EARNINGS RELEASE 2Q23

EARNINGS CONFERENCE CALL

Thursday, July 27, 2023

11:00 a.m. (Brasília) | 10:00: a.m. (New York) | 03:00 p.m. (London)

Videoconference call in Portuguese via Zoom (simultaneous translation): click here

Information and links for accessing the call are available on our website and in our quarterly earnings materials.

***São Paulo, July 26, 2023 – Assaí Atacadista** announces its results for the 2nd quarter of 2023.All comments on adjusted EBITDA exclude other operating expenses and income in the periods. Figures also include the effects of IFRS 16/CPC 06 (R2) – Leases, which eliminates the distinction between operating and financial leases, except where stated otherwise.*

RESILIENT RESULT: EBITDA MG OF 7% SHOWS SUCCESSFUL EXPANSION AND ACCELERATED CONVESIONS MATURATION
CUSTOMERS FLOW INCREASES 25%, REACHING 70 MILLION TICKETS AND RECORD MARKET SHARE WITH 3.6 p.p. GAINS
LEVERAGE RATIO REDUCED TO 2.6x (-0.2x vs. 1Q23)

Opening of 60 stores in last 12 months, increasing sales area by 34%
Conclusion of approximately 90% of conversion project, with opening of 57 stores to date (from 66 stores)
Continuity of expansion plan with over 20 stores under construction

Conversions: Advance of sales uplift to 2.5x (vs. 2.2x in 1Q23) with EBITDA margin expansion
Stores continue to deliver sales growth above the average of stores in operation over 12 months
EBITDA margin at around 6% level

Sales advance +21% with sequential improvement in same-stores sales during the quarter
Gross sales of R$ 17.6 billion (+R$3.0bi), driven by **expansion (+23.2%) and same-stores sales growth of -1.7%**, affected by **deflation in several categories** and the **strong comparison base** (+14.4% in 2Q22)
Achievement of the highest market share ever with growth of +3.6 p.p. in June

Gross margin practically stable despite the strong expansion pace
Rapid maturation of conversions and efficient commercial dynamics led to a margin of 16.0% (vs. 16.1% in 2Q22)

Adjusted EBITDA of R$ 1.1 billion, up R$ 135 million from 2Q22
EBITDA margin expansion from 6.3% in 1Q23 to 7.0% in the 2Q23, despite over 35% of stores in the maturation phase. Excluding conversions, the EBITDA Margin remained stable in comparison to 2Q22

Improvement in net income on 1Q23, supported by solid operational performance
Net income of R$ 156 million in 2Q23, affected primarily by the high interest rate scenario

Reduction in leverage ratio to 2.62x (vs. 2.78x in 1Q23)
Strong cash generation and improvement in working capital support high investments in expansion and led to a reduction in leverage level

Meu Assaí App: Growth in customer base to 8.2 million clients (+17% since Apr/23)
Record online sales via last mile operators, with accelerated growth: +58% vs. 2Q22 and 15% vs. 1Q23

OPERATIONAL AND FINANCIAL HIGHLIGHTS

(R$ million)	2Q23	2Q22	Δ	1H23	1H22	Δ
Gross Revenue	17,553	14,530	20.8%	34,120	27,051	26.1%
Net Revenue	15,984	13,291	20.3%	31,080	24,734	25.7%
Gross Profit (1)	2,564	2,145	19.5%	4,992	3,971	25.7%
Gross Margin (1)	**16.0%**	**16.1%**	**-0.1 p.p.**	**16.1%**	**16.1%**	**0.0 p.p.**
Selling, General and Administrative Expenses	(1,480)	(1,199)	23.4%	(2,992)	(2,296)	30.3%
% of Net Revenue	**-9.3%**	**-9.0%**	**-0.3 p.p.**	**-9.6%**	**-9.3%**	**-0.3 p.p.**
Adjusted EBITDA (2)	1,113	978	13.8%	2,064	1,730	19.3%
Adjusted EBITDA Margin (2)	**7.0%**	**7.4%**	**-0.4 p.p.**	**6.6%**	**7.0%**	**-0.4 p.p.**
Net Income	156	319	-51.1%	228	533	-57.2%
Net Margin	**1.0%**	**2.4%**	**-1.4 p.p.**	**0.7%**	**2.2%**	**-1.5 p.p.**
Adjusted EBITDA Pre-IFRS 16 (2)(3)	814	736	10.6%	1,466	1,327	10.5%
Adjusted EBITDA Margin Pre-IFRS 16 (2)(3)	**5.1%**	**5.5%**	**-0.4 p.p.**	**4.7%**	**5.4%**	**-0.7 p.p.**

(1) Includes logistics depreciation (as shown in the Income Statement on page 12);
(2) Earnings before Interest, Taxes, Depreciation, Amortization - adjusted for Other Operating Revenue (Expenses);
(3) For more details please check page 8.

"The highlight of the second quarter was the conclusion of around 90% of the hypermarket conversion project. Our business model and the exceptional location of the conversions are key factors in the success of these stores, which delivered growth above the Company's average, with sales uplift 2.5x higher than the hypermarket format. Our performance is connected to the strong involvement of Our People. This year, we rose 10 points in the GPTW engagement survey, beating the industry average and consolidating Assaí as one of the 10 Best Companies to Work for in the Retail Sector. Results like these make us an industry reference, with continuous market share gains and sustainable growth. Additionally, in this quarter, the new Board of Directors took office and we consolidate our position as a True Corporation, with 100% of stock widely disseminated."

Belmiro Gomes, CEO of Assaí

SALES GROWTH WITH SIGNIFICANT CONTRIBUTION FROM EXPANSION

(1) Excluding calendar effect of -0.7%

Net sales in the quarter came to R$ 16.0 billion, increasing R$ 2.7 billion, which represents a growth of 20.3% compared to 2Q22 and 59.7% to 2Q21. The performance is mainly explained by:

(i) the solid contribution from the expansion project, with 60 stores opened in the last 12 months (+22.9%), with the highlight to the conversions performance;
(ii) the efficient commercial strategy that, throughout successful commercial campaigns, resulted in record customer traffic, reaching over 70 million tickets, representing growth of 25%;
(iii) continuous improvement in the shopping experience, with rapid adaptation of assortment and services to meet the needs of each region;
(iv) same-store sales performance (-2.0%), which improved gradually over the quarter to turn positive in June. The period also was marked by deflation in certain categories and the strong comparison base (+14.7% in 2Q22) due to the large number of hypermarkets closed in 2022.

Additionally, even with the strong growth in the Cash & Carry segment, the Company registered significant improvements of market share in June (+3.6 p.p.), reaching its highest market share ever, supported by the success of Assaí's commercial strategy and business model.

In 1H23, net sales totaled R$ 31.1 billion (+25.7% vs. 1H22), reflecting the strong contribution from expansion, driven mainly by the performance of converted stores, the successful business model and the same-store sales growth of +2.3%, despite the strong comparison base (+10.8% in 1H22).

CONTINUED EXPANSION WITH ADVANCES IN CONVERSION PROJECT

The expansion schedule remains in line with expectations, with around 30 stores to be inaugurated in 2023. In addition to the 10 conversions inaugurated in 2023, of which 8 in the 1st semester, currently, more than 20 stores are under construction.

Assaí ended 1H23 with 270 stores in operation and total sales area of 1.4 million square meters, representing expansion of +34% in the last 12 months.

In 2Q23, 5 converted stores were inaugurated in 3 states, 2 of which in the state of São Paulo, 2 in Rio de Janeiro and 1 in Minas Gerais. Considering the 2 conversions inaugurated in July, 57 converted stores were opened to date, which represents a conclusion of ~90% of the project.

The excellent locations of the converted stores in densely populated regions and highly recognized by the public, together with the strong attractiveness of this business model, already enable conversions, that are operating on average for 8 months, to achieve monthly sales above the average of stores operating for more than 12 months, which represents an uplift of 2.5x (vs. 2.2x in 1Q23), and present an improvement in EBITDA margin of around 6%.

COMMERCIAL GALLERIES WILL CONTRIBUTE TO CONVERSIONS MATURATION

In addition to expanding the sales area, the hypermarket conversions will add, at the end of the project, more than 220,000 sqm of gross leasable area (GLA) of commercial galleries and around 1,300 tenants. The galleries will contribute to the maturation of conversions, with an increase in the customers traffic, dilution of rent and occupancy costs, such as IPTU (urban property tax).

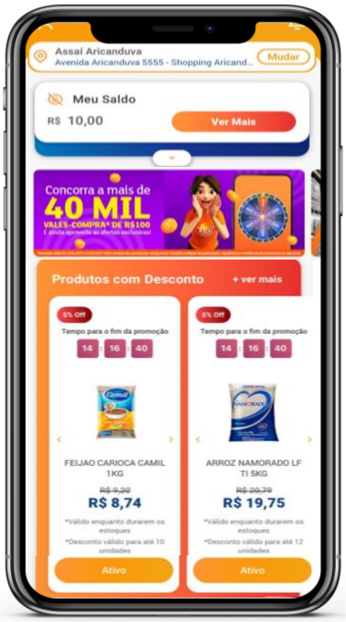
In 1H23, revenue from the galleries reached R$ 44 million, even with 50% of the galleries in process of conclusion.

“MEU ASSAÍ” APP CUSTOMER BASE GROWTH

Launched in April 2023 and available nationwide, the new app “Meu Assaí” registered growth of 1.2 million users in only 2 months, reaching 8.2 million customers, which represents an increase of 17% from its launch.

The app is an important tool for broadening knowledge of consumer habits and to improve their shopping experience by uniting the physical world with the online universe. The app reinforces the Company’s Phygital strategy through its exclusive and segmented campaigns for Assaí customers, generating customer loyalty and recurring purchases.

Also, the online sales operation in partnership with last mile operators continues to present significant growth and break sales records, with growth of 58% in comparison with 2Q22 and 15% vs. 1Q23.



RESILIENT OPERATING RESULTS

Gross income amounted to R$ 2.6 billion, with margin virtually stable at 16.0%, with this performance mainly reflecting:

(i) the resilient performance of the conversions, which, due to their exceptional location and proximity to higher-income consumers, present accelerated maturation and margins above the organic stores;
(ii) the effective Company's commercial dynamics, which carried out successful promotional campaigns that supported an increase in customer traffic.

This result demonstrates the adequate level of Assaí's competitiveness combined with the investments in modernizing the stores base and improving the shopping experience.

Selling, general and administrative expenses corresponded to 9.3% of net sales in 2Q23 (vs. 9.0% in 2Q22), mainly reflecting the effect from the maturation of new stores.

Equity income from Assaí's interest of approximately 18% in the capital of FIC came to R$ 12 million in the quarter (+20.0% vs. 2Q22). Passaí cards issued exceeded 2.4 million and accounts for over 4% of sales.

Adjusted EBITDA reached R$ 1.1 billion in 2Q23, up R$ 135 million on 2Q22. Adjusted EBITDA margin reached 7.0%, expanding in relation to 1Q23 (6.3%), despite 35% of stores in the maturation process and the pre-operating expenses related to the expansion project. Excluding the conversions effect, the EBITDA margin remained stable compared to 2Q22.

In the year to date, Adjusted EBITDA totaled R$ 2.1 billion with margin of 6.6%, representing growth of +19.3% or R$ 334 million. This result reflects the resilience of the business model and the successful performance of conversions, which presents accelerated maturation.

HIGH INTEREST RATE AFFECTS FINANCIAL RESULT

(R$ million)	2Q23	2Q22	Δ	1H23	1H22	Δ
Cash profitability	31	49	-36.7%	74	81	-8.6%
Cost of debt	(393)	(162)	142.6%	(770)	(338)	127.8%
Cost of Receivable Discount	(23)	(26)	-11.5%	(49)	(45)	8.9%
Other financial revenues/expenses and Net Exchange Variation	(35)	(82)	-57.3%	(103)	(121)	-14.9%
Net Financial Revenue (Expenses)	**(420)**	**(221)**	**90.0%**	**(848)**	**(423)**	**100.5%**
% of Net Revenue	*-2.6%*	*-1.7%*	*-0.9 p.p.*	*-2.7%*	*-1.7%*	*-1.0 p.p.*
Interest on lease liabilities	(208)	(107)	94.4%	(410)	(207)	98.1%
Net Financial Revenue (Expenses) - Post IFRS 16	**(628)**	**(328)**	**91.5%**	**(1,258)**	**(630)**	**99.7%**
% of Net Revenue - Post IFRS 16	*-3.9%*	*-2.5%*	*-1.4 p.p.*	*-4.0%*	*-2.5%*	*-1.5 p.p.*

At the end of 2Q23, net financial (post-IFRS16) result was R$ 628 million, equivalent to 3.9% of net sales. Excluding the effect from interest on lease liabilities, the net financial expense reached R$ 420 million, or 2.6% of net sales. The high interest rate scenario and the higher level of gross debt to support the Company's expansion contributed to the financial result level.

NET INCOME INCREASED COMPARED TO 1Q23

Net income reached R$ 156 million in the quarter and margin of 1.0%, which is 2 times higher than in 1Q23. In 1H23, net income was R$ 228 million, with 0.7% margin. Net income in both periods continued to be directly affected by the high interest rate scenario, which significantly affected the financial result, and by the large number of stores in the maturation phase.

INVESTMENTS RESULTS IN SALES AREA EXPANSION OF 34%

(R$ million)	2Q23	2Q22	Δ	1H23	1H22	Δ
New stores and land acquisition	528	1,287	(759)	923	1,895	(972)
Store renovation and maintenance	98	70	28	127	103	24
Infrastructure and others	24	25	(1)	50	42	8
Total Investments - Gross	**650**	**1,382**	**-732**	**1,100**	**2,040**	**-940**

Investments amounted to R$ 650 million in the quarter, explained by the opening of 5 converted stores in the period and the ongoing expansion process, with more than 20 stores under construction. In 1H23, investments totaled R$ 1.1 billion, during which 8 converted stores were inaugurated.

WORKING CAPITAL MANAGEMENT SUPPORTS DELEVERAGE

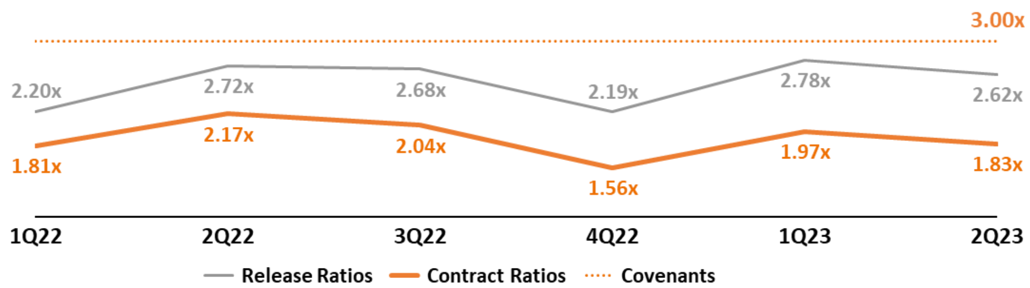
(R$ million)	2Q23	2Q22
Short Term Debt	**(1,198)**	**(165)**
Loans and Financing	(828)	(30)
Debentures	(415)	(157)
Derivative Financial Instruments	45	22
Long Term Debt	**(11,738)**	**(11,039)**
Loans and Financing	(1,034)	(1,535)
Debentures	(10,943)	(9,644)
Derivative Financial Instruments	239	140
Total Gross Debt	**(12,936)**	**(11,204)**
Cash and Financial Investments	**4,596**	**3,108**
Net Debt	**(8,340)**	**(8,096)**
Adjusted EBITDA [(1)]	**3,004**	**2,919**
On Balance Credit Card Receivables	463	158
Net Debt incl. Credit Cards Receivable not discounted	**(7,877)**	**(7,938)**
Net Debt incl. Credit Cards Receivable not discounted / Adjusted EBITDA [(1)]	**-2.62x**	**-2.72x**

[(1)] EBITDA LTM before IFRS 16.

The leverage ratio (net debt/Adjusted EBITDA) ended the 2Q23 at 2.62x, declining around 0.2x from 1Q23 (2.78x), despite the high investment cycle. The leverage level reflects (i) the cash generation as a result of improvements in Working Capital; (ii) payments related to the acquisition of hypermarket commercial points; (iii) the investments in expansion over the last 12 months, with 60 stores opened; and (iv) the ongoing expansion project, with over 20 stores under construction to be inaugurated in 2023.

Note that the leverage shown in the table above considers EBITDA pre-IFRS 16 (including rental expenses), which differs from the contractual definition of covenants, which considers an EBITDA based on post-IFRS 16 EBITDA (excluding rental expenses).

The following chart clearly shows that the contractual ratios are well below the limit of the covenants of 3x, especially if we consider the advances in the maturation of converted stores.



Ratios Release:
Net Debt = Gross Debt (-) Cash and Financial Investments (-) Credit Card Receivables
EBITDA (LTM) = EBITDA Before IFRS 16
Ratios Contracts:
Net Debt = Gross Debt (-) Cash and Financial Investments (-) Credit Card Receivables (-) Other Receivables as tickets and invoices, with a discount of 1.5%
EBITDA (LTM) = Gross Profit (-) Selling, General and Administrative Expenses (-) Depreciation and Amortization (+) Other Operating Revenue

OPERATING CASH FLOW OF R$ 5.4 BILLION

(R$ million)	2Q23 [1]	2Q22 [1]	Δ
EBITDA Pre-IFRS 16	**3,004**	**2,919**	85
Paid Taxes	0	(136)	136
Change in WK	2,378	9	2,369
Operational Cash Generation	**5,381**	**2,792**	**2,590**
Capex	(2,963)	(2,879)	(85)
Commercial Points Acquisition	(996)	(1,743)	747
Free Cash Generation	**1,422**	**(1,830)**	**3,252**
Dividends	(72)	(213)	141
Cost of Debt	(1,594)	(1,031)	(563)
Total Cash Generation	**(244)**	**(3,074)**	**2,830**

[1] Accumulated LTM

Operating cash flow reached R$ 5.4 billion in the last 12 months, an increase of R$ 2.6 billion from 2Q22. The result mainly reflects improvements in the Company's working capital management and the operational performance consistency within a context of strong expansion.

IFRS-16 IMPACTS

With the adoption of IFRS 16 in January 2019, some income statement accounts are affected. The table below presents the main effects:

(R$ million)	2Q23 Pre-IFRS 16	2Q23 Post-IFRS 16	2Q23 Δ	2Q22 Pre-IFRS 16	2Q22 Post-IFRS 16	2Q22 Δ
Selling, General and Administrative Expenses	(1,795)	(1,480)	315	(1,423)	(1,199)	224
Adjusted EBITDA	814	1,113	299	736	978	242
Adjusted EBITDA Margin	**5.1%**	**7.0%**	**-1.9 p.p.**	**5.5%**	**7.4%**	**-1.9 p.p.**
Depreciation and Amortization	(231)	(341)	(110)	(143)	(213)	(70)
Net Financial Result	(422)	(628)	(206)	(221)	(328)	(107)
Income Tax and Social Contribution	38	47	9	(39)	(62)	(23)
Net Income	174	156	(18)	291	319	28
Net Margin	**1.1%**	**1.0%**	**0.1 p.p.**	**2.2%**	**2.4%**	**-0.2 p.p.**

(R$ million)	1H23 Pre-IFRS 16	1H23 Post-IFRS 16	1H23 Δ	1H22 Pre-IFRS 16	1H22 Post-IFRS 16	1H22 Δ
Selling, General and Administrative Expenses	(3,555)	(2,992)	563	(2,668)	(2,296)	372
Adjusted EBITDA	1,466	2,064	598	1,327	1,730	403
Adjusted EBITDA Margin	**4.7%**	**6.6%**	**-1.9 p.p.**	**5.4%**	**7.0%**	**-1.6 p.p.**
Depreciation and Amortization	(442)	(654)	(212)	(279)	(417)	(138)
Net Financial Result	(849)	(1,258)	(409)	(424)	(630)	(206)
Income Tax and Social Contribution	117	130	13	(59)	(71)	(12)
Net Income	252	228	(24)	509	533	24
Net Margin	**0.8%**	**0.7%**	**0.1 p.p.**	**2.1%**	**2.2%**	**-0.1 p.p.**

CONSTANT ESG ADVANCES

Assaí, as an inherent part of its business model, implements initiatives to foster a more responsible and inclusive society based on five strategic pillars:

1. **Combating Climate Change:** innovating and enhancing environmental management;
2. **Integrated Management and Transparency:** improving ESG practices through ethical and transparent relationships;
3. **Transforming the Value Chain:** co-building value chains committed to the environment and people;
4. **Engaging with Society:** acting as an agent of change to promote fair and inclusive opportunities; and
5. **Valuing Our People:** being a reference in fostering diversity, inclusion and sustainability through our employees.

The main highlights in 2Q23 include:

- **More than 20,000 submissions to the Assaí Academia Award 2023.** The initiative aims to recognize and financially support the businesses of small entrepreneurs in the food segment;
- **+75% in volume collected and donated through the campaign "Winter Clothes We Share":** over 42 tons of clothing, coats and blankets will be delivered to 20 partner institutions in Brazil;
- **Reduction of 5.5% in scope 1[(1)] and 2[(2)] emissions** from the same period of 2022, in line with the Company's strategy of combating climate change and its target to reduce emissions by 38% by 2030 (base year 2015);
- **Through recycling, composting and reduction of product waste, Assaí reused 44% of the waste, reducing disposal in landfills.** Highlighting the Right Destination program, with donations of 174 tons of fresh produce;
- Commitment to create a diverse company with equal opportunities for everyone:
    - **Increased participation of women on the Board of Directors** with the election of 2 members;
    - **24.6% of Women in leadership positions (managers and above);**
    - **42.8% of leadership positions are occupied by black people.**

[(1)] Direct emissions from the company.
[(2)] Emissions from electricity consumption.

AWARDS AND RECOGNITIONS

For the second straight year, Assaí was certified as an excellent place to work in Brazil, according to GPTW (Great Place to Work). With an increase of 10 p.p. in the score from last year, our employees indicated how satisfied they are with our practices of management, care, respect, development incentives and valuing contributions.

In addition, during the quarter, according to the Best Companies in Diversity Practices and Actions Award, the Company placed first in the "Value Chain Engagement" category and second in the "Promotion of Blacks" category. The award aims to recognize practices to combat racism and foster diversity in companies nationwide.

Assaí also won first place in the "Retail – Supermarkets, Proximity, Cash and Carry" category of the 24th edition of the Modern Consumer of Excellence in Customer Service Award and second place in the 23rd edition of the Broadcast Companies Award, which highlights the ten publicly-held companies with the best results for shareholders.

ABOUT SENDAS DISTRIBUIDORA S.A.

Assaí is a Cash & Carry wholesaler serving small and midsized merchants as well as consumers in general on unit items as well as large volumes. With gross sales of around R$ 60 billion in 2022, Assaí is Brazil's second largest retailer and one of the country's 10 best companies to work for in the segment ("Super Large" category, based on GPTW 2022). Serving all five regions of the country, Assaí has over 270 stores in 23 states (plus the Federal District) and more than 70,000 employees.

Since 2021, Assaí shares have been traded both on the São Paulo Stock Exchange (B3), under the ticker ASAI3, and on the New York Stock Exchange (NYSE), making it the only company in the industry to be listed on both. In 2022, the Company was considered Top of Mind in the "Wholesale" category in a survey carried out by the Datafolha Institute; and elected the best company in the "Retail Trade" branch by the Valor 1000 Award. In 2023, Assaí was considered the most valuable food retail brand by annual rankings promoted by Interbrand (20th overall) and by Brand Finance (13th overall).

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OPERATIONAL INFORMATION

I – Number of stores and sales area

# of Stores	2Q19	2Q20	2Q21	2Q22	3Q22	4Q22	1Q23	2Q23
Southeast	89	93	102	115	122	138	141	145
Northeast	35	44	49	61	65	74	74	74
MidWest	14	17	20	21	22	25	25	25
North	6	10	11	16	17	17	17	17
South	4	5	5	7	7	9	9	9
Total	**148**	**169**	**187**	**220**	**233**	**263**	**266**	**270**
Sales Area (thousand sqm meters)	**617**	**724**	**824**	**1,007**	**1,091**	**1,307**	**1,326**	**1,350**

In the last 12 months, 5 stores were closed, 1 of which in 3Q22, 3 in 4Q22 and 1 in 2Q23. The number of stores operating at the end of 4Q22 includes 5 existing stores whose sales area was expanded under the conversion project.

FINANCIAL INFORMATION

II - Income Statement

(R$ million)	2Q23	2Q22	Δ%	1H23	1H22	Δ%
Gross Revenue	**17,553**	**14,530**	**20.8%**	**34,120**	**27,051**	**26.1%**
Net Revenue	**15,984**	**13,291**	**20.3%**	**31,080**	**24,734**	**25.7%**
Cost of Goods Sold	**(13,403)**	**(11,124)**	**20.5%**	**(26,048)**	**(20,726)**	**25.7%**
Depreciation (Logistic)	(17)	(22)	-22.7%	(40)	(37)	8.1%
Gross Profit	**2,564**	**2,145**	**19.5%**	**4,992**	**3,971**	**25.7%**
Selling Expenses	(1,303)	(1,006)	29.5%	(2,609)	(1,935)	34.8%
General and Administrative Expenses	(177)	(193)	-8.3%	(383)	(361)	6.1%
Selling, General and Adm. Expenses	**(1,480)**	**(1,199)**	**23.4%**	**(2,992)**	**(2,296)**	**30.3%**
Equity income	12	10	20.0%	24	18	33.3%
Other Operating Expenses, net	(18)	(34)	-47.1%	(14)	(42)	n.d.
Depreciation and Amortization	(341)	(213)	60.1%	(654)	(417)	56.8%
Earnings Before Interest and Taxes - EBIT	**737**	**709**	**3.9%**	**1,356**	**1,234**	**9.9%**
Financial Revenue	59	77	-23.4%	129	147	-12.2%
Financial Expenses	(687)	(405)	69.6%	(1,387)	(777)	78.5%
Net Financial Result	**(628)**	**(328)**	**91.5%**	**(1,258)**	**(630)**	**99.7%**
Income Before Income Tax	**109**	**381**	**-71.4%**	**98**	**604**	**-83.8%**
Income Tax and Social Contribution	47	(62)	-175.8%	130	(71)	-283.1%
Net Income	**156**	**319**	**-51.1%**	**228**	**533**	**-57.2%**
EBITDA - (Earnings before Interest, Taxes, Depreciation, Amortization)	**1,095**	**944**	**16.0%**	**2,050**	**1,688**	**21.4%**
Adjusted EBITDA [1]	**1,113**	**978**	**13.8%**	**2,064**	**1,730**	**19.3%**

(R$ million)	2Q23	2Q22	Δ p.p.	1H23	1H22	Δ p.p.
Gross Profit	**16.0%**	**16.1%**	**-0.1 p.p.**	**16.1%**	**16.1%**	**0.0 p.p.**
Selling Expenses	-8.2%	-7.6%	-0.6 p.p.	-8.4%	-7.8%	-0.6 p.p.
General and Administrative Expenses	-1.1%	-1.5%	0.3 p.p.	-1.2%	-1.5%	0.2 p.p.
Selling, General and Adm. Expenses	**-9.3%**	**-9.0%**	**-0.2 p.p.**	**-9.6%**	**-9.3%**	**-0.3 p.p.**
Equity Income	0.1%	0.1%	0.0 p.p.	0.1%	0.1%	0.0 p.p.
Other Operating Expenses, net	-0.1%	-0.3%	0.1 p.p.	0.0%	-0.2%	0.1 p.p.
Depreciation and Amortization	-2.1%	-1.6%	-0.5 p.p.	-2.1%	-1.7%	-0.4 p.p.
EBIT	**4.6%**	**5.3%**	**-0.7 p.p.**	**4.4%**	**5.0%**	**-0.6 p.p.**
Net Financial Result	**-3.9%**	**-2.5%**	**-1.5 p.p.**	**-4.0%**	**-2.5%**	**-1.5 p.p.**
Income Before Income Tax	**0.7%**	**2.9%**	**-2.2 p.p.**	**0.3%**	**2.4%**	**-2.1 p.p.**
Income Tax	0.3%	-0.5%	0.8 p.p.	0.4%	-0.3%	0.7 p.p.
Net Income	**1.0%**	**2.4%**	**-1.4 p.p.**	**0.7%**	**2.2%**	**-1.4 p.p.**
Earnings before Interest, Taxes, Depreciation, Amortization - EBITDA	**6.9%**	**7.1%**	**-0.3 p.p.**	**6.6%**	**6.8%**	**-0.2 p.p.**
Adjusted EBITDA [1]	**7.0%**	**7.4%**	**-0.4 p.p.**	**6.6%**	**7.0%**	**-0.4 p.p.**

[1] *Adjusted for Other Operating Revenue (Expenses)*

III - Balance Sheet

ASSETS

(R$ million)	30.06.2023	31.12.2022
Current Assets	**13,058**	**14,179**
Cash and cash equivalent	4,596	5,842
Trade receivables	703	570
Inventories	6,374	6,467
Recoverable taxes	892	1,055
Derivative financial instruments	45	27
Assets held for sale	95	95
Other accounts receivable	184	52
Other current assets	169	71
Non-current assets	**27,044**	**26,439**
Deferred income tax and social contribution	136	6
Recoverable taxes	819	927
Derivative financial instruments	239	155
Related parties	19	252
Restricted deposits for legal proceedings	48	56
Other accounts receivable	97	-
Other non-current assets	12	9
Investments	837	833
Property, plan and equipment	19,805	19,183
Intangible assets	5,032	5,018
TOTAL ASSETS	**40,102**	**40,618**

LIABILITIES

(R$ million)	30.06.2023	31.12.2022
Current Liabilities	**15,748**	**16,416**
Trade payables, net	9,218	8,538
Trade payables - Agreements	1,549	2,039
Trade payables - Agreements - Acquisition of Extra stores	1,997	2,422
Borrowings and financing	828	829
Debentures and promissory notes	415	431
Payroll and related taxes	542	584
Lease liabilities	397	435
Related parties	-	201
Taxes payable	233	265
Deferred revenues	214	328
Dividends and Interest on own Capital	-	111
Other accounts payable	162	-
Other current liabilities	193	233
Non-current liabilities	**20,223**	**20,306**
Trade payables - Agreements - Acquisition of Extra stores	-	780
Borrowings and financing	1,034	737
Debentures and promissory notes	10,943	10,594
Provision for legal proceedings	228	165
Related parties	-	60
Lease liabilities	7,923	7,925
Deferred revenues	27	31
Other accounts payable	54	-
Other non-current liabilities	14	14
Shareholders' Equity	**4,131**	**3,896**
Capital stock	1,265	1,263
Capital reserve	45	36
Profit reserve	2,827	2,599
Other comprehensive results	(6)	(2)
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	**40,102**	**40,618**

IV – Cash Flow

(R$ million)	30.06.2023	30.06.2022
Net income for the period	**228**	**533**
Deferred income tax and social contribution	(128)	26
Loss on disposal of property, plant and equipment and lease	7	19
Depreciation and amortization	694	454
Interests and monetary variation	1,389	739
Share of profit and loss of associate	(24)	(18)
Provision of legal proceedings	90	27
Provision of stock option	9	9
Provision for inventory losses and damages	242	180
Provision of allowance for doubtful accounts	3	4
	2,510	**1,973**
Variation of operating assets		
Trade receivables	(139)	(76)
Inventories	(149)	(1,411)
Recoverable taxes	271	(248)
Dividends received	20	-
Other assets	(108)	(27)
Related parties	(1)	60
Restricted deposits for legal proceedings	8	(5)
	(98)	**(1,707)**
Variation of operating liabilities		
Trade payables	526	1,001
Payroll and related taxes	(42)	42
Taxes and social contributions payable	(26)	49
Other accounts payable	(84)	(27)
Payment for legal proceedings	(34)	(24)
Deferred revenues	(118)	(81)
	222	**960**
Net cash generated by operating activities	**2,634**	**1,226**
Cash flow from investment activities		
Purchase of property, plant and equipment	(1,362)	(2,013)
Purchase of intangible assets	(29)	(605)
Acquisition of assets held for sale	-	(250)
Proceeds from the sales of property, plant and equipment	16	-
Proceeds from sale of assets held for sale	9	108
Net cash used in investment activities	**(1,366)**	**(2,760)**
Cash flow from financing activities		
Capital contribution	2	3
Funding of borrowings and financing	300	3,000
Cost of funding of borrowings and financing	(51)	(25)
Payments of borrowings and financing	(104)	(49)
Payments of interest on borrowings and financing	(502)	(308)
Dividend and Interest on own Capital Paid	(118)	(168)
Payments of lease liabilities	(169)	(53)
Payment of interest on lease liability	(476)	(308)
Payment of Acquisition of Extra Stores	(1,396)	-
Net cash (used in) generated by financing activities	**(2,514)**	**2,092**
Cash and cash equivalents at the beginning of the period	5,842	2,550
Cash and cash equivalents at the end of the period	4,596	3,108
Net (decrease) increase in cash and cash equivalents	**(1,246)**	**558**