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

Period ended June 30, 2021
with Independent Auditor's Report

Summary

Executive Board’s statement on the interim financial information

In compliance with the provisions contained in item VI, paragraph 1, article 25 of Ruling No. 480 of the Brazilian Securities and Exchange Commission (CVM) dated December 7, 2009, the Officers of Via Varejo S.A. (the “Company”) state that they have reviewed, discussed and agreed on the Company’s quarterly information for the period ended June 30, 2021, authorizing its completion on that date.

São Caetano do Sul (SP), August 11, 2021.

Roberto Fulcherberguer
Chief Executive Officer (CEO)

Sérgio Augusto França Leme
Administrative Vice President

Abel Ornelas Vieira
Commercial and Operations Vice President

Orivaldo Padilha
Financial Vice President and Investor Relations Officer

Helisson Brigido Andrade Lemos
Digital Innovation Vice President

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

In compliance with the provisions contained in item V, paragraph 1, article 25 of Ruling No. 480 of the Brazilian Securities and Exchange Commission (CVM) dated December 7, 2009, the Officers of Via Varejo S.A. (the "Company") state that they have reviewed, discussed and agreed on the opinions expressed in the independent auditor's report on the Company's quarterly information for the period ended June 30, 2021, authorizing its completion on that date.

São Caetano do Sul (SP), August 11, 2021.

Roberto Fulcherberguer
Chief Executive Officer (CEO)

Sérgio Augusto França Leme
Administrative Vice President

Abel Ornelas Vieira
Commercial and Operations Vice President

Orivaldo Padilha
Financial Vice President and Investor Relations Officer

Helisson Brigido Andrade Lemos
Digital Innovation Vice President

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

Reports and Representations / Special Review Report - Unqualified

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

Introduction

We have reviewed the individual and consolidated interim financial information of Via Varejo S.A. (the "Company") contained in the Quarterly Information Form (ITR) for the quarter ended June 30, 2021, which comprise the statement of financial position as at June 30, 2021, and the statements of profit or loss and of comprehensive income for the three and six-month periods then ended, and the statements of changes in equity and of cash flows for the six-month period then ended, and other explanatory information.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with the Accounting Pronouncement NBC TG 21 - Interim Financial Reporting and the international standard IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as for the presentation of this information in accordance with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with the Brazilian and international standards on review engagements (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and consolidated interim information

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

Other matters

Statements of value added

The quarterly information referred to above includes the statement of value added (SVA) for the six-month period ended June 30, 2021, prepared under the responsibility of the Company management and presented as supplementary information under IAS 34. This statement has been subject to review procedures performed in conjunction with the review of the quarterly information, in order to determine whether it is reconciled to the interim financial information and accounting records, as applicable, and whether its form and content are in accordance with the criteria defined in NBC TG 09 – Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that this statement of value added was not prepared, in all material respects, in accordance with the criteria set forth by this Standard and consistently with the interim financial information as a whole.

São Paulo, August 11, 2021

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

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

Via Varejo S.A.

Statement of financial position
June 30, 2021
In millions of Brazilian reais

		Individual		Consolidated	
	Notes	06.30.2021	12.31.2020	06.30.2021	12.31.2020
Assets					
Current assets					
Cash and cash equivalents	5	**2,240**	2,925	**2,341**	2,984
Trade accounts receivable	6	**6,924**	7,901	**6,929**	7,907
Inventories	7	**7,269**	6,149	**7,303**	6,176
Taxes recoverable	8	**1,349**	1,366	**1,378**	1,394
Related Parties	9	**352**	254	**245**	209
Prepaid expenses		**290**	276	**296**	281
Other assets		**297**	259	**332**	297
Total current assets		**18,721**	19,130	**18,824**	19,248
Noncurrent assets					
Trade accounts receivable	6	**526**	888	**526**	888
Taxes recoverable	8	**4,244**	4,052	**4,318**	4,052
Deferred taxes	16 (b)	**1,887**	1,535	**1,966**	1,607
Related Parties	9	**54**	57	**93**	97
Judicial deposits	17 (c)	**860**	654	**881**	676
Other assets		**129**	136	**131**	137
Investments	10	**1,303**	1,173	**233**	206
Property and equipment	11	**1,387**	1,335	**1,467**	1,413
Intangible assets	12	**806**	661	**1,810**	1,653
Right-of-use asset	18	**3,182**	3,039	**3,222**	3,079
Total noncurrent assets		**14,378**	13,530	**14,647**	13,808
Total assets		**33,099**	32,660	**33,471**	33,056
Liabilities and equity					
Current liabilities					
Trade accounts payable		**6,725**	7,704	**6,834**	7,799
Trade accounts payable – agreement	14 (e)	**1,570**	484	**1,570**	484
Loans and financing	13	**7,826**	6,687	**7,826**	6,687
Taxes payable	15	**208**	273	**213**	276
Social and labor obligations		**463**	582	**492**	612
Deferred revenue	19	**352**	357	**364**	385
Transactions with related parties	9	**75**	51	**28**	26
Transfer to third parties		**468**	637	**530**	653
Lease liabilities	18	**743**	659	**749**	665
Other liabilities		**916**	864	**937**	910
Total current liabilities		**19,346**	18,298	**19,543**	18,497
Noncurrent liabilities					
Loans and financing	13	**1,683**	2,409	**1,683**	2,409
Deferred revenue	19	**927**	1,036	**982**	1,108
Provision for contingencies	17 (a)	**1,468**	1,625	**1,530**	1,691
Taxes payable	15	**21**	22	**22**	23
Deferred taxes	16 (b)	**-**	-	**6**	6
Lease liabilities	18	**3,308**	3,249	**3,357**	3,298
Other liabilities		**40**	42	**42**	45
Total noncurrent liabilities		**7,447**	8,383	**7,622**	8,580
Total liabilities		**26,793**	26,681	**27,165**	27,077
Equity	20				
Paid-in Capital		**5,039**	5,039	**5,039**	5,039
Capital transactions		**(1,232)**	(1,232)	**(1,232)**	(1,232)
Capital reserves		**2,267**	2,656	**2,267**	2,656
Treasury shares		**(1)**	(1)	**(1)**	(1)
Income reserve		**-**	1,004	**-**	1,004
Retained earnings (accumulated losses)		**312**	(1,420)	**312**	(1,420)
Other comprehensive income (loss)		**(79)**	(67)	**(79)**	(67)
Total equity		**6,306**	5,979	**6,306**	5,979
Total liabilities and equity		**33,099**	32,660	**33,471**	33,056

See accompanying notes.

Statement of profit or loss
for the period ended June 30, 2021
In millions of Brazilian reais – R$, unless otherwise stated

	Notes	Individual 06.30.2021	Individual 06.30.2020	Consolidated 06.30.2021	Consolidated 06.30.2020
Revenue from sales and/or services	21	**15,424**	11,623	**15,423**	11,619
Cost of goods sold and services rendered	22	**(10,622)**	(7,802)	**(10,625)**	(7,809)
Gross Profit		**4,802**	3,821	**4,798**	3,810
Selling expenses	22	**(3,390)**	(2,443)	**(3,406)**	(2,444)
General and administrative expenses	22	**(467)**	(296)	**(446)**	(307)
Depreciation and amortization	11, 12 and 18	**(374)**	(361)	**(380)**	(363)
Other operating income (expenses), net	23	**(75)**	(82)	**(102)**	(81)
Income (loss) before finance income (costs) and equity pickup		**496**	639	**464**	615
Finance income (costs), net	24	**(545)**	(515)	**(528)**	(518)
Equity pickup	10	**21**	6	**29**	25
Income (loss) before income taxes		**(28)**	130	**(35)**	122
Income and social contribution taxes	16	**340**	(52)	**347**	(44)
Net income (loss) for the period attributable to the Company's shareholders		**312**	78	**312**	78
Earnings per share (reais/share)	25				
Basic					
Common shares		**0.19558**	0.05921		
Diluted					
Common shares		**0.19032**	0.05851		

See accompanying notes.

Via Varejo S.A.

Statement of comprehensive income
for the period ended June 30, 2021
In millions of Brazilian reais

	Individual		Consolidated	
	06.30.2021	06.30.2020	06.30.2021	06.30.2020
Net income for the year attributable to the Company's shareholders	**312**	78	**312**	78
Other comprehensive income (loss)				
Items that may be reclassified to P&L				
Fair value of financial instruments	**(27)**	8	**(27)**	8
Taxes on fair value of financial instruments	**9**	(3)	**9**	(3)
Equity pickup on other comprehensive income in Investees	**6**	-	**-**	-
Translation adjustments for the period	**-**	-	**6**	-
Comprehensive income for the period attributable to the Company's shareholders	**300**	83	**300**	83

See accompanying notes.

Via Varejo S.A.

Statement of cash flows
for the period ended June 30, 2021
In millions of Brazilian reais

		Individual		Consolidated	
	Notes	06.30.2021	06.30.2020	06.30.2021	06.30.2020
Net income for the period		**312**	78	**312**	78
Adjustments:					
Depreciation and amortization	11, 12 and 18	**461**	444	**474**	455
Equity pickup	10	**(21)**	(6)	**(29)**	(25)
Deferred income and social contribution taxes	16	**(340)**	51	**(347)**	43
Unrealized interest and monetary difference		**412**	295	**416**	299
Provision for contingencies, net of reversals		**510**	79	**520**	85
Allowance for expected credit losses	6	**417**	297	**417**	297
Loss on disposal of property and equipment and intangible assets	23	**-**	(4)	**8**	(3)
Estimated impairment loss of inventories	7	**2**	(27)	**2**	(27)
Deferred revenue recognized in profit or loss		**(106)**	(110)	**(154)**	(113)
Share-based payment		**30**	26	**30**	26
Write-off of right of use and lease liabilities	18	**(7)**	(17)	**(5)**	(18)
Discounts received - leases	18	**-**	(83)	**-**	(83)
Other		**-**	(4)	**-**	(1)
Changes in working capital					
Trade accounts receivable		**893**	256	**894**	256
Inventories		**(1,122)**	(709)	**(1,129)**	(710)
Taxes recoverable		**(93)**	(522)	**(167)**	(593)
Related parties		**(79)**	(34)	**(38)**	(21)
Judicial deposits		**(181)**	48	**(180)**	46
Prepaid expenses		**(14)**	(123)	**(15)**	(124)
Financial instruments – fair value hedge		**(31)**	(82)	**(29)**	(83)
Other assets		**110**	(2,149)	**124**	(2,151)
Trade accounts payable		**(66)**	(23)	**(64)**	47
Taxes payable		**(123)**	44	**(124)**	44
Social and labor obligations		**(169)**	(113)	**(123)**	(108)
Transfer to third parties		**(9)**	-	**(9)**	-
Contingencies	17	**(728)**	(383)	**(743)**	(391)
Other liabilities		**50**	179	**24**	145
Dividends received from investees	10	**1**	4	**2**	-
Net cash from (used in) operating activities		**109**	(2,588)	**67**	(2,630)
Cash flow from investing activities					
Acquisition of property and equipment and intangible assets	11 and 12	**(353)**	(135)	**(368)**	(134)
Disposal of property and equipment and intangible assets	11 and 12	**-**	-	**-**	2
Acquisition of subsidiary, net of cash		**-**	-	**-**	(53)
Capital increase in subsidiary	10	**(104)**	(105)	**-**	-
Net cash used in in vesting activities		**(457)**	(240)	**(368)**	(185)
Cash flow from financing activities					
Fundraising	13	**4,253**	5,856	**4,253**	5,856
Payment of principal	13	**(3,920)**	(3,404)	**(3,920)**	(3,404)
Payment of interest	13	**(182)**	(191)	**(182)**	(191)
Repayment of principal - lease	18	**(301)**	(185)	**(303)**	(186)
Payment of interest - lease	18	**(187)**	(192)	**(190)**	(195)
Funds from issue of shares		**-**	4,455	**-**	4,455
Payment of share issue costs		**-**	(142)	**-**	(142)
Capital increase		**-**	1	**-**	1
Net cash used in financing activities		**(337)**	6,198	**(342)**	6,194
Increase (decrease) net in cash and cash equivalents		**(685)**	3,370	**(643)**	3,379
Opening balance of cash and cash equivalents	5	**2,925**	1,320	**2,984**	1,364
Closing balance of cash and cash equivalents	5	**2,240**	4,690	**2,341**	4,743
		(685)	3,370	**(643)**	3,379
Additional information on non-cash items					
Acquisition of property and equipment and intangible assets through financing	11 and 12	**114**	38	**116**	38

See accompanying notes.

Via Varejo S.A.

Statement of changes in equity
for the period ended June 30, 2021
In millions of Brazilian reais

		Attributable to Company shareholders										
				Capital reserves					Income reserves			
	Notes	Capital	Capital transactions	Special goodwill reserve	Premium on subscription of shares	Tax incentives	Granted options	Treasury shares	Investment grant	Retained earnings (accumulated losses)	Other comprehensive income	Total
Balances at December 31, 2019		2.903	(1.232)	279	-	8	89	(1)	-	(1.420)	(48)	578
								-				
Income for the period		-	-	-	-	-	-	-	-	78	-	78
Adjustments to financial instruments		-	-	-	-	-	-	-	-	-	8	8
Taxes on adjustments of financial instruments		-	-	-	-	-	-	-	-	-	(3)	(3)
Total comprehensive income		-	-	-	-	-	-	-	-	78	5	83
Capital increase		2.229	-	-	-	-	-	-	-	-	-	2.229
Recognized options granted	20 (d)	-	-	-	-	-	13	-	-	-	-	13
Balances at June 31, 2020		5.132	(1.232)	279	-	8	102	(1)	-	(1.342)	(43)	2.903
Balances at December 31, 2020		5.039	(1.232)	279	2.227	8	142	(1)	1.004	(1.420)	(67)	5.979
Income for the period		-	-	-	-	-	-	-	-	**312**	-	**312**
Adjustments to financial instruments		-	-	-	-	-	-	-	-	-	**(27)**	**(27)**
Taxes on adjustments of financial instruments		-	-	-	-	-	-	-	-	-	**9**	**9**
Translation adjustments for the period		-	-	-	-	-	-	-	-	-	**6**	**6**
Total comprehensive income		-	-	-	-	-	-	-	-	**312**	**(12)**	**300**
Recognized options granted	20 (d)	-	-	-	-	-	**27**	-	-	-	-	**27**
Absorption of accumulated losses	20 (f)	-	-	-	**(416)**	-	-	-	**(1.004)**	**1.420**	-	-
Balances at June 31, 2021		**5.039**	**(1.232)**	**279**	**1.811**	**8**	**169**	**(1)**	**-**	**312**	**(79)**	**6.306**

CASASBAHIA banQi ponto bartira extra.com.br ASAP Log i9XP DISTRITO celer

Via Varejo S.A.

Statement of value added
for the period ended June 30, 2021
In millions of Brazilian reais

	Notes	Individual 06.30.2021	Individual 06.30.2020	Consolidated 06.30.2021	Consolidated 06.30.2020
Revenue		**17,704**	13,585	**17,719**	13,594
Sale of goods and services	21	**18,121**	13,882	**18,135**	13,887
Allowance for expected credit losses	6	**(417)**	(297)	**(417)**	(297)
Other revenues		**-**	-	**1**	4
Materials acquired from third parties		**(14,319)**	(10,673)	**(14,307)**	(10,643)
Cost of goods sold and services rendered		**(11,961)**	(8,772)	**(11,854)**	(8,709)
Materials, energy, third-party services and other		**(2,417)**	(1,934)	**(2,504)**	(1,966)
Recovery (loss) of receivables		**28**	33	**20**	32
Other		**31**	-	**31**	-
Gross value added		**3,385**	2,912	**3,412**	2,951
Depreciation and amortization	11, 12 and 18	**(461)**	(444)	**(474)**	(455)
Net value added produced by the Company		**2,924**	2,468	**2,938**	2,496
Value added received in transfer		**159**	192	**191**	213
Equity pickup	10	**21**	6	**29**	25
Finance income	24	**138**	186	**162**	188
Total value added to be distributed		**3,083**	2,660	**3,129**	2,709
Value added distributed		**3,083**	2,660	**3,129**	2,709
Employee benefits expense		**1,671**	1,037	**1,683**	1,069
Salaries		**959**	785	**946**	806
Benefits		**121**	110	**130**	114
Unemployment Compensation Fund (FGTS)		**94**	66	**103**	67
Labor claims		**483**	66	**478**	66
Other personnel expenses		**14**	10	**26**	16
Taxes and contributions		**362**	936	**389**	948
Federal taxes		**20**	400	**39**	411
State taxes		**306**	503	**312**	504
Local taxes		**36**	33	**38**	33
Debt remuneration		**738**	609	**745**	614
Interest	24	**683**	701	**690**	706
Rents		**41**	(101)	**41**	(101)
Other		**14**	9	**14**	9
Equity remuneration		**312**	78	**312**	78
Income for the period		**312**	78	**312**	78
Total value added distributed		**3,083**	2,660	**3,129**	2,709

See accompanying notes.

1. Operations

Via Varejo S.A., directly or through its subsidiaries ("Company" or "Via"), listed in the special segment called Novo Mercado da B3 S.A. - Brasil, Bolsa, Balcão ("B3"), under the code VVAR3, headquartered in São Caetano do Sul, State of São Paulo – Brazil, operates as an ecosystem open to innovation, we are a marketplace and we put the customer at the core of our business.

We recently transitioned from a transactional retail model to a relational platform model focused on increasing the customer base, customer value over time – lifetime value (LTV) and continuous experience improvement through recognized brands in the Brazilian retail market, such as: Casas Bahia, Ponto, Extra.com and Bartira. We offer financial and credit solutions to our customers through BanQi and specialized logistic services by means of ASAPLog.

The recently launched corporate brand *Via* (the word *varejo* - retail - is no longer part of the name), accompanied by a new positioning, in line with the great transformation we are experiencing. This new name reinforces the strategy of being recognized as "the best shopping route for all Brazilians, wherever, whenever and however they want".

At June 30, 2021, the Company had 27 Distribution Centers and Warehouses and conducted sales through 1,009 active branches (845 with the Casas Bahia brand and 164 with the Ponto brand). Of the total number of stores, 264 were located in shopping malls and 745 were street stores throughout the country.

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

2.1. Basis of preparation, presentation and statement of compliance

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

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

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

2.3. Statement of compliance

In compliance with CVM Rule No. 505/2006, authorization to issue the individual and consolidated interim financial information for the six-month period ended June 30, 2021 was granted by the Company's Board of Directors on August 11, 2021.

2.4. Statement of relevance

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

2.5. Significant accounting judgments, estimates and assumptions

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

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

2.6 Impacts of COVID-19

The World Health Organization (WHO) decreed that the outbreak of the coronavirus COVID-19 is a pandemic on a global scale. On March 10, 2020, the Brazilian Securities and Exchange Commission (CVM) issued circular letter CVM-SNC/SEP No. 02/2020, and on January 29, 2021, issued Circular Letter CVM-SNC/SEP No. 01/2021, providing guidance for Publicly-Held Companies to carefully assess the impacts of COVID-19 on their business and report the main risks and uncertainties arising therefrom in their Interim Financial Information, in accordance with the applicable accounting standards. The aforesaid pandemic resulted in significant impacts on Brazilian society and the economy in general, having a severe impact on various sectors of the economy, including the retail segment.

Via has adopted a number of protocols and measures to comply with certain sanitary requirements, including restriction of opening hours and/or the need to close stores. However, due to the great advance shown in our digital strategy, we were able to mitigate the adverse effects of the pandemic on our results, so that we see neither going-concern risks nor the need to adjust accounting estimates.

Since the beginning of the pandemic, the Company has taken several measures to preserve the health of its employees, service providers, suppliers, customers and other business partners. We estimate that the advance of Brazil's national immunization plan will allow the Brazilian economy to resume growth, resulting in improved retail sales.

2.7 Period of measurement and determination of business combination amounts

<u>Carrier EQ, LLC ("Airfox") / BanQi Instituição de Pagamento Ltda. ("BanQi")</u>

On May 21, 2020, the Company announced that it has completed the acquisition of one hundred percent (100%) of Airfox through its subsidiary Lake Niassa Empreendimentos e Participações Ltda. Airfox was a US-based fintech located in Boston and organized as a hub of technological innovation. Airfox has a stake in Brazilian subsidiary BanQi, which is the Company's digital account platform. The application's integration allows users to access deposit services, withdraw from stores, as well as a number of other financial services, such as the option to pay payment slips, bank slips, bills, make transfers and make mobile top-ups through the app.

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

In accordance with CPC 15 (R1) – Business Combination, the Company completed the fair value measurement of net assets acquired on May 21, 2020.

A study was prepared by an independent expert for the purchase and goodwill segregation, based on Airfox's financial statements on the acquisition date to determine the purchase price allocation. The fair values of identifiable assets and liabilities acquired from Airfox on the date of the business combination are as follows:

Statement of financial position	Initial measurement	Subsequent measurement
Current assets	45	45
Intangible assets - software	89	70
Noncurrent assets	14	15
	148	130
Current liabilities	65	37
Noncurrent liabilities	102	149
Equity	(19)	(56)
	148	130
Consideration transferred	170	170
Goodwill from acquisition	189	226

The goodwill from the acquisition amounts to R$226, which comprise the difference paid by the Company, in the amount of R$170, 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.

Subsequent measurement - provisional allocation of purchase price

Obtaining control of Airfox was accounted for using the acquisition method, in accordance with CPC 15 – Business Combination. In compliance with this pronouncement, the Company completed the data collection and measurement of the fair value of net assets during 2021, and the adjustments made to the final allocation amounted to R$37, and consequently affected the goodwill from the acquisition. The adjustments mainly refer to the remeasurement of the identifiable asset and Deferred revenue.

3. Revised pronouncements and interpretations issued but not yet adopted

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

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

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

4. Significant accounting practices

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

Consolidation

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

Equity interest in subsidiaries

	06.30.2021		12.31.2020	
	Interest		Interest	
Subsidiaries	**Direct**	**indirect**	**Direct**	**indirect**
Indústria de Móveis Bartira Ltda. ("Bartira")	99.99%	0.01%	99.99%	0.01%
Globex Administração e Serviços Ltda. ("GAS")	99.99%	0.01%	99.99%	0.01%
Lake Niassa Empreendimentos e Participações Ltda. ("LAKE")	99.99%	0.01%	99.99%	0.01%
VVLog Logística Ltda. ("VVLog")	99.99%	0.01%	99.99%	0.01%
Globex Administradora de Consórcio Ltda. ("GAC")	99.99%	0.01%	99.99%	0.01%
Cnova Comércio Eletrônico S.A. ("Cnova")	100.00%	-	100.00%	-
ASAPLog Ltda. ("ASAPLog")	-	100.00%	-	100.00%
Carrier EQ, LLC ("Airfox")	-	100.00%	-	100.00%
BanQi Instituição de Pagamento Ltda. ("BanQi")	-	100.00%	-	100.00%
I9XP Tecnologia e Participações S.A. ("I9XP")	-	100.00%	-	100.00%
E-Hub Tecnologia em E-commerce Ltda. ("E-Hub")	-	100.00%	-	-

5. Cash and cash equivalents

a) Breakdown of balances

		Individual		Consolidated	
	Weighted average rate (p.a.)	**06.30.2021**	**12.31.2020**	**06.30.2021**	**12.31.2020**
Cash and banks		**91**	106	**99**	118
Short-term investments - repurchase agreements	83.51 % of CDI p.a.	**2,144**	2,805	**2,187**	2,837
Sweep accounts	7.72 % of CDI p.a. (i)	**5**	14	**6**	14
Investments in government bonds (LFT´s)	100.18% of Selic rate p.a.	**-**	-	**49**	15
		2,240	2,925	**2,341**	2,984

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

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

6. Trade accounts receivable

a) Total portfolio

	Individual		Consolidated	
	06.30.2021	12.31.2020	06.30.2021	12.31.2020
Credit card companies	**3,975**	5,512	**3,975**	5,512
Casas Bahia Credit Facility – Total (Note 6.1)	**4,737**	4,488	**4,737**	4,488
Interest to be incurred / to allocate in future periods (Note 6.1)	**(1,122)**	(1,213)	**(1,122)**	(1,213)
Trade accounts receivable - B2B (i)	**304**	217	**304**	217
Other accounts receivable	**281**	327	**287**	334
Allowance for doubtful accounts (ADA) (b)	**(725)**	(542)	**(726)**	(543)
	7,450	8,789	**7,455**	8,795
Current	**6,924**	7,901	**6,929**	7,907
Noncurrent	**526**	888	**526**	888

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

b) Changes in allowance for doubtful accounts (ADA)

	Individual		Consolidated	
	06.30.2021	06.30.2020	06.30.2021	06.30.2020
Balance at beginning of period	**(542)**	(489)	**(543)**	(489)
Expected loss recorded for the period	**(417)**	(297)	**(417)**	(297)
Write-off of accounts receivable, net of recovery	**234**	310	**234**	310
Balance at end of period	**(725)**	(476)	**(726)**	(476)
Current	**(654)**	(435)	**(655)**	(435)
Noncurrent	**(71)**	(41)	**(71)**	(41)

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

6.1 Accounts receivable – Direct Consumer Credit (Casas Bahia Credit Facility) "buy now, pay later"

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

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

	Individual and consolidated		
	06.30.2021	**12.31.2020**	**06.30.2020**
Casas Bahia Credit Facility – Current	**4,214**	3,876	2,792
Casas Bahia Credit Facility – Noncurrent	**523**	612	323
Casas Bahia Credit Facility – Total	**4,737**	4,488	3,115
Interest to be incurred / to allocate in future periods	**(1,122)**	(1,213)	(776)
Casas Bahia Credit Facility – Total Without interest to be incurred (Note 6 a)	**3,615**	3,275	2,339
Allowance for doubtful accounts (ADA) (b)	**(643)**	(479)	(399)
(%) Allowance for Expected Credit Losses - AECL (ADA) / Casas Bahia Credit Facility – Total	**13.6%**	10.7%	12.8%

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

	Individual and Consolidated	
	06.30.2021	**06.30.2020**
Balance at beginning of period	**(479)**	(422)
Expected loss recorded for the period	**(334)**	(244)
Write-off of accounts receivable, net of recovery	**170**	267
Balance at end of period	**(643)**	(399)
Current	**(572)**	(358)
Noncurrent	**(71)**	(41)

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

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

	Individual								
	06.30.2021			12.31.2020			06.30.2020		
	Gross	AECL (ADA)	Net	Gross	AECL (ADA)	Net	Gross	AECL (ADA)	Net
Credit card companies	**3,975**	**(61)**	**3,914**	5,512	(42)	5,470	2,666	(53)	2,613
Casas Bahia Credit Facility – Total	**4,737**	**(643)**	**4,094**	4,488	(479)	4,009	3,115	(399)	2,716
Trade accounts receivable - “B2B”	**304**	**(10)**	**294**	217	(7)	210	222	(6)	216
Other accounts receivable	**281**	**(11)**	**270**	327	(14)	313	183	(18)	165
	9,297	**(725)**	**8,572**	10,544	(542)	10,002	6,186	(476)	5,710

	Consolidated								
	06.30.2021			12.31.2020			06.30.2020		
	Gross	AECL (ADA)	Net	Gross	AECL (ADA)	Net	Gross	AECL (ADA)	Net
Credit card companies	**3,975**	**(61)**	**3,914**	5,512	(42)	5,470	2,666	(53)	2,613
Casas Bahia Credit Facility – Total	**4,737**	**(643)**	**4,094**	4,488	(479)	4,009	3,115	(399)	2,716
Trade accounts receivable - “B2B”	**304**	**(10)**	**294**	217	(7)	210	222	(6)	216
Other accounts receivable	**287**	**(12)**	**275**	334	(15)	319	183	(18)	165
	9,303	**(726)**	**8,577**	10,551	(543)	10,008	6,186	(476)	5,710

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

d) Aging list of accounts receivable, before the reduction of expected credit losses and interest to be incurred – Total portfolio

	Individual											
	06.30.2021						12.31.2020					
		Overdue						Overdue				
	Falling due	Up to 30 days	31 – 60 days	61-90 days	Overdue for more than 90 days	Total	Falling due	Up to 30 days	31 – 60 days	61-90 days	Overdue for more than 90 days	Total
Credit card companies	**3,958**	**-**	**-**	**-**	**17**	**3,975**	5,496	-	-	1	15	5,512
Casas Bahia Credit Facility	**4,405**	**139**	**70**	**52**	**71**	**4,737**	4,289	97	41	27	34	4,488
Trade accounts receivable - “B2B”	**256**	**28**	**14**	**-**	**6**	**304**	113	86	8	2	8	217
Other accounts receivable	**277**	**1**	**1**	**1**	**1**	**281**	321	2	2	1	1	327
	8,896	**168**	**85**	**53**	**95**	**9,297**	10,219	185	51	31	58	10,544

	Consolidated											
	06.30.2021						12.31.2020					
		Overdue						Overdue				
	Falling due	Up to 30 days	31 – 60 days	61-90 days	Overdue for more than 90 days	Total	Falling due	Up to 30 days	31 – 60 days	61-90 days	Overdue for more than 90 days	Total
Credit card companies	**3,958**	**-**	**-**	**-**	**17**	**3,975**	5,496	-	-	1	15	5,512
Casas Bahia Credit Facility	**4,405**	**139**	**70**	**52**	**71**	**4,737**	4,289	97	41	27	34	4,488
Trade accounts receivable - “B2B”	**256**	**28**	**14**	**-**	**6**	**304**	113	86	8	2	8	217
Other accounts receivable	**281**	**2**	**1**	**1**	**2**	**287**	326	2	2	2	2	334
	8,900	**169**	**85**	**53**	**96**	**9,303**	10,224	185	51	32	59	10,551

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

7. Inventories

a) Breakdown of balances

	Individual		Consolidated	
	06.30.2021	12.31.2020	06.30.2021	12.31.2020
Stores	**2,178**	1,970	**2,178**	1,970
Distribution centers	**5,109**	4,204	**5,143**	4,232
Storeroom	**14**	16	**15**	16
Estimated loss to the net realizable value	**(32)**	(41)	**(33)**	(42)
	7,269	6,149	**7,303**	6,176

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

	Individual		Consolidated	
	06.30.2021	06.30.2020	06.30.2021	06.30.2020
Balance at beginning of period	**(41)**	(79)	**(42)**	(79)
Reversals (additions)	**(2)**	27	**(2)**	27
Realized losses	**11**	10	**11**	10
Balance at end of period	**(32)**	(42)	**(33)**	(42)

8. Taxes recoverable

a) Breakdown of balances

	Individual		Consolidated	
	06.30.2021	12.31.2020	06.30.2021	12.31.2020
State VAT (ICMS) recoverable (i)	**3,264**	3,123	**3,271**	3,127
Contribution Tax on Gross Revenue for Social Integration Program (PIS) and for Social Security Financing (COFINS) recoverable (ii)	**2,044**	1,878	**2,118**	1,880
Income and social contribution taxes	**200**	243	**214**	257
Other	**85**	174	**93**	182
	5,593	5,418	**5,696**	5,446
Current	**1,349**	1,366	**1,378**	1,394
Noncurrent	**4,244**	4,052	**4,318**	4,052

(i) Realization of ICMS credit

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

With respect to credits that cannot yet be immediately offset, the Company management, based on a technical recovery study that considers expected operational performance and consequent offset with debts arising from its operations, understands that future offset is feasible. The studies mentioned are prepared and reviewed from time to time based on information extracted from the strategic planning previously approved by the Company's Board of Directors. For the individual and consolidated interim financial information for the period ended June 30, 2021, Company management has monitoring controls over compliance with the plan established annually, reassessing and including new elements that contribute to realization of the ICMS recoverable balance, as shown in the table above.

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

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

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

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

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

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

In May 2021, the STF decided on the motions for clarification by the Office of the Attorney-General of the National Treasury (PGFN), as well as on limiting the effects of the decision in time. The STF plenary, by a majority vote, partially granted the motions for clarification in the following terms: (i) "as to the topic related to the ICMS tax excluded from the PIS and COFINS contribution tax base, the understanding that it is the ICMS tax disclosed in the invoice prevailed"; and (ii) "the limitation of effects of the decision in time, which is to be enforced after March 15, 2017, except for the judicial and administrative proceedings filed up to the date of the session in which the decision was handed down".

b) Expected realization of taxes recoverable

	Individual				
	ICMS	**PIS and COFINS**	**IRPJ and CSLL**	**Other**	**Total**
6-month period of 2021	**267**	**230**	**61**	**32**	**590**
2022	**636**	**712**	**69**	**32**	**1,449**
2023	**698**	**879**	**70**	**19**	**1,666**
2024	**705**	**223**	**-**	**2**	**930**
2025	**728**	**-**	**-**	**-**	**728**
2026	**212**	**-**	**-**	**-**	**212**
2027	**18**	**-**	**-**	**-**	**18**
	3,264	**2,044**	**200**	**85**	**5,593**

	Consolidated				
	ICMS	**PIS and COFINS**	**IRPJ and CSLL**	**Other**	**Total**
6-month period of 2021	**273**	**238**	**63**	**35**	**609**
2022	**637**	**729**	**76**	**37**	**1,479**
2023	**698**	**896**	**75**	**19**	**1,688**
2024	**705**	**239**	**-**	**2**	**946**
2025	**728**	**16**	**-**	**-**	**744**
2026	**212**	**-**	**-**	**-**	**212**
2027	**18**	**-**	**-**	**-**	**18**
	3,271	**2,118**	**214**	**93**	**5,696**

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

9. Related parties

	Assets (liabilities), net				Income (expenses), net			
	Individual		Consolidated		Individual		Consolidated	
	06.30.2021	12.31.2020	06.30.2021	12.31.2020	06.30.2021	06.30.2020	06.30.2021	06.30.2020
Related parties								
Subsidiaries								
Indústria de Móveis Bartira Ltda. (“Bartira”) (b) (c)	**61**	21	**-**	-	**(309)**	(150)	**-**	-
Globex Administração e Serviços Ltda. (b)	**-**	-	**-**	-	**(1)**	-	**-**	-
ASAPLog Ltda. (“ASAPLog”) (c)	**-**	-	**-**	-	**(6)**	-	**-**	-
VVLog Logística Ltda. (“VVLog”) (c)	**(4)**	(2)	**-**	-	**(12)**	-	**-**	-
Cnova Comércio Eletrônico S.A. ("Cnova") (d), (e), (g)	**(1)**	-	**-**	-	**-**	-	**-**	-
BanQi Instituição de Pagamento Ltda. (“BanQi”) (c)	**1**	2	**-**	-	**(2)**	-	**-**	-
Associates								
Financeira Itaú CBD S.A. (“FIC”) (a)	**(2)**	(3)	**(2)**	(3)	**(4)**	(6)	**(4)**	(6)
Banco Investcred Unibanco S.A. (“BINV”) (a)	**-**	-	**-**	-	**3**	(3)	**3**	(3)
Growth Partners Investimentos e Participações S.A. (“Distrito”)	**-**	-	**(3)**	3	**-**	-	**-**	-
Other								
Casa Bahia Comercial Ltda. (“CB”) (d)	**276**	242	**315**	280	**35**	(117)	**35**	(122)
	331	260	**310**	280	**(296)**	(276)	**34**	(131)
Leases								
Other								
Casa Bahia Comercial Ltda. (“CB”) (b)								
Right-of-use asset	**1,042**	1,008	**1,070**	1,034	**(58)**	(58)	**(60)**	(60)
Lease liabilities	**(1,502)**	(1,457)	**(1,543)**	(1,496)	**(93)**	(92)	**(96)**	(95)
	(460)	(449)	**(473)**	(462)	**(151)**	(150)	**(156)**	(155)
Related parties - Total	**(129)**	(189)	**(163)**	(182)	**(447)**	(426)	**(122)**	(286)
Receivables from related parties								
Current	**352**	254	**245**	209				
Noncurrent	**54**	57	**93**	97				
Payables to related parties								
Current	**(75)**	(51)	**(28)**	(26)				

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

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

a) Loans and financing with FIC and BINV

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

FIC and BINV are credit card operators that issue cards and finance purchases for customers. In the period ended June 30, 2021, the balance of credit cards receivable from FIC and BINV totaled R$286 (R$247 as of December 31, 2020). These balances are recorded as "Accounts receivable" under Credit card companies, as shown in Note 6.

For the six-month period ended June 30, 2021, the Company recognized R$2 (R$9 for the six-month period ended June 30, 2020) in finance costs arising from the sale of credit card receivables.

b) Leases

Via has lease operations with GAS. Furthermore, the Company and its subsidiary Bartira have lease contracts regarding 288 properties, including distribution centers and commercial and administrative buildings, entered into under specific conditions with Casa Bahia Comercial ("CB") and its shareholders, pursuant to Association Agreement entered into by Via, CBD, CB and CB's shareholders.

c) Purchase and sale of goods and services

In the six-month periods ended June 30, 2021 and 2020, the Company conducted the following related-party transactions:

		Income (expenses), net	
Counterparty	**Transaction**	**06.30.2021**	**06.30.2020**
Bartira	Purchase of goods	**(309)**	(150)
VVLog	Freight services	**(12)**	-
ASAPLog	Freight services	**(6)**	-
BanQi	Time-sale payment slips intermediation fee	**(2)**	-

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

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

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

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

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

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

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

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

e) Key management personnel compensation

Expenses related to total key management personnel compensation (Statutory Officers and members of the Board of Directors), recorded in the statement of profit or loss for the six-month period ended June 30, 2021 and 2020 are as follows:

	06.30.2021			06.30.2020		
	Short-term benefits	**Share-based payment**	**Total**	**Short-term benefits**	**Share-based payment**	**Total**
Executive Board	**24**	**18**	**42**	4	17	21
Board of Directors	**5**	**-**	**5**	4	-	4
	29	**18**	**47**	8	17	25

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

10. Investments

a) Balances and changes

	Individual				
	Lake	Bartira	VVLog	Other	Total
Balance at December 31, 2019	150	735	36	52	973
Capital increase (i)	162	-	-	-	162
Unearned income - inventories	-	4	-	-	4
Distribution of dividends	(4)	-	-	-	(4)
Equity pickup - P&L	17	(14)	(1)	-	2
Balance at June 30, 2020	325	725	35	52	1,137
Balance at December 31, 2020	349	723	47	54	1,173
Capital increase (ii)	**88**	**-**	**14**	2	**104**
Unearned income - inventories	**-**	**1**	**-**	**-**	**1**
Distribution of dividends	**-**	**-**	**-**	**(1)**	**(1)**
Equity pickup - P&L	**17**	**26**	**(17)**	**(6)**	**20**
Equity pickup on other comprehensive income (loss)	**6**	**-**	**-**	**-**	**6**
Balance at June 30, 2021	**460**	**750**	**44**	**49**	**1,303**

(i) In 2020, the Company increased the capital of subsidiary Lake by R$162, with R$105 in cash and R$57 from Convertible Notes issued by Airfox in favor of Via Varejo.
(ii) In 2021, the Company increased the capital of subsidiary Lake in cash, in the total amount of R$ 88, that of VVLog in cash in the amount of R$ 14, and that of Cnova in cash in the amount of R$2.

	Consolidated			
	FIC	BINV	Distrito	Total
Balance at December 31, 2019	108	37	-	145
Equity pickup - P&L	21	4	-	25
Balance at June 30, 2020	129	41	-	170
Balance at December 31, 2020	149	39	18	206
Equity pickup - P&L	**24**	**5**	**-**	**29**
Distribution of dividends	**-**	**(2)**	**-**	**(2)**
Balance at June 30, 2021	**173**	**42**	**18**	**233**

b) Summarized financial information of associates

<u>FIC and BINV</u>

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

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

Distrito

Distrito is an innovation hub that has a complete platform to support companies in their transformation through technology. With its ecosystem of open innovation, supported by data and artificial intelligence, Distrito connects large companies, startups, investors and academics to generate new, more collaborative, efficient, transparent and sustainable business models. The Company has significant influence over the investment, but not control over it. As at June 30, 2021, interest in the total voting capital of Distrito corresponds to 14.58% arising from the investment of subsidiary Cnova.

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

	FIC		**BINV**	
Statement of financial position	**06.30.2021**	**12.31.2020**	**06.30.2021**	**12.31.2020**
Current assets	**7,411**	6,574	**685**	679
Noncurrent assets	**46**	52	**-**	-
Total assets	**7,457**	6,626	**685**	679
Current liabilities	**6,102**	5,391	**599**	603
Noncurrent liabilities	**29**	22	**2**	2
Equity (i)	**1,326**	1,213	**84**	74
Total liabilities and equity	**7,457**	6,626	**685**	679
Statement of profit or loss	**06.30.2021**	**06.30.2020**	**06.30.2021**	**06.30.2020**
Net income	**170**	144	**10**	7

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

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

11. Property and equipment

a) Breakdown of balances and changes

	Individual						Consolidated					
	Balance at 06.30.2021			Balance at 12.31.2020			Balance at 06.30.2021			Balance at 12.31.2020		
	Cost	Accumulated depreciation	Net	Cost	Accumulated depreciation	Net	Cost	Accumulated depreciation	Net	Cost	Accumulated depreciation	Net
Land	**11**	**-**	**11**	11	-	11	**15**	**-**	**15**	15	-	15
Buildings	**15**	**(8)**	**7**	15	(8)	7	**19**	**(13)**	**6**	19	(12)	7
Leasehold improvements	**1,119**	**(468)**	**651**	1,090	(452)	638	**1,121**	**(468)**	**653**	1,092	(451)	641
Machinery and equipment	**272**	**(161)**	**111**	251	(151)	100	**466**	**(306)**	**160**	440	(290)	150
IT equipment	**636**	**(434)**	**202**	602	(393)	209	**642**	**(436)**	**206**	605	(393)	212
Facilities	**164**	**(58)**	**106**	158	(53)	105	**181**	**(63)**	**118**	177	(62)	115
Furniture and fixtures	**364**	**(203)**	**161**	356	(191)	165	**368**	**(206)**	**162**	358	(193)	165
Vehicles	**5**	**(4)**	**1**	5	(4)	1	**10**	**(5)**	**5**	12	(7)	5
Construction in progress	**117**	**-**	**117**	82	-	82	**122**	**-**	**122**	85	-	85
Other	**65**	**(45)**	**20**	61	(44)	17	**66**	**(46)**	**20**	63	(45)	18
	2,768	**(1,381)**	**1,387**	2,631	(1,296)	1,335	**3,010**	**(1,543)**	**1,467**	2,866	(1,453)	1,413

	Individual						Consolidated					
	Balance at 12/31/2019	Additions	Write-offs	Depreciation	Transfers	Balance at 06.30.2020	Balance at 12/31/2019	Additions	Write-offs	Depreciation	Transfers	Balance at 06.30.2020
Changes in 2020	1,277	67	1	(94)	(4)	1,247	1,369	68	(2)	(102)	(4)	1,329
	Balance at 12.31.2020	Additions	Write-offs	Depreciation	Transfers	Balance at 06.30.2021	Balance at 12.31.2020	Additions	Write-offs	Depreciation	Transfers	Balance at 06.30.2021
Changes in 2021	1,335	**165**	**(4)**	**(109)**	**-**	**1,387**	1,413	**171**	**(6)**	**(111)**	**-**	**1,467**

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

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

In the periods ended June 30, 2021 and 2020, the Company recognized the following depreciation and amortization amounts in Cost of goods and services sold:

	Individual		Consolidated	
	06.30.2021	**06.30.2020**	**06.30.2021**	**06.30.2020**
Depreciation and amortization	**19**	19	**25**	27

c) Impairment tests of property and equipment

The recoverable amount of the CGUs was determined by means of a calculation based on the value in use considering cash projections for the next five years. The following assumptions were used in the calculation: (i) growth rate for the five-year period 2021-2025, according to the Company's strategic planning; and (ii) discount rate representing the Company's weighted average cost of capital of 10.11%. The inflation rate of 3.5% p.a. was considered for all periods.

As a result of this analysis, in the six-month period ended June 30, 2021, no impairment loss was recorded (nil at December 31, 2020).

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

12. Intangible assets

a) Breakdown of balances and changes

	Individual						Consolidated					
	Balance at 06.30.2021			Balance at 12.31.2020			Balance at 06.30.2021			Balance at 12.31.2020		
	Cost	Accumulated amortization	Net	Cost	Accumulated amortization	Net	Cost	Accumulated amortization	Net	Cost	Accumulated amortization	Net
Goodwill (i)	**-**	**-**	**-**	-	-	-	**867**	**-**	**867**	830	-	830
Software under development	**399**	**-**	**399**	251	-	251	**401**	**-**	**401**	251	-	251
Software and licenses	**745**	**(386)**	**359**	703	(344)	359	**829**	**(399)**	**430**	801	(347)	454
Contractual rights (ii)	**251**	**(208)**	**43**	251	(206)	45	**251**	**(210)**	**41**	251	(206)	45
Trademarks and patents (iii)	**-**	**-**	**-**	-	-	-	**46**	**-**	**46**	46	-	46
Favorable contract (iv)	**-**	**-**	**-**	-	-	-	**36**	**(16)**	**20**	36	(15)	21
Goodwill (v)	**73**	**(68)**	**5**	73	(67)	6	**73**	**(68)**	**5**	73	(67)	6
	1,468	**(662)**	**806**	1,278	(617)	661	**2,503**	**(693)**	**1,810**	2,288	(635)	1,653

	Individual						Consolidated						
	Balance at 31.12.2019	Additions	Write-offs	Amortiz-ation	Transfers	Balance at 06.30.2020	Balance at 12/31/2019	Additions	Write-offs	Business combination	Amortiz-ation	Transfers	Balance at 06.30.2020
Changes in 2020	547	72	3	(66)	4	560	1,245	74	4	273	(68)	4	1,532
	Balance at 12.31.2020	Additions	Write-offs	Amortiz-ation	Transfers	Balance at 06.30.2021	Balance at 12.31.2020	Additions	Write-offs	Foreign exchange difference	Amortiz-ation	Transfers	Balance at 06.30.2021
Changes in 2021	661	**185**	**5**	**(45)**	**-**	**806**	1,653	**231**	**(21)**	**1**	**(54)**	**-**	**1,810**

(i) **Goodwill:** The Company records goodwill based on expected profitability arising from the acquisition of: (a) Bartira in 2013, in the amount of R$ 627; (b) ASAPLog in 2020, in the amount of R$ 3; (c) Airfox in 2020, in the amount of R$ 189, subsequently adjusted to R$ 226 in 2021 as a result of completion of the purchase price allocation; ; and (d) I9XP in 2020 in the amount of R$ 11.

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

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

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

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

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

b) Impairment testing of intangible assets

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

In the six-month period ended June 30, 2021, the Company assessed and understood that there was no significant change in the internal and external indicators of impairment and, therefore, did not perform a new impairment test of its intangible assets.

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

13. Loans and financing

a) Breakdown of balances

		Individual and consolidated	
	Rate	**06.30.2021**	**12.31.2020**
CDCI (i)	6.15% p.a.	**5,049**	4,647
Loans in local currency (ii)	CDI + 3.66% p.a.	**2,101**	2,448
Debentures (iii)	CDI + 2.57% p.a.	**2,359**	2,001
		9,509	9,096
Current		**7,826**	6,687
Noncurrent		**1,683**	2,409

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

Direct Consumer Credit with Seller Intervention (“CDCI”) operations correspond to the financing of sales in installments to customers (Casas Bahia Credit Facility), through financial institutions (see Note 6), at fixed rates for each contract the Company performs. At June 30, 2021, the weighted average of the rates adopted by financial institutions for CDCI operations was 6.15% p.a. (5.39% p.a. as at December 31, 2020). The segregation of the respective balances between current and noncurrent is as follows:

	Individual and consolidated		
	06.30.2021	**12.31.2020**	**06.30.2020**
CDCI – Current	**4,680**	4,124	3,589
CDCI - Noncurrent	**517**	654	333
	5,197	4,778	3,922
Interest to be incurred	**(148)**	(131)	(88)
CDCI, net of interest to be incurred	**5,049**	4,647	3,834

(ii) Borrowings in domestic currency

In the period ended June 30, 2021, the Company did not enter into any new Bank Credit Notes (CCB) contracts. In 2020, the following contracts were executed:

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

(iii) Debentures

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

On June 25, 2020, the Company made the 5th issue of simple, nonconvertible debentures in 2 (two) series. 650,000 (six hundred and fifty thousand) debentures were issued at the par value of R$1,000.00 (one thousand reais) for the 1st series and 850.00 (eight hundred and fifty thousand) debentures at the par value of R$1,000.00 (one thousand reais) for the 2nd series, at CDI + 3.75% p.a. and CDI + 4.25% p.a. respectively, with final amortization and quarterly interest, which were publicly distributed with restricted placement efforts pursuant to CVM Ruling No. 476/2009. The 1st series matures within 1 year and the 2nd series matures within 2 years from the issue date, and the funds raised were used to extend the Company's debt maturity profile. On June 26, 2021, the 1st series debentures were settled.

On May 10, 2021, the Company made the 6th issue of simple, nonconvertible debentures in 2 (two) series. 771,959 (seven hundred and seventy-one thousand, nine hundred and fifty-nine) debentures were issued with a unit 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 with a unit value of R$1,000.00 (one thousand reais) for the 2nd series, remunerated at CDI + 1.90% p.a. and CDI + 2.10% p.a. respectively, with final amortization and semiannual interest, at a total issue amount of R$ 1,000,000,000.00 (one billion reais), which were the subject of public distribution with restricted distribution efforts, pursuant to CVM Rule No. 476/2009. The term of the 1st series is 3 years and the 2nd series is 5 years, as of the issue date, and the funds raised were used to lengthen the Company's debt profile The 6th issue had ESG - Environmental, Social and Governance targets, where the Company is committed to complying with the renewal of its electric energy matrix for renewable energy sources.

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

b) Changes

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

	Individual and Consolidated
Balance at December 31, 2019	5,899
Cash flows from financing activities	
Fundraising (i)	5,856
Amortization (i)	(3,404)
Payment of interest (i)	(191)
Non-cash changes	
Interest incurred (i)	190
Swap	(4)
Foreign exchange difference	(4)
Balance at June 30, 2020	8,342
Balance at December 31, 2020	9,096
Cash flows from financing activities	
Fundraising (i)	**4,253**
Amortization (i)	**(3,920)**
Payment of interest (i)	**(182)**
Non-cash changes	
Interest incurred (i)	**262**
Balance at June 30, 2021	**9,509**

(i) At June 30, 2021, the amounts related only to CDCI operations included fundraising of R$3,253, repayments of R$2,888, payment of interest of R$92, and interest incurred of R$129 (R$1,853, R$1,796, R$82 and R$113 respectively, at June 30, 2020).

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

Year	Individual and Consolidated
6-month period of 2022	**503**
2023	**180**
2024	**772**
2025	**114**
2026	**114**
	1,683

d) Covenants

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

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

Debentures

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

Covenants on ESG- Environmental, Social and Governance
Renewable energy percentage to achieved on the verification dates, as under:

- December 2022 - Equal to or greater than 50%
- December 2025 - Equal to or greater than 90%.

Covenants on net debt:

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

In the period ended June 30, 2021, the Company fully complied with all covenants related to loans and financing.

(*) **Consolidated net debt:** the Company's total debt (short- and long-term loans and financing, including debentures, promissory notes and balances of CDCI transactions, excluding balances of Lease Agreement transactions), less cash equivalents cash and Accounts Receivable amounts, with a 1.15% discount, arising from sales with credit cards, supermarket vouchers and multi-benefits, including balances of existing CDCI operations under Accounts Receivable.

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

14. Financial risk management

a) Breakdown of financial instruments

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

	Individual		Consolidated	
	06.30.2021	12.31.2020	06.30.2021	12.31.2020
Financial assets				
Amortized cost				
Cash and cash equivalents	**2,240**	2,925	**2,341**	2,984
Trade accounts receivable (except Credit card companies)	**3,536**	3,330	**3,541**	3,336
Related parties	**406**	311	**338**	306
Fair value through other comprehensive income				
Credit card companies	**3,914**	5,459	**3,914**	5,459
Financial liabilities				
Amortized cost				
Trade accounts payable	**(6,725)**	(7,704)	**(6,834)**	(7,799)
Trade accounts payable – agreement	**(1,570)**	(484)	**(1,570)**	(484)
Loans and financing	**(9,509)**	(9,096)	**(9,509)**	(9,096)
Lease liabilities	**(4,051)**	(3,908)	**(4,106)**	(3,963)
Related parties	**(75)**	(51)	**(28)**	(26)
Transfer to third parties	**(468)**	(637)	**(530)**	(653)

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

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.

b) Market risk

To calculate the sensitivity analysis, the interest rate risk for asset and liability balances presented by the Company at June 30, 2021 is the increase in the CDI percentage, since the total balance of loans and financing exceeded the balance of short-term investments indexed to the same interest rate type.

Basic interest rate

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

The sensitivity analysis prepared considered an estimate of the net effect on P&L for the next 12 months. Three scenarios were considered. In scenario I, the annual interest rate was defined based on the CDI curve obtained from B3 for the maturity dates of transactions, limited to 12 months, at the rate of 6.58% p.a. Scenarios II and III considered interest rate increases of 25% and 50%, respectively.

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

		Consolidated	Sensitivity analysis		
Transactions	**Risk**	**Balance at 06.30.2021**	**Scenario I**	**Scenario II**	**Scenario III**
Short-term investments	CDI increase	**2,242**	**144**	**180**	**216**
Bank loans (*)	CDI increase	**(4,460)**	**(196)**	**(211)**	**(227)**
Impact on P&L - expense			**(52)**	**(31)**	**(11)**

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

c) Liquidity risk

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

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

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

	06.30.2021							
	Individual				Consolidated			
	Less than 1 year	1 - 5 years	Above 5 years	Total	Less than 1 year	1 - 5 years	Above 5 years	Total
Trade accounts payable	6,725	-	-	6,725	6,834	-	-	6,834
Trade accounts payable – agreement	1,574	-	-	1,574	1,574	-	-	1,574
Loans and financing	7,357	1,590	1,211	10,158	7,357	1,590	1,211	10,158
Lease liabilities	1,219	3,621	1,090	5,930	1,230	3,672	1,114	6,016
Related parties	75	-	-	75	28	-	-	28
Transfer to third parties	468	-	-	468	530	-	-	530
	17,418	5,211	2,301	24,930	17,553	5,262	2,325	25,140

d) Credit risk

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

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

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

Estimates of impairment of financial assets are calculated according to the Company's accounting policy, as described in Note 6(a) of the 2020 annual financial statements. Balances of these estimates presented at June 30, 2021 and December 31, 2020 were considered sufficient by management to cover possible losses on the receivables portfolio.

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

e) Capital management

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

	Consolidated			
	06.30.2021		12.31.2020	
	With CDCI	Without CDCI	With CDCI	Without CDCI
Cash and cash equivalents	**2,341**	**2,341**	2,984	2,984
Accounts receivable – Casas Bahia Credit Facility (CDCI)	**3,615**	**-**	3,275	-
Trade accounts payable – agreement (i)	**(1,570)**	**(1,570)**	(484)	(484)
Loans and financing	**(9,509)**	**(4,460)**	(9,096)	(4,449)
Net debt	**(5,123)**	**(3,689)**	(3,321)	(1,949)
Equity	**6,306**	**6,306**	5,979	5,979
Net debt ratio	**(0,81)**	**(0,58)**	(0.56)	(0.33)

(i) Trade accounts payable - agreement: these refer to financial liabilities characterized by prepayments to suppliers, through financial institutions, whose maturities have been postponed. Due to the characteristics of commercial negotiation of deadlines between suppliers and the Company, these financial liabilities were included in programs for advancing funds through the Company's credit lines with financial institutions, at the implied financial cost of 5.25% p.a. at June 30, 2021 (3% p.a. at December 31, 2020). The Company understands that this transaction is of a specific nature and classifies it separately from Trade accounts payable.

f) Fair value measurement

At June 30, 2021, the Company maintained certain financial assets and liabilities, for which the disclosure of fair value measurement is required in accordance with CPC 40 (IFRS 7), as shown in the table below:

	Individual and consolidated	
	Book value	Fair value
Amortized cost		
Casas Bahia Credit Facility (i)	**3,615**	**3,801**
Loans and financing – CDCI (ii)	**(5,049)**	**(4,993)**
Fair value through other comprehensive income		
Credit card companies (ii)	**3,914**	**3,914**

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

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

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

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

15. Taxes payable

a) Breakdown of balances

	Individual		Consolidated	
	06.30.2021	12.31.2020	06.30.2021	12.31.2020
ICMS payable	**163**	228	**163**	228
Special Tax Settlement Program (PERT)	**24**	25	**25**	27
Withholding Income Tax (IRRF) payable	**26**	28	**27**	28
Other	**16**	14	**20**	16
	229	295	**235**	299
Current	**208**	273	**213**	276
Noncurrent	**21**	22	**22**	23

16. Current and deferred income and social contribution taxes

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

	Individual		Consolidated	
	06.30.2021	06.30.2020	06.30.2021	06.30.2020
Income before taxes	**(28)**	130	**(35)**	122
Income and social contribution taxes at the statutory rate of 34%	**10**	(44)	**12**	(41)
Investment grant (i)	**339**	-	**341**	-
Equity pickup	**7**	2	**10**	9
Effect of differences in tax rates of entities abroad	**-**	-	**5**	-
Unrecognized tax loss (ii)	**-**	-	**(6)**	-
Other permanent differences	**(16)**	(10)	**(15)**	(12)
Effective income and social contribution taxes	**340**	(52)	**347**	(44)
Current tax recognized through profit or loss	**-**	(1)	**-**	(1)
Deferred tax recognized through profit or loss	**340**	(51)	**347**	(43)
Income and social contribution tax income (expenses), net	**340**	(52)	**347**	(44)

(i) Investment grant
The Company has tax benefits that reduce the State Value-added Tax (ICMS) expense such as ICMS matching credit, reduction of the taxable base and reduction of tax rate. These benefits are distributed in 21 Brazilian states that result in a considerable amount of exclusion from the IRPJ and CSLL tax bases. To make the use of this tax benefit feasible, the Company complies with the legal requirements. Up to June 30, 2021, the excluded amount represented 3% of the revenue from goods sold, net of taxes. In 2020; this same proportion also corresponded to 3%.

(ii) Unrecognized tax loss
Subsidiaires Cnova and BanQi do not recognize deferred tax assets resulting from tax losses since there is no expectation of realization due to losses recorded in previous years. In the period ended June 30, 2021, deferred income and social contribution taxes not recognized in the statement of financial position referring to IRPJ and CSLL tax losses are as under:

	Consolidated	
	06.30.2021	12.31.2020
Cnova	**452**	450
BanQi	**-**	15

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

b) Breakdown of deferred income and social contribution taxes:

	Individual		Consolidated	
	06.30.2021	**12.31.2020**	**06.30.2021**	**12.31.2020**
Provision for contingencies	**451**	502	**463**	515
Allowance for expected credit losses	**246**	184	**247**	185
Income and social contribution tax losses	**971**	528	**1,081**	609
Provision for current expenses	**33**	115	**38**	118
Estimated loss on property and equipment and inventories	**30**	42	**30**	42
Leases	**257**	250	**262**	255
Other	**97**	66	**99**	68
Total deferred tax assets	**2,085**	1,687	**2,220**	1,792
Depreciation and amortization of property and equipment and intangible assets	**(158)**	(152)	**(168)**	(162)
PPA Bartira	**-**	-	**(22)**	(23)
Other	**(40)**	-	**(70)**	(6)
Total deferred tax liabilities	**(198)**	(152)	**(260)**	(191)
	1,887	1,535	**1,960**	1,601

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

	Individual		Consolidated	
	06.30.2021	**12.31.2020**	**06.30.2021**	**12.31.2020**
Deferred tax assets	**1,887**	1,535	**1,966**	1,607
Deferred tax liabilities	**-**	-	**(6)**	(6)

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

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

At June 30, 2021	Individual	Consolidated
6-month period of 2021	**229**	**246**
2022	**325**	**343**
2023	**215**	**239**
2024	**259**	**274**
2025	**280**	**297**
Above 5 years	**777**	**821**
	2,085	**2,220**

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

17. Provision for contingencies

a) Balances and changes

	Individual			
	Tax	Social security and labor	Civil and other	Total
Balance at December 31, 2019	2	1,475	322	1,799
Additions of new proceedings and other additions	-	226	82	308
Write-off of provision due to settlement	-	(337)	(46)	(383)
Write of provision due to success and other write-offs	-	(183)	(78)	(261)
Monetary restatement	-	76	19	95
Balance at June 30, 2020	2	1,257	299	1,558
Balance at December 31, 2020	-	1,352	273	1,625
Additions of new proceedings and other additions	**-**	**600**	**75**	**675**
Write-off of provision due to settlement	**-**	**(667)**	**(61)**	**(728)**
Write of provision due to success and other write-offs	**-**	**(131)**	**(50)**	**(181)**
Monetary restatement	**-**	**64**	**13**	**77**
Balance at June 30, 2021	**-**	**1,218**	**250**	**1,468**

	Consolidated			
	Tax (i)	Social security and labor (ii)	Civil and other (iii)	Total
Balance at December 31, 2019	39	1,503	323	1,865
Additions of new proceedings and other additions	-	232	82	314
Write-off of provision due to settlement	-	(345)	(46)	(391)
Write of provision due to success and other write-offs	-	(184)	(78)	(262)
Monetary restatement	-	78	19	97
Balance at June 30, 2020	39	1,284	300	1,623
Balance at December 31, 2020	38	1,380	273	1,691
Additions of new proceedings and other additions	**-**	**614**	**76**	**690**
Write-off of provision due to settlement	**-**	**(682)**	**(61)**	**(743)**
Write of provision due to success and other write-offs	**-**	**(136)**	**(50)**	**(186)**
Monetary restatement	**-**	**65**	**13**	**78**
Balance at June 30, 2021	**38**	**1,241**	**251**	**1,530**

(i) Tax

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

At June 30, 2021, significant tax proceedings provisioned refer to PIS/COFINS credit amounting to R$38 (R$38 at December 31, 2020), whose offset was not approved. The provision was recorded based on the assessment of external legal advisors and corroborated by management.

(ii) Social security and labor

The Company is party to various labor claims relating to employee severance, as result of the ordinary turnover of its business. At June 30, 2021, the Company maintained a provision in the amount of R$1,241 (R$1,380 at December 31, 2020).

The Company has 22,347 ongoing labor claims at June 30, 2021 (22,275 at December 31, 2020). The provision for labor contingencies is calculated based on effective historical losses applied to the total ongoing claims per position, and individual risk assessment for certain proceedings having particular characteristics.

(iii) Civil and other

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

- Proceedings requesting the renewal of store lease, in which the Company is required to pay provisional rent amounts until a final and unappealable decision on the litigation. During the trial period of proceedings, the Company recognizes a provision based on the difference between the amount paid as provisional rent and the amounts claimed by the lessors. At June 30, 2021, this provision totaled R$40 (R$37 at December 31, 2020);

- Proceedings involving consumer relations law: The Company has 33,161 ongoing civil claims at June 30, 2021 (34,522 at December 31, 2020). The provision for these contingencies is calculated based on effective historical losses applied to the total ongoing claims per position, and individual risk assessment for certain proceedings having particular characteristics. At June 30, 2021, this provision totaled R$211 (R$236 at December 31, 2020).

b) Contingent liabilities

The Company is a party to other contingencies that were analyzed by legal advisors and assessed as possible loss which, therefore, are not provisioned, totaling R$3,740 at June 30, 2021 (R$3,612 at December 31, 2020), mainly related to:

Tax

- COFINS, PIS, IRPJ, IRRF, CSLL and INSS: (i) administrative and legal proceedings related to offset requests not recognized by the taxation authorities, generated due to credits from favorable court decisions, payment differences and fine for noncompliance with accessory obligations; (ii) tax delinquency notice as a result of PIS and COFINS not levied on amounts deemed by the Brazilian IRS as taxable revenues, such as bonuses paid to suppliers; (iii) use of PIS and COFINS credits relating to advertising expenses and card administration fees; (iv) tax delinquency notice as a result of insufficient offset tax loss balance; (v) other proceedings of less materiality. The amount involved in the referred to proceedings at June 30, 2020 is approximately R$958 (R$908 at December 31, 2020).

- Tax Relief Law ("Lei do Bem"): tax assessment for calendar year 2016 due to disregard of the repeal of the benefit of the PIS/COFINS zero contribution tax rate on retail sales of IT products and smartphones, under the Digital Inclusion Program, by operation of Provisional Executive Order (MP) No. 690/2015, signed into Law No. 13241/15. The amount of the tax assessment notice corresponds to R$ 933 of PIS and COFINS at June 30, 2021 (R$924 at December 31, 2020).

- ICMS-ST (Tax Substitution taxation regime) on purchases of goods: tax assessment notice arising from the appropriation of PIS and COFINS credits on the ICMS-ST disclosed in the purchase invoices relating to goods for resale in calendar year 2016. The amount of the tax assessment notice corresponds to R$ 260 at June 30, 2021 (R$258 at December 31, 2020).

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

- ICMS, ISS and Real Estate Tax ("IPTU"): (i) administrative and legal proceedings resulting from ISS not levied on amounts deemed by the municipal tax authorities as service revenue; (ii) tax delinquency notices arising from alleged differences upon crosschecking the information filed with the state finance departments, and ICMS not levied on rendering of extended warranty services; (iii) tax delinquency notices arising from the use of Company's credits for acquisition of goods from suppliers with irregular state registration and fine for noncompliance with accessory obligations; and (iv) other proceedings of less materiality. The amount involved in the referred to proceedings at June 30, 2021 is approximately R$1.125 (R$1,048 at December 31, 2020);

- Mandala goodwill: tax delinquency notices due to the deduction of amortization charges in years 2012, 2013, 2015 and 2016 relating to goodwill arising from the acquisition of Ponto in calendar year 2009. The restated amount of the tax delinquency notice corresponds to IRPJ and CSLL amounting to R$268 at June 30, 2021 (R$265 at December 31, 2020).

Civil and other

At June 30, 2021, the Company is party to other civil contingencies totaling R$128 (R$167 at December 31, 2020) that were analyzed by legal advisors and assessed as possible loss which, therefore, are not provisioned.

c) Judicial deposits

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

	Individual		**Consolidated**	
	06.30.2021	**12.31.2020**	**06.30.2021**	**12.31.2020**
Social security and labor	**371**	412	**388**	429
Tax (i)	**416**	166	**420**	170
Civil and other	**73**	76	**73**	77
	860	654	**881**	676

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

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

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

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

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

d) Collaterals and bank guarantees

At June 30, 2021, the Company offered guarantees in connection with social security, labor, tax and civil proceedings, as follows:

Proceedings	06.30.2021
Social security and labor	**2,099**
Tax	**1,207**
Civil and other	**334**
	3,640

At June 30, 2021, the Company presents bank guarantees and surety insurance involving commercial agreements on financial services (deferred revenue) and administrative agreements totaling R$2,502.

The corporate guarantees granted by Companhia Brasileira de Distribuição at June 30, 2021 total R$216.

18. Leases

a) Breakdown of balances and changes

Right-of-use asset

	Individual	Consolidated
Balance at December 31, 2019	3,612	3,640
Business combination	-	11
Additions and remeasurements	208	208
Write-offs	17	17
Depreciation	(284)	(285)
Balance at June 30, 2020	3,553	3,591
Balance at December 31, 2020	3,039	3,079
Additions and remeasurements	**390**	**394**
Write-offs	**60**	**58**
Depreciation	**(307)**	**(309)**
Balance at June 30, 2021	**3,182**	**3,222**

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

In the six-month periods ended June 30, 2021 and 2020, the Company recognized the following Right-of-use asset depreciation amounts in the Cost of goods and services sold:

	Individual		Consolidated	
	06.30.2021	06.30.2020	06.30.2021	06.30.2020
Depreciation	**68**	64	**68**	65

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

Lease liabilities

	Individual	Consolidated
Balance at December 31, 2019	4,543	4,583
Business combination	-	13
Addition and remeasurement	208	207
Payment of principal	(185)	(186)
Payment of interest	(192)	(195)
Discounts received	(83)	(83)
Interest incurred	192	195
Balance at June 30, 2020	4,483	4,534
Balance at December 31, 2020	3,908	3,963
Addition and remeasurement	**391**	**393**
Write-offs	**53**	**53**
Payment of principal	**(301)**	**(303)**
Payment of interest	**(187)**	**(190)**
Interest incurred	**187**	**190**
Balance at June 30, 2021	**4,051**	**4,106**
Current	**743**	**749**
Noncurrent	**3,308**	**3,357**

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

	Individual			Consolidated		
Year	**Gross flow**	**Embedded interest**	**Lease liabilities**	**Gross flow**	**Embedded interest**	**Lease liabilities**
6-month period of 2022	**955**	**(310)**	**645**	**966**	**(316)**	**650**
2023	**837**	**(263)**	**574**	**848**	**(268)**	**580**
2024	**713**	**(220)**	**493**	**723**	**(224)**	**499**
2025	**600**	**(180)**	**420**	**609**	**(183)**	**426**
2026	**480**	**(141)**	**339**	**489**	**(144)**	**345**
Above 5 years	**1,090**	**(253)**	**837**	**1,114**	**(257)**	**857**
	4,675	**(1,367)**	**3,308**	**4,749**	**(1,392)**	**3,357**

c) Potential right for PIS and COFINS recoverable

The Company has potential right for PIS and COFINS recoverable embedded in the considerations of leases. In measuring cash flows from leases, tax credits were not recorded, and the potential effects of PIS and COFINS on gross contractual flow at June 30, 2021 amounted to R$432 in the Individual financial statements and R$435 in the Consolidated financial statements (R$426 in the Individual financial statements and R$433 in the Consolidated financial statements at December 31, 2020).

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

19. Deferred revenue

a) Breakdown of balances

	Individual		Consolidated	
	06.30.2021	12.31.2020	06.30.2021	12.31.2020
Additional or extended guarantees	**1,076**	1,127	**1,076**	1,127
Bradesco	**89**	145	**89**	145
Insurance and services	**106**	113	**106**	113
Other	**8**	8	**75**	108
	1,279	1,393	**1,346**	1,493
Current	**352**	357	**364**	385
Noncurrent	**927**	1,036	**982**	1,108

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

Year	Individual	Consolidated
6-month period of 2022	**171**	**172**
2023	**343**	**347**
2024	**339**	**346**
2025	**41**	**49**
2026	**8**	**18**
2027 to 2029	**25**	**50**
	927	**982**

20. Equity

a) Capital

At June 30, 2021, the Company's paid-up and subscribed capital amounted to R$5,133 (R$5,133 at December 31, 2020) and was represented by 1,597,354 thousand common registered no-par-value shares with voting right. In the period ended June 30, 2021, the following capital increases took place:

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

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

b) Treasury shares

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

c) Capital transactions

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

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

d) Capital reserves

(i) Goodwill reserve

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

(ii) Premium on subscription of shares

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

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

(iii) Options granted

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

<u>Stock option plan (equity-settled transaction)</u>

In April 2021, the Company granted 2,948,426 stock options and 2,948,426 shares restricted to the plan beneficiaries. Once the service condition is fulfilled, which is to remain bound as a manager or employee of the Company or a company under its control until the end of the vesting period scheduled for April 2026, the beneficiary will be entitled to receive stock optins opções and/or restricted shares in 3 installments from the third anniversary of the grant date in proportion to the following percentages: (i) 40% of the premium on the third anniversary date; (ii) 30% of the premium on the fourth anniversary date; and (iii) 30% of the premium on the fifth anniversary date.

The stock option plans (equity-settled transaction) currently in force are as follows:

	Grant date	**End of grace period**
Stock Options	9/12/2019	7/12/2024
Stock Options	4/27/2021	4/26/2026
Restricted Shares	4/27/2021	4/26/2026

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

The total expense including taxes and social charges withheld, relating to the stock option programs and recognized in the six-month period ended December 31, 2021 totaled R$28 (R$26 in the six-month period ended June 30, 2020).

Phantom Stock Option Plan ("Phantom Shares")

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

The Phantom Stock Option Plan ("Phantom Shares") currently in force are as follows:

	Grant date	**End of grace period**
Phantom Shares	5/28/2019	5/27/2022
Phantom Shares	8/5/2020	8/4/2025

At June 30, 2021, the liabilities corresponding to this premium, including social charges, is recorded in noncurrent liabilities amounting to R$23 (R$20 at December 31, 2020). The expense recognized in the quarter ended June 30, 2021 totaled R$4 (R$13 in the quarter ended June 30, 2020).

e) Income reserves

Investment grant

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

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

f) Absorption of accumulated losses from previous years

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

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

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

21. Sales and service revenue

a) Breakdown of balances

	Individual		Consolidated	
	06.30.2021	06.30.2020	06.30.2021	06.30.2020
Goods	**16,467**	12,467	**16,474**	12,469
Operational finance transactions (b)	**991**	831	**991**	831
Services	**493**	380	**499**	383
Freight and assembly services	**170**	204	**171**	204
Gross sales revenue net of returns and cancellations	**18,121**	13,882	**18,135**	13,887
Taxes on goods	**(2,550)**	(2,135)	**(2,565)**	(2,144)
Taxes on operational finance transactions (b)	**(44)**	(37)	**(44)**	(37)
Taxes on services	**(65)**	(46)	**(65)**	(46)
Taxes on freight and assembly services	**(38)**	(41)	**(38)**	(41)
Taxes on revenue	**(2,697)**	(2,259)	**(2,712)**	(2,268)
Net operating revenue	**15,424**	11,623	**15,423**	11,619

b) Revenue from operating finance transactions

	Individual and Consolidated	
	06.30.2021	06.30.2020
Casas Bahia Credit Facility (i)	**940**	779
Other	**51**	52
Gross revenue from operating finance transactions – returns and cancellations	**991**	831
Casas Bahia Credit Facility	**(38)**	(31)
Other	**(6)**	(6)
Taxes on operating finance transactions	**(44)**	(37)
Operating finance income – Casas Bahia Credit Facility	**902**	748
Revenue from operating finance transactions (Other)	**45**	46

(i) These correspond to time sales financed through Direct Consumer Credit with Seller Intervention (Casas Bahia Credit Facility) “buy now, pay later”, payable in up to 24 months.

	Individual and Consolidated	
	06.30.2021	06.30.2020
Casas Bahia Credit Facility	**940**	779
Interest to be incurred - Casas Bahia Credit Facility (Note 6.1)	**1,122**	776
Total interest - Casas Bahia Credit Facility	**2,062**	1,555

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

22. Expenses by nature

	Individual		Consolidated	
	06.30.2021	**06.30.2020**	**06.30.2021**	**06.30.2020**
Cost with inventories sold	**10,054**	7,464	**9,958**	7,418
Personnel expenses	**1,380**	1,144	**1,390**	1,175
Third-party service expenses	**1,661**	1,154	**1,713**	1,177
Freight expenses	**491**	469	**509**	469
Estimated loss on doubtful accounts – Casas Bahia Credit Facility, net of recovery (ADA)	**334**	244	**334**	244
Estimated losses on doubtful accounts – Other (ADA)	**83**	53	**83**	53
Expenses with labor contingencies	**371**	(22)	**367**	(22)
Other	**105**	35	**123**	46
	14,479	10,541	**14,477**	10,560
Cost of goods sold and services rendered	**10,622**	7,802	**10,625**	7,809
Selling expenses	**3,390**	2,443	**3,406**	2,444
General and administrative expenses	**467**	296	**446**	307
	14,479	10,541	**14,477**	10,560

23. Other operating income (expenses), net

	Individual		Consolidated	
	06.30.2021	**06.30.2020**	**06.30.2021**	**06.30.2020**
Restructuring expenses (i)	**(110)**	(103)	**(110)**	(104)
Gain (loss) on disposal of property and equipment and intangible assets	**-**	4	**(8)**	3
Other	**35**	17	**16**	20
	(75)	(82)	**(102)**	(81)

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

24. Finance income (costs), net

a) Breakdown of balances

	Individual		Consolidated	
	06.30.2021	06.30.2020	06.30.2021	06.30.2020
Finance costs				
Cost of debt	**(134)**	(64)	**(135)**	(65)
Consumer financing - CDCI (i)	**(129)**	(113)	**(129)**	(113)
Costs of sales and discount on receivables	**(78)**	(168)	**(78)**	(168)
Losses on restatements	**(80)**	(103)	**(82)**	(105)
Interest on lease liabilities	**(187)**	(192)	**(190)**	(195)
Other finance costs	**(75)**	(61)	**(76)**	(60)
Total finance costs	**(683)**	(701)	**(690)**	(706)
Finance income				
Yield from cash and cash equivalents	**3**	20	**4**	20
Gains on restatements	**111**	154	**134**	154
Advances to suppliers	**22**	11	**22**	12
Other finance income	**2**	1	**2**	2
Total finance income	**138**	186	**162**	188
Finance income (costs), net	**(545)**	(515)	**(528)**	(518)

(i) Direct Consumer Credit with Seller Intervention- CDCI ("Casas Bahia Credit Facility") operations correspond to the financing of sales in installments to customers through financial institutions (see Note 13), at fixed rates for each contract the Company performs. At June 30, 2021, the weighted average of the rates adopted by financial institutions for CDCI operations was 6.15% p.a. (5.39% p.a. at December 31, 2020).

25. Earnings (loss) per share

a) Table of earnings (loss) per share

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

	06.30.2021	06.30.2020
Basic numerator		
Basic earnings (loss) allocated and not distributed	**312**	78
Basic earnings (loss) allocated and not distributed	**312**	78
Basic denominator (in thousands of shares)		
Weighted average number of shares	**1,597,050**	1,324,097
Basic earnings (loss) per share (in R$)	**0.19558**	0.05921
Diluted denominator (in thousands of shares)		
Stock options	**44,155**	15,999
Weighted average number of shares	**1,597,050**	1,324,097
Diluted weighted average	**1,641,205**	1,340,096
Diluted earnings (loss) per share (in R$)	**0.19032**	0.05851

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

26. Insurance coverage

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

At June 30, 2021, the insurance coverage is deemed sufficient by management to cover claims, if any, and is summarized as follows:

Insured assets	Insured perils	Insured amount
Property and equipment and inventories	Named perils	**13,962**
Profit	Loss of profits	**5,388**
Vehicle and other (*)	Losses and damages	**97**

(*) 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$494.

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

Completion of the acquisition of fintech Celer Processamento Comércio e Serviço Ltda. ("Celer")

On July 2, 2021, the Company announced to its shareholders and the market in general that, in furtherance of the Notice to the Market released on April 25, 2021, it concluded on this date the formalization of all legal and regulatory steps to proceed with the closing the acquisition of 100% (one hundred percent) of the units of interest issued by Celer

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

The Transaction was consummated by Cnova Comércio Eletrônico S.A., which is a subsidiary of the Company, and is not subject to the provisions of article 256 of the Brazilian Corporation Law.

Approval of credit company license to BNQI Sociedade de Crédito Direto S.A ("BNQI SCD")

On July 16, 2021, the Company disclosed to its shareholders and to the market in general that the Central Bank of Brazil's final approval of BNQI Sociedade de Crédito Direto S.A.'s operating license process was published in the Federal Official Gazette ("DOU") on July 15, 2021.

That license will allow BNQI to offer access to credit to thousands of Brazilians and thus provide greater financial inclusion. In addition to the credit installment plan, BNQI will be able to carry out loan and financing transactions to customers, sellers and other commercial partners through the Company's electronic platform.

Additionally, BNQI SCD will be an important lever for the loyalty of Via's marketplace partners, by expanding the service offer, including: transfers of amounts to the borrowers' payment account, home account for traded card receivables, working capital financing, collection services in general and issuing of various collection slips.

Lastly, BNQI SCD will be able to offer open sea credit solutions - CAAS (credit as a service), which will further improve the predictive power of customers' credit risk.

Change in trading name, head office address, corporate name and ticker

On August 5, 2021, the Company informs its shareholder and the market in general that approved by the Board of Directors, the Company's Shareholders' Meeting, held on this date (as as proposed by the Board of Directors): (i) changing the address of the Company's head office to Avenida Rebouças, 3970, 28ª Andar, Pinheiros, CEP 05402-918, in the city of São Paulo, São Paulo state; (ii) the change in the corporate name from "Via Varejo S.A." to "VIA S.A.", in line with the change in the brand, in accordance with the notice to the market disclosed by the Company on April 25, 2021.

As a result of the change in the corporate name, the Company also informs as of the trading session of August 16, 2021 (including), the Company's shares will be traded in the stock market managed by B3. S.A. – Brasil, Bolsa, Balcão under the new ticker symbol "VIIA3", which will replace the current ticker ("VVAR3"), and the new trading name, "Via" only, which will replace "Via Varejo".