 st Issuance of debentures - single series	100% CDI+2.15%	05/2021	500,000	136,178		(134,280)	(9,570)	7,672	-	-	-	-	-	-
Commercial notes - single series, 1 st issuance	100% CDI+2.45%	03/2022	250,000	259,262	-	(250,000)	(42,596)	33,334	-	-	-	-	-	-
2 nd Issuance of debentures - 1 st Series	100% CDI+2.10%	04/2022	247,500	188,070	-	(185,087)	(28,890)	25,907	-	-	-	-	-	-
2 nd Issuance of debentures - 2 nd series	100% CDI+2.40%	04/2022	352,500	55,712	-	(13,702)	(7,531)	7,485	41,964	14,559	13,703	13,702	-	-
Commercial notes - single series, 3 rd issuance	100% CDI+2.70%	05/2023	200,000	81,497	-	(80,400)	(4,463)	3,366	-	-	-	-	-	-
3 rd Issuance of debentures - 1 st Series	100% CDI+1.80%	07/2024	495,963	521,569	-	-	(65,564)	78,058	534,063	38,099	495,964	-	-	-
Commercial notes - single series, 4 th issuance	100% CDI+1.50%	09/2024	70,000	72,137	-	(70,000)	(10,901)	8,764	-	-	-	-	-	-
Commercial notes - single series, 5 th issuance	100% CDI+1.40%	11/2024	80,000	81,336	-	-	(11,710)	12,239	81,865	81,865	-	-	-	-
4 th Issuance of debentures - 1 st Series	100% CDI+0.80%	09/2025	100,000	-	100,000	-	-	2,814	102,814	2,815	-	33,333	33,333	33,333
4 th Issuance of debentures - 2 nd Series	100% CDI+1.00%	09/2025	200,000	-	200,000	-	-	5,555	205,555	5,555	-	200,000	-	-
(-) Transaction cost				(9,544)	-	-	-	3,755	(5,789)	(3,097)	(1,953)	(284)	(260)	(195)
Total domestic currency				1,386,217	300,000	(733,469)	(181,225)	188,949	960,472	139,796	507,714	246,751	33,073	33,138
In foreign currency														
Working capital - modality 4.131 (h)	USD+5.35%	09/2024	USD 17,769	111,796	-	(95,307)	(7,040)	(9,449)	-	-	-	-	-	-
Total foreign currency				111,796	-	(95,307)	(7,040)	(9,449)	-	-	-	-	-	-
Total				1,498,013	300,000	(828,776)	(188,265)	179,500	960,472	139,796	507,714	246,751	33,073	33,138
Current liabilities				456,541					139,796					
Non-current liabilities				1,041,472					820,676					

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17.3. Transaction cost (Parent Company and Consolidated)

The acquisition cost is amortized based on the duration of the contracts.

Description	Issuance	Series	Maturity/ settlement	Transaction cost				
				Costs incurred	2024	New costs	Appropriated in the year	2025
Debentures	1 st Issuance	Single	05/20/2025	(3,619)	(204)	-	204	-
Commercial note	1 st Issuance	Single	10/24/2025	(1,528)	(687)	-	687	-
Debentures	2 nd Issuance	1 st	11/13/2025	(1,759)	(314)	-	314	-
Debentures	2 nd Issuance	2 nd	05/13/2028	(2,762)	(246)	-	74	(172)
Commercial note	3 rd issuance	Single	05/26/2025	(3,331)	(555)	-	555	-
Debentures	3 rd issuance	Single	07/01/2027	(8,274)	(7,133)	-	2,749	(4,384)
Commercial note	5 th Issuance	Single	11/01/2026	(440)	(405)	-	405	-
-Debentures	4 th issuance	1 st and 2 nd		(1,298)	-	(1,298)	65	(1,233)
					(9,544)	(1,298)	5,053	(5,789)

17.4. Changes in loans and debentures

	Parent Company and Consolidated	
	2025	2024
Opening balance	1,498,013	1,687,854
(+) New loans/debentures	300,000	745,963
(-) Funding cost	(644)	(8,721)
(-) Payment of principal	(828,776)	(955,424)
(-) Interest payment	(188,265)	(175,781)
Total cash effect	(717,685)	(393,963)
(+) Interest	190,295	187,753
(+) Amortization of costs	4,399	6,723
(+/-) Exchange-rate change	(14,550)	9,647
Total without cash effect	180,144	204,123
Closing balance	960,472	1,498,013

All of the above funds were raised to reinforce working capital, without C&A granting a guarantee.

17.5. Covenants

Financing agreements and debentures contain the usual restrictive clauses, which can result in early maturity if they are not complied with.

Based on the clauses in force, C&A must meet certain financial and non-financial covenants. The financial covenants, measured annually on December 31, include the following key indicators:

- I. Net debt / Adjusted EBITDA:** Maintenance of the ratio between Net Debt (composed of loans and debentures plus or minus the balance of derivatives less cash and cash equivalents

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and financial investment) and Adjusted EBITDA (composed of EBITDA plus revenue from discounting suppliers minus non-operating results, defined as the sale of assets, contingency provisions/reversals, impairment and restructuring expenses), at a level equal to or less than 3.0 times, which will be calculated annually on the consolidated financial statements. For such calculation, it is considered the Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) over the past twelve (12) months and disregards the effects brought by the adoption of CPC 06/IFRS 16.

The non-financial covenants are, substantially:

- I. Publication of financial statements:** The Issuer must publish and keep available its audited consolidated financial statements.
- II. Conviction Judgment:** The existence of a conviction judgment involving acts of racial or gender discrimination, child labor, slave labor, prostitution exploitation, or crimes against the environment is prohibited.

C&A periodically monitors the indicators that may impact the covenants. Restrictions imposed are usual in transactions of this nature and do not limit C&A's capacity of conducting its business activities so far. On December 31, 2025, the Company complied with all covenants.

18. Labor obligations

	Parent Company		Consolidated	
	2025	2024	2025	2024
Vacation pay and charges	101,389	88,671	102,138	89,342
Short-term incentive	83,958	107,633	85,440	109,484
Salaries and charges	59,013	51,937	59,418	52,304
Charges on long-term incentive (a)	29,643	21,732	29,643	21,732
Provision for benefits	19,112	14,383	19,112	14,383
Other liabilities (b)	13,848	12,734	14,018	12,891
	306,963	297,090	309,769	300,136
Current liabilities	290,811	276,780	293,617	279,826
Non-current liabilities	16,152	20,310	16,152	20,310

(a) The value of the social charges on the share-based remuneration is calculated based on the value of the C&A Modas share on the reporting date and for this reason is subject to fluctuations.

(b) Other obligations refer substantially to provisions for severance obligations and personal income tax to be collected.

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19. Taxes payable

	Parent Company		Consolidated	
	2025	2024	2025	2024
ICMS	168,661	200,557	168,661	200,557
PIS/ COFINS	98,989	104,641	100,078	105,533
IR/CSLL (Income tax/Social contribution)	93,501	61,274	102,521	61,993
Other (a)	27,752	22,406	29,042	23,205
	388,903	388,878	400,302	391,288
Current liabilities	374,578	373,489	385,977	375,899
Non-current liabilities	14,325	15,389	14,325	15,389

(a) It mainly comprises ISS, INSS, IOF, among others.

20. Provision for tax, civil and labor risks and judicial deposits

20.1. Accounting policy

C&A is a party to several tax, civil and labor lawsuits. Provision is formed for all contingencies referring to lawsuits in which an outflow of funds will probably be required to settle the contingency and a reasonable estimate can be made. Determination of the likelihood of loss includes determination of evidences available, hierarchy of laws, jurisprudence available, more recent court decisions and relevance thereof in legal system, as well as evaluation of external lawyers. Provision is reviewed and adjusted so as to consider changes in circumstances, such as applicable statute of limitations, conclusions of tax audits or additional exposures identified based on new matters or court rulings, based on legal advisor's opinion.

20.2. Balances and changes in provision for tax, civil and labor risks

20.2.1. Parent Company

	2024	Formation (reversal)	Payments	Restatement	2025
Tax (a)	252,397	(100,922)	(19,579)	16,938	148,834
Labor (b)	35,616	15,093	(20,307)	3,067	33,469
Civil (b)	1,999	48,764	(48,784)	186	2,165
Provision for tax, civil and labor risks	290,012	(37,065)	(88,670)	20,191	184,468

	2023	Formation (reversal)	Payments	Restatement	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
Provision for tax, civil and labor risks	287,542	20,568	(32,621)	14,523	290,012

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20.2.2. Consolidated

	2024	Formation (reversal)	Payments	Restatement	2025
Tax (a)	252,397	(100,922)	(19,579)	16,938	148,834
Labor (b)	35,616	15,094	(20,307)	3,067	33,470
Civil (b)	5,039	47,809	(48,784)	186	4,250
Provision for tax, civil and labor risks	293,052	(38,019)	(88,670)	20,191	186,554

	2023	Formation (reversal)	Payments	Restatement	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
Provision for tax, civil and labor risks	288,740	24,552	(34,763)	14,523	293,052

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

PIS/COFINS: Disallowance on the right to credits related to expenses used as inputs in the main activity and COFINS Import credits;

ICMS: Credit disallowance and discussions on the application of fines, calculation basis, among others;

Other - Tax: Exclusion of ICMS and ISS from the calculation basis of CPRB - Social Security Contribution on Gross Revenue and levy of social security contributions on installments discounted from employees for transportation vouchers, food vouchers, medical and dental assistance.

The main changes that occurred in the year ended December 31, 2025 were primarily due to:

- Due to the decision of the Federal Supreme Court (STF), regarding Theme 846, which in terms of general repercussion ruled constitutional the 10% social contribution on the FGTS balance. In light of this, the ongoing lawsuit had an unfavorable final decision, with the amount of the judicial deposit of R\$ 17,443 converted into revenue for the Federal Government.
- Due to the decision of the Federal Supreme Court (STF), regarding Topic 1.135 which, in terms of general repercussion, ruled constitutional the inclusion of the ISS in the calculation basis of the CPRB (Social Security Contribution on Gross Revenue). In light of this, the ongoing lawsuit had an unfavorable final decision, with the amount of the judicial deposit of R\$ 38,896 converted into revenue for the Federal Government.

In November 2024, the Company established a provision for the employer's social security contribution (INSS) related to Repetitive Topic 1174, due to the unfavorable ruling against taxpayers

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issued by the Superior Court of Justice (STJ). In that decision, the STJ established the understanding that social security contributions apply to the amounts deducted from employees related to the transportation voucher, meal/food voucher, and the health and dental care plan.

In August 2025, the Supreme Federal Court (STF) reached the minimum quorum to refer the controversy to the General Repercussion system, under Topic 1415 (ARE 1370843/SC). In this new procedural stage, the STF will analyze – with binding effects for all branches of the Judiciary – the constitutionality of the incidence of the social security contribution provided for in art. 195, I, “a”, of the Federal Constitution, specifically on amounts of transportation voucher and meal voucher paid by the employer through deductions from the employee’s salary.

In light of the matter being referred to the STF and the legal uncertainties inherent in the judgment with general repercussions, the Company conducted a new assessment of the associated risk. Based on opinions from its legal advisors – who assess the risk of loss as possible – C&A reversed the previously established INSS provision, of R\$ 62,145. This reclassification reflects the technical understanding that, as long as the Supreme Court does not establish a definitive thesis, significant uncertainties remain that prevent the maintenance of risk at a level that justifies the recognition of the provision, in accordance with the criteria established by CPC 25 – Provisions, Contingent Liabilities, and Contingent Assets.

The Management will continue to monitor the progress of the judgment in the STF and will reassess the accounting treatment if new facts, decisions, or jurisprudential guidelines change the currently estimated loss prognosis.

(b) Labor: The measurement of the provision for labor lawsuits is carried out from the appeal phase and obtained by applying the historical average of payments and weighted by the loss percentage for the same time period. In the execution phase, the provision is established based on the updated values of the unfavorable decision. The criteria are reviewed semi-annually to assess adherence to the premises, with the last review occurring in June 2025. The measurement of the provision for mass civil lawsuits is calculated based on the application of the historical average of expenses and the loss percentage.

20.3. Judicial deposits

C&A is challenging the payment of certain taxes, contributions, and labor obligations and has made judicial deposits to ensure the continuation of lawsuits, as required by the courts, and/or made by strategic management decision to protect its cash flow. The amounts of the deposits are adjusted based on the official rates published in the country. Thus, the updated amount of the judicial deposits is as follows:

	Parent Company		Consolidated	
	2025	2024	2025	2024
Tax	67,653	121,164	67,653	121,164
Labor and civil	23,705	23,771	23,707	23,776
Total	91,358	144,935	91,360	144,940

**20.4. Judicial deposits with corresponding liability**

The company maintains judicial deposits with a corresponding liability for matters related to COFINS Import.

20.5. Contingencies for possible loss**20.5.1. Tax contingencies**

As of December 31, 2025, C&A had an updated amount of R\$ 591,507 (2024: R\$ 513,052), related to legal and/or administrative claims whose expected loss is classified as possible. In accordance with accounting practices in force, no accounting provisions are formed for these contingencies. Below are the main claims, whose amounts include the principal amount plus fine and interest, and whose probability of loss was assessed as possible by the Company's legal advisors.

	Parent Company and Consolidated	
	2025	2024
PIS/COFINS - Disallowance of unapproved credits and offsets (a)	211,410	220,451
IRPJ/CSLL and PIS/COFINS - Timing of taxation (b)	155,191	139,931
INSS - Unapproved offsets and other (c)	110,937	42,400
ICMS - Credit Disallowance and other (d)	63,393	61,484
Import taxes (e)	34,386	32,389
Other claims	16,190	16,397
	591,507	513,052

- a) PIS/COFINS - Disallowance of credits for expenses used as inputs and offsets not approved;
- b) IRPJ/CSLL and PIS/COFINS - Administrative proceedings in which the timing of taxation of the tax debt is discussed. The Company's legal advisors classify the discussion regarding the amounts of fines and interest of R\$ 145,776 as "possible loss";
- c) INSS - Non-approval of offsetting requests related to social security credits. In August 2025, the Federal Supreme Court referred the discussion to Topic 1415 of General Repercussion (ARE 1370843/SC) to debate the controversy, with binding effects, regarding the "constitutionality of the incidence of social security contributions, as provided in Article 195, item I, letter "a", of the Constitution of the Republic, on the amounts of transportation and meal vouchers paid by the employer based on deductions made from the employee's salary". According to the assessment of the Company and its legal advisors, the chance of loss has changed from probable to possible;
- d) ICMS - Throughout the year there was an increase in new Tax Assessment Notices issued by the states of Mato Grosso do Sul and Ceará, regarding credit disallowances and alleged inventory discrepancies. In December 2025, the Company joined the Special Installment Programs promoted by the states of Rio de Janeiro and Ceará;
- e) Import Taxes - Administrative proceedings in which the non-inclusion of royalties paid for the use of licensed trademarks is disputed;

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20.5.2. Civil and labor contingencies

The provision related to civil and labor claims are reviewed periodically and recognized based on the methodology described in Note 20.3.2b.

As a result of external factors not under C&A's control, it is not practicable to determine the time of disbursement, if any, of legal and administrative disputes that C&A may lose.

21. Other liabilities

	Parent Company		Consolidated	
	2025	2024	2025	2024
Obligations with lessees (a)	56,942	54,310	56,942	54,310
Client credit (b)	6,156	12,722	19,466	22,382
Insurance to be transferred	-	-	5,433	9,996
Other	4,331	7,557	4,820	7,601
	67,429	74,589	86,661	94,289
Current liabilities	17,220	24,033	36,452	43,733
Non-current liabilities	50,209	50,556	50,209	50,556

a) This substantially refers to the provision of R\$ 42,175 to restore the store to its original condition (R\$ 39,941 in 2024).

b) This refers to valid vouchers and gift cards not yet used by customers, as well as excess credits from overpayments made by customers of the C&A Pay credit card, which will be deducted from future purchases and/or returned to customers.

22. Shareholders' equity

22.1. Capital

As of December 31, 2025, the capital of R\$ 1,847,177 is represented by 308,245,068 fully paid common shares (2024: 308,245,068).

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Shareholding structure as of December 31, 2025 and 2024 is as follows:

Shareholders	2025		2024	
	Number of shares	%	Number of shares	%
COFRA Investment SARL	80,363,049	26.07%	80,363,049	26.07%
Morgan Stanley	18,882,299	6.13%	-	-
Incas SARL	14,939,166	4.85%	80,939,166	26.25%
Treasury	5,330,734	1.73%	3,624,126	1.18%
Management	2,638,742	0.85%	2,288,265	0.74%
COFRA Latin America	9,068	0.01%	17,121	0.01%
Outstanding shares	186,082,010	60.36%	141,013,341	45.75%
Total	308,245,068	100.00%	308,245,068	100%

As provided for in Bylaws, the Company is authorized to increase the capital until reaches the limit of 393,000,000 common shares, regardless of statutory amendment, under the terms of Article 168 of Law 6.404, of December 15, 1976, as amended ("Brazilian Corporation Law").

The increase of capital, within the limits of the authorized capital, may be carried out by resolution of the Board of Directors, through the issuance of shares, convertible debentures, or subscription warrants. It will be the responsibility of the Board to approve the conditions for the issuance, including price, time frame, and method of payment. In the case of a subscription with payment in assets, the authority to approve the increase shall be the General Meeting, with prior approval from the Tax Council if established.

22.2. Treasury shares

On January 13, 2025, the Company's Board of Directors approved the creation of a new plan for the repurchase of shares issued by the Company, lasting up to 18 months, starting on January 13, 2025, and ending on July 13, 2026. The Company, may acquire up to 5,000,000 common, registered, book-entry shares, without par value, in compliance with the limitations established in RCMV 77/22.

Share repurchase program (in terms of treasury shares)

Start date	End date	Total Program	Total repurchased	Balance to repurchase
01/13/2025	07/13/2026	5,000,000	4,163,800	836,200

	Quantity	Average cost per share	Historical value	Market value
Balance at December 31, 2023	2,650,501	3.21	8,498	20,753
Delivery of 2021 Plan shares	(2,026,375)	3.21	(6,497)	
Repurchase of shares	3,000,000	10.79	32,364	32,364
Balance at December 31, 2024	3,624,126	9.48	34,365	28,124
Repurchase of shares	4,163,800	8.66	36,039	36,039
Delivery of 2022 Plan shares	(2,457,192)	9.04	(22,214)	-
Balance at December 31, 2025	5,330,734	9.04	48,190	104,802

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22.3. Capital reserve - granted shares

It refers to the reserve established for the shares granted under the share-based remuneration plan. It is accrued as the service is rendered and is consumed by the settlement of the share-based remuneration plan. For further details, check Note 25.

22.4. Legal reserve

The Company's Bylaws provides for that from the annual net profit of 5% will be allocated for formation of legal reserve, which may not exceed 20% of the capital. The balance of legal reserve on December 31, 2025 is R\$ 117,186 (2024: R\$ 87,831).

22.5. Unrealized profit reserve

The Company allocated R\$ 75,720 to the unrealized profits reserve, which is conditional on the use of the PIS/COFINS credits, which are still pending use on December 31, 2025.

22.6. Investment reserve

This reserve aims to strengthen the working capital of C&A and the development of its activities, noting that its balance, added to the balances of other profit reserves, excluding contingency reserves, tax incentive reserves, and reserves of profits to be realized, may not exceed the amount of one hundred percent (100%) of the capital. Once this limit is reached, the General Meeting will resolve, in accordance with Article 199 of Law 11638/07, on the excess, which must be allocated for payment, capital increase, or dividend distribution.

On December 31, 2025, based on the Company's capital budget, R\$ 399,733 (R\$ 291,293 in 2024) was allocated to the investment reserve. The balance of the investment reserve as of December 31, 2025, is R\$ 1,638,639.

22.7. Tax incentive reserve

C&A enjoys ICMS tax incentives in the form of presumed credit due to its operations in the state of Santa Catarina. Thus, it recognized its impacts as credit in the statement of profit or loss in previous periods. The allocation of this incentive to the tax incentive reserve is limited to the calculation of profit in the fiscal year already deducted from mandatory reserves. On December 31, 2025, the total of the reserve for tax incentives is R\$ 36,677 (2024: R\$ 36,677).

22.8. Equity valuation adjustments

It refers to the portion considered effective of the financial instruments designated for cash flow hedge, as per Note 4. Additionally, it includes the effects of the mark-to-market of government bonds available for sale, reflecting the changes in the fair value of these assets over the period.

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23. Dividends and interest on own capital payable (JSCP)

23.1. Accounting policy

As provided for in the Bylaws, shareholders are entitled to receive, in each fiscal year, as dividends, a mandatory minimum percentage of 25% of the net profit for the year, less the legal reserve and the tax incentive reserve and increased by the reversal of previously formed reserves, which is recognized as a liability on the date of statement of financial position. Any amounts that exceed this mandatory minimum are presented as additional proposed dividends in the statement of changes in shareholders' equity and are recorded as dividends payable only on the date such additional dividends are approved by the Company's shareholders at the General Meeting. Interest on own capital is recorded as minimum mandatory dividends net of withholding income tax, as regulated by CVM Resolution 143/2022.

On December 18, 2025, the Board of Directors approved the distribution of interest on own capital for 2025, in the amounts shown in the table below. The payment will be made in 2026 on a date to be determined.

23.2. Distribution of interest on own capital and dividends

	2025	2024
Net profit for the year	587,087	452,477
(-) Legal reserve	(29,354)	(22,623)
(-) Tax incentive reserve	-	(22,117)
Calculation basis of dividends	557,733	407,737
Minimum mandatory dividends - 25%	139,433	101,934
Distribution of dividends and interest on own capital		
Distribution of interest on own capital	158,000	105,000
(-) IRRF on interest on own capital	(18,221)	(14,509)
Dividends	-	11,443
Total to be distributed	139,779	101,934

The tax benefit obtained with 2025 interest on own capital is R\$ 53,720 (R\$ 35,700 in 2024) and was recognized in the statement of profit or loss.

24. Related parties

The related party transactions are performed by the Company and other companies in the Group to enable their operations. Such transactions occur under commutative conditions, not resulting in undue benefits to the parties involved nor in losses to C&A. These operations are conducted in accordance with internal policies and standards, legislation in force, and follow best practices related to operations of this nature. The transactions are agreed upon based on market values, following the transfer pricing rules when applicable.

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We present below the relationship and main operations that C&A has with related parties:

Related party	Type of relation	Transactions among parties
Parent companies		
COFRA Investments	Parent Company - direct	-
Incas SARL	Parent Company - direct	-
COFRA AG	Ultimate indirect parent company	-
Subsidiaries		
Orion Instituição de Pagamento S.A.	Direct subsidiaries	Credit securitization activities
C&A Pay Holding Financeira Ltda	Direct subsidiaries	Ultimate 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 operating as the initiator of a closed-loop payment arrangement, and as the issuer and administrator of the C&A Pay private label cards.
C&A Pay Fundo de Investimento em Direitos Creditórios	Shareholder - Investment fund	Investment fund that acquires credit rights originated by the assignor SCD C&A Pay, and has C&A Modas S.A. as its sole shareholder
Associates		
C&A Services GmbH	Associate, without significant influence	Provision of software licenses
C&A Sourcing Limited	Associate, without significant influence	Import intermediary services for goods (trading)
COFRA Latin America Ltda	Associate, without significant influence	Provision of sureties for C&A Brasil rental contracts
Cyamprev Soc. Previd. Privada	Associate, under direct influence	Closed supplementary pension entity intended for employees of C&A
Instituto C&A	Associate, under direct influence	A federal public benefit organization of which C&A is a supporting partner: volunteering, entrepreneurship and humanitarian aid fronts

As of December 31, 2025 and 2024, the outstanding balances and transactions with related parties are as follows:

24.1. Transactions in the statements of financial position

Related parties	Assets		Suppliers		Parent Company Liabilities		Income (loss)	
	Accounts receivable/ other assets				Interest on own capital / Dividends		Revenue/reimbursement (cost/expense)	
	2025	2024	2025	2024	2025	2024	2025	2024
C&A Pay SCD (a)	77,998	54,122	40	156	-	-	(124,198)	(78,894)
C&A Sourcing (b)	-	-	118,747	96,744	-	-	(630,035)	(515,589)
FIDC C&A Pay (c)	-	-	3,211	4,447	-	-	-	-
COFRA Invest (d)	-	-	-	-	35,630	26,564	-	-
Incas SARL (d)	-	-	-	-	6,623	26,755	-	-
Other (e)	39	488	3,049	1,738	4	3	(4,059)	(3,757)
	78,037	54,610	125,047	103,085	42,257	53,322	(758,292)	(598,240)

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Related parties	Consolidated							
	Assets		Liabilities				Income (loss)	
	Accounts receivable/ other assets		Suppliers		Interest on own capital / Dividends		Revenue/reimbursement (cost/expense)	
	2025	2024	2025	2024	2025	2024	2025	2024
C&A Sourcing (b)	-	-	118,747	96,744	-	-	(630,035)	(515,589)
COFRA Invest (d)	-	-	-	-	35,630	26,564	-	-
Incas SARL (d)	-	-	-	-	6,623	26,755	-	-
Other (e)	28	58	3,091	1,777	4	3	(4,170)	(4,988)
	28	58	121,838	98,521	42,257	53,322	(634,205)	(520,577)

(a) Amount referring to sales made using the C&A's own digital card and reimbursement of expenses shared.

(b) Supplier of goods

(c) Amounts to be transferred for invoice receipts.

(d) The amount is net of taxes

24.2. Remuneration of the members of the Board of Executive Officers and Board of Directors

The expenses (paid and payable) related to the Management remuneration in the years ended December 31, 2025 and 2024 were as follows:

	Parent Company and Consolidated	
	2025	2024
Fixed remuneration	17,426	15,465
Variable remuneration	6,813	7,594
Contributions to post-employment plans	90	94
Long-term incentive	8,166	5,958
Total without charges	32,495	29,111
Estimated charges (a)	14,052	12,056
Total plus charges	46,547	41,167

(a) The value of the social charges on the share-based remuneration is calculated based on the value of the C&A Modas share on the reporting date and for this reason is subject to fluctuations.

At the Annual and Special General Meeting held on April 30, 2025, the annual aggregate remuneration of the members of the Board of Directors and the Board of Executive Officers for the current fiscal year of 2025 was approved, set at a total amount without charges of up to R\$ 37,250 (2024: R\$ 36,331).

25. Share-based remuneration plan

The Share-based Remuneration Plan was approved at the Ordinary General Meeting held on October 2, 2019, from which programs approved by the Board of Directors and respective grants for eligible personnel derive.

The final number of shares that the executive may effectively receive at the end of the vesting period will depend on the level of achievement of C&A's performance targets, according to the performance factor provided for in the contract.

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The right to the shares will be acquired at the end of the 3-year period from the Grant Date, provided that the executives remain, throughout the respective vesting period, as an employee, director, officer or professional of any nature of C&A.

The social charges on the share-based remuneration are the responsibility of C&A and will be collected by it at the time of the program's settlement. Regarding the taxes levied on the delivery of the shares, for which the participant of the plan is responsible, C&A may withhold and discount the corresponding portion of these taxes from the total quantity of shares, delivering to the executive only the net quantity of shares after this withholding.

25.1. Assumptions

	2022 Grants	2023 Grants	2024 Grants	2025 Grants
	Single Lot	Single Lot	Single Lot	Single Lot
Pricing Model	Monte Carlo	Monte Carlo	Monte Carlo	Monte Carlo
Earnings from dividends	0.00%	0.00%	0.00%	0.00%
Risk-free rate	12.785%	12.97%	11.00%	13.38%
Share price considered	2.51	4.98	9.50	17.47
Expected life	03/23/2025	05/10/2026	04/18/2027	05/28/2028
Fair value on measurement date	2.66	5.29	10.20	19.71
Expected annualized volatility	57.58%	66.50%	65.04%	66.16%

For the calculation of the expected volatility of returns, the historical volatility of the peer group formed by companies with business activities similar to C&A's operations was used. The calculation methodology employed was the standard deviation of the daily returns of the shares of these companies.

25.2. Program details:

Program	Grant date	End date of grace period	Balance of shares granted	Fair value (R\$)	Remaining contractual term (months)	2025 Income (loss) (Principal + charges)	2024 Income (loss) (Principal + charges)	Expenses to be incurred (principal)
2019	10/21/2019	10/21/2025	-	9.14	-	-	4,869	-
2022	05/03/2022	03/23/2025	-	2.66	-	5,615	5,923	-
2023	05/10/2023	05/10/2026	4,178,476	5.29	4.3	27,774	11,599	3,280
2024	05/24/2024	04/18/2027	1,878,863	10.20	15.8	9,281	4,749	7,811
2025	05/26/2025	05/28/2028	1,435,996	19.71	29.3	4,775	-	19,131
			7,493,335		Total	47,445	27,140	30,222

Expenses for share-based payments, settled in equity instruments, are recorded as personnel, administrative, and sales expenses, with a corresponding entry to the capital reserve account – granted shares. The number of shares is adjusted according to the prescriptions and/or exit fee and achievement of non-market goals.

The charges with personnel expenses were calculated based on the stock value on the reporting date and the number of shares to be granted on the base date of December 31, 2025 and 2024. For the calculation of charges, the quantity is adjusted by the prescriptions, the exit fee and the

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achievement of performance targets. These amounts are recorded under Liabilities, in the Labor Obligations group.

25.3. Changes in number of shares by program:

Program	2019 Grants 2 nd subst.	2021 Grants	2022 Grants	2023 Grants	2024 Grants	2025 Grants	Total
Balance in 2023	57,402	2,255,925	2,876,843	4,569,680	-	-	9,759,850
Granted	-	-	-	-	2,068,636	-	2,068,636
Prescribed	(28,701)	(19,032)	(202,918)	(374,621)	(178,289)	-	(803,561)
Exercised	-	(2,236,893)	-	-	-	-	(2,236,893)
Balance in 2024	28,701	-	2,673,925	4,195,059	1,890,347	-	8,788,032
Granted	-	-	37,488	-	-	1,435,996	1,473,484
Prescribed	(28,701)	-	-	(16,583)	(11,484)	-	(56,768)
Exercised	-	-	(2,711,413)	-	-	-	(2,711,413)
Balance in 2025	-	-	-	4,178,476	1,878,863	1,435,996	7,493,335

26. Net revenue

26.1. Accounting policy

Revenue from contracts with customers is recognized as the transfer of control of products to customers occurs, represented by the ability to determine the use of the products and to obtain substantially all the remaining benefits from the products. For this, the Company uses the five-step model: (i) identification of contracts with clients (ii) identification of performance obligations provided for in contracts (iii) determination of transaction price (iv) allocation of performance obligation transaction price provided for in contracts; and (v) recognition of revenue when the performance obligation is complied with.

Considering these aspects, the revenue is recorded based on the fair value of the consideration received, excluding taxes, charges over sales, discounts, and rebates.

26.1.1. Sale of goods

Revenue from the sale of goods, whether made in cash or in installments, is recognized when the Company fulfills its performance obligation, which occurs with the transfer of control of the goods to the customer. In installment sales, revenue is recognized at its present value, calculated based on the SELIC rate, with the difference between the nominal value and the present value recognized as a reduction in revenue. The reversal of the APV is recorded as operating revenue according to the flow of the term.

26.1.2. Revenues from commissions on financial products and services

The revenue from financial services is composed of interest from installment sales and late fees from the portfolio originated in the SCD - C&A Pay ("SCD") and assigned to FIDC - C&A Pay. Revenues are recognized according to the accrual basis, that is, in the period to which they refer, provided that their receipt is probable. Operations with pre-fixed financial charges are updated pro rata per day.

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Revenue from services rendered consists of the sale of insurance to clients and other products and services. It is recognized when the service is effectively rendered, characterizing the fulfillment of the performance obligation by the Company.

26.2. Breakdown of net revenue

	Parent Company		Consolidated	
	2025	2024	2025	2024
Sale of goods	10,801,003	9,982,943	10,794,992	9,982,051
Cancellations and exchanges	(612,371)	(496,802)	(612,371)	(496,802)
Taxes on sales of goods	(2,538,731)	(2,326,562)	(2,538,731)	(2,326,562)
Net revenue from sales of goods	7,649,901	7,159,579	7,643,890	7,158,687
Revenue from commissions, services, and financial products (a)	93,601	165,571	358,492	504,402
Taxes on commissions and services	(13,046)	(20,833)	(19,424)	(26,549)
Net revenue from services rendered	80,555	144,738	339,068	477,852
	7,730,456	7,304,317	7,982,958	7,636,539

(a) This refers to the financing operations of C&A Pay

27. Income (loss) by nature

27.1. Sales expenses by nature

	Parent Company		Consolidated	
	2025	2024	2025	2024
Personnel	(766,149)	(728,992)	(777,345)	(740,838)
Third-party material/services	(370,689)	(328,605)	(407,852)	(373,083)
Occupation	(402,784)	(376,434)	(402,786)	(376,434)
Right-of-use depreciation	(317,628)	(301,913)	(317,628)	(301,913)
Depreciation and amortization	(144,908)	(134,870)	(144,908)	(134,870)
Publicity and Promotion	(193,066)	(179,647)	(193,066)	(179,647)
Bank tariffs and services	(160,708)	(154,498)	(104,742)	(105,164)
Technology services	(50,120)	(35,217)	(50,120)	(35,217)
Other (a)	(99,670)	(84,570)	(113,198)	(107,835)
	(2,505,722)	(2,324,746)	(2,511,645)	(2,355,001)

(a) It substantially includes prizes, commissions, and other minor expenses.

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27.2. General and administrative expenses

	Parent Company		Consolidated	
	2025	2024	2025	2024
Personnel	(440,696)	(396,127)	(441,803)	(397,214)
Third-party material/services	(182,864)	(159,609)	(182,996)	(159,759)
Depreciation and amortization	(199,705)	(214,172)	(199,705)	(214,257)
Right-of-use depreciation	(24,847)	(24,497)	(24,847)	(24,497)
Technology services	(34,615)	(30,430)	(34,615)	(30,430)
Occupation	(12,017)	(7,024)	(12,017)	(7,024)
Other	(63,529)	(54,123)	(63,549)	(54,132)
	(958,273)	(885,982)	(959,532)	(887,313)

27.3. Other operating (expenses) revenues, net, by nature

Other operating revenues (expenses) are considered amounts that are not related or are incidentally related to C&A's typical activities and are not expected to occur frequently in future years.

	Parent Company		Consolidated	
	2025	2024	2025	2024
Write-off of assets and closure of stores/DCs (a)	(2,445)	(29,010)	(3,230)	(29,196)
Tax credits and expenses (b)	9,153	116,421	9,153	116,421
Reversal (provision) for tax contingencies (c)	63,599	6,204	63,599	6,204
Revenue from the assignment of the rights of the Bradescard portfolio (d)	154,275	-	154,275	-
Write-off of lease (e)	5,860	-	5,860	-
Strategic advisory	(5,949)	-	(5,949)	-
Other	(6,137)	(16,002)	(6,137)	(15,997)
	218,356	77,613	217,571	77,432

(a) It includes provisions and write-offs of assets, discontinuation of business activities, and contractual penalties;

(b) The recovery of tax credits is shown net of legal and consulting fees and comprises, substantially, PIS and COFINS credits of R\$ 5,941 (same year of 2024: R\$ 62,046) and ICMS recovery credit of R\$ 4,192 (In 2024, this refers to the recovery of tax credits shown net of legal and consulting fees and comprises, substantially, untimely PIS and COFINS credits of R\$ 62,880, credit related to the exclusion of ICMS_ST from the PIS/COFINS base of R\$ 51,326, and social security credits of R\$ 2,488).

(c) In 2025, it mainly refers to the reversal of the INSS provision of R\$ 62,145. (In 2024, this refers mainly to the reversal of provisions for PIS and COFINS credits of R\$ 35,414 and reversal of provision for charges linked to energy operation (TUST/TUSD) totaling R\$ 30,111, previously recognized in income (loss) and addition of provision for social security proceedings totaling R\$ 47,908).

(d) This refers to the recognition of the assignment of rights over the legacy portfolio relating to the termination of the partnership with Bradescard in June 2025. The amount presented is net of PIS and COFINS. (Note 2).

(e) Write-off of lease liability due to the reduction of leased property area.

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28. Financial income (loss)

	Parent Company		Consolidated	
	2025	2024	2025	2024
Income (loss) from exchange-rate change and derivatives				
Loans	(5,978)	(3,096)	(5,978)	(3,096)
Purchases	(3,193)	(10,185)	(3,194)	(10,185)
	(9,171)	(13,281)	(9,172)	(13,281)
Finance income				
Interest on financial investment	120,897	75,373	123,614	84,428
Inflation adjustment on tax credits (a)	86,228	184,956	86,275	164,177
Financial income (loss) from securities	-	-	37,109	8,432
Other finance income (b)	16,744	(5,948)	9,277	14,962
	223,869	254,381	256,275	271,999
Finance expenses				
Interest on loans	(190,295)	(187,753)	(190,295)	(187,753)
Interest on lease	(175,806)	(170,913)	(175,806)	(170,913)
Finance expenses from suppliers – APV	(120,637)	(95,928)	(120,637)	(95,928)
Interest with supplier Bradescard	(42,119)	(69,160)	(42,119)	(69,160)
Inflation adjustment on taxes and contingencies	(24,962)	(21,657)	(24,965)	(21,657)
Charges for advance of receivables (Note 7)	(69,199)	(44,720)	-	-
Other finance expenses	(13,957)	(9,590)	(10,849)	(9,633)
	(636,975)	(599,721)	(564,671)	(555,044)
Income (loss) from FIDC C&A Pay (c)	113,586	106,753	-	-
Net financial income (loss)	(308,691)	(251,868)	(317,568)	(296,326)

(a) It includes R\$ 61,702 (R\$ 162,723 in 2024) referring to the inflation adjustment on the PIS/COFINS extemporaneous tax credits, deducted from PIS/COFINS taxation of R\$ 2,869 (R\$ 7,567 in 2024), see Note 9.

(b) It includes negative goodwill in the purchase of ICMS credits. The figures are net of commission fees.

(c) It refers to the operation of FIDC C&A Pay, set up as an investment fund in credit rights, whose shares are owned by C&A Modas.

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29. Segment information

C&A's Management defined the reportable operating areas based on reports employed to make strategic decisions. The businesses were classified into two segments, retail and financial services. The main characteristics of each division are as follows:

- I. Retail: trade in clothing, perfumes, cosmetics and watches, both in physical stores and through e-commerce;
- II. Financial products and services: consumer credit operations and intermediation of insurance sales through partners and own operations related to the C&A Pay card.

	Financial services			Elimination	Consolidated	
	Retail	Bradescard Partnership	C&A Pay			Total financial services
	2025					
Net operating revenue (a)	7,665,846	29,419	343,799	373,218	(56,106)	7,982,958
Costs of goods sold and services provided (b)	(3,550,235)	(268)	(27,605)	(27,873)	27,606	(3,550,502)
Gross income	4,115,611	29,151	316,194	345,345	(28,500)	4,432,456
Sales (a)	(1,963,784)	(1,396)	(140,035)	(141,431)	56,106	(2,049,109)
General and administrative	(724,887)	(108)	(9,985)	(10,093)	-	(734,980)
Credit losses, net	-	-	(134,301)	(134,301)	-	(134,301)
Other operating revenue, net	63,296	154,275	-	154,275	-	217,571
Income (loss) generated by the segments (excluding depreciation)	1,490,236	181,922	31,873	213,795	27,606	1,731,637
Depreciation and amortization	(675,155)	(477)	(11,456)	(11,933)	-	(687,088)
Financial income (loss)						(317,568)
Income taxes						(139,894)
Net profit for the year						587,087

Statement of financial position

Total assets	9,276,413		1,345,721	(1,303,501)	9,318,633
Liabilities	5,569,359		182,192	(139,974)	5,611,577

- (a) The eliminated amount of R\$ 56,106 refers to the Merchant Discount Rate (MDR), which corresponds to the commission fee charged by SCD C&A Pay on transactions carried out by C&A Varejo. Since this charge occurs between companies of the same group, the impact is eliminated upon consolidation.
- (b) The eliminated amount of R\$ 27,706 refers to the funding cost, which represents the expense incurred by C&A Pay to finance the customer balance. This balance can include overdue amounts, revolving credit or purchases with interest. The finance income from this operation is recognized in Retail. In the consolidated income (loss), both the funding expense and the revenue associated with this transaction are eliminated.

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	Financial services			Elimination	Consolidated	
	Retail	Bradescard Partnership	C&A Pay			Total financial services
	2024					
Net operating revenue	7,195,564	50,006	440,424	490,430	(49,455)	7,636,539
Costs of goods sold and services provided	(3,459,382)	(588)	(30,549)	(31,137)	30,549	(3,459,970)
Gross income	3,736,182	49,418	409,875	459,293	(18,906)	4,176,569
Sales	(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)
Credit losses, net	-	-	(202,442)	(202,442)	-	(202,442)
Other operating revenues (expenses), net	77,614	-	(182)	(182)	-	77,432
Income (loss) generated by the segments (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)
Financial income (loss)						(296,326)
Income taxes						(60,441)
Net profit for the year						452,478
Statement of financial position						
Total assets	10,013,814			1,364,173	(1,324,088)	10,053,899
Liabilities	6,705,330			154,130	(1,114,047)	5,745,413

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30. Insurance contracted

C&A's policy is to maintain insurance coverage at an amount that Management considers adequate to cover possible risks with accidents involving its property, plant and equipment (basic coverage: fire, lightning, explosion and other coverage of the property insurance policy), inventories, liability, cargo transportation and cyber risk.

Below we describe the maximum indemnity limit for each coverage:

	Consolidated	
	2025	2024
Civil Liability	302,261	327,619
Property and inventories	579,010	538,520
Transportation	73,085	64,873
Cyber risk	50,000	50,000
	1,004,356	981,012

31. Retirement plan

31.1. Accounting policy

The company is a sponsor of Cyamprev - Sociedade de Previdência Privada, a closed supplementary pension fund whose purpose is to set up pension plans for the group of employees of its sponsors. In essence, the pension plans sponsored by the Company are structured as defined contribution plans and contributions to the plans are made by active participants and/or the sponsor. The plans also guarantee a minimum benefit paid in a single installment on termination of employment and eligibility for retirement. Contributions to the plan relating to this minimum benefit are made exclusively by the Company.

The benefit plans are actuarially appraised at the end of each fiscal year to verify whether the contribution rates are sufficient for the formation of reserves necessary for current and future commitments. Actuarial gains and losses are recognized on the accrual basis.

In accordance with CPC 33/IAS19, approved by CFC Resolution 1193/09, the Company recognizes an actuarial asset when: (a) it controls a resource, which is the ability to use the surplus to generate future benefits; (b) this control is the result of past events (contributions paid by the entity and service provided by the employee); and (c) future economic benefits are available to the Company in the form of a reduction in future contributions.

31.2. Retirement plan

In 2025, C&A contributed R\$ 1,407 (R\$ 5,309 as of December 31, 2024) to the plans, recorded as an expense in the income (loss) for the year. The total number of employees participating in the plans as of December 31, 2025, is 3,285 participants (3,652 as of December 31, 2024), with 213 assisted participants (205 as of December 31, 2024).

The amounts relating to contributions made by C&A on behalf of members who have redeemed and withdrawn from the plans administered by Cyamprev can be used to offset future contributions and

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for this reason is considered an asset of the company. On December 31, 2025, this amount was R\$ 2,247 (R\$ 1,114 on December 31, 2024). The use of these amounts by C&A is subject to approval by the Cyamprev Board.

32. Earnings (loss) per share

Basic earnings per share are calculated by dividing the income/(loss) attributable to the holders of common shares of the Company (the numerator) by the weighted average number of common shares held by shareholders (the denominator) during the current year.

Diluted earnings (losses) per share are calculated by dividing net income/(loss) attributed to the Company's common shareholders by weighted average number of common shares available in the year plus weighted average number of common shares that would be issued upon conversion of all potentially diluted common shares into common shares.

Equity instruments that must or may be settled with shares of the Company are only included in the calculation when their settlement has a dilutive impact on earnings per share. The only financial instrument that provides dilution refers to the share-based remuneration plan, the details of which are described in Note 25.

The table below presents the determination of the net income (loss) available to holders of common shares and the weighted average of common shares outstanding used to calculate basic and diluted earnings per share in each fiscal year presented:

	2025	2024
Basic earnings per share		
Net profit for the year	587,087	452,478
Weighted average value of outstanding common shares	302,914,334	304,920,942
Basic earnings per share - R\$	1.9381	1.4839
Diluted earnings per share		
Net profit for the year	587,087	452,478
Weighted average value of outstanding common shares	302,914,334	304,920,942
Weighted average of the options granted in the share-based remuneration plan	7,493,335	3,254,952
Weighted average value of diluted common shares	310,407,669	308,175,894
Diluted earning per share - R\$	1.8913	1.4683

33. Transactions not involving cash

As of December 31, 2025 and 2024, the following investment and financing transactions that did not involve cash were:

- I. the acquisition of property, plant and equipment amounting to R\$ 93,423 (R\$ 67,911 in 2024);
- II. the acquisition of intangible assets amounting to R\$ 29,982 (2024: R\$ 758); and
- III. recognition of the lease liability, against the right of use of the asset, where the additions of new contracts amounted to R\$ 94,042 (R\$ 109,321 in 2024), remeasurements of R\$ 248,252 (R\$ 107,303 in 2024), and contracts terminated amounted to R\$ 8,936 (R\$ 14,730 in 2024).

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	Parent Company and Consolidated	
	2025	2024
Acquisition of property, plant and equipment items	(93,243)	(67,911)
Acquisition of intangible assets	(29,982)	(758)
New right-of-use contracts	94,042	109,321
New lease liability contracts	(94,042)	(109,321)
Remeasurements of right-of-use contracts	248,252	107,303
Remeasurement of lease liabilities	(248,252)	(107,303)
Lease agreements terminated	(8,936)	(14,730)



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Message from management

In 2025, marked the second year of the C&A Energia Strategy Consistent progress was achieved in all areas of the Company. Throughout the period, we executed our strategic priorities with discipline, strengthening our business model and enhancing the Company's competitiveness, resilience, and value creation.

We closed the year with apparel sales totaling R\$7.1 billion, an increase of 9.2% compared to the previous year, and an 8.4% growth in sales per square meter. Apparel gross margin reached 56.4%, an expansion of 0.4 p.p. on a comparable basis. Since the beginning of the Energia Strategy in 2024, our apparel sales per square meter have increased 27.4%, accompanied by a 1.1 p.p. improvement in gross margin.

Additionally, the Company closed fiscal year 2025 with a net cash position of R\$83.7 million, despite a 51.8% increase in CAPEX in 2025, which totaled R\$545 million. Most of the investments were directed toward stores, refurbishments, and the initial implementation of the new logistics strategy.

As a result of these advancements, adjusted net income grew a substantial 57.5% compared to 2024, reaching R\$470.7 million in 2025, a record for C&A. The combination of this trajectory with financial discipline and diligent capital allocation resulted in an ROIC of 21.8% for the period.

Throughout the year, C&A enhanced its creative capabilities, advancing in product development, raw materials, and design, reflecting the increasing engagement of teams dedicated to building a differentiated commercial proposition. This progress contributed to higher perceived product quality and value.

The new Loja Energia concept reinforces our value proposition by combining an enhanced customer experience with a more agile operating model. Over the course of 2025, we accelerated the modernization of our store base, completing 26 refurbishments – three of them under the Energia model – and continued expanding with the opening of 10 new stores.

Throughout the year, we reinforced the focus of our business model on fashion, completing the wind-down of mobile phone operations. Initiatives such as this create room for categories more aligned with the customer journey, such as beauty products, which continue to gain relevance in our portfolio.

In digital, we relaunched our app and website with new features and an improved user experience during the year. We also achieved relevant progress in Dispersão project, which continues to unlock opportunities for productivity gains across our current store base.

We advanced in brand-building initiatives that strengthen our emotional connection with customers. As a result, we were the brand that achieved the greatest increase in brand power throughout the year, and we improved our NPS by 8.1 p.p. in 2025 vs. 2024. This strengthening has been recognized by customers, reflected in increased shopping frequency and higher conversion rates in our stores over the year.

We accelerated the modernization of our systems architecture, the automation of distribution centers, and the application of artificial intelligence, all of which enhance our operational efficiency, increase commercial assertiveness, and support productivity gains across the Company.

We completed the wind-down of our smartphone operation, one of the initiatives under our Strategy that was efficiently executed, reinforcing our fashion-focused business model while creating space for categories more aligned with the customer journey, such as Beauty, which continues to gain relevance within our portfolio.

C&A Pay maintained its relevance as a customer relationship tool, reaching 27.3% penetration (up 2.0 p.p. versus 2024) and surpassing the milestone of 9 million cards issued, driving higher customer engagement and recurrence. In 2025, we also ended the partnership with Bradescard, advancing both in the autonomy of proprietary credit issuance and in offering an increasingly seamless customer journey across our channels.

We understand that transformation processes are not linear. They require discipline, adaptability, and focus. After several consecutive quarters of results exceeding expectations, fourth quarter came in below expectations. It was a period marked by atypical temperatures, a more intense promotional environment, and, internally, by greater disruption in entry-level products.

Despite the challenges of the last quarter, 2025 delivered strong performance for C&A. We made consistent progress in its modernization agenda, driven by structured initiatives across all areas of the Company. We ended the year confident in completing the C&A Energia Strategy cycle in 2026 and assured that we have clear growth levers to sustain the evolution of our sales per square meter. This trajectory will continue to enhance our competitiveness, improve store productivity, and strengthen the value of the C&A brand.

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About C&A

C&A was founded in 1841 by Dutch brothers Clemens and August, whose initials gave rise to the brand's name. Since its inception, the Company has stood out for its pioneering spirit in fashion retail, introducing the concept of ready-to-wear clothing at a time when purchasing fabrics for home production was still the predominant practice. Today, C&A is among the largest fashion retail chains in the world.

In Brazil, the Company has been present since 1976, when it opened its first store at Shopping Ibirapuera in São Paulo.

Present in every Brazilian state, the Company operates 340 stores and has a team of more than 15,000 associates. Combining constant innovation with a commitment to exceeding customer expectations and leaving a positive legacy, C&A continues to strengthen its connection with customers and consolidate its position in the Brazilian fashion retail market.

Below is a chart showing the number of stores, broken down between shopping mall stores and street stores:



Operational Context

C&A Modas S.A. has its corporate headquarters located at Alameda Araguaia, No. 1,222 – Barueri/SP. The Company is a publicly-held corporation, with shares traded on B3 under the ticker “CEAB3”, and its ultimate parent company is COFRA Holding AG, headquartered in Switzerland.

The Company performs predominant activities that include retail operations and financial services, as described below:

Retail Sales Performance:

The retail operations encompass both physical store sales and online sales, through a portfolio that includes apparel, footwear, accessories, eyewear, fashion jewelry, cosmetics, and other items.

In this context, the apparel segment is the Company's main business line, accounting for 88.4% of net revenue in 2025, totaling R\$ 7,059.8 million, an increase of 9.2% compared to 2024.

Additionally, the Company continues to advance in strengthening Beauty as an important growth vertical within its portfolio, aligned with its strategy of expanding and enhancing its value proposition. In 2025, the Beauty category delivered significant growth of 46.1% vs. 2024.

Throughout the year, C&A continued executing its strategy to phase out its mobile phone kiosks, completing the process in 3Q25. In 4Q25, only the sale of accessories such as eyewear and watches remained. As a result, net revenue from Electronics and Beauty reached R\$ 584.1 million for the year, a 16.0% decrease compared to 2024.

As a result of the performance dynamics of Apparel and Electronics & Beauty, merchandise revenue grew 6.8% year over year, reaching R\$ 7,643.9 million in 4Q25.

Financial Services:

The Company's financial services operations encompass intermediation activities for credit origination, issuance of private-label credit cards, insurance offerings, and other services that are operated through C&A Pay, the Company's proprietary financial platform.

In 2025, C&A Pay's net revenue totaled R\$ 343.8 million, a 21.9% decrease compared to the previous year, driven by the reduction in interest-bearing installment sales. Its share of total sales reached an important level of 27.3%, with a portfolio of more than R\$ 1 billion.

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Energia C&A

The C&A Energy Strategy represents the Company's strategic cycle for the 2024–2026 period, succeeding the Fashion Tech Strategy implemented between 2019 and 2023.

Developed with the goal of restoring the brand's appeal and the Company's value, the strategy aims to increase store productivity through the strengthening of products, the omnichannel journey, and the consolidation of the brand, supported by an even more personalized customer relationship approach.

All these initiatives are underpinned by the Company's unique culture, the commitment of its teams, and an ESG agenda that supports value creation and financial solidity, ensuring disciplined execution.



In the Product pillar, the Company continues to advance in developing fashion propositions with greater quality, depth, and relevance for its customers. The evolution in the perceived value of the collections has been an important driver of differentiation, reflected in the performance of strategic categories.

The women's and men's denim categories already contribute significantly to results, while Ace, lingerie, and kidswear continue to gain relevance within the portfolio. Beauty also experienced strong expansion throughout the year, while the Company concluded its exit from the mobile phone business, providing customers with an experience even more connected to fashion.

In the Customer Journey pillar, the Company acknowledges that customer shopping behavior has become increasingly omnichannel, combining interactions across physical and digital environments. For this reason, integrating this journey remains at the core of the strategy.

In the physical environment, C&A opened its new store concept, the Energia store, which is already proving to be a clear productivity lever for the current store base and potential future expansions. In addition to this concept store, two additional versions (mainstream and light) were implemented to evaluate performance across different store profiles and cost structures.

The Dispersão Program, an initiative focused on increasing productivity across stores, also advanced, reaching more than 40 stores in 2025. Since its implementation began in 2024, nearly one-third of the entire store network has already adopted the initiative. In parallel, 23 remodels were completed throughout the year, and together with the three Energia stores, this totaled 26 remodeled stores in 2025.

In the digital environment, the Company continues to pursue the best possible customer experience, with operational efficiency. The website and app received new functionalities that brought significant improvements to digital channel usability, making navigation more intuitive and conversational through the use of artificial intelligence tools.

The implementation of the integrated shopping bag, a tool that allows customers to start and complete their purchase on the website, app, or physical stores, was also finalized, providing even more options for customers and increasing convenience for a seamless omnichannel experience.

In the Brand and Relationship pillar, the Company made significant progress in building a stronger, more coherent, and emotionally resonant perception among customers. Among the key initiatives is the new brand positioning launched in 2024, expressed in the slogan "We meet at C&A."

Since then, C&A has been consolidating this identity with consistent initiatives, including a study that revealed the emotional impact of the moment when a customer finds the perfect look—insight that shaped campaigns such as "Who finds the look feels it."

C&A Pay also plays a strategic role within the relationship pillar, functioning as a continuous touchpoint with customers. In addition to fostering credit usage, the solution supports recurring and personalized interactions, creating multiple connection moments that reinforce engagement and strengthen the customer journey over time.

Management Report

2025

ESG

Environmental

In 2025, C&A made consistent progress in executing its ESG strategy, consolidating sustainability as a lever for long-term value creation and risk mitigation. Circular economy remained a strategic pillar, with the ReCiclo Movement – a reverse logistics program that allows customers to drop off used garments in stores for reuse or recycling – completing its eighth year and reaching more than 70% of stores in Brazil.

In the climate agenda, the Company had its emissions-reduction target approved by the Science Based Targets initiative (SBTi), committing to reduce absolute Greenhouse Gas emissions by 42% by 2030. This external validation reinforces the credibility of the strategy and its alignment with leading international practices.

The product agenda also advanced, with 72.2% of raw materials classified as more sustainable in 2025, maintaining a consistent trajectory toward achieving 80% by 2030.

Additionally, C&A decided to anticipate the disclosure of its Sustainability-Related Financial Information Report for the 2025 fiscal year, to be published in 2026, in alignment with CBPS Technical Pronouncements No. 01 and No. 02 (IFRS S1 and S2). This initiative strengthens transparency and enhances readiness for the new regulatory environment, considering the adoption flexibilities set forth in CVM Resolution No. 193/2023.

Social

In 2025, C&A's social agenda continued to evolve with a focus on organizational culture, diversity, and talent development—essential pillars for the long-term sustainability of the business.

For the second consecutive year, C&A was recognized among the most diverse companies in Brazil, according to a Datafolha survey. The Company had already surpassed its leadership representation targets in 2024, reaching 66% women (target of 60%) and 30% Black and Indigenous individuals (target of 30%). Leadership diversity contributes to higher-quality decision-making, innovation, and stronger connection with the customer base, in addition to strengthening corporate reputation.

Through Instituto C&A, the corporate volunteer program achieved 19% employee engagement, a 7-percentage-point increase over the previous quarter, reflecting the strengthening of a purpose-driven culture and alignment between corporate values and positive impact in the communities where the Company operates.

Additionally, four cohorts of the Fashion Retail School program were completed, operating in the Southeast and Northeast regions, reinforcing the Company's commitment to professional training and productive inclusion. To date, 9% of participants have been hired as Company associates, demonstrating the program's potential as a structured mechanism for talent development and for strengthening employability in the sector.

Governance

With the aim of continuously enhancing best corporate governance practices, C&A's Governance structure is composed, in addition to the Shareholders' Meeting, of a predominantly independent Board of Directors, an Executive Board, and Advisory Committees, which operate in an integrated manner to strengthen supervision processes, strategic direction, and decision-making.

This institutional architecture ensures greater consistency and transparency in business conduct, promoting an appropriate balance between management and control, as well as aligning the Company's growth strategy with the generation of sustainable long-term value.

Throughout 2025, the Board focused its efforts on monitoring the disciplined execution of the Energia strategy, strengthening the customer value proposition, and consolidating the operational and financial efficiency gains achieved in recent cycles.

In line with this commitment and the continuous evolution of its practices, the Company reached, in 2025, 100% adherence to the applicable recommendations of the Brazilian Corporate Governance Code – Publicly-Held Companies (CBGC), achieving its highest level of compliance since the first disclosure in 2020. In addition, the Company welcomed new board members to its ESG and Strategy Committees.

Management Report

2025

Governance (cont...)

Below is the Company's management structure:

Name	Position	Term
Board of Directors		
Marcos Guimarães Grasso	Chairman of the Board of Directors	AGM/2027
Cristina Presz Palmaka de Luca	Independent Member of the Board of Directors	AGM/2027
Isabella de Oliveira V. Cavalcanti Wanderley	Independent Member of the Board of Directors	AGM/2027
Jamil Saud Marques	Independent Member of the Board of Directors	AGM/2027
Peter Takaharu Furukawa	Independent Member of the Board of Directors	AGM/2027
Executive Board		
Paulo Correa Junior	Chief Executive Officer	After the AGM/2027
Laurence Beltrão Gomes	Vice President of Administration, Finance and Investor Relations	After the AGM/2027
Francislei Cassio Donatti	Chief Commercial Officer	After the AGM/2027
Fernando Garcia Brossi	Vice President of Operations and Financial Services	After the AGM/2027
Maria Carolina Brasil Borghesi	Vice President of People, Culture and ESG	After the AGM/2027
Fiscal Council		
Marina de Mesquita Willisch	Full Member	AGM/2026
Meily Franco De Paula	Alternate Member	AGM/2026
Diego Santana Tristão	Full Member	AGM/2026
Manuel Da Cunha Marinho	Alternate Member	AGM/2026
Rafael De Souza Morsch	Full Member	AGM/2026
Thiago Wolf Pereira	Alternate Member	AGM/2026
Audit, Risk and Finance Committee		
Jamil Saud Marques	Committee Coordinator	After the AGM/2027
Ana Paula Malvestio	Committee Member	After the AGM/2027
Andrea Maria Ramos Leonel	Committee Member	After the AGM/2027
Strategy Committee		
Isabella de Oliveira V. Cavalcanti Wanderley	Committee Coordinator	After the AGM/2027
Marcos Guimarães Grasso	Committee Member	After the AGM/2027
Luciana Staciarini *	Committee Member	After the AGM/2027
Paulo Correa Junior	Committee Member	After the AGM/2027
People & ESG Committee		
Cristina Presz Palmaka de Luca	Committee Coordinator	After the AGM/2027
Marcos Guimarães Grasso	Committee Member	After the AGM/2027
João Carlos Senise	Committee Member	After the AGM/2027
Renata Soares Piazzon	Committee Member	After the AGM/2027
Financial Services Committee		
Peter Takaharu Furukawa	Committee Coordinator	After the AGM/2027
Jamil Saud Marques	Committee Member	After the AGM/2027
Paulo Correa Junior	Committee Member	After the AGM/2027

* Election date on December 18, 2025, and inauguration date on January 1, 2026

Compliance with the provisions established in Law No. 15,177/25

The Company reaffirms its commitment to promoting equity, diversity, and inclusion across all its work practices, ensuring respect for differences and fair opportunities for access, development, and compensation.

Selection, promotion, and performance evaluation processes are conducted exclusively on the basis of technical competencies, professional potential, and results, prohibiting any form of discrimination not related to the qualifications required.

In compliance with legal obligations, the Company will disclose, in the Management Report submitted to the Annual Shareholders' Meeting, the information required under Law No. 15,177/25, including annual comparisons of key equity indicators, as mandated for all corporations—both publicly- and privately-held—under the recent legislative amendment.

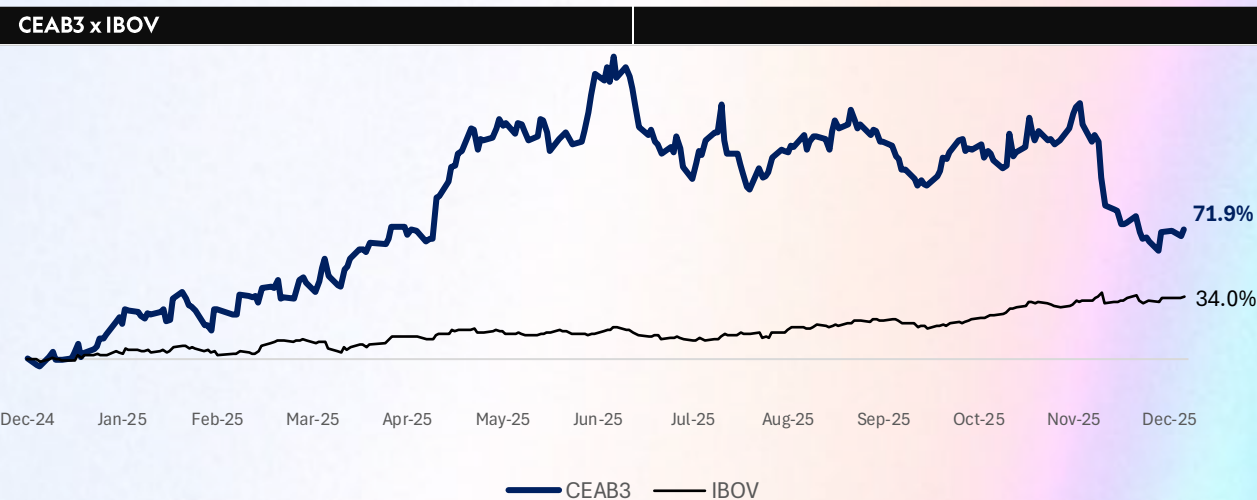
Management Report

2025

Capital markets

The company C&A debuted on B3 on October 28, 2019, as a Novo Mercado-listed company, and the initial public offering price was R\$16.50 per share. The average daily trading volume reached R\$60 million in 2025, and the shares appreciated by 78.4%. As of December 30, 2025, the Company's market capitalization was R\$3.9 billion. It is important to highlight that, on September 1, 2025, the Company was included in B3's Ibovespa Index.

CEAB3	
Final price (12/30/2025)	12.76
Highest price of 2025	19.83
Lowest price of 2025	7.12
Appreciation/Depreciation in 2025	71.9%
Total number of shares	308,245,068
Market Cap (12/30/2025)	R\$ 3,9 bilhões
Average daily liquidity in 2025	R\$60 milhões



The Company's share capital totals 308,245,068 common shares, and the free float is 66.5%. Below is the shareholding structure:

Shareholding composition	Number of shares	% of total
Controlling shareholder	95,311,283	30.9%
Management	2,678,642	0.9%
Treasury	5,330,734	1.7%
Others	204,924,409	66.5%
Total	308,245,068	100.0%

Highlights

C&A ends 2025 with adjusted net income of R\$470.7 million and R\$83.7 million in net cash



Apparel net revenue reached **R\$7.1 billion** (+9.2% vs. 2024) and grew **27.2%** in the two-year total



Apparel ends the quarter with a **56.4% gross margin** (+0.4 p.p. vs. 2024)



46.0% increase in **Beauty** net revenue vs. 2024



Merchandise gross margin was up **1.7 p.p.** in 2025, reaching 56.4%



+23% growth in **online apparel** in the year



3.2 p.p. decrease in C&A Pay **NPL** vs. 2024



Adjusted **net income**² reaches **R\$470.7** million in 2025, increase of **57.5%** vs. 2024



Investments of **R\$546** million in **Capex**, 51.8% higher than the previous year



NPS was **8.1 p.p** higher in **2025** vs. 2024



R\$843.8 million in adjusted free cash flow generation¹ ending the year with **R\$83.7** million in **net cash**



Opening of **ten** new stores in the year and **26** renovations, three of which in the **Energia** format



Fitch upgrades the Company's long-term rating to **AA(bra)**



Company announces early adoption of the **Sustainability- Related Financial Information Report**



21.8% in **ROIC**³ for 2025, up 5.5 p.p. vs. 2024

(1) Adjusted free cash flow takes into account financial investments and excludes the transfer of rights relative to the Bradescard branded card portfolio.

(2) Adjustments include: (i) Other net operating revenue (expenses); (ii) recovery of tax credits; and (iii) long-term incentives for employees, after taxes.

(3): ROIC calculated based on adjusted net income of the past 4 quarters.



Highlights

Consolidated Results

KPI's (R\$ Million)	2025	2024	Δ%
Consolidated net revenue	7,983.0	7,636.5	4.5%
Apparel net revenue	7,059.8	6,462.9	9.2%
Same store sales - apparel (SSS) ¹ (%)	8.5%	16.4%	-7.9 p.p.
Same store sales - merchandise (SSS) ¹ (%)	6.2%	13.1%	-6.9 p.p.

(R\$ Million)	2025	2024	Δ%
Consolidated gross profit	4,432.5	4,176.6	6.1%
Consolidated gross margin (%)	55.5%	54.7%	0.8 p.p.
Apparel gross margin (%)	56.4%	56.0%	0.4 p.p.
Gross merchandise margin (%)	55.1%	53.4%	1.8 p.p.
Operating expenses ²	(2,784.1)	(2,566.8)	8.5%
Operating expenses / consolidated net revenue	34.9%	33.6%	1.3 p.p.
Operating expenses ²	(3,280.5)	(3,040.3)	7.9%
Operating expenses pre-IFRS 16 / consolidated net revenue	41.1%	39.8%	1.3 p.p.

(R\$ Million)	2025	2024	Δ%
Adjusted EBITDA ³ (post-IFRS16)	1,576.3	1,449.5	8.8%
Adjusted EBITDA margin (post-IFRS16) (%)	19.7%	19.0%	0.8 p.p.
Adjusted EBITDA ³ (pre-IFRS16)	1,079.8	975.9	10.7%
Adjusted EBITDA margin (pre-IFRS16) (%)	13.5%	12.8%	0.7 p.p.

(R\$ Million)	2025	2024	Δ%
Net income (loss)	587.1	452.5	29.7%
Adjusted net income (loss) ⁴	470.7	298.9	57.5%
Investments	546.0	359.7	51.8%

(1) SSS: Same Store Sales - 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-collect).

(2) Considers only selling, general and administrative expenses, excluding depreciation and amortization, including right-of-use (lease) depreciation, PDD and other operating revenue (expenses) to facilitate analysis;

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

(4) Adjustments include: (i) Other net operating revenue (expenses); (ii) recovery of tax credits; and (iii) long-term incentives for employees, after taxes.

Net Revenue

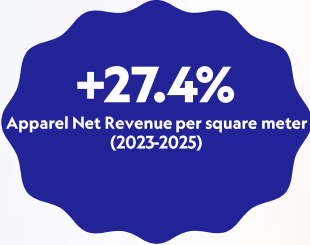
Apparel

The Company continues to make consistent progress in executing the C&A Energy Strategy and strengthening its value proposition, supported by the pillars of product, omnichannel journey, brand, and customer relationship.

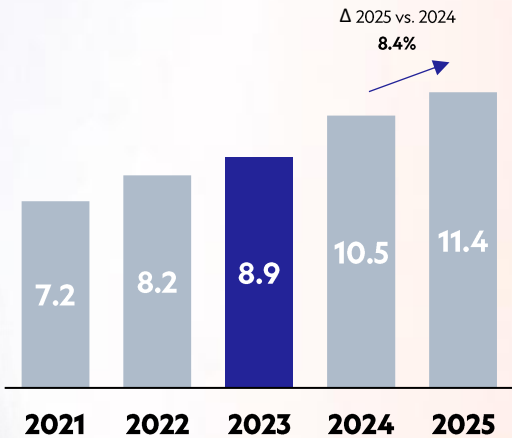
In recent years, this set of initiatives has continuously increased the perceived value of the collections, with improvements in quality, fashion curation, and the shopping experience. The Test & Learn approach and the Commercial Intelligence Hub (HIC) contributed to this evolution.

As a result, apparel net revenue totaled R\$ 7,059.8 million in 2025, representing 9.2% growth compared to 2024. Over the two-year period, this increase reached 27.4%.

Driven by this brand-building journey, apparel net revenue per square meter grew 6.5% in 2025 vs. 2024, and 25.1% since the beginning of the C&A Energy Strategy. As a result of this evolution, the year of 2025 delivered 8.4% growth in same-store sales vs. 2024.



Apparel net revenue per square meter (R\$ thousand)



Net Revenue

Site and App

The Company continues to invest in the omnichannel journey, with a focus on user experience and the use of autonomous agents. New features and integrations further connect physical stores to the digital environment, offering a more seamless shopping experience.

The shopping bag has been unified, allowing customers to conduct their journey in the channel of their choice—whether on the website, app, or in physical stores. The new website has also been redesigned, delivering an even more relevant fashion experience.

The AI Personal Shopper, which enables contextualized search, and Home For You—a personalized page with product recommendations based on the customer’s navigation—were also incorporated into the app. All these functionalities have contributed to a more relevant and closer customer experience, resulting in higher conversion levels.

As a result, in 2025, net merchandise revenue from C&A’s website and app grew 20.2% vs. 2024, reaching R\$ 457.6 million. Channel penetration in merchandise revenue increased 0.7 p.p., reaching 6.0% of sales.

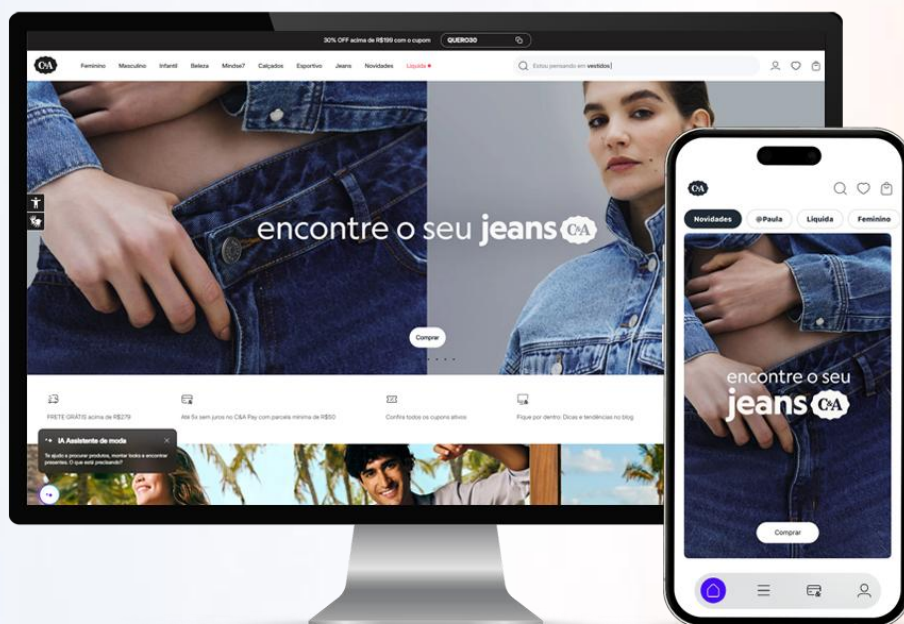
Site & App (R\$ Million)	2025	2024	Δ%
Merchandise net revenue (site + app)	457.6	380.6	20.2%
Merchandise net revenue (site + app) / merchandise net revenue (%)	6.0%	5.3%	0.7 p.p.

Financial Services

Net revenue from financial services totaled R\$ 373.2 million in 2025, a 23.9% decrease compared to 2024.

During the year, the Company reached an important milestone with the termination of the partnership agreement established in 2009 with Banco Bradesco S.A. and Banco Bradescard, concluding a key strategic pillar of the IPO related to the repurchase of the rights to offer financial products and services.

Considering only the C&A Pay operation, revenue in 2025 totaled R\$ 343.8 million, 22.0% lower compared to 2024, with penetration reaching 27.3%, an increase of 2.0 p.p. over the previous year.

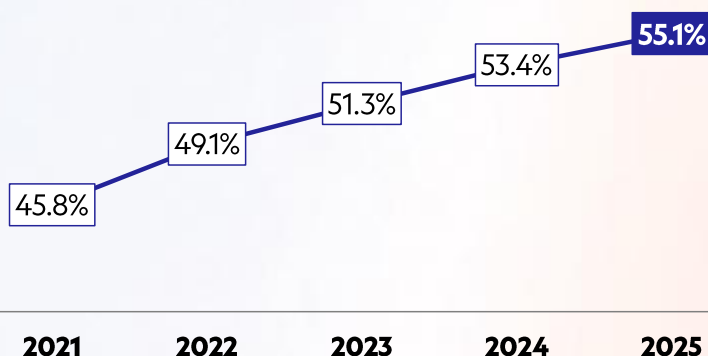


Gross Profit & Gross Margin

Gross profit & gross margin (R\$ Million & %)	2025	2024	Δ%
Apparel	3,984.5	3,621.4	10.0%
Gross margin (%)	56.4%	56.0%	0.4 p.p.
Electronics and Beauty	230.7	201.3	14.7%
Gross margin (%)	39.5%	28.9%	10.6 p.p.
Merchandise gross profit	4,215.2	3,822.6	10.3%
Merchandise gross margin (%)	55.1%	53.4%	1.7 p.p.
Other ¹	(99.6)	(86.5)	15.2%
Financial services	316.8	440.4	-28.1%
Consolidated gross profit	4,432.5	4,176.6	6.1%
Consolidated gross margin (%)	55.5%	54.7%	0.8 p.p.

(1) Mainly considers shipping fees from website and app sales.

Evolution of merchandise gross margin (in %)



The consistent execution of the C&A Energy Strategy in strengthening the brand has enabled the Company to sustain a positioning based on higher perceived value.

In addition, dynamic pricing and the Commercial Intelligence Hub have ensured greater accuracy in assortment management and a more relevant shopping journey for the customer.

As a result, apparel gross margin reached 56.4% for the year, an expansion of 0.4 p.p.

The Beauty category—which carries a higher gross margin than the cell phone category—continues to increase its relevance within the Company's portfolio, while mobile phone sales have been fully discontinued.

Accordingly, the consolidated gross margin for Electronics and Beauty reached 39.5%, and merchandise gross margin was 55.1%, an increase of 1.7 p.p. versus 2024.

Operating Expenses

Operating expenses (R\$ Million)	post IFRS 16			pre IFRS 16		
	2025	2024	Δ%	2025	2024	Δ%
Selling expenses	(2,049.1)	(1,918.2)	6.8%	(2,513.4)	(2,359.5)	6.5%
General and administrative expenses	(735.0)	(648.6)	13.3%	(767.1)	(680.8)	12.7%
Operating expenses¹	(2,784.1)	(2,566.8)	8.5%	(3,280.5)	(3,040.3)	7.9%
Other operating income (expenses)	217.6	77.4	181.0%	208.8	78.2	166.9%
Total operating expenses²	(2,566.5)	(2,489.3)	3.1%	(3,071.8)	(2,962.1)	3.7%
%	2025	2024	Δ%	6M25	6M24	Δ%
Selling expenses / consolidated net revenue	25.7%	25.1%	0.5 p.p.	31.5%	30.9%	0.6 p.p.
General and administrative expenses / net revenue	9.2%	8.5%	0.7 p.p.	9.6%	8.9%	0.7 p.p.
Operating expenses / consolidated net revenue	34.9%	33.6%	1.3 p.p.	41.1%	39.8%	1.3 p.p.

(1) Excludes expenses with allowances for doubtful accounts and other operating income (expenses) to facilitate analysis.

(2) Includes other operating income (expenses).

The Company continues to execute the C&A Energy Strategy, aiming to strengthen key categories, reinforce its creative teams, maintain consistent marketing investments, and resume the pace of store openings—especially in the second half of the year.

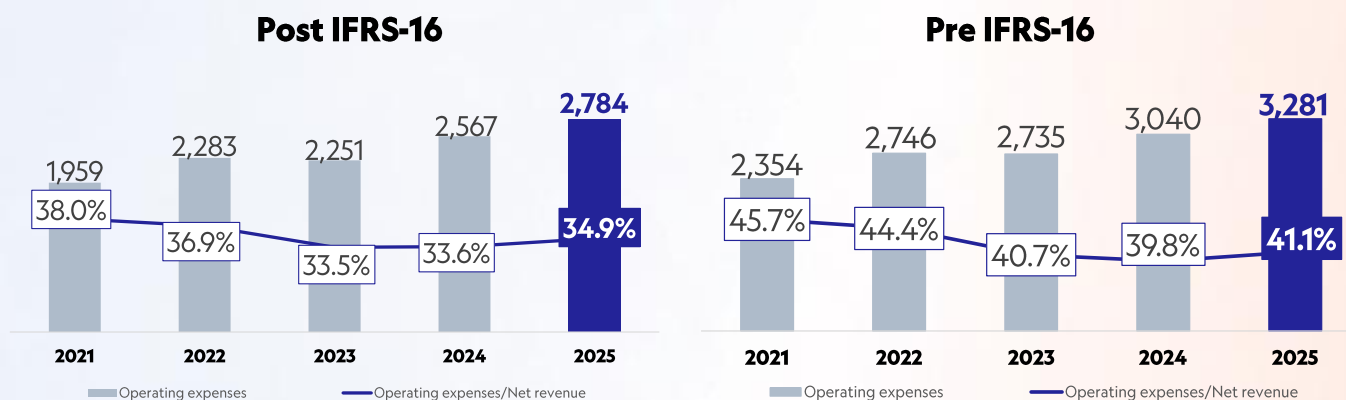
Selling expenses pre-IFRS 16 totaled R\$ 2,513.4 million in 2025, a 6.5% increase compared to the previous year. This growth mainly reflects higher marketing investments and increased occupancy costs due to ten new store openings during the year. As a percentage of revenue, selling expenses increased 0.6 p.p. Under the post-IFRS 16 view, selling expenses totaled R\$ 2,049.1 million, an increase of 0.5 p.p. as a percentage of revenue.

General and administrative expenses reached R\$ 767.1 million in 2025, a 12.7% increase compared to 2024. This increase mainly reflects investments related to the C&A Energy project. As a percentage of net revenue, G&A represented 9.6%, a 0.7 p.p. increase year over year. Under the post-IFRS 16 view, the increase was also 0.7 p.p. on the same basis.

As a result of these dynamics, operating expenses increased 7.9% in 2025 vs. 2024, and as a percentage of revenue, rose 1.3 p.p.. Excluding the effects of the discontinuation of mobile phone operations and the reduction in financial services revenue, the increase would have been 0.2 p.p. on a comparable basis.

Finally, the line for other operating income and expenses totaled R\$ 217.6 million, reflecting the reversal of the INSS provision in the amount of R\$ 62.1 million.

Operating expenses (R\$ million and % of net revenue)



Financial Services

R\$ Million	C&A Pay			Bradescard			Serviços Financeiros		
	2025	2024	Δ%	2025	2024	Δ%	2025	2024	Δ%
Net revenue from taxes	343.8	440.4	-21.9%	29.4	50.0	-41.7%	373.2	490.4	-24.0%
Cost of funding	(27.6)	(30.5)	-9.6%	-0.3	(0.6)	-51.7%	(27.9)	(31.1)	-10.4%
Gross profit	316.2	409.9	-22.9%	29.1	49.4	-41.0%	345.3	459.3	-24.8%
Selling expenses	(140.0)	(162.2)	-13.7%	-1.3	(18.7)	-	(141.3)	(180.9)	-21.9%
General & administrative expenses	(10.0)	(16.9)	-41.1%	-0.1	(0.1)	-	(10.1)	(17.0)	-40.7%
Credit losses, net of recoveries	(134.3)	(202.4)	-33.7%	0.0	-	-	(134.3)	(202.4)	-33.7%
Other operating income (expenses)	0.0	(0.2)	-	154.3	0.0	-	154.3	(0.2)	-
Financial services results	31.9	28.1	13.4%	181.8	30.7	492.0%	213.6	58.8	263.3%

C&A Pay continues to play its strategic role as a relationship-building tool, with a focus on driving recurrence and increasing the average ticket of customers within its active base.

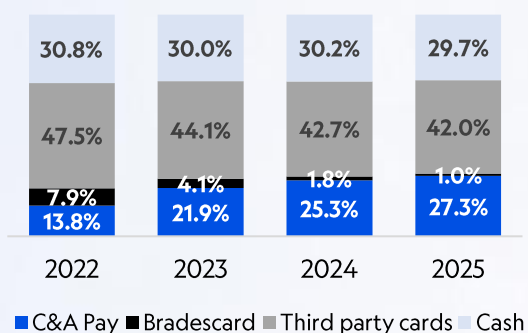
As a result, net revenue from the operation totaled R\$ 343.8 million, a 21.9% decrease, driven by a lower share of interest-bearing installment sales during the period. At the same time, C&A pay's flexible expense structure, combined with its efficient collection processes, led to a 13.7% reduction in expenses, which totaled R\$ 140.0 million for the year.

In addition, the credit portfolio quality has continued to improve, with better roll rates and lower delinquency levels. As a result, net loss decreased 33.7%, reaching R\$ 134.3 million in 2025.

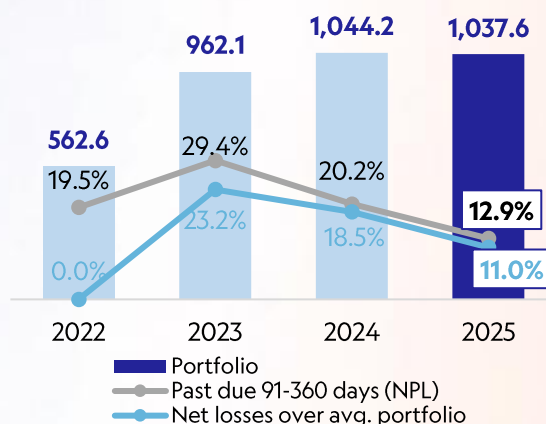
The positioning of C&A Pay, combined with an efficient credit and collection strategy, enabled operating profit to reach R\$ 31.9 million, 13.4% higher than in 2024.

Finally, as a result of the termination of the partnership with Bradescard in the first half of 2025, no results from this operation have been recognized from the second half onward.

Payment Method



C&A Pay portfolio up to 360 days (R\$ Million)



Financial Services

C&A Pay	2025	2024	Δ%
Portfolio 720	1,214.1	1,225.7	-0.9%
Portfolio 360	1,037.6	1,044.2	-0.6%
Share on retail sales	27.3%	25.3%	2.0 p.p.
New digital cards ('000)	1,860.0	2,181.8	-14.8%
Total digital cards ('000)	9,054.0	7,194.1	25.9%
Coverage index¹			
over past due > 91 - 720 days	102.1%	103.8%	-1.7 p.p.
over past due > 91 - 360 days	108.7%	110.1%	-1.3 p.p.

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

C&A Pay continues to advance on its journey, with a focus on increasing consumption intensity among its active customer base. As part of this trajectory, and due to a more selective credit policy implemented since the end of 2024, a 0.6% reduction was observed in the portfolio up to 360 days.

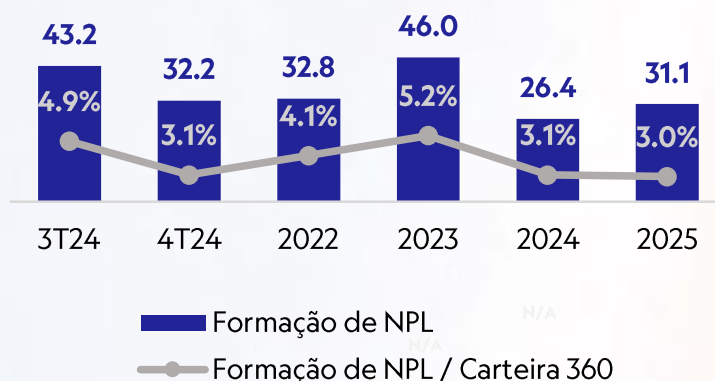
In this context, the strategy of C&A Pay as a communication tool has also proved increasingly effective, with the usage of the card as a means of payment increasing 2.0 p.p. vs. 2024, reaching 27.3%.

At the same time, even with selective origination criteria, C&A Pay surpassed 9 million cards issued, reinforcing its relevance as an important relationship lever, closely connected to a more seamless fashion experience.

This model has also demonstrated efficiency, reflected in the consistent improvement of delinquency indicators. The formation of NPL 90, represented by balances overdue between 90 and 360 days, continues to decline year over year as a result of the strong performance of new vintages and roll rates.

Finally, coverage of balances overdue between 91 and 360 days remains at comfortable levels, with the coverage ratio reaching 108.7%.

NPL Formation (R\$ Million)



(2) Portfolio evolution (YoY) vs. evolution of 91 to 360 days formation (YoY)

Adjusted EBITDA

Consolidated Adjusted EBITDA

R\$ Million & %	2025	2024	Δ%
Net income	587.1	452.5	29.7%
(+) Income taxes	139.9	60.4	131.5%
(+/-) Financial results, net	317.6	296.3	7.2%
(+) Depreciation & amortization	687.1	675.5	1.7%
EBITDA (post-IFRS 16)	1,731.6	1,484.8	16.6%
(+) Other operating income (expenses)	(202.7)	47.0	-
(+) Financial income from suppliers	14.8	15.0	-1.2%
(-) Recovery of tax credits	(14.9)	(124.4)	-88.1%
(+) Long term incentive	47.4	27.1	74.8%
Adjusted EBITDA (post-IFRS 16)	1,576.3	1,449.5	8.8%
Adjusted EBITDA margin (post-IFRS 16) (%)	19.7%	19.0%	0.8 p.p.
EBITDA (pre-IFRS 16)	1,226.4	1,012.0	21.2%
Adjusted EBITDA (pre-IFRS 16)	1,079.8	975.9	10.7%
Adjusted EBITDA margin (pré-IFRS 16) (%)	13.5%	12.8%	0.7 p.p.

Adjusted EBITDA pre-IFRS 16 totaled R\$ 1,079.8 million for the year, a 10.7% increase compared to 2024. Despite the discontinuation of the mobile phone business and the termination of the partnership with Bradescard—which impacted the Company's total revenue—apparel revenue offset this decline. As a result, the margin reached 13.5%, an increase of 0.7 p.p.

Under the post-IFRS 16 view, adjusted EBITDA totaled R\$ 1,576.3 million, with a margin of 19.7%, an increase of 0.8 p.p. year over year, driven by improved operating performance in the quarter and a reduction in net loss for the period.

Adjusted EBITDA

Retail Adjusted EBITDA

R\$ Million & %	2025	2024	Δ%
Adjusted EBITDA (post-IFRS 16)	1,576.3	1,449.5	8.8%
(+/-) Financial services results ¹	(87.1)	(89.5)	-2.7%
Retail Adjusted EBITDA (post-IFRS 16)	1,489.2	1,359.9	9.5%
Retail Adjusted EBITDA margin (post-IFRS 16)	19.4%	18.9%	0.5 p.p.
Adjusted EBITDA (pre-IFRS 16)	1,079.8	975.9	10.7%
(+/-) Financial services results ¹	(87.1)	(89.5)	-2.7%
Retail Adjusted EBITDA (post-IFRS 16)	992.7	886.4	12.0%
Retail Adjusted EBITDA margin (post-IFRS 16)	12.9%	12.3%	0.6 p.p.

(1) Excludes the cost of funding of financial operations, as this amount does not impact the Company's consolidated result but is accounted for as a cost within C&A Pay.

For the year, adjusted EBITDA pre-IFRS 16 for the Retail operation totaled R\$ 992.7 million, with a 12.9% margin, an increase of 0.6 p.p. compared to the previous year. Under the post-IFRS 16 view, adjusted EBITDA for 2025 reached R\$ 1,489.2 million, with a 19.4% margin.



Financial Results

R\$ Million	2025	2024	Δ%
Exchange rate variation	(9.2)	(13.3)	-30.9%
Financial expenses	(564.7)	(555.0)	2.3%
Interest expenses	(190.3)	(187.8)	1.4%
Leasing interest expenses	(175.8)	(170.9)	2.9%
PVA on suppliers	(120.6)	(95.9)	25.8%
Interest expenses over suppliers - Bradescard	(42.1)	(69.2)	-39.1%
Interest expenses on taxes and contingencies	(25.0)	(21.7)	15.3%
Other financial expenses	(10.8)	(9.6)	12.6%
Financial income	256.3	272.0	-4.6%
Monetary correction of tax credits	86.3	195.1	-55.8%
Interest on financial investments	123.6	77.0	60.4%
Earnings from Bonds and Securities	37.1	8.4	340.1%
Other financial income	9.3	(8.6)	-
Financial results, net	(317.6)	(296.3)	7.2%

In the year, financial expenses totaled R\$ 564.7 million, a 2.3% increase, driven by a 25.8% rise in the interest accretion (AVP) on trade payables, as a result of higher interest rates (SELIC) during the period. This effect was partially offset by the termination of the partnership with Bradescard, which eliminated the recognition of interest expenses in the “Bradescard - trade payables” line from the second half onward.

It is important to highlight that, through debt management actions implemented during the second half of the year, the Company was able to reduce the cost of debt, extend payment terms, and decrease leverage on a year-over-year basis.

On the financial income side, higher cash yield and increased financial income from suppliers were offset by a lower monetary adjustment on tax credits, which totaled R\$ 86.3 million, a 55.8% reduction vs. 2024.

As a result of these dynamics, the Company recorded net financial expense of R\$ 317.6 million, representing a 7.2% increase compared to the previous year.

Net Income

Net income (loss) (R\$ Million)	2025	2024	Δ%
Net income (loss)	587.1	452.5	29.7%
Net margin (%)	7.4%	5.9%	1.4 p.p.
Adjusted net income (loss)	470.7	298.9	57.5%
Adjusted net margin (%)	5.9%	3.9%	2.0 p.p.

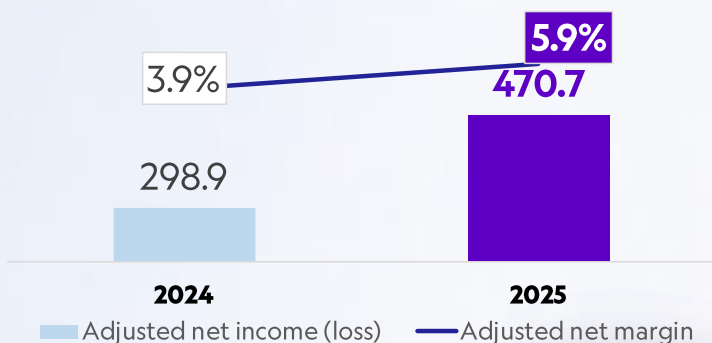
(1) Net income (post-IFRS) (2) Adjustments include: (i) Other net operating revenue (expenses), (ii) Supplier financial income, (iii) Recovery of tax credits and (iv) Social charges from long-term incentives paid to employees.

In 2025, reported net income reached R\$ 587.1 million, representing a significant 29.7% increase compared to 2024.

Adjusted net income, which excludes the effect of the R\$ 62.1 million INSS provision reversal, totaled R\$ 470.7 million, a 57.5% increase on a comparable basis, supporting a notable 2.0 p.p. expansion in the adjusted net margin.

This performance reflects the improvement in the Company's results driven by lower leverage levels.

Adjusted net income (loss) and adjusted net margin (R\$ and %)



Indebtedness

R\$ Million	4Q25	4Q24	Δ%
Short-term debt	139.0	438.6	-68.3%
Long-term debt	820.7	1,034.9	-20.7%
Gross debt	959.7	1,473.5	-34.9%
Buying back the right to offer credit products and financial services (Bradescard)	0.0	608.6	-
Total gross debt	959.7	2,082.1	-53.9%
(-) Cash, cash equivalents & short-term investments¹	1,043.4	1,572.5	-33.7%
(=) Net cash (debt)	83.7	(509.6)	-
LTM Adjusted EBITDA pre-IFRS16	1,079.8	975.9	10.7%
Leverage¹	n.a	0.5x	n.a

Note: Short-term and long-term debt, net of derivatives
 (1) Measured by the net debt/EBITDA ratio

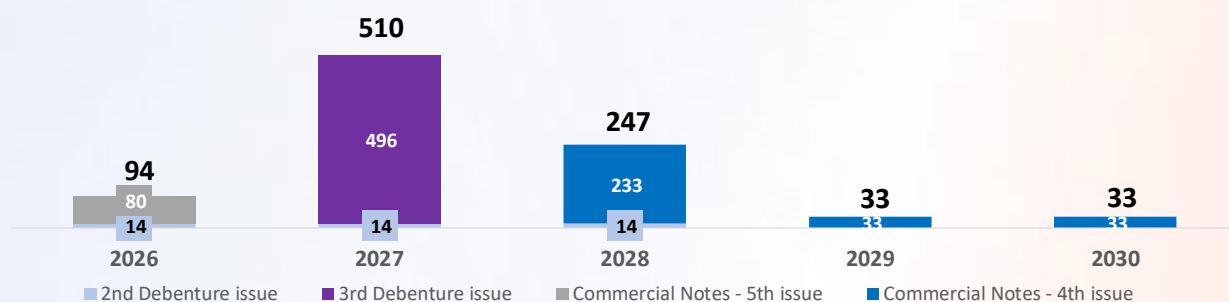
The Company advanced in its process of optimizing its capital structure and reducing the cost of debt.

Throughout the year, debt repayments were made using the Company's own cash, contributing to a reduction in the average cost of debt, which decreased to CDI + 1.57% at the end of 2025, reinforcing the Company's financial discipline.

As a result, gross debt decreased 34.9% vs. 2024, reaching R\$ 959.7 million at year-end. At the same time, strong cash generation supported a healthy liquidity position, with the Company closing the quarter with R\$ 1,043.4 million in cash, cash equivalents, and financial investments, reversing the net debt position seen in 4Q24 and resulting in R\$ 83.7 million in net cash in 2025.

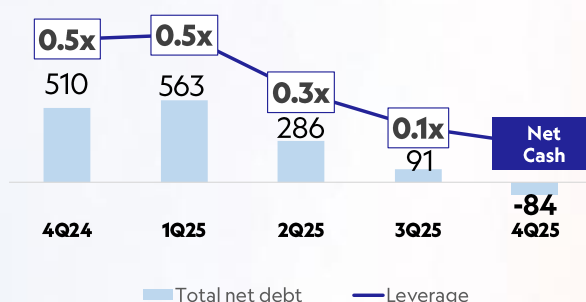
Below is the Company's debt amortization schedule:

Debt Amortization Schedule (R\$ million)



Total Net Debt and Leverage (R\$ million)

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



Cash Flow

Adjusted Cash Flow

R\$ Million	2025	Bradescard Adjustments	2025 Adjusted	2024	Δ%
Profit (loss) pre-IFRS16 before IR/CSLL	740.0	(154.3)	585.7	537.5	9.0%
Depreciation and amortization	344.6		344.6	349.0	-1.3%
(+/-) Others	370.8	(15.7)	355.1	311.0	14.2%
Non-cash adjustments	715.4	(15.7)	699.7	660.0	6.0%
Income tax and social contribution paid	(120.9)	36.7	(84.2)	(59.3)	42.0%
Working capital	(468.2)	650.6	182.4	(194.6)	-
Accounts receivable	(13.8)		(13.8)	(282.8)	-95.1%
Inventories	(238.7)		(238.7)	(250.4)	-4.7%
Suppliers	117.3		117.3	(75.2)	-
Bradescard suppliers	(650.6)	650.6	(0.0)	-	-
Others	317.7		317.7	413.9	-23.2%
Cash generated (used) by operating activities	866.3	517.3	1,383.6	943.6	46.6%
Cash flow generated (used) in investing activities	(539.8)		(539.8)	(291.8)	85.0%
(=) Adjusted free cash flow	326.5	517.3	843.8	651.9	29.4%
(Consumption) Generation of cash in financing activities	(855.7)	(650.6)	(1,506.3)	(426.3)	253.3%
(Use) Cash generation	(529.2)	(133.3)	(662.5)	225.5	-

The Company recorded positive working capital generation, which contributed to a favorable cash conversion cycle for the year, improving by six days compared to 2024. The year was marked by continued discipline in capital management, with particular emphasis on accounts receivable, which improved mainly due to the discontinuation of the mobile phone business.

The year's record profit, combined with working capital management, resulted in adjusted operating cash generation of R\$ 1,383.6 million, 46.6% higher than the previous year.

Investment cash flow increased 85.0%, totaling R\$ 539.8 million, driven by new store openings, remodels, and the start of the execution of the Company's new logistics strategy.

As a result, adjusted free cash flow reached R\$ 843.8 million, a 29.4% increase compared to 2024.

Investments

Investments (R\$ Million)	2025	2024	Δ%
New stores	86.2	32.0	169.0%
Revamps and remodeling	274.4	150.4	82.4%
Supply chain	34.4	11.8	190.3%
Digital and technology	151.1	165.4	-8.7%
Total	546.0	359.7	51.8%

Note: The investment amount corresponds to investments acquired in the period but not necessarily paid. The amount paid (cash outlay) is included in the cash flow statement for investment activities.

The Company invested R\$ 546 million in 2025, a 51.8% increase compared to 2024. This growth was driven mainly by the opening of 10 new stores during the period and by store renovations, which together represented R\$ 86.2 million in CAPEX for new stores and R\$ 274.4 million for remodels.

In technology, the Company continued to advance the Commercial Intelligence Hub (CIH), initiating the process of structuring systems to support dynamic assortment and making progress in other tools such as dynamic pricing. As a result, investments in this line totaled R\$ 151.1 million.

Finally, the logistics strategy is also being executed, explaining the 190.3% increase in the Supply Chain line.

