Individual and Consolidated Financial Statements Via S.A.

Year ended December 31, 2022
with Independent Auditor's Report

Via S.A.

Financial statements
Year ended December 31, 2022

Contents

Management Report

Presentation

In compliance with prevailing legal provisions and pursuant to Brazilian Corporation Law in force, Via S.A., the best shopping channel for all Brazilians – where, when and how they want – presents below its Management Report, which contains the Company's financial and operating results for the year ended December 31, 2022.

Profile

Via S.A., either directly or through its subsidiaries (the "Company" or "Via"), is listed on the special segment Novo Mercado of B3 S.A. - Brasil, Bolsa, Balcão ("B3"), the Brazilian stock exchange, under code VIIA3, is headquartered in São Paulo, State of São Paulo, Brazil and listed on the OTC Market ("OTC") under code VIAYY (by means of ADRs) traded in the US market. We are a digitalized ecosystem and a customer-centric marketplace open to innovation.

Via S.A. is a Brazilian omnichannel retailer with national reach, serving over 97 million consumers through brick-and-mortar stores and e-commerce (1P and marketplace), by means of Casas Bahia, Ponto e Extra.com brands.

Via's financial solutions serve millions of customers through the Company's installment sales model (buy now, pay later - BNLP), its marketplace with over 151 thousand partners (sellers) and over 64 million SKUs, offering solutions and services such as fulfillment, and using the Company's logistics network for operations throughout Brazil.

At December 31, 2022, the Company had 30 Distribution Centers and Warehouses and conducted sales through 1,133 active branches (977 with the Casas Bahia flag and 156 with the Ponto Frio flag).

Disclaimer

The representations contained in this report regarding the Company's business prospects, projections and growth potential are configured as forecasts and were based on Management's expectations for the Company's future. These expectations are highly dependent on changes in the market and in the economic performance of Brazil in general , of the industry and of the market as a whole, and are therefore subject to changes.

Message from Management

Via's strategy of becoming an open platform connected with partners and of going beyond retail continues evolving. Additionally, Via seeks to play an even more significant role in core categories accompanied with increased recurrence due to the increase in assortment and services, which will allow the Company to be even more present in Brazilians' daily lives and grow in a profitable manner.

In 4Q22, our 1P operations showed resilience, strengthened by the performance of (current and new) stores and penetration of financial services, reflecting the strong role of omnichannel. We maintained growth in the B2B channel with partner institutions contributing to market share gains in core categories. We increased the share of consumer financing and logistics services in 3P's omnichannel revenue (diversifying the take rate), in addition to increasing the relevance of open sea logistics services.

The sales environment was positive in our brick-and-mortar stores. The digital channel, however, was pressured. We recognize that 2022 was a challenging year: inflation, demand and credit deteriorated and brought challenges especially to the sales and expense areas. This context designed a horizon for 2023 based on efficiency, profitability and discipline.

Despite the challenges faced in 4Q22 and 2022, these periods also presented many positive aspects such as disbursements with labor claims below the guidance minimum level by R$ 300 million, monetization of tax credits of R$ 2,4 billion in 2022, evolution of Envvias platform (+48% of the deliveries of 3P orders), marketplace revenue for the year increased 44.5% and channel reached breakeven, and robust generation of operating cash in 4Q22 of R$ 3.4 billion, which contributed to maintaining the Company's net cash position.

Customer-centricity and Omnicanality: NPS from 63 in Dec/19 to 73 in this quarter. As defined in our expansion plan, we opened 15 new stores in 4Q22, 60% of which in new locations. In the quarter, we closed down three stores (all of which in municipalities with store overlap) because their performance was below expectations, totaling 1,133 stores in the period, an increase of 16% in GMV. Additionally, our sellers' productivity reached levels above the pre-pandemic period.

I also stress that approximately 50% of the Company's online sales go through the stores (either Retira Rápido or ship from store), which contributes to a lower cost of serving. The number of 3P orders grew on an ongoing basis and revenue increased as a result of our strategy, execution and participation of online sellers (23% of GMV, +4.4 p.p. v. 4Q21). Credit on digital channels had a smaller share in the period, as well as in brick-and-mortar stores, in line with the conservative approach adopted by the Company.

Our marketplace - We arrived at approximately 151 mil sellers and raised to 64 million SKUs. We remain firm and have a clear strategic view for our marketplace: increase Via's customer base, at low cost, and increase purchase recurrence, mainly long-tail items. Once again, we consistently beat records of orders and 3P items sold, with revenue increasing +41.5% in 2022.

Financial Solutions: in terms of our credit facility system, which is a product created and operated by Via, 100% proprietary and that has a high level of recurrence (>50%). %), we observed losses under control (better than 3Q22) and a credit facility portfolio of R$ 5.5 billion, of which more than R$ 450 million in e-commerce, R$504 million in personal loans and TPV of R$ 6.3 billion in co-branded cards. In coupon books, we have over six decades of know-how and experience with our proprietary product, whose processes are now fully digitized (more than 99% of credit decisions are automated). BanQi, our fintech, continues its growth journey and has achieved more than 6,6 million accounts, 23 times a year in terms of frequency of use (+60% v. 4Q21), and 50% of these customers are new to Via's ecosystem.

Logistics Ecosystem: over the past three years, we have invested in technology and processes to operate a revolution in our services and serve our customers better and more efficiently, by offering light and heavy products. We reorganized and expanded our distribution centers (30 DC's today) to meet e-commerce demand. Upon acquisition of two logtechs, we now have a network of more than 300 thousand last-mile couriers and delivery companies, in addition to a unique value proposition in the market with our fulfillment multiplatform. Our network responded for 72% of all our deliveries in 4Q22. Our open-sea operations presented an expressive increase of +320% in number of deliveries and revenue of +837%. ENVVIAS deliveries increased +5 times.

Corporate Governance: in April 2022, Ms. Claudia Quintella Woods was elected an independent member of the Board of Directors, reinforcing the Company's commitment with diversity. In December 2022, Mr. Renato Carvalho do Nascimento, an independent member of the Board of Directors was elected chairman of referred to Board.

Innovation: Via was recognized as one of the ten companies mostly engaged in open innovation with startups in the Retail and Distribution category, according to the 100 Open Startups platform rank. In 2022, the Company occupied the 8th position due to the number of relationships with startups, which includes hiring, developing proofs of concept and pilots, acquisitions and investments.

Our ESG performance is equally in synergy with the Company's business strategy. With our feet on the ground, we continuously exercise and analyze all possibilities for expanding, improving our customers' experience, increasing productivity and decreasing expenses. Seeking excellence in executing our strategy and our operation is our permanent objective.

Finally, I would like to thank oue Via team, as well as our millions and millions of consumers, our suppliers, partners, investors, and our directors.

Consolidated Information

Breakdown of Gross Revenue

R$ million	4Q22	4Q21	%	2022	2021	%
Goods	9,012	8,711	3.5%	32,037	33,052	(3.1%)
Freight and assembly services	113	66	71.2%	320	298	7.4%
Services	685	305	124.6%	1,702	1,088	56.4%
BNPL/Cards	617	484	127.5%	2,359	1,937	21.8%
Gross revenue	**10,427**	**9,566**	**9.0%**	**36,418**	**36,375**	**0.1%**

Although its level of performance was pressured by the decrease in online 1P GMV, gross sales revenue presented an increase by 3.5%. However, revenues from services and credit facility/cards increased, correlated with the resumption of brick-and-mortar store activities, an effect that leveraged the conversions of sales of other services and the increase of marketplace revenue.

Consolidated Breakdown of Sales	4Q22	4Q21	%	2022	2021	%
Cash	*31.1%*	*29.4%*	*1.7 p.p.*	*28.7%*	*27.3%*	*1.4 p.p.*
Coupon books	*11.2%*	*12.3%*	*(1.1 p.p.)*	*13.9%*	*12.6%*	*1.3 p.p.*
BanQi	*0.4%*	*0.4%*	*0.0 p.p.*	*0.4%*	*0.5%*	*(0.1 p.p.)*
Credit card – co-branded	*10.5%*	*9.4%*	*1.1 p.p.*	*9.3%*	*7.9%*	*1.4 p.p.*
Credit card - other	*46.8%*	*48.5%*	*(1.7 p.p.)*	*47.7%*	*51.7%*	*(4.0 p.p.)*

Our BNPL remains an important tool for customer loyalty and a competition differential, with penetration in 2022 of 14% in Via's consolidated revenue, an increase of 1.3 p.p. as compared with 2021. In the stores, in 2022, BNPL responded for 26% of sales and 5% of online sales of Casas Bahia trademark. Sales carried out using own means of payment grew 2.6 p.p., i.e. approximately 24%, mainly for the co-branded card, which increased in the year and in the quarter.

Gross Profit

R$ million	4Q22	4Q21	%	2022	2021	%
Gross Profit	2,767	2,364	17.0%	9,590	9,327	2.8%
Gross Margin - %	*31.3%*	*29.1%*	*2.2 p.p.*	*31.0%*	*30.2%*	*0.8 p.p.*

In 4Q22, gross operating profit amounting to R$ 2,8 billion, with gross margin of 31.3%, an increase of 2.2 p.p. This margin is explained by the larger penetration of services, in addition to the contribution of a larger take rate in 3P. In 2022, gross margin presented a slight increase of 0.8 p.p.

Selling, General and Administrative Expenses

R$ million	4Q22	4Q21	%	2022	2021	%
Selling, General and Administrative Expenses	(2,202)	(1,784)	23.4%	(7,472)	(8,198)	(8.9%)
% Net revenue	*(24.9%)*	*(22.0%)*	*(2.9 p.p.)*	*(24.2%)*	*(26.5%)*	*2.3 p.p.*

Selling, general and administrative expenses grew by 23.4% p.a., an increase of 2.9 p.p. to 24.9% of ROL.

In 2022, selling, general and administrative expenses decreased 8.9%, with an improvement of 2.3 p.p. in relation to ROL.

R$ million	4Q22	4Q21	%	2022	2021	%
Finance income	**51**	**22**	**131.8%**	**116**	**75**	**54.7%**
Finance costs	**(698)**	**(489)**	**42.7%**	**(2,659)**	**(1,473)**	**80.5%**
Finance costs - debts	(155)	(108)	43.5%	(557)	(323)	72.4%
Finance costs - CDCI	(196)	(95)	106.3%	(626)	(306)	104.6%
Expenses with discount on receivables	(137)	(146)	(6.2%)	(763)	(288)	164.9%
Interest on lease liabilities	(116)	(103)	12.6%	(435)	(391)	11.3%
Other finance costs	(94)	(37)	154.1%	(278)	(165)	68.5%
Finance income (costs) before restatements	**(647)**	**(467)**	**38.5%**	**(2,543)**	**(1,398)**	**81.9%**
% Net revenue	*(7.3%)*	*(5.7%)*	*(1.6 p.p.)*	*(8.2%)*	*(4.5%)*	*(3.7 p.p.)*
Monetary restatements	6	29	(79.3%)	299	181	65.2%
Net finance income (costs)	**(641)**	**(438)**	**46.3%**	**(2,244)**	**(1,217)**	**84.4%**
% Net revenue	*(7.2%)*	*(5.4%)*	*(1.8 p.p.)*	*(7.3%)*	*(3.9%)*	*(3.4 p.p.)*

In 4Q22, net finance income (costs) amounted to R$ (641) million, 1.8 p.p. higher as a percentage of net revenue (7.2%), mainly due to the increase in Selic, which was partially mitigated by the improvement obtained in cost spreads.

Net income (loss)

R$ million	4Q22	4Q21	%	2022	2021	%
Net Loss	(163)	29	n/a	(342)	(297)	15.2%
Net margin - %	*(1.8%)*	*0.4%*	*(2.2 p.p.)*	*(1.1%)*	*(1.0%)*	*(0.1 p.p.)*

Net loss amounted to R$ (163) million and net margin to (1.8%) in the quarter, a drop of 2.2 p.p. as compared with 4Q21. In 2022, we presented net loss of R$ (342) million.

Financial cycle

R$ million	4Q22	3Q22	2Q22	1Q22	4Q21	(+/-) 4Q22 v. 4Q21
(+/-) Inventories	**5,574**	**6,418**	**6,633**	**6,907**	**7,152**	**(1,578)**
Inventory days[1]	95	111	113	117	120	(25 days)
(+/-) Trade accounts payable (*)	**6,421**	**5,348**	**5,736**	**5,494**	**5,608**	**813**
Trade accounts payable- Portal	657	1,040	1,044	696	1,332	(675)
Trade accounts payable – reverse factoring (agreement)	2,463	2,499	2,500	2,509	1,904	559
Not for resale	**830**	**716**	**759**	**662**	**810**	**20**
Total days of trade accounts payable[1]	121	111	116	105	117	4 days
Financial cycle variation	**26**	**-**	**3**	**(12)**	**(3)**	**29**

([1]) Cost of sales – days

** Except trade accounts payable – portal, trade accounts payable – not for resale and trade accounts payable – reverse factoring (agreement).*

4Q22 ended with a strong decrease in number of inventory days (25 days) in relation to 4Q21, in line with the strategy adopted for inventory normalization in 2022 and without affecting availability, despite seasonal events such as the World Cup, Black Friday and Christmas.

For purposes of better understanding, in addition to the balance of trade accounts payable – reverse factoring (agreement), already reported, we decided to break down trade accounts payable – portal since, although they refer to recurring commercial transactions between Via and its suppliers, by means of these transactions the Company enables its suppliers to advance their receivables through a discount on face value, and received commissions on these advances amounting to R$ 27 at December 31, 2022 (R$ 57 in 2021). Additionally, we decided to break down the balances of trade accounts payable – not for resale, which are added to trade accounts payable in the statement of financial position. As such, the number of days of trade accounts payable (without reverse factoring) and not for resale calculated has a healthy term for operation, remained practically stable as compared with 4Q21 (a gain of 4 days) and finances our working capital, with a difference of 26 days in relation to inventories.

Trade accounts payable – reverse factoring (agreement): refers to recurring commercial transactions between Via and its suppliers of products and services. The agreements executed meet the parties' mutual interests regarding liquidity and working capital, and are entered into due to possible changes in the context of demand and supply of products and services. Due to the characteristics of the commercial negotiation of deadlines between the suppliers and the Company, these financial liabilities were included in funding programs through the Company's lines of credit with financial institutions. In these operations, the supplier transfers to the financial institution the right to receive funds from the notes and, in exchange, receives these amounts in advance from the financial institution, which becomes the operation's creditor. As at December 31, 2022, the average term of these operations was 118 days subject to finance costs of 18.95% p.a. (at December 31, 2021, the average term was of 98 days subject to finance costs of 11.04% p.a.). The respective finance costs are recorded in finance income (costs) on an accrual basis.

Investments

R$ million	4Q22	4Q21	%	2022	2021	%
Logistics	7	38	(82%)	52	87	(40%)
New stores	25	116	(78%)	180	223	(19%)
Store renovation	9	52	(83%)	56	154	(64%)
Technology	168	143	18%	654	514	27%
Other	1	30	(97%)	64	62	3%
Total	**210**	**379**	**(45%)**	**1,006**	**1,040**	**(3%)**

In the quarter, Via's investments totaled R$ 210 million, of which +80% was directed to projects relating to technology and logistics to support the Company's growth and digitalization.

Store activity by format and brand

In the quarter, 15 stores were opened, all of which under the Casas Bahia brand. At 2022 year end, the Company operated a total 1,133 stores. In 2022, the Company opened 63 new stores and closed 21 stores, a net total of 42 stores.

Casas Bahia	4Q21	3Q22	Opened	Closed	4Q22
Street	736	775	14	-	789
Shopping Malls	191	189	1	2	188
Consolidated (total)	**927**	**964**	**15**	**2**	**977**
Sales area (thousand m2)	**852**	939	11	1	**949**
Total area (thousand m2)	**1,367**	1,483	16	2	**1,497**

Ponto	4Q21	3Q22	Opened	Closed	4Q22
Street	89	89	-	1	88
Shopping Malls	75	68	-	-	68
Consolidated (total)	**164**	**157**	**-**	**1**	**156**
Sales area (thousand m2)	90	85	-	1	84
Total area (thousand m2)	147	141	-	1	140

Consolidated	4Q21	3Q22	Opened	Closed	4Q22
Street	825	864	14	1	877
Shopping Malls	266	257	1	2	256
Consolidated (total)	**1,091**	**1,121**	**15**	**3**	**1,133**
Sales area (thousand m2)	**942**	1,024	11	2	**1,033**
Total area (thousand m2)	**1,514**	1,624	16	3	**1,637**

Distribution centers	4Q21	3Q22	Opened	Closed	4Q22
DCs	28	30	-	0	30
Total area (thousand m2)	**1,287**	1,290	-	0	**1,290**

Consolidated	4Q21	3Q22	Opened	Closed	4Q22
Total area (thousand m2)	**2,801**	**2,914**	**16**	**3**	**2,927**

Fiscal Year

The Company's fiscal year coincides with the calendar year, and the financial statements will be prepared at year end, in accordance with the provisions of Brazilian Corporation Law and other legal provisions applicable.

The Company will prepare interim financial information, in compliance with the legal provisions applicable.

Accumulated losses and provision for taxes computed on income (loss) for the year will be deducted from Profit or Loss for the year before any interests.

Together with the financial statements for the year, management will present at the General Meeting a proposal for allocation of net income for the year that remains after the following deductions or additions, in a decreasing manner and in the following order:

a) 5% (five per cent) for setting up the legal reserve, not exceeding 20% (twenty per cent) of capital. The Company may be allowed to fail to set up the legal reserve in the year in which this reserve balance, plus the amount of capital reserves, exceeds 30% (thirty percent) of capital;

b) Amount intended for setting up reserves for contingencies and reversing the reserves recorded in prior years;

c) Unrealized profits and reversal of profits previously recorded in this reserve that were realized in the year;

d) 25% (twenty-five per cent) for payment of mandatory dividend; and

e) The remaining portion of net profit will be allocated to: (i) investment and expansion reserve, without prejudice to retained profits under the terms of article 196 of Brazilian Corporation Law; and (ii) reinforcement of working capital; and may also (iii) be used for redeeming, reimbursing or purchasing Company shares. The General Meeting may decide on respective release in the hypothesis of payment of dividends additional to mandatory dividends.

The Company may declare, upon decision by the Board of Directors, interim dividends on account of (i) profits computed in the interim financial statements provided for in the sole paragraph of article 31 above, (ii) accumulated profits, or (iii) income reserves.

Dividends declared in that manner shall constitute advances of mandatory dividends addressed in article 33 of these Articles of Incorporation.

The Board of Directors may determine the payment of interest on equity, in accordance with and to the limit set forth in applicable legislation, which shall be imputed to annual mandatory minimum dividends.

Dividends attributed to shareholders shall be paid within the period established by law and, if not claimed within 3 (three) years from publication of the deed that authorized their payment, shall prescribe in favor of the Company.

Relationship with the External Auditor

The policy adopted by the Company for engaging services not related to the external audit from the independent auditor is based on principles that preserve the auditor's independence, to wit: (a) the auditor shall not audit his or her own work; (b) the auditor shall not exercise management functions for his or her client; and (c) the auditor shall not legally represent the interests of his or her client.

Audit fees refer to professional services rendered in the audit of the Company's consolidated financial statements, quarterly reviews of the Company's consolidated financial statements, corporate audits and interim reviews of certain subsidiaries, as required by the relevant legislation.

Pursuant to Ruling No. 381/2003 issued by the Brazilian Securities and Exchange Commission (CVM), the Company informs that Ernst & Young Auditores Independentes S.S., provider of external audit services to the Company, did not render any non-audit services that represented more than 5% (five per cent) of the audit fees in 2022.

ESG highlights

Value added

Value added in the year totaled R$ 6,386 million. Of this amount, R$3,288 million, 51.5% of value added, were allocated to payment of employees, charges and legal contingencies.

In the year ended December 31, 2022, the Company’s headcount was 46,073 employees, 10.92% lower than the number of employees in the year ended December 31, 2021, which was of 51,722 employees.

In 2022, Via once again formed part of the portfolios of important B3 indices such as: the Corporate Sustainability Index (ISE), Carbon Efficient Index (ICO2) and Great Place to Work Index (IGPTW), reinforcing our environmental, social and governance commitments.

Our main highlights in the year are as follows:

Environment:

SLB (*Sustainability Linked Bonds*)

In 2022, Via achieved the ESG goal established in SLB, disclosed in April 2021, of acquiring 50% energy from clean and renewable sources. This goal was assured by KMPG. The Company committed to reaching 90% until 2025.

Via Recycling Program – REVIVA

In 2022, by means of the REVIVA program, we allocated approximately 3,5 thousand tons of waste for recycling, and benefitted 12 partner cooperatives. With 530 electro-electronic collectors spread throughout the stores and operations, 4,7 tons of electro-electronic items were sent for disposal and recycling.

Sustainable marketplace

Pangeia, the sustainable marketplace of Casas Bahia, continues supporting the development of small producers such as indigenous Amazonian communities, rural and forestry cooperatives, and artisans. Pangeia adopts the “1% for the planet” initiative (sales converted into practical ESG actions) and all transactions are zero carbon, compensated by Moss.

Diversity

‘*Via de Respeito*’ Program

In 2022, we developed awareness-raising and training courses to promote equity for all employees. We launched the “Via de Respeito” Program aimed at raising awareness of and promoting the fight against discrimination and harassment.

People with disabilities

In December, we entered into a partnership with REIS with a view to accelerating the inclusion of professionals with disabilities.

Race

We created the **“Por Uma Via Antirracista”** initiative, to promote the **fight against racism** and the inclusion of black and brown people. By means of **Mover movement**, we launched a racial lettering program and granted **technology and English** scholarships to Via employees.

Women in leadership

In 2022, Via carried out various initiatives focused on developing women in leadership. These actions include an initiative for female employees in the technology area.

Social

Casas Bahia Foundation

We invested R$ 4,2 million in 15 projects, divided into three strategic pillars: Youth Prominence, Entrepreneurship and Social Engagement.

We highlight the ‘*Gincana Agente+*’, a social competition involving the entire Brazilian operations team, which relied on the participation of 475 stores, having collected 19 thousand pieces of closing, 3,723 kg of food and 3,477 toys, and benefitted over nine thousand people. In total, Casas Bahia Foundation supported 67 local social organizations nominated by the main stores participating in the competition.

Together with PROA Institute, our main partner, we contributed to the qualification to and provided employability support to 3,579 young people in the states of São Paulo, Pernambuco, Rio de Janeiro, Rio Grande do Sul and Santa Catarina. Additionally, we connected some of these young people to Via’s ecosystem, which hired and gave the opportunity of having their first job to 22 PROA students.

Corporate Governance

The Company has a very robust Governance structure, aimed at ensuring efficient and responsible management, always observing best market practices, in accordance with the laws, guidance and other applicable rules, in addition to the commitments assumed by the Company with its customers, investors and society as a whole, especially with regard to transparency. Company governance is structured as follows: General Meeting; Board of Directors; Audit, Risk and Compliance Committee, whose purpose, among others, is to ensure that the risk controls are fully operational; Finance Committee; People, Innovation and Governance Committee, which also has an independent member, and discusses matters relating to people and governance improvement; and the Board of Executive Officers, who are responsible for implementing and executing the Company's strategy. Additionally, the Company has a Supervisory Board, which operates on a non-permanent basis, but has been installed in the past years, has always been very active and helps to ensure even more transparency to the practices adopted by the Company. The main actions taken in 2022 in the Company's corporate governance structure are presented below.

Election of the Board of Directors

In April 2022, Ms. Claudia Quintella Woods was appointed and elected an independent member of the Board of Directors, reinforcing the Company's commitment with diversity and with a view to improving the Company's corporate governance. In December 2022, Ms. Woods also became an independent member of the People and Governance Committee. Due to this change, referred to Committee is now mostly comprised of independent members.

Election of the new Chairman of the Board of Directors

In addition to the new members and in line with market's best corporate governance practices, on December 16, 2022, Mr. Renato Carvalho do Nascimento, an independent member of the Board of Directors, was elected chairman of referred to Board. This seat was previously occupied by Mr. Raphael Oscar Klein, who continues as a member.

Highlights of the Audit, Risk and Compliance Committee

In 2022, in order to monitor the work, improve its analyses and recommendations and seeking honesty in Company processes and operations, in addition to analyzing the quarterly financial information and annual financial statements, our Audit, Risk and Compliance Committee continuously monitored: (i) the work plan of the Internal Controls, Risk and Compliance area, including, without limitation the results of the Hotline and Risk Maps; (ii) the review and update of the Company's Risk Management Policy by the Internal Controls, Risk and Compliance area; (iii) the work conducted by the cyber-security area; (iv) monetization of tax credits; (v) updates issued by regulating authorities such as the recent amendments to the Reference Framework, especially relating to ESG, in addition to other matters.

Roberto Fulcherberguer
CEO

Executive Board's Representation on the financial statements

In compliance with the provisions contained in item VI, paragraph 1, article 25 of Ruling No. 480 of the Brazilian Securities and Exchange Commission (CVM) dated December 7, 2009, the Officers of Via S.A. (the "Company") state that they have reviewed, discussed and agreed on the Company's financial statements for the year ended December 31, 2022, authorizing its completion on that date.

São Paulo (SP), March 09, 2023.

Roberto Fulcherberguer
Chief Executive Officer

Sérgio Augusto França Leme
Administrative Vice President and Investor Relations Officer

Abel Ornelas Vieira
Commercial and Operations Vice President

Orivaldo Padilha
Financial Vice President

Helisson Brigido Andrade Lemos
Vice President of Digital Innovation

Executive Board's Representation on the independent auditor's report on financial statements

In compliance with the provisions contained in item V, paragraph 1, article 25 of Ruling No. 480 of the Brazilian Securities and Exchange Commission (CVM) dated December 7, 2009, the Officers of Via S.A. (the "Company") state that they have reviewed, discussed and agreed on the opinions expressed in the independent auditor's report on the Company's financial statements for the year ended December 31, 2022, authorizing its completion on that date.

São Paulo (SP), March 09, 2023.

Roberto Fulcherberguer
Chief Executive Officer

Sérgio Augusto França Leme
Administrative Vice President and Investor Relations Officer

Abel Ornelas Vieira
Commercial and Operations Vice President

Orivaldo Padilha
Financial Vice President

Helisson Brigido Andrade Lemos
Vice President of Digital Innovation

Supervisory Board's Opinion on the financial statements

The Supervisory Board of Via S.A. (the "Company"), in compliance with legal and statutory obligations, has examined the Management Report and the Financial Statements for the year ended December 31, 2022. In its opinion, based on the examinations carried out and the clarifications provided by management, as well as considering the opinion of the independent auditors – Ernst & Young Auditores Independentes S.S. – dated March 09, 2023, the documents are, in all material respects, in conditions to be considered at the General Shareholders' Meeting, to be held under the terms of Law No. 6404/76.

São Paulo, March 09, 2023.

Olavo Fortes Campos Rodrigues Junior – President

André Coji – Member

Magali Rogéria de Moura Leite - Member

Summary of the Annual Audit, Risk and Compliance Committee Report

The Members of the Board of Directors of Via S.A. ("Company")

Presentation

The Company's Audit, Risk and Compliance Committee ("Committee") is a statutory advisory body directly linked to the Board of Directors, of a permanent nature, governed by applicable legislation and regulations, especially CVM Ruling No. 23/2021, as amended, by the provisions of the Company's Articles of Incorporation and by its Internal Rules.

The Committee was initially installed at the Board of Directors' meeting of October 24, 2018, when the Company migrated to the special listing segment of B3 S.A. – Brasil, Bolsa, Balcão, called Novo Mercado.

The Committee reports to the Board of Directors and operates independently from the Executive Board. Its powers and responsibilities are performed in compliance with the applicable legal and statutory responsibilities, defined in its Internal Rules.

On July 07, 2020, the Board of Directors approved the update of the Committee's Internal Rules and changed its name to expressly include "Risk and Compliance", as well as the Committee's new composition, to wit: (i) election of Mr. Marcel Cecchi Vieira as Committee Coordinator; and (ii) election of Mr. Luiz Carlos Nannini and Mr. Rogério Paulo Calderón Peres as Committee members. The term of office of referred to members was renewed for (2) two years in a meeting of the Board of Directors held on May 10, 2022, and will be effective until the first meeting of the Board of Directors to be held after the Company's General Meeting of 2024.

As informed to the market on March 07, 2023, the Company was notified of the resignation of Mr. Marcel Cecchi Vieira, dated March 06, 2023, for personal reasons. Mr. Marcel Cecchi Vieira acted as coordinator of the Audit, Risk and Compliance Committee in the past three years and, in addition of other duties, monitored the entire review of the consolidated financial statements for the year ended December 31, 2022, which will be disclosed by the Company on March 09, 2023, after the end of B3 trading day. The Board of Directors will nominate a new Audit Committee member to replace Mr. Marcel Cecchi

Activities conducted

In accordance with the Committee's Internal Rules, general meetings will be held at least bimonthly. The Committee met 10 (ten) times from January 2022 to March 2023.

All the issues, guidance, discussions, recommendations and opinions of the Committee were formalized in minutes of meetings, which are signed by the attending Committee members and remain filed at the Company's headquarters and in the platform used by the Company's Corporate Governance area.

The Committee's key activities in the period from January 2022 to March 2023 were as follows:

(a) Analysis of and recommendation about the Company's Management Report and Financial Statements for the year ended December 31, 2021 (DF2021);
(b) Analysis of and recommendation to renew the agreement with the Independent Auditor (EY) for year 2022;
(c) Analysis of and recommendation about the Company's financial statements for the period ended March 31, 2022 (interim financial information - 1Q22);
(d) Analysis of and recommendation about the Company's financial statements for the period ended June 30, 2022 (interim financial information - 2Q22);
(e) Analysis of and recommendation about the Company's financial statements for the period ended September 30, 2022 (interim financial information - 3Q22);
(f) Monitoring the work plan of the Company's Independent Auditor for year 2022;

(g) Monitoring the works of the Internal Controls, Risk and Compliance area in 2022, including, without limitation the results of the Hotline and Risk Maps;
(h) Monitoring the works and annual plan of the Company's Internal Audit in 2022, including definition of the scope of work and recurring reports to the Committee about deliveries and progress;
(i) Analysis of recommendation about the update of the Company's Risk Management Policy by the Internal Controls, Risk and Compliance area;
(j) Monitoring the works conducted by the Cybersecurity area;
(k) Monitoring the status of the Tax Credit Monetization work;
(l) Monitoring the indicators of the Customer Service area;
(m) Monitoring the works conducted by the Company's Sustainability area;
(n) Definition of the Independent Audit engagement flow for controlled entities/subsidiaries;
(o) Definition of the engagement flow for advisory services provided by audit firms;
(p) Monitoring the work plan of the Independent Auditor (Grant Thornton), currently responsible for auditing banQi Instituição de Pagamento and BNQI SCD;
(q) Monitoring recent changes in the Reference Form, especially ESG;
(r) Analysis of the Internal Audit Work Plan for the first quarter of 2023;
(s) Analysis and recommendation of the Company's Integration Policies, Tax Policy and General Data Protection Policy for the Board's approval;
(t) Finally, analysis of and recommendation about the Company's Management Report and Financial Statements for the year ended December 31, 2022 ("DFs 2022").

Conclusions

The Committee members, in the exercise of their duties, carried out an examination and analysis of the Company's Financial Statements, including the Independent Auditor's Report and the Annual Management Report, referring to the year ended December 31, 2022. Considering all the analyses, studies and debates carried out during the meetings and the follow-up and supervision carried out by the Committee regarding the closing of the Financial Statements, in particular arising from the information provided by the Company, its Independent Auditors, as well as the Investigation Report, Committee members state that they have found no objection in submitting these documents for proper consideration by the Company's Board of Directors, with the subsequent recommendation for approval of shareholders at the General Meeting.

São Paulo, March 07, 2023.

Marcel Cecchi Vieira
Committee Coordinator until March 06, 2023

Luiz Carlos Nannini
Member

Rogério Paulo Calderón Peres
Member

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 International Financial Reporting Standards (IFRS), issued by International Accounting Standards Board - IASB

Independent auditor's report on financial statements

To the Executive Board and Shareholders
Via S.A.
São Paulo - SP

Opinion

We have audited the individual and consolidated financial statements of Via S.A. ("Company"), identified as Individual and Consolidated, respectively, which comprise the statement of financial position as at December 31, 2022, and the statements of profit or loss, of comprehensive income (loss), of changes in equity, and of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements referred to above present fairly, in all material respects, the individual and consolidated financial position of Via S.A. as at December 31, 2022, and its individual and consolidated financial performance and cash flows for the year then ended, in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with 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 and the professional standards issued by Brazil's National Association of State Boards of Accountancy (CFC), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide an individual opinion on these matters. For each matter below, our description of how our audit addressed the matter, including any commentary on the findings or outcome of our procedures, is provided in that context.

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 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 audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Measurement of the provision for labor and civil contingencies

At December 31, 2022, the provision for labor and civil contingencies totaled R$ 2,080 million in the individual statements and R$ 2,113 million in the consolidated statements, as disclosed in Note 17.c to the individual and consolidated financial statements. The Company and its subsidiaries are parties to a significant number of lawsuits and administrative proceedings pending before courts and government agencies arising from the normal course of their operations, involving labor and civil matters.

The measurement, accounting recognition of the provision and the respective disclosure of contingencies related to these lawsuits and administrative proceedings require judgment of the Company and its internal and external legal advisors.

Changes in the assumptions used by the Company to exercise this judgment, or changes in external conditions, may significantly impact the amount of the provision recognized in the individual and consolidated financial statements.

How our audit addressed this matter:

Our audit procedures included the following, among others: (i) evaluation of the accounting policies applied by the Company and its subsidiaries for classification of losses, including assessment of the judgment on measurement of the amounts to be recorded as provision and the appropriate and consistent application of the judgment throughout all periods presented; (ii) analysis of the sufficiency of recognized provisions and contingency amounts disclosed and that took into account the evaluations prepared by the Company's and its subsidiaries' internal and external legal advisors; (iii) external confirmations obtained from the Company's advisors about the current stage and risk classification of lawsuits and administrative proceedings; (iv) involvement of our labor litigation specialists in the analysis of the likelihood of loss and calculation model adopted by the Company to set up the provision; and (v) assessment of the adequacy of the Company's disclosures in explanatory notes in relation to the matter.

Based on the results of the audit procedures performed, which are consistent with management's assessment, we understand that the estimates prepared by the executive board for recording provision for labor and civil contingencies, as well as the respective disclosures in Note 17, are acceptable in the context of the financial statements taken as a whole.

Realization of State VAT (ICMS) credits recoverable

At December 31, 2022, the balance of State VAT (ICMS) credits totaled R$ 3,813 million in the individual statements and R$ 3,815 million in the consolidated statements, as disclosed in Note 8.b to the financial statements as of December 31, 2022. The recoverability analysis of ICMS credits was significant for our audit due to the following: (i) the amounts of these credits are material in relation to the individual and consolidated financial statements as of December 31, 2022 and (ii) the preparation of this analysis involves judgment by the Company's executive board in determining the projections of future ICMS debts in its operations, including consideration of special taxation regimes. These projections could be impacted by future market and economic conditions, which are not under Company's control.

How our audit addressed this matter:

Our audit procedures included the following, among others: (i) understanding of the process implemented by the executive board for preparation of the annual tax credit recoverability analysis, including evaluation of the design and operational effectiveness of internal controls implemented for preparation of projections; (ii) assessment of the reasonableness of the data used in the preparation of the annual tax credit recoverability analysis, including referred to calculations; and (iii) involvement of our indirect tax specialists in assessing the application of tax legislation and special taxation regimes in the projections used for the annual analysis of recoverability of tax credits. We also evaluated the adequacy of disclosures in Note 8 to the financial statements as of December 31, 2022.

Based on the results of the audit procedures carried out on the annual tax credit recoverability analysis, which are consistent with the executive board's assessment, we consider that the criteria and assumptions associated with the recoverability of the ICMS credits adopted by the executive board, as well as respective disclosures in Note 8, are acceptable, in the context of the financial statements taken as a whole.

Recoverability of deferred income and social contribution tax assets

As disclosed in Note 16.c, the Company presents net deferred income and social contribution tax assets amounting to R$ 3,319 million in the individual statements and R$ 3,601 million in the consolidated statements at December 31, 2022, on temporary differences, and income and social contribution tax losses. The Company assessed whether these deferred income and social contribution tax assets were recoverable based on projections of future taxable profits. This was considered a key audit matter since such assessment requires a high degree of judgment by the executive board in determining the assumptions and criteria used in the taxable profit projections, which are affected by expected future market and economic conditions, which are not under Company's control.

How our audit addressed this matter:

Our procedures included, among others, involving professionals specialized in financial projections and in income taxes to assist us in assessing the assumptions and methodology used by the Company, particularly those relating to 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 executive board and board of directors. We also evaluated the adequacy of disclosures on this matter in Note 16 to the financial statements at December 31, 2022.

Based on the results of the audit procedures carried out on the recoverability of deferred income and social contribution tax assets, which are consistent with the executive board's assessment, we consider that the criteria and assumptions adopted by the executive board, as well as respective disclosures in Note 16, are acceptable, in the context of the 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, 2022, prepared under the responsibility of the Company's board of directors, and presented as supplementary information for IFRS purposes, were subject to audit procedures conducted jointly with the audit of the Company's financial statements. To form our opinion, we evaluated if these statements are reconciled to the financial statements and accounting records, as applicable, and if their form and content comply with the criteria defined by NBC TG 09 – Statement of Value Added. In our opinion, these statements of value added were prepared fairly, in all material respects, in accordance with the criteria defined in abovementioned accounting pronouncement, and are consistent in relation to the overall individual and consolidated financial statements.

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

The Company's 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), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, management 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 management 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 its 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 of 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 Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identified and assessed 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 the Company's and its subsidiaries' internal control.

- 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 management'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 conditions may cause the Company to cease to continue as a going concern.

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

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

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

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements, including applicable independence requirements, 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 determined 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, March 9, 2023.

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

Julio Braga Pinto
Accountant CRC SP-209957/O

Via S.A.

Statement of financial position
December 31, 2022
In millions of reais

		Individual		Consolidated	
	Note	**12/31/2022**	**12/31/2021**	**12/31/2022**	**12/31/2021**
Assets					
Current assets					
Cash and cash equivalents	5	**1,717**	1,596	**2,019**	1,781
Trade accounts receivable	6	**6,537**	6,855	**6,595**	6,900
Inventories	7 and 14 (g)	**5,533**	7,099	**5,574**	7,152
Taxes recoverable	8	**1,815**	1,782	**1,827**	1,809
Transactions with related parties	9	**523**	420	**299**	271
Prepaid expenses		**217**	180	**231**	191
Other assets	6 (f)	**523**	310	**578**	360
Total current assets		**16,865**	18,242	**17,123**	18,464
Noncurrent assets					
Trade accounts receivable	6	**764**	665	**764**	665
Taxes recoverable	8	**4,770**	4,408	**4,910**	4,495
Deferred taxes	16 (c)	**3,319**	2,709	**3,635**	2,841
Transactions with related parties	9	**134**	141	**184**	188
Judicial deposits	17 (e)	**908**	803	**925**	823
Financial instruments	14 (b)	**-**	-	**10**	10
Other assets	6 (f)	**500**	466	**501**	467
Investments	10	**1,999**	1,466	**265**	225
Property and equipment	11	**1,650**	1,620	**1,737**	1,712
Intangible assets	12	**1,599**	1,055	**2,704**	2,143
Right-of-use assets	18	**2,789**	3,273	**2,816**	3,307
Total noncurrent assets		**18,432**	16,606	**18,451**	16,876
Total assets		**35,297**	34,848	**35,574**	35,340

See accompanying notes

Via S.A.

Statement of financial position
December 31, 2022
In millions of reais

Liabilities and equity	Note	Individual 12/31/2022	Individual 12/31/2021 (restated)	Consolidated 12/31/2022	Consolidated 12/31/2021 (restated)
Current liabilities					
Trade accounts payable		**7.110**	6.276	**7.251**	6.418
Trade accounts payable - portal	14 (b)	**657**	1.332	**657**	1.332
Trade accounts payable - reverse factoring (agreement)	14 (b)	**2.463**	1.904	**2.463**	1.904
Loans and financing	13	**6.373**	5.267	**6.373**	5.283
Taxes payable	15	**227**	225	**255**	231
Social and labor obligations		**357**	558	**440**	591
Deferred revenue	19	**190**	365	**201**	374
Transactions with related parties	9	**332**	76	**20**	27
Transfers to third parties	14 (b)	**560**	498	**648**	576
Lease liabilities	18	**641**	824	**645**	829
Other liabilities		**779**	1.082	**797**	1.112
Total current liabilities		**19.689**	18.407	**19.750**	18.677
Noncurrent liabilities					
Loans and financing	13	**3.005**	4.139	**3.005**	4.139
Deferred revenue	19	**2.165**	793	**2.228**	853
Provision for contingencies	17	**2.107**	2.509	**2.188**	2.593
Taxes payable	15	**19**	21	**20**	21
Deferred taxes	16 (c)	**-**	-	**34**	6
Transactions with related parties	9	**2**	-	**-**	-
Lease liabilities	18	**3.016**	3.328	**3.054**	3.373
Other liabilities		**10**	14	**11**	41
Total noncurrent liabilities		**10.324**	10.804	**10.540**	11.026
Total liabilities		**30.013**	29.211	**30.290**	29.703
Equity	20				
Capital		**5.044**	5.044	**5.044**	5.044
Capital transactions		**(1.232)**	(1.232)	**(1.232)**	(1.232)
Capital reserves		**2.361**	2.299	**2.361**	2.299
Treasury shares		**(74)**	(10)	**(74)**	(10)
Accumulated losses		**(639)**	(297)	**(639)**	(297)
Other comprehensive income (loss)		**(176)**	(167)	**(176)**	(167)
Total equity		**5.284**	5.637	**5.284**	5.637
Total liabilities and equity		**35.297**	34.848	**35.574**	35.340

See accompanying notes

Via S.A.

Statement of profit or loss
for the year ended December 31, 2022
In millions of reais, unless otherwise stated

	Note	Individual		Consolidated	
		12/31/2022	12/31/2021	**12/31/2022**	12/31/2021
Sales and service revenue	21	**30,780**	30,896	**30,898**	30,899
Cost of goods sold and services rendered	22	**(21,010)**	(21,513)	**(21,308)**	(21,572)
Gross profit (loss)		**9,770**	9,383	**9,590**	9,327
Selling expenses	22	**(6,216)**	(7,079)	**(6,340)**	(7,121)
General and administrative expenses	22	**(1,057)**	(1,013)	**(1,138)**	(1,077)
Depreciation and amortization	11, 12 and 18	**(875)**	(782)	**(895)**	(799)
Other operating income (expenses), net	23	**(129)**	(682)	**(102)**	(718)
Income (loss) before finance income (costs) and equity pickup		**1,493**	(173)	**1,121**	(388)
Finance income (costs), net	24	**(2,286)**	(1,230)	**(2,244)**	(1,217)
Equity pickup	10	**(149)**	(98)	**40**	45
Loss before income and social contribution taxes		**(942)**	(1,501)	**(1,083)**	(1,560)
Income and social contribution taxes	16	**600**	1,204	**741**	1,263
Loss for the period attributable to Company shareholders		**(342)**	(297)	**(342)**	(297)
Earnings (loss) for the period per share (Reais per share)	25				
Basic					
Common		**(0.21629)**	(0.18593)		
Diluted					
Common		**(0.21629)**	(0.18593)		

See accompanying notes

Via S.A.

Statement of comprehensive income (loss)
for the year ended December 31, 2022
Em milhões de reais

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Loss attributable to Company shareholders	**(342)**	(297)	**(342)**	(297)
Other comprehensive income (loss)				
Items that may be reclassified to P&L				
Fair value of financial instruments	**(20)**	(153)	**(20)**	(153)
Taxes on fair value of financial instruments	**7**	52	**7**	52
Equity pickup on other comprehensive income (loss) in investees	**4**	1	**-**	-
Translation adjustments for the year	**-**	-	**4**	1
Comprehensive income (loss) for the period attributable to Company shareholders	**(351)**	(397)	**(351)**	(397)

See accompanying notes

Via S.A.

Statement of cash flows
for the year ended December 31, 2022
Em milhões de reais

	Note	Individual 12/31/2022	Individual 12/31/2021 (restated)	Consolidated 12/31/2022	Consolidated 12/31/2021 (restated)
Net loss for the period		**(342)**	(297)	**(342)**	(297)
Adjustments to					
Depreciation and amortization	11, 12 and 18	**1.090**	963	**1.118**	993
Equity pickup	10	**149**	98	**(40)**	(45)
Deferred income and social contribution taxes	16	**(599)**	(1.121)	**(754)**	(1.181)
Unrealized interest and monetary differences		**1.496**	846	**1.517**	853
Provisions for labor contingencies, net of reversals		**602**	2.185	**615**	2.224
Provisions for other contingencies, net of reversals		**105**	130	**109**	131
Allowance for expected credit losses	6 (c)	**1.044**	825	**1.085**	830
Loss on disposal of property and equipment and intangible assets	23	**(24)**	7	**(38)**	38
Estimated impairment loss of inventories	7	**19**	16	**19**	15
Deferred revenue recognized in P&L		**(237)**	(219)	**(238)**	(267)
Share-based payment		**56**	49	**59**	49
Write-off of rights of use and lease liabilities	18	**(57)**	2	**(58)**	1
Other		**15**	20	**15**	19
Adjusted net income for the period		**3.317**	3.504	**3.067**	3.363
Changes in working capital					
Trade accounts receivable		**(859)**	272	**(910)**	246
Inventories		**1.547**	(966)	**1.563**	(987)
Taxes recoverable		**(59)**	(605)	**(97)**	(691)
Transactions with related parties		**134**	(83)	**(59)**	(3)
Judicial deposits		**(61)**	(112)	**(58)**	(110)
Prepaid expenses		**(37)**	96	**(40)**	90
Other assets		**(292)**	(381)	**(295)**	(393)
Trade accounts payable	14 (b)	**834**	(222)	**826**	(192)
Trade accounts payable - portal	14 (b)	**(675)**	-	**(675)**	-
Taxes payable		**-**	(49)	**23**	(47)
Social and labor obligations		**(204)**	(13)	**(142)**	(12)
Transfers to third parties		**62**	(139)	**72**	(93)
Deferred revenue		**1.396**	(18)	**1.396**	(18)
Legal contingencies - labor	17	**(1.152)**	(1.474)	**(1.176)**	(1.505)
Legal contingencies - other	17	**(69)**	(133)	**(69)**	(133)
Other liabilities		**(305)**	190	**(336)**	157
Income and social contribution taxes - payment		**-**	-	**(11)**	-
Dividends received from investees	10	**2**	1	**-**	26
Changes in operating assets and liabilities		**262**	(3.636)	**12**	(3.665)
Net cash from operating activities		**3.579**	(132)	**3.079**	(302)
Cash flow from investing activities					
Acquisition of property and equipment and intangible assets	11 and 12	**(972)**	(876)	**(1.008)**	(912)
Disposal of property and equipment and intangible assets	11 and 12	**75**	3	**98**	3
Financial instruments		**-**	-	**-**	(10)
Acquisition of subsidiary, net of cash acquired		**-**	-	**(18)**	(39)
Capital increase in subsidiary	10	**(73)**	(272)	**-**	-
Future capital contributions in subsidiary	10	**(601)**	(119)	**-**	-
Net cash used in investing activities		**(1.571)**	(1.264)	**(928)**	(958)
Cash flow from financing activities					
Fundraising	13	**7.803**	9.199	**7.803**	9.199
Payment of principal	13	**(8.147)**	(9.028)	**(8.164)**	(9.028)
Payment of interest	13	**(912)**	(491)	**(912)**	(491)
Payment of principal - leases	18	**(698)**	(643)	**(702)**	(647)
Payment of interest - leases	18	**(430)**	(385)	**(435)**	(391)
Trade accounts payable - reverse factoring (agreement)	14 (b)	**559**	1.420	**559**	1.420
Capital increase		**-**	5	**-**	5
Acquisition of treasury shares, net of disposal	20 (b)	**(62)**	(10)	**(62)**	(10)
Net cash used in financing activities		**(1.887)**	67	**(1.913)**	57
Net increase (decrease) in cash and cash equivalents		**121**	(1.329)	**238**	(1.203)
Opening balance of cash and cash equivalents	5	**1.596**	2.925	**1.781**	2.984
Closing balance of cash and cash equivalents	5	**1.717**	1.596	**2.019**	1.781
		121	(1.329)	**238**	(1.203)
Additional information on non-cash items					
Acquisition of property and equipment and intangible assets through financing	11 and 12	**194**	263	**194**	266

See accompanying notes

Via S.A.

Statement of changes in equity
for the year ended December 31, 2022
Em milhões de reais

		Attributable to Company shareholders										
				Capital reserves					Income reserves			
	Note	Capital	Capital transactions	Special goodwill reserve	Premium upon subscription of shares	Tax incentives	Options granted	Treasury shares	Investment grants	Accumulated losses	Other comprehensive income (loss)	Total
Balances at December 31, 2020		5,039	(1,232)	279	2,227	8	142	(1)	1,004	(1,420)	(67)	5,979
Loss for the period		-	-	-	-	-	-	-	-	(297)	-	(297)
Capital increase		5	-	-	-	-	-	-	-	-	-	5
Adjustments to financial instruments		-	-	-	-	-	-	-	-	-	(153)	(153)
Taxes on adjustments of financial instruments		-	-	-	-	-	-	-	-	-	52	52
Translation adjustments for the period		-	-	-	-	-	-	-	-	-	1	1
Recognized options granted	20 (d)	-	-	-	-	-	60	-	-	-	-	60
Treasury shares		-	-	-	-	-	-	(10)	-	-	-	(10)
Absorption of accumulated losses		-	-	-	(416)	-	-	-	(1,004)	1,420	-	-
Balances at December 31, 2021		5,044	(1,232)	279	1,811	8	202	(11)	-	(297)	(167)	5,637
Loss for the period		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(342)**	**-**	**(342)**
Adjustments to financial instruments		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(20)**	**(20)**
Taxes on adjustments of financial instruments		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7**	**7**
Translation adjustments for the year		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4**	**4**
Recognized options granted	20 (d)	**-**	**-**	**-**	**-**	**-**	**61**	**-**	**-**	**-**	**-**	**61**
Treasury shares	20 (b)	**-**	**-**	**-**	**-**	**-**	**-**	**(62)**	**-**	**-**	**-**	**(62)**
Absorption of accumulated losses	20 (b)	**-**	**-**	**-**	**-**	**-**	**-**	**(1)**	**-**	**-**	**-**	**(1)**
Balances at December 31, 2022		**5,044**	**(1,232)**	**279**	**1,811**	**8**	**263**	**(74)**	**-**	**(639)**	**(176)**	**5,284**

See accompanying notes

Via S.A.

Statement of value added
for the year ended December 31, 2022
Em milhões de reais

	Note	Individual		Consolidated	
		12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Revenues		**35,275**	35,501	**35,433**	35,558
Sales and service revenue	21	**36,240**	36,322	**36,418**	36,375
Allowance for expected credit losses	6	**(1,044)**	(825)	**(1,085)**	(830)
Other revenues		**79**	4	**100**	13
Inputs acquired from third parties		**(28,787)**	(29,324)	**(28,553)**	(29,359)
Cost of goods sold and services rendered		**(23,856)**	(24,529)	**(23,683)**	(24,350)
Materials, energy, third-party services and other		**(4,938)**	(4,851)	**(4,893)**	(5,041)
Recovery (loss) of receivables		**(37)**	2	**(71)**	(23)
Other		**44**	54	**44**	55
Gross value added		**6,488**	6,177	**6,830**	6,199
Depreciation and amortization	11, 12 and 18	**(1,090)**	(963)	**(1,118)**	(993)
Net value added produced by the Company		**5,398**	5,214	**5,712**	5,206
Value added received in transfer		**412**	175	**674**	348
Equity pickup	10	**(149)**	(98)	**40**	45
Finance income	24	**561**	273	**634**	303
Total value added to be distributed		**5,810**	5,389	**6,386**	5,554
Value added distributed		**5,810**	5,389	**6,386**	5,554
Personnel		**2,778**	4,731	**3,288**	4,849
Salaries		**1,746**	2,053	**2,174**	2,098
Benefits		**275**	255	**304**	272
Unemployment Compensation Fund (FGTS)		**157**	179	**196**	198
Labor claims		**576**	2,211	**568**	2,223
Other personnel expenses		**24**	33	**46**	58
Taxes, charges and contributions		**448**	(627)	**474**	(596)
Federal taxes		**(94)**	(1,173)	**(118)**	(1,170)
State taxes		**442**	467	**480**	493
Local taxes		**100**	79	**112**	81
Debt remuneration		**2,926**	1,582	**2,966**	1,598
Interest	24	**2,847**	1,503	**2,878**	1,520
Rents		**70**	56	**72**	55
Other		**9**	23	**16**	23
Equity remuneration		**(342)**	(297)	**(342)**	(297)
Loss for the period		**(342)**	(297)	**(342)**	(297)
Total value added distributed		**5,810**	5,389	**6,386**	5,554

See accompanying notes

1. Operations

Via S.A., either directly or through its subsidiaries (the "Company" or "Via"), is listed on the special segment Novo Mercado of B3 S.A. - Brasil, Bolsa, Balcão ("B3"), the Brazilian stock exchange, under code VIIA3, is headquartered in São Paulo, State of São Paulo, Brazil and listed on the OTC Market ("OTC") under code VIAYY (by means of ADRs) traded in the US market.

Via S.A. is a Brazilian omnichannel retailer with national reach, serving over 97 million consumers through brick-and-mortar stores and e-commerce (1P and marketplace), by means of Casas Bahia, Ponto and Extra.com brands.

Via's financial solutions serve millions of customers through the Company's installment sales model (buy now, pay later - BNLP), its marketplace with over 151 thousand partners (sellers) and over 64 million SKUs, offering solutions and services such as fulfillment, and using the Company's logistics network for operations throughout Brazil.

2. Presentation and preparation of individual and consolidated financial statements

2.1. Basis of preparation and presentation, and statement of compliance

The individual and consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and also with the accounting practices adopted in Brazil, issued by the Brazilian Financial Accounting Standards Board (CPC), and approved by the Brazilian Securities and Exchange Commission (CVM), and evidence all significant information that is consistent with the information used to manage the Company's operations.

2.2. Basis of measurement, and functional and presentation currency of the individual and consolidated financial statements

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

2.3. Statement of compliance

In compliance with CVM Rule No. 505/2006, authorization to issue the individual and consolidated financial statements for the year ended December 31, 2022 was granted by the Company's Board of Directors on March 09, 2023.

2.4. Statement of relevance

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

In millions of reais, unless otherwise stated

2.5. Significant accounting judgments, estimates and assumptions

In preparing the individual and consolidated financial statements, estimates are used to account for certain assets, liabilities and other transactions. To make these estimates, Company management used the best information available on the date of preparation of the individual and consolidated financial statements, as well as past experience and/or current events, also considering assumptions relating to future events.

The individual and consolidated financial statements therefore include estimates and assumptions referring mainly to impairment of accounts receivable, inventories and intangible assets with indefinite useful life, deferred income and social contribution taxes, provision for litigation and contingencies, fair value of assets and liabilities, and measurement of financial instruments. Actual results from the transactions and information may differ from these estimates.

2.6 Restatement of comparative information

After issue of the financial statements for the year ended December 31, 2021, management reviewed its understanding of the classification of trade accounts payable – reverse factoring (agreement) in the statement of cash flows and the classification of certain trade accounts payable balances presented under liabilities, which will henceforth be stated in a specific heading in the statement of financial position named “trade accounts payable - portal”. For this reason, the balances referring to the year ended December 31, 2021 are restated. This restatement had no impact on the amounts in the statement of profit or loss for the year.

	Individual			Consolidated		
	As originally presented at 12/31/2021	Adjustment	12/31/2021 (restated)	As originally presented at 12/31/2021	Adjustment	12/31/2021 (restated)
Statement of cash flows						
Changes in operating assets and liabilities	(2,216)	(1,420)	(3,636)	(2,245)	(1,420)	(3,665)
Cash flow from (used in) operating activities	**1,288**	**(1,420)**	**(132)**	**1,118**	**(1,420)**	**(302)**
Cash flow from (used in) financing activities	**(1,353)**	**1,420**	**67**	**(1,363)**	**1,420**	**57**
Net increase (decrease) in cash and cash equivalents	(1,329)	-	(1,329)	(1,203)	-	(1,203)

	Individual			Consolidated		
	As originally presented at 12/31/2021	Adjustment	12/31/2021 (restated)	As originally presented at 12/31/2021	Adjustment	12/31/2021 (restated)
Statement of financial position						
Trade accounts payable	7,608	(1,332)	6,276	7,750	(1,332)	6,418
Trade accounts payable – portal	-	1,332	1,332	-	1,332	1,332

In millions of reais, unless otherwise stated

2.7 Impacts of COVID-19

Since the beginning of the pandemic, Via has followed the protocols adopted by all federal, state and municipal health authorities. We comply with all sanitary determinations in order to preserve the health of our employees and customers. The Company is in line with the prevention rules, and has maintained the safety of its physical and digital operations. As the immunization coverage has progressed, the impacts on the Company's activities are not significant today. The Company has conducted its operations normally and has standardized and aligned them across the country.

2.8. Acquisitions

(a) CNT Logística

On January 12, 2022, the Company communicated to its shareholders and the market in general the acquisition of one hundred percent (100%) of CNT through its subsidiaries.

CNT is a logtech specializing in complete solutions for e-commerce, multi-marketplace and plug & play platforms (ecosystem with interaction between products and services). CNT has been providing fulfillment services for 11 years and full commerce services for 4 years, and has an extensive history in D2C (direct to consumer) services. In addition, it has partnered with the main carriers and made connections with large marketplaces through its own HUB and ERP integration solutions.

The main strategic differential of CNT acquisition is the offer of a single package of logistics solutions for e-commerce, which will provide a rapid and consistent improvement in the service level for customers and partners in the Company's marketplace, especially with regard to buyer experience and delivery speed. This transaction helps dilute logistics costs and contributes to: (i) increase Via's Net Promoter Score (NPS); (ii) increase customer lifetime value (LTV); and (iii) reduce the customer acquisition cost (CAC).

In compliance with CPC 15 – Business Combinations, the Company is in the process of measuring the fair value of net assets acquired on January 11, 2022. The best estimate of the fair value of identifiable assets and liabilities at the date of acquisition of CNT is as follows:

Statement of financial position	**Fair value at acquisition date 01/11/2022**
Current assets	9
Noncurrent assets	1
	10
Current liabilities	7
Noncurrent liabilities	2
Equity	1
	10

The goodwill from the acquisition amounts to R$19, which includes the consideration transferred by the Company, in the amount of R$20, in relation to the fair value of the acquiree's equity. It is mainly attributed to the synergies expected from the integration of the entity to the Company's existing businesses. The cash disbursement for the acquisition of the subsidiary, net of the cash acquired, is R$18, which corresponds to the amount of R$20 paid in 2022, net of cash acquired in the amount of R$2.

3. Revised pronouncements and interpretations issued but not yet adopted

The IFRSs issued/amended by the IASB that are effective for annual periods beginning in 2022 had no impact on the Company’s individual and consolidated financial statements.

Additionally, the IASB issued/revised certain IFRS standards that are to be adopted in or after 2022. The Company is currently assessing the impacts of the adoption of these standards on its individual and consolidated financial statements:

- Amendments to IAS 1 - Classification of liabilities as current or noncurrent: The amendments clarify aspects to be considered for the classification of liabilities as current or noncurrent liabilities. This amendment is effective for annual reporting periods beginning on or after January 1, 2023 and must be applied retrospectively. The Company does not expect any significant impacts on its individual and consolidated financial statements.

- Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of accounting policies. The amendments clarify aspects to be considered in accounting policy disclosures. This amendment is effective for annual periods beginning on or after January 1, 2023. The Company does not expect any significant impacts on its financial statements.

- Amendments to IAS 8 - Definition of accounting estimates. The amendments clarify aspects to be considered in the definition of accounting estimates. This amendment is effective for annual periods beginning on or after January 1, 2023. The Company does not expect any significant impacts on its financial statements.

- Amendments to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction. It clarifies aspects to be considered in recognizing deferred taxes assets and liabilities related to taxable temporary differences and deductible temporary differences. This amendment is effective for annual periods beginning on or after January 1, 2023. The Company does not expect any significant impacts on its financial statements.

4. Significant accounting practices

The significant accounting policies adopted by the Company and its subsidiaries are described in the specific notes on the items presented. Those generally applicable to different aspects of financial information are described below.

a) Consolidation

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

In millions of reais, unless otherwise stated

Equity interest in subsidiaries

	12/31/2022		12/31/2021	
	Equity interest		Equity interest	
Subsidiaries	**Direct**	**Indirect**	**Direct**	**Indirect**
Indústria de Móveis Bartira Ltda. (“Bartira”)	99.99%	0.01%	99.99%	0.01%
Globex Administração e Serviços Ltda. (“GAS”)	99.99%	0.01%	99.99%	0.01%
Lake Niassa Empreendimentos e Participações Ltda. (“LAKE”)	99.99%	0.01%	99.99%	0.01%
ASAP Log Logística e Soluções Ltda. (“ASAP Logística”)	99.99%	0.01%	99.99%	0.01%
Globex Administradora de Consórcio Ltda. (“GAC”)	99.99%	0.01%	99.99%	0.01%
Cnova Comércio Eletrônico S.A. (“Cnova”)	100.00%	-	100.00%	-
ASAP Log Ltda. (“ASAP Log”)	-	100.00%	-	100.00%
Carrier EQ, LLC (“Airfox”)	-	-	-	100.00%
BanQi Instituição de Pagamento Ltda. (“BanQi”)	-	100.00%	-	100.00%
I9XP Tecnologia e Participações S.A. (“I9XP”)	-	100.00%	-	100.00%
ViaHub Tecnologia em E-commerce Ltda. (“ViaHub”)	-	100.00%		100.00%
BNQI Sociedade de Crédito Direto S.A. (“BNQI”)	-	100.00%	-	100.00%
Celer Processamento Comércio e Serviço Ltda. (“Celer”)	-	100.00%	-	100.00%
BANQI Administradora de Cartão Ltda. (“BanQi Adm”)	-	100.00%	-	100.00%
CNT Soluções em Negócios Digitais e Logística Ltda. (“CNT Soluções”)	-	100.00%	-	-
Íntegra Soluções para Varejo Digital Ltda. (“Íntegra”)	-	100.00%	-	-
CNTLog Express Logística e Transporte Eireli (“CNT Express”)	-	100.00%	-	-

Description of key subsidiaries

Indústria de Móveis Bartira Ltda.
Indústria de Móveis Bartira Ltda. is a limited liability company founded on May 11, 1962, whose business purpose is the manufacture and sale of furniture in general, predominantly wooden. Via S.A. is its ultimate parent.

Globex Administração e Serviços Ltda.
Globex Administração e Serviços Ltda. is a limited liability company engaged in providing property administration, rent, lease and intermediation services referring to real properties.

Lake Niassa Empreendimentos e Participações Ltda.
Lake Niassa Empreendimentos e Participações Ltda. is a holding company engaged in concentrating the interests of the Company in the financial entities: Financeira Itaú CBD S.A. Créditos, Financiamento e Investimento (“FIC”), Banco Investcred Unibanco S.A. (“BINV”), FIC Promotora de Vendas Ltda, BanQi Instituição de Pagamento Ltda. (“BanQi”), BNQI Sociedade de Crédito Direto S.A. (“BNQI”) and BANQI Administradora de Cartão Ltda. (“BanQi Adm”).

ASAP Log Logística e Soluções Ltda.
ASAP Log Logística e Soluções Ltda. (“Asap Logística”) – whose current corporate name is VVlog Logística Ltda. (“Vvlog”), changed on January 24, 2022 – is a limited liability company established on August 29, 2000 for the purpose of optimizing the logistics operations of its parent company, Via S.A., focused primarily on the logistics management between the Company’s stores and distribution centers. In 2020, Asap Logística acquired interests in ASAPLog and I9XP, and in 2022, the company acquired interests in CNT Soluções and CNT Express.

Globex Administração de Consórcio Ltda.
Globex Administração de Consórcios Ltda. operates, according to Authorization Certificate No. 03/00/164/90 of the Ministry of Finance, in the management of consortium groups formed for acquisition of durable goods to be delivered by its parent company Via S.A., upon collection of administration fees. The Administrator does not have active consortium groups at the moment.

Cnova Comércio Eletrônico S.A.
Cnova Comércio Eletrônico S.A. was established in 2014 with contribution of certain assets and liabilities of Nova Pontocom, which belonged to Grupo Pão de Açúcar ("CBD") and Via S.A. ("Via"), with a view to creating Cnova N.V. based in the Netherlands. With the corporate reorganization of 2016, Cnova became directly controlled by Via. On July 1, 2019, the subsidiary Cnova was partially spun off with merger of the spun-off portion by Via. As of such date, Via began to directly operate the e-commerce and marketplace activities previously operated by Cnova. In 2020, Cnova acquired interests in Distrito. In 2021, Cnova acquired interests in Celer. In 2022, Cnova acquired interests in Íntegra. On April 11, 2022, the corporate name of E-hub, a subsidiary of Cnova, was changed to ViaHub Tecnologia em E-commerce Ltda (ViaHub).

b) Financial instruments – initial recognition and subsequent measurement

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Upon initial recognition, financial assets are classified as subsequently measured at amortized cost, at fair value through other comprehensive income (loss), or at fair value through profit or loss.

Classification of the financial assets upon initial recognition depends on the characteristics of the contractual cash flows of the financial asset and the Company's business model for management of these financial assets.

For a financial asset to be classified and measured at amortized cost or at fair value through other comprehensive income (loss), this asset needs to generate cash flows that are solely payments of principal and interest on the outstanding principal amount. This assessment is conducted at the instrument level.

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, regardless of the business model adopted.

Upon initial recognition, financial liabilities are classified as financial liabilities at fair value through profit or loss, financial liabilities at amortized cost, or derivatives designated as hedging instruments in an effective hedge, as the case may be.

All financial liabilities are classified as measured at amortized cost or at fair value through profit or loss. Financial liabilities are classified as measured at fair value through profit or loss if such liabilities are classified as held for trading.

Subsequent measurement

(i) Financial assets

For subsequent measurement purposes, financial assets are classified into the following categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at fair value through other comprehensive income (loss), with reclassification of retained earnings/accumulated losses (debt instruments);
- Financial assets at fair value through profit or loss.

Financial assets and liabilities at amortized cost

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in Proft and Loss when the asset is written off, modified or is impaired.

The Company's financial assets at amortized cost include Cash and cash equivalents, Accounts receivable (except credit card companies) and Accounts receivable from related parties.

Financial assets at fair value through other comprehensive income (loss) (debt instruments)

For debt instruments at fair value through other comprehensive income (loss), interest income, exchange foreign exchange differences and impairment losses or reversals are recognized in the statement of profit or loss and calculated in the same manner as financial assets measured at amortized cost. The remaining changes in fair value are recognized in other comprehensive income (loss). Upon derecognition, the cumulative change in fair value recognized in other comprehensive income (loss) is reclassified to Proft and Loss.

The Company’s debt instruments at fair value through other comprehensive income (loss) include Accounts receivable - Credit card company balances.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are recognized in the statement of financial position at fair value, and variations net of fair value are stated in Proft and Loss. This category includes derivative instruments, which the Company has not irrevocably classified at fair value through other comprehensive income (loss).

A derivative embedded in a hybrid contract with a financial liability is separated from the liability and accounted for as a separate derivative if: (a) the economic characteristics and risks are not strictly related to the economic characteristics and risks of the host contract; (b) the separate instrument, with the same terms as the embedded derivative, meets the definition of a derivative; and (c) the hybrid contract is not measured at fair value, with changes recognized in Proft and Loss. Embedded derivatives are measured at fair value, and changes in fair value are recognized in Proft and Loss. A revaluation only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset outside the fair value through profit or loss category.

(ii) Financial liabilities

For subsequent measurement purposes, financial liabilities are classified into two categories, as follows:

- Financial liabilities at fair value through profit or loss; and
- Financial liabilities at amortized cost.

Measurement of financial liabilities depends on their classification, which may be as follows:

Financial liabilities at amortized cost (loans and financing)

After initial recognition, interest-bearing financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recorded in Profit or Loss when the liabilities are derecognized, and through the amortization process by the effective interest rate method.

The amortized cost is calculated taking into consideration any discount or goodwill on acquisition and rates or costs that are an integral part of the effective interest rate method. Amortization by the effective interest rate method is included as finance costs in the statement of profit or loss.

The Company's financial liabilities at amortized cost include Trade accounts payable, Trade accounts payable – portal ,Trade accounts payable – reverse factoring (agreement), Loans and financing (except foreign currency), Lease liabilities, Transactions with related parties and Transfers to third parties.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities for trading and financial liabilities designated upon initial recognition at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing within short term. This category also includes derivative financial instruments contracted by the Company that are not designated as hedging instruments in the hedging relationships defined by CPC 48. Separate embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments.

Gains from or losses on liabilities for trading are recognized in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial recognition date, and only if the CPC 48 criteria are met. Financial liabilities classified as fair value through profit or loss comprise Loans and financing in foreign currency.

Derecognition

(i) Financial assets

A financial asset (or, when applicable, a part of a financial asset, or a part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows have expired; or
- The Company has transferred its rights to receive cash flows from the asset or assumed an obligation to fully pay the cash flows received, without significant delay, to a third party under a pass-through arrangement; and (a) the Company has transferred substantially all risks and rewards of the asset; or (b) the Company has neither transferred nor retained substantially all risks and rewards related to the asset, but has transferred control over that asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control over the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In this case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations retained by the Company.

The continuing involvement in the form of collateral on the transferred asset is measured at the lower of: (i) the value of the asset; and (ii) the maximum amount of the consideration received that the entity may be required to repay (collateral value).

(ii) Financial liabilities

A financial liability is derecognized when:

- The obligation specified in the contract is settled or canceled;
- An existing financial liability is replaced by another liability of the same borrower under substantially different terms;
- The terms of an existing liability are substantially changed.

<u>Impairment of financial assets</u>

The Company applies the simplified approach of CPC 48 – Financial Instruments, for measuring expected credit losses and considers a provision for expected losses over the useful life for all trade accounts receivable.

In order to measure expected credit losses, trade accounts receivable were grouped based on shared characteristics relating to credit risk and days of delay. Expected loss rates are based on sales payment profiles over the 12-month period and corresponding historical credit losses incurred during that period, adjusted for specific prospective factors relating to the borrowers and the economic environment.

The Company periodically assesses whether the debt instrument is considered of low credit risk using all reasonable and substantiating information that is available. When making such an assessment, the Company reassesses the internal credit risk rating of the debt instrument.

<u>Offsetting financial instruments</u>

Financial assets and financial liabilities are offset and their net amount is presented in the Company's statement of financial position if there is a currently enforceable legal right to offset the amounts recognized and the Company intends to settle on a net basis, realize the assets and settle the liabilities simultaneously.

c) Foreign currency transactions

Foreign currency transactions are initially recognized at the market value of the corresponding currencies, on the date the transaction qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated into reais at the market price on the statement of financial position dates. Differences arising from the payment and conversion of monetary items are recognized in finance income (costs).

d) Hedge accounting

The Company uses derivative financial instruments such as swaps to hedge contracts in foreign currency and when there are contracts at fixed rates. Such derivative financial instruments are initially recognized at fair value on the date the derivative contract is entered into, with subsequent remeasurement at fair value at each statement of financial position date. These contracts must have the same terms, interest and principal payment dates, and be contracted with the same financial conglomerate as the hedged item.

These instruments are classified as fair value hedges, and recorded as hedge accounting, when they effectively protect the hedged asset or liability from changes.

The hedged item and derivative financial instrument are recorded following the procedures below:

- The item designated as a hedged item is classified as "measured at fair value", and changes are recognized in as finance income (costs);
- Changes in the fair value of a derivative financial instrument classified as fair value hedge are recognized as finance income (costs) at each statement of financial position date.

<u>Fair value of loans and derivative financial instruments</u>

The fair value of financial instruments designated as hedged items was measured based on the rates disclosed in the financial market and projected up to the maturity date of the financial instruments, and the discount rate used for the calculation developed through the DI curves, Clean Coupon and DI, indices published by B3. For loans in local currency, the DI curve and an index published by B3 are used, and calculated by the exponential interpolation method.

e) Provisions

Provisions are recognized for present (legal or constructive) obligations arising from past events, the amounts of which may be reliably estimated and the settlement of which is likely to occur. In cases when the Company expects that all or part of the provision will be reimbursed, the reimbursement is recognized as a separate asset, but only when it is considered practically certain.

f) Statement of value added ("SVA")

This statement presents information on the wealth created by the Company and its distribution over a given year, and is presented as required by Brazilian Corporation Law as part of the individual and consolidated financial statements, given that it is not provided for or mandatory under IFRS.

Referred to statement was prepared based on information obtained from accounting records used as basis for preparation of the financial statements, supplementary records, and following the provisions contained in CPC 09 - Statement of Value Added. The first part presents the wealth created by the Company, represented by revenues (gross revenue from sales, including applicable taxes, other revenues, and the effects of allowance for doubtful accounts), inputs purchased from third parties (cost of sales and purchases of materials, energy and services from third parties, including taxes levied on the purchase amount, the effects of losses and recovery of receivables, and depreciation and amortization), and the value added received from third parties (equity pickup, finance income, and other revenues). The second part of the SVA presents the distribution of wealth among individuals, taxes, fees and contributions, debt remuneration, and equity remuneration.

The other significant accounting policies are disclosed in the respective explanatory notes.

In millions of reais, unless otherwise stated

5. Cash and cash equivalents

a) Accounting policy

These include cash and short-term highly liquid investments, readily convertible into known cash amounts and subject to a low risk of change in value, which the Company intends to and is able to redeem in the short term from the issuer.

b) Breakdown of balances

	Weighted average rate (p.a.)	Individual		Consolidated	
		12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Cash and banks		**122**	116	**133**	232
Short-term investments - repurchase agreements	89.64%% of CDI p.a.	**1,593**	1,476	**1,717**	1,535
Sweep accounts (i)	15.38% of CDI p.a.	**2**	4	**3**	4
Marketable securities	161.93% of CDI p.a.	**-**	-	**166**	-
Investments in government securities (Financial Treasury Bills - LFT)	100% of Selic p.a.	**-**	-	**-**	10
		1,717	1,596	**2,019**	1,781

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

6. Trade accounts receivable

a) Accounting policy

The balances recorded in Trade accounts receivable refer to the Company's operating activities arising from the sale of goods and services. The other accounts receivable not related to operating activities are recognized under “Other assets”.

Trade accounts receivable balances are initially recorded at transaction value, which corresponds to sales value, and are subsequently measured according to the portfolio: (i) fair value through other comprehensive income (loss), in the case of credit card companies and (ii) amortized cost, for all other portfolios.

Measurement of trade accounts receivable from credit card companies is based on comparable operations regularly performed by the Company whereas financial assets measured at amortized cost use the effective interest rate of each operation. For all portfolios, the estimated loss is considered, recognized in Profit and Loss, according to the methods explained below.

- The Company uses different methods to assess allowance for doubtful accounts for each of the portfolios. The portfolios are divided as follows: Casas Bahia Credit Facility “buy now pay later”, Credit card companies, B2B, and other portfolios;
- To calculate the expected loss of Casas Bahia Credit Facility portfolio, the Company uses sales payment profiles over the 12-month period and corresponding historical credit losses incurred during that period, adjusted for specific prospective factors relating to the borrowers and the economic environment;
- For the credit card companies, B2B and other portfolios, the Company uses historical information through a loss matrix to apply estimated losses.

In millions of reais, unless otherwise stated

b) Breakdown of balances

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Credit card companies	**3,406**	3,820	**3,426**	3,839
Casas Bahia Credit Facility (Note 6.1)	**5,523**	5,006	**5,523**	5,006
Interest to be incurred in future years (Note 6.1)	**(1,650)**	(1,286)	**(1,650)**	(1,286)
Accounts receivable – B2B (i)	**342**	361	**342**	361
Other accounts receivable	**326**	325	**366**	356
Allowance for expected credit losses (ECL or ADA) (c)	**(646)**	(706)	**(648)**	(711)
	7,301	7,520	**7,359**	7,565
Current	**6,537**	6,855	**6,595**	6,900
Noncurrent	**764**	665	**764**	665

(i) The acronym B2B means business-to-business, which means a company that does business with other companies; in practice, it refers to sales made to other legal entities, for resale or own use.

c) Changes in allowance for expected credit losses – ECL or ADA

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Balance at beginning of year	**(706)**	(542)	**(711)**	(542)
Estimated losses recorded in the year	**(1,044)**	(825)	**(1,085)**	(830)
Write-off accounts receivable, net of recovery	**1,104**	661	**1,148**	661
Balance at end of year	**(646)**	(706)	**(648)**	(711)
Current	**(568)**	(623)	**(570)**	(628)
Noncurrent	**(78)**	(83)	**(78)**	(83)

d) Breakdown of allowance for expected credit losses by type of receivable – total portfolio

	Individual					
	12/31/2022			12/31/2021		
	Gross	ECL (ADA)	Net	Gross	ECL (ADA)	Net
Credit card companies	**3,406**	**-**	**3,406**	3,820	(33)	3,787
Casas Bahia Credit Facility – TOTAL	**5,523**	**(627)**	**4,896**	5,006	(656)	4,350
Accounts receivable - "B2B" (i)	**342**	**(4)**	**338**	361	(4)	357
Other accounts receivable	**326**	**(15)**	**311**	325	(13)	312
	9,597	**(646)**	**8,951**	9,512	(706)	8,806

	Consolidated					
	12/31/2022			12/31/2021		
	Gross	ECL (ADA)	Net	Gross	ECL (ADA)	Net
Credit card companies	**3,426**	**-**	**3,426**	3,839	(33)	3,806
Casas Bahia Credit Facility – TOTAL	**5,523**	**(627)**	**4,896**	5,006	(656)	4,350
Accounts receivable - "B2B" (i)	**342**	**(4)**	**338**	361	(4)	357
Other accounts receivable	**366**	**(17)**	**349**	356	(18)	338
	9,657	**(648)**	**9,009**	9,562	(711)	8,851

(i) The acronym B2B means business-to-business, which means a company that does business with other companies; in practice, it refers to sales made to other legal entities, for resale or own use.

In millions of reais, unless otherwise stated

e) Aging list of trade accounts receivable, before allowance for expected credit losses and unallocated interest – total portfolio

	Individual											
	12/31/2022						12/31/2021					
		Overdue						Overdue				
	Falling due	Within 30 days	31 - 60 days	61 - 90 days	Above 90 days	Total	Falling due	Within 30 days	31 - 60 days	61 - 90 days	Above 90 days	Total
Credit card companies	**3,402**	**-**	**-**	**-**	**4**	**3,406**	3,803	-	-	-	17	3,820
Casas Bahia Credit Facility	**5,128**	**161**	**87**	**64**	**83**	**5,523**	4,665	143	74	53	71	5,006
Accounts receivable - “B2B” (i)	**216**	**94**	**12**	**14**	**6**	**342**	328	22	4	-	7	361
Other accounts receivable	**306**	**2**	**11**	**1**	**6**	**326**	313	5	3	1	3	325
	9,052	**257**	**110**	**79**	**99**	**9,597**	9,109	170	81	54	98	9,512

	Consolidated											
	12/31/2022						12/31/2021					
		Overdue						Overdue				
	Falling due	Within 30 days	31 - 60 days	61 - 90 days	Above 90 days	Total	Falling due	Within 30 days	31 - 60 days	61 - 90 days	Above 90 days	Total
Credit card companies	**3,422**	**-**	**-**	**-**	**4**	**3,426**	3,822	-	-	-	17	3,839
Casas Bahia Credit Facility	**5,128**	**161**	**87**	**64**	**83**	**5,523**	4,665	143	74	53	71	5,006
Accounts receivable - “B2B” (i)	**216**	**94**	**12**	**14**	**6**	**342**	328	22	4	-	7	361
Other accounts receivable	**322**	**6**	**17**	**3**	**18**	**366**	341	6	4	1	4	356
	9,088	**261**	**116**	**81**	**111**	**9,657**	9,156	171	82	54	99	9,562

(i) The acronym B2B means business-to-business, which means a company that does business with other companies; in practice, it refers to sales made to other legal entities, for resale or own use.

In millions of reais, unless otherwise stated

f) In addition to the above-mentioned balances, the Company has other receivables of various origins, such as: collaterals given, indemnification assets, prepaid expenses, advances to suppliers, receivables relating to reimbursement of expenses; all such receivables are recorded in an specific line item called “Other assets”.

6.1 Trade accounts receivable – Consumer Financing (Casas Bahia Credit Facility)

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

These correspond to receivables from credit sales financed through the seller (Casas Bahia Credit Facility “buy now pay later”), according to Note 13(a)(i), which may be paid in installments within up to 24 months, with days sales outstanding of 15 months and average interest rate of 122.06% p.a. Below is the gross balances of the financing installments and the interest to be incurred over the agreed terms.

	Individual and Consolidated	
	12/31/2022	12/31/2021
Casas Bahia Credit Facility – Current	**4,839**	4,371
Casas Bahia Credit Facility – Noncurrent	**684**	635
Casas Bahia Credit Facility – Total (a)	**5,523**	5,006
Interest to incur / revenue to allocate in future years	**(1,650)**	(1,286)
Casas Bahia Credit Facility – Total amount, net of interest to incur	**3,873**	3,720
Allowance for expected credit losses – ADA (b)	**(627)**	(656)
(%) ECL (ADA) / Casas Bahia Credit Facility – Total ((b)÷(a))	**11.4%**	13.1%

b) Allowance for expected credit losses – Casas Bahia Credit Facility

	Individual and Consolidated	
	12/31/2022	12/31/2021
Balance at beginning of year	**(656)**	(479)
Estimated losses recorded in the year	**(1,029)**	(704)
Write-off accounts receivable, net of recovery	**1,058**	527
Balance at end of year	**(627)**	(656)
Current	**(549)**	(573)
Noncurrent	**(78)**	(83)

In millions of reais, unless otherwise stated

7. Inventories

a) Accounting policy

The cost of inventories is based on the weighted average cost, and inventories include all expenses related to transportation, storage, non-recoverable taxes, among other costs incurred in bringing them to their present location and condition.

Inventories are stated at the lower of acquisition cost and realization value, computed by the weighted average cost. Inventories are reduced to their recoverable amount through estimated loss due to robbery, theft, scrapping, slow-moving items, and estimated loss on goods that will be sold with negative gross margin, including showcase products.

Bonuses received from suppliers include agreements for volume of purchases, provision of logistics services and specific negotiations for margin adjustment or marketing agreements, among others. Bonuses are recorded in Proft and Loss as the corresponding inventories are sold. When applicable, the value of bonuses receivable is recorded as an account reducing the balance of trade accounts payable, provided that the agreements with suppliers allow the settlement of such balance for the net amount.

b) Accounting estimates and assumptions

The net recoverable amount represents the estimated selling price less estimated costs and expenses directly attributable to bringing the goods to selling conditions, including adjustments for slow-moving items, negative margin and shortages due to robbery, theft and scrapping, obtained through analysis of historical loss.

The net realizable value is calculated at the average selling price, less:

(i) Taxes on sales;
(ii) Personnel expenses directly related to the sale; and
(iii) Cost of inventories.

c) Breakdown of balances

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Stores	**2,453**	2,953	**2,453**	2,953
Distribution centers	**3,102**	4,161	**3,143**	4,213
Supplies	**17**	21	**17**	22
Estimated impairment loss, net	**(39)**	(36)	**(39)**	(36)
	5,533	7,099	**5,574**	7,152

d) Changes in estimated impairment losses on inventories at net realizable value

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Balance at beginning of year	**(36)**	(41)	**(36)**	(42)
Reversals (additions)	**(19)**	(16)	**(19)**	(15)
Realized losses	**16**	21	**16**	21
Balance at end of year	**(39)**	(36)	**(39)**	(36)

In millions of reais, unless otherwise stated

8. Taxes recoverable

a) Accounting policy

The Company records tax credits based on legal, documentary and factual understanding that allows their recognition, including estimated realization. ICMS is recognized as a reduction in “cost of goods sold”, while PIS and COFINS are accounted for as a reduction in Proft and Loss accounts on which credits are calculated.

Expected realization of taxes is based on the projection of operations and growth, operational management, legislation in force, and generation of debts for use of these credits per operation. In the years ended December 31, 2022 and 2021, the Company reassessed its expectations of credit realization based on changes in its budget and logistics plans.

b) Breakdown of balances

	Individual		**Consolidated**	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
State VAT (ICMS) recoverable (i)	**3,813**	3,616	**3,815**	3,625
Contribution taxes on gross evenue for social integration program and for social security financing (PIS and COFINS) recoverable	**2,255**	1,986	**2,377**	2,069
Income and social contribution taxes	**259**	217	**279**	230
Other	**258**	371	**266**	380
r	**6,585**	6,190	**6,737**	6,304
Current	**1,815**	1,782	**1,827**	1,809
Noncurrent	**4,770**	4,408	**4,910**	4,495

(i) Realization of ICMS credits

The ICMS credit realization plan (monetization) is monitored periodically in order to ensure compliance with the established assumptions. Whenever necessary, these assumptions are reassessed so that the business events are reflected on the plan, allowing credit realization to be better controlled.

With respect to credits that cannot yet be immediately offset, Company management, based on technical recovery studies and on future operating performance expectations, believes that future offset is feasible. The above-mentioned studies are prepared and reviewed periodically based on information extracted from the strategy planning previously approved by the Company's Board of Directors. For the individual and consolidated interim financial information for the year ended December 31, 2022, Company management believes that the established assumptions have been complied with and reflect the best expectation for credit realization.

In millions of reais, unless otherwise stated

It should be noted that those credits could also be realized through refund by the Departments of Finance of the States, through presentation of tax documents and digital files relating to the operations that gave rise to such right for refund.

In 2022, the Company entered into agreements for the transfer of ICMS credits amounting to R$800. The Company expects to conclude the transfer of those credits until the end of 2024.

c) Expected realization of taxes recoverable

	Individual				
	ICMS	PIS and COFINS	IRPJ and CSLL	Other	Total
2023	769	814	27	205	1.815
2024	957	838	27	30	1.852
2025	798	603	27	20	1.448
2026	523	-	28	2	553
2027	478	-	150	-	628
Above 5 years	288	-	-	1	289
	3,813	2,255	259	258	6,585

	Consolidated				
	ICMS	PIS and COFINS	IRPJ and CSLL	Other	Total
2023	771	823	31	202	1.827
2024	957	839	31	40	1.867
2025	798	603	31	20	1.452
2026	523	-	32	2	557
2027	478	-	154	1	633
Above 5 years	288	112	-	1	401
	3,815	2,377	279	266	6,737

In millions of reais, unless otherwise stated

9. Related parties

	Assets (liabilities), net				Income (expenses), net			
	Individual		Consolidated		Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Related parties								
Subsidiaries								
Indústria de Móveis Bartira Ltda. (“Bartira”) (c) (d)	161	125	-	-	(362)	(643)	-	-
Globex Administração e Serviços Ltda. (“GAS”)	-	-	-	-	(1)	(2)	-	-
ASAP Log Ltda. (“ASAP Log”) (c)	(3)	-	-	-	(36)	(17)	-	-
ASAP Log Logística e Soluções Ltda. (“ASAP Logística”) (c)	(134)	(26)	3	2	(158)	(44)	-	-
BanQi Instituição de Pagamento Ltda. (“BanQi”) (c)	4	2	-	-	(10)	(7)	-	-
Íntegra Soluções para Varejo Digital LTDA. ("Íntegra") (c)	4	-	(1)	-	4	-	-	-
ViaHub Tecnologia em E-commerce LTDA. (“ViaHub”) (c)	(119)	-	-	-	(226)	-	-	-
Associates								
Financeira Itaú CBD S.A. (“FIC”) (a)	(1)	(3)	(1)	(3)	(28)	(10)	(28)	(10)
Banco Investcred Unibanco S.A. (“BINV”) (a)	2	1	2	1	(37)	7	(37)	7
Growth Partners Investimentos e Participações S.A. (“Distrito”)	-	-	-	(1)	-	-	-	-
Other								
Casa Bahia Comercial Ltda. (“CB”) (d)	409	386	460	433	31	56	31	53
	323	485	463	432	(823)	(660)	(34)	50
Leases								
Casa Bahia Comercial Ltda. (“CB”) (b)								
Right-of-use assets	718	1,027	745	1,054	(91)	(123)	(94)	(126)
Lease liabilities	(1,105)	(1,499)	(1,064)	(1,539)	(133)	(188)	(138)	(193)
	(387)	(472)	(319)	(485)	(224)	(311)	(232)	(319)
Related-party transactions – total	(64)	13	144	(53)	(1,047)	(971)	(266)	(269)
Receivables from related parties								
Current	523	420	299	271				
Noncurrent	134	141	184	188				
Payables to related parties								
Current	(332)	(76)	(20)	(27)				
Noncurrent	(2)		-					

In millions of reais, unless otherwise stated

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

a) Loans and financing with FIC and BINV

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

FIC and BINV are also credit card operators that issue cards and finance customer purchases. In the year ended December 31, 2022, the balance of credit cards receivable from FIC and BINV totaled R$ 307 (R$ 400 as of December 31, 2021). These balances are recorded as Accounts receivable under Credit card companies, shown in Note 6.

In the year ended December 31, 2022, the Company recognized finance costs from prepayment of credit card receivables of R$ 49 (R$ 9 as of December 31, 2021).

b) Leases

The Company and its subsidiary Bartira have lease contracts for 210 properties, including distribution centers and commercial and administrative buildings, entered into under specific conditions with Casa Bahia Comercial ("CB") and its shareholders, pursuant to the Partnership Agreement entered into by Via, CBD, CB and CB's shareholders.

c) Purchase and sale of goods and services

In the years ended December 31, 2022 and 2021, the Company carried out the following transactions with related parties:

		Income (expenses), net	
Counterparty	**Transaction**	**12/31/2022**	**12/31/2021**
Bartira	Purchase of goods	**(362)**	(643)
ViaHub	Engagement of IT services	**(226)**	-
ASAP Logística	Engagement of logistics services	**(158)**	(44)
ASAP Log	Engagement of logistics services	**(36)**	(17)
BanQi	Fee for intermediation of Casas Bahia Credit Facility	**(10)**	(7)
Integra	Sale of goods	**4**	-

d) Partnership Agreement between Via, Companhia Brasileira de Distribuição ("CBD") and CB, and related instruments

On July 1, 2010, the First Amendment to the Partnership Agreement ("Partnership Agreement") was entered into by Via Varejo, CBD, CB and CB's shareholders, which guaranteed Via Varejo the right to be indemnified for any losses and/or damages, by CBD, CB and CB's shareholders, in connection with lawsuits and/or reimbursement of expenses arising during the management by the former controlling shareholders of Via Varejo and of the companies mentioned in the Partnership Agreement.

As provided in the Partnership Agreement, after a six-year period from the transaction closing date that ended on November 8, 2016, the procedures referring to indemnification in connection with new lawsuits were terminated, and the parties began negotiating the collection and settlement of existing balances relating to such losses and damages.

In millions of reais, unless otherwise stated

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

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

On June 14, 2019, CBD disposed of the equity interest it held in the Company in full. From that date, the amounts receivable from CBD has been recognized in "Other assets" in current assets.

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

e) Key management personnel compensation

Expenses related to total key management personnel compensation (Statutory Officers and Members of the Board of Directors), recorded in Proft and Loss for the years ended December 31, 2022 and 2021, are as follows:

	12/31/2022			**12/31/2021**		
	Short-term benefits	**Share-based payment**	**Total**	**Short-term benefits**	**Share-based payment**	**Total**
Executive Board	**10**	**51**	**61**	26	27	53
Board of Directors	**6**	**-**	**6**	6	-	6
	16	**51**	**67**	32	27	59

10. Investments

a) Accounting policy

Subsidiaries are all the entities whose operations are controlled by Via, whether directly or indirectly. Control is defined:

(i) By the decision-making power that the Company has over significant operational and financial activities in its investees;
(ii) By its ability to use that power; and
(iii) By its exposure to the returns of these entities.

The financial statements of the subsidiaries are included in the consolidated financial statements since the date the control was acquired.

In millions of reais, unless otherwise stated

Upon loss of control of any subsidiary, the consolidation of the financial statements of the then subsidiary is interrupted. Resulting gains or losses, including any amount received from disposal of an investment, are recognized in Proft and Loss for the year when there is loss of control.

Affiliates are entities in which the Company exercises significant influence, but not control. Investments in affiliates in the consolidated financial statements are recognized using the equity method.

Investments in subsidiaries and affiliates, in the parent company's individual financial statements, are recorded using the equity method. Under this method, interests in investments are recognized in the statement of financial position at cost, and are adjusted periodically by the amount corresponding to the share in net income of these investments, recorded against equity pickup and other changes in the net assets acquired.

Furthermore, interests may also be adjusted with recognition of losses due to impairment. Dividends received from these companies are recorded as a reduction in the value of investments.

b) Balances and changes

	Individual				
	Lake	**Bartira**	**ASAP Logística**	**Other**	**Total**
Balance at December 31, 2020	349	723	47	54	1,173
Capital increase	171	-	34	67	272
Future capital contribution	80	-	23	16	119
Unearned income - inventories	-	(11)	-	-	(11)
Distribution of dividends	-	-	-	(1)	(1)
Equity pickup – profit or loss	(45)	13	(36)	(19)	(87)
Equity pickup – other comprehensive income	1	-	-	-	1
Balance at December 31, 2021	556	725	68	117	1,466
Capital increase	**-**	**-**	**-**	**73**	**73**
Future capital contribution	**220**	**-**	**327**	**54**	**601**
Distribution of dividends	**-**	**-**	**-**	**(2)**	**(2)**
Equity pickup – profit or loss	**(38)**	**30**	**(176)**	**35**	**(149)**
Equity pickup – other comprehensive income	**4**	**-**	**-**	**-**	**4**
Share-based payment – stock options	**2**	**-**	**1**	**3**	**6**
Balance at December 31, 2022	**744**	**755**	**220**	**280**	**1,999**

	Consolidated			
	FIC	**BINV**	**Distrito**	**Total**
Balance at December 31, 2020	149	39	18	206
Equity pickup – profit or loss	38	8	(1)	45
Distribution of dividends	(21)	(5)	-	(26)
Balance at December 31, 2021	166	42	17	225
Equity pickup – profit or loss	**34**	**7**	**-1**	**40**
Balance at December 31, 2022	**200**	**49**	**16**	**265**

In millions of reais, unless otherwise stated

c) Summarized financial information of associates

FIC and BINV

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

Distrito

Distrito is an innovation hub that has a full-fledged platform to support companies in their transformation journey through technology. With its open innovation ecosystem, supported by data and artificial intelligence, Distrito connects large companies, startups, investors and academics to created new, more collaborative, efficient, transparent and sustainable winning business models. The Company has significant influence over Distrito, but not the control. As of December 31, 2022, the Company's share in Distrito's total voting capital corresponds to 16.67% from the investment made by subsidiary Cnova.

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

	FIC		BINV	
Statement of financial position	**12/31/2022**	**12/31/2021**	**12/31/2022**	**12/31/2021**
Current assets	**11,682**	8,742	**1,090**	928
Noncurrent assets	**32**	35	**-**	-
Total assets	**11,714**	8,777	**1,090**	928
Current liabilities	**10,136**	7,401	**995**	844
Noncurrent liabilities	**-**	44	**-**	2
Equity (i)	**1,578**	1,332	**95**	82
Total liabilities and equity	**11,714**	8,777	**1,090**	928
Statement of profit or loss	**12/31/2022**	**12/31/2021**	**12/31/2022**	**12/31/2021**
Net income	**245**	268	**14**	15

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

11. Property and equipment

a) Accounting policy

Property and equipment items are measured at historical acquisition or buildup cost, less accumulated depreciation and accumulated impairment losses, if any. Depreciation is calculated on the depreciable amount, applying the straight-line method to the established rates, and takes into account the estimated useful life of the assets, thus reflecting the consumption pattern of future economic benefits incorporated into the asset.

The useful life of assets and depreciation methods are reviewed at every year end and adjusted prospectively. The weighted depreciation and amortization rates that express the useful life of property and equipment items and right of use, respectively, are distributed as follows:

Asset categories	Estimated weighted average useful life - in years at 12/31/2022
Buildings	40
Leasehold improvements	15
Machinery and equipment	9
IT equipment	5
Facilities	12
Furniture and fixtures	11
Vehicles	4

There were no significant changes in the calculation of the weighted average useful life in relation to the previous year.

When directly related to logistics and distribution, depreciation expenses are allocated to the cost of products and subsequently recorded in “Cost of goods and services sold” according to the sale of inventories.

Impairment

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

Any gains from or losses on write-off of assets are posted to Proft and Loss for the year, under Other operating income (expenses), net.

The Company tests its property and equipment items for impairment on an annual basis, assessing the existence of internal or external evidence that the assets are recognized at amounts that exceed their recoverable amount. This evidence is substantially defined by a recurring loss of profitability in cash-generating units and macroeconomic conditions reasonably different from the last impairment assessment carried out, among others.

b) Accounting estimates and assumptions

The Company understands that the Cash-Generating Units (CGU) are represented by its stores, and tests the recoverability of its fixed assets at this level. The test is conducted considering the following stages:

(i) The CGUs that recorded a negative gross margin in the last 12 months proceed to the next stage;
(ii) The expected cash flow of the CGUs identified for the next 10 years is prepared and the result is compared with the book value;
(iii) In the case of own stores with value in use below the book value, the Company requests the assessment of independent experts to obtain the market value of the property.

The EBITDA margin used for the test varies among the CGUs based on the result presented by the CGU in the previous year. The EBITDA margin, sales growth and discount rate used are subject to approval by the Company's Board of Directors. The discount rate used in the impairment test reflects the Company's cost of capital (WACC).

The result of the impairment test, as well as the indices used, are presented in item (e) of this note.

In millions of reais, unless otherwise stated

c) Breakdown of balances and changes

	Individual						Consolidated					
	Balances at 12/31/2022			Balances at 12/31/2021			Balances at 12/31/2022			Balances at 12/31/2021		
	Total	Accumulated depreciation	Net	Total	Accumulated depreciation	Net	Total	Accumulated depreciation	Net	Total	Accumulated depreciation	Net
Land	**9**	**-**	**9**	11	-	11	**11**	**-**	**11**	15	-	15
Buildings	**9**	**(7)**	**2**	15	(8)	7	**11**	**(9)**	**2**	20	(13)	7
Leasehold improvements	**1,153**	**(537)**	**616**	1,174	(479)	695	**1,160**	**(537)**	**623**	1,177	(479)	698
Machinery and equipment	**324**	**(193)**	**131**	303	(171)	132	**527**	**(344)**	**183**	502	(318)	184
IT equipment	**715**	**(535)**	**180**	660	(453)	207	**724**	**(540)**	**184**	667	(457)	210
Facilities	**177**	**(69)**	**108**	173	(59)	114	**196**	**(76)**	**120**	190	(65)	125
Furniture and fixtures	**409**	**(246)**	**163**	394	(218)	176	**415**	**(250)**	**165**	398	(220)	178
Vehicles	**6**	**(5)**	**1**	5	(4)	1	**10**	**(5)**	**5**	10	(5)	5
Construction in progress	**414**	**-**	**414**	253	-	253	**415**	**-**	**415**	258	-	258
Other	**76**	**(50)**	**26**	70	(46)	24	**86**	**(57)**	**29**	84	(52)	32
	3,292	**(1,642)**	**1,650**	3,058	(1,438)	1,620	**3,555**	**(1,818)**	**1,737**	3,321	(1,609)	1,712

In millions of reais, unless otherwise stated

	Changes in 2021												
	Individual						Consolidated						
	Balance at 12/31/2020	Additions	Write-offs	Depreciation	Transfers	Balance at 12/31/2021	Balance at 12/31/2020	Additions	Write-offs	Business combinations	Depreciation	Transfers	Balance at 12/31/2021
Land	11	-	-	-	-	11	15	-	-	-	-	-	15
Buildings	7	-	1	(1)	-	7	7	-	1	-	(1)	-	7
Leasehold improvements	638	111	(12)	(73)	31	695	641	116	(13)	-	(73)	27	698
Machinery and equipment	100	46	-	(20)	6	132	150	51	-	-	(23)	6	184
IT equipment	209	75	(1)	(85)	9	207	212	78	(3)	-	(86)	9	210
Facilities	105	10	-	(11)	10	114	115	11	(1)	-	(12)	12	125
Furniture and fixtures	165	33	-	(28)	6	176	165	33	-	-	(27)	7	178
Vehicles	1	-	(1)	-	1	1	5	-	-	-	-	-	5
Construction in progress	82	252	(1)	-	(80)	253	85	252	(1)	-	-	(78)	258
Other	17	13	-	(7)	1	24	18	18	(4)	9	(10)	1	32
	1,335	540	(14)	(225)	(16)	1,620	1,413	559	(21)	9	(232)	(16)	1,712

	Changes in 2022												
	Individual						Consolidated						
	Balance at 12/31/2021	Additions	Write-offs	Depreciation	Transfers	Balance at 12/31/2022	Balance at 12/31/2021	Additions	Write-offs	Business combinations	Depreciation	Transfers	Balance at 12/31/2022
Land	11	-	(2)	-	-	9	15	-	(4)	-	-	-	11
Buildings	7	-	(5)	-	-	2	7	-	(5)	-	-	-	2
Leasehold improvements	695	41	(45)	(75)	-	616	698	41	(44)	-	(75)	3	623
Machinery and equipment	132	17	1	(23)	4	131	184	20	1	-	(28)	6	183
IT equipment	207	23	9	(83)	24	180	210	25	9	-	(85)	25	184
Facilities	114	11	(8)	(13)	4	108	125	11	(8)	-	(14)	6	120
Furniture and fixtures	176	6	1	(29)	9	163	178	6	1	1	(29)	8	165
Vehicles	1	-	-	(1)	1	1	5	-	-	-	(1)	1	5
Construction in progress	253	237	-	-	(76)	414	258	238	-	-	-	(81)	415
Other	24	5	(2)	(7)	6	26	32	11	(8)	-	(11)	5	29
	1,620	340	(51)	(231)	(28)	1,650	1,712	352	(58)	1	(243)	(27)	1,737

In millions of reais, unless otherwise stated

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

In the years ended December 31, 2022 and December 31, 2021, the Company recognized the following depreciation and amortization amounts in cost of goods and services sold:

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Depreciation and amortization	**50**	43	**55**	52

e) Impairment tests of property and equipment

The recoverable amount of the CGUs was determined by means of a calculation based on the value in use considering cash projections for the next five years. The following assumptions were used in the calculation: (i) growth rate for the ten-year period 2023-2032, according to the Company's strategic planning; and (ii) discount rate representing the Company's weighted average cost of capital of 16.16% p.a. The inflation rate of 3% p.a. was considered for all periods.

As a result of this analysis, in the year ended December 31, 2022, no impairment was recorded.

12. Intangible assets

a) Accounting policy

The Company's intangible assets substantially include goodwill generated in business combinations, brands and favorable contracts acquired through business combinations, goodwill, software under development or already developed internally, and software purchased from third parties.

Expenses with software development for internal use are recognized as cost of intangible assets, provided that they meet the minimum recognition criteria. Upon initial recognition of intangible assets acquired from third parties, the recognized value is the cost. However, in a business combination, all intangible assets of the investee reliably identified are measured at fair value. The goodwill generated through acquisition of subsidiaries and brands has an indefinite useful life and, therefore, are not amortized due to the perpetuity and/or positive flow of funds that the acquiree will generate for the business. Intangible assets with finite useful lives are amortized using the straight-line method. The respective useful lives are reviewed annually and adjusted prospectively, when applicable.

Intangible assets generated internally and expenses with software development that do not meet the minimum recognition criteria are recorded in Proft and Loss for the year, when incurred.

Annually, or whenever there is evidence of uncertainty in the recovery, intangible assets with an indefinite useful life are tested for impairment.

The weighted average useful lives for each class of intangible assets with defined useful life are listed below:

Intangible assets	Weighted average useful life estimated in years - 12/31/2022
Goodwill	4
Contractual rights	13
Software and licenses	9
Favorable contract	17

There were no significant changes in the calculation of the weighted average useful life in relation to the previous year.

b) Accounting estimates and assumptions

According to the accounting practice described above, the Company conducts annual tests to check whether the book value of goodwill due to acquisition of investments in subsidiaries should be adjusted to bring it to its recoverable amount. The Company uses assumptions based on its strategic planning and market indicators to assess the recoverability of this goodwill. The result of the impairment test, as well as the indices used, are presented in item (d) of this note.

In millions of reais, unless otherwise stated

c) Breakdown of balances and changes

	Individual						Consolidated					
	Balance at 12/31/2022			Balance at 12/31/2021			Balance at 12/31/2022			Balance at 12/31/2021		
	Total	Accumulated amortization	Net	Total	Accumulated amortization	Net	Total	Accumulated amortization	Net	Total	Accumulated amortization	Net
Goodwill (i)	-	-	-	-	-	-	962	-	962	964	-	964
Software in progress	880	-	880	626	-	626	893	-	893	627	-	627
Software and licenses	1,213	(534)	679	809	(425)	384	1,291	(543)	748	875	(432)	443
Contractual rights (ii)	251	(216)	35	251	(211)	40	251	(216)	35	251	(211)	40
Trademarks and patents (iii)	-	-	-	-	-	-	46	-	46	46	-	46
Favorable contract (iv)	-	-	-	-	-	-	36	(19)	17	36	(17)	19
Goodwill (v)	65	(60)	5	74	(69)	5	65	(62)	3	73	(69)	4
	2,409	(810)	1,599	1,760	(705)	1,055	3,544	(840)	2,704	2,872	(729)	2,143

(i) **Goodwill:** The Company records goodwill arising from the acquisition of: (a) Bartira in 2013, in the amount of R$627; (b) ASAP Log in 2020, in the amount of R$3; (c) Airfox in 2020, in the amount of R$189 adjusted in 2021 to R$226 due to completion of purchase price allocation; (d) I9XP in 2020, in the amount of R$11; (e) Celer in 2021 in the amount of R$97, adjusted in 2022 to R$76 due to completion of purchase price allocation; (f) CNT in 2022, in the amount of R$19.

(ii) **Contractual rights:** The Company's contractual rights refer to re-acquisition of insurance intermediation rights and extended warranty. The useful lives of these assets were estimated based on the end date of the re-acquired rights.

(iii) **Trademarks and patents:** As a result of Bartira's business combination, R$46 was recognized as this brand's value based on the royalties relief methodology, which represents the consideration that would be adopted in the market for the use of the brand had it not been acquired;

(iv) **Favorable contract:** As part of Bartira's business combination, the property used by Bartira is leased from the lessor Casa Bahia Comercial Ltda. The measurement was made using information from comparable transactions in the market.

(v) **Goodwill:** This refers to amounts paid to former owners of points of sale**.**

In millions of reais, unless otherwise stated

Changes in 2021

	Individual						Consolidated							
	Balance at 12/31/2020	Additions	Write-offs	Amortization	Transfers	Balance at 12/31/2021	Balance at 12/31/2020	Additions	Write-offs	Translation effects	Business combination	Amortization	Transfers	Balance at 12/31/2021
Goodwill	-	-	-	-	-	-	830	18	-	-	97	-	19	964
Software in progress	251	418	-	-	(43)	626	252	428	(1)	-	-	-	(52)	627
Software and licenses	359	43	4	(81)	59	384	454	53	(19)	1	1	(96)	49	443
Contractual rights	45	-	-	(5)	-	40	45	-	-	-	-	(5)	-	40
Trademarks and patents	-	-	-	-	-	-	46	-	-	-	-	-	-	46
Favorable contract	-	-	-	-	-	-	21	-	-	-	-	(2)	-	19
Goodwill	6	-	-	(1)	-	5	5	-	-	-	-	(1)	-	4
	661	461	4	(87)	16	1,055	1,653	499	(20)	1	98	(104)	16	2,143

Changes in 2022

	Individual					Consolidated					
	Balance at 12/31/2021	Additions	Amortization	Transfers	Balance at 12/31/2022	Balance at 12/31/2021	Additions	Business combination	Amortization	Transfers	Balance at 12/31/2022
Goodwill	-	**-**	**-**	**-**	**-**	964	**-**	**8**	**-**	**(10)**	**962**
Software in progress	626	**564**	**-**	**(310)**	**880**	627	**586**	**-**	**-**	**(320)**	**893**
Software and licenses	384	**66**	**(109)**	**338**	**679**	443	**67**	**-**	**(120)**	**357**	**747**
Contractual rights	40	**-**	**(5)**	**-**	**35**	40	**-**	**-**	**(5)**	**-**	**35**
Trademarks and patents	-	**-**	**-**	**-**	**-**	46	**-**	**-**	**-**	**-**	**46**
Favorable contract	-	**-**	**-**	**-**	**-**	19	**-**	**-**	**(2)**	**-**	**17**
Goodwill	5	**2**	**(2)**	**-**	**5**	4	**1**	**-**	**(1)**	**-**	**4**
	1,055	**632**	**(116)**	**28**	**1,599**	2,143	**654**	**8**	**(128)**	**27**	**2,704**

In millions of reais, unless otherwise stated

d) Impairment testing of intangible assets

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

At least annually, the Company's management performs an analysis together with its information technology department about whether the projects in progress were economically feasible. The cases in which intangible assets were not likely to generate economic benefits and/or whose maintenance was not in line with the new Company management's strategy were discontinued.

In the year ended December 31, 2022, Company management conducted this analysis and identified no impairment.

To determine the recoverable amount of intangible assets related to the business combination, their respective amounts were allocated to the single segment reported by the Company. The acquisitions of the subsidiaries were strategic and carried out with the objective of exploring the great potential of synergies between the businesses, as well as leveraging the flow of customers to physical stores and e-commerce. As such, the goodwill impairment test was carried out considering the future cash flows projected for the next 10 years of each investee based on the Company's business plan, which is structured so as to show the realization of the assets in this period.

To determine the recoverable amount, two main assumptions were used in the preparation of the test: (i) growth rate for the ten-year period 2023-2032, according to the Company's strategic planning; and (ii) discount rate representing the investees' weighted average cost of capital. Perpetuity was calculated considering the same assumptions as the previous period. This analysis did not indicate the need to recognize losses on these assets.

13. Loans and financing

a) Breakdown of balances

		Individual		Consolidated	
	Rate	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Transfer to financial institutions - CDCI (i)	16.86 % p.a.	**5,241**	4,828	**5,241**	4,828
Loans in local currency (ii)	CDI + 2.88% p.a.	**1,220**	1,286	**1,220**	1,302
Debentures (iii)	CDI + 1.78% p.a.	**2,128**	2,891	**2,128**	2,891
Debentures (iii) – 8th issue (2nd and 3rd series)	IPCA + 8.23% p.a.	**332**	-	**332**	-
Commercial bills (iv)	CDI + 1.50% p.a.	**457**	401	**457**	401
		9,378	9,406	**9,378**	9,422
Current		**6,373**	5,267	**6,373**	5,283
Noncurrent		**3,005**	4,139	**3,005**	4,139

In millions of reais, unless otherwise stated

(i) Consumer financing through the seller (“Transfer to financial institutions - CDCI”)

Consumer financing through the seller (CDCI) corresponds to financing of credit sales to customers through financial institutions (Note 6.1 (a)). The rates are fixed for each contract entered into by the Company. At December 31, 2022, the weighted average of the rates adopted by financial institutions for BNLP transactions was 16.86% p.a. (9.47% p.a. at December 31, 2021). The balances are segregated into current and noncurrent as follows:

	Individual and Consolidated	
	12/31/2022	**12/31/2021**
Transfers to financial institutions – current	**5,014**	4,482
Transfers to financial institutions – noncurrent	**651**	578
	5,665	5,060
Unallocated interest	**(424)**	(232)
Transfers to financial institutions, net of unallocated interest	**5,241**	4,828

(ii) Loans in domestic currency

In the year ended December 31, 2022, the Company did not enter into new Bank Credit Notes (CCB) contracts.

Contract date	**Amount**	**Maturity**	**Interest**	**Amortization**
06/29/2020	R$2,503	3 years	CDI + 2.90%	Principal on maturity and quarterly interest
11/26/2020	R$150	3 years	CDI + 2.59%	Principal and semiannual interest
11/26/2020	R$150	3 years	CDI + 2.65%	Principal and annual interest

(iii) Debentures

On May 10, 2021, the Company conducted the 6th issue of nonconvertible debentures in 2 (two) series. 771,959 (seven hundred seventy-one thousand nine hundred and fifty-nine) debentures were issued at the par value of R$1,000.00 (one thousand reais) for the 1st series, and 228,041 (two hundred and twenty-eight thousand and forty-one) debentures at the par value of R$1,000.00 (one thousand reais) for the 2nd series, at CDI + 1.90% p.a. and CDI + 2.10% p.a., respectively, with final amortization for the 1st series, and at the end of the penultimate and final year for the 2nd series, with semiannual interest for both series, totaling R$1,000,000,000.00 (one billion reais). These debentures were issued through public distribution with restricted distribution efforts, pursuant to CVM Rule No. 476/2009. The term for the 1st series is 3 (three) years and for the 2nd series is 5 (five) years, from the date of issue. The funds raised were used to extend the debt schedule of the Company. The 6th issue had ESG - Environmental, Social and Governance goals, under which the Company committed to renew its energy matrix using renewable sources.

On September 29, 2021, the Company made the 7th issue of nonconvertible debentures in 2 (two) series. 461,667 (four hundred and sixty-one thousand six hundred and sixty-seven) debentures at the par value of R$1,000.00 (one thousand reais) were issued for the 1st series, and 538,333 (five hundred and thirty-eight thousand three hundred and thirty-three) debentures at the par value of R$1,000.00 (one thousand reais) for the 2nd series, at CDI + 1.50% p.a. and CDI + 1.70% p.a., respectively, with final amortization of the 1st series on September 15, 2024, and amortization of 50% in the 4th year and 50% in the 5th year for the 2nd series, and semiannual interest for both series, totaling R$1,000,000,000.00 (one billion reais). These debentures were issued through public distribution with restricted distribution efforts, pursuant to CVM Rule No. 476/2009. The term for the 1st series is 3 (three) years and for the 2nd series is 5 (five) years, from the date of issue. The funds raised were used to extend the debt schedule of the Company.

In millions of reais, unless otherwise stated

On July 15, 2022, 400,000 (four hundred thousand) non-convertible debentures were issued at the par value of R$1,000.00 (one thousand reais), of which: 67,435 (sixty-seven thousand four hundred and thirty-five) of the 1st series at CDI + 1.85% p.a., quarterly interest and amortization of 50% on July 14, 2026 and 50% in July 2027; 291,029 (two hundred ninety-one thousand and twenty-nine) of the 2nd series at IPCA (Extended Consumer Price Index) + 8,2243% p.a., quarterly interest and amortization on July 14, 2027; and 41,536 (forty-one thousand five hundred and thirty-six) of the 3rd series at IPCA + 8.3348% p.a., quarterly interest and amortization on July 14, 2028 and June 13, 2029. The debentures were subject to private distribution and backed the Mortgage-backed Securities (CRI), issued by means of the 20th Securitization Agreement referring to Real Estate Receivables Certificates of Opea Securitizadora S.A. under the terms of CVM Rule No. 400.

(iv) Commercial bills

On December 23, 2021, the Company conducted the 1st issue of book-entry commercial bills, in a single series. 400,000 (four hundred thousand) book-entry commercial bills at the par value of R$1,000.00 (one thousand reais) were issued, at CDI + 1.50% p.a. and amortization of principal and interest upon maturity. The bills were issued through public distribution with restricted distribution efforts, pursuant to CVM Rule No. 476/14195. The term for the book-entry commercial bills is 1 (one) year and 6 (six) months from the date of issue. The funds raised were used to pay part of the balance relating to the 4th issue of debentures.

b) Changes

The table below shows the changes in financing activities as recorded in the statement of cash flows.

	Individual	Consolidated
Balance at December 31, 2020	9,096	9,096
Cash flows from financing activities		
Funds raised (i)	9,199	9,199
Amortization (i)	(9,028)	(9,028)
Payment of interest (i)	(491)	(491)
Non-cash changes		
Business combinations	-	16
Interest incurred (i)	630	630
Balance at December 31, 2021	9,406	9,422
Cash flows from financing activities		
Funds raised (i)	**7,803**	**7,803**
Amortization (i)	**(8,147)**	**(8,164)**
Payment of interest (i)	**(912)**	**(912)**
Non-cash changes		
Interest incurred (i)	**1,228**	**1,229**
Balance at December 31, 2022	**9,378**	**9,378**

(i) At December 31, 2022, Transfer to financial institutions - CDCI amounted to R$7,403 referring to funds raised, R$7,177 to amortization, R$439 to payment of interest and R$626 to interest incurred (R$6,791, R$6,703, R$213 and R$306, respectively, at December 31, 2021).

In millions of reais, unless otherwise stated

c) Maturity of loans and financing recognized in noncurrent liabilities

Year	Individual and Consolidated
2024	**1,848**
2025	**380**
2026	**414**
2027	**322**
2028	**21**
Above 5 years	**20**
	3,005

d) Covenants

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

Debentures and book-entry commercial bills

The maintenance of the contractual maturity of debentures and book-entry commercial bills at their original maturities is subject to covenants provided for in their respective agreements, which are being regularly complied with. The main covenant/indicator is as follows:

Covenants on net debt:
- Consolidated net debt (*) not to exceed Equity; and
- Adjusted net debt to adjusted consolidated EBTIDA (**) ratio lower than or equal to 3.25.

Additionally, specifically relating to the 6th issue of debentures [SLB debentures – sustainability linked bonds], the Company is subject to specific clauses concerning Environmental, Social and Governance (ESG) requirements, in which Via undertook to achieve the following renewable energy percentages at the following inspection dates:

- December 2022 – Equal to or higher than 50%
- December 2025 – Equal to or higher than 90%

As at December 31, 2022, the Company is compliant with all covenants provided for in its loan and financing agreements, as well with the ESG indicator of 50% renewable energy established in the 6th issue of debentures.

(*) **Consolidated net debt**: the Company's total debt (short- and long-term loans and financing, including debentures, promissory notes and Casas Bahia Credit Facility transaction balances, excluding lease contract balances), less cash equivalents and accounts receivable, with a discount of 1.15%, arising from sales with credit cards, food cards and multi-benefit cards, including Casas Bahia Credit Facility balances within "Accounts Receivable".

(**) **Adjusted consolidated EBITDA**: gross profit, less general, administrative and selling expenses, excluding depreciation and amortization, plus the balance of "Other operating income" for the last four (4) quarters.

In millions of reais, unless otherwise stated

14. Financial risk management

a) Accounting policy

When it is not possible to obtain the fair value of derivatives and other financial instruments in active markets, the fair value recorded in the financial statements is determined according to the hierarchy established by accounting pronouncement CPC 46 (IFRS 13) - Fair value measurement, which establishes certain valuation techniques. The information for these models is obtained, whenever possible, from observable markets or information from comparable market operations and transactions. The judgments include an examination of the information, such as liquidity risk, credit risk and volatility. Any changes in assumptions related to these factors may affect the fair value of financial instruments.

The fair value of financial instruments actively traded on organized markets is determined based on market prices and on the statement of financial position dates. In the case of financial instruments not actively traded, the fair value is based on valuation techniques defined by the Company and compatible with usual market practices. These techniques include the use of recent market transactions between independent parties, benchmarking of the fair value of similar financial instruments, analysis of discounted cash flow, or other valuation models.

b) Breakdown of financial instruments

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

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Financial assets				
Amortized cost				
Cash and cash equivalents	**1,717**	1,596	**2,019**	1,781
Trade accounts receivable (except credit card companies)	**3,895**	3,733	**3,933**	3,759
Related parties	**657**	561	**483**	459
Financial instruments	**-**	-	**10**	10
Fair value through other comprehensive income (loss)				
Credit card companies	**3,406**	3,787	**3,426**	3,806
Financial liabilities				
Amortized cost				
Trade accounts payable	**(7,110)**	(6,276)	**(7,251)**	(6,418)
Trade accounts payable – portal (i)	**(657)**	(1,332)	**(657)**	(1,332)
Trade accounts payable – reverse factoring (agreement) (ii)	**(2,463)**	(1,904)	**(2,463)**	(1,904)
Loans and financing (except CDCI)	**(4,137)**	(4,578)	**(4,137)**	(4,594)
Transfer to financial institutions	**(5,241)**	(4,828)	**(5,241)**	(4,828)
Lease liabilities	**(3,657)**	(4,152)	**(3,699)**	(4,202)
Related parties	**(334)**	(76)	**(20)**	(27)
Transfer to third parties	**(560)**	(498)	**(648)**	(576)

(i) Trade accounts payable – portal: by means of adhesion agreements, the Company enables its suppliers to advance their receivables including a discount on face value. These transactions may be performed directly with the Company or may involve financial institutions. In these transactions, as agreed, the financial institutions advance a certain amount for the supplier and receive, at maturity date, the amount due by the Company. The supplier is solely and exclusively responsible for deciding whether or not to adhere to this type of transaction. These transactions do not change the characteristics of the commercial conditions, terms and prices previously established between the Company and its supplier. Financial gains from these transactions are recorded in finance income on an accrual basis and are presented in Note 24. As at December 31, 2022, the Company recorded commissions amounting to R$ 27 (R$ 57 at December 31, 2021).

In millions of reais, unless otherwise stated

(ii) Trade accounts payable – reverse factoring (agreement): "Trade accounts payable - agreement comprise recurring market transactions between Via and its suppliers of products and services. The agreements meet the parties' mutual interests regarding liquidity and working capital, and are entered into due to possible changes in demand and supply of products and services. Due to the characteristics of the commercial negotiation of deadlines between the suppliers and the Company, these financial liabilities were included in funding programs through the Company's lines of credit with financial institutions. In these operations, the suppliers transfer the right to receive the notes to the financial institution and in exchange receive in advance these funds from the financial institution, which becomes creditor of the operations. As at December 31, 2022, the average term of these operations was 118 days at the financial cost of 18.95% p.a. (11.04% p.a. and 98 days at December 31, 2021). The financial costs of the operations are posted to finance income (costs) on an accrual basis and presented in Note 24. The Company understands that these transactions are of a specific nature and classifies them separately from "Trade accounts payable".

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

c) Market risk

To calculate sensitivity, the interest rate risk for asset and liability balances presented by the Company at December 31, 2022 is the increase in the CDI percentage, since the total balance of loans and financing exceeded the balance of short-term investments indexed to the same interest rate type.

Basic interest rate

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

The sensitivity analysis considered an estimate of the net effect on profit or loss for the next 12 months. Therefore, the Company considered three scenarios. In scenario I, the annual interest rate was defined based on the CDI curve obtained from B3 for the maturity dates of operations, limited to 12 months, at the rate of 13.42% p.a. Scenarios II and III considered interest rate increases of 25% and 50%, respectively.

The table below shows the basic interest rate risk sensitivity analysis, and the possible net impact on profit or loss for each scenario:

		Consolidated	Sensitivity analysis		
Operations	**Risk**	**Balance at 12/31/2022**	**Scenario I**	**Scenario II**	**Scenario III**
Short-term investments	Decrease in CDI	**1,886**	**243**	**303**	**364**
Bank loans (*)	Increase in CDI	**(4,137)**	**(484)**	**(578)**	**(672)**
Impact on Proft and Loss - expense			**(241)**	**(275)**	**(308)**

(*) Does not include agreements referring to Transfer to financial institutions - CDCI as these are subject to fixed interest rates.

d) Liquidity risk

The Company adopts the policy of maintaining sufficient short-term investments, borrowings and lines of credit to meet short- and long-term cash needs. The Company regularly monitors cash forecasts that include, upon the respective maturities, the settlement of financial assets and liabilities. In addition, the Company maintains sufficient lines of credit to meet the expected working capital needs; therefore, sensitivity analyses are regularly performed to assess the possible impacts on the Company's liquidity position, in case the existing lines of credit are not renewed.

Management continuously analyzes its liquidity based on its projected cash flows considering current liabilities falling due and debts, and concluded that there are no liquidity risks for the 12-month period after December 31. As at December 31, 2022, the Company recorded capital deficiency and management understands that this analysis should also consider, among other aspects:

- Lease liabilities: began to be recorded in prior years upon implementation of the new accounting standard. As at December 31, 2022, leases were partially recorded in current liabilities amounting to R$645, not matched against current assets.

- Inventories: we should highlight that the Company's inventory balance is presented for its net realizable value (Note 7(c)), at cost, less taxes and provision for impairment, rather than for its probable sale amount of R$9.527 (Note 14(f)), therefore increasing current assets by R$3.953;

- Deferred revenue: amounts to R$201, to be realized by means of revenue recognition rather than by cash disbursement.

In considering these aspects, the Company's Net Working Capital has a positive liquidity ratio.

Management understands that there are no uncertainties as to the Company's ability to meet short-term obligations and that the basis of preparation of these financial statements for the year ended December 31, 2022 is adequate. It should also be noted that this conclusion was based on the current and projected financial and operating aspects of the Company. In this regard, certain aspects should be noted, such as:

- The Company has been strengthening its cash flows through measures and actions that are intended to: (i) reduce operating costs and expenses, (ii) efficiently allocate financial resources to the Company's assets, (iii) expand new revenue lines, such as Carnê Digital (digital payment booklet), increase the number of stores and intensify the operational efficiency and profitability of our marketplace;

- The Company will also raise long-term funds at finance costs lower than the current ones, as part of its cash recovery strategy, by issuing new debentures through Real Estate Receivables Certificates ("CRI"), amounting to R$ 400,000,000.00 (four million reais), as detailed in Note 13;

- On November 10, 2022, Via S/A entered into a financial service agreement with Banco Bradesco S.A. and Banco Bradescard S.A. (jointly "Bradesco") effective until November 10, 2037. Worth mentioning, the goals set in the annual contract were complied with seven years in advance, which determined a new arrangement for a new period. This new arrangement involved the immediate inflow of R$ 1,750 in cash. In addition, another four annual tranches of advances may be received, subject to compliance with pre-defined goals, totaling up to R$ 1,500.

- Management has recently made significant investments in the modernization of its assets in order to maintain and expand its online market share, and has made efforts to expand physical stores, especially in regions in the country where our brands has little penetration. The Company believes that, both in the short and medium terms, those investments will result in significant cash inflows that will meet the Company's current obligations.

In millions of reais, unless otherwise stated

Undiscounted cash flows of financial liabilities

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

	Individual				Consolidated			
	Within one year	1 to 5 years	More than 5 years	Total	Within one year	1 to 5 years	More than 5 years	Total
Trade accounts payable	7,110	-	-	7,110	7,251	-	-	7,251
Trade accounts payable – portal	657			657	657			657
Trade accounts payable – reverse factoring (agreement)	2,532	-	-	2,532	2,532	-	-	2,532
Loans and financing	1,757	2,379	21	4,157	1,757	2,379	21	4,157
Transfer to financial institutions	5,014	651	-	5,665	5,014	651	-	5,665
Related parties	332	2	-	334	20	-	-	20
Transfers to third parties	560	-	-	560	648	-	-	648
	17,962	3,032	21	21,015	17,879	3,030	21	20,930

e) Credit risk

The Company is exposed to credit risk before financial institutions, in relation to cash and cash equivalents, trade accounts receivable, as well as to non-recurring transactions, such as disposal of nonfinancial assets.

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

The credit risk relating to accounts receivable balances is mitigated since a significant portion of the Company's sales takes place with credit cards, which are substantially securitized with the credit card companies and/or banks. Sales financed through transfers to financial institutions have lines of credit with the banksBradesco, Safra, Banco do Brasil, Daycoval and BTG, that are intended to finance customers through the Company. Under this method, the Company is subject to credit risk, thus adopts careful procedures when granting the credit. However, the balance receivable from customers is dispersed, with no substantial individual amounts.

Estimated losses on doubtful accounts are calculated according to the Company's accounting policy, described in Note 6(a). Balances of these estimates at December 31, 2022 and December 31, 2021, were considered sufficient by management to cover possible losses on the receivables portfolio.

In millions of reais, unless otherwise stated

f) Capital management

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

	Consolidated			
	12/31/2022		12/31/2021	
	With CDCI	Without CDCI	With CDCI	Without CDCI
Cash and cash equivalents	**2,019**	**2,019**	1,781	1,781
Credit card receivables	**3,426**	**3,426**	3,839	3,839
Total cash and cash equivalents and credit card receivables	**5,445**	**5,445**	5,620	5,620
Trade accounts receivable – Casas Bahia Credit Facility	**5,523**	**-**	5,006	-
Other receivables	**708**	**708**	717	717
Allowance for doubtful accounts - ADA	**(648)**	**(21)**	(711)	(55)
Total cash and cash equivalents, and receivables	**11,028**	**6,132**	10,632	6,282
Loans and financing	**(4,137)**	**(4,137)**	(4,594)	(4,594)
Transfers to financial institutions	**(5,241)**	**-**	(4,828)	-
Total loans and financing and CDCI	**(9,378)**	**(4,137)**	(9,422)	(4,594)
Net cash	**1,650**	**1,995**	1,210	1,688
Equity	**5,284**	**5,284**	5,637	5,637
Net cash ratio	**0.31**	**0.38**	0.21	0.30

g) Fair value measurement

At December 31, 2022, the Company maintained certain financial assets and liabilities, for which the disclosure of the measurement at fair value is required in accordance with CPC 40 (IFRS 7), shown in the table below:

	Individual		Consolidated	
	Carrying amount	Fair value	Carrying amount	Fair value
Amortized cost				
Casas Bahia Credit Facility (i)	**3,873**	**4,239**	**3,873**	**4,239**
Transfers to financial institutions (ii)	**(5,241)**	**(5,186)**	**(5,241)**	**(5,186)**
Fair value through other comprehensive income (loss)				
Credit card companies (ii)	**3,406**	**3,406**	**3,426**	**3,426**

(i) These are classified at level 3, as non-observable inputs are used for fair value measurement. For this calculation, the Company used as assumption the Casas Bahia Credit Facility receivables portfolio and the expected credit losses, as well as the average market discount rate for trade notes.

(ii) These are classified at level 2, as readily observable market inputs are used, such as interest rate projections, spot and future exchange rate parity quotes, and negotiations with independent parties.

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

In millions of reais, unless otherwise stated

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

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Inventories (Note 7(a))	**5,533**	7,099	**5,574**	7,152
Gross revenue from net sales from returns and cancellations (Note 21)	**36,240**	36,322	**36,418**	36,375
Cost of sales and services (Note 22)	**(21,010)**	(21,513)	**(21,308)**	(21,572)
Mark-up	**1.72**	1.69	**1.71**	1.69
Inventories at sales value	**9,544**	11,986	**9,527**	12,060

The Company's inventories traded under normal market conditions can be measured considering the probable sales value and the historical mark-up of its operations, as shown above.

15. Taxes payable

a) Accounting policy

The balances of taxes payable are stated net between the total amount due and the balance recoverable related to each tax: Value-Added Tax on Sales and Services ("ICMS"); Service Tax ("ISS"); Contribution Tax on Gross Revenue for Social Integration Program ("PIS"); Contribution Tax on Gross Revenue for Social Security Financing ("COFINS"); Corporate Income Tax ("IRPJ"); Social Contribution Tax on Net Profit ("CSLL"); in addition to taxes that the Company needs to withhold on certain activities, such as rents and services taken, among others.

b) Breakdown of balances

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
ICMS payable	**133**	163	**136**	164
Special Tax Settlement Program (PERT)	**22**	23	**23**	24
Withholding Income Tax (IRRF) payable	**39**	34	**57**	36
Other	**52**	26	**59**	28
	246	246	**275**	252
Current	**227**	225	**255**	231
Noncurrent	**19**	21	**20**	21

16. Current and deferred income and social contribution taxes

a) Accounting policy

(i) Current income and social contribution taxes

Current and deferred income and social contribution taxes for the year are calculated at 15%, plus 10% surtax on taxable income exceeding R$240 thousand for income tax and 9% on taxable income for social contribution tax on net profit, and take into consideration the offset of income and social contribution tax losses, limited to 30% of taxable profit for the year.

(ii) Income and social contribution taxes - deferred

Deferred income and social contribution taxes are recognized on temporary differences between asset and liability balances stated in the financial statements and the corresponding tax bases used to calculate taxable income, including the balance of income and social contribution tax losses not time barred by statute. Deferred tax liabilities are generally recognized on all taxable temporary differences, and deferred tax assets are recognized on all deductible temporary differences only when it is probable that the future tax base will be at an amount sufficient to absorb deductible temporary differences.

The likelihood of recovery of deferred tax assets is reviewed at each year end and, when future tax bases are no longer likely to be available for total or partial tax recovery, the asset balance is reduced to the amount expected to be recovered.

Deferred tax assets and liabilities are mutually offset only when there is a legal right to offset, when they are related to taxes administered by the same tax authority and the Company intends to settle the net amount of its current tax assets and liabilities.

In millions of reais, unless otherwise stated

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

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Loss before taxes	**(942)**	(1,501)	**(1,083)**	(1,560)
Income and social contribution taxes at the statutory rate of 34%	**320**	510	**368**	530
Investment grant (i)	**233**	487	**235**	491
Exclusion of the Selic rate on taxes (ii)	**128**	275	**135**	284
Equity pickup	**(51)**	(33)	**14**	15
Effect of differences in tax rates of foreign entities	**-**	-	**5**	(4)
Recognized tax loss	**-**	-	**9**	-
Unrecognized tax loss (iii)	**-**	-	**(6)**	(14)
Other permanent differences	**(30)**	(35)	**(19)**	(39)
Effective income and social contribution taxes	**600**	1,204	**741**	1,263
Current tax recognized through profit or loss	**-**	83	**(13)**	82
Deferred tax recognized through profit or loss	**600**	1,121	**754**	1,181
Income and social contribution tax income (expenses), net	**600**	1,204	**741**	1,263

(i) Investment grant

The Company has tax benefits that reduce the ICMS (State Value-Added Tax) expense, such as matching credit, reduced tax base and reduced rate. These benefits are distributed in 21 states, resulting in a considerable amount excluded from the Corporate Income Tax (IRPJ) and Social Contribution Tax on Net Profit (CSLL) bases. To use this benefit, the Company complies with legal requirements. As at December 31, 2022, the excluded amount represented 3% of sales revenues, net of taxes (2% as at December 31, 2021).

(ii) Exclusion of the Selic rate on taxes

It refers to the effects from the exclusion of the Central Bank benchmark rate (Selic) from the income and social contribution tax bases due to the recent decision of the Federal Supreme Court (STF). That court unanimously dismissed the appeal to the Supreme Court, and interpreted article 3, paragraph 1, of Law No. 7713/88, article 17 of Decree-Law No. 1598/77, and article 43, item II and paragraph 1, of the Brazilian Tax Code (CNT) (Law No. 5172/66) under the Brazilian Constitution, thus excluding from the scope of these provisions the IRPJ and CSLL levied on the Selic rate received by taxpayers on taxes unduly collected.

(iii) Unrecognized tax loss

Deferred tax assets arising from tax losses were not recognized since there was no sufficient taxable profit to realize referred to tax credits or expected generation of future taxable profits. At December 31, 2022, unrecognized deferred income and social contribution taxes in the statement of financial position relating to tax loss carryforwards amounted to R$541 (R$474 at December 31, 2021).

At the end of each financial statement reporting period, the Company reassesses whether future taxable profits are likely to be available to recover deferred tax assets. If such amounts become available, the Company recognizes the deferred tax assets not previously recognized.

In millions of reais, unless otherwise stated

c) Breakdown of deferred income and social contribution taxes

	Individual		Consolidated	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Provision for contingencies	**644**	757	**659**	774
Allowance for doubtful accounts	**219**	240	**220**	241
Income and social contribution tax losses	**2,215**	1,449	**2,530**	1,597
Provision for current expenses	**57**	96	**62**	101
Estimated loss on property and equipment and inventories	**28**	22	**29**	22
Leases	**258**	261	**263**	265
Other	**201**	140	**202**	141
Total deferred tax assets	**3,622**	2,965	**3,965**	3,141
Depreciation and amortization of property and equipment and intangible assets	**(173)**	(159)	**(184)**	(169)
PPA Bartira	**-**	-	**(21)**	(22)
ICMS - selectivity	**(116)**	(95)	**(116)**	(95)
Other	**(14)**	(2)	**(43)**	(20)
Total deferred tax liabilities	**(303)**	(256)	**(364)**	(306)
	3,319	2,709	**3,601**	2,835

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

	Individual		Consolidated	
	12/31/2022	**12/31/2021**	**12/31/2022**	**12/31/2021**
Deferred tax assets	**3,319**	2,709	**3,635**	2,841
Deferred tax liabilities	**-**	-	**(34)**	(6)

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

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

At December 31, 2022	**Individual**	**Consolidated**
2023	**681**	**702**
2024	**305**	**321**
2025	**336**	**360**
2026	**256**	**281**
2027	**272**	**325**
Above 5 years	**1,772**	**1,976**
	3,622	**3,965**

17. Provision for contingencies

a) Accounting policy

In order for provisions for contingencies to reflect the best estimate of future disbursements, management assesses legal proceedings and estimates the potential loss of each proceeding. This analysis takes into consideration legal opinions issued by legal advisors in addition to the history of the Company's proceedings and related payments. Provisions are recognized for all proceedings that were analyzed and considered as probable loss, or based on the history of losses, in the case of part of labor, social security and civil proceedings.

The provisions for contingencies are presented in accordance with the amounts of the proceedings and do not consider the balances of judicial deposits, as they are classified in assets, given that the conditions required to present them net with the provision do not exist. In addition, in the case of success fees, the Company's practice is to record the provision when the proceedings are handed down a res judicata decision.

b) Accounting estimates and assumptions

The Company is a party to legal and administrative proceedings of a tax, labor, social security and civil nature, which are classified according to the risk of loss as probable, possible or remote. The analysis regarding the likelihood of loss is carried out by management supported by external legal advisors and duly corroborated by the legal department. The assessment of the likelihood of loss includes the analysis of available evidence, the hierarchy of laws, available case law, most recent court decisions and their relevance in the legal system.

Provisions for tax proceedings are recognized for all lawsuits whose likelihood of loss is assessed as probable. Accordingly, the Company set up provisions deemed sufficient to cover losses, if any, on legal and administrative proceedings.

Provisions for labor and civil contingencies are calculated based on the history of losses over the entire mass of lawsuits, using the percentage of success for each type of claim, and the average amount of losses per employee positions or type of proceeding.

In addition, regarding collective proceedings and those that have characteristics that differentiate them from the proceedings contained in the mass, the Company analyzes the individual risk (of each proceeding). An independent firm is engaged for each proceeding, which analyzes and calculates the risks to which the Company is exposed. This amount is provisioned according to the procedural moment and considering the likelihood of loss, and, when there are decisions in the records, the amount provisioned is calculated based on the proceedings' settlement amount.

In millions of reais, unless otherwise stated

c) Balances and changes

	Individual			
	Tax	**Labor**	**Civil and other**	**Total**
Balance at December 31, 2020	-	1,352	273	1,625
Additions of new proceedings and other additions	13	2,784	208	3,005
Write-off provision due to settlement	-	(1,474)	(133)	(1,607)
Write-off provision due to success and other write-offs	-	(471)	(81)	(552)
Monetary restatement	2	36	-	38
Balance at December 31, 2021	15	2,227	267	2,509
Additions of new proceedings and other additions	**3**	**1,866**	**64**	**1,933**
Write-off provision due to settlement	**-**	**(1,152)**	**(69)**	**(1,221)**
Write off provision due to success and other write-offs	**-**	**(1,306)**	**(11)**	**(1,317)**
Monetary restatement	**9**	**167**	**27**	**203**
Balance at December 31, 2022	**27**	**1,802**	**278**	**2,107**

	Consolidated			
	Tax (i)	**Labor (ii)**	**Civil and other (iii)**	**Total**
Balance at December 31, 2020	38	1,380	273	1,691
Additions of new proceedings and other additions	13	2,834	209	3,056
Write-off provision due to settlement	-	(1,505)	(133)	(1,638)
Write off provision due to success and other write-offs	-	(481)	(81)	(562)
Monetary restatement	9	37	-	46
Balance at December 31, 2021	60	2,265	268	2,593
Additions of new proceedings and other additions	**3**	**1,908**	**69**	**1,980**
Write-off provision due to settlement	**-**	**(1,176)**	**(69)**	**(1,245)**
Write off provision due to success and other write-offs	**-**	**(1,336)**	**(12)**	**(1,348)**
Monetary restatement	**12**	**169**	**27**	**208**
Balance at December 31, 2022	**75**	**1,830**	**283**	**2,188**

(i) Tax

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

At December 31, 2022, significant tax proceedings provisioned refer to PIS/COFINS and DIFAL credits not approved for offsetting, amounting to R$64 (R$59 at December 31, 2021). The provision was recorded based on an assessment made by external legal advisors, which was corroborated by management.

(ii) Labor

The Company is a party to labor claims relating mostly to employee severance, as result of the ordinary turnover of its business, and to the restructuring measures taken in recent years, e.g. drivers and assemblers. Until June 30, 2021, the Company's provision was calculated based on historical effective losses applied to all ongoing proceedings per position, as well as on individual risk assessment for certain proceedings with unique characteristics.

In millions of reais, unless otherwise stated

From September 2021, considering the effective increase in new proceedings and in the effective amount paid for these proceedings, the Company decided to review the methodology, and has adopted the following new model:

1) The proceedings classified during the discovery phase and/or appeal phase are measured considering the historical effective losses applied to all ongoing proceedings segregated by variables, such as position, length of service, state where the employee works, etc.

2) On the other hand, the proceedings classified during the execution phase, rated as probable loss by the external legal advisors, and whose amounts have been defined upon approval or by technical experts, are recorded at their individual nominal value.

At December 31, 2022, the Company maintained a provision in the amount of R$1,830 (R$2,265 at December 31, 2021).

The Company is a party to 26,361 ongoing labor claims as of December 31, 2022 (23,319 as of December 31, 2021). The consolidated changes in the claims and amounts for the periods were as follows:

Number of claims	**12/31/2022**	**12/31/2021**
Opening inventory	**23,319**	22,275
Proceedings recorded	11,885	13,424
Proceedings written-off	(8,843)	(12,380)
Closing inventory	**26,361**	23,319

Amounts relating to proceedings	**12/31/2022**	**12/31/2021**
Write-off of provision due to settlement (cash effect)	**(1,176)**	(1,505)

(iii) Civil and other

The Company is a party to civil claims, mainly related to:

- Proceedings requesting the renewal of store lease, in which the Company is required to pay provisional rent amounts until a final and unappealable decision on the litigation. During the trial period of proceedings, the Company recognizes a provision based on the difference between the amount paid as provisional rent and the amounts claimed by the lessors. At December 31, 2022, this provision totaled R$41 (R$32 at December 31, 2021);

- Proceedings involving consumer relations law: The Company is a party to 29,292 ongoing civil claims as at December 31, 2022 (30,317 as at December 31, 2021). The provision is calculated based on historical losses, per claim type and timing, applied to the total ongoing proceedings, as well as on individual risk assessment for certain proceedings with unique characteristics. At December 31, 2022, this provision totaled R$242 (R$236 at December 31, 2021).

d) Contingent liabilities

The Company is a party to other claims that were analyzed by the legal advisors and assessed as a possible loss; therefore, no provision was recognized and those claims total R$4,737 at December 31, 2022 (R$3,980 at December 31, 2021), mainly related to:

Tax

- The Company is a party to claims addressing COFINS, PIS, IRPJ, IRRF, CSLL and INSS: (i) administrative and legal proceedings related to offset requests not recognized by the taxation authorities and differences in amounts paid; (ii) discussions about PIS and COFINS levied on certain transactions, such as bonuses received from suppliers; (iii) use of PIS and COFINS credits relating to advertising expenses and card administration fees; (iv) discussion on alleged insufficient offset tax loss balance; (v) other less material discussions. The amount involved in referred to proceedings at December 31, 2022 is approximately R$1,500 (R$1,052 at December 31, 2021).

- ICMS-ST (Tax Substitution taxation regime) on purchases of goods: discussion about allocation of PIS and COFINS credits on the ICMS-ST recorded on purchases of goods for resale in calendar year 2016. The amount of the tax assessment notice corresponds to R$291 at December 31, 2022 (R$266 at December 31, 2021).

- ICMS, ISS and Real Estate Tax ("IPTU"): (i) administrative and legal proceedings resulting from service tax (ISS) not levied on amounts deemed by the municipal tax authorities as service revenue; (ii) discussions about alleged differences upon crosschecking the information filed with the state departments of finance, and ICMS not levied on sales of extended warranty services; (iii) discussions referring to ICMS credits recorded on acquisition of goods from suppliers with irregular state registration; and (iv) other less material discussions. The amount involved in referred to proceedings at December 31, 2022 is approximately R$1,442 (R$1,211 at December 31, 2021).

- Mandala goodwill: tax delinquency notice due to the deduction of amortization charges in years 2012, 2013, 2015 and 2016 relating to goodwill arising from the acquisition of Ponto in calendar year 2009. The restated amount of the tax delinquency notice corresponds to IRPJ and CSLL amounting to R$193 at December 31, 2022 (R$273 at December 31, 2021). On September 13, 2022, the Higher Chamber of Tax Appeals (CSRF) of the Administrative Board of Tax Appeals (CARF) accepted the Appeal filed by the Company, by majority of votes, and canceled this tax delinquency notice in full.

Civil and other

At December 31, 2022, the Company is a party to civil contingencies totaling R$198 (R$194 at December 31, 2021) that were analyzed by legal advisors and assessed as a possible loss. Therefore, no provision was recognized.

In millions of reais, unless otherwise stated

e) Judicial deposits

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

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Social security and labor	**278**	326	**292**	341
Tax (i)	**606**	401	**608**	405
Civil and other	**24**	76	**25**	77
	908	803	**925**	823

(i) With the enactment of the Amendment to the Constitution No. 87/2015 and the Brazilian Board for Fiscal Policy (CONFAZ) Agreement No. 93/2005, the states and the Federal District, through state laws, have been requiring the ICMS Tax Rate Difference ("DIFAL") in interstate operations involving non-ICMS-paying end consumers.

However, due to the unconstitutionality of this requirement under the state laws, without a prior supplementary law, the Company filed lawsuits challenging the collection of DIFAL.

On February 24, 2021, the plenary session of the Federal Supreme Court (STF), in judging Appeal 1.287.019, under general resonance, determined the following: "The collection of the ICMS rate difference, as provided for by the Amendment to the Constitution No. 87/2015, implies the enactment of a supplementary law that determines the general rules".

The effects of the decision were limited as from the financial year following the end of the judgment, i.e. from 2022. However, such limitation does not affect the Company, since the lawsuits were filed before the date of publication of the minutes of the judgment.

Upon publication of Supplementary Law No. 190/22, a new legal relationship was established, since taxpayers began to pay ICMS to the state of destination, where the non-taxpaying final consumer is located. This ICMS corresponds to the difference between the interstate rates and the intrastate rate of the state of destination (DIFAL).

The institution of this new legal relationship (collection of DIFAL for the state of destination) is conditioned to the principles of anteriority and nonagesimal anteriority. As a result, considering that Supplementary Law No. 190/22 was published on January 5, 2022, the Company filed lawsuits questioning that the obligation to pay DIFAL to the states can only be applied to operations in the financial year subsequent to publication of this law, that is, to transactions carried out from January 1, 2023 onwards.

f) Collaterals and bank guarantees

At December 31, 2022, the Company offered guarantees in connection with social security, labor, tax and civil proceedings, as follows:

Proceedings	12/31/2022
Social security and labor	**2,705**
Tax	**1,990**
Civil and other	**374**
	5,069

At December 31, 2022, the Company presents bank guarantees and surety bonds involving commercial agreements on financial services (deferred revenue) and administrative services totaling R$2,613.

The corporate guarantees granted by CBD at December 31, 2022 total R$216.

18. Leases

a) Accounting policy

CPC 06 – Leases introduced a single model for the accounting of leases in the statement of financial position for lessees. This standard requires that all leases and their corresponding contractual rights and obligations are recognized in the statement of financial position. According to such standard, leases with contractual terms of less than 12 months and whose underlying asset is of low value are exempted from recognition. Lease agreements with an indefinite term and those in which the consideration is based on variable amounts are also not included in the scope of this standard. Exempted leases or those not included in the scope of the standard were recognized by the Company as an expense in Proft and Loss for the year, as incurred. In the year ended December 31, 2022, the Company recognized variable lease expenses amounting to R$17 – Individual and Consolidated (R$29 – Individual and Consolidated at December 31, 2021).

For each lease agreement, the Company recognizes a right-of-use asset and a lease liability.

The right-of-use asset is recognized at the commencement date of the lease, i.e., the date the underlying asset is available for use by the Company. Right-of-use assets are initially measured at cost and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Depreciation is calculated by the straight-line method, according to the remaining term of agreements.

The lease liability is composed of the present value of the payments to be made during the lease term. Lease payments include fixed payments or in-substance fixed payments, which would be the minimum payments agreed with the lessor. Upon calculating the lease liability, the Company used its Incremental Borrowing Rate (IBR), which was applied nominally to discount payment flows.

Interest on lease liabilities and depreciation of right-of-use assets are recognized in the Statement of profit or loss according to the contract period.

As a practical expedient, lessees may choose not to assess whether a benefit granted under a lease contract in connection with COVID-19 is a lease modification and instead to account for the resulting changes in lease payments in profit or loss for the period. The Company and its subsidiaries applied the practical expedient to all benefits granted under lease contracts in accordance with the requirements of Ruling No. 859/20.

On March 31, 2021, the IASB issued new amendments to IFRS 16 and extended in one year the practical expedient for benefits granted as a consequence of the Covid-19 pandemic. As such, amounts payable on or until June 30, 2022 were affected. On July 22, 2021, CVM, by means of Rule No. 41/21, approved the Revision of Accounting Pronouncements No. 18/21, issued by the CPC, which amends CPC 06 (R2) – Leases. This Rule came into effect on August 2, 2021 and applies to annual periods beginning on or after January 1, 2021. Lessees may only apply the changes to amounts payable on or before June 30, 2022,

In millions of reais, unless otherwise stated

b) Breakdown of balances and changes

Right-of-use assets

	Individual	Consolidated
Balance at December 31, 2020	3,039	3,079
Additions and remeasurements	836	839
Write-offs / reversals	49	46
Depreciation	(651)	(657)
Balance at December 31, 2021	3,273	3,307
Additions and remeasurements	**322**	**325**
Write-offs / reversals	**(63)**	**(69)**
Depreciation	**(743)**	**(747)**
Balance at December 31, 2022	**2,789**	**2,816**

Classification of depreciation of right-of-use assets in Proft and Loss for the year

In the years ended December 31, 2022 and December 31, 2021, the Company recognized the following depreciation amounts referring to right-of-use assets in cost of goods and services sold:

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Depreciation	**165**	138	**169**	142

Lease liabilities

	Individual	Consolidated
Balance at December 31, 2020	3,908	3,963
Additions and remeasurement	836	839
Write-offs	51	47
Payment of principal	(643)	(647)
Payment of interest	(385)	(391)
Interest incurred	385	391
Balance at December 31, 2021	4,152	4,202
Additions and remeasurement	**323**	**326**
Write-offs / reversals	**(120)**	**(127)**
Payment of principal	**(698)**	**(702)**
Payment of interest	**(430)**	**(435)**
Interest incurred	**430**	**435**
Balance at December 31, 2022	**3,657**	**3,699**
Current	**641**	**645**
Noncurrent	**3,016**	**3,054**

In millions of reais, unless otherwise stated

c) Maturity of lease liabilities recognized in noncurrent liabilities

Year	Individual			Consolidated		
	Gross flow	Embedded interest	Lease liabilities	Gross flow	Embedded interest	Lease liabilities
2024	**931**	**(344)**	**587**	**939**	**(348)**	**591**
2025	**811**	**(276)**	**535**	**820**	**(279)**	**541**
2026	**705**	**(210)**	**495**	**713**	**(213)**	**500**
2027	**550**	**(153)**	**397**	**559**	**(156)**	**403**
2028	**440**	**(106)**	**334**	**448**	**(108)**	**340**
Above 5 years	**782**	**(114)**	**668**	**794**	**(115)**	**679**
	4,219	**(1,203)**	**3,016**	**4,273**	**(1,219)**	**3,054**

d) Potential right for PIS and COFINS recoverable

For purposes of complying with the requirements of CVM/SNC/SEP Memorandum Circular No. 02/2019, the Company reports that as of December 31, 2022, payments of lease liabilities, which generate a potential right for PIS and COFINS on the gross contractual flow, amount to R$433 – Individual and R$439 – Consolidated (R$418 - Individual and R$425 - Consolidated as of December 31, 2021).

The Company has potential right for PIS and COFINS recoverable embedded in the lease consideration amounts. In measuring cash flows from leases, tax credits relating to potential impacts of PIS and COFINS were not recorded.

e) Agreements per term and discount rate

Agreement term	(%) Annual average rate	
	12/31/2022	12/31/2021
Within 5 years	12.31%	6.83%
From 6 to 10 years	13.78%	14.01%
From 11 to 15 years	11.15%	13.30%
From 16 to 20 years	19.52%	22.06%

f) Additional information

As previously described, the Company adopted its IBR as a discount rate for lease liabilities, which is calculated considering the Company's borrowing costs, based on the CDI (Interbank Deposit Certificates) plus a risk spread, excluding guarantees given in financing transactions.

The payment flows of the Company's lease agreements are substantially indexed to inflation. To safeguard reliable representation and comply with the Brazilian SEC ("CVM") guidelines in Memorandum Circular No. 2/2019, liability balances without inflation are provided, which were effectively accounted for and the estimated inflated balances.

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Actual Flow				
Lease liabilities	**5,276**	5,794	**5,340**	5,872
Embedded interest	**(1,619)**	(1,642)	**(1,641)**	(1,670)
	3,657	4,152	**3,699**	4,202
Inflated Flow				
Lease liabilities	**6,712**	7,190	**6,795**	7,273
Embedded interest	**(2,288)**	(2,259)	**(2,319)**	(2,293)
	4,424	4,931	**4,476**	4,980

In millions of reais, unless otherwise stated

The inflated flow was measured at the present value of the lease payments expected until the end of each agreement, incorporating projected future inflation and discounted by IBR, that is, the nominal interest rate.

In preparing future contractual cash flows and incorporating expected inflation, rates obtained through future market quotations, observed in B3 S.A. - Brasil, Bolsa, Balcão, were used for the inflation indexes contained in the lease agreements (Extended Consumer Price Index - IPCA). The inflation curves were obtained on the first-time adoption date of referred to pronouncement and at the end of the current year, considering the remaining contractual terms.

In addition, users of these financial statements may, at their discretion, use other items provided in this explanatory note, such as the aging list of liabilities and interest rates used in the calculation, to make future payment flow projections indexed by the inflation indexes observed in the market.

19. Deferred revenues

a) Accounting policy

Deferred revenues arising from prepayments received from commercial partners for the exclusivity in the rendering of certain services are recognized in the Statement of profit or loss for the year as the performance obligations contained in the respective agreements are satisfied.

b) Breakdown of balances

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Additional or extended guarantees (i)	**980**	1,027	**980**	1,027
Card operations and correspondent bank (ii)	**1,285**	23	**1,285**	23
Insurance and services (iii)	**85**	99	**85**	99
Other	**4**	9	**79**	78
	2,355	1,158	**2,429**	1,227
Current	**190**	365	**201**	374
Noncurrent	**2,165**	793	**2,228**	853

(i) Additional or extended warranties

On October 15, 2018, the Company entered into an amendment to the insurance distribution agreement with Zurich Minas Brasil Seguros S.A. that rescheduled and consolidated the agreements previously entered into, on August 29, 2014 and December 16, 2016. The advance amount was of R$837 and has been recorded in Proft and Loss to the extent that the contractual goals are met. On February 23, 2022, the Company entered into a second amendment and new goals were established. This amendment is in effect until December 2038.

In millions of reais, unless otherwise stated

(ii) Card operations and correspondent banks

On November 10, 2022, the Company entered into an amendment referring to renewal of the period of partnership for offer of credit cards and other financial products ("Amendment") with Banco Bradesco S.A and Banco Bradescard S.A ("Bradesco"), in the network of stores and websites operated under the Casas Bahia brand. The agreement in effect until then would end in 2029. This Amendment is mainly aimed at: (i) defining a new term of effectiveness of the partnership and exclusivity for the offer of co-branded credit cards until November 10, 2037 in the stores and websites operated under the Casas Bahia brand; (ii) establishing new payments to be made by virtue of the new term agreed upon for offering exclusive financial products, and setting out joint goals for the partnership to be successful; and (iii) updating and establishing certain terms and conditions that will regulate future relationships in the sphere of the partnership initially entered into. The amounts involved in this transaction total R$1,750 and are represented by prepaid commissions amounting to R$1,400, and a signing bonus amounting to R$350. The amount received is recorded in Proft and Loss to the extent that the contractual goals are met.

(iii) Insurance and services

On June 26, 2018, the Company entered into a service agreement with CDF Assistência e Suporte Digital S.A. for the rendering of technical assistance services. The prepayment received was R$100, which is recognized in Proft and Loss to the extent that the goals contractually set are achieved. On December 18, 2020, the Company and CDF entered into an amendment and renegotiated the agreement previously entered into between the parties. This amendment is valid until December 2029.

On November 10, 2020, the Company, USS and MMS entered into an amendment to the partnership agreement for intermediation of services and other covenants, and renegotiated the agreements previously executed between the parties. This amendment is valid until October 2025.

c) Management's estimate for realization of deferred revenue balances classified as "Noncurrent"

Year	Individual	Consolidated
2024	**213**	224
2025	**211**	223
2026	**203**	215
2027	**203**	214
2028	**203**	214
Above 10 years	**1,132**	1,138
	2,165	2,228

In millions of reais, unless otherwise stated

20. Equity

a) Capital

At December 31, 2022, the Company's paid-up and subscribed capital amounted to R$5,138 (R$5,138 at December 31, 2021) and was represented by 1,598,431 common registered no-par-value shares with voting rights. In the year ended December 31, 2022, the following capital increase took place:

Date of capital increase (*)	Amounts in Brazilian reais (R$)	Number of common shares
08/11/2022	21.73	5,433

(*) Capital increase due to exercise of stock options

b) Treasury shares

In 2018, with the Company's migration to B3's Novo Mercado listing segment and the consequent conversion of all preferred shares issued by the Company into common shares, dissenters' rights were granted to holders of preferred shares who did not attend the Special General Meeting held on September 3, 2018. The Company repurchased 300,000 preferred shares totaling R$685,839.75 paid on October 5, 2018.

On December 14, 2021, the Company communicated to the shareholders and the market the Share Buyback Program, whose purpose is acquiring shares issued by the Company to meet the long-term incentive and retention programs of the Company's top executives.

On April 08, 2022, the Company ended the Share Buyback Program by reason of the purchase of the total number of shares approved by the Board of Directors in a meeting held on December 06, 2021.

The shares repurchased by the Company totaled 18,000,000 common shares, which were purchased at market price at each respective repurchase date. The Company informs that the shares repurchased within the scope of the Program will be held in treasury.

c) Capital transactions

Capital transactions relate to changes in the equity interest of subsidiaries or joint ventures.

d) Capital reserves

(i) Goodwill reserve

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

(ii) Premium on subscription of shares

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

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

(iii) Options granted

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

Accounting policy

In exchange for services rendered for a certain period of time, the Company' executives may receive share-based compensation (payment in equity instruments or in cash).

The cost of share-based payment transactions is recognized as expense for the year over the period in which the performance and/or service conditions are satisfied ("vesting period"), with a corresponding increase in the Company's equity or recognition as liability for options settled in cash. At the end of each reporting period, the Company reviews the number of equity instruments that will be delivered, excluding any instruments that have expired or have not been exercised. The expense related to each year represents the changes in accumulated expenses recognized at the beginning and at the end of the year.

When a share-based payment transaction is modified, the expense added is recognized over the remaining period in which the vesting conditions are met. In the case of cancelation of a share-based payment transaction, this is classified as if it had been fully acquired by the beneficiary, and the remaining unrecognized expenses related to the share-based payment transaction are fully recognized in the statement of profit or loss for the year.

Stock option plan (equity-settled transaction)

In April 2022, the Company's Board of Directors approved the execution of the amendments entered into with the executive officers that are beneficiaries of the Stock Option Plan, approved at the Special General Meeting held on September 2, 2019, for the purpose of changing and extending the vesting period of half of the stock options, whose original vesting period would end on July 12, 2022, corresponding to 30% (thirty percent) of the total stock option plan. With the extension of the plan, the beneficiary will have the right to receive the stock options in 7 installments from July 2022 proportionally to the following percentages: (i) 30% of the award in July 2022; (ii) 20% of the award in July 2023 and July 2024; and (iii) 8% of the award in May 2024, May 2025, May 2026 and May 2027.

In millions of reais, unless otherwise stated

In May 2022, the Company granted 28,074,366 restricted shares to the beneficiaries of the share-based compensation program. In December 2022, the Company granted 240,267 restricted shares to the beneficiaries of the program. Once the service condition is fulfilled, i.e. to remain as a managing officer or employee of the Company or of a company under its control until the end of the vesting period, scheduled for May 2027, the beneficiary will have the right to receive the restricted shares in 4 installments of 25% per annum, from the second anniversary of the date of grant/award.

The equity-settled stock option plans currently in effect are the following:

	Grant date	**End of vesting period**
Stock options	09/12/2019	07/12/2027
Stock options	04/27/2021	04/26/2026
Restricted shares	04/27/2021	04/26/2026
Stock options	06/02/2021	04/26/2026
Restricted shares	06/02/2021	04/26/2026
Stock options	08/02/2021	04/26/2026
Restricted shares	08/02/2021	04/26/2026
Stock options	09/13/2021	04/26/2026
Restricted shares	09/13/2021	04/26/2026
Stock options	09/20/2021	04/26/2026
Restricted shares	09/20/2021	04/26/2026
Restricted shares	05/10/2022	05/10/2027
Restricted shares	12/16/2022	05/10/2027

The table below presents details and changes, by number of shares, of each of the programs for the year ended December 31, 2022.

Series	Grant date	End of the vesting period	Strike price (in reais)	Number of stock options prevailing at 12.31.2021	Options granted under new programs	Options cancelled	Options exercised	Number of stock options prevailing at 12.31.2022
A5	05/25/2018	05/25/2021	R$ 7.24	5,433		-	5,433	**-**
B5	05/25/2018	05/25/2021	R$ 0.01	5,433		5,433	-	**-**
E	09/12/2019	07/12/2024	R$ 4.97	50,970,571		-	-	**50,970,571**
Stock options	04/27/2021	04/27/2026	R$ 10.01	2,762,159	24,255.00	432,301	-	**2,354,113**
Restricted shares	04/27/2021	04/27/2026	R$ 0.01	2,762,159	24,255.00	358,143	74,158	**2,354,113**
Restricted shares	05/10/2022	05/10/2027	-	-	11,911,881	1,411,630	103,475	**10,396,776**
Special	05/10/2022	05/10/2027	-	-	16,451,352	-	315,563	**16,135,789**

The expense, including taxes and social charges withheld, relating to the stock option programs and recognized in the year ended December 31, 2022 totaled R$66 (R$60 in the year ended December 31, 2021).

Phantom Stock Option Plan

The phantom stock option programs currently in effect are the following:

	Grant date	**End of vesting period**
Phantom shares	05/28/2019	05/27/2022
Phantom shares	08/05/2020	08/04/2025

As at December 31, 2022, there are no amounts corresponding to this award recorded in current liabilities, including social charges (R$8 at December 31, 2021), and R$1 was recorded in noncurrent liabilities (R$1 at December 31, 2021). In the year ended December 31, 2022, due to the decrease in share value, a provision reversal was recorded amounting to R$6 (expense reversal of R$10 at December 31, 2021).

e) Income reserves

(i) Investment grant

The Company has ICMS tax incentives that are classified as investment grant. In compliance with the Supplementary Law No. 160/2017, as at December 31, 2020, the Company allocated R$1,004 to the investment grant reserve, under income reserve.

The investment grant amounts are not part of the mandatory minimum dividend calculation base, and they are intended solely to absorb losses or to be incorporated into the share capital, in accordance with Law No. 6404/76.

(ii) Absorption of accumulated losses from previous years

On April 27, 2021, the Special General Meeting approved the absorption of the accumulated loss balance, which at December 31, 2020 was R$416, thus the total balance of accumulated losses from previous years was absorbed by the Company's capital reserve.

21. Sales and service revenue

a) Accounting policy

The Company sells consumer electronics, home appliances, furniture and other domestic items. It also offers services, such as intermediation in the sale of extended warranty, equipment installation, marketplace and financial and operational services such as installment sales and co-branded credit cards. Revenues from furniture production through subsidiary Bartira and from transportation services through VVLog are substantially used in the Company's operations and, consequently, eliminated in the financial statement consolidation process.

Sales revenues are recognized at their fair value when control is transferred to the buyer. Revenues are not recognized if there is a significant uncertainty as to their collection.

For intermediation operations in the sale of insurance policies or extended warranty, the Company does not retain the risks related to the claims and is not the primary responsible for fulfilling the obligations of the policies sold. Revenues from commissions for intermediation in the sale of insurance policies or extended warranty are recognized in Proft and Loss when the intermediation services are provided.

Marketplace transactions refer to a single purchase platform, where an independent storekeeper offers products so that customers have access to them through a website of the Company. Service revenue is generated through a percentage on each sale completed (fee) in the website

As the consumer financing activity is fundamental to the Company business, the finance income from this operation is recognized as operating income over the term defined for each transaction carried out, using the effective interest rate.

All revenues are subject to the Contribution Taxes on Gross Revenue for Social Integration Program ("PIS") and for Social Security Funding ("COFINS"), according to the rate attributed to each operation. Sales revenues are subject to State VAT ("ICMS") while service revenues are subject to Service Tax ("ISS"), which are calculated based on the rates in effect in each State and City, respectively.

In millions of reais, unless otherwise stated

b) Breakdown of balances

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Goods	**31,996**	33,040	**32,037**	33,052
Operating financial services (c)	**2,343**	1,927	**2,359**	1,937
Services	**1,631**	1,061	**1,702**	1,088
Freight and assembly services	**270**	294	**320**	298
Gross revenue from net sales from returns and cancellations	**36,240**	36,322	**36,418**	36,375
Taxes on goods	**(5,089)**	(5,136)	**(5,099)**	(5,181)
Taxes on operating financial services (c)	**(92)**	(84)	**(93)**	(85)
Taxes on services	**(223)**	(142)	**(250)**	(146)
Taxes on freight and assembly services	**(56)**	(64)	**(78)**	(64)
Taxes on revenue	**(5,460)**	(5,426)	**(5,520)**	(5,476)
Net operating revenue	**30,780**	30,896	**30,898**	30,899

c) Operating finance income

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Casas Bahia Credit Facility (i)	**2,194**	1,805	**2,194**	1,805
Other	**149**	122	**165**	132
Gross operating finance income from returns and cancellations	**2,343**	1,927	**2,359**	1,937
Casas Bahia Credit Facility	**(74)**	(70)	**(74)**	(70)
Other	**(18)**	(14)	**(19)**	(15)
Taxes on operating financial services	**(92)**	(84)	**(93)**	(85)
Operating finance income – Casas Bahia Credit Facility	**2,120**	1,735	**2,120**	1,735
Operating finance income (Other)	**131**	108	**146**	117

(i) These correspond to credit sales financed through consumer financing through the seller (Casas Bahia Credit Facility), generally payable in installments within up to 24 months.

d) Interest on Casas Bahia Credit Facility

	Individual and Consolidated	
	12/31/2022	12/31/2021
Casas Bahia Credit Facility	**2,194**	1,805
Interest to incur on Casas Bahia Credit Facility (Note 6.1)	**1,650**	1,286
Total interest of Casas Bahia Credit Facility	**3,844**	3,091

In millions of reais, unless otherwise stated

22. Expenses by nature

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Cost with inventories sold	**19,762**	20,410	**19,653**	20,237
Personnel expenses	**2,465**	2,582	**3,014**	2,677
Third-party service expenses	**3,057**	3,178	**2,986**	3,327
Freight expenses	**1,048**	1,020	**1,100**	1,061
Expected credit losses – Casas Bahia Credit Facility, net of recovery	**1,029**	704	**1,029**	704
Expected credit losses - Other (ADA)	**15**	121	**56**	126
Expenses with labor contingencies	**449**	1,528	**439**	1,540
Other	**458**	62	**503**	98
	28,283	29,605	**28,780**	29,770
Cost of sales and services	**21,010**	21,513	**21,308**	21,572
Selling expenses	**6,216**	7,079	**6,340**	7,121
General and administrative expenses	**1,057**	1,013	**1,132**	1,077
	28,283	29,605	**28,780**	29,770

23. Other operating income (expenses), net

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Restructuring expenses (i)	**(208)**	(709)	**(186)**	(710)
Gain (loss) on disposal of property and equipment and intangible assets	**24**	(7)	**38**	(38)
Other	**55**	34	**46**	30
	(129)	(682)	**(102)**	(718)

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

In millions of reais, unless otherwise stated

24. Finance income (costs), net

a) Breakdown of balances

	Individual		Consolidated	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Finance costs				
Cost of debt	**(556)**	(322)	**(557)**	(323)
Transfers to financial institutions (i)	**(626)**	(306)	**(626)**	(306)
Cost of trade accounts payable – reverse factoring agreement)	**(239)**	(89)	**(239)**	(89)
Costs of sales and discount on receivables	**(751)**	(288)	**(763)**	(288)
Losses on restatements	**(213)**	(44)	**(219)**	(47)
Interest on lease liabilities	**(430)**	(385)	**(435)**	(391)
Other finance costs	**(32)**	(69)	**(39)**	(76)
Total finance costs	**2,847**	(1,503)	**(2,878)**	(1,520)
Finance income				
Yield from cash and cash equivalents	**38**	11	**83**	14
Gains on restatements (ii)	**496**	200	**518**	228
Advances to suppliers (trade accounts payable – portal)	**22**	57	**27**	57
Other finance income	**5**	5	**6**	4
Total finance income	**561**	273	**634**	303
Finance income (costs), net	**(2,286)**	(1,230)	**(2,244)**	(1,217)

(i) Transfers to financial institutions through the seller ("Casas Bahia Credit Facility") correspond to the financing of credit sales for customers (Note 13). The rates are fixed for each contract entered into by the Company. At December 31, 2022, the weighted average of the rates adopted by financial institutions for these transactions was 16.86% p.a. (9.47% p.a. at December 31, 2021).

(ii) In the year, the Company recorded balances in connection with a legal discussion amounting to R$244 referring to monetary adjustment of State VAT (Substitution Tax) (ICMS-ST) refund amounts.

(iii) These refer to financial discounts obtained by virtue of early payment of recurring sale transactions between Via and its suppliers of products and services.

25. Earnings (loss) per share

a) Accounting policy

The Company presents two methods for calculation of earnings per share: (i) basic earnings (loss); and (ii) diluted earnings (loss). Basic earnings (loss) per share are calculated based on the weighted average number of shares outstanding over the year, except shares issued for payment of dividends and treasury shares. Diluted earnings (loss) takes into consideration the average weighted number of shares outstanding over the year, less the equity instruments potentially dilutive on the interest held by its shareholders in future years, such as stock options that, if exercised by their holders, will increase the number of the Company's common and/or preferred shares, decreasing earnings per share.

b) Table of earnings (loss) per share

The table below shows the determination of net income available to shareholders and the weighted average number of outstanding shares, excluding the shares repurchased by the Company and held as treasury shares.

	12/31/2022	12/31/2021
Basic numerator		
Basic earnings (loss) allocated and not distributed	**(342)**	(297)
Basic earnings (loss) allocated and not distributed	**(342)**	(297)
Basic denominator (in thousands of shares)		
Weighted average number of shares	**1,580,333**	1,595,388
Basic earnings (loss) per share (in R$)	**(0.21629)**	(0.18593)
Diluted denominator (in thousands of shares)		
Stock options	**-**	-
Weighted average number of shares	**1,580,333**	1,595,388
Diluted weighted average	**1,580,333**	1,595,388
Diluted earnings (loss) per share (in R$)	**(0.21629)**	(0.18593)

26. Insurance coverage

The Company takes out insurance coverage to minimize the risks of property damage that may lead to losses for its business. The insurance policies cover stores, distribution centers, administrative buildings, including all property and equipment items and inventories, and the fleet of trucks and light vehicles. For any losses incurred by the Company by virtue of interruption of its activities or due to accidents covered by the insurance policy, the loss of profit insurance covers the losses incurred.

At December 31, 2022, the insurance coverage is deemed sufficient by management to cover claims, if any, and is summarized as follows:

Insured assets	Coverage	Insured amount
Property and equipment and inventories	Named perils	**13,727**
Profit	Loss of profits	**5,499**
Vehicles and other (*)	Losses and damages	**88**

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

The Company has specific policies covering civil and administrative liability risks in the amount of R$405.

27. Segment information

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

28. Events after the reporting period

In compliance with CVM/SNC/SEP Memorandum Circular No. 1 of February 13, 2023, management analyzed the Company's proceedings under way and, based on the opinion of Company internal and external legal advisors, informs that to date, no cases were identified which could represent impacts on Company financial statements in connection with the decision handed down by Brazil's Federal Supreme Court (STF) in the final unappealable decision (the so-called res judicata) on a tax matter on February 08, 2023. The Company will continue monitoring the evolution of this topic especially any impacts from the limitation of the effects of the decision in time and any motions for clarification.