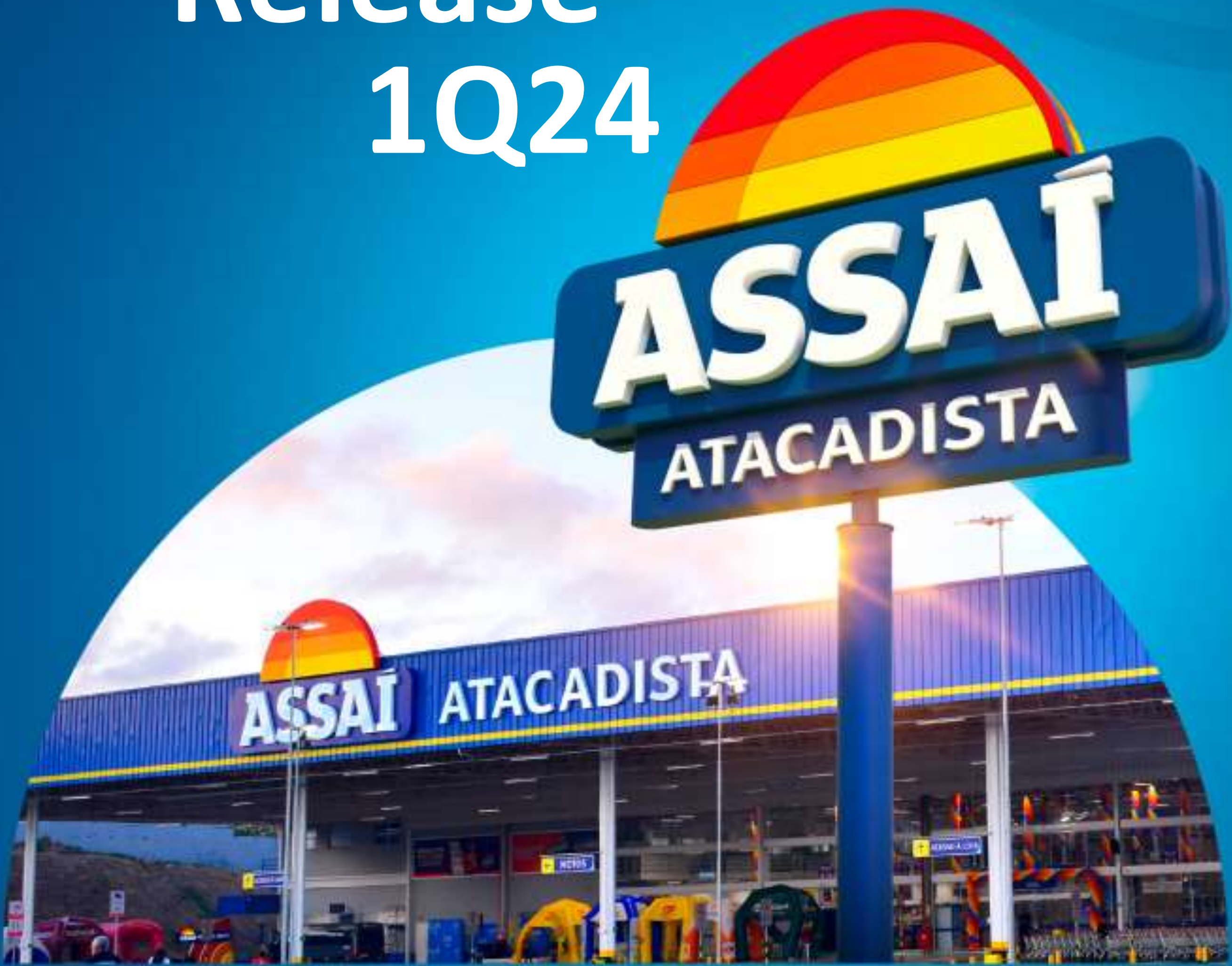
Earnings Release 1Q24



EARNINGS CONFERENCE CALL

Thursday, April 25, 2024

11:00 a.m. (Brasilia) | 10:00 a.m. (NY) | 3:00 p.m. (London)

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

Information and links to access the call are available on our website and our quarterly earnings materials.

ASAI3 B3 **IBOVESPA** B3 **IBRA** B3 **IBRX100** B3 **ISE** B3 **ICO2** B3

ICON B3 **IGC** B3 **IGCT** B3 **ITAG** B3 **MLCX** B3 **ASAI** NYSE

São Paulo, April 24, 2024. *Assaí Atacadista announces its results for the 1st quarter of 2024. All comments on EBITDA exclude other operating expenses and income in the periods The interim financial information were prepared in accordance with international financial reporting standards issued by the International Accounting Standards Board (IASB), accounting practices adopted in Brazil, CVM regulations and the technical pronouncements of the Accounting Pronouncements Committee (CPC).* ***To better represent the financial situation of the business, numbers in this report are shown in the Pre-IFRS 16 view, which excludes the effects of IFRS 16/CPC 06 (R2). Reconciliation with IFRS 16 is available in a specific chapter in this document.***

1Q24 (vs. 1Q23)

REVENUE OF R$18.8 BILLION, WITH INCREASE IN TICKETS AND ACCELERATED 'SAME-STORE' SALES (+5.2%)
EBITDA MARGIN ADVANCES +90 BPS DRIVEN BY THE MATURATION OF EXPANSION AND EXPENSES CONTROL
LEVERAGE DECLINES TO 3.75x (vs. 4.69x IN 1Q23 and 3.80x IN 4Q23), RESULT OF CASH GENERATION

EXPANSION

Inauguration of 4 new stores, totaling 292 stores in operation

- **28 new stores opened in the last 12 months**
- **155 thousand sqm added to the sales area** (+11.5% vs. 1Q23), totaling approximately 1.5 million sqm

SALES

Sales of R$18.8 billion (+14%), with maturation of expansion and performance of stores with more than 12 months

- **Same-store sales growth: +5.2% (+3.4% ex. calendar effect), in sequential growth vs. 4Q23 (+2.9%, ex. calendar effect)**
- **Tickets: 76 million** (+13%)
- **Market share "same store" base: +0.3 p.p.**

EBITDA

R$ 897M in Pre-IFRS16 view, **an increase of +38%, with significant margin expansion**

- **Operational leverage resulting from maturation of conversions and continuous control of expenses**
- **EBITDA Margin Pre-IFRS16 of 5.2%** (+0.9 p.p.), **returning to the level prior to the conversions project**
- **Post IFRS-16: R$ 1.2 billion, with a margin of 7.1%** (+0.8 p.p.)

NET INCOME

Earnings before taxes (Pre-IFRS16) **increases R$ 122 million vs. 1Q23**
Net income (Pre-IFRS16) **of R$ 93 million, up +19% despite the higher financial result and higher tax burden**

- Net income Post-IFRS 16 of R$60 million

CASH FLOW

Operational cash flow reaches ~R$ 5.0 billion in the last 12 months, increasing R$ 1.7 billion

- **Working capital improvement with efficient inventory management and maintenance of the average payment period for suppliers**

LEVERAGE

Decrease in leverage (1) to 3.75x in 1Q24, vs. 1Q23 (4.69x) **and vs. 4Q23** (3.80x)

- **Reduction of 0.94x vs. 1Q23**
- **Reduction of 0.05x vs. 4Q23, even with seasonality in the period**

Update in leverage projection: < 3.2x for the end of 2024 (vs < 3.5x)

(1) Net Debt + Receivables discounted + Balance payable from acquisitions of hypermarkets / Pre-IFR516 Adjusted EBITDA

FINANCIAL HIGHLIGHTS

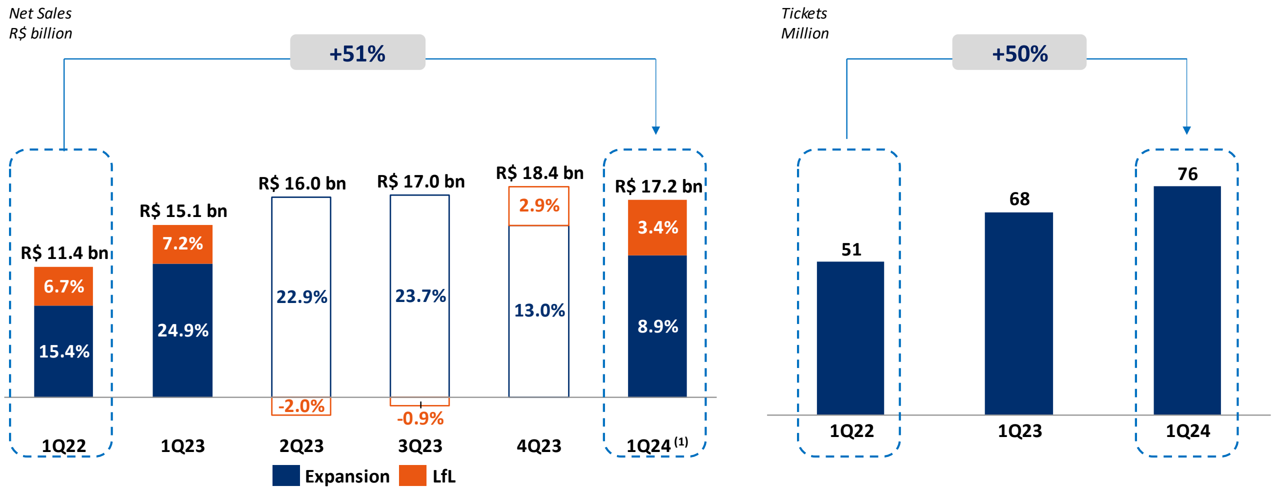
Pre-IFRS16 (R$ million)	1Q24	1Q23	Δ
Gross Revenue	18,826	16,567	13.6%
Net Revenue	17,222	15,096	14.1%
Gross Profit (1)	2,795	2,392	16.8%
Gross Margin (1)	**16.2%**	**15.8%**	**0.4 p.p.**
Selling, General and Administrative Expenses	(1,923)	(1,760)	9.3%
% of Net Revenue	**-11.2%**	**-11.7%**	**0.5 p.p.**
Adjusted EBITDA (2)(3)	897	652	37.6%
Adjusted EBITDA Margin (2)(3)	**5.2%**	**4.3%**	**0.9 p.p.**
Net Financial Result	(510)	(428)	19.2%
% of Net Revenue	**-3.0%**	**-2.8%**	**-0.2 p.p.**
Net Income for the Period	93	78	19.2%
Net Margin	**0.5%**	**0.5%**	**0.0 p.p.**
Post-IFRS16			
Adjusted EBITDA (2) (3)	1,217	951	28.0%
Adjusted EBITDA Margin (2) (3)	**7.1%**	**6.3%**	**0.8 p.p.**
Net Income for the Period	60	72	-16.7%
Net Margin	**0.3%**	**0.5%**	**-0.2 p.p.**

(1) Includes logistical depreciation (highlighted in the Statement of Operations on page 14);
(2) Operating profit before interest, taxes, depreciation and amortization;
(3) Adjusted by the Result of Other Operating Expenses and Revenues.

After inaugurating 115 stores in the last three years, which enabled Assaí to be present in central regions and close to consumers, the Company is entering a new era. In 1Q24, we registered growth tickets and accelerated 'same store' sales compared to 4Q23, resulting in revenues of R$ 18.8 billion. We reported an important EBITDA margin expansion of 0.9 p.p. compared to 1Q23, returning to the level prior to the conversion project, given the maturation of the new stores. Also, leverage declined in relation to both 1Q23 and 4Q23, despite the seasonality between quarters. 1Q24 also registered operating cash generation of around R$ 5.0 billion. These results once again underscore not only the unique quality of our units but also the strong achievement capacity of the entire Assaí team. I thank everyone who is with us in this challenge!

Belmiro Gomes, CEO of Assaí

SALES GROWTH DRIVEN BY INCREASE IN CUSTOMER TRAFFIC AND ACCELERATION OF 'SAME STORE' SALES



(1) LfL excludes calendar effect of +1.7%

Net sales in the quarter totaled R$ 17.2 billion, representing growth of R$ 2.1 billion and 14.1% from 1Q23, mainly reflecting:

(i) the performance of the 28 new stores opened in the last 12 months (+8.9%), of which 14 conversions;
(ii) 'same store' sales of 5.2% (3.4% excluding the calendar effect consisting of an extra day in February and the Easter shift to 1Q24), driven by the contribution of conversions[1] and the performance of stores in operation for more than 12 months;
(iii) the efficient commercial strategy, which led to the growth in 'same store' volumes (+0.4%);
(iv) the highly attractive business model and continuation of the strategy to improve the shopping experience, which resulted in 76 million tickets in the quarter (+13% vs. 1Q23).

As a result of these factors, market share[2] remained stable in terms of total sales and grew +0.3 p.p. in terms of 'same store' sales, notably in the Southeast and Midwest regions.

[1] The contribution of converted stores to same-store sales occurs from the 13th month on since the opening date. Therefore, 47 conversions integrate the 'same store' base in 1Q24.
[2] Source: Nielsen

HIGHER PRESENCE IN DENSELY POPULATED AREAS WITH THE INAUGURATION OF FOUR ORGANIC STORES IN 1Q24

We ended the quarter with 292 stores in operation after inaugurating 4 organic stores in the North, Midwest and Southeast regions. We wish to highlight that expansion in 2024 will consist of stores located in more densely populated regions.

In the last 12 months, 28 stores were opened, of which 14 are conversions and 14 are organic stores, representing an expansion of 11.5% in the sales area compared to 1Q23. Moreover, in April, we inaugurated the second store in the state of Espírito Santo, opening the first store in the capital city Vitória.

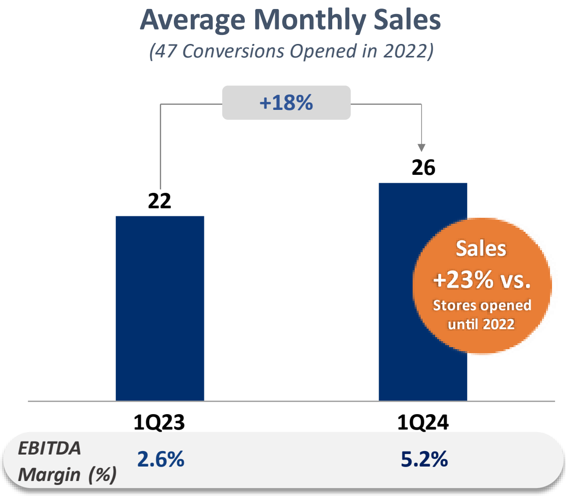
PERFORMANCE OF CONVERSIONS DRIVEN BY STORES MATURATION

The hypermarket conversion project has already converted 64 stores (47 in 2022 and 17 in 2023), which added more than 400 thousand sqm of sales area to the store network.

Stores converted during 2022, which are in a more advanced stage of maturation, registered monthly average gross sales per store of approximately R$ 26 million, up 18% year on year, while their sales were 23% higher than those of stores opened until 2022.

EBITDA margin increased 2.6 p.p. vs. 1Q23 to reach 5.2%, a level that is already in line with the Company's consolidated results.

This performance is mainly due to the privileged location of the converted units and the continuous improvement in the shopping experience.



COMMERCIAL GALLERIES ENHANCE PERFORMANCE OF CONVERSIONS

Assaí continues to set up commercial galleries, which help drive customer traffic in stores and dilute operating costs. At the end of 1Q24, commercial galleries totaled 239 thousand sqm of gross leasable area, an increase of around 20 thousand sqm from 1Q23, with an occupancy rate of about 70%. Revenue reached R$ 26 million in the quarter, up 24% from 1Q23 and stable in relation to 4Q23, despite the seasonality effects in the period.

PHYGITAL STRATEGY IN PROGRESS

Meu Assaí, the 5th most downloaded app in 2023 in the e-commerce category, registered an increase of over 1 million customers in the last 3 months to surpass the mark of 13 million customers registered in the 1st year of operation, helping to gain deeper insights into the consumption habits of customers and increase customer traffic at stores.

The Company continues to move ahead with the Phygital strategy, offering convenience and a better shopping experience to its customers. Sales through last mile operators continue to grow.

PROFITABILITY GROWTH DRIVEN BY STORES MATURATION AND EXPENSES CONTROL

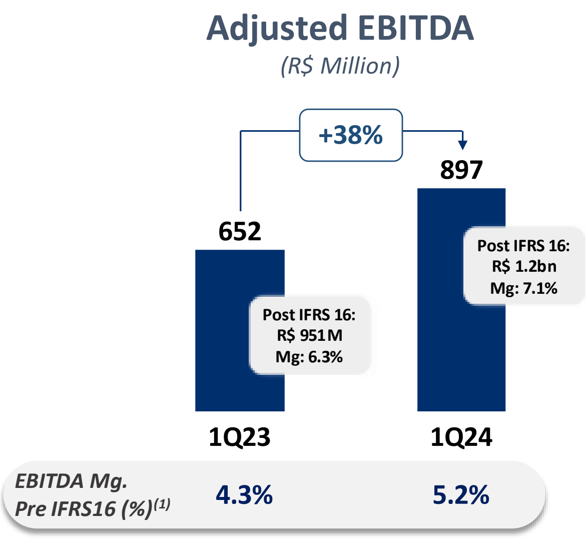
Gross profit in the quarter totaled R$ 2.8 billion, representing growth of 17% from 1Q23, with margin of 16.2% (+0.4 p.p. vs. 1Q23). The increase is mainly driven by:

(i) the performance of conversions, which continue in the maturation phase;
(ii) the effective commercial strategy, marked by the fast adjustment of assortments and services at stores to meet evolving consumer demands;
(iii) the continuous improvement in the shopping experience and the attractiveness of the business model.

Selling, general and administrative expenses corresponded to 11.2% of net sales (vs. 11.7% in 1Q23). The decrease was driven chiefly by the maturation of new stores, including conversions, which resulted in the dilution of expenses and greater operational efficiency. Moreover, the level of general and administrative expenses in 1Q24 do not include expenses related to the former controlling shareholder, which impacted the 1Q23 figures.

Equity income from the interest of approximately 18% in FIC came to R$ 16 million in 1Q24 (+33% vs. 1Q23). The number of Passaí cards issued reached 2.8 million (+18% vs. 1Q23), now accounting for 4.4% of sales.

EBITDA in the quarter totaled R$ 897 million, an increase of R$ 245 million from 1Q23, with EBITDA margin increasing +0.9 p.p. to 5.2%, returning to the level prior to the conversion project. This performance reflects the resilience of Assaí's business model and once again underscores the quality of the Company's expansion and the profitability potential of its conversions.



(1) % Net Sales

FINANCIAL RESULT

(R$ million)	1Q24	1Q23	Δ
Cash and Cash Equivalent Interest	16	43	-62.8%
Cost of debt	(509)	(377)	35.0%
Cost and Discount of Receivables	(45)	(26)	73.1%
Other Financial Revenues/Expenses and Net Monetary Correction	28	(68)	-141.2%
Net Financial Result	**(510)**	**(428)**	**19.2%**
% of Net Revenue	*-3.0%*	*-2.8%*	*-0.2 p.p.*

The net financial result totaled R$ 510 million in 1Q24, equivalent to 3.0% of net sales. The variation compared to 1Q23 was mainly impacted by the following events:

(i) Conclusion of the payment for the acquisition of hypermarkets in January 2024 (R$ 2.7 billion as of March 31, 2023, vs. R$ 0 as of March 31, 2024), resulting in the cessation of acquisition-related interest, as well as an increase in the average gross debt volume from R$ 2.5 billion in the period (R$ 12.7 billion as of March 31, 2023, to R$ 15.7 billion as of March 31, 2024), with no impact on net debt;

(ii) CDI reduction in the quarter by 0.6p.p., decreasing from 3.25% in 1Q23 to 2.62% in 1Q24; and

(iii) Non-cash effects such as mark-to-market and lower capitalized interest levels (as detailed below).

When considering the composition of the financial result, as described in the table above, the Company highlights that:

(i) the increase in cost of debt line is mainly explained by
   a. Mark-to-market arising from IPCA-indexed debts with CDI swaps (4 series of CRIs[3]), with a negative non-cash impact of R$ 58 million in 1Q24 (compared to a positive impact of R$ 19 million in 1Q23). The effect of the CDI swap operations will be neutralized over the debts term; and
   b. lower level of capitalized interest (non-cash effect) due to the final phase of the conversion project (R$ 10.4 million in 1Q24 vs. R$ 60.2 million in 1Q23); and

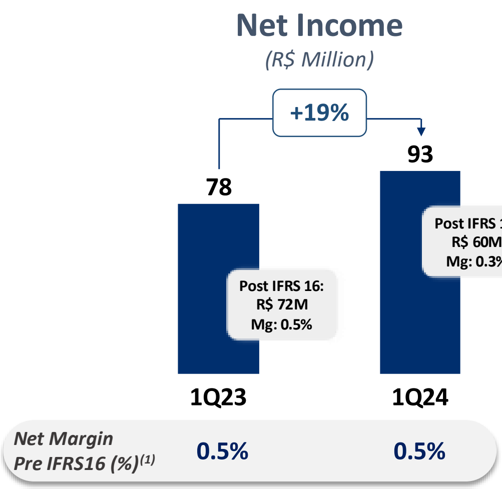
(ii) The positive impact on the Other Financial Revenues/Expenses and Net Monetary Correction line refers to the end of interest related to the hypermarket acquisition (expense of R$ 1.7 million in 1Q24 vs. expense of R$ 106.9 million in 1Q23).

EARNINGS BEFORE INCOME TAX INCREASES DRIVEN BY OPERATIONAL LEVERAGE

Earnings before income tax (pre-IFRS16) increased R$ 122 million compared to 1Q23, going from -R$1 million to R$121 million in 1Q24. In the Post-IFRS16 view, the increase was R$ 65M.

Net income in the pre-IFRS16 view totaled R$ 93 million in 1Q24, up 19.2% from 1Q23, with net margin of 0.5%. The result is mainly explained by the greater operational leverage, which was driven by the maturation of new stores and dilution of expenses even facing a higher financial result and an increase in tax burden.

Net income in the post-IFRS16 view totaled R$ 60 million in the quarter, with net margin of 0.3%.



(1) % Net Sales

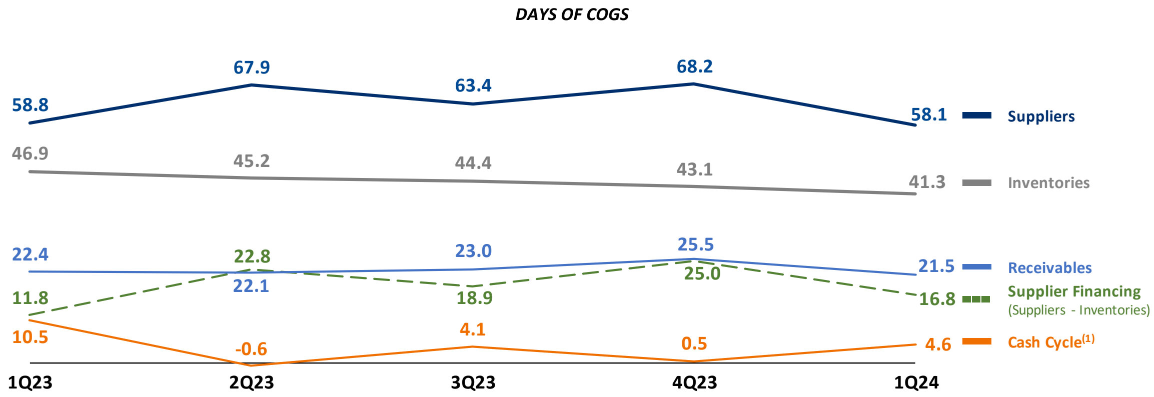
[3] CRI: Certificate of Real Estate Receivables

INVESTMENTS IN LINE WITH CURRENT PACE OF EXPANSION

(R$ million)	1Q24	1Q23	Δ
New stores and land acquisition	179	395	(216)
Store renovation and maintenance	41	29	12
Infrastructure and others	11	26	(15)
Gross Total Investiments	**231**	**450**	**-219**

Investments, which consider addition to property, plant and equipment, totaled R$ 231 million in 1Q24. The amount refers to the ongoing Company's expansion process, with the opening of four stores in 1Q24, one in April and five stores under construction.

WORKING CAPITAL IMPROVES WITH EFFICIENT INVENTORY MANAGEMENT



(1) Cash cycle = Suppliers (-) Inventories (-) Receivables (Including discounted receivables)

The cash cycle, including discounted receivables, ended 1Q24 at 4.6 days, an improvement of 5.9 days compared to the same period last prior year (10.5 days). It reflects the efficient inventory management, with a reduction of 5.6 days in the period after an intensive process of openings at the end of 2022 (37 stores opened in 4Q22) and maintenance of the average payment period for suppliers.

OPERATING CASH FLOW OF R$ 4.9 BILLION

(R$ million - LTM)	1Q24	1Q23	vs. 1Q23
EBITDA [1]	**3,684**	**2,925**	760
Change in WK	1,197	221	976
Operational Cash Generation	**4,881**	**3,146**	**1,735**
Capex	(3,046)	(3,217)	171
Acquisition of Hypermarkets	(2,711)	(70)	(2,641)
Free Cash Generation	**(876)**	**(141)**	**(735)**
Dividends	46	(194)	240
Cost of Debt	(1,828)	(1,658)	(171)
Total Cash Generation	**(2,658)**	**(1,993)**	**(665)**

[1] Adjusted EBITDA Pre IFRS16 (excluding equity income)

Operational cash generation increased R$ 1.7 billion from 1Q23, totaling R$ 4,9 billion in 1Q24, mainly driven by the progressive maturation of new stores and efficient working capital management.

Cost of debt reached R$ 1.8 billion, directly affected by high interest rates.

Operational cash generation fully offset investments in expansion (R$ 3.0 billion) and the cost of debt (R$ 1.8 billion). The Company highlights that payments related to the acquisition of hypermarket commercial points were concluded in January 2024, when the final installment of R$ 894 million was paid (R$ 2.7 billion in the last 12 months).

Moreover, total cash generation in the period included dividends of R$ 94 million from Assaí's interest in FIC, a joint venture with Banco Itaú. Total net amount, considering dividends paid during the period, amounted to R$ 46 million.

REDUCTION IN LEVERAGE THANKS TO OPERATIONAL CASH GENERATION

Leverage ratio (net debt/adjusted EBITDA pre-IFRS16) was 3.75x in 1Q24. The result represents a decline of 0.94x from the same period last year and 0.05x from 4Q23, despite the seasonality of the period, thanks to operational cash generation resulting from the maturation of new stores and efficient working capital management.

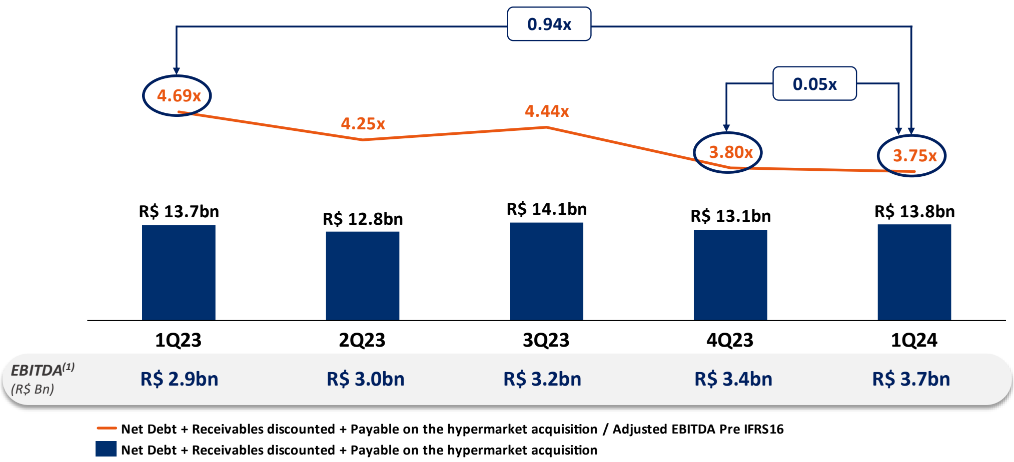
(R$ million)	31.03.2024	31.03.2023
Current Debt	(5,397)	(1,305)
Non-Current Debt	(10,318)	(11,349)
Total Gross Debt	**(15,715)**	**(12,654)**
Cash and Cash Equivalent	4,538	4,134
Net Debt	**(11,177)**	**(8,520)**
Balance of Receivables discounted	(2,633)	(2,447)
Payable on the hypermarkets acquisition [2]	-	(2,739)
Net Debt + Receivable discounted + Payable on the hypermarkets acquisition	**(13,810)**	**(13,705)**
Adjusted EBITDA Pre IFRS 16 [1]	3,684	2,925
Net Debt + Receivable discounted + Payable on the hypermarkets acquisition /Adjusted EBITDA Pre IFRS16 [1]	**-3.75x**	**-4.69x**

[1] Adjusted EBITDA Pre IFRS 16 accumulated the last 12 months (excluding equity income)

[2] End of payments for the acquisition of hypermarkets in 1Q24

0.94x

At the end of the period, the balance of discounted receivables was R$ 2.6 billion, with an average term of 17 days. Note that prepayment of receivables is an operation typical to the retail sector and the Brazilian market.



(1) Adjusted EBITDA Pre IFRS 16 accumulated the last 12 months (excluding equity income)

According to the methodology used in the financial agreements, which stipulate a leverage limit of 3.00x in relation to EBITDA, leverage in 1Q24 was 2.12x, which is lower than the contractual covenants and is equivalent to a difference of R$ 4.3 billion in relation to the contractual limit.

FORFAIT OPERATIONS

Operations involving the sale of receivables to a financial institution and prepayment of receivables are common practices in the retail sector and in the Brazilian market.

In such an operation the Company provides its suppliers the option to be paid in advance through agreements with financial institutions. These agreements aim to provide suppliers with earlier liquidity than they would get if they were paid directly by the Company. The decision of suppliers to enter into such arrangements, referred to as “forfait” or “*risco sacado*" in Portuguese, is at the sole discretion of the supplier. If a supplier enters into such an arrangement the financial institution becomes the creditor, and the Company pays the financial institution (instead of the supplier) under the original terms agreed with the supplier. The Company receives a commission from the financial institution for this intermediation, which is recorded as financial revenue, which totaled R$ 15 million in the 1Q24. The Supplier accepts to be paid at a discount to the invoiced amount by the financial institution. There is no obligation resulting in additional expenses for the Company, and the liability to the Financial Institution is not considered net debt.

In assessing this matter, the Company's management considered the guidance of CVM SNC/SEP Official Letter No. 01/2022. The Company assessed qualitative aspects of its forfait operations, and concluded that its forfait operations maintain the economic substance of the transaction and do not involve any changes to the originally agreed conditions with suppliers. The balance payable of these operations was R$ 819 million as of March 31, 2024 (R$ 531 million related to products and R$ 288 million related to property, plant and equipment) vs. R$ 1.5 billion as of December 31, 2023 (R$ 1.1 billion related to products and R$ 389 million related to property, plant and equipment) and R$ 1.7 billion as of March 31, 2023 (R$ 567 million related to products and R$ 1.1 billion related to property, plant and equipment).

CONSTANT ADVANCES IN ESG

The Company's new Sustainability Strategy aims to **boost prosperity for all** through **responsible and transparent operations with less environmental impact**, based on three strategic pillars.

- **Efficient operations:** innovations to reduce impact on the climate and ensure more responsible supply chains.
- **People and community development:** promoting prosperity for all, with growth opportunities for employees, entrepreneurs and communities.
- **Ethical and transparent management:** ethical and transparent relationships guided by ESG good practices.

The highlights of 1Q24 were:

EFFICIENT OPERATIONS

- **Reduction of 9.5% in scope 1**[(1)] vs. 1Q23 in line with the Company's strategy of combating climate change and its target to reduce emissions by 38% by 2030 (base year 2015).
- **Reuse of 43% of waste in 1Q24** through recycling, composting and reduction of food waste (+2% vs. 1Q23), notably through the Destino Certo program, which prevented more than 372 tons of fruits and vegetables from being sent to landfills.
- 3rd Log Assaí Awards held, with the launch of the Sustainability category, which assessed the criteria for reducing Greenhouse Gas (GHG) emissions in the logistics operations of the Company's suppliers.

PEOPLE AND COMMUNITY DEVELOPMENT

- With the progress of expansion, Assaí increased its headcount and continued its efforts to promote an increasingly diverse and inclusive working environment:
    - 43.8% of Black people in leadership positions (managers and above), an increase of +0.6% vs. 1Q23;
    - 5.4% of employees with disabilities; stable vs. 1Q23;
    - 25.2% of women in leadership positions (stable vs. 1Q23);
    - 6th Women's Week organized, which addressed issues such as Career, Combating violence against women, Sisterhood, and Women empowerment, in which approximately 400 employees participated;
- Donation of 141 tons of food and hygiene and cleaning items to families in vulnerable situations in 1Q24 through Assaí Institute, which was a signatory to the Pact Against Hunger, a Brazilian coalition of companies and organizations that come together to reduce the impacts of hunger in Brazil and reduce the waste of food.

ETHICAL AND TRANSPARENT MANAGEMENT

- Disclosure of the Annual and Sustainability Report, related to the performance in 2023, on April 4. Click here to access the report.

(1) Direct emissions from the company.

IFRS 16 IMPACTS

With the adoption of IFRS16 in January 2019, a few income statement lines are affected. The table shows the key changes:

(R$ million)	PRE	POST	Δ	PRE	POST	Δ
Selling, General and Administrative Expenses	(1,923)	(1,621)	302	(1,760)	(1,512)	248
Adjusted EBITDA	897	1,217	320	652	951	299
Adjusted EBITDA Margin	**5.2%**	**7.1%**	***1.9 p.p.***	**4.3%**	**6.3%**	***2.0 p.p.***
Other Operating Revenue (Expenses), net	(3)	(4)	(1)	(5)	4	9
Depreciation and Amortization	(263)	(399)	(136)	(220)	(336)	(116)
Net Financial Result	(510)	(760)	(250)	(428)	(630)	(202)
Income Tax and Social Contribution	(28)	6	34	79	83	4
Net Income for the Period	93	60	(33)	78	72	(6)
Net Margin	**0.5%**	**0.3%**	***-0.2 p.p.***	**0.5%**	**0.5%**	***0.0 p.p.***

ABOUT SENDAS DISTRIBUIDORA S.A.

Assaí Atacadista is a Cash & Carry corporation (company without a single controlling shareholder) established in São Paulo (SP), which completes 50 years in 2024. It serves small and midsized merchants and consumers who seek greater savings in both unitary or large volume purchases. As Brazil's 2nd largest retailer, it posted gross sales of R$ 72.8 billion in 2023 and became the food network with the biggest presence in Brazilian homes (NielsenIQ Homescan).

Currently, it has more than 290 stores in operation across all regions in Brazil (24 states and the Federal District), more than 80,000 employees and the *Great Place* to *Work* (GPTW) certification. In 2023, it received various honors, such as the most valuable food retail brand (*Interbrand* and *Brand Finance*) and *Top* of *Mind* leadership in the "Wholesale" category (Datafolha Institute). Assaí is the only exclusively *Cash&Carry* company whose shares are listed on both the Brazilian stock exchange (B3 – ASAI3) and the New York Stock Exchange (NYSE – ASAI). It is also the only food retailer in the top 10 of the IDIVERSA B3 portfolio, which recognizes publicly held companies with the best indices in racial and gender diversity.

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APPENDICES

OPERATIONAL INFORMATION

I – Number of stores and sales area

# of Stores	1Q20	1Q21	1Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Southeast	93	101	113	141	145	149	152	154
Northeast	43	49	59	74	74	76	82	83
MidWest	16	18	21	25	25	25	27	28
North	10	11	16	17	17	17	17	17
South	5	5	7	9	9	9	10	10
Total	**167**	**184**	**216**	**266**	**270**	**276**	**288**	**292**
Sales Area (thousand sqm meters)	**714**	**810**	**986**	**1,326**	**1,350**	**1,390**	**1,456**	**1,478**

Since the start of conversions (3Q22), six stores have been closed: one in 3Q22, three in 4Q22, and one each in 2Q23 and 3Q23. Furthermore, the sales area of five stores in operation was expanded through the conversion project.

FINANCIAL INFORMATION

The interim financial information (excluding appendix II) were prepared in accordance with international standards for financial reports issued by the International Accounting Standards Board – IASB, accounting practices adopted in Brazil, CVM standards and the technical pronouncements of the Accounting Pronouncements Committee (CPC).

II – Statement of Operations (Pre-IFRS 16)

(R$ million)	1Q24	1Q23	Δ%
Gross Revenue	**18,826**	**16,567**	**13.6%**
Net Revenue	**17,222**	**15,096**	**14.1%**
Cost of Goods Sold	**(14,418)**	**(12,696)**	**13.6%**
Depreciation (Logistic)	(9)	(8)	12.5%
Gross Profit	**2,795**	**2,392**	**16.8%**
Selling Expenses	(1,715)	(1,549)	10.7%
General and Administrative Expenses	(208)	(210)	-1.0%
Selling, General and Adm. Expenses	**(1,923)**	**(1,760)**	**9.3%**
Equity income	16	12	33.3%
Other Operating Expenses, net	(3)	(5)	-40.0%
Depreciation and Amortization	(254)	(212)	19.8%
Earnings Before Interest and Taxes - EBIT	**631**	**427**	**47.8%**
Financial Revenue	43	70	-38.6%
Financial Expenses	(553)	(498)	11.0%
Net Financial Result	**(510)**	**(428)**	**19.2%**
Income (Loss) Before Income Tax	**121**	**(1)**	**-**
Income Tax and Social Contribution	(28)	79	-135.4%
Net Income for the Period	**93**	**78**	**19.2%**
EBITDA - (Earnings before Interest, Taxes, Depreciation, Amortization)	**894**	**647**	**38.2%**
Adjusted EBITDA (1)	**897**	**652**	**37.6%**

% of Net Revenue	1Q24	1Q23	Δ p.p.
Gross Profit	**16.2%**	**15.8%**	**0.4 p.p.**
Selling Expenses	-10.0%	-10.3%	0.3 p.p.
General and Administrative Expenses	-1.2%	-1.4%	0.2 p.p.
Selling, General and Adm. Expenses	**-11.2%**	**-11.7%**	**0.5 p.p.**
Equity Income	0.1%	0.1%	0.0 p.p.
Other Operating Expenses, net	0.0%	0.0%	0.0 p.p.
Depreciation and Amortization	-1.5%	-1.4%	-0.1 p.p.
EBIT	**3.7%**	**2.8%**	**0.8 p.p.**
Net Financial Result	**-3.0%**	**-2.8%**	**-0.1 p.p.**
Income (Loss) Before Income Tax	**0.7%**	**0.0%**	**0.7 p.p.**
Income Tax	-0.2%	0.5%	-0.7 p.p.
Net Income for the Period	**0.5%**	**0.5%**	**0.0 p.p.**
Earnings before Interest, Taxes, Depreciation, Amortization - EBITDA	**5.2%**	**4.3%**	**0.9 p.p.**
Adjusted EBITDA (1)	**5.2%**	**4.3%**	**0.9 p.p.**

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

III – Statement of Operations (Post-IFRS 16)

(R$ million)	1Q24	1Q23	Δ%
Gross Revenue	**18,826**	**16,567**	**13.6%**
Net Revenue	**17,222**	**15,096**	**14.1%**
Cost of Goods Sold	**(14,400)**	**(12,645)**	**13.9%**
Depreciation (Logistic)	(20)	(23)	-13.0%
Gross Profit	**2,802**	**2,428**	**15.4%**
Selling Expenses	(1,416)	(1,306)	8.4%
General and Administrative Expenses	(205)	(206)	-0.5%
Selling, General and Adm. Expenses	**(1,621)**	**(1,512)**	**7.2%**
Equity income	16	12	33.3%
Other Operating (Expenses) Revenue, net	(4)	4	-200.0%
Depreciation and Amortization	(379)	(313)	21.1%
Earnings Before Interest and Taxes - EBIT	**814**	**619**	**31.5%**
Financial Revenue	43	70	-38.6%
Financial Expenses	(803)	(700)	14.7%
Net Financial Result	**(760)**	**(630)**	**20.6%**
Income (Loss) Before Income Tax	**54**	**(11)**	**-590.9%**
Income Tax and Social Contribution	6	83	-92.8%
Net Income for the Period	**60**	**72**	**-16.7%**
EBITDA - (Earnings before Interest, Taxes, Depreciation, Amortization)	**1,213**	**955**	**27.0%**
Adjusted EBITDA (1)	**1,217**	**951**	**28.0%**

% of Net Revenue	1Q24	1Q23	Δ p.p.
Gross Profit	**16.3%**	**16.1%**	**0.2 p.p.**
Selling Expenses	-8.2%	-8.7%	0.4 p.p.
General and Administrative Expenses	-1.2%	-1.4%	0.2 p.p.
Selling, General and Adm. Expenses	**-9.4%**	**-10.0%**	**0.6 p.p.**
Equity Income	0.1%	0.1%	0.0 p.p.
Other Operating (Expenses) Revenue, net	0.0%	0.0%	0.0 p.p.
Depreciation and Amortization	-2.2%	-2.1%	-0.1 p.p.
EBIT	**4.7%**	**4.1%**	**0.6 p.p.**
Net Financial Result	**-4.4%**	**-4.2%**	**-0.2 p.p.**
Income (Loss) Before Income Tax	**0.3%**	**-0.1%**	**0.4 p.p.**
Income Tax	0.0%	0.5%	-0.5 p.p.
Net Income for the Period	**0.3%**	**0.5%**	**-0.1 p.p.**
Earnings before Interest, Taxes, Depreciation, Amortization - EBITDA	**7.0%**	**6.3%**	**0.7 p.p.**
Adjusted EBITDA (1)	**7.1%**	**6.3%**	**0.8 p.p.**

(1) Adjusted for Other Operating Revenue (Expenses)

IV – Balance Sheet (Post-IFRS 16)

ASSETS

(R$ million)	31.03.2024	31.12.2023
Current Assets	**13,296**	**14,616**
Cash and cash equivalent	4,538	5,459
Trade receivables	788	1,199
Inventories	6,579	6,664
Recoverable taxes	1,100	1,100
Derivative financial instruments	42	48
Other accounts receivable	249	146
Non-current assets	**28,415**	**28,561**
Deferred income tax and social contribution	194	171
Recoverable taxes	551	573
Derivative financial instruments	201	226
Related parties	20	23
Restricted deposits for legal proceedings	41	44
Other accounts receivable	118	118
Investments	786	864
Property, plant and equipment	13,131	13,148
Intangible assets	5,171	5,172
Right-of-use assets	8,202	8,222
TOTAL ASSETS	**41,711**	**43,177**

LIABILITIES

(R$ million)	31.03.2024	31.12.2023
Current Liabilities	**17,361**	**16,425**
Trade payables, net	8,964	9,759
Trade payables - Agreements	819	1,459
Trade payables - Agreements - Acquisition of hypermarkets	-	892
Borrowings	498	36
Debentures and promissory notes	4,941	2,079
Payroll and related taxes	656	624
Lease liabilities	443	532
Taxes payable	295	298
Income tax and social contribution payable	28	-
Deferred revenues	336	418
Other accounts payable	381	328
Non-current liabilities	**19,652**	**22,122**
Trade payables, net	33	38
Borrowings	1,507	1,947
Debentures and promissory notes	9,012	11,122
Provision for legal proceedings	242	263
Lease liabilities	8,759	8,652
Deferred revenues	34	37
Other accounts payable	65	63
Shareholders' Equity	**4,698**	**4,630**
Share capital	1,272	1,272
Capital reserve	61	56
Earnings reserve	3,369	3,309
Other comprehensive results	(4)	(7)
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	**41,711**	**43,177**

V – Cash Flow (Post-IFRS 16)

(R$ million)	31.03.2024	31.03.2023
Net income for the period	**60**	**72**
Deferred income tax and social contribution	(24)	(83)
Loss (gain) on disposal of property, plant and equipment and lease	4	(6)
Depreciation and amortization	399	336
Interests and monetary variation	775	694
Share of profit and loss of associate	(16)	(12)
Provision of legal proceedings	2	57
Provision of stock option	5	9
Allowance for inventory losses and damages	141	120
Reverse of expected credit loss for doubtful accounts	(1)	-
	1,345	**1,187**
Variation of operating assets		
Trade receivables	417	9
Inventories	(56)	23
Recoverable taxes	22	132
Dividends received	94	-
Other assets	(114)	(88)
Related parties	3	(48)
Restricted deposits for legal proceedings	3	4
	369	**32**
Variation of operating liabilities		
Trade payables	(1,258)	(1,111)
Payroll and related taxes	32	(1)
Taxes and social contributions payable	25	(33)
Other accounts payable	56	(11)
Payment for legal proceedings	(27)	(14)
Deferred revenues	(85)	(25)
	(1,257)	**(1,195)**
Net cash generated by operating activities	**457**	**24**
Cash flow from investment activities		
Purchase of property, plant and equipment	(409)	(527)
Purchase of intangible assets	(7)	(22)
Proceeds from assets held for sale	11	15
Net cash used in investment activities	**(405)**	**(534)**
Cash flow from financing activities		
Capital contribution	-	2
Proceeds from borrowings	500	-
Cost of funding of borrowings	(3)	(10)
Payments of borrowings	(25)	(39)
Payments of interest on borrowings	(187)	(142)
Dividend and Interest on own capital paid	-	(50)
Payments of lease liabilities	(263)	(151)
Payment of interest on lease liability	(101)	(238)
Payment of acquisition of hypermarkets	(894)	(570)
Net cash used in financing activities	**(973)**	**(1,198)**
Cash and cash equivalents at the beginning of the period	5,459	5,842
Cash and cash equivalents at the end of the period	4,538	4,134
Net decrease in cash and cash equivalents	**(921)**	**(1,708)**