Financial Statements
Sendas Distribuidora S.A.

(Free Translation into English from the
Original Previously Issued in Portuguese)

Financial Statements for the year ended
December 31, 2023

50 anos ASSAÍ ATACADISTA

ASSAI3B3 IBOVESPAB3 IBRAB3 IBRX100B3 ISEB3 ICO2B3 ICONB3 IGCB3 IGCTB3 ITAGB3 IDVB3 SMLLB3 IGPTWB3

(FREE TRANSLATION INTO ENGLISH FROM THE ORIGINAL PREVIOUSLY ISSUED IN PORTUGUESE)
Standard Financial Statement – December 31,2024 – SENDAS DISTRIBUIDORA S.A.

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Earnings Release 4Q24 & 2024

EARNINGS CONFERENCE CALL

Thursday, February 20, 2025

11:00 a.m. (Brasília) | 9:00 a.m. (New York) | 2:00 p.m. (London)

Videoconference call 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 **IDV** B3 **SMLL** B3 **IGPTW** B3

EARNINGS RELEASE 4Q24 & 2024

ASSAÍ ATACADISTA

São Paulo, February 19, 2025. *Assaí Atacadista announces its results for the 4th quarter of 2024. All comments on EBITDA exclude other operating expenses and income in the periods. The interim financial information was 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 IFRS16/CPC 06 (R2). Reconciliation with IFRS16 is available in a specific chapter in this document.***

4Q24 (vs. 4Q23)	**2024** (vs. 2023)
- EBITDA MARGIN OF 6.4% PRE-IFRS16 (+0.3 p.p.) AND 8.1% POST-IFRS16 (+0.3 p.p.) - NET INCOME (PRE-IFRS16) WITH AN INCREASE OF +38% (+45% POST-IFRS16)	- EBITDA MARGIN PRE-IFRS16 OF 5.7% (+0.4 p.p.) AND POST-IFRS16 OF 7.5% (+0.4 p.p.) - LEVERAGE GUIDANCE OUTPERFORMANCE: 3.04x, WITH REDUCTION OF R$ 0.6 BILLION IN NET DEBT

EXPANSION

6 new stores in 3 states
- Conclusion of the conversions project with 2 openings
- +28,000 sqm of sales area

Achievement of expansion *guidance*: 15 stores opened, totaling 302 units in operation
- Strengthening of the national presence with entry into strategic cities, such as Barueri (SP), Vitória (ES) and Juiz de For a (MG)

REVENUES

Gross revenue of R$ 22.1 billion (+9.4%)
- Net 'same-store' sales: +4.4% excluding calendar effect
- Tickets: 82 million (+3%)

Gross revenue of R$ 80.6 billion (+10.7%)
- 'Same-store' sales: +3.4% excluding calendar effect
- Tickets: 312 million (+8%)

PROFITABILITY

EBITDA Mg. Pre-IFRS: 6.4%, +0.3p.p: gross profit optimization and focus on expenses control
- Gross profit evolution and maintenance of the expenses level, even with services implementation

Expansion of EBITDA margin with stores maturation and control of expenses
- EBITDA Margin Pre-IFRS16: 5.7% (+0.4p.p.)
- EBITDA Margin Post-IFRS 16: 7.5% (+0.4p.p.), returning to the level prior to the conversions of hypermarkets

NET INCOME

EBT Pre-IFRS16 of R$ 598 million, up 57%
- Net Income Pre-IFRS16 of R$ 474 million (+38.2%)
- Net Income Post-IFRS16 of R$ 430 million (+44.8%)

EBT (Pre-IFRS16) increases 83%, reaching R$ 1.2 billion
- Net Income Pre-IFRS16: R$ 930 million (+19.8%)
- Net Income Post-IFRS16: R$ 769 million (+8.3%)

HYPERMARKET CONVERSIONS

Performance of the converted stores evolves and contributes positively to the result of the Company
- Group of 47 stores converted in 2022:
  - Average monthly revenue of R$ 29.3 million
  - EBITDA margin pre-IFRS16 of 6.4% in 4Q24 (+0.8 p.p. vs. 4Q23)

LEVERAGE

Outperforming guidance: Leverage (1) at 3.04x (-0.76x vs. 4Q23) with a reduction in net debt in 4Q24
- Relevant EBITDA Pre-IFRS16 contribution, with an increase of R$ 0.7 billion (+19.4%) in 12 months
- Significant reduction of -R$ 0.6 billion in net debt vs. 4Q23

Successful fundraising and debt profile improvement: extension of the average term and spread reduction
- R$ 6.6 billion in new funding (debentures and capital markets) for the year, with prepayment of R$ 3.5 billion
- Available cash position (2) total R$ 7.6 billion (+17% vs. 2023) given the seasonality and operating leverage

PROJECTIONS FOR 2025

Focus on continuing to reduce leverage
- Expansion: Opening of ~10 new stores
- *CAPEX*: Investment of approximately R$ 1.0 to R$ 1.2 billion
- Leverage: ~2.6x at the end of 2025

(1) Net Debt + Discounted receivables + Balance payable from acquisitions of hypermarkets / Adjusted EBITDA Pre-IFRS16
(2) Include Cash and Cash Equivalents and Undiscounted receivables

MESSAGE FROM MANAGEMENT

The year 2024 marked significant milestones for Assaí, including the conclusion of the hypermarket conversion project, surpassing the mark of more than 300 stores in operation, celebrating the Company's 50th anniversary with a historic anniversary campaign, as well as being recognized as the best Wholesale and Retail company by Melhores & Maiores da Exame and the best food retail company to work for in Brazil, with over 10,000 employees, according to GPTW.

This year's expansion further strengthened Assaí's national presence and led to the Company's entry into strategic cities. The hypermarket conversions continue to mature and contribute significantly, as the converted stores opened in 2022 already show an average sales per store 25% higher than the average sales of organic stores opened until 2022, in addition to an EBITDA margin (Pre-IFRS16) of 5.5%, which represents an expansion of 1.1 p.p. compared to 2023.

Currently, Assaí has approximately 500 million customers in stores and an annual revenue of R$ 80.6 billion. In addition to the growing sales performance, the company achieved a gain of +0.4 p.p. in EBITDA margin under both Pre-IFRS16 and Post-IFRS16 views, a result of the maturation of new stores, the enhancement of shopping experience with the implementation of new services, and a focus on expenses control. This result led to an EBITDA Pre-IFRS16 growth of R$ 0.7 billion compared to the previous year, further strengthening the company's operational cash generation capacity, which, along with a lower level of net debt (-R$ 0.6 billion), accelerated the reduction of leverage to 3.04x, a better level than the guidance for the year.

The results achieved in 2024 reflect the dedication of a team of more than 87,000 employees. The Company continues to generate jobs and strengthen training, inclusion, and development programs. Assaí has a strong commitment to the sustainability agenda, and throughout the year, progress was made in waste management and the Destino Certo program, which, through the Assaí Institute, combats hunger. Additionally, the Company has advanced in diversity indicators, with 45.8% of leadership positions held by Black employees and 25.7% by women.

For 2025, considering the recent increases in the Selic rate and interest rate curve expectations, as well as the focus on further reducing the leverage level to around 2.6x, the Company has chosen to postpone certain new store projects. Around 10 store openings are expected in 2025, with a total investment of R$ 1.0 to R$ 1.2 billion, which includes, in addition to expansion, maintenance of the existing store network, the implementation of new services, and IT projects aimed at further increasing the Company's efficiency.

We count on the trust and ongoing support of all of you.

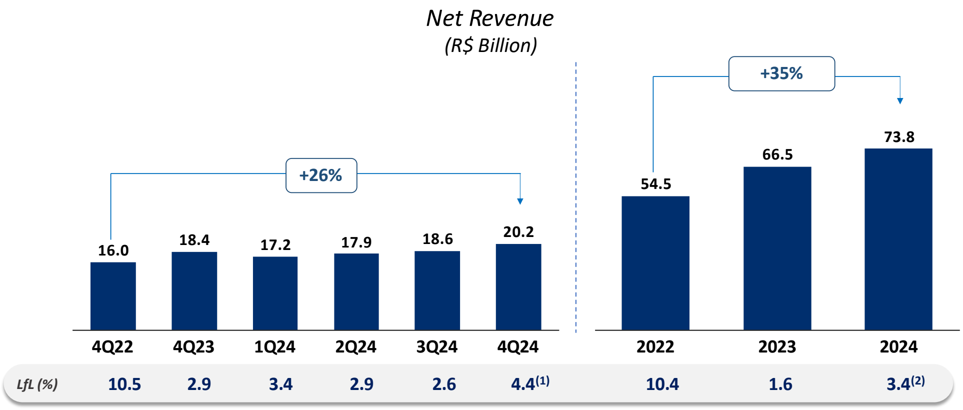
Belmiro Gomes, CEO of Assaí

FINANCIAL HIGHLIGHTS

Pre-IFRS16 (R$ million)	4Q24	4Q23	Δ	2024	2023	Δ
Gross Revenue	22,058	20,162	9.4%	80,570	72,785	10.7%
Net Revenue	20,163	18,421	9.5%	73,819	66,503	11.0%
Gross Profit (1)	3,411	3,068	11.2%	12,193	10,799	12.9%
Gross Margin (1)	**16.9%**	**16.7%**	**0.2 p.p.**	**16.5%**	**16.2%**	**0.3 p.p.**
Selling, General and Administrative Expenses	(2,149)	(1,975)	8.8%	(8,124)	(7,390)	9.9%
% of Net Revenue	**-10.7%**	**-10.7%**	**0.0 p.p.**	**-11.0%**	**-11.1%**	**0.1 p.p.**
Adjusted EBITDA (2)(3)	1,294	1,118	15.7%	4,177	3,495	19.5%
Adjusted EBITDA Margin (2)(3)	**6.4%**	**6.1%**	**0.3 p.p.**	**5.7%**	**5.3%**	**0.4 p.p.**
Net Financial Result	(400)	(478)	-16.3%	(1,868)	(1,833)	1.9%
% of Net Revenue	**-2.0%**	**-2.6%**	**0.6 p.p.**	**-2.5%**	**-2.8%**	**0.3 p.p.**
Income Before Income Tax - EBT	598	381	57.0%	1,205	658	83.1%
% of Net Revenue	**3.0%**	**2.1%**	**0.9 p.p.**	**1.6%**	**1.0%**	**0.6 p.p.**
Net Income for the Period	474	343	38.2%	930	776	19.8%
Net Margin	**2.4%**	**1.9%**	**0.5 p.p.**	**1.3%**	**1.2%**	**0.1 p.p.**
Post-IFRS16						
Adjusted EBITDA (2) (3)	1,639	1,436	14.1%	5,505	4,712	16.8%
Adjusted EBITDA Margin (2) (3)	**8.1%**	**7.8%**	**0.3 p.p.**	**7.5%**	**7.1%**	**0.4 p.p.**
Income Before Income Tax - EBT	528	306	72.5%	935	554	68.8%
% of Net Revenue	**2.6%**	**1.7%**	**0.9 p.p.**	**1.3%**	**0.8%**	**0.5 p.p.**
Net Income for the period	430	297	44.8%	769	710	8.3%
Net Margin	**2.1%**	**1.6%**	**0.5 p.p.**	**1.0%**	**1.1%**	**-0.1 p.p.**

(1) Includes logistical depreciation (highlighted in the Income Statement on page 19);
(2) Operating profit before interest, taxes, depreciation and amortization;
(3) Adjusted by the Result of Other Operating Expenses and Income.

REVENUES IMPROVEMENT WITH INCREASED TICKETS AND SEQUENTIAL ACCELERATION OF 'SAME-STORE' SALES



(1) Excluding calendar effect of -0.7%

(2) Excluding calendar effect of 0.0%

Net sales reached R$ 20.2 billion in 4Q24 (+9.5%), up R$ 1.7 billion from the same period in 2023. In the last 2 years, sales increased by +26.4%, which represents an evolution of R$ 4.2 billion. The sales performance is explained mainly by:

(i) the performance of the 15 stores opened in the past 12 months (+5.7%), including 2 converted stores, representing the conclusion of the hypermarket conversion project;
(ii) the increase in food inflation in the quarter, contributing to the performance of 'same-store' sales (+4.4%) despite the pressure on the population's purchasing power and increased competition; and
(iii) the fast and constant adaptation of assortments and services, combined with the continuous evolution of the business model and the shopping experience.

In the year, net sales reached R$ 73.8 billion (+11.0%), an increase of R$ 7.8 billion compared to 2023. This growth is composed of the contribution from the expansion during the period (+7.6%) and the performance of 'same-store' sales (+3.4%). In 2024, 312 million tickets were recorded, a growth of +7.6%, which demonstrates the increasing public engagement with Assaí stores.

It is important to highlight that the *phygital* strategy of the Company advanced in 2024. Aiming to expand purchasing options for customers by offering convenience and a better shopping experience for consumers, Assaí expanded its partnership with *last mile* companies through an agreement with iFood. This partnership, present in more than 40 stores by the end of 2024, resulted in a growth of +32% in online sales in 4Q24 (vs. 4Q23).

'Meu Assaí' app, with over 14 million registered users, has played a fundamental role in understanding customer consumption habits. In 2024, the store's frequency by customers using the App were +65% higher than those of unidentified customers, and the average spending of these users was +39% higher. In addition, the identification of revenue through the App represented 47% of sales in 4Q24 and, in 2024 increased to 42% (vs. 26% in 2023).

OPENING OF 15 NEW STORES, CONCLUSION OF THE CONVERSION PROJECT, AND ACHIEVEMENT OF A NEW HISTORIC MILESTONE: + 300 STORES IN OPERATION

Organic: Guarujá (SP)

Assaí opened 6 stores in 4Q24, including 4 organic and 2 conversions, and concluded the conversion project of 66 hypermarket stores. In the quarter, there was an addition of more than 28,000 square meters to the sales area of the Company, totaling more than 1.5 million square meters by the end of 2024 (+5.2% vs. 2023).

In the year, the Company met the expansion guidance: 15 new stores were opened, totaling 302 stores in operation. The added stores in 2024 strengthen the national presence of Assaí, and some also mark the entry of the Company into estrategic cities such as Barueri (SP), Vitória (ES), Juiz de Fora (MG), São José do Rio Preto (SP) and Guarujá (SP).

The expansion will continue to progress, however, considering primarily the recent hikes in the Selic interest rate and shifts in interest rate expectations for the coming years, which directly affect the carrying cost of net debt, the Company has decided to defer certain new store projects. Furthermore, the Company highlights that, since 2021, more than 120 stores have been opened, including the conversions of hypermarkets, which accelerated the expansion of Assaí by a few years. In this way, around 10 stores are planned for 2025.

300 lojas *Conversion: Caraguatatuba (SP)*

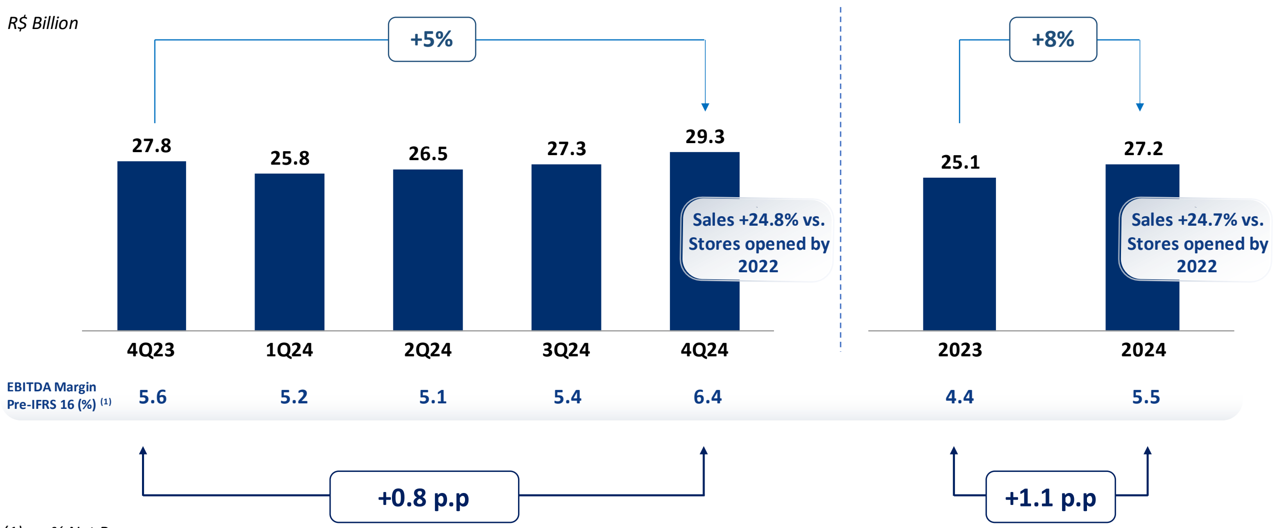
CONTINUOUS MATURATION OF CONVERSIONS: SALES GROWTH WITH AN INCREASE OF +0.8p.p. IN THE EBITDA MARGIN PRE-IFRS16

With the openings of the 2 remaining conversions in 4Q24, Assaí completed the hypermarket conversion project. In this way, the Company has 66 converted stores that, even in the maturation phase, contribute significantly to the Company's results.

In 4Q24, the network of 47 stores converted in 2022 reached an average sales per store of R$ 29.3 million, a sales level +24.8% higher than the base of organic stores opened until 2022, which recorded a revenue of R$ 23.5 million in the period. Additionally, the average sales per sqm for these conversions, after two years of operation, has already reached 93% of the average sales per sqm registered by the base of organic stores opened until 2022. The EBITDA margin Pre-IFRS16 of the 47 converted stores reached 6.4% in 4Q24, an expansion of +0.8 p.p. compared to 4Q23, and a level in line with the Company's average, highlighting the potential of this store network that is still in the maturation process.

Average Monthly Revenue

(47 conversions opened in 2022)



(1) % Net Revenue

In the quarter, the 17 stores converted in 2023 achieved an average sales per store of R$ 23.4 million, in line with the level of the network of organic stores opened until 2022, and an EBITDA margin pre-IFRS 16 above 3.0%, despite being in the initial phase of maturation.

Furthermore, the project of commercial galleries continues to evolve, contributing to further accelerating the maturation of the converted stores, through the increase of customer traffic, the generation of additional revenue, and the dilution of occupancy costs. By the end of 2024, the commercial galleries showed an occupancy rate of the gross leasable area (GLA) of 81.3% (vs. 69.5% in 4Q23) and revenue of R$32 million (+26.3% vs. 4Q23) in the quarter, totaling R$110 million for the year (+18.3% vs. 2023).

MATURATION OF NEW STORES PROVIDES THE HIGHEST LEVEL OF PROFITABILITY SINCE THE START OF THE CONVERSION PROJECT

In 4Q24, gross profit reached R$ 3.4 billion, with a margin of 16.9%, up +0.2 p.p. from 4Q23. In 2024, gross profit totaled R$ 12.2 billion, with a gross margin of 16.5% (vs. 16.2% in 2023). This result is explained primarily by:

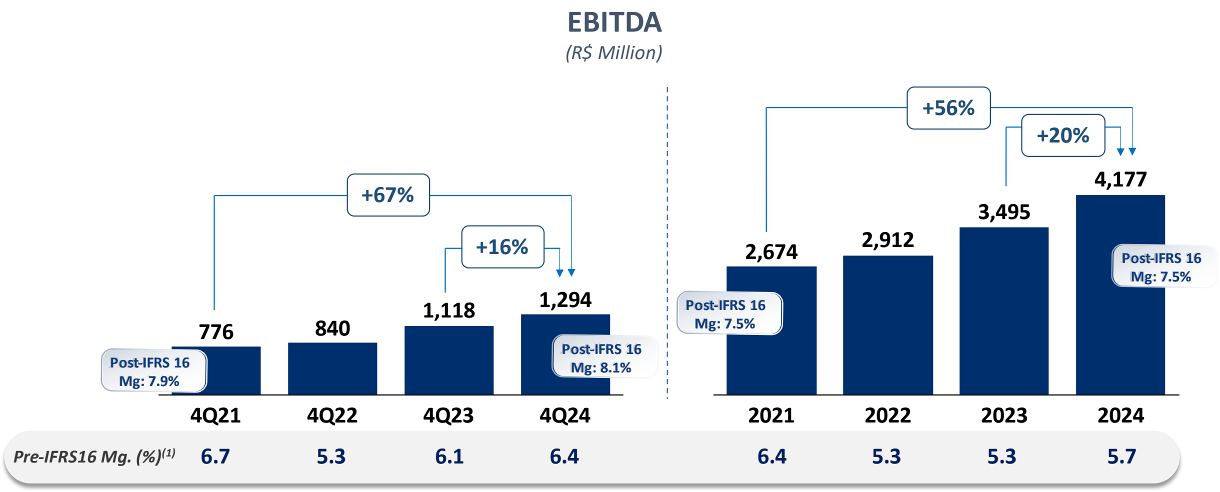
(i) the performance of the new stores, which are still maturing and account for more than 30% of the 302 units in operation;
(ii) the constant innovation of the business model with the expansion of the services offered in the store, leading to an improvement in the shopping experience. At the end of 2024, the Company had 618 service units available (+10.4% vs. 3Q24), including 254 butcher sections, 191 cold cuts sections, and 173 bakeries; and
(iii) the strategy of ensuring an adequate margin level in the context of intensified competitiveness and reduced consumer purchasing power, impacted by high interest rates and rising food inflation.

In 4Q24, the selling, general and administrative expenses were equivalent to 10.7% of the net sales, a stable level vs. 4Q23. In the year, total expenses corresponded to 11.0% of net sales, down -0.1p.p. from 2023, reflecting efficiency in cost control and the continuous advance of the maturation of new stores, despite the implementation of 242 new service units in 2024 and inflationary pressure.

The equity income (which refers to an approximately 18% stake in FIC's capital) reached R$ 15 million in 4Q24, totaling R$ 64 million in 2024, up +26.1% from 2023. The total number of Passaí cards issued reached 3.1 million, up +14.5% (vs. 4Q23), accounting for 4.4% of sales.

EBITDA totaled R$ 1.3 billion in 4Q24, an increase of +15.7%, with margin growth to 6.4% (+0.3 p.p. vs. 4Q23), the highest level since 4Q21 and since the beginning of the hypermarket conversion project, result of the maturation of the new stores and the attractiveness of the Assaí business model. The Company emphasizes that the performance of the Expense Committee in 2024, through structured initiatives and rigorous cost monitoring, played an important role in the evolution of the EBITDA margin in 4Q24.

In 2024, EBITDA reached R$ 4.2 billion, with an increase in margin to 5.7%, up +0.4 p.p. from the 2023 level. This result reflects the commitment of the Company to ensure greater efficiency in operations, aligning sustainable growth with value creation.



(1) % of Net Revenue

FINANCIAL RESULT EVOLVES AS A PERCENTAGE OF NET SALES

(R$ million)	4Q24	4Q23	Δ	2024	2023	Δ
Cash and cash Equivalent Interest	48	20	*140.0%*	118	123	*-4.1%*
Debt Burden	*(498)*	*(464)*	*7.3%*	*(2,051)*	*(1,720)*	*19.2%*
Cost and Discount od Receivables	(48)	(40)	20.0%	(133)	(119)	11.8%
Other financial revenues/Expenses and Net Monetary Correction	98	6	1533.3%	198	(116)	-270.7%
Net Financial Result	**(400)**	**(478)**	**-16.3%**	**(1,868)**	**(1,832)**	**2.0%**
% of Net Revenue	*-2.0%*	*-2.6%*	*0.6 p.p.*	*-2.5%*	*-2.8%*	*0.3 p.p.*

The net financial result totaled R$ 400 million in the quarter, representing 2.0% of net sales, a reduction of -0.6 p.p. as a percentage of net sales compared to 4Q23. The key impacts on the net financial result in 4Q24 were:

(i) higher profitability of financial investments, which is the result of the increase in the average cash invested compared to the previous period (R$ 1.9 billion in 4Q24 vs. R$ 777 million in 4Q23). The average cash has evolved compared to the last 3 quarters (R$ 639 million in 1Q24; R$ 835 million in 2Q24 and R$ 1.3 billion in 3Q24);

(ii) increase in the Debt Burden line, due to the impact of the higher volume of average gross debt in the period (R$ 16.8 billion vs. R$ 14.3 billion in 4Q23), despite a lower net debt in 4Q24 vs. 4Q23. In addition, the debt burden line is still affected by:

   a. mark-to-market, arising from swaps for CDI of debts indexed to IPCA (3 series of CRIs), pre-fixed rate (1 serie of CRI) and USD (3 loan operations), with a positive non-cash impact of R$ 21.0 million in 4Q24 (vs. negative R$ 19.4 million in 4Q23);

   b. lower level of capitalized interest (non-cash effect) due to the final phase of the conversion project (R$ 9.6 million in 4Q24 vs. R$ 25.6 million in 4Q23); and

(iii) the positive impact on the Other Financial Revenues/Expenses and Monetary Correction line mainly related to tax credits (R$ 79 million in 4Q24 vs. R$ 19 million in 4Q23) and to the end of the interest related to the acquisition of hypermarkets (R$ 0 in 4Q24 vs. expense of R$ 37 million in 4Q23).

EARNINGS BEFORE TAXES INCREASES 83% IN 2024 DRIVEN BY THE OPERATIONAL LEVERAGE

Earnings before taxes (Pre-IFRS16) totaled R$ 598 million in 4Q24, up R$ 217 million (+57.0% vs. 4Q23). In 2024, earnings before taxes (pre-IFRS16) totaled R$ 1.2 billion, an increase of R$ 547 million, or +83.1% compared to 2023. In the post-IFRS16 view, EBT reached R$ 528 million in the quarter, an increase of R$ 222 million (+72.5% vs. 4Q23), totaling R$ 935 million in 2024 (+68.8% compared to 2023). The performance is mainly due to the maturation of the new stores and the efficient and continuous control of expenses, even in the face of the improvements to the shopping experience, with the expansion of services and assortments.

Net income pre-IFRS16 was R$ 474 million in the quarter, an increase of R$ 131 million or +38.2%, with a net margin of 2.4% (+0.5 p.p. compared to 4Q23). In 2024, net income pre-IFRS16 increased by R$ 154 million vs. 2023, totaling R$ 930 million (+19.8%), with a net margin of 1.3%, +0.1 p.p. compared to 2023. The performance demonstrates resilience in the face of financial expenses and the limitations imposed by the new rules for the use of the subsidy for investments.

In the post-IFRS16 view, the net income for 4Q24 totaled R$ 430 million, with a net margin of 2.1% (+0.5 p.p. vs. 2023). In the year, net income was R$ 769 million, with a margin of 1.0%.

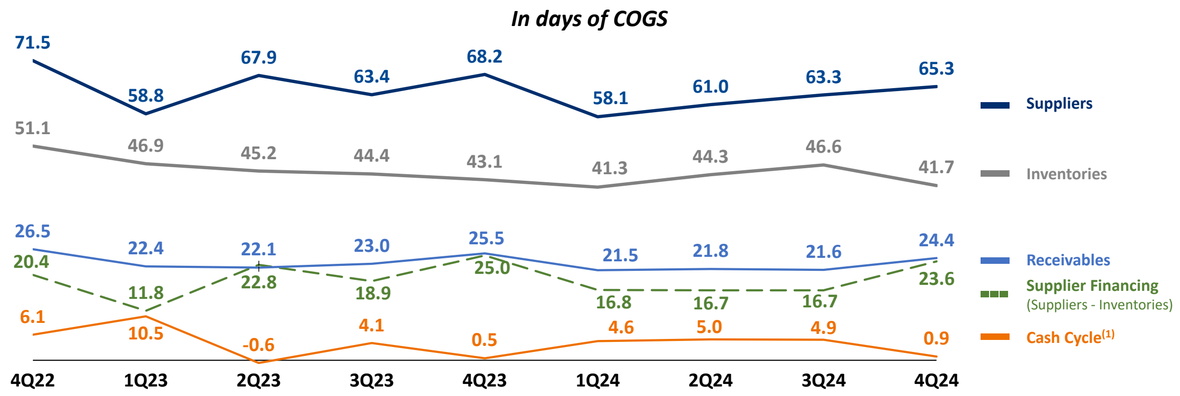
INVESTMENTS: REDUCTION REFLECTS COMMITMENT TO DELEVERAGING

(R$ million)	4Q24	4Q23	Δ	2024	2023	Δ
Novas lojas e aquisição de terrenos	367	649	(282)	953	2,055	(1,102)
Reformas e manutenções	145	80	65	386	302	84
Infraestrutura e outros	57	21	36	133	91	42
Total Investimentos - Bruto	**569**	**750**	**(181)**	**1,472**	**2,448**	**(976)**

Investments, which represent additions to property and equipment, reached R$ 569 million in 4Q24 and R$ 1.5 billion in 2024. The reduction of R$ 1.0 billion in investments in 2024 vs. 2023, reflects the commitment of the Company to the deleveraging process.

For 2025, aiming to accelerate the process of reduction of financial leverage due to recent hikes in the Selic interest rate and shifts in interest rate expectations for the coming years, the Company decided to defer certain new store projects. The expectations for 2025 include the opening of approximately 10 stores and investments between R$ 1.0 and R$ 1.2 billion in the cash view, of which (i) R$ 650-750 million in the opening of new stores; (ii) R$ 250-300 million in maintenance and implementation of new services in the existing store network; and (iii) R$ 100-150 million in infrastructure, new systems (IT), and innovation projects.

CASH CYCLE REFLECTS EFFICIENCY IN INVENTORY MANAGEMENT



(1) Cash Cycle= Suppliers (-) Inventories (-) Receivables (Adjusted for discounted receivables)

The quarterly cash cycle was 0.9 day in 4Q24, in line with 4Q23 (0.5 day). During the period, the Company highlights the efficient inventory management, which showed a reduction of 1.4 day vs. 4Q23, given the maturation of the new stores. Also, the sequential variation is more significant compared to 3Q24 due to the seasonality of the period and the execution of a more extensive anniversary campaign, which lasted 4 months, between August and November.

It is important to note that the installment purchase policy for customers remains unchanged, which means that there is no extension of terms, as evidenced by the reduction of 1.1 day in the receivables line in 4Q24 (vs. 4Q23).

Over the past 24 months, the cash cycle showed a significant reduction of 5.2 days, chiefly explained by:

- 4Q22: higher threshold of inventory levels (51.1 days) due to strong expansion, with the opening of 37 stores in the quarter; and
- 4Q23: normalization of inventory days, with a reduction of 8.0 days (going from 51.1 days in 4Q22 to 43.1 days in 4Q23), following the accelerated pace of expansion and maturation of the new stores.

IN THE LAST 2 YEARS, THE OPERATING CASH GENERATION OF R$ 7.7 BILLION FINANCED 95% OF THE INVESTMENTS IN EXPANSION

(R$ million - Last 24 months)	4Q24
EBITDA [1]	**7,557**
Change in WK	116
Operating Cash Generation	**7,673**
Capex	(4,793)
Acquision of Hipermarkets	(3,277)
Free Cash Generation	**(397)**
Dividends	26
Payment of Interests	(3,610)
Total Cash Generation	**(3,981)**

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

The operating cash generation accumulated R$ 7.7 billion over the last 24 months. The performance arises from the EBITDA level, which totaled R$ 7.6 billion, and the positive variation in working capital, which amounted to R$ 116 million, as detailed in the previous section.

Over the past 2 years, Assaí opened 42 units, of which 23 were organic stores and 19 were hypermarket conversions. The Company invested R$ 8.1 billion, with R$ 3.9 billion in the opening of organic stores and conversions, R$ 3.3 billion related to payments for the acquisition of 66 commercial points of hypermarkets, and R$ 0.9 billion in maintenance and renovations, including the implementation of new services. Thus, the operating cash generation, which totaled R$ 7.7 billion, financed 95% of the investments made during the period.

Additionally, the cash flow was affected by the payment of R$ 3.6 billion in interest, influenced by the increase in the interest curve during the period.

LIABILITY MANAGEMENT: NEW FUNDING OPTIMIZES THE DEBT PROFILE

With the goal of improving the debt profile by reducing the average cost and extending maturities, Assaí has raised funds throughout the year in the capital market and through loans, totaling R$ 6.6 billion, prepaying debts maturing in 2025 and 2026. As a result, the Company managed to extend the average debt maturity by 9 months (41 months in 4Q24 vs. 32 months in 1Q24), reduce the average cost (CDI+1.36% in 4Q24 vs. CDI+1.49% in 1Q24), in addition to fully addressing the need for refinancing in 2025. The following table shows the lengthening of the debt, with the reduction of the maturities of 2025 and 2026 after the realization of *liability management*.

Payment Schedule*

Year	Position in 31/dec/24	Position in 31/dec/23	Δ
2025	1,613	3,895	(2,282)
2026	2,229	2,589	(360)
2027	3,292	2,730	562
2028	3,849	1,972	1,877
2029	3,758	408	3,350
2030+	332	345	(13)

** Considers the principal amount of the debt*

The fundraising carried out in 2024, shown in the table below, totaled R$ 6.6 billion.

Issue Date	Issue	Amount R$ Billion	Cost
Mar-24	9th Debentures Issue	0.5	CDI + 1,25%
Jun-24	11th Debentures Issue	1.8	CDI + 1,25%
Aug-24	Loans	0.7	CDI + 1,34%
Oct-24	11th Debentures Issue	2.8	CDI + 1,25%
Dec-24	12th Debentures Issue	0.8	CDI + 1,25%
Total		**6.6**	

The fundraising in October (R$ 2.8 billion) and December (R$ 0.8 billion) totaled R$ 3.6 billion and was allocated to the prepayment of the following debts maturing in 2025 and 2026:

- 2nd series of the 2nd issuance of promissory notes (~R$ 1.8 billion, cost of CDI+1.53% and maturing in Feb/2025);
- 1st serie of the 2nd issuance of debentures (~R$ 950 million, cost of CDI+1.70% and maturing in May/2025 and May/2026); and
- 3 loan facilities (~R$ 650 million, average cost of CDI+2.00% and maturing in Jan/2025, Apr/2025, and May/2025).

LEVERAGE REDUCTION, RESULT OF THE OPERATING CASH GENERATION

(R$ million)	4Q24	4Q23
Current Debt	(1,991)	(2,067)
Non-Current Debt	(14,184)	(12,843)
Total Gross Debt	**(16,175)**	**(14,910)**
Cash and Cash Equivalent	5,628	5,459
Net Debt	**(10,547)**	**(9,451)**
Balance of Receivables discounted [(1)]	(1,967)	(2,742)
Payable on the hypermarkets acquisition [(2)]	-	(892)
Net Debt + Receivables Discounted + Payable on the hypermarkets acquisition	**(12,514)**	**(13,085)**
Adjusted EBITDA [(3)]	**4,113**	**3,444**
Net Debt + Receivables Discounted + Payable on the hypermarkets acquisition / Adjusted EBITDA Pre IFRS16 [(3)]	**-3.04x**	**-3.80x**

-0.76x

[(1)] Represents the balance of discounted receivables due in the subsequent quarter

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

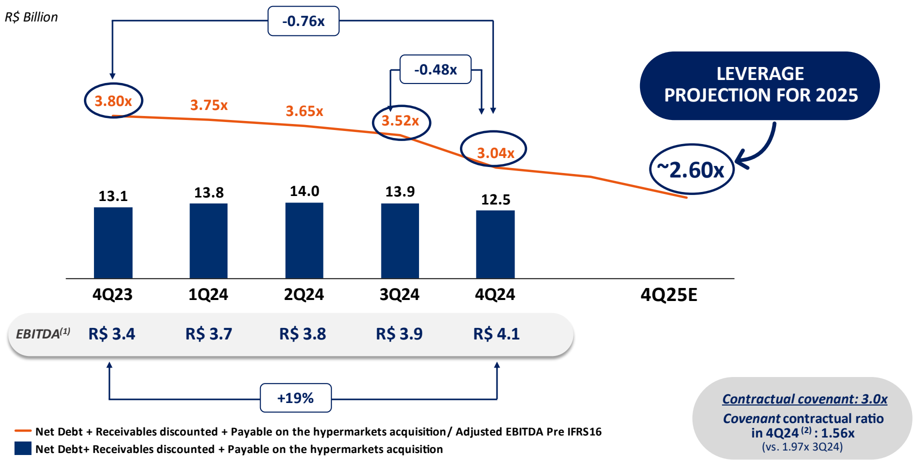
[(1)] Adjusted EBITDA Pre IFRS 16 accumulated the last 12 months (excluding equity income)

The leverage ratio, represented by the net debt/Adjusted EBITDA ratio Pre-IFRS16, reached 3.04x in the quarter, a level better than the projected in the guidance for 2024. The level represents a significant reduction of 0.76x vs. 4Q23 and the acceleration of the deleveraging process.

The leverage level was reached due to the reduction of R$ 571 million in net debt, a result of the operating cash generation in 4Q24, in addition to the increase of R$ 669 million in the EBITDA accumulated over 12 months due to the maturation of the new stores. It is important to highlight that Assaí paid, in January 2024, the amount of R$ 894 million related to the last installment referring to the acquisition of hypermarkets.

At the end of the period, the balance of discounted receivables maturing in the subsequent quarter was R$ 2.0 billion, with an average term of 9.5 days. The prepayment of receivables is an operation typical to the retail sector and the Brazilian market and a relevant component of the Company's treasury management, which manages the cash balance invested and the amount of receivables available for discount. Furthermore, the larger or smaller discount of receivables has a neutral effect on net debt and leverage, since under the presented criteria, net debt includes the balance of discounted receivables.

Considering that the Company can always choose to accelerate the full balance of receivables (R$ 3.9 billion in credit card receivables with no recourse in 4Q24), the net debt level in this view would be R$ 8.6 billion, with a leverage of 2.1x.



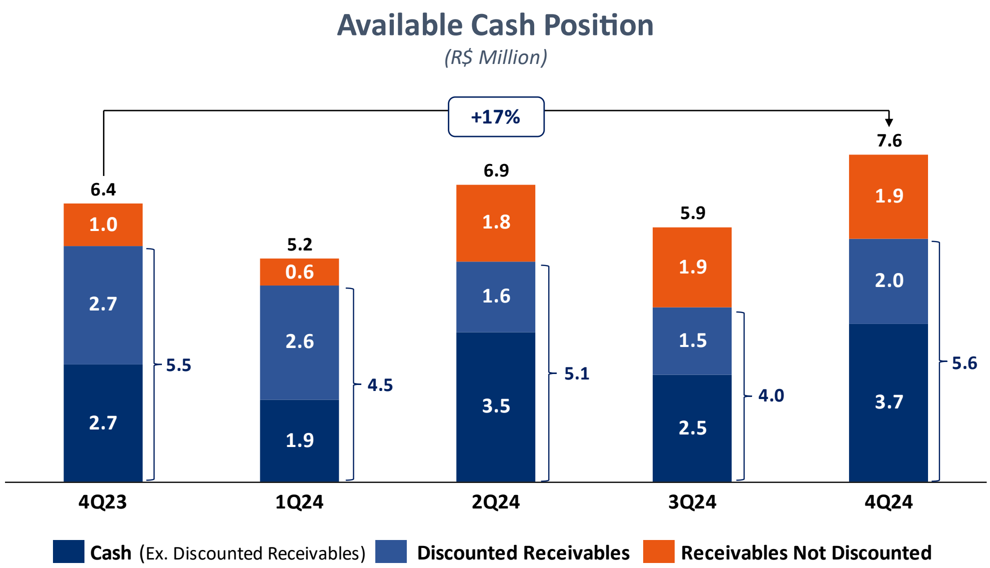
[(1)] Adjusted EBITDA PreIFRS16 accumulated the last 12 months (excluding equity income)
[(2)] Contractual Ratios: [Gross Debt (-) Cash (-) Card Receivables] / [Gross Profit (-) SG&A (-) Depreciation and Amortization (+) Other Operating Income]
Unscaled chart

In 2025, the Company aims to reach a leverage level (represented by the Net Debt/EBITDA ratio) of about 2.6x, given the growth of EBITDA and the reduction of net debt, as a result of the revision of the expansion and the investment plan.

AVAILABLE CASH POSITION

The Company ended the year 2024 with total available cash position of R$ 7.6 billion, considering undiscounted receivables, which can be converted into cash in D+1. This amount was 17% higher compared to 4Q23, due to the higher cash generation in the period.

The Company's cash and cash equivalents, which include cash at the end of the period and the balance of undiscounted receivables, follow the evolution of the average cash invested, which totaled R$ 1,917 billion in 4Q24 (compared to R$ 777 million in 4Q23, R$ 639 million in 1Q24, R$ 835 million in 2Q24, and R$ 1,325 million in 3Q24).



FORFAITING

The Company conducts operations involving the sale of receivables and prepayment of receivables, which are common practices in the Brazilian retail sector, through agreements with financial institutions. These agreements aim to offer early liquidity to the suppliers, and the decision to carry out these operations is at the sole discretion of the supplier. Financial institutions become creditors, while the Company makes payments as agreed with the suppliers, receiving a commission from financial institutions for this intermediation, which is recorded as financial revenue. The amount received in 2024 totaled R$ 54 million. There are no financial charges for the Company, and these liabilities are not considered net debt.

It is worth mentioning that Management also considered the guidance of CVM SNC/SEP Official Letter No. 01/2022, concluding that there are no significant impacts, given that the essence of the transactions and the agreed conditions were maintained. On December 31, 2024, the balance payable on these operations was R$ 938 million (R$ 779 million related to products and R$ 159 million to property, plant and equipment) vs. R$ 1.5 billion on December 31, 2023 (R$ 1.1 billion related to products and R$ 389 million to property, plant and equipment).

VOLUNTARY DELISTING OF AMERICAN DEPOSITARY SHARES (ADSs)

On December 19, 2024, the Company's Board of Directors approved Assaí's intention to voluntarily delisting its American Depositary Shares (“ADSs”) from the New York Stock Exchange (“NYSE”), considering that maintaining a secondary listing on the NYSE is not currently beneficial, as the trading of the Company's common shares is predominantly (about 87%) focused on the Novo Mercado. The delisting is in line with the Company's long-term strategy to maintain operational efficiency. Following the delisting effective on January 9, 2025, ADSs started to be traded under the ticker "ASAIY".

It is important to highlight that the Company, committed to high standards of governance, even after the effectiveness of the Delisting and the deregistration with SEC, will voluntarily maintain its current corporate governance practices.

DIVIDENDS AND INTEREST ON EQUITY

For the fiscal year ended December 31, 2024, the amount allocated for the distribution of minimum mandatory dividends is R$ 129 million, equivalent to 25% of the balance available for dividend distribution, as per the Company’s Bylaws. This balance excludes the tax incentive reserve related to the recognition of subsidy credits for investments, as well as the 5% legal reserve.

Also during the year, the payment of interest on equity was approved in the gross amount of R$ 125, on which the Income Tax Withheld at Source was deducted in the amount of R$16, resulting in a net amount of R$109 million to be paid on February 28, 2025, as per the Notice to Shareholders dated December 30, 2024.

Therefore, the amount referring to the remaining portion of dividends is R$ 20 million, calculated as follows.

(R$ million)	**2024**	**2023**
Net income (Post IFRS16)	769	710
Reserve of tax incentives	(229)	(710)
Legal reserve basis	**540**	**0**
% Legal reserve	5%	5%
Legal reserve for the year	27	-
Dividends Base	**513**	-
Mandatory minimum dividends - 25%	129	-
Interests on Equity - Paid	(109)	-
Dividends proposed to be paid	**20**	-

For the American Depositary Shares (ADSs) traded on the NYSE, payment will be made via the depositary bank JP Morgan Chase Bank. Holders can find information about it at the website https://adr.com.

CONTINUOUS ADVANCES IN ESG

Through our purpose of **boosting prosperity for all** with **responsible and transparent operations**, and **lower environmental impact,** we promote initiatives aimed at building a more sustainable society, based on three strategic pillars:

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

The main highlights of 4Q24 were:

EFFICIENT OPERATIONS

- **10% reduction** in **scope 1 emissions(1) and 2(2)** vs. 4Q23;
- **Reuse of 43% of waste,** stable year-to-date, as a result of recycling, composting, and food waste reduction practices. **46% increase in the volume of organic waste destined for composting** vs. 2023;
- **Implementation of the Destino Certo Program in +94% of the new stores**, totaling more than 1,975 tons of organic waste diverted from landfills through donations to social institutions, avoiding 1,331.68 tCO2e of GHG emissions; and
- **Reverse Logistics Program for Waste: +31% in the collection of light bulbs** and +**7% in the collection of batteries and cells from customers** in Dec/24 (vs. Dec/23).

ETHICAL AND TRANSPARENT MANAGEMENT

- **For the 3rd consecutive year, the Company is included in the Carbon Efficient Index (ICO2).** Adopting the ICO2 B3 demonstrates our commitment to climate management and agenda, as well as transparency in disclosing our carbon emissions; and
- **The Company received a B rating from CDP** (Disclosure Insight Action), one of the leading programs for measuring and reporting on the efficient management of risks related to carbon emissions and climate change.

PEOPLE AND COMMUNITY DEVELOPMENT

- The Company ended 2024 with more than 87,000 employees, of which:
  - 45.8% of Black people in leadership positions (managers and above), an increase of +2.3 p.p. vs. 4Q23;
  - 25.7% of women in leadership positions, an increase of +0.7 p.p. vs. 4Q23;
  - 9.6% of employees aged 50 or older, growth of +1.8 p.p. vs. 4Q23;
  - 5.3% of employees with disabilities, down -0.1 p.p. vs. 4Q23, but still above the legal quota.
- Through the Assaí Institute, the Company continues to promote opportunities and paths to prosperity for people and communities:
  - Donation of 5.4 million meals in 2024, through the Hunger Relief Program, carried out through the project Cozinhas Solidárias (Soup Kitchens), Engagement Campaigns, Destino Certo (Right Destination) (combating waste), Donations of Food Baskets, and Assistance in Climate Emergencies;
  - More than 480 tons of food donated to 100 partner social organizations through the "Alimento a Gente Compartilha" ("Food We Share") campaign, promoted in all stores in Brazil, with the participation of Assaí customers and employees; and
  - Launch of the Volunteering Program and Policy, with the implementation of 4 corporate volunteering actions.

** (1) Own emissions from the company; (2) Emissions from electricity consumption.*

AWARDS AND RECOGNITIONS

The year 2024 was marked by a series of recognitions. For the first time, the Company was elected the Best Wholesale and Retail Company by Exame's Melhores e Maiores 2024 and the most recalled brand in both physical and digital retail by Branding Brasil.

Assaí was included in the national GPTW ranking and recognized as the best food retail company to work for in Brazil (companies with over 10,000 employees). Additionally, the year was marked by recognition as the most valuable brand in food retail by the Interbrand Ranking of Brazil's Most Valuable Brands, and the most recalled brand in the supermarket and wholesale sectors by Folha Top Of Mind, for the 3rd consecutive year.

Below are the highlights for 4Q24:

- **GPTW:** 5th position in the retail ranking, being the best food retail company to work for in the country (companies with more than 10,000 employees).
- **Thought Leaders 100 Brasil 2025:** 29th position among the 100 most transformative companies in the country, and Belmiro Gomes, the Company's CEO, listed in 27th position among the 100 most transformative leaders in Brazil.
- **14th Research on Companies that Communicate Best with Journalists:** For the 2nd consecutive year, named the best company in communication with journalists in the Wholesale and Retail sector.
- **Popai Brasil: Achieved four recognitions**, including 3 silver trophies and 1 bronze for its retail media actions and the 50th anniversary campaign.
- **TIME World's Best Brands 2024 – Brazil:** Recognized in 2nd place in the Grocery Stores category.
- **World's Best Companies in Sustainable Growth 2025:** 96th position, being the only Brazilian food retail company on the international list.
- **Companies that Most Respect the Consumer:** For the 5th year, the brand leads in consumer respect in the Wholesale/Wholesale Cash & Carry category.
- **National Quality of Life Award:** In its 1st participation, the Company achieved silver in the recognition that values companies with the best health, safety, and well-being practices.

ABOUT SENDAS DISTRIBUIDORA S.A.

Assaí Atacadista is a Corporation (company without a single controlling shareholder) that has been operating for 50 years in Cash & Carry and the food network with the biggest presence in Brazilian homes (NielsenIQ Homescan). It is one of Brazil's largest retailers, having recorded gross sales of R$ 80.6 billion in 2024. Established in São Paulo (SP), it serves merchants and consumers who seek greater savings whether buying retail or cash & carry.

Assaí is the only exclusively Cash&Carry company whose shares are listed on the Brazilian Stock Exchange (B3 - ASAI3). Currently, it has 300 stores across all regions in Brazil (24 states and the Federal District) and more than 87,000 employees, being elected one of the best companies to work for in Brazil by the Great Place to Work (GPTW). Recognized for its strong social work, it has the Assaí Institute, which, since 2022, has been working on social impact actions in support of entrepreneurship, promotion of sports, and food security.

Assaí is the best Cash & Carry and Retail company 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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IFRS-16 IMPACTS

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

	4Q24			4Q23		
(R$ million)	**PRE**	**POST**	**Δ**	**PRE**	**POST**	**Δ**
Selling, General and Administrative Expenses	(2,149)	(1,825)	324	(1,975)	(1,673)	302
Adjusted EBITDA	1,294	1,639	345	1,118	1,436	318
Adjusted EBITDA Margin	**6.4%**	**8.1%**	***1.7 p.p.***	**6.1%**	**7.8%**	***1.7 p.p.***
Other Operating (Expenses) Revenue, net	(19)	(19)	-	(4)	(2)	2
Depreciation and Amortization	(277)	(423)	(146)	(255)	(392)	(137)
Net Financial Result	(400)	(669)	(269)	(478)	(736)	(258)
Income Tax and Social Contribution	(124)	(98)	26	(37)	(9)	28
Net Income for the Period	474	430	(44)	343	297	(46)
Net Margin	**2.4%**	**2.1%**	***-0.2 p.p.***	**1.9%**	**1.6%**	***-0.2 p.p.***

	2024			2023		
(R$ million)	**PRE**	**POST**	**Δ**	**PRE**	**POST**	**Δ**
Selling, General and Administrative Expenses	(8,124)	(6,873)	1,251	(7,390)	(6,242)	1,148
Adjusted EBITDA	4,177	5,505	1,328	3,495	4,712	1,217
Adjusted EBITDA Margin	**5.7%**	**7.5%**	***1.8 p.p.***	**5.3%**	**7.1%**	***1.8 p.p.***
Other Operating (Expenses) Revenue, net	(26)	(21)	5	(34)	49	83
Depreciation and Amortization	(1,078)	(1,640)	(562)	(969)	(1,476)	(507)
Net Financial Result	(1,868)	(2,909)	(1,041)	(1,833)	(2,731)	(898)
Income Tax and Social Contribution	(275)	(166)	109	118	156	38
Net Income for the Period	930	769	(161)	776	710	(66)
Net Margin	**1.3%**	**1.0%**	***-0.2 p.p.***	**1.2%**	**1.1%**	***-0.1 p.p.***

APPENDICES

OPERATIONAL INFORMATION

I – Number of stores and sales area

# of Stores	4Q20	4Q21	4Q22	4Q23	1Q24	2Q24	3Q24	4Q24
Southeast	101	113	138	152	154	155	158	162
Northeast	49	57	74	82	82	82	82	82
MidWest	18	21	25	27	28	28	28	28
North	11	14	17	17	18	18	19	20
South	5	7	9	10	10	10	10	10
Total	**184**	**212**	**263**	**288**	**292**	**293**	**297**	**302**
Sales Area (thousand sqm)	**809**	**810**	**1,307**	**1,456**	**1,478**	**1,483**	**1,504**	**1,529**

Since the start of conversions (3Q22), six stores have been closed: one in 3Q22, three in 4Q22, one each in 2Q23 and 3Q23. Furthermore, the sales area of six stores in operation was expanded through the conversion project, of which one in 3Q22, four in 4Q22, and one in 4Q24.

FINANCIAL INFORMATION

The interim financial information (excluding appendix II) was prepared in accordance with international financial reporting standards 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).

III - Income Statement (Pre-IFRS 16)

R$ - Million	4Q24	4Q23	Δ%	2024	2023	Δ%
Gross Revenue	**22,058**	**20,162**	**9.4%**	**80,570**	**72,785**	**10.7%**
Net Revenue	**20,163**	**18,421**	**9.5%**	**73,819**	**66,503**	**11.0%**
Cost of Goods Sold	**(16,735)**	**(15,343)**	**9.1%**	**(61,582)**	**(55,668)**	**10.6%**
Depreciation (Logistic)	(17)	(10)	76.4%	(44)	(35)	25.7%
Gross Profit	**3,411**	**3,068**	**11.2%**	**12,193**	**10,799**	**12.9%**
Selling Expenses	(1,920)	(1,734)	10.8%	(7,233)	(6,544)	10.5%
General and Administrative Expenses	(229)	(242)	-5.2%	(891)	(846)	5.3%
Selling, General and Adm. Expenses	**(2,149)**	**(1,975)**	**8.8%**	**(8,124)**	**(7,390)**	**9.9%**
Equity income	15	15	1.7%	64	51	26.1%
Other Operating Expenses, net	(19)	(4)	426.8%	(26)	(34)	-23.5%
Depreciation and Amortization	(260)	(246)	5.8%	(1,034)	(934)	10.7%
Earnings Before Interest and Taxes - EBIT	**998**	**859**	**16.2%**	**3,073**	**2,491**	**23.4%**
Financial Revenue	151	69	118.8%	324	281	15.4%
Financial Expenses	(551)	(547)	0.7%	(2,192)	(2,115)	3.7%
Net Financial Result	**(400)**	**(478)**	**-16.3%**	**(1,868)**	**(1,833)**	**1.9%**
Income Before Income Tax - EBT	**598**	**381**	**57.0%**	**1,205**	**658**	**83.1%**
Income Tax and Social Contribution	(124)	(37)	235.1%	(275)	118	-333.1%
Net Income for the Period	**474**	**343**	**38.2%**	**930**	**776**	**19.8%**
EBITDA - (Earnings before Interest, Taxes, Depreciation, Amortization)	**1,275**	**1,114**	**14.5%**	**4,151**	**3,461**	**19.9%**
Adjusted EBITDA [(1)]	**1,294**	**1,118**	**15.7%**	**4,177**	**3,495**	**19.5%**

% of Net Revenue	4Q24	4Q23	Δ p.p.	2024	2023	Δ p.p.
Gross Profit	**16.9%**	**16.7%**	**0.2 p.p.**	**16.5%**	**16.2%**	**0.3 p.p.**
Selling Expenses	-9.5%	-9.4%	-0.1 p.p.	-9.8%	-9.8%	0.0 p.p.
General and Administrative Expenses	-1.1%	-1.3%	0.2 p.p.	-1.2%	-1.3%	0.1 p.p.
Selling, General and Adm. Expenses	**-10.7%**	**-10.7%**	**0.0 p.p.**	**-11.0%**	**-11.1%**	**0.1 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%	0.0%	-0.1 p.p.	0.0%	-0.1%	0.1 p.p.
Depreciation and Amortization	-1.3%	-1.3%	0.0 p.p.	-1.4%	-1.4%	0.0 p.p.
EBIT	**4.9%**	**4.7%**	**0.2 p.p.**	**4.2%**	**3.7%**	**0.5 p.p.**
Net Financial Result	**-2.0%**	**-2.6%**	**0.6 p.p.**	**-2.5%**	**-2.8%**	**0.3 p.p.**
Income Before Income Tax - EBT	**3.0%**	**2.1%**	**0.9 p.p.**	**1.6%**	**1.0%**	**0.6 p.p.**
Income Tax and Social Contribution	-0.6%	-0.2%	-0.4 p.p.	-0.4%	0.2%	-0.6 p.p.
Net Income for the Period	**2.4%**	**1.9%**	**0.5 p.p.**	**1.3%**	**1.2%**	**0.1 p.p.**
Earnings before Interest, Taxes, Depreciation, Amortization - EBITDA	**6.3%**	**6.0%**	**0.3 p.p.**	**5.6%**	**5.2%**	**0.4 p.p.**
Adjusted EBITDA [(1)]	**6.4%**	**6.1%**	**0.3 p.p.**	**5.7%**	**5.3%**	**0.4 p.p.**

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

IV - Income Statement (Post-IFRS 16)

R$ - Million	4Q24	4Q23	Δ%	2024	2023	Δ%
Gross Revenue	**22,058**	**20,162**	**9.4%**	**80,570**	**72,785**	**10.7%**
Net Revenue	**20,163**	**18,421**	**9.5%**	**73,819**	**66,503**	**11.0%**
Cost of Goods Sold	**(16,714)**	**(15,327)**	**9.0%**	**(61,505)**	**(55,600)**	**10.6%**
Depreciation (Logistic)	(31)	(22)	40.9%	(93)	(82)	13.4%
Gross Profit	**3,418**	**3,072**	**11.3%**	**12,221**	**10,821**	**12.9%**
Selling Expenses	(1,599)	(1,434)	11.5%	(5,995)	(5,411)	10.8%
General and Administrative Expenses	(226)	(239)	-5.4%	(878)	(831)	5.7%
Selling, General and Adm. Expenses	**(1,825)**	**(1,673)**	**9.1%**	**(6,873)**	**(6,242)**	**10.1%**
Equity income	15	15	0.0%	64	51	25.5%
Other Operating (Expenses) Revenue, net	(19)	(2)	850.0%	(21)	49	-142.9%
Depreciation and Amortization	(392)	(370)	5.9%	(1,547)	(1,394)	11.0%
Earnings Before Interest and Taxes - EBIT	**1,197**	**1,042**	**14.9%**	**3,844**	**3,285**	**17.0%**
Financial Revenue	151	69	118.8%	324	281	15.3%
Financial Expenses	(820)	(805)	1.9%	(3,233)	(3,012)	7.3%
Net Financial Result	**(669)**	**(736)**	**-9.1%**	**(2,909)**	**(2,731)**	**6.5%**
Income Before Income Tax	**528**	**306**	**72.5%**	**935**	**554**	**68.8%**
Income Tax and Social Contribution	(98)	(9)	988.9%	(166)	156	-206.4%
Net Income for the Year	**430**	**297**	**44.8%**	**769**	**710**	**8.3%**
EBITDA - (Earnings before Interest, Taxes, Depreciation, Amortization)	**1,620**	**1,434**	**13.0%**	**5,484**	**4,761**	**15.2%**
Adjusted EBITDA [(1)]	**1,639**	**1,436**	**14.1%**	**5,505**	**4,712**	**16.8%**

% of Net Revenue	4Q24	4Q23	Δ p.p.	2024	2023	Δ p.p.
Gross Profit	**17.0%**	**16.7%**	**0.3 p.p.**	**16.6%**	**16.3%**	**0.3 p.p.**
Selling Expenses	-7.9%	-7.8%	-0.1 p.p.	-8.1%	-8.1%	0.0 p.p.
General and Administrative Expenses	-1.1%	-1.3%	0.2 p.p.	-1.2%	-1.2%	0.1 p.p.
Selling, General and Adm. Expenses	**-9.1%**	**-9.1%**	**0.0 p.p.**	**-9.3%**	**-9.4%**	**0.1 p.p.**
Equity Income	0.1%	0.1%	0.0 p.p.	0.1%	0.1%	0.0 p.p.
Other Operating (Expenses) Revenue, net	-0.1%	0.0%	-0.1 p.p.	0.0%	0.1%	-0.1 p.p.
Depreciation and Amortization	-1.9%	-2.0%	0.1 p.p.	-2.1%	-2.1%	0.0 p.p.
EBIT	**5.9%**	**5.7%**	**0.3 p.p.**	**5.2%**	**4.9%**	**0.3 p.p.**
Net Financial Result	**-3.3%**	**-4.0%**	**0.7 p.p.**	**-3.9%**	**-4.1%**	**0.2 p.p.**
Income Before Income Tax	**2.6%**	**1.7%**	**1.0 p.p.**	**1.3%**	**0.8%**	**0.4 p.p.**
Income Tax	-0.5%	0.0%	-0.4 p.p.	-0.2%	0.2%	-0.5 p.p.
Net Income for the Year	**2.1%**	**1.6%**	**0.5 p.p.**	**1.0%**	**1.1%**	**0.0 p.p.**
Earnings before Interest, Taxes, Depreciation, Amortization - EBITDA	**8.0%**	**7.8%**	**0.2 p.p.**	**7.4%**	**7.2%**	**0.3 p.p.**
Adjusted EBITDA [(1)]	**8.1%**	**7.8%**	**0.3 p.p.**	**7.5%**	**7.1%**	**0.4 p.p.**

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

V - Balance Sheet (Post-IFRS 16)

ASSETS

(R$ million)	31.12.2024	31.12.2023
Current Assets	**16,448**	**14,616**
Cash and cash equivalent	5,628	5,459
Trade receivables	2,210	1,199
Inventories	7,127	6,664
Recoverable taxes	1,241	1,100
Derivative financial instruments	93	48
Prepaid Expenses	99	73
Other accounts receivable	50	73
Non-current assets	**29,145**	**28,561**
Deferred income tax and social contribution	140	171
Recoverable taxes	672	573
Derivative financial instruments	297	226
Related parties	23	23
Restricted deposits for legal proceedings	24	44
Prepaid Expenses	9	9
Other accounts receivable	31	109
Investments	804	864
Property, plan and equipment	13,564	13,148
Intangible assets	5,183	5,172
Right-of-use assets	8,398	8,222
TOTAL ASSETS	**45,593**	**43,177**

LIABILITIES

(R$ million)	31.12.2024	31.12.2023
Current Liabilities	**16,312**	**16,425**
Trade payables, net	10,709	9,759
Trade payables - Agreements	938	1,459
Trade payables - Agreements - Acquisition of hypermarkets	-	892
Borrowings	38	36
Debentures and promissory notes	2,046	2,079
Payroll and related taxes	682	624
Lease liabilities	412	532
Taxes payable	529	298
Income tax and social contribution payable	34	-
Dividends and interest on own capital payable	129	-
Deferred revenues	449	418
Other accounts payable	346	328
Non-current liabilities	**24,026**	**22,122**
Trade payables, net	12	38
Borrowings	1,720	1,947
Debentures and promissory notes	12,761	11,122
Provision for legal proceedings	223	263
Lease liabilities	9,232	8,652
Deferred revenues	26	37
Cash-setted share-based payment plan	5	4
Other accounts payable	47	59
Shareholders' Equity	**5,255**	**4,630**
Share capital	1,272	1,272
Capital reserve	88	56
Earnings reserve	3,933	3,309
Treasury shares	(26)	-
Other comprehensive results	(12)	(7)
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	**45,593**	**43,177**

VI - Cash Flow (Post-IFRS 16)

(R$ million)	31.12.2024	31.12.2023
Net income for the year	**769**	**710**
Deferred income tax and social contribution	34	(162)
Loss (gain) on disposal of property, plant and equipment and lease	12	(55)
Depreciation and amortization	1,640	1,476
Interests and monetary variation	3,117	2,853
Share of profit and loss of associate	(64)	(51)
Provision of legal proceedings	84	151
Provision of stock option	32	20
Allowance for inventory losses and damages	633	538
(Reverse of) expected credit loss for doubtful accounts	(7)	4
	6,250	**5,484**
Variation of operating assets		
Trade receivables	(1,011)	(640)
Inventories	(1,096)	(735)
Recoverable taxes	(132)	352
Dividends received	124	20
Related parties	-	(5)
Restricted deposits for legal proceedings	21	12
Other assets	57	(14)
	(2,037)	**(1,010)**
Variation of operating liabilities		
Trade payables	635	1,498
Payroll and related taxes	58	40
Taxes and social contributions payable	140	40
Payment for legal proceedings	(141)	(71)
Deferred revenues	20	96
Other accounts payable	7	(114)
	719	**1,489**
Net cash generated by operating activities	**4,932**	**5,963**
Cash flow from investment activities		
Purchase of property, plant and equipment	(1,647)	(3,116)
Purchase of intangible assets	(42)	(169)
Proceeds from property, plant and equipment	3	19
Proceeds from assets held for sale	16	211
Net cash used in investment activities	**(1,670)**	**(3,055)**
Cash flow from financing activities		
Capital contribution	-	9
Proceeds from borrowings	6,600	3,392
Cost of funding of borrowings	(54)	(142)
Payments of borrowings	(4,771)	(1,499)
Payments of interest on borrowings	(2,583)	(1,085)
Dividend and Interest on own capital paid	-	(118)
Purchase of treasury shares	(26)	-
Payments of lease liabilities	(289)	(262)
Payment of interest on lease liability	(1,060)	(977)
Payment of acquisition of hypermarkets	(910)	(2,609)
Net cash used in financing activities	**(3,093)**	**(3,291)**
Net increase (decrease) in cash and cash equivalents	**169**	**(383)**
Cash and cash equivalents at the beginning of the year	5,459	5,842
Cash and cash equivalents at the end of the year	5,628	5,459
Net increase (decrease) in cash and cash equivalents	**169**	**(383)**

(Convenience Translation into English from the Original Previously Issued in Portuguese)

Sendas Distribuidora S.A.

Financial Statements
for the Year Ended
December 31, 2024 and
Independent Auditor's Report

Deloitte Touche Tohmatsu Auditores Independentes Ltda.

Deloitte.

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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

To the Shareholders and Board of Directors of
Sendas Distribuidora S.A.

Opinion

We have audited the accompanying financial statements of Sendas Distribuidora S.A. ("Company"), which comprise the balance sheet as at December 31, 2024, and the related statements of operations, of comprehensive income, of changes in shareholders' equity and of cash flows for the year then ended, and notes to the financial statements, including material accounting policies.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sendas Distribuidora S.A. as at December 31, 2024, and the results of its operations and of its cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and with IFRS Accounting Standards, as issued by the International Accounting Standards Board - IASB.

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the relevant ethical requirements set out in the Code of Ethics for Professional Accountants and the professional standards issued by the Brazilian Federal Accounting Council (CFC), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and, therefore, we do not provide a separate opinion on these matters.

Recoverability of ICMS tax credits
Why it is a KAM

As described in note 9.1 to the financial statements, at December 31, 2024, the Company had recoverable ICMS tax credits amounting to R$1,297 million, whose recoverability depends on the generation of sufficient amounts of ICMS tax payable in the future. In assessing the recoverability of these tax credits, Management uses projections of revenues, costs and expenses, as well as other information used in estimating the timing and nature of the future amounts of ICMS tax payable, which are based on estimates and assumptions of future business performance and market conditions, as well as expectations as to applicable tax regulations and adoption of special tax regime obtained by the Company and used in the ICMS computation for certain States.

Auditing the recoverability of ICMS tax credits was considered especially challenging due to: (i) the magnitude of amounts involved; and (ii) the relevant degree of complexity involved in the Brazilian indirect State tax legislation and in Management's assessment process, which requires significant judgment by Management and includes relevant assumptions in the estimation of the timing and

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amounts of future ICMS tax payable that could be affected by future market or economic conditions and events and by matters related to the special tax regime and potential changes in State tax legislation.

How the matter was addressed in our audit

Our audit procedures included, among others:

- We obtained an understanding of relevant internal controls over Management's assessment of the recoverability of ICMS tax credits, including relevant internal controls over projections prepared by Management and approved by those charged with governance, used in the recoverability assessment.
- We evaluated the significant assumptions used by Management in its recoverability assessment and tested the completeness and accuracy of the underlying data supporting the significant assumptions.
- With the assistance of our tax specialists, we evaluated the application of tax laws and special tax regimes used in the recoverability assessment.
- We tested the data used by Management in determining the recorded amounts for recoverable tax credits, comparing inputs to internal data and testing the accuracy and completeness of calculations.
- We evaluated the related disclosures in the financial statements.

Based on the evidence obtained through our audit procedures described above, we consider that Management's assessment of the recoverability of these tax credits and related disclosures in the notes to the financial statements are acceptable in the context of the financial statements taken as a whole.

Provisions and Tax contingencies
Why it is a KAM

As described in notes 17.1 and 17.4 to the financial statements, the Company is party to a significant number of administrative and legal proceedings arising from various tax claims and assessments. Based on the opinions and with the support of its internal and external legal counsel, Management assesses the likelihood of loss related to these tax claims and assessments, and records provisions when the likelihood of loss is assessed as probable, and the amounts can be estimated.

As of December 31, 2024, Management has recorded provisions in the amount of R$16 million.

Additional claims and assessments of R$3,331 million were outstanding as of December 31, 2024, which includes uncertain tax treatments, for which no provision was recorded. Out of this amount, R$1,390 million is subject of reimbursement from its former controlling shareholders, under the separation agreement signed by the parties. Management uses significant judgment in evaluating the merits of each claim and assessment and in evaluating the likelihood and potential amounts of loss, considering the complexity of the Brazilian tax environment and legislation, including existence and interpretation of applicable jurisprudence and case law. Management evaluation also involves assistance from internal and external legal counsels of the Company.

Auditing Management's assessment of the likelihood of loss on tax claims was considered especially challenging due to: (i) the complexity involved in the evaluation and interpretation of applicable tax

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legislation, case law, and applicable jurisprudence, which requires a relevant degree of judgment applied by Management and the assistance of the Company's internal and external counsels; (ii) the amounts involved and the significant estimate uncertainty related to the ultimate outcome and timing of court decisions; and (iii) the additional audit efforts, which include the involvement of our tax specialists.

How the matter was addressed in our audit

Our audit procedures included, among others:

- We obtained an understanding of relevant internal controls over the identification and evaluation of tax claims and assessments, including the assumptions and technical merits of tax positions used in the evaluation of the likelihood of loss, as well as the processes to measure, record and disclose the amounts related to tax contingencies.
- We read and obtained an understanding on indemnification agreements entered by the Company and former controlling entity.
- We tested the completeness of the tax contingencies subject to Management's evaluation.
- With the assistance of our tax specialists, we evaluated Management's assessment of the likelihood and estimate of loss for a sample of material tax contingencies, which included:
  - Obtaining an understanding and evaluating Management's judgments, the technical merits and documentation supporting Management's assessment, including reading and evaluating tax opinions or other third-party tax advice obtained from the Company's external tax and legal counsel.
  - Inspecting and evaluating the responses to external confirmations sent to key external tax and legal advisers of the Company.
  - Evaluating the judgments performed by Management, using our knowledge of, and experience with, the application of tax laws and developments in the applicable regulatory and tax environments.
  - Testing the assumptions, underlying data and accuracy of the calculation of the amounts related to recorded tax provisions and disclosed tax contingencies.
- We also evaluated the related disclosures in the financial statements.

Based on the evidence obtained through our audit procedures described above, we consider that Management's assessment of the likelihood of loss on tax claims and related disclosures in the notes to the financial statements are acceptable in the context of the financial statements taken as a whole.

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Other matters

Statements of value added

The statement of value added (DVA) for the year ended December 31, 2024, prepared under the responsibility of the Company's Management and presented as supplemental information for purposes of the IFRSs, were subject to audit procedures performed together with the audit of the Company's financial statements. In forming our opinion, we assess whether these statements are reconciled with the other financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria set out in technical pronouncement CPC 09 (R1) - Statement of Value Added. In our opinion, these statements of value added were appropriately prepared, in all material respects, in accordance with the criteria set out in such technical pronouncement and are consistent in relation to the financial statements taken as a whole.

Other information accompanying the financial statements and the independent auditor's report

Management is responsible for the other information. Such other information comprises the Management Report.

Our opinion on the financial statements does not cover the Management Report, and we do not express any form of audit conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting practices adopted in Brazil and with IFRS Accounting Standards, as issued by the International Accounting Standards Board - IASB, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and

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are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

We also provide to those charged with governance a statement that we have complied with the relevant ethical requirements, including independence requirements, and communicate all relationships or matters that could considerably affect our independence, including, when applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor’s report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we

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determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Convenience translation

The accompanying financial statements have been translated into English for the convenience of readers outside Brazil.

São Paulo, February 19, 2025.

DELOITTE TOUCHE TOHMATSU Auditores Independentes Ltda.	Natacha Rodrigues dos Santos Engagement Partner

SENDAS DISTRIBUIDORA S.A.
BALANCE SHEET
AS OF DECEMBER 31, 2024
(In millions of Brazilian Reais)

ASSETS	Note	12/31/2024	12/31/2023
Current assets			
Cash and cash equivalents	6	**5,628**	5,459
Trade receivables	7	**2,210**	1,199
Inventories	8	**7,127**	6,664
Recoverable taxes	9	**1,241**	1,100
Derivative financial instruments	16.9	**93**	48
Expenses in advance		**99**	73
Other accounts receivable		**50**	73
Total current assets		**16,448**	14,616
Non-current assets			
Recoverable taxes	9	**672**	573
Deferred income tax and social contribution	19.2	**140**	171
Derivative financial instruments	16.9	**297**	226
Related parties	10.1	**23**	23
Restricted deposits for legal proceedings	17.6	**24**	44
Expenses in advance		**9**	9
Other accounts receivable		**31**	109
		1,196	1,155
Investments	11	**804**	864
Property, plant and equipment	12.2	**13,564**	13,148
Intangible assets	13.1	**5,183**	5,172
Right-of-use assets	14.1	**8,398**	8,222
		27,949	27,406
Total non-current assets		**29,145**	28,561
TOTAL ASSETS		**45,593**	43,177

The accompanying notes are an integral part of these financial statements.

SENDAS DISTRIBUIDORA S.A.
BALANCE SHEET
AS OF DECEMBER 31, 2024
(In millions of Brazilian Reais)

LIABILITIES	Note	12/31/2024	12/31/2023
Current liabilities			
Trade payables	15	**10,709**	9,759
Trade payables - Agreements	15.2	**938**	1,459
Trade payables - Agreements - Acquisition of hypermarkets		**-**	892
Borrowings	16.9	**38**	36
Debentures and promissory notes	16.9	**2,046**	2,079
Payroll and related taxes		**682**	624
Lease liabilities	14.2	**412**	532
Taxes payable		**529**	298
Income tax and social contribution payable		**34**	-
Deferred revenues	18	**449**	418
Dividends and interest on own capital	20.2	**129**	-
Other accounts payable		**346**	328
Total current liabilities		**16,312**	16,425
Non-current liabilities			
Trade payables	15	**12**	38
Borrowings	16.9	**1,720**	1,947
Debentures and promissory notes	16.9	**12,761**	11,122
Provision for legal proceedings	17	**223**	263
Lease liabilities	14.2	**9,232**	8,652
Deferred revenues	18	**26**	37
Cash-settled share plan	20.7.3	**5**	4
Other accounts payable		**47**	59
Total non-current liabilities		**24,026**	22,122
SHAREHOLDERS´ EQUITY			
Share capital	20.1	**1,272**	1,272
Capital reserves		**88**	56
Earnings reserves		**3,933**	3,309
Treasury shares	20.6	**(26)**	-
Other comprehensive income		**(12)**	(7)
Total shareholders' equity		**5,255**	4,630
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**45,593**	43,177

The accompanying notes are an integral part of these financial statements.

SENDAS DISTRIBUIDORA S.A.
STATEMENTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In millions of Brazilian Reais, unless otherwise stated)

	Note	12/31/2024	12/31/2023
Net operating revenue	21	**73,819**	66,503
Cost of sales	22	**(61,598)**	(55,682)
Gross profit		**12,221**	10,821
Operating expenses, net			
Selling expenses	22	**(5,995)**	(5,411)
General and administrative expenses	22	**(878)**	(831)
Depreciation and amortization		**(1,547)**	(1,394)
Share of profit of associates	11	**64**	51
Other operating (expenses) revenues, net	23	**(21)**	49
		(8,377)	(7,536)
Operating profit before net financial result		**3,844**	3,285
Financial revenues	24	**324**	281
Financial expenses	24	**(3,233)**	(3,012)
Net financial result		**(2,909)**	(2,731)
Income before income tax and social contribution		**935**	554
Income tax and social contribution	19.1	**(166)**	156
Net income for the year		**769**	710
Basic earnings per millions shares in Brazilian reais (weighted average for the year - R$)			
Common shares	25	**0.569164**	0.525574
Diluted earnings per millions shares in Brazilian reais (weighted average for the year - R$)			
Common shares	25	**0.567277**	0.524174

The accompanying notes are an integral part of these financial statements.

SENDAS DISTRIBUIDORA S.A.
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2024
(In millions of Brazilian Reais)

	12/31/2024	12/31/2023
Net income for the year	**769**	710
Items that may be subsequently reclassified into the statement of operations		
Fair value of receivables	**(8)**	(7)
Income tax effect	**3**	2
Comprehensive income for the year	**764**	705

The accompanying notes are an integral part of these financial statements.

SENDAS DISTRIBUIDORA S.A.
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2024
(In millions of Brazilian Reais)

				Earnings reserves							
	Note	Share capital	Capital reserves	Legal reserve	Expansion reserve	Tax incentive reserve	Profit reserve	Treasury shares	Retained earnings	Other comprehensive income	Total
As of January 1, 2023		1,263	36	180	632	1,462	325	-	-	(2)	3,896
Other comprehensive income											
Net income for the year		-	-	-	-	-	-	-	710	-	710
Fair value of receivables		-	-	-	-	-	-	-	-	(7)	(7)
Income tax effect		-	-	-	-	-	-	-	-	2	2
Comprehensive income for the year		-	-	-	-	-	-	-	710	(5)	705
Capital contribution	20.1	9	-	-	-	-	-	-	-	-	9
Stock options granted		-	20	-	-	-	-	-	-	-	20
Tax incentive reserve		-	-	-	-	710	-	-	(710)	-	-
Expansion reserve		-	-	-	325	-	(325)	-	-	-	-
As of December 31, 2023		1,272	56	180	957	2,172	-	-	-	(7)	4,630
Other comprehensive income											
Net income for the year		**-**	**-**	**-**	-	**-**	**-**	**-**	**769**	**-**	**769**
Fair value of receivables		**-**	**-**	**-**	-	**-**	**-**	**-**	**-**	**(8)**	**(8)**
Income tax effect		**-**	**-**	**-**	-	**-**	**-**	**-**	**-**	**3**	**3**
Comprehensive income for the year		**-**	**-**	**-**	-	**-**	**-**	**-**	**769**	**(5)**	**764**
Stock options granted		**-**	**32**	**-**	-	**-**	**-**	**-**	**-**	**-**	**32**
Interest on own capital	20.2	**-**	**-**	**-**	-	**-**	**-**	**-**	**(125)**	**-**	**(125)**
Dividends	20.2	**-**	**-**	**-**	-	**-**	**-**	**-**	**(20)**	**-**	**(20)**
Share buyback	20.6	**-**	**-**	**-**	-	**-**	**-**	**(26)**	**-**	**-**	**(26)**
Tax incentive reserve	20.5	**-**	**-**	**-**	-	**229**	**-**	**-**	**(229)**	**-**	**-**
Legal reserve	20.3	**-**	**-**	**27**	**-**	**-**	**-**	**-**	**(27)**	**-**	**-**
Profit reserve		**-**	**-**	**-**	**-**	**-**	**368**	**-**	**(368)**	**-**	**-**
As of December 31, 2024		**1,272**	**88**	**207**	**957**	**2,401**	**368**	**(26)**	**-**	**(12)**	**5,255**

The accompanying notes are an integral part of these financial statements.

SENDAS DISTRIBUIDORA S.A.
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In millions of Brazilian Reais)

	12/31/2024	12/31/2023
Cash flow from operating activities		
Net income for the year	**769**	710
Adjustments to reconcile net income for the year		
Deferred income tax and social contribution	**34**	(162)
Loss (gain) of disposal of property, plant and equipment and leasing	**12**	(55)
Depreciation and amortization	**1,640**	1,476
Financial charges	**3,117**	2,853
Share of profit of associate	**(64)**	(51)
Provision for legal proceedings	**84**	151
Provision for stock option	**32**	20
Allowance for inventory losses and damages	**633**	538
(Reversal of) expected credit loss for doubtful accounts	**(7)**	4
	6,250	5,484
Variations in operating assets and liabilities		
Trade receivables	**(1,011)**	(640)
Inventories	**(1,096)**	(735)
Recoverable taxes	**(132)**	352
Restricted deposits for legal proceedings	**21**	12
Other assets	**57**	(14)
Trade payables	**635**	1,498
Payroll and related taxes	**58**	40
Related parties	**-**	(5)
Payment for legal proceedings	**(141)**	(71)
Taxes and social contributions payable	**140**	40
Deferred revenue	**20**	96
Dividends received	**124**	20
Other liabilities	**7**	(114)
	(1,318)	479
Net cash generated by operating activities	**4,932**	5,963
Cash flow from investment activities		
Purchase of property, plant and equipment	**(1,647)**	(3,116)
Purchase of intangible assets	**(42)**	(169)
Proceeds from property, plant and equipment	**3**	19
Proceeds from assets held for sale	**16**	211
Net cash used in investment activities	**(1,670)**	(3,055)
Cash flow from financing activities		
Capital contribution	**-**	9
Proceeds from borrowings	**6,600**	3,392
Borrowing costs	**(54)**	(142)
Payment of borrowings	**(4,771)**	(1,499)
Payment of interest on borrowings	**(2,583)**	(1,085)
Dividends and interest on own capital, paid	**-**	(118)
Buyback treasury shares	**(26)**	-
Payment of lease liabilities	**(289)**	(262)
Payment of interest on lease liabilities	**(1,060)**	(977)
Payment points of sales acquisition	**(910)**	(2,609)
Net cash used in financing activities	**(3,093)**	(3,291)
Net increase (decrease) in cash and cash equivalents	**169**	(383)
Cash and cash equivalents at the beginning of the year	**5,459**	5,842
Cash and cash equivalents at the end of the year	**5,628**	5,459

The accompanying notes are an integral part of these financial statements.

SENDAS DISTRIBUIDORA S.A.
STATEMENTS OF VALUE ADDED
FOR THE YEAR ENDED DECEMBER 31, 2024
(In millions of Brazilian Reais)

	12/31/2024	12/31/2023
Revenues		
Sales of goods and services	**80,388**	72,638
Reversal of (loss) expected credit for doubtful accounts	**12**	(4)
Other expenses, net	**(5)**	(5)
	80,395	72,629
Products acquired from third parties		
Cost of Sales	**(66,781)**	(60,648)
Materials, energy, outsourced services and others	**(3,524)**	(3,110)
	(70,305)	(63,758)
Gross value added	**10,090**	8,871
Retention		
Depreciation and amortization	**(1,640)**	(1,476)
Net value added produced	**8,450**	7,395
Value added received in transfer		
Share of profit of associates	**64**	51
Financial revenues	**339**	295
	403	346
Total value added to distribute	**8,853**	7,741
Personnel	**3,934**	3,588
Direct compensation	**2,659**	2,404
Benefits	**861**	889
Government severance indemnity fund for employees (FGTS)	**220**	196
Others	**194**	99
Taxes, fees and contributions	**872**	316
Federal	**396**	39
State	**306**	120
Municipal	**170**	157
External financiers	**3,278**	3,127
Interest	**3,262**	3,087
Rentals	**16**	40
Shareholders' remuneration	**769**	710
Interest on own capital	**125**	-
Dividends	**20**	-
Retained earnings	**624**	710
Total value added distributed	**8,853**	7,741

The accompanying notes are an integral part of these financial statements.

1 CORPORATE INFORMATION

Sendas Distribuidora S.A. ("Company" or "Sendas") is a publicly held company listed in the Novo Mercado segment of B3 S.A. - Brasil, Bolsa, Balcão (B3), under ticker symbol "ASAI3". The Company is primarily engaged in the retail and wholesale of food products, bazaar items and other products through its chain of stores, operated under "ASSAÍ" brand, since this is the only disclosed segment. The Company's registered office is at Avenida Ayrton Senna, 6.000, Lote 2 - Anexo A, Jacarepaguá, in the State of Rio de Janeiro. As of December 31, 2024, the Company operated 302 stores (288 stores as of December 31, 2023) and 12 distribution centers (11 distribution centers as of December 31, 2023) in the five regions of the country, with operations in 24 states and in the Federal District.

On December 19, 2024, the Company's Board of Directors approved the Company's intention to proceed with the voluntary delisting of its American Depositary Shares ("ADSs") from the New York Stock Exchange ("NYSE"). The delisting, which was concluded on January 9, 2025, is in line with the Company's long-term strategy to maintain operational efficiency. The ADSs began trading on the over-the-counter market under the ticker "ASAIY."

1.1 Matters of the year

The new matters for the year ended December 31, 2024, were:

- Delisting of ADSs from NYSE, see note 1.
- Borrowings in foreign currency, see note 16.9.1.
- Ninth, tenth, eleventh and twelfth issue of debentures, see note 16.10.
- Distribution of interest on own capital, see note 20.2.
- Treasury shares, see note 20.6.
- Long-term benefit plans, see notes 20.7.4 and 20.7.5.

1.2 Going concern analysis

Management has assessed the Company's ability to continue operating in a foreseeable future and concluded that Company has ability to maintain its operations and systems working regularly. Therefore, Management is not aware of any material uncertainty that could indicate significant doubts about its ability to continue operating and the financial statements have been prepared based on the assumption of business continuity.

2 BASIS OF PREPARATION AND DISCLOSURE OF THE FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and accounting practices adopted in Brazil law 6,404/76 and technical pronouncements and interpretations issued by the Brazilian Accounting Pronouncements Committee ("CPC") and approved by the Brazilian Securities and Exchange Commission ("CVM").

The financial statements have been prepared based on the historical cost basis, except for: (i) certain financial instruments; and (ii) assets and liabilities arising from business combinations measured at their fair values, when applicable. In accordance with OCPC 07 - Presentation and Disclosures in General Purpose - Financial Statements, all significant information related to the financial statements, and only them, is being disclosed and is consistent with the information used by Management in managing of the Company's activities.

The financial statements are presented in millions of Brazilian Reais (R$), which is the Company's functional currency.

The financial statements for the year ended December 31, 2024 were approved by the Board of Directors on February 19, 2025.

The references to the International Financial Reporting Standards IFRS have been updated by the IFRS Foundation's trademark guidelines. The updated IFRS Foundation guidelines require, among other things, that IFRS standards, including the International Accounting Standards - IASs and the IFRSs, be referred to as "IFRS Accounting Standards."

3 MATERIAL ACCOUNTING POLICIES

The material accounting policies and practices are described in each corresponding explanatory note, except for those below that are related to more than one explanatory note. Accounting policies and practices have been consistently applied to the years presented.

3.1 Foreign currency transactions

Assets and liabilities denominated in foreign currencies are converted into Brazilian Reais, using the spot exchange rate at the end of each reporting period. Differences arising from payments or the conversion of monetary items are recognized in financial result.

3.2 Classification of assets and liabilities as current and non-current

Assets (with the exception of deferred income tax and social contribution) that are expected to be realized or that are intended to be sold or consumed within twelve months, as of the balance sheet dates, are classified as current assets. Liabilities (with the exception of deferred income tax and social contribution) expected to be settled within twelve months from the balance sheet dates are classified as current. All other assets and liabilities (including deferred tax taxes) are classified as "non-current".

Long-term assets and liabilities are not adjusted to present value at initial recognition as their effects are immaterial.

Deferred tax assets and liabilities are classified as “non-current”, net by legal entity.

3.3 Investment grants

Investment grants are recognized when there is reasonable assurance that the entity will comply with all conditions established and related to the grant and that the grant will be received. When the benefit relates to an expense item, it is recognized as revenue over the period of the benefit systematically in relation to the respective expenses for whose benefit it is intended to offset. When the benefit relates to an asset, it is recognized as deferred revenue in liabilities and on a systematic and rational basis over the useful life of the asset.

3.4 Dividends

The distribution of dividends to the Company's shareholders is recognized as a liability at the end of the year, based on the minimum mandatory dividends defined in the bylaws. Any amounts exceeding this minimum are recorded only on the date on which such additional dividends are approved by the Company's shareholders, see note 20.2.

3.5 Statement of cash flows interest payments

The interest payments on borrowings and lease settled by the Company are being disclosed in the financing activities in conjunction with payments of related borrowings and lease, in accordance with CPC 03 (R2)/IAS7 – Statement of Cash Flows.

3.6 Statement of value added

The statement of value added intends to evidence the wealth created by the Company and its distribution in a given year and is presented as required by Brazilian Corporation Law as part of its financial statements, as it is neither mandatory nor established by IFRS.

This statement was prepared based on information obtained from accounting records which provide the basis for the preparation of the financial statements, additional records, and in accordance with technical pronouncement CPC 09 (R1) – Statement of Value Added. The first part presents the wealth created by the Company, represented by revenue (gross sale revenue, including taxes, other revenue and the effects of the allowance for doubtful accounts), inputs acquired from third parties (cost of sales and acquisition of materials, energy and outsourced services, including taxes at the time of acquisition, the effects of losses and the recovery of assets, and depreciation and amortization) and value added received in transfer (equity in the earnings of subsidiaries, financial revenues and other revenues). The second part of the statement presents the distribution of wealth among personnel, taxes, fees and contributions; and value distributed to third party creditors and shareholders.

4 ADOPTION OF NEW STANDARDS, AMENDMENTS TO AND INTERPRETATIONS OF EXISTING STANDARDS ISSUED BY THE IASB AND CPC AND PUBLISHED STANDARDS EFFECTIVE FROM 2024

4.1 Amendments to IFRSs and new interpretations of mandatory application starting at the current year

In 2024, the Company evaluated the amendments and new interpretations to the CPCs and IFRSs issued by the CPC and IASB, respectively, which are effective for accounting periods beginning on or after January 1, 2024. The main changes applicable to the Company are:

Pronouncement	Description
Amendments to IAS 7 - Statement of Cash Flows and IFRS 7 - Financial Instruments: Disclosures - Supplier Financing Arrangements	The amendments add a disclosure objective to IAS 7, stating that an entity should disclose information about its supplier financing arrangements that enables financial statement users to assess the effects of these arrangements on the entity's liabilities and cash flows. Additionally, IFRS 7 has been amended to include supplier financing arrangements within the requirements to disclose information about the entity's exposure to liquidity risk concentration. The following information should be disclosed: • The terms and conditions of the agreements; • The carrying amount, and the corresponding line items presented in the entity's balance sheet, of the liabilities that are part of the agreements; • The carrying amount, and the corresponding line items for which the suppliers have already been paid for providing the financing; • The range of maturity dates for the financial liabilities that are part of a supplier financing arrangement and comparable accounts payable that are not part of a supplier financing arrangement; and • Information about liquidity risk.
Amendments to IAS 1/ CPC 26 (R1): - Classification of liabilities as current and non-current	The amendments to IAS 1 published in January 2020 affect only the presentation of liabilities as current or non-current in the balance sheet and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.
Amendments to IAS 1 – Presentation of Financial Statements – Non-Current Liabilities with Covenants	IAS 1 requires debt to be classified as non-current only if the company can defer the settlement of the debt in the 12 months after the reporting date. The purpose of this initiative is regarding to improve the information disclosed by companies regarding long-term debt with covenants and allow investors to understand the risk that a certain debt would become payable in advance.
Amendments to IFRS 16 - Lease liabilities in a "Sale and Leaseback" transaction	The amendments to IFRS 16 require that the seller-lessee must not recognize a gain or loss related to the right-of-use retained by the seller-lessee.

The adoption of these standards did not result in a material impact on the Company's financial statements.

(In million of Brazilian reais, unless otherwise stated)

4.2 New and revised standards and interpretations issued but not yet adopted

The Company evaluated all new and revised CPCs and IFRSs, already issued and not yet effective, however did not adopt them in advance, of which the most significant and applicable for the Company is:

Pronouncement	Description	Applicable to annual periods beginning on or after
IFRS 18 - Presentation and Disclosures in Financial Statements	IFRS 18 replaces IAS 1 – Presentation of Financial Statements, carrying over many of the unchanged requirements from IAS 1 and complementing them with new requirements. Additionally, some paragraphs from IAS 1 were moved to IAS 8 – Accounting Policies, Changes in Estimates, and Corrections of Errors, and IFRS 7 – Financial Instruments: Disclosures. IASB also implemented minor changes to IAS 7 – Statement of Cash Flows and IAS 33 – Earnings Per Share, and introduced new requirements to: • present specific categories and subtotals defined in the statement of operation; • provide disclosures about performance measures defined by management in the notes to the financial statements; and • improvements related to the aggregation and disaggregation of information.	1/1/2027

This change is currently under evaluation, but it is expected to have a significant impact in the form of disclosure in the Company's financial statements.

4.3 IFRS S1 and S2/CBPS* 01 and 02: General requirements for disclosure of financial information related to sustainability and climate

In compliance with CVM Resolutions 193/2024, 217/2024, 218/2024, and 219/2024, which require entities to disclose information about their sustainability-related risks and opportunities, as well as requirements to identify, measure, and disclose information about climate-related risks and opportunities, the Company is evaluating the impacts of the standards and will not adopt them voluntarily for 2024. The mandatory adoption deadline is January 1, 2026.

*Comitê Brasileiro de Pronunciamentos de Sustentabilidade - CBPS.

5 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires Management to makes judgments and estimates and adopt assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting period, however, the uncertainties about these assumptions and estimates may generate results that require substantial adjustments to the carrying amount of the asset or liability in future periods.

In the process of applying the Company's accounting policies, Management has made the following judgments, which have the most significant impact on the amounts recognized in the financial statements, as disclosed in the following explanatory notes:

Accounting Policy	Note
Impairment	7.2, 11.1, 12.1, 13.2 and 13.3
Inventories: allowance for inventory losses	8.2
Recoverable taxes: expected realization of tax credits	9
Leasing operations: determination of the lease term, and incremental interest rate	14.2
Measurement of the fair value of derivatives and other financial instruments	16.8
Provision for legal proceedings: Record of provision for claims with likelihood assessed as probable loss estimated with a certain degree of reasonability	17
Income tax: provisions based on reasonable estimates, including uncertain tax treatments	17.4.1 and 19
Share-based payments: estimate of fair value of operations based on a valuation model	20.7

6 CASH AND CASH EQUIVALENTS

Cash and equivalents comprise the bank accounts and short-term, highly liquid financial investments and are subject to an insignificant risk of change in value, with intention and possibility to be redeemed in within 90 days as of the date of investment, without losing income.

	12/31/2024	12/31/2023
Cash and bank accounts	**106**	352
Cash and bank accounts - Abroad (i)	**28**	22
Financial investments (ii)	**5,494**	5,085
	5,628	5,459

(In million of Brazilian reais, unless otherwise stated)

(i) As of December 31, 2024, the Company had funds held abroad, of which R$28 in US dollars (R$22 in US dollars as of December 31, 2023).

(ii) As of December 31, 2024, the financial investments refer to the repurchase and resale agreements and Bank Deposit Certificates - CDB, with a weighted average interest rate of 98.54% of the CDI - Interbank Deposit Certificate (95.92% of the CDI as of December 31, 2023). The Company's exposure to interest rate indexes and the sensitivity analysis for these financial assets are disclosed in note 16.7.

7 TRADE RECEIVABLES

Trade receivables are initially recorded at the transaction amount, which corresponds to the sale value, and are subsequently measured according to the portfolio: (i) fair value through other comprehensive income, in the case of receivables from credit card companies; and (ii) amortized cost, for other customer portfolio.

	Note	12/31/2024	12/31/2023
From sales with:			
Credit card	7.1	**1,418**	589
Credit card - related parties (FIC)	10.1	**412**	211
Tickets	7.1	**113**	185
Total of credit card and tickets		**1,943**	985
Slips		**177**	148
Suppliers and others		**93**	81
		2,213	1,214
Expected credit loss for doubtful accounts	7.2	**(3)**	(15)
		2,210	1,199

The breakdown of trade receivables by their gross amount by maturity period is presented below:

	Total	Due	Overdue	
			Less than 30 days	Over 30 days
December 31, 2024	**2,213**	**2,204**	**8**	**1**
December 31, 2023	1,214	1,202	5	7

7.1 Assignment of receivables

The Company assigned part of its receivables referring to credit cards and tickets with operators, without any right of recourse, aiming to anticipate its cash flow. As of December 31, 2024, the amount of these operations is R$1,976 (R$2,757 as of December 31, 2023). The amount was derecognized from the balance of trade receivables, since all risks related to the receivables were substantially transferred. The cost to advance these receivables as of December 31, 2024 was R$127 (R$116 as of December 31, 2023), classified as “Cost and discount of receivables” in note 24.

As of December 31, 2024, the amount of receivables, currently, discountable (credit cards and tickets) is R$1,943 (R$985 as of December 31,2023).

7.2 Expected credit loss for doubtful accounts

Losses are recorded based on quantitative and qualitative analysis, the track record of effective losses in the last 24 months, the credit assessment, and considering information on assumptions and projections relating to macroeconomic events, such as unemployment index and consumer confidence index, as well as the volume of credits overdue in the trade receivable portfolio. The Company opted for measuring provisions for trade receivable losses by an amount equal to the expected credit loss for the entire life, by adopting a matrix of losses for each level of maturity.

The balance is measured at amortized cost is stated as a reducer of its accounting balance.

	12/31/2024	12/31/2023
At the beginning of the year	**(15)**	(11)
Additions	**(42)**	(50)
Reversals	**49**	46
Write-offs	**5**	-
At the end of the year	**(3)**	(15)

8 INVENTORIES

Inventories are accounted for at acquisition cost and valued at cost or net realizable value, whichever is the lowest. Inventories acquired are recorded by average cost, including the storage and handling costs, to the extent these costs are necessary to bring inventories to their sale condition at stores, less bonuses received from suppliers not yet realized.

Net realizable value is the selling price in the ordinary course of business, less the estimated costs necessary to make the sale, such as: (i) taxes levied on sales; (ii) personnel expenses directly linked to sales; (iii) cost of sales; and (iv) other costs required to make goods available for sale.

	Note	12/31/2024	12/31/2023
Stores		**6,498**	6,033
Distribution centers		**1,231**	1,237
Commercial agreements	8.1	**(505)**	(525)
Inventory losses	8.2	**(97)**	(81)
		7,127	6,664

(In million of Brazilian reais, unless otherwise stated)

8.1 Commercial agreements

As of December 31, 2024, the amount of unrealized commercial agreements, presented as a reduction of inventory balance, totaled R$505 (R$525 as of December 31, 2023).

8.2 Inventory losses

Inventories are reduced to their recoverable value through estimates for breakage and slow moving and estimated losses for goods that will be sold with a negative gross margin, which is periodically analyzed and assessed as to their adequacy.

	12/31/2024	12/31/2023
At the beginning of the year	**(81)**	(68)
Additions	**(649)**	(567)
Reversals	**16**	29
Write-offs	**617**	525
At the end of the year	**(97)**	(81)

9 RECOVERABLE TAXES

The Company records tax credit when: (i) are generated in the operation; or (ii) obtains internal and external factors as legal and market interpretations to conclude that it is entitled to these credits, including realization.

The tax credit ICMS (Imposto Sobre Circulação de Mercadorias e Serviços) (State VAT) is recognized in cost of sale in the statement of operations. PIS (Programa de Integração Social) and COFINS (Contribuição para o Financiamento da Seguridade Social) (federal taxes on gross revenues) is recognized as a credit in the same account on which the credits are calculated.

The realization of taxes is made based on growth projections, operational aspects and estimates of the generation of liabilities for the use of credits by the Company. The studies mentioned are prepared and reviewed periodically based on information extracted from the strategic planning previously approved by the Board of Directors.

	Note	12/31/2024	12/31/2023
ICMS	9.1	**1,297**	1,085
PIS and COFINS	9.2	**353**	287
Social Security Contribution - INSS		**144**	169
Withholding taxes to be recovered		**119**	132
		1,913	1,673
Current		**1,241**	1,100
Non-current		**672**	573

9.1 State VAT tax credits - ICMS

The Brazilian States have been substantially amending their local laws aiming at implementing and broadening the ICMS tax replacement system. This system entails the prepayment of ICMS of the whole commercial chain, upon goods outflow from an industrial establishment or importer or their inflow into each State. The expansion of this system to an increasingly wider range of products sold in the retail generates the prepayment of the tax and consequently a refund in certain operations.

• Expected realization of ICMS credits

For the financial statements as of December 31, 2024, the Company's management has monitoring controls over the adherence to the annually established plan, reassessing and including new elements that contribute to the realization of the recoverable ICMS balance, as shown in the chart below:

9.2 PIS and COFINS credit

On March 15, 2017, the Federal Supreme Court ("STF") recognized the unconstitutionality of the inclusion of ICMS in the PIS and COFINS calculation base. On May 13, 2021, the STF judged the Declaration Embargoes in relation to the amount to be excluded from the calculation basis of the contributions, which should only be the ICMS paid, or if the entire ICMS, as shown in the respective invoices. The STF rendered a favorable decision to the taxpayers, concluding that all ICMS highlighted should be excluded from the calculation basis.

Currently the Company, with the favorable judgment of the Supreme Court, has recognized the exclusion of ICMS from the PIS and COFINS calculation basis.

• Expected realization of PIS and COFINS credits

For the financial statements as of December 31, 2024, the Company's management has monitoring controls over the adherence to the annually established plan, reassessing and including new elements that contribute to the realization of the recoverable PIS and COFINS balance, in the amount of R$353, and expected realization is within one year.

(In million of Brazilian reais, unless otherwise stated)

10 RELATED PARTIES

10.1 Balances and related party transactions

	Assets				Liabilities		Transactions	
	Trade receivables		Other assets		Trade payables		Revenue (expenses)	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Joint venture								
Financeira Itaú CBD S.A. Crédito, Financiamento e Investimento (“FIC”) (i)	**412**	211	**23**	23	**26**	28	**30**	27
	412	211	**23**	23	**26**	28	**30**	27
Current	**412**	211	**-**	-	**26**	28		
Non-current	**-**	-	**23**	23	**-**	-		

	Transactions
	Revenue (expenses)
	12/31/2023
Associates (ii)	
Casino Guichard Perrachon	(20)
Euris	(1)
Grupo Pão de Açúcar ("GPA")	20
Wilkes Participações S.A.	(6)
	(7)

(i) FIC: execution of business agreements to regulate the rules that promote and sell financial services offered by FIC at the Company's stores to implement the financial partnership between the Company and Itaú Unibanco Holding S.A. (“Itaú”) in the partnership agreement, namely: (a) banking correspondent services in Brazil; (b) indemnity agreement in which FIC committed to keeping the Company harmless from losses incurred as a result of the services; and FIC and the Company agreed, among themselves, to indemnify each other for contingencies arising from their responsibilities; and (c) agreement for the Company to provide FIC, and vice versa, with information and access to systems to offer services.

(ii) On June 23, 2023, as per the Notice to the Market published on the same date, Casino, through its subsidiaries Wilkes, Geant International BV ("GIBV") and Segisor S.A.S ("Segisor"), sold 157,582,850 common shares issued by the Company, representing 11.67% of its share capital, through a block trade operation carried out on the same date. As a result, the Casino Group now holds an ownership interest of less than 0.01% of Sendas' share capital, no longer being considered a related party of the Company. The balances with these companies and their subsidiaries are presented under the line items Other accounts receivable and Other accounts payable in the balance sheet in the financial statements for the year ended December 31, 2024 and 2023.

The related parties transactions are represented by operations carried out according to the prices, terms and conditions agreed upon between the parties and are measured substantially at market value.

Additionally, after the completion of the spin-off between the Company and GPA on December 31, 2020, both undertook to put forth commercially reasonable efforts, within up to 18 months, to release, replace and/or otherwise remove the counterparty from the position of guarantor of liabilities or obligations, which after such term would be subject to the payment of a fee, net, as remuneration for the guarantees provided by both parties. If the Company and GPA cease to be submitted to common control, the parties would be required to release, replace and/or otherwise remove the guarantees until then not replaced or provided, observing the terms established in the Separation Agreement.

The Company and GPA ceased to be related parties in fiscal year 2023 and are taking the necessary measures to replace the cross guarantees on the contractual obligations of: (i) rental of stores; (ii) borrowing agreement; and (iii) purchase of electricity. The fee paid to GPA as remuneration for the guarantees provided as of December 31, 2024 and 2023 was less than R$1.

10.2 Management compensation

Expenses referring to the executive board compensation recorded in the Company's statement of operations in the year ended December 31, 2024 and 2023 as follows (amounts expressed in thousands of reais):

	Base salary		Variable compensation		Stock option plan and shared-based payment plan (i)		Total	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
Board of directors	**12,418**	11,512	**-**	-	**-**	5,250	**12,418**	16,762
Statutory officers	**15,436**	11,083	**19,471**	29,794	**24,448**	13,265	**59,355**	54,142
Executives excluding statutory officers	**42,131**	31,429	**43,867**	53,132	**18,370**	14,802	**104,368**	99,363
Fiscal council	**596**	548	**-**	-	**-**	-	**596**	548
	70,581	54,572	**63,338**	82,926	**42,818**	33,317	**176,737**	170,815

(i) More details about shared-based payment plan for the Statutory officers, see note 20.7.3.

The stock option plan, fully convertible into shares, refers to the Company's and this plan has been treated in the Company's statement of operations. The corresponding expenses are allocated to the Company and recorded in the statement of operations against capital reserve - stock options in shareholders' equity. There are no other short-term benefits granted to members of the Company's management. The new long-term benefit plans are disclosed in notes 20.7.4 and 20.7.5.

11 INVESTMENTS

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets of the arrangement and have obligations for the liabilities related to the business. These parties are called joint venturers. Joint control is the contractually agreed sharing of business control, which exists only when decisions about the relevant activities require the unanimous consent of the parties who share control.

Jointly-controlled subsidiary is accounted in the equity method.

The details of the Company's investments at the end of the year are as follows:

			Participation in investments - %	
			Direct participation	
Investment type	Company	Country	12/31/2024	12/31/2023
Joint venture	Bellamar Empreendimento e Participações S.A.	Brazil	**50.00**	50.00

Summary of financial information of Joint Venture

	12/31/2024	12/31/2023
Current assets	**1**	1
Non-current assets	**461**	581
Shareholders´ equity	**462**	582
Net income for the year	**128**	102

Investments composition and breakdown

	Bellamar
As of December 31, 2022	833
Share of profit of associates	51
Dividends received	(20)
As of December 31, 2023	864
Share of profit of associates	**64**
Dividends received	**(124)**
As of December 31, 2024	**804**

11.1 Join venture

Bellamar is a company that owns 35.76% of the share capital of FIC (Finance branch of Banco Itaú), therefore the Company indirectly holds a 17.88% stake in FIC. The purpose of FIC is to carry out all operations permitted, in the legal and regulated provisions, to credit, financing and investment companies, the issuance and management of credit cards, own or third-party, as well as the performance and performance of functions of correspondents in the country. FIC's operations are conducted by Itaú Unibanco Holding S.A.

The investment is recognized as a joint venture and is recorded under the equity method, in accordance with accounting standard CPC 18 (R2)/IAS 28 – Investments in associates and joint ventures, is initially recognized at cost. The carrying amount of the investment is composed of the adjusted balance for purposes of recognizing the variations in the Company's share in the shareholders' equity of joint venture after the acquisition date and for the value of capital gains resulting from the reassessment of fair value in the exchange of shares with GPA in 2020, when the Company's spin-off process took place.

The joint venture's financial statements are prepared for the same period of disclosure that the Company.

(In million of Brazilian reais, unless otherwise stated)

Due to the asset within the indefinite useful life recognized as part of the investment balance, after applying the equity method, the Company determines whether it is necessary to recognize an impairment loss on its investment in the Joint Venture. The Company calculates the amount of the impairment loss as the difference between the recoverable amount of the Joint Venture and its carrying amount and, if necessary, recognizes the loss in the statement of operations. As of December 31, 2024, the Company performed a recoverability test on the investment using the value-in-use methodology based on the projected dividend flow approach discounted to present value, adopting the following assumptions:

- Capital Asset Pricing Model (CAPM) of 13.5% (13.0% as of December 31, 2023).
- FIC's business plan for the 5-year period, with a 5.5% growth in Net Revenue and adoption of a perpetuity rate of 3.8%.

Additionally, due to the existence of an exclusivity clause in the Association Agreement with the shareholder of FIC, Itaú Unibanco Holding S.A., which expires in 2029 and which may or may not be renewed by the parties, the Company's Management performed a sensitivity analysis on the estimated recoverable amount, considering different scenarios and rates that Management considered reasonable to occur upon expiration of the aforementioned clause.

Based on these tests performed, there was no need to record a provision for impairment of assets as of December 31, 2024.

12 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost, net of accumulated depreciation and/or impairment losses, if any. The cost includes the acquisition amount of equipment and borrowing costs for long-term construction projects, if recognition criteria are met. When significant components of property, plant and equipment are replaced, these components are recognized as individual assets, with specific useful lives and depreciation. Likewise, when a major replacement is performed, its cost is recognized in the carrying value of the equipment as a replacement, if the recognition criteria are met. All other repair and maintenance costs are recognized in the statement of operations for the year as incurred.

The annual average depreciation rate of property, plant and equipment items is shown below:

Average annual depreciation rate

Building 2.50%	**Machinery and equipment** 13.06%	**Furniture and appliances** 13.57%
Improvements 5.28%	**Facilities** 8.24%	**Others** 29.83%

The average depreciation rate of property, plant and equipment is 8.06% as of December 31, 2024.

Property, plant and equipment items and eventual significant amounts are written-off upon sale or when there is no expectation of future economic benefits derived from their use or sale. Any gains or losses resulting from disposals of assets are included in the statement of operations for the year.

The residual value, the useful life of assets and methods of depreciation are reviewed at the end of each fiscal year, and adjusted prospectively, when applicable. The Company reviewed the useful life of property, plant and equipment in 2024 and no changes were deemed necessary.

Interest on borrowings directly attributable to the acquisition, construction or production of an asset, which requires a substantial period of time to be completed for its intended use or sale (qualifying asset), is capitalized as part of the cost of the respective assets during their construction phase. From the date the asset is placed in operation, capitalized costs are depreciated over the estimated useful life of the asset.

12.1 Impairment of non-financial assets

The impairment test is intended to present the actual net realization value of an asset. The realization can be directly or indirectly, through sale or through the generation of cash from the use of the asset in the Company's activities.

The Company tests its non-financial assets for impairment annually or whenever there is internal or external evidence that they may be impaired.

The recoverable amount of an asset is defined as the higher of its fair value or the value in use of its Cash Generating Unit ("CGU" (store)), except if the asset does not generate cash inflows that are largely independent of the cash inflows of other assets or group of assets.

If the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and a provision for impairment is recorded to adjust the carrying amount of the asset or CGU to its recoverable amount. When assessing the recoverable amount, the estimated future cash flow is discounted to the present value, using a nominal discount rate, which represents the Company's weighted average cost of capital ("WACC") to reflect current market assessments as to the time value of money and the asset's specific risks. The impairment test of intangible assets including goodwill and commercial rights are described in notes 13.2 and 13.3, respectively.

Impairment losses are recognized in the statement of operations in categories of expenses consistent with the function of the respective impaired asset. The impairment loss previously recognized is only reversed if there has been a change in the assumptions used to determine the recoverable amount of the asset on its initial recognition or later dates, except in the case of goodwill, which cannot be reversed in future years.

12.1.1 Impairment test of stores operating assets

The procedure for verifying non-realization consists of grouping operational and intangible assets (such as commercial rights) directly attributable to stores. The test steps were as follows:

• Step 1: the carrying amount of stores was compared to a sales multiple (35%) representing transactions between retail companies. For stores for which the multiple was lower than their carrying amount, a more detailed test is made, as described in Step 2 below.

• Step 2: The Company considered the highest value between the discounted cash flows of stores using sales growth by store and a discount rate of 13.82% per year (11.34% per year 2023) or appraisal reports prepared by independent experts for own stores.

The Company performed a test to verify the operating assets of the stores that might not be recoverable in the year ended December 31, 2024. Based on these tests performed, there was no need to record a provision for impairment of assets.

(In million of Brazilian reais, unless otherwise stated)

12.2 Breakdown and composition of property, plant and equipment

	As of 12/31/2023	Additions (i)	Write-offs	Depreciation	Transfers and others	As of 12/31/2024		Historical cost	Accumulated depreciation
Lands	559	**-**	**-**	**-**	**-**	**559**		**559**	**-**
Buildings	777	**46**	**-**	**(23)**	**94**	**894**		**1,074**	**(180)**
Improvements	8,099	**773**	**(7)**	**(502)**	**(45)**	**8,318**		**10,301**	**(1,983)**
Machinery and equipment	2,310	**378**	**(6)**	**(272)**	**21**	**2,431**	=	**3,668**	**(1,237)**
Facilities	270	**13**	**-**	**(38)**	**-**	**245**		**443**	**(198)**
Furniture and appliances	903	**132**	**(5)**	**(158)**	**17**	**889**		**1,447**	**(558)**
Constructions in progress	111	**100**	**(1)**	**-**	**(87)**	**123**		**123**	**-**
Others	119	**34**	**-**	**(53)**	**5**	**105**		**292**	**(187)**
	13,148	**1,476**	**(19)**	**(1,046)**	**5**	**13,564**		**17,907**	**(4,343)**

	As of 12/31/2022	Additions (i)	Write-offs	Depreciation	Transfers and others	As of 12/31/2023		Historical cost	Accumulated depreciation
Lands	600	17	-	-	(58)	559		559	-
Buildings	730	45	-	(19)	21	777		934	(157)
Improvements	6,865	1,659	(26)	(438)	39	8,099		9,583	(1,484)
Machinery and equipment	1,440	499	(16)	(214)	601	2,310	=	3,285	(975)
Facilities	585	84	(2)	(58)	(339)	270		430	(160)
Furniture and appliances	755	186	(5)	(144)	111	903		1,311	(408)
Constructions in progress	543	47	(1)	-	(478)	111		111	-
Others	64	42	(1)	(45)	59	119		255	(136)
	11,582	2,579	(51)	(918)	(44)	13,148		16,468	(3,320)

(i) Includes interest capitalization in the amount of R$46 (R$257 as of December 31, 2023), see note 12.3.

(In million of Brazilian reais, unless otherwise stated)

12.3 Capitalized borrowing costs and lease

The value of capitalized borrowing costs and lease directly attributable to the reform, construction and acquisition of property, plant and equipment and intangible assets within the scope of CPC 20 (R1)/IAS 23 - Borrowing Costs and the amount of interest on lease liabilities incorporated into the value of the property, plant and equipment and/or intangible assets, for the period in which the assets are not yet in their intended use in accordance with CPC 06 (R2)/IFRS 16 - Leases, amounted to R$46 (R$257 as of December 31, 2023). The average rate used to calculate the borrowing costs eligible for capitalization was 113.42% (111.05% as of December 31, 2023) of CDI, corresponding to the effective interest rate of borrowings taken by the Company.

12.4 Additions to property, plant and equipment for cash flow purpose

	12/31/2024	12/31/2023
Additions	**1,476**	2,579
Capitalized borrowing costs	**(46)**	(257)
Financing of property, plant and equipment - Additions	**(1,390)**	(2,298)
Financing of property, plant and equipment - Payments	**1,607**	3,092
	1,647	3,116

Additions related to the purchase of operating assets, purchase of land and buildings to expansion activities, building of new stores and distribution centers, improvements of existing distribution centers and stores and investments in equipment and information technology.

The additions and payments of property, plant and equipment mentioned above are presented to reconcile the acquisitions during the period with the amounts presented in the statement of cash flows net of items that did not impact cash flow.

12.5 Other information

As of December 31, 2024, the Company recorded in the cost of sales and services the amount of R$93 (R$82 as of December 31, 2023), relating to the depreciation of machinery, buildings and facilities of transformation service and distribution centers.

13 INTANGIBLE ASSETS

Intangible assets acquired separately are measured at cost upon initial recognition, less amortization, and eventual impairment losses, if any. Internally generated intangible assets, excluding capitalized software development costs, are recognized as expenses when incurred.

Intangible assets mainly consist of goodwill, software acquired from third parties and software developed for internal use, commercial rights (stores rights-of-use) and brands.

Intangible assets with definite useful lives are amortized using the straight-line method. The amortization period and method are reviewed, at least, at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Software development costs recognized as assets are amortized over their defined useful life (5 years). The average amortization rate is 20% per year, and amortization starts when they become operational.

Intangible assets with indefinite useful lives are not amortized but tested for impairment at the end of each reporting period or whenever there are indications that their carrying amount may be impaired either individually or at the level of the CGU. The assessment is reviewed annually to determine whether the indefinite life assumption remains appropriate. Otherwise, the useful life is changed prospectively from indefinite to definite.

When applicable, gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net proceeds from the sale of the asset and its carrying amount, and are recognized in the statement of operations in the year the asset is derecognized.

(In million of Brazilian reais, unless otherwise stated)

13.1 Breakdown and composition of intangible assets

	As of 12/31/2023	Additions	Amortization	As of 12/31/2024		Historical cost	Accumulated amortization
Goodwill	618	-	-	**618**		**871**	**(253)**
Software	63	**42**	**(23)**	**82**	=	**221**	**(139)**
Commercial rights	4,452	-	**(8)**	**4,444**		**4,491**	**(47)**
Trade name	39	-	-	**39**		**39**	**-**
	5,172	**42**	**(31)**	**5,183**		**5,622**	**(439)**

	As of 12/31/2022	Additions	Write-offs	Amortization	Transfers and others	As of 12/31/2023		Historical cost	Accumulated amortization
Goodwill	618	-	-	-	-	618		871	(253)
Software	76	30	(1)	(43)	1	63	=	181	(118)
Commercial rights	4,267	192	-	(7)	-	4,452		4,491	(39)
Trade name	39	-	-	-	-	39		39	-
	5,000	222	(1)	(50)	1	5,172		5,582	(410)

(In million of Brazilian reais, unless otherwise stated)

13.2 Impairment test of intangible assets with indefinite useful life, including goodwill

The impairment test of intangible assets uses the same practices described in note 12.1.

As of December 31, 2024, the Company reviewed the strategic planning used to assess impairment test for its operations. The recoverable amount is determined by means of a calculation based on value in use, based on cash projections from financial budgets, which were reviewed and approved by senior management for the next five years, considering the assumptions updated for December 31, 2024, as shown below:

- **Revenues:** estimated from 2025 to 2029, considering historical sales growth and inflation projections, excluding stores expansion;
- **Gross profit:** considers the historical level of gross profit expressed as a sales percentage;
- **Expenses:** considers the historical level expressed as a sales percentage and seeking gains of productivity and efficiency;
- **Working capital:** estimating the same level of working capital expressed in days of cost of sales;
- **Acquisition of tangible and intangible assets (capex):** considers the historical average investment for the maintenance the existing assets when determining the cash flow;
- **Terminal value:** calculated using the last year of the projections applying the perpetuity growth rate;
- **Discount rate:** prepared as described in the accounting policy. The discount rate used was 13.82% per year as of December 31, 2024 (11.34% per year as of December 31, 2023); and
- **Perpetuity growth rate:** the growth rate considered was 4.19% per year as of December 31, 2024 (4.00% per year as of December 31, 2023).

As a result of this analysis, there was no need to record a provision for impairment of these assets.

13.3 Commercial rights

Commercial rights are the right to operate stores, which refers to the rights acquired or allocated in business combinations. According to the Management's understanding, commercial rights are considered recoverable, either through the expected cash flows of the related store or the sale to third parties.

Commercial rights with defined and indefinite useful lives are tested following the assumptions described in note 13.2. The Company considered the discounted cash flow of the related store for the impairment test, that is, the store is the CGU.

As a result of this analysis, there was no need to record a provision for impairment of these assets.

13.4 Additions to intangible assets for cash flow purpose

	12/31/2024	12/31/2023
Additions	**42**	222
Financing of intangible assets - Additions	**-**	(175)
Financing of intangible assets - Payments	**-**	122
	42	169

14 LEASES

When entering into a contract, the Company assesses whether the contract is, or contains, a lease. The contract is or contains a lease if it transfers the right to control the use of the identified asset for a specified period in exchange for consideration.

The Company evaluates its lease agreements in order to identify lease terms for a right of use, using the exemptions provided for contracts with a term of less than twelve months and an individual asset value below US$5 thousand (equivalent to R$31 thousand as of December 31, 2024).

The contracts are then recorded when the lease begins, as a lease liability against a right-of-use asset, both at the present value of minimum lease payments, using the interest rate implicit in the contract, if applicable, or an incremental borrowing rate considering loans obtained by the Company.

The lease term used in the measurement corresponds to the term that the lessee is reasonably certain of exercising the option to extend the lease or not exercise the option to terminate the lease.

14.1 Right of use

Right-of-use assets are amortized over the lease term. Capitalizations for improvements and renovations carried out in stores are amortized over their estimated useful life or the expected term of use of the asset, limited if there is evidence that the lease will not be extended. Below, we present the average annual amortization rate of the right-of-use assets:

Average annual amortization rate

Buildings	Equipment	Assets and rights Carrão Subway Station - Assaí Atacadista
5.09%	**20.34%**	**10.00%**

(In million of Brazilian reais, unless otherwise stated)

14.1.1 Breakdown and composition of right-of-use assets

	As of 12/31/2023	Additions	Remeasurement	Write-offs	Amortization	Transfers and others	As of 12/31/2024		Historical cost	Accumulated amortization
Buildings	8,203	**225**	**495**	**(21)**	**(557)**	**(5)**	**8,340**		**10,535**	**(2,195)**
Equipment	3	**-**	**44**	**-**	**(5)**	**1**	**43**	**=**	**88**	**(45)**
Assets and rights	16	**-**	**1**	**-**	**(1)**	**(1)**	**15**		**29**	**(14)**
	8,222	**225**	**540**	**(21)**	**(563)**	**(5)**	**8,398**		**10,652**	**(2,254)**

	As of 12/31/2022	Additions (i)	Remeasurement	Write-offs (i)	Amortization	Transfers and others	As of 12/31/2023		Historical cost	Accumulated amortization
Buildings	7,593	2,669	296	(1,824)	(500)	(31)	8,203		9,879	(1,676)
Equipment	8	-	-	-	(5)	-	3	=	51	(48)
Assets and rights	18	-	1	-	(3)	-	16		29	(13)
	7,619	2,669	297	(1,824)	(508)	(31)	8,222		9,959	(1,737)

(i) As disclosed in note 10.1, on June 23, 2023, Casino, through its subsidiaries Wilkes, GIBV and Segisor, sold its common shares, changing the Company's shareholding structure. Due to the change in the shareholding structure, some rental agreements were renegotiated, resulting in a net increase of R$476 in the lease. Management, based on CPC 06 (R2)/IFRS 16 - Leases, assessed and concluded this transaction as the termination of the previous agreement and the recognition of a new agreement, maturing in 2045, due to the substantial change in scope, which mainly includes the modification of the leased assets and change in contract amounts. In the year ended December 31, 2023, the renegotiation process was concluded.

(In million of Brazilian reais, unless otherwise stated)

14.2 Lease liabilities

The Company leases equipment and commercial spaces, including stores and distribution centers, under cancelable and noncancelable lease agreements. The terms of the contracts vary between 5 and 25 years.

The payments made are segregated between financial charges and reduction of the lease liability to obtain a constant interest rate in the liability balance. Financial charges are recognized as financial expenses for the year.

14.2.1 Minimum future payments and potential right of PIS and COFINS

Lease contracts totaled R$9,644 as of December 31, 2024 (R$9,184 as of December 31, 2023). The minimum future lease payments, according to lease agreements, with the present value of minimum lease payments, are as follows:

	12/31/2024	12/31/2023
Lease liabilities - minimum payments		
Less than 1 year	**412**	532
From 1 to 5 years	**1,569**	1,702
More than 5 years	**7,663**	6,950
Present value of lease liabilities	**9,644**	9,184
Current	**412**	532
Non-current	**9,232**	8,652
Future financing charges	**13,182**	13,164
Gross amount of financial lease agreements	**22,826**	22,348
PIS and COFINS embedded in the present value of lease agreements	**430**	558
PIS and COFINS embedded in the gross value of lease agreements	**1,018**	1,359

Lease liabilities interest expense is stated in note 24. The Company´s average incremental interest rate at the agreement signing date was 12.28% in the year ended December 31, 2024 (12.12% as of December 31, 2023).

In case the Company had adopted the calculation methodology projecting the inflation embedded in the nominal incremental rate and discounted to present value at the nominal incremental rate, the average percentage of inflation to be projected by year would be approximately 6.55% (6.72% as of December 31, 2023). The average term of the agreements analyzed as of December 31, 2024 is 17 years (18 years in December 31, 2023).

14.2.2 Lease liability roll forward

	Amount
As of December 31, 2022	8,360
Addition - Lease (i)	2,669
Remeasurement	297
Interest provision	1,004
Principal amortization	(262)
Interest amortization	(977)
Write-off due to early termination of agreement (i)	(1,907)
As of December 31, 2023	9,184
Addition - Lease	**225**
Remeasurement	**540**
Interest provision	**1,069**
Principal amortization	**(289)**
Interest amortization	**(1,060)**
Write-off due to early termination of agreement	**(25)**
As of December 31, 2024	**9,644**

(i) The transfer of the year mainly refers to the renegotiation of rental contracts as disclosed in note 14.1.1.

14.3 Result on variable rentals and subleases

Leases in which the Company does not substantially transfer all the risks and benefits of ownership of the asset are classified as operating leases. The initial direct costs of negotiating operating leases are added to the carrying amount of the leased asset and recognized over the term of the contract, on the same basis as rental income.

Variable rentals are recognized as expenses in the year in which they are incurred.

	12/31/2024	12/31/2023
(Expenses) revenues of the year:		
Variables (1% to 2% of sales)	**(15)**	(21)
Subleases (i)	**110**	93

(i) Refers mainly to the revenue from lease agreements receivable from commercial galleries.

14.4 Additional information

In accordance with OFÍCIO-CIRCULAR/CVM/SNC/SEP/N°02/2019 the Company adopted as an accounting policy the requirements of CPC 06 (R2)/IFRS 16 - Leases, in the measurement and remeasurement of its right of use, using the discounted cash flow model, without considering inflation.

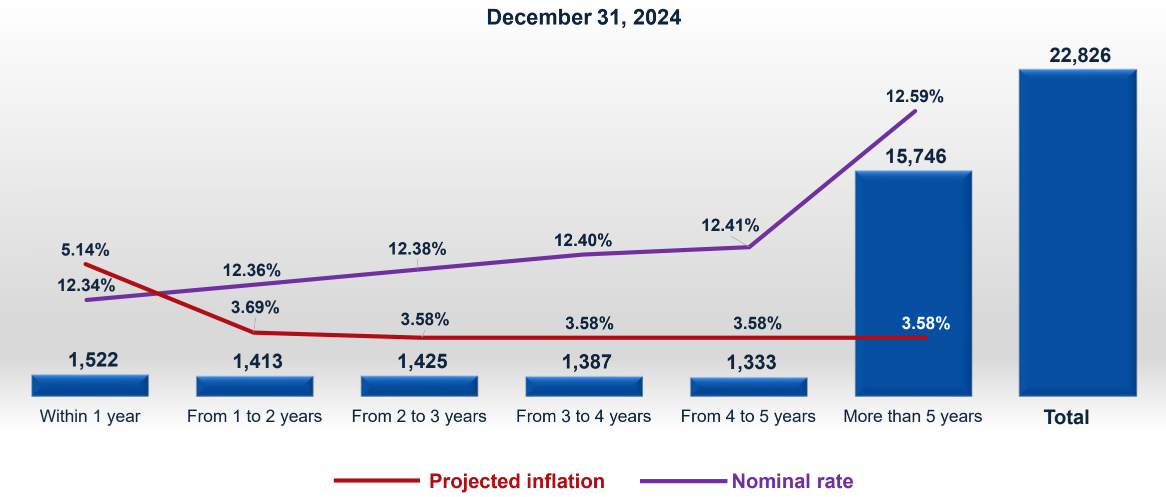
(In million of Brazilian reais, unless otherwise stated)

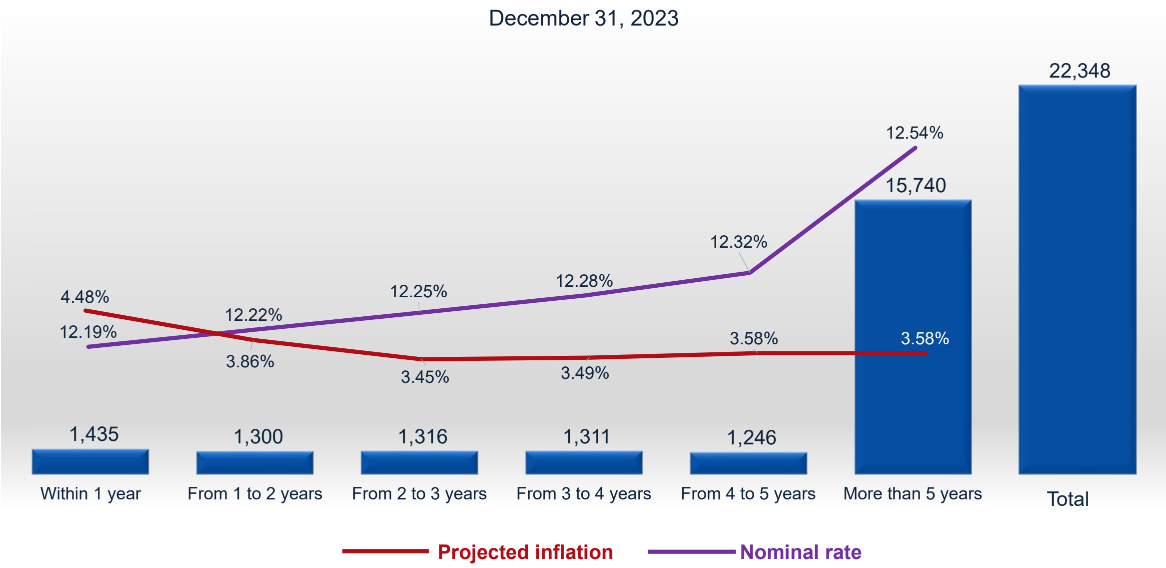
To safeguard the faithful representation of information to meet the requirements of CPC 06 (R2)/IFRS 16 - Leases, and the guidelines of the CVM technical areas, the balances of assets and liabilities without inflation, effectively accounted for (real flow x real rate) are provided, and the estimate of inflated balances in the comparison period (nominal flow x nominal rate).

Other assumptions, such as the maturity schedule of liabilities and the interest rates used in the calculation, are disclosed in note 14.2.1, as well as inflation indexes are observable in the market, so that the nominal flows can be prepared by the users of the financial statements.

	12/31/2024	12/31/2023
Real flow		
Right-of-use assets	**8,398**	8,222
Lease liabilities	**22,826**	22,348
Embedded interest	**(13,182)**	(13,164)
	9,644	9,184
Inflated flow		
Right-of-use assets	**12,022**	12,776
Lease liabilities	**33,236**	35,568
Embedded interest	**(18,084)**	(19,354)
	15,152	16,214

Below, we present the flow of payments according to the average term weighted with the respective nominal and inflation rates for each period presented:





(In million of Brazilian reais, unless otherwise stated)

15 TRADE PAYABLES AND TRADE PAYABLES - AGREEMENTS

	Note	12/31/2024	12/31/2023
Trade payables			
Products		**11,253**	10,363
Acquisition of property, plant and equipment		**156**	158
Service		**160**	150
Service - related parties (FIC)	10.1	**26**	28
Bonuses from suppliers	15.1	**(874)**	(902)
		10,721	9,797
Trade payables - Agreements			
Products	15.2	**779**	1,070
Acquisition of property, plant and equipment	15.2	**159**	389
Acquisition of hypermarkets (i)		**-**	892
		938	2,351
		11,659	12,148
Current		**11,647**	12,110
Non-current		**12**	38

(i) Fully paid in January 2024 in the amount of R$894.

15.1 Bonuses from suppliers

These include commercial agreements and discounts obtained from suppliers. These amounts are defined in agreements and include discounts for purchase volume, joint marketing programs, freight reimbursements, and other similar programs. The receipt occurs by deducting trade notes payable to suppliers, according to conditions established in the supply agreements, so that the financial settlements occur for the net amount.

The Company assigned part of its bonuses from suppliers, without any right of recourse, with the financial institutions, aiming to anticipate its cash flow. As of December 31, 2024, the amount of bonuses from suppliers due to corresponding to these operations is R$234 (R$146 as of December 31, 2023). The amount was derecognized from receivables from bonuses from suppliers, since all risks related to the bonuses from suppliers were substantially transferred. The cost to advance these bonuses from suppliers as of December 31, 2024 was R$6 (R$3 as of December 31, 2023), classified as “Cost and discount of receivables” in note 24.

15.2 Agreements among suppliers, the Company and banks

The Company has agreements signed with financial institutions, through which suppliers of products, capital goods and services have the possibility of receiving in advance their amounts receivable, also named “forfait” / “confirming”. The financial institutions become creditors of the operation and the Company settles the payments under the same conditions as those originally agreed with the supplier.

Management, based on CPC 3 (R2)/IAS 7 and CPC 40 (R1)/IFRS 7, assessed that the economic substance of the transaction is operational, considering that receiving in advance is an exclusive decision of the supplier and, for the Company, there are no changes in the original term negotiated with the supplier, nor changes in the originally contracted amounts. These transactions aim at facilitating the cash flow of its suppliers without the Company having to advancing payments. Management evaluated the potential effects of adjusting these operations to present value and concluded that the effects are immaterial for measurement and disclosure.

These balances are classified as "Trade payables - Agreements" and the cash flow from these operations is presented as operating in the statement of cash flows.

Additionally, there is no exposure to any financial institution individually related to these operations and these liabilities are not considered net debt and do not have restrictive covenants (financial or non-financial). In these transactions, the Company earns income referring to the premium for referring suppliers to the operations of advance of receivables, recognized in the financial result, note 24 in the line "Revenue from anticipation of payables", in the amount of R$54 as of December 31, 2024 (R$42 as of December 31, 2023), representing 1.57% of the volume of anticipation transactions that occurred during 2024 (1.21% in period ended December 31, 2023).

As of December 31, 2024, the balance payable related to these operations is R$938 (R$1,459 as of December 31, 2023).

The transactions of trade payables and trade payables – agreement are similar and do not exceed the expiration date of 120 days as of December 31, 2024.

16 FINANCIAL INSTRUMENTS

16.1 Classification and measurement of financial assets and liabilities

Pursuant to CPC 48/IFRS 9, on initial recognition, a financial asset is classified as measured: at amortized cost, at fair value through other comprehensive income ("FVTOCI") or at fair value through income ("FVTI"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Embedded derivatives in which the main contract is a financial asset, within the scope of the standard, are never split. Instead, the hybrid financial instrument is assessed for classification as a whole.

(In million of Brazilian reais, unless otherwise stated)

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as measured at FVTI:

• It is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

• It is contractual terms generate, on specific dates, cash flows related to the payment of principal and interest on the outstanding principal amount.

A debt instrument is measured at FVTOCI, if it meets both of the following conditions and is not designated as measured at FVTI:

• It is held within a business model whose objective is achieved both collecting of contractual cash flows and selling the financial assets; and

• Its contractual terms give rise, on specific dates, to cash flows related to the payment of principal and interest on the outstanding principal amount.

All financial assets not classified as measured at amortized cost or at FVTOCI, as described above, are classified as FVTI. This includes all derivative financial assets. At initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost, at FVTOCI or FVTI if this significantly eliminates or reduces an accounting mismatch that otherwise would arise (option of fair value available in CPC 48/IFRS 9).

A financial asset (unless these are trade receivables without a significant financing component which is firstly measured by the price of the transaction) is initially measured by fair value, accrued, for an item not measured at FVTI of transaction costs which are directly attributable to its acquisition.

• **Financial assets measured at FVTI:** These assets are subsequently measured at fair value. The net result, including interest rates or dividend income, is recognized in the statement of operations.

• **Financial assets at amortized cost:** These assets are subsequently measured at amortized cost applying the effective interest rate method. The amortized cost is reduced by impairment losses. Interest income, exchange gains and losses are recognized in the statement of operations. Any gain or loss in derecognition is recognized in the statement of operations.

• **Financial assets at FVTOCI:** These assets are subsequently measured at fair value. Interest income calculated adopting the effective interest rate method, exchange gains and losses and impairment losses are recognized in the statement of operations. Other net results are recognized in other comprehensive income ("OCI"). In derecognition, the result accumulated in OCI is reclassified to the statement of operations.

Financial liabilities are recognized when the Company assumes contractual liabilities for settlement in cash or assumption of third-party obligations through a contract to which it is a party. The financial liabilities are classified, upon initial recognition, as financial liabilities at FVTI or financial liabilities at amortized cost.

The measurement of financial liabilities depends on their classification, as described below:

• **Financial liabilities at FVTI:** Include financial liabilities for trading and financial liabilities designated on initial recognition at fair value through income. Gains or losses on trading liabilities are recognized in the statement of operations.

• **Financial liabilities at amortized cost:** After initial recognition, borrowings and financing subject to interest are subsequently measured at amortized cost, using the effective interest rate method. Gains and losses are recognized in the statement of operations when liabilities are written off, as well as through the amortization process at the effective interest rate.

The main financial instruments and their amounts recorded in the financial statements, by category, are as follows:

	Note	Amortized cost	Fair value	FVTOCI	As of 12/31/2024
Financial assets					
Cash and cash equivalents	6	**5,628**	**-**	**-**	**5,628**
Related parties	10.1	**23**	**-**	**-**	**23**
Trade receivables and other accounts receivables		**348**	**-**	**-**	**348**
Financial instruments at fair value	16.9.1	**-**	**390**	**-**	**390**
Trade receivables with credit card and tickets	7.1	**-**	**-**	**1,943**	**1,943**
Financial liabilities					
Other accounts payable		**(169)**	**-**	**-**	**(169)**
Trade payables and trade payables - agreements	15	**(11,659)**	**-**	**-**	**(11,659)**
Borrowings in domestic currency	16.9.1	**(918)**	**(29)**	**-**	**(947)**
Borrowings in foreign currency	16.9.1	**-**	**(801)**	**-**	**(801)**
Debentures and promissory notes	16.9.1	**(11,542)**	**(3,257)**	**-**	**(14,799)**
Lease liabilities	14.2	**(9,644)**	**-**	**-**	**(9,644)**
Financial instruments at fair value	16.9.1	**-**	**(18)**	**-**	**(18)**
Net exposure		**(27,933)**	**(3,715)**	**1,943**	**(29,705)**

(In million of Brazilian reais, unless otherwise stated)

	Note	Amortized cost	Fair value	FVTOCI	As of 12/31/2023
Financial assets					
Cash and cash equivalents	6	5,459	-	-	5,459
Related parties	10.1	23	-	-	23
Trade receivables and other accounts receivables		396	-	-	396
Gain on financial instruments at fair value	16.9.1	-	274	-	274
Trade receivables with credit card and tickets	7.1	-	-	985	985
Financial liabilities					
Other accounts payable		(216)	-	-	(216)
Trade payables and trade payables - agreements	15	(12,148)	-	-	(12,148)
Borrowings in domestic currency	16.9.1	(1,943)	(40)	-	(1,983)
Debentures and promissory notes	16.9.1	(10,051)	(3,142)	-	(13,193)
Lease liabilities	14.2	(9,184)	-	-	(9,184)
Loss of financial instruments at fair value	16.9.1	-	(8)	-	(8)
Net exposure		(27,664)	(2,916)	985	(29,595)

The fair value of other financial instruments detailed in the table above approximates the carrying amount based on the existing payment terms and conditions. The financial instruments measured at amortized cost, the fair values of which differ from the carrying amounts, are disclosed in note 16.8.

16.2 Derecognition of financial assets and liabilities

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

• The rights of cash flows receivables expire; and

• The Company transfers its rights to receive cash flows from an asset or assume an obligation of fully paying the cash flows received to a third party, under the terms of a transfer agreement; and (a) the Company substantially transferred all the risks and benefits related to the asset; or (b) the Company neither transferred nor substantially retained all the risks and benefits relating to the asset, but transferred its control.

When the Company assigns its rights to receive cash flows from an asset or enters into a transfer agreement without having substantially transferred or retained all of the risks and benefits relating to the asset nor transferred the asset control, the asset is maintained and the related liability is recognized. The asset transferred and related liability are measured to reflect the rights and obligations retained by the Company.

A financial liability is derecognized when the liability underlying obligation is settled, canceled, or expired.

When a financial liability is replaced by another of the same creditor, through substantially different terms, or terms of an existing liability are substantially modified, this replacement or modification is treated as the derecognition of original liability and recognition of a new liability, and the difference between respective carrying amounts is recognized in the statement of operations.

16.3 Offset of financial instruments

The financial assets and liabilities are offset and reported net in financial statements, if, and only if, amounts recognized can be offset and there is the intention of settle them on a net basis, or realize assets and settle liabilities, simultaneously.

16.4 Impairment of financial assets

The impairment loss model applies to financial assets measured at amortized cost, contractual assets and debt instruments measured at FVTOCI, but does not apply to investments in equity instruments (shares) or financial assets measured at FVTI.

Pursuant to CPC 48/IFRS 9, provisions for losses are measured according to one of the following bases:

• Expected credit losses for 12 months (general model): these are credit losses resulting from possible default events within 12 months after the reporting date, and subsequently, in case of a deterioration of credit risk, for the entire life of the instrument.

• Lifetime expected credit losses (simplified model): these are credit losses that result from all possible default events over the expected life of a financial instrument.

• Practical expedient: these are expected credit losses consistent with reasonable and sustainable information available, at the reporting date, on past events, current conditions, and estimates of future economic conditions that allow the verification of probable future losses based on the historical credit losses in accordance with instruments maturity.

The Company measures provisions for losses on trade and other receivables and contractual assets using an amount equal to the lifetime expected credit losses. For trade receivables, whose receivables portfolio is fragmented, and rents receivable, the practical expedient is applied by adopting a matrix of losses for each maturity range.

When determining whether the credit risk of a financial asset significantly increased from initial recognition, and when estimating the expected credit losses, the Company considers reasonable and sustainable information, which is relevant and available without excessive cost or effort. This includes qualitative and quantitative information and analyses, based on the Company's historical experience, the assessment of credit, and considers projection information.

The Company assumes that the credit risk in a financial asset significantly increased if it is more than 180 days overdue.

The Company considers a financial asset in default when:

• It is unlikely that the debtor will fully pay its loan obligations to the Company, without resorting to collateral (if any); or

• The financial asset is more than 180 days overdue.

The Company determines the credit risk of a debt instrument by analyzing the payment history, current financial and macroeconomic conditions of counterparty and assessment of rating agencies, where applicable, thereby evaluating each instrument, individually.

The maximum period considered in the estimate of expected credit losses is the maximum contractual period during which the Company is exposed to the credit risk.

• Measurement of expected credit losses: Expected credit losses are estimates weighted by the likelihood of credit losses based on the historic losses and projections of related assumptions. Credit losses are measured at present value based on all cash shortfalls (in other words, the difference between cash flows owed to the Company according to the contract and cash flows that the Company expects to receive).

Expected credit losses are discounted by the effective interest rate of a financial asset.

• Financial assets with credit recovery problems: On each reporting date, the Company assesses if financial assets recorded by amortized cost and debt instruments measured at FVTOCI show signs of impairment. A financial asset shows signs of impairment when one or more events occur with a negative impact on the financial asset's estimated future cash flows.

• **Reporting of impairment loss**: Provision for financial assets losses measured at amortized cost are deducted from an assets' gross carrying amount.

For financial instruments measured at FVTOCI, the provision for losses is recognized in OCI, instead of reducing the asset's carrying amount.

Impairment losses related to trade receivables and other receivables, including contractual assets, are reported separately in the statement of operations and OCI. Losses of recoverable amounts from other financial assets are stated under "selling expenses".

• Trade receivables and contractual assets: The Company considers the model and a few of the assumptions applied in the calculation of these expected credit losses as the main sources of estimate uncertainty.

Positions within each group were segmented based on common characteristics of credit risk, such as:

• Level of credit risk and loss history for wholesale clients and property lease; and

• Status of default, risk of default and history of losses for credit card companies and other clients.

16.5 Considerations on risk factors that may affect the business of the Company

16.5.1 Credit risk

• Cash and cash equivalents

In order to minimize the credit risk, the investment policies adopted establish investments in financial institutions approved by the Company's Financial Committee, considering the monetary limits and evaluations of financial institutions, which are regularly updated.

The Company's financial investments, according to the rating on the national scale of financial institutions, are represented by 100% brAAA as of December 31, 2024 and 2023.

• Trade receivables

The credit risk related to trade receivables is minimized by the fact that a large part of installment sales are made with credit cards and tickets. These receivables may be advanced at any time, without right of recourse, with banks or credit card companies, for the purpose of providing working capital, generating the derecognition of the accounts receivable. In addition, the main acquirers used by the Company are related to first-tier financial institutions with low credit risk. Additionally, for trade receivables collected in installments, the Company monitors the risk for the granting of credit and for the periodic analysis of the expected credit loss balances.

The Company also incurs counterparty risk related to derivative instruments. This risk is mitigated by carrying out transactions, according to policies approved by governance bodies.

Except the balances related to credit cards and tickets, there are no receivables or sale to customers that are, individually, more than 5% of accounts receivable or revenues.

16.5.2 Interest rate risk

The Company obtains borrowings from major financial institutions to meet cash requirements for investments. Accordingly, the Company is mainly exposed to the risk of significant fluctuations in the interest rate, especially the rate related to derivative liabilities and debts indexed to CDI. The balance of cash and cash equivalents, indexed to CDI, partially offsets the risk of fluctuations in the interest rates.

(In million of Brazilian reais, unless otherwise stated)

16.5.3 Foreign currency exchange rate risk

The fluctuations in the exchange rates may increase the balances of borrowings in foreign currency, and for this reason the Company uses derivative financial instruments, such as swaps, to mitigate the foreign exchange rate risk, converting the cost of debt into domestic currency and interest rates.

16.5.4 Capital risk management

The main objective of the Company's capital management is to ensure that the Company maintains its credit rating and a well-balanced equity ratio, in order to support businesses and maximize shareholder value. The Company manages the capital structure and makes adjustments considering the changes in the economic conditions.

The capital structure is as follows:

	12/31/2024	12/31/2023
Borrowings, debentures and promissory notes	**16,565**	15,184
(-) Cash and cash equivalents	**(5,628)**	(5,459)
(-) Derivative financial instruments	**(390)**	(274)
Net debt	**10,547**	9,451
Shareholders' equity	**5,255**	4,630
% Net debt to shareholders' equity	**201%**	204%

16.5.5 Liquidity risk management

The Company manages liquidity risk through daily monitoring of cash flows and control of maturities of financial assets and liabilities.

The table below summarizes the aging profile of the Company's financial liabilities as of December 31, 2024.

	Less than 1 year	From 1 to 5 years	More than 5 years	Total
Borrowings	**181**	**1,946**	**-**	**2,127**
Debenture and promissory notes	**3,659**	**12,986**	**4,939**	**21,584**
Derivative financial instruments	**215**	**(586)**	**(293)**	**(664)**
Lease liabilities	**1,522**	**5,558**	**15,746**	**22,826**
Trade payables	**10,710**	**12**	**-**	**10,722**
Trade payables - Agreements	**938**	**-**	**-**	**938**
Other accounts payable	**141**	**28**	**-**	**169**
	17,366	**19,944**	**20,392**	**57,702**

The information was prepared considering the undiscounted cash flows of financial liabilities based on the earliest date the Company may be required to make the payment or be eligible to receive the payment. To the extent that interest rates are floating, the undiscounted amount is obtained based on interest rate curves for the year ended December 31, 2024. Therefore, certain balances presented do not agree with the balances presented in the balance sheets.

16.6 Derivative financial instruments

The Company uses derivative financial instruments to limit the exposure to variation unrelated to the local market, such as interest rate swaps and exchange rate variation swaps. These derivative financial instruments are initially recognized at fair value on the date on which the derivative contract is executed and subsequently re-measured at fair value at the end of the reporting exercise. Derivatives are recorded as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Gains or losses resulting from changes in the fair value of derivatives are directly recorded in the statement of operations for the year.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which it intends to apply hedge accounting and its objective and risk management strategy for contracting the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the Company will assess the effectiveness of the changes in the hedging instrument's fair value in offsetting the exposure to changes in the fair value of the hedged item or cash flow attributable to the hedged risk. These hedges are expected to be highly effective in offsetting changes in the fair value or cash flow and are assessed on an ongoing basis to determine if they have been highly effective throughout the exercises for which they were designated.

They are recognized as fair value hedges, adopting the following procedures:

• The change in the fair value of a derivative financial instrument classified as fair value hedging is recognized as financial result. The change in the fair value of the hedged item is recorded as a part of the carrying amount of the hedged item and is recognized in the statement of operations; and

• In order to calculate the fair value, future swap amounts are estimated according to the curves disclosed by B3 (CDI and Extended National Consumer Price Index (IPCA)), plus operation spreads. To calculate the present value of these operations, future amounts are discounted using the same curves, however, increased by the spreads disclosed by the Brazilian Association of Financial and Capital Market Entities (ANBIMA), referring to operations conducted in the secondary market.

(In million of Brazilian reais, unless otherwise stated)

The Company uses financial instruments only to hedge identified risks limited to 100% of the value of these risks. Derivative transactions are used solely to reduce the exposure to fluctuations in interest rates, exchange rate and for maintaining the balance of the capital structure.

As of December 31, 2024, the notional amount of these contracts was R$3,710 (R$2,956 as of December 31, 2023). These transactions are usually contracted under the same terms, amounts and rates, and are carried out with a financial institution of the same economic group, observing the limits set by Management.

According to the Company's treasury policies, swaps cannot be contracted with restrictions ("caps"), margins, as well as return clauses, double index, flexible options or any other types of transactions different from traditional swap to hedge debts.

The Company's internal controls environment were designed to ensure that transactions are carried out in conformity with the treasury policy.

The Company calculates the effectiveness of hedge transactions upon inception and on a continuing basis. Hedge transactions contracted in the year ended December 31, 2024 were effective in relation to the covered debts. For derivative transactions that qualify as hedge accounting, in accordance with CPC 48/IFRS 9, the debt being hedged is also adjusted at fair value.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The fair values are calculated based on protected future cash flow from, using the future CDI curves released by B3, plus the operation spreads, and discounting them to present value, using the same CDI, disclosured by B3.

To calculate the coupon for positions indexed to the CDI, the exponential convention - 252 business days was adopted.

	Notional value		Fair value	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Swap of hedge				
Hedge purpose (debt)	**3,710**	2,956	**4,082**	3,230
Long Position				
Fixed rate	**27**	106	**29**	110
USD + Fixed	**731**	-	**797**	-
Hedge - CRI	**2,952**	2,850	**3,256**	3,120
Short Position	**(3,710)**	(2,956)	**(3,710)**	(2,964)
Net hedge position	**-**	-	**372**	266

Realized and unrealized gains and losses on these contracts during the year ended December 31, 2024 are recorded as net financial results and the balance receivable at fair value is R$372 (balance receivable of R$266 as of December 31, 2023). The assets are recorded as "Derivative Financial Instruments" and the liabilities as "Borrowings and Debentures".

The effects of the hedge at fair value through income for the year ended December 31, 2024, resulted in a loss of R$13 (loss of R$115 as of December 31, 2023), recorded under "cost of debt" and "mark-to-market (loss) gain", see note 24.

The consolidated position of outstanding derivative financial instrument transactions is presented in the table below:

Description	Reference value	Maturity	12/31/2024	12/31/2023
Debt				
USD - BRL	USD18	2026	**7**	-
USD - BRL	USD109	2027	**59**	-
Debt				
IPCA - BRL	R$1.972	2028, 2029 and 2031	**314**	267
Interest rate swaps registered at CETIP				
Pre-fixed rate x CDI	R$879	2027	**(10)**	(5)
Pre-fixed rate x CDI	R$14	2027	**1**	2
Pre-fixed rate x CDI	R$15	2027	**1**	2
Derivatives - Fair value hedge - Brazil			**372**	266

16.7 Sensitivity analysis of financial instruments

According to Management's assessment, the possible reasonable changes scenario considered was, on the maturity date of each transaction, the market curves (interest) of B3.

To determine the possible change in the relevant risk variable, Management considered the economic environment in which it operates. Therefore, in scenario (I) there is no impact on the fair value of financial instruments and the weighted interest rate (CDI) was 15.18% per year. For scenarios (II) and (III), for the exclusive purpose of sensitivity analysis, Management considered a deterioration of 5% and 10%, respectively, in the risk variables, up to one year of the financial instruments, with the aim of demonstrating the sensitivity of the Company's results.

In the case of derivative financial instruments (aiming at hedging the financial debt), the variations of the scenarios are accompanied by the respective hedges, indicating that the effects are not significant.

(In million of Brazilian reais, unless otherwise stated)

The Company disclosed the net exposure of the derivative financial instruments, the corresponding financial instruments and certain financial instruments in the sensitivity analysis table below, for each of the scenarios mentioned:

				Market projections		
Transactions	**Note**	**Risk (Rate Increase)**	**As of 12/31/2024**	**Scenario (I)**	**Scenario (II)**	**Scenario (III)**
Borrowings	16.9.1	CDI + 1.62% per year	**(923)**	**(140)**	**(147)**	**(154)**
Borrowings (fixed rate)	16.9.1	CDI + 0.20% per year	**(29)**	**(5)**	**(5)**	**(5)**
Borrowings (foreign currency)	16.9.1	CDI + 1.34% per year	**(801)**	**(122)**	**(128)**	**(134)**
Debentures and promissory notes	16.9.1	CDI + 1.34% per year	**(14,975)**	**(2,243)**	**(2,355)**	**(2,467)**
Total net effect (loss)			**(16,728)**	**(2,510)**	**(2,635)**	**(2,760)**
Cash equivalents	6	98.54% of the CDI	**5,494**	**834**	**876**	**918**
Net exposure loss			**(11,234)**	**(1,676)**	**(1,759)**	**(1,842)**

16.8 Fair value measurement

The Company discloses the fair value of financial instruments measured at fair value and of financial instruments measured at amortized cost, the fair value of which differs from the carrying amounts, pursuant to CPC 46/IFRS 13, which address the concepts of measurement and disclosure requirements. The fair value hierarchy levels are defined below:

Level 1: fair value measurement at the balance sheet date using quoted prices (unadjusted) in active markets for identical assets or liabilities to which the entity may have access at the measurement date.

Level 2: fair value measurement at the balance sheet date using other significant observable assumptions for the asset or liability, either directly or indirectly, except quoted prices included in Level 1.

Level 3: fair value measurement at the balance sheet date using non-observable data for the asset or liability.

The data used in fair value models are obtained, whenever possible, from observable markets or from information in comparable transactions in the market. Judgment is used in the determination of assumptions in relation to liquidity risk, credit risk and volatility. Changes in assumptions may affect the reported fair value of financial instruments.

In the case of financial instruments not actively negotiated, the fair value is based on valuation techniques defined by the Company and compatible with usual practices of the market. These techniques include the use of recent market operations between independent parties, the benchmarking of similar financial instruments' fair value, the analysis of discounted cash flows, or other valuation models.

The fair values of cash and cash equivalents, trade receivables and trade payables approximate their carrying amounts.

The table below sets forth the fair value hierarchy of financial assets and liabilities measured at fair value and of financial instruments measured at amortized cost, all classified as level 2, for which the fair value has been disclosed in the financial statements:

	Carrying amount		Fair value	
	12/31/2024	**12/31/2023**	**12/31/2024**	**12/31/2023**
Trade receivables with credit card and tickets	**1,943**	985	**1,943**	985
Interest rate swaps between currencies	**66**	-	**66**	-
Interest rate swaps	**(8)**	(1)	**(8)**	(1)
Interest rate swaps - CRI	**314**	267	**314**	267
Borrowings and debentures (fair value)	**(4,087)**	(3,182)	**(4,087)**	(3,182)
Borrowings, debentures and promissory notes (amortized cost)	**(12,460)**	(11,994)	**(12,188)**	(11,716)
	(14,232)	(13,925)	**(13,960)**	(13,647)

There were no changes between fair value measurement hierarchy levels during the year ended December 31, 2024.

Interest rate swaps, cross-currency, borrowings and debentures are classified in Level 2 since the fair value of such financial instruments was determined based on readily observable inputs, such as expected interest rate and current and future foreign exchange rate.

(In million of Brazilian reais, unless otherwise stated)

16.9 Borrowings

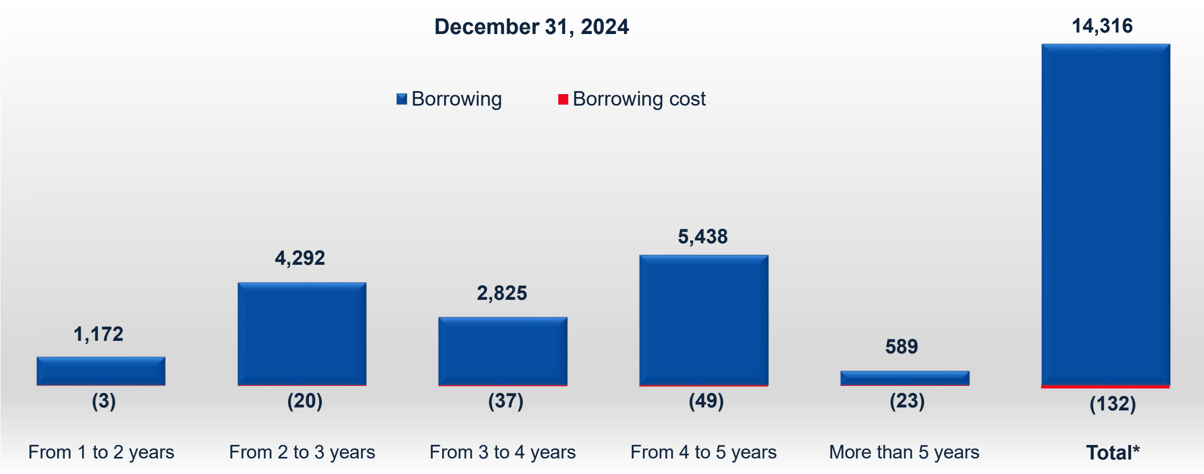
16.9.1 Debt breakdown

	Average rate	12/31/2024	12/31/2023
Debentures and promissory notes	CDI + 1.34 % per year	**14,975**	13,378
Borrowing costs		**(176)**	(185)
		14,799	13,193
Derivative financial instruments - Debentures and promissory notes			
Swap contracts	CDI + 1.06 % per year	**(304)**	(262)
		(304)	(262)
Borrowings in domestic currency			
Working capital	CDI + 0.20% per year	**29**	40
Working capital	CDI + 1.62% per year	**923**	1,952
Borrowing costs		**(5)**	(9)
		947	1,983
Derivative financial instruments - Domestic currency			
Swap contracts	CDI + 0.20% per year	**(2)**	(4)
		(2)	(4)
Borrowings in foreign currency			
Working capital	CDI + 1.34% per year	**801**	-
		801	-
Derivative financial instruments - Foreign currency			
Swap contracts	CDI + 1.34% per year	**(66)**	-
		(66)	-
Total of borrowings, debentures and promissory notes		**16,175**	14,910
Current asset		**(93)**	(48)
Non-current asset		**(297)**	(226)
Current liabilities		**2,084**	2,115
Non-current liabilities		**14,481**	13,069

16.9.2 Roll forward of borrowings

	Amount
Balance as of December 31, 2022	12,409
Funding	3,392
Borrowing costs	(142)
Interest provision	1,746
Swap contracts	39
Mark-to-market	14
Exchange rate and monetary variation	(16)
Borrowing costs amortization	52
Interest amortization	(1,085)
Principal amortization	(1,326)
Swap amortization	(173)
Balance as of December 31, 2023	14,910
Funding	**6,600**
Borrowing costs	**(54)**
Interest provision	**1,907**
Swap contracts	**(75)**
Mark-to-market	**88**
Exchange rate and monetary variation	**88**
Borrowing costs amortization	**65**
Interest amortization	**(2,583)**
Principal amortizations	**(4,652)**
Swap amortization	**(119)**
Balance as of December 31, 2024	**16,175**

16.9.3 Schedule of non-current maturities



* The net value of non-current is R$14,184.

16.10 Debentures and promissory notes

	Issue amount (in thousands)	Outstanding debentures (units)	Date		Annual financial charges	Unit price (in Reais)	12/31/2024	12/31/2023
			Beginning	Maturity				
First Issue of Promissory Notes - 5th series	200	4	7/4/2019	7/4/2024	CDI + 0.72% per year	-	-	289
First Issue of Promissory Notes - 6th series	200	4	7/4/2019	7/4/2025	CDI + 0.72% per year	80,710,560	**322**	289
Second Issue of Debentures - 1st series (i)	940,000	940,000	6/1/2021	5/20/2026	CDI + 1.70% per year	-	-	954
Second Issue of Debentures - 2nd series	660,000	660,000	6/1/2021	5/22/2028	CDI + 1.95% per year	1,014	**669**	670
Second Issue of Promissory Notes - 1st series	1,250,000	1,250,000	8/27/2021	8/27/2024	CDI + 1.47% per year	-	-	1,681
Second Issue of Promissory Notes - 2nd series (i)	1,250,000	1,250,000	8/27/2021	2/27/2025	CDI + 1.53% per year	-	-	1,683
Third Issue of Debentures - 1st series - CRI	982,526	982,526	10/15/2021	10/16/2028	IPCA + 5.15% per year	1,199	**1,178**	1,122
Third Issue of Debentures - 2nd series - CRI	517,474	517,474	10/15/2021	10/15/2031	IPCA + 5.27% per year	1,199	**620**	591
Fourth Issue of Debentures - single series	2,000,000	2,000,000	1/7/2022	11/26/2027	CDI + 1.75% per year	1,012	**2,024**	2,024
First Issue of Commercial Paper Notes - single series	750,000	750,000	2/10/2022	2/9/2025	CDI + 1.70% per year	1,048	**786**	790
Fifth Issue of Debentures - single series - CRI	250,000	250,000	4/5/2022	3/28/2025	CDI + 0.75% per year	1,028	**258**	258
Sixth Issue of Debentures - 1st series - CRI	72,962	72,962	9/28/2022	9/11/2026	CDI + 0.60% per year	1,032	**75**	76
Sixth Issue of Debentures - 2nd series - CRI	55,245	55,245	9/28/2022	9/13/2027	CDI + 0.70% per year	1,033	**58**	58
Sixth Issue of Debentures - 3rd series - CRI	471,793	471,793	9/28/2022	9/13/2029	IPCA + 6.70% per year	1,131	**534**	508
Second Issue of Commercial Paper Notes - single series	400,000	400,000	12/26/2022	12/26/2025	CDI + 0.93% per year	1,280	**513**	458
Seventh Issue of Debentures - 1st series - CRI	145,721	145,721	7/25/2023	7/15/2026	CDI + 1.00% per year	1,054	**154**	154
Seventh Issue of Debentures - 2nd series - CRI	878,503	878,503	7/25/2023	7/15/2027	Pré 11.75% per year	1,053	**925**	921
Seventh Issue of Debentures - 3rd series - CRI	46,622	46,622	7/25/2023	7/17/2028	CDI + 1.15% per year	1,055	**50**	50
Eighth Issue of Debentures - 1st series	400,000	400,000	12/22/2023	12/22/2027	CDI + 1.85% per year	1,003	**401**	401
Eighth Issue of Debentures - 2nd series	400,000	400,000	12/22/2023	12/22/2028	CDI + 1.95% per year	1,003	**401**	401
Ninth Issue of Debentures - single series	500,000	500,000	3/28/2024	3/26/2029	CDI + 1.25% per year	1,031	**516**	-
Tenth Issue of Debentures - single series	1,800,000	1,800,000	6/25/2024	6/20/2029	CDI + 1.25% per year	1,003	**1,805**	-
Eleventh Issue of Debentures - single series	2,800,000	2,800,000	10/1/2024	9/25/2029	CDI + 1.25% per year	1,029	**2,882**	-
Twelfth Issue of Debentures - single series	800,000	800,000	12/13/2024	12/10/2029	CDI + 1.25% per year	1,006	**804**	-
Borrowing costs							**(176)**	(185)
							14,799	13,193

(i) On October 2, 2024, the Company raised funds of R$2,800, through the 11th issuance of simple debentures, that were exclusively allocated for liability management, including the prepayment of the total amount of the 2nd series of promissory notes from the Company's 2nd issuance, as well as the total amount of the 1st series of the Company's 2nd debenture issuance, which were integrally paid on October 10 and 11, 2024, respectively, in the total amount of R$2,843.

The Company issues debentures to strengthen its working capital, maintain its cash strategy, and lengthen its debt and investment profile. The debentures issued are non-preemptive, non-convertible into shares, do not have renegotiation clauses and do not have guarantees.

(In million of Brazilian reais, unless otherwise stated)

16.11 Borrowings in foreign currencies

As of December 31, 2024, the Company has borrowings in foreign currency to strengthen its working capital, maintain its cash strategy, lengthen its debt and investment profile.

16.12 Guarantees

As of December 31, 2024, the Company has no guarantees related to its borrowing agreement.

16.13 Swap contracts

The Company uses swap operations for 100% of its borrowings denominated in US dollars, in fixed interest rates and IPCA, exchanging these liabilities linked to real to the CDI (floating) interest rates. The annual average rate at CDI as of December 31, 2024 was 10.83% (13.04% as of December 31, 2023).

16.14 Financial covenants

In connection with the borrowings, debentures and promissory notes issued, the Company is required to maintain certain financial ratios. These ratios are calculated quarterly based on the Company's interim financial information prepared in accordance with accounting practices adopted in Brazil, as follows: (i) consolidated net debt / equity less than or equal to 3.00; and (ii) consolidated net debt/EBITDA Last Twelve Months ("LTM") ratio should be lower than or equal to 3.00.

As of December 31, 2024, the Company had fulfilled all contractual obligations and was compliant with these ratios.

17 PROVISION FOR LEGAL PROCEEDINGS

Provisions are recognized when the Company has a present obligation (legal or not formalized) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the obligation can be reliably estimated. The expense related to any provision is recognized in statement of operations for the year, net of any reimbursement. The Company's policy is to provide for fees on success. In the explanatory notes, the amounts involved are disclosed for cases not yet concluded and considered as possible success.

In order to assess the outcome's probability the Company considers available evidence, the hierarchy of laws, prior court decisions in similar cases and their legal significance, as well as the legal counsel's opinion.

The provision for legal proceedings is estimated by the Company and supported by its legal counsel and was established in an amount considered sufficient to cover the considered probable losses.

	Tax claims	Social security and labor	Civil	Total
Balance as of December 31, 2022	55	86	24	165
Additions	17	172	22	211
Reversals	(6)	(49)	(5)	(60)
Payments	(4)	(59)	(8)	(71)
Monetary correction	-	13	5	18
Balance as of December 31, 2023	62	163	38	263
Restricted deposits for legal proceedings	(1)	(15)	(10)	(26)
Net provision for restricted deposits	61	148	28	237

	Tax claims	Social security and labor	Civil	Total
Balance as of December 31, 2023	62	163	38	263
Additions	**7**	**225**	**29**	**261**
Reversals	**(37)**	**(114)**	**(26)**	**(177)**
Payments	**(9)**	**(117)**	**(15)**	**(141)**
Monetary correction	**(7)**	**17**	**7**	**17**
Balance as of December 31, 2024	**16**	**174**	**33**	**223**
Restricted deposits for legal proceedings	**(4)**	**(2)**	**(3)**	**(9)**
Net provision for restricted deposits	**12**	**172**	**30**	**214**

Of the total amount of the table above, R$26 (R$50 as of December 31, 2023) is the responsibility of GPA arising from contingencies up to 2016, pursuant to contractual provisions, namely: R$4 tax claims, R$7 labor claims and R$15 civil claims (R$3 tax claims, R$27 labor claims and R$20 civil claims as of December 31, 2023).

17.1 Tax claims

Tax claims are subject by law to monthly monetary adjustment, which refers to an adjustment to the provision based on indexing rates adopted by each tax jurisdiction. Both interest charges and fines, where applicable, were calculated and provisioned with respect to unpaid amounts.

The Company has other tax claims, which according to its legal counsel's analysis, were provisioned, namely: (i) discussions on the non-application of the Accident Prevention Factor (FAP); (ii) IPI in the resale of imported products; and (iii) other matters.

The amount provisioned for these matters as of December 31, 2024 is R$16 (R$62 as of December 31, 2023).

(In million of Brazilian reais, unless otherwise stated)

17.2 Social security and labor

The Company is a party to various labor proceedings, especially due to dismissals in the regular course of business. As of December 31, 2024, the Company recorded a provision of R$174 (R$163 as of December 31, 2023), referring to a potential risk of loss relating to labor claims. Management, with the assistance of its legal counsel, assesses these claims and records provisions for losses when reasonably estimated, considering previous experiences in relation to amounts claimed.

17.3 Civil

The Company is a party to civil proceedings (indemnifications, collections, among others) that are in different procedural phases and at various courts. Management records provisions in amounts considered sufficient to cover unfavorable court decisions when its internal and external legal counsel assess the losses to be probable.

Among these proceedings, we highlight the following:

The Company is a party to various lawsuits requesting the renewal of rental agreements and the review of the current rent paid. The Company records a provision for the difference between the monthly rental amounts originally paid by stores and the rental amounts calculated by the legal experts considering that it is the expert report amount that will be used as the basis for the decision that will change the rental amount paid by the Company. As of December 31, 2024, the amount of the provision for these lawsuits is R$26 (R$32 as of December 31, 2023), for which there are no restricted deposits for legal proceedings.

The Company is a party to certain lawsuits relating to the fines applied by inspection bodies of direct and indirect administration of the federal government, states, and municipalities, including consumer defense bodies (PROCONs, INMETRO, and local governments). The Company, with the assistance of its legal counsel, assesses these claims recording provisions for probable cash disbursements according to the estimate of loss. As of December 31, 2024, the amount of provision for these lawsuits is R$7 (R$6 as of December 31, 2023).

The Company’s total civil, regulatory and property claims as of December 31, 2024, is R$33 (R$38 as of December 31, 2023).

17.4 Contingent liabilities not accrued

The Company is a party to other litigations for which the risk of loss was classified by its legal counsel to be possible, therefore, not accrued, to the following subjects:

	12/31/2024	12/31/2023
Tax on Financial Transactions (IOF) – payment differences.	**14**	14
PIS, COFINS – payment discrepancies and overpayments, fine for non-compliance with ancillary obligations, disallowance of PIS and COFINS credits, among other matters pending judgment at the administrative and judicial levels.	**1,008**	783
ICMS – allocation of credits from purchases from suppliers considered unqualified by the registry of the State Revenue Service, among other matters, which are pending judgment at the administrative and judicial levels.	**1,210**	1,216
ISS (services tax), IPTU (urban property tax), Fees and other – discrepancies in payments of IPTU, fines for non-compliance with ancillary obligations, ISS – refund of advertising expenses and various fees, which are pending judgment at the administrative and judicial levels.	**20**	18
INSS (national institute of social security) – divergences in the FGTS and Social Security form (GFIP), offsets not approved, among other matters, which are pending judgment at the administrative and judicial levels.	**25**	24
Other litigation – real estate lawsuits in which the Company claims the renewal and maintenance of lease agreements according to market prices. These lawsuits involve proceedings in civil court, as well as administrative proceedings filed by inspection bodies, among others.	**2**	98
Compensation linked to the external legal counsel's success fee if all the proceedings were concluded in favor of the Company.	**27**	20
	2,306	2,173

Of the total amount in the table above, R$1,097 (R$1,494 as of December 31, 2023) is the responsibility of GPA arising from contingencies up to 2016, pursuant to contractual provisions, namely: R$1,096 tax claims and R$1 civil claims (R$1,398 tax claims and R$96 civil claims as of December 31, 2023).

Three collective proceedings were filed by institutions related to black people's movements due to an approach to a customer, in August 2021 at the store in Limeira - SP, which claim supposed racial issues. All were duly answered. One of them has already been extinguished by the judiciary without major effects. As of December 31, 2024, there are still two lawsuits in progress and, given the subjectivity of the matter, it is still not possible to reasonably estimate the amounts involved. A significant impact is not expected, upon completion the lawsuits on the Company's financial statements.

17.4.1 Uncertainty over IRPJ and CSLL treatments

In compliance with ICPC 22/IFRIC 23 – Uncertainty over Income Tax Treatment, the Company has proceedings, at the judicial and administrative levels, with Government's regulatory agencies, which are related to uncertain tax treatments adopted for the recording of income tax and social contribution. Based on the assessment of internal and external legal counsel, the tax treatment adopted by the Company is adequate, therefore, these proceedings were classified as possible losses. As of December 31, 2024, the amount involved was R$1,025 (R$917 as of December 31, 2023).

(In million of Brazilian reais, unless otherwise stated)

Of the total amount above, R$293 is the responsibility of GPA arising from contingencies up to 2016, pursuant to contractual provisions (R$337 as of December 31, 2023).

17.5 Guarantees

The Company provided bank guarantees and insurance guarantees for judicial proceedings of a civil, tax and labor nature, described below:

Lawsuits	12/31/2024	12/31/2023
Tax	**1,747**	1,113
Labor	**89**	75
Civil and others	**60**	34
	1,896	1,222

The cost of guarantees as of December 31, 2024 is approximately 0.17% per year of the amount of the lawsuits (0.17% as of December 31, 2023) and is recorded as a financial expense.

17.6 Restricted deposits for legal proceedings

The Company is challenging the payment of certain taxes, contributions, and labor liabilities and made judicial deposits in amounts equivalent to the final court decisions, as well as judicial deposits related to the provision for legal claims.

The Company recorded amounts referring to judicial deposits in its assets as follows:

Lawsuits	12/31/2024	12/31/2023
Tax	**16**	18
Labor	**4**	16
Civil and others	**4**	10
	24	44

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18 DEFERRED REVENUES

Recognized by the Company as a liability due to anticipation of amounts received from business partners. These are recognized in the statement of operations for the year when the services are rendered to these business partners.

	12/31/2024	12/31/2023
Commercial agreement with suppliers (i)	**418**	385
Commercial agreement - payroll (ii)	**37**	48
Marketing	**20**	22
	475	455
Current	**449**	418
Non-current	**26**	37

(i) Refers to rental of supplier product exhibition modules "checkstand", point of sale displays and backlight panels.

(ii) Commercial agreement with a financial institution for exclusivity in payroll processing.

19 INCOME TAX AND SOCIAL CONTRIBUTION

Current income tax and social contribution

Current income tax and social contribution assets and liabilities are measured by the amount expected to be refunded or paid to the tax authorities. The tax rates and laws adopted to calculate tax are those effective or substantially effective at the end of the year.

Income taxes in Brazil consist of Corporate Income Tax (“IRPJ”) and Social Contribution on Net Income (“CSLL”), calculated based on taxable income, at the statutory rates set forth in the legislation in force: 15% on taxable income plus an additional 10% on annual taxable income exceeding R$240 for IRPJ, and 9% for CSLL.

Deferred income tax and social contribution

Deferred income tax and social contribution are generated by temporary differences, at the end of the reporting period, between the tax bases of assets and liabilities, carrying amounts and all unused tax losses, to the extent it is probable that taxable income will be available from which temporary differences and unused tax losses can be deducted; except when deferred income tax and social contribution referring to the deductible temporary difference results from the initial recognition of an asset or liability in an operation which is not a business combination and, at the moment of operation, neither affects the accounting profit nor the tax income or loss.

The carrying amount of deferred income tax and social contribution assets is reviewed at the end of each reporting period and reduced since it is no longer probable that taxable income will be sufficient to allow the use of total or part of deferred income tax and social contribution. Non-recognized deferred income tax and social contribution assets are re-assessed at the end of the reporting period and again recognized since it is probable that future taxable income will allow the recovery of these assets.

Credits arising from deferred income tax and social contributions losses can be carried forward indefinitely, but their utilization, as provided for by laws, is restricted to 30% of taxable income of each year for Brazilian legal entities, and refer to their subsidiaries that have tax planning opportunities to use these balances.

(In million of Brazilian reais, unless otherwise stated)

Deferred taxes relating to items directly recognized in shareholders' equity are also recognized in shareholders' equity, and not in the statement of operations.

Deferred income tax and social contribution assets and liabilities are offset if there is any legal or contractual right to offset the tax assets against the income tax liabilities, and deferred assets refer to the same taxpayer entity and the same tax authority.

Due to the nature and complexity of the Company's business, differences between effective results and assumptions adopted or future alterations of these assumptions may result in future adjustments to tax income and expenses already recorded. The Company set up provisions, based on reasonable estimates for taxes due. The amount of these provisions is based on several factors, such as the experience of previous inspections and different interpretation of tax regulation by taxpayer entity and related tax authority. These different interpretations can refer to a wide variety of issues, depending on the conditions in force at the tax domicile of the respective entity.

19.1 Reconciliation of income tax and social contribution expense

	12/31/2024	12/31/2023
Income before income tax and social contribution	**935**	554
Expense of income tax and social contribution, for nominal rate (34%)	**(318)**	(188)
Adjustments to reflect the effective rate		
Tax fines	**(4)**	(3)
Share of profits	**22**	17
Interest on own capital	**43**	-
ICMS subsidy - tax incentives (i)	**43**	319
Monetary correction credits	**51**	15
Other permanent differences	**(3)**	(4)
Effective income tax and social contribution	**(166)**	156
Income tax and social contribution for the year		
Current	**(141)**	(6)
Deferred	**(25)**	162
(Expenses) benefits of income tax and social contribution	**(166)**	156
Effective rate	**17.8%**	-28.2%

(i) The Company calculates tax benefits that are characterized as tax incentives that, according to legal forecast, do not comprise the basis for calculating income tax and social contribution.

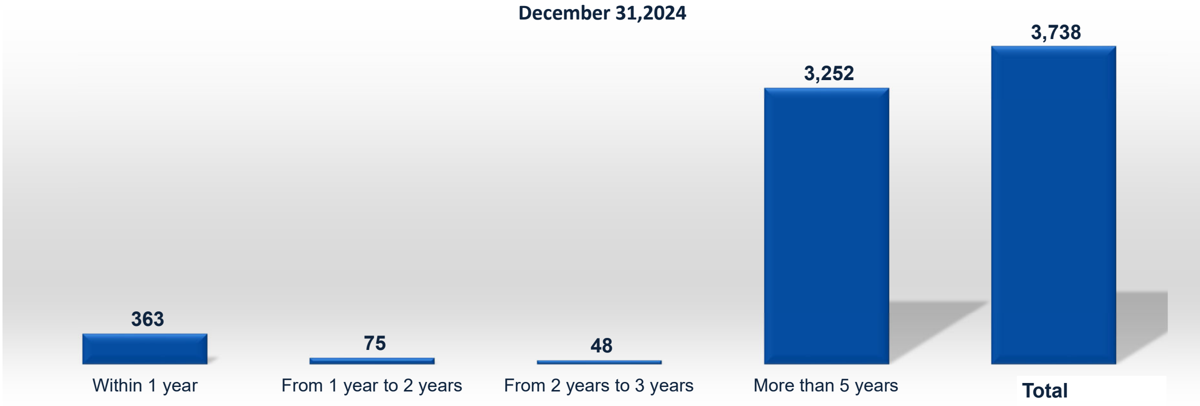
19.2 Breakdown of deferred income tax and social contribution

The main components of deferred income tax and social contribution in the balance sheets are the following:

	12/31/2024			12/31/2023		
	Assets	Liabilitie	Net	Assets	Liabilitie	Net
Deferred income tax and social contribution						
Tax losses	**314**	**-**	**314**	385	-	385
Provision for legal proceedings	**67**	**-**	**67**	81	-	81
Swap	**-**	**(132)**	**(132)**	-	(66)	(66)
Goodwill tax amortization	**-**	**(317)**	**(317)**	-	(317)	(317)
Mark-to-market	**2**	**-**	**2**	-	(25)	(25)
Property, plant and equipment and intangible assets	**10**	**-**	**10**	10	-	10
Unrealized losses with tax credits	**-**	**(71)**	**(71)**	-	(15)	(15)
Provision of inventory	**35**	**-**	**35**	30	-	30
Borrowing costs	**-**	**(62)**	**(62)**	-	(66)	(66)
Lease net of right of use	**3,249**	**(3,016)**	**233**	3,085	(2,961)	124
Compensation program	**21**	**-**	**21**	10	-	10
Exchange rate	**33**	**-**	**33**	-	-	-
Others	**7**	**-**	**7**	20	-	20
Gross deferred income tax and social contribution assets (liabilities)	**3,738**	**(3,598)**	**140**	3,621	(3,450)	171
Compensation	**(3,598)**	**3,598**	**-**	(3,450)	3,450	-
Deferred income tax and social contribution assets (liabilities), net	**140**	**-**	**140**	171	-	171

Management has assessed the future realization of deferred tax assets, considering the projections of future taxable income, in the context of the main variables of its businesses. This assessment was based on information from the strategic planning report previously approved by the Company´s Board of Directors.

The Company estimates the recovery of these credits as follows:



19.3 Roll forward of deferred income tax and social contribution

	12/31/2024	12/31/2023
At the beginning of the year	**171**	6
(Expenses) benefits in the year	**(25)**	162
Income tax effect	**3**	3
Others	**(9)**	-
At the end of the year	**140**	171

20 SHAREHOLDERS' EQUITY

20.1 Capital stock and stock rights

According to the Company's bylaws, the Company's authorized capital may be increased up to 2 billion common shares. Below, the subscribed and fully paid-in share capital, represented by common shares, all nominative and with no par value:

	Number of shares	Amount (in thousands of reais)
As of December 31, 2022	1,349,165,394	1,263,218,381
Capital increase - Board of Directors' Meeting on 2/15/2023	59,870	637,616
Capital increase - Board of Directors' Meeting on 3/28/2023	1,031,232	1,154,499
Capital increase - Board of Directors' Meeting on 8/18/2023	1,207,046	3,915,566
Capital increase - Board of Directors' Meeting on 10/30/2023	213,458	1,559,323
Capital increase - Board of Directors' Meeting on 12/08/2023	156,200	1,205,864
Total changes for the year	2,667,806	8,472,868
As of December 31, 2023	1,351,833,200	1,271,691,249
Capital increase - Board of Directors' Meeting on 8/8/2024	**256,799**	**2,568**
Capital increase - Board of Directors' Meeting on 11/7/2024	**54,881**	**549**
Capital increase - Board of Directors' Meeting on 12/11/2024	**70,767**	**708**
Total changes for the year	**382,447**	**3,825**
As of December 31, 2024	**1,352,215,647**	**1,271,695,074**

Below, the shareholding structure of the Company:

	Note	12/31/2024	Participation	12/31/2023	Participation
Outstanding shares		**1,348,415,647**	**99.72%**	1,351,833,200	100.00%
Treasury shares	20.6	**3,800,000**	**0.28%**	-	-
		1,352,215,647	**100.00%**	1,351,833,200	100.00%

20.2 Distribution of dividends and interest on own capital

Shareholders are entitled to receive a minimum mandatory annual dividend equivalent to 25% of the net income for each fiscal year, adjusted in accordance with the law, with the annual dividends compensating for the interest on own capital ("JSCP") and the dividends distributed during the fiscal year.

The Management proposed dividends to be distributed, considering the advance of JSCP to its shareholders, calculations are demonstrated below:

	Note	12/31/2024	12/31/2023
Net income for the year		**769**	710
Tax incentive reserve	20.5	**(229)**	(710)
Base for legal reserve		**540**	-
% Legal reserve		**5%**	5%
Legal reserve for the year	20.3	**27**	-
Base for dividends		**513**	-
Minimum mandatory dividends - 25%		**129**	-
Interest on own capital payable (i)		**(109)**	-
Proposed dividends		**20**	-

(i) At a meeting of the Board of Directors held on December 30, 2024, the advance payment of interest on own capital in the gross amount of R$125 was approved, on which the withholding tax was deducted in the amount of R$16, corresponding to the net amount of R$109. The effective payment will be made on February 28, 2025.

20.3 Earnings reserve

Legal reserve is recorded by appropriating 5% of the net income of each fiscal year, observing the 20% limit of capital, as established by article 193 of Law 6,404/76. As of December 31, 2024, the balance is R$207 (R$180 as of December 31, 2023).

The amount of R$27 was constituted as of December 31, 2024 (no amount were allocated to legal reserve as of December 31, 2023), respects the limit of 20% of the Company's share capital, as established by Article 193 of Law 6,404/76.

	12/31/2024	12/31/2023
Net income for the year	**769**	710
Tax incentive reserve	**(229)**	(710)
Base for legal reserve	**540**	-
% Legal reserve	**5%**	5%
Legal reserve for the year	**27**	-

20.4 Expansion reserve

During the 2024 fiscal year, no expansion reserve was constituted, as the income for the year 2023 in the amount of R$710 was fully applied to the constitution of the tax incentives reserve (R$325 as of December 31, 2023).

20.5 Tax incentive reserve

Tax incentive reserves by the States were considered investment subsidies, which are deductible for the calculation of income tax and social contribution. Thus, for the year ended December 31, 2023, the Company allocated the amount of R$939 to the tax incentive reserve, of which R$710 was constituted in 2023 and R$229 was constituted as of December 31, 2024.

Article 30 of Law 12,973/2014 was revoked through Law 14,789/2023, releasing taxpayers from constituting a tax incentive reserve from January 1, 2024.

20.6 Treasury shares

Own equity instruments that are required (treasury shares) are recognized at cost and deducted from shareholders' equity. No gain or loss is recognized in the statement of operations on the purchase, sale, issuance, or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration is recognized in other capital reserves.

On June 25, 2024, the Board of Directors approved the first share buyback program for the Company's issued shares. The program aims to acquire, within up to 12 months from the approval date, up to 3,800,000 common shares, representing 0.28% of the total shares outstanding, for treasury stock and delivery of these shares to participants in the Executive Partner Program, see note 20.7.4, and the Long-Term Incentive Plan through the Granting of the Right to Receive Shares, see note 20.7.5. The shares were acquired in the stock market based on normal trading conditions.

The table below represents the movement of treasury shares:

	Number of shares	Amount (in thousands of reais)	Average purchase price
As of December 31, 2023	-	-	-
Buyback shares	**3,800,000**	**26,390,274**	**6.94**
As of December 31, 2024	**3,800,000**	**26,390,274**	**6.94**

20.7 Share-based payment

20.7.1 Recognized options granted

The effects of the share-based payments of the Company's executives are recorded in "Stock options granted", pursuant to CPC 10 (R1)/IFRS 2 – Share-based Payment.

The Company's employees and executives may receive payment based on shares, when they provide services in exchange for equity instruments (“transactions settled with shares”).

The Company measures the transaction costs of employees eligible for share-based compensation, according to the fair value of equity instruments on the grant date. Estimating the fair value of share-based payment transactions requires a definition of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires a definition of the most appropriate information for the valuation model, including the stock option life expectancy, volatility and dividend return, as well as the preparation of corresponding assumptions.

The cost of operations settled with shares is recognized as an expense for the year, together with a corresponding increase in shareholders' equity, during the year in which the performance and / or service provision conditions are met. Accumulated expenses recognized in relation to equity instruments on each base date, up to the acquisition date, reflect the extent to which the acquisition period has expired and the best estimate of the Company of the number of equity instruments that will be acquired.

The expense or reversal of expenses for each year represents the movement in accumulated expenses recognized at the beginning and end of the year. Expenses related to services that have not completed their acquisition period are not recognized, except in the case of operations settled with shares in which the acquisition depends on a market condition or non-acquisition of rights, which are treated as acquired, regardless of whether the market condition or non-acquisition of rights is satisfied or not, provided that all other performance and / or service provision conditions are met.

When an equity instrument is modified, the minimum expense recognized is the expense that would have been incurred if the terms had not been modified. An additional expense is recognized in the event of a change in the total fair value of the share-based payment transaction or that otherwise benefits the employee, as measured on the date of the change.

In case of cancellation of an equity instrument, it is treated as if it were fully acquired on the date of cancellation, and any expenses not yet recognized, referring to the premium, are recognized immediately in the income for the year. This includes any premium whose conditions of non-acquisition under the control of the Company or the employee are not met. However, if the canceled plan is replaced by a new plan and substitute grants are generated, on the date it is granted, the canceled grant and the new plan will be treated as if they were a modification of the original grant, as described in the previous paragraph. All cancellations for transactions settled with shares are treated in the same way.

The dilutive effect of outstanding options is reflected as an additional dilution of shares in the calculation of diluted earnings per share.

The following describes the stock option plan as of December 31, 2024.

Company's compensation plan

The Company's compensation plan ("Compensation Plan") is managed by Company Board of Directors, which delegated to the Human Resources, Culture and Compensation Committee the attributions of granting options and advising on the management of the Compensation Plan (“Committee”).

The members of the Committee will meet to grant the options from the compensation plan series and whenever there are questions raised regarding the compensation plan. Each series of the granting of stock options will receive the letter "B" followed by a number. For the year ended December 31, 2024, the options granted in series B9, B10 and B11 of the Compensation Plan were in effect.

The options granted to a participant will not be exercisable for a period of 36 (thirty-six) months from the date of grant ("vesting period"), except with formal authorization by the Company, and may only be exercised in the period beginning on the first day of the 37th (thirty seventh) month from the date of grant and ending on the last day of the 42nd (forty second) month from the date of grant ("exercise period").

The participants may exercise their total purchase options or in part, in one or more times, if for each year, the option exercise term is submitted during the exercise period.

The exercise price of each stock option granted under the Compensation Plan should correspond to R$0.01 ("exercise price").

The exercise price of the options shall be paid in full local currency by check or wire transfer available to the bank account held by the Company, on the tenth (10th) day preceding the date of acquisition of the shares.

The Company withhold any applicable tax under Brazilian tax law, deducting from the number of shares delivered to the participant an amount equivalent to taxes withheld.

Company's option plan

The Company's option plan ("Option Plan") is managed by Company Board of Directors, which delegated to the Committee the functions of granting options and advising on the management of the Option Plan.

The members of the Committee will meet for the granting of the options of the Option Plan series and whenever there are questions raised regarding the Option Plan. Each series of call option grants will receive the letter "C" followed by a number. For the year ended December 31, 2024, the options granted in series C9, C10 and C11 of the Option Plan were in effect.

For each series of stock options granted under the Option Plan, the exercise price of each stock option shall be equivalent to 80% of the average closing price of the Company's shares traded in B3 in the twenty (20) days prior to the date of the Committee meeting that decides upon the granting of the options that series ("exercise price").

Options granted to a participant will not be exercisable for a period of 36 (thirty-six) months from the date of grant ("vesting period"), and may only be exercised in the period beginning on the first day of the 37th (thirty seventh) month from the grant date, and ending on the last day of the 42nd (forty second) month from the grant date ("exercise period"), provided the exceptions included in the Compensation Plan.

The participants may exercise their total purchase options or in part, in one or more times, if for each year, the option exercise term is submitted during the exercise period.

The exercise price of the options shall be paid in full local currency by check or wire transfer available to the bank account held by the Company on the tenth (10th) day preceding the date of acquisition of the shares.

Information relating to the Company's Option Plan and Compensation Plan is summarized below:

				12/31/2024 Number of shares (in thousands)			
Granted series	Grant date	1st exercise date	Exercise price on the grant date (in reais)	Granted	Exercised	Cancelled	Current
B8	5/31/2021	6/1/2024	0.01	**363**	**(318)**	**(45)**	**-**
C8	5/31/2021	6/1/2024	13.39	**363**	**(20)**	**(343)**	**-**
B9	5/31/2022	6/1/2025	0.01	**2,163**	**(389)**	**(115)**	**1,659**
C9	5/31/2022	6/1/2025	12.53	**1,924**	**(119)**	**(146)**	**1,659**
B10 (i)	5/31/2023	6/1/2026	0.01	**1,390**	**(40)**	**(54)**	**1,296**
C10 (i)	5/31/2023	6/1/2026	11.82	**1,390**	**-**	**(94)**	**1,296**
B11 (i)	5/31/2024	6/1/2027	0.01	**1,294**	**(27)**	**(41)**	**1,226**
C11 (i)	5/31/2024	6/1/2027	10.62	**1,294**	**-**	**(68)**	**1,226**
				10,181	**(913)**	**(906)**	**8,362**

(i) Shares granted to executives excluding statutory officers.

20.7.2 Consolidated information of Company's share-based payment plans

According to the terms of the series plans, each option offers its beneficiary the right to buy a share of the Company. In both plans, the vesting period is 36 months, always measured from the date on which the Board of Directors approved the issue of the respective series of options. The stock options may be exercised by their beneficiaries within 6 months after the end of the vesting period of the respective grant date. The condition for the options to be exercisable (vested) is for the beneficiary to remain as an employee of the Company. The plans differ exclusively in the exercise price of the options and in the existence or not of a restriction period for the sale of the shares acquired in the exercise of the option.

According to the plans, the options granted in each of the series can represent a maximum of 2% of the total shares issued by the Company.

The table below shows the maximum percentage of dilution to which current shareholders could eventually be subject to in the event that all options granted are exercised until December 31, 2024:

	12/31/2024 (in thousands)
Number of shares in circulation	**1,348,416**
Balance of effective series granted	**8,362**
Maximum percentage of dilution	**0.62%**

The fair value of each option granted is estimated on the grant date, using the options pricing model "Black-Scholes" taking into account the following assumptions:

Series granted	Weighted average fair value of option's granted (in reais)	Estimated dividends	Approximate estimated volatility	Risk-free weighted average interest rate	Exit rate	Average remaining life expectancy
B9 C9	15.27 7.35	1.20%	37.29%	12.18%	8.00%	5 months
B10 C10	10.33 3.28	1.31%	35.32%	10.87%	8.00%	17 months
B11 C11	11.89 5.18	0.77%	37.32%	11.28%	8.00%	29 months

	Shares (in thousands)	Weighted average exercise price (in reais)	Weighted average of the remaining contractual term
As of December 31, 2023	6,986	5.97	1.73
Granted during the year	**2,588**	**5.32**	
Cancelled during the year	**(816)**	**9.38**	
Exercised during the year	**(396)**	**0.01**	
Outstanding at the end of the year	**8,362**	**5.88**	**1.31**
Total to be exercised as of December 31, 2024	**8,362**	**5.88**	**1.31**

The amount recorded in the statement of operations for the period ended December 31, 2024 was R$25 (R$28 as of December 31, 2023).

20.7.3 Cash-settled share-based payment plan

At the Extraordinary General Meeting held on July 14, 2023, the cash-settled share-based payment plan was approved, only for the Company's Statutory Officers, this plan does not make officers a partner of the Company, they only acquire the right to receive an amount in cash corresponding to the average price of the Company's shares traded on B3 under the ticker ASAI3.

The calculation methodology is the linear average of the share price considering the last 20 trading sessions, including the base date of August 1, 2023 (grant date), until the end of the plan on July 31, 2028. The payment will be made in local currency, considering the vesting periods of the shares.

1,989,465 shares were granted to the Company's officers and the receipt of the amount related to 50% of the shares will be conditional on compliance with the service condition (shares conditioned on time) and the other 50% of the shares will be conditional on the cumulative compliance with the service condition and the performance condition (shares conditioned on time and performance). During the year, 77,626 shares were canceled, resulting in a total of 1,911,839 outstanding shares as of December 31, 2024.

For shares conditioned on time to become vested, Offices must remain with the Company from the grant date to the dates below (vesting period):

a) 20% (twenty percent) on the 3-year anniversary from the grant date;
b) 20% (twenty percent) on the 4-year anniversary from the grant date; and
c) 60% (sixty percent) on the 5-year anniversary from the grant date.

For shares conditioned on time and performance to become vested, the Executive must comply with the vesting periods above, in addition to meeting the goals, being segregated between: a) Environmental, Social and Governance ("ESG") goal with a weight of 30%: i) hiring people with disabilities; ii) women in leadership, in managerial positions or higher; and iii) total carbon emissions – Scope 1 and 2; and b) Operating target with a weight of 70%: i) operating cash flow.

The targets above will be reviewed annually by the Board of Directors and non-achievement of them, on December 31, 2026 and 2027, may be compensated by achievement on subsequent measurement dates.

At the end of each vesting period, virtual shares conditioned on time that have become vested virtual shares will be automatically settled, for virtual shares conditioned on time and performance the goals listed above must be achieved.

If the Officer is terminated on his/her own initiative, the Officer will lose the right to receive unvested shares, which will be immediately canceled and extinguished, without any compensation and/or indemnity, regardless of prior notice or notice. If the Officer is terminated at the initiative of the Company, through dismissal and removal from office due to serious misconduct, all his/her shares will be extinguished, without any compensation and/or indemnity, regardless of prior notice or notice. If the Officer is terminated due to mutual agreement between the Company and the Officer or on the Company's initiative, through dismissal and removal from office without serious misconduct, the Officer will have the right, subject to compliance with restrictive obligations, to settlement of all vested shares at the termination date and to maintain a portion of the unvested shares as agreed between the parties.

As of December 31, 2024, the amount of the liability corresponding to the plan, including payroll charges, in recorded is "Cash-settled share plan" in non-current liabilities in the amount of R$5 (R$4 as of December 31, 2023) and the total expense recognized, was R$2 (R$4 as of December 31, 2023) and the fair value of the total this plan in that date was R$16.

20.7.4 "Sócio Executivo" program

At the Ordinary and Extraordinary General Meeting held on April 26, 2024, the shareholders approved the Company's "Sócio Executivo" Program, intended to create a unique and extraordinary long-term program, which is not to be confused with the standard Long-Term Incentive, composed of a single grant of share rights to the Chief Executive Officer, the Commercial and Logistics Vice President, and the Operations Vice President ("Participants"), in a substantial amount and contingent on the Participants staying at the company and their achievement of certain performance targets, aiming at: (i) the long-term retention of the Participants; and (ii) the strengthening of the sense of ownership in the Participants, transforming key officers into relevant, long-term shareholders.

Through the "Sócio Executivo" Program, on May 1, 2024 the Company granted to Participants the right to receive up to 27,044,313 Company shares, corresponding to up to 2% of the total number of Company shares on the date of approval of the "Sócio Executivo" Program, subject to the adjustments provided for in the Program, as follows:

i) 0.40% will consist of restricted shares, the right to which will only be acquired if the Participants remain as Officers of the Company, as follows: i) 30% on the first vesting date (5 years from granted date) and 70% on the second vesting date (7 years from granted date); and

ii) up to 1.60% will consist of shares with performance assumptions, the right to which will only be acquired if the following conditions are cumulatively met: i) the Participants remain as Officers of the Company until the second vesting date; and ii) the performance targets are achieved on the second vesting date, determined and calculated in accordance with the terms and conditions set out below.

Shares with performance assumptions

• The final number of shares with performance assumptions to which the Participants will be entitled will depend on the degree of achievement of the Earnings Per Share (“EPS”) target, according to the increase in the accumulated Compound Annual Growth Rate (“CAGR”) of the EPS during the calculation period, based on the achievement curve.

• The EPS target achievement curve will begin at the minimum trigger corresponding to an accumulated EPS equal to or greater than IPCA (Extended Consumer Price Index) + 20% per year Starting from the minimum trigger of IPCA + 20% per year, the percentage of the total number of Company shares to which the Participants will be entitled will increase proportionally to the increase in the accumulated CAGR of the EPS up to the limit of 1.60% of the total number of Company shares. If the minimum trigger of the EPS target curve is not reached, it will be considered that the condition of performance was not reached.

• The achievement curve of the EPS accumulated performance target will be calculated considering the period between December 31, 2023 and December 31, 2030, except in the following cases in which the proportional period will be considered, as provided for in the Program: Involuntary Termination between the First and the Second Vesting Date; Disposal of Control and Relevant Acquisition; and Delisting and Withdrawal from Novo Mercado. The Financial Committee, the Audit Committee and the People, Culture and Remuneration Committee will calculate and verify the compliance with the performance targets.

• The shares (both the restricted shares and the shares with performance assumptions) will be transferred to the Participants through the delivery of shares held in treasury by the Company.

Additional shares

• The Participants will be entitled to receive the value per share of dividends, interest on equity or other amounts paid by the Company to its shareholders between the grant date and the date of receipt of these shares, which will be paid in shares (“additional shares”). The calculation of the additional shares will be made by multiplying the value per share distributed as earnings by the number of shares to which the Participants will be entitled to receive, on each payment date of the earnings, divided by the share price at the end of the trading session on B3 on the day immediately preceding the date on which the Company shares started being traded ex-dividends.

• The additional shares will be added to the target number granted (whether of restricted shares or shares with performance assumptions) and will be subject to the same terms and conditions applicable to restricted shares and shares with performance assumptions and will be transferred to the Participants under the same terms and conditions upon compliance with the applicable conditions.

All shares received by the Participants under the “Sócio Executivo” Program will be subject to a lock-up of three years from the date of receipt of the shares, unless otherwise provided for by the Board of Directors in cases of termination of the Participants.

The fair value of each share granted in the amount of R$13.12 was measured based on the share price on the granted date, reduced by the estimated discount of 13.50% due to the transfer restriction after the vesting period. The Company has determined the estimated number of shares that will be considered the right of the Participants in relation to the variable portion of the plan based on the result projections in line with the business assumptions and that at the end of each period the estimate will be adjusted according to these projections.

9,952,307 shares were granted, with a fair value of R$11.35.

As of December 31, 2024, the amount recognized in the statement of operations for the period was R$13 (there is no amount recorded as of December 31, 2023) and the fair value of the total this plan in that date was R$132, including charges.

20.7.5 Long-term incentive plan through grant of the right to receive Company shares

At the Ordinary and Extraordinary General Meeting held on April 26, 2024, the shareholders approved the Long-Term Incentive Plan (“ILP”), intended to grant restricted shares and shares with performance assumptions to statutory and non-statutory directors of the Company (“Participants”), as well as to any other employees who are selected to participate in the plan.

By granting the right to receive Company shares to the Participants, the ILP Plan aims at: (i) aligning the interests of the Participants with the interests of the Company's shareholders; (ii) encouraging the Participants to stay at the Company or at the companies under its control; and (iii) maximizing the results and generating sustainable value for the Company and its shareholders.

The grants under the ILP Plan will be made in the following proportion: (i) 30% of the right granted will consist of restricted shares, and the transfer of the shares to the Participants will occur only upon compliance with a single vesting period of 3 years (except for the grant to the Chief Executive Officer, which will have a vesting period of up to 5 years, with partial vesting of 33% in the 3rd year, 33% in the 4th year and 34% in the 5th year); and (ii) 70% of the right granted will consist of shares with performance assumptions, and the transfer of the shares to the Participants will occur only upon compliance with a single vesting period of 3 years (5 years for the Chief Executive Officer) contingent on the achievement of the performance targets established by the Board of Directors, and the final number of shares with performance assumptions to which the Participants will be entitled will depend on the degree of achievement of these targets at the end of the single vesting period of 3 years (5 years for the Chief Executive Officer), and may vary from 90% to 110% of the target number of shares (and the target number of shares will assume the achievement of 100% of the targets).

Shares with performance assumptions

Regarding the grant of shares with performance assumptions, the indicators will be defined considering the following main objectives:

- preserve the Company's relevance and positioning in relation to its peers in the cash & carry sector;
- ensure the generation of sustainable business value;
- guarantee the profitability of the Company's business in the long term; and
- ensure an adequate level of profitability of operations, preserving healthy profit margin levels in relation to the Company's history.

The number of restricted shares and shares with performance assumptions granted will be determined based on: (i) a salary multiple, according to the grade occupied by the Participant; and (ii) the average share price in the 20 trading sessions prior to the grant.

The shares (both restricted shares and shares with performance assumptions) will be transferred to the Participants upon compliance with the conditions described in the plan, and the transfer of shares will be made through the delivery of shares held in treasury by the Company.

Through the ILP Plan, the Company will grant to the Participants the right to receive a certain number of shares corresponding to up to 1.5% of the total number of Company shares on the date of approval of the respective plan, subject to the specified adjustments.

The fair value of each share granted is estimated on the grant date using the Black-Scholes pricing model, considering the following assumptions:

i) Approximate volatility expectation: 37.32% in the 3rd year, 36.94% for the 4th year and 38.27% in the 5th year; and

ii) Dividend expectation: 0.77% in the 3rd, 4th and 5th year.

The Company determined the estimated number of shares that will be considered the right of Participants in relation to the variable portion of the plan based on projections of results aligned with business assumptions and that at each end of the period the estimate will be adjusted according to these projections.

1,094,759 shares were granted, with a fair value of R$11.90 for the 3rd year, R$11.81 for the 4th year, and R$11.72 for the 5th year.

As of December 31, 2024, the amount recognized in the statement of operations for the period was R$2 (there is no amount recorded as of December 31, 2023) and the fair value of the total this plan in that date was R$15, including charges.

21 NET OPERATING REVENUE

CPC 47/IFRS 15 establishes a comprehensive framework to determine when and for how much revenue should be recognized.

Revenue

a) Sale of goods

Revenues from the sale of goods are recognized at their fair value when control over the products is transferred to the customer, the Company no longer has control or responsibility for the goods sold and the economic benefits generated for the Company are probable, which occurs substantially upon delivery of products to customers in stores, when the Company's performance obligation is met. Revenues are not recognized if their realization is uncertain.

(In million of Brazilian reais, unless otherwise stated)

b) Revenue from services rendered

The revenues earned are stated on a net basis and recognized in the statement of operations when it is probable that economic benefits will flow to the Company, and their amounts can be reliably measured.

	12/31/2024	12/31/2023
Gross operating revenue		
Goods	**80,295**	72,535
Services rendered and others	**275**	250
	80,570	72,785
(-) Revenue deductions		
Returns and sales cancellation	**(182)**	(147)
Taxes	**(6,569)**	(6,135)
	(6,751)	(6,282)
Net operating revenue	**73,819**	66,503

22 EXPENSES BY NATURE

Cost of sales

Comprise the acquisitions cost, net of discounts and commercial agreements received from suppliers, plus inventory movements and logistics costs.

Commercial agreement received from suppliers is measured based on contracts and agreements signed between the parties.

The cost of sales includes the cost of logistics operations managed or outsourced by the Company, comprising the storage costs, handling and freight incurred until good is available for sale. Transportation costs are included in the acquisition costs.

Selling expenses

Comprises all stores expenses, such as payroll, marketing, occupation, maintenance, and expenses with credit card companies, among others.

Marketing expenses refer to advertising campaigns. The Company’s principal means of communication are: radio, television, newspapers, magazines and digital media, and the amounts of its commercial agreement are recognized in the statement of operations upon realization.

General and administrative expenses

Corresponds to indirect expenses and the cost of corporate units, including procurement and supplies, information technology, and financial activities.

	12/31/2024	12/31/2023
Inventory cost	**(60,451)**	(54,685)
Personnel expenses	**(4,518)**	(4,137)
Outsourced services	**(401)**	(338)
Selling expenses	**(1,215)**	(1,093)
Functional expenses	**(1,280)**	(1,150)
Other expenses	**(606)**	(521)
	(68,471)	(61,924)
Cost of sales	**(61,598)**	(55,682)
Selling expenses	**(5,995)**	(5,411)
General and administrative expenses	**(878)**	(831)
	(68,471)	(61,924)

23 OTHER OPERATING (EXPENSES) REVENUES, NET

Other operating revenue and expenses correspond to the effects of significant or non-recurring events during the fiscal year not classified into the definition of other items of the statement of operations.

	12/31/2024	12/31/2023
Result with property, plant and equipment and leases	**(12)**	55
Revenues (expenses) related to legal proceedings	**1**	(1)
Restructuring expenses and others	**(10)**	(5)
	(21)	49

24 NET FINANCIAL RESULT

Financial revenues include income generated by cash and cash equivalents, court deposits, and gains relating to the measurement of derivatives at fair value.

Interest income is recorded for all financial assets measured at amortized cost, adopting the effective interest rate, which corresponds to the discount rate of payments or future cash receivables over the estimated useful life of financial instrument – or a shorter period, where applicable – to the net carrying amount of financial asset or liability.

Financial expenses substantially include all expenses generated by net debt and cost of sales of receivables during the year, the losses relating to the measurement of derivatives at fair value, the losses with sales of financial assets, financial charges over litigations, taxes, and interest expenses over finance leases.

	12/31/2024	12/31/2023
Financial revenues		
Cash and cash equivalents interest	**118**	123
Monetary correction assets	**144**	80
Revenue from anticipation of payables	**54**	42
Other financial revenues	**8**	36
Total financial revenues	**324**	281
Financial expenses		
Cost of debt	**(1,963)**	(1,706)
Mark-to-market loss	**(88)**	(14)
Cost and discount of receivables	**(133)**	(119)
Monetary correction liabilities	**5**	(247)
Interest on lease liabilities	**(1,041)**	(899)
Other financial expenses	**(13)**	(27)
Total financial expenses	**(3,233)**	(3,012)
	(2,909)	(2,731)

25 EARNINGS PER SHARE

The Company calculates earnings per share by dividing the net income for the period, relating to each class of shares, by the total number of common shares outstanding in the year.

Diluted earnings per share are calculated by dividing the net income attributed to holders of common shares (after adjusting for interest on preferred shares and on convertible securities, in both cases net of taxes) by the weighted average amount of common shares available during the year plus the weighted average number of common shares that would be issued upon conversion of all potential diluted common shares into common shares.

The table below presents the determination of the net income for the period available to holders of outstanding common shares to calculate the basic earnings and diluted earnings per share in each year presented:

	12/31/2024	12/31/2023
Net income allocated available to holders of common shares (a)	**769**	710
Weighted average of number of shares, excluding treasury shares	**1,351**	1,350
Basic denominator (millions of shares) (b)	**1,351**	1,350
Weighted average of stock option	**4**	4
Diluted denominator (millions of shares) (c)	**1,355**	1,354
Basic earnings per million shares (R$) (a ÷ b)	**0.569164**	0.525574
Diluted earnings per million shares (R$) (a ÷ c)	**0.567277**	0.524174

26 NON-CASH TRANSACTIONS

The Company had transactions that did not represent cash disbursements, and, therefore, these were not presented in the Statement of Cash Flows, as follows:

Transactions	**Note**
Acquisition of property, plant and equipment not yet paid	12.4
Dividend and interest on own capital	20.2

27 SUBSEQUENT EVENTS

27.1 Funding borrowings in foreign currency

On January 13, 2025, the Company raised USD100 million, equivalent to R$608, with a maturity date of 3 years, with semi-annual interest payments and principal payment at the end of the transaction. On the same date, a swap contract was entered into to hedge against exchange rate fluctuations, with a cost of CDI + 1.22% per year. The funds were allocated to reinforce working capital.

Disclosed projections

(a) object of the projection

The projections reflect the Company's expectations related to (i) opening of new stores, (ii) investment levels, and (iii) leverage levels.

(b) projected period and due date of the projection

The projections presented reflect the Company's expectations, as applicable, for the fiscal years 2024, 2025, and 2026, unless otherwise stated.

(c) Values of the indicators that are the subject of the forecast

	12/31/2024	
	Projection	Accomplished as of 12/31/2024
Expansion (number of stores)	~15	15
Leverage ratio (Net Debt/EBITDA)	<3.2x	3.04x

In the year ended December 31, 2024, the Company accomplished its expansion guidance, with 15 stores opened in 2024, totaling 302 stores in operation and more than 1.5 million square meters of sale area.

Furthermore, the Company accomplished the leverage ratio, as indicated by the Net Debt/EBITDA ratio, of 3.04x in 4Q24, exceeding expectations for the period, which had anticipated a leverage ratio below 3.2x by the end of 2024. The leverage level reflects the reduction in net debt of R$571 million and the operating cash generation during the period, driven by the increase of R$669 million in the Adjusted EBITDA Pre-IFRS16.

Additionally, the Company reaffirms its previously disclosed projections: (i) store openings for the years 2025 and 2026; (ii) leverage ratio for 2025; and (iii) investments for 2025, according to in the Company's Reference Form, section **3. Projections.**

Below, we highlight the current projections for the years 2025 and 2026:

	12/31/2025
Expansion (number of stores)	10
Leverage ratio (Net Debt/EBITDA)	~2.6x
Capex	R$ 1 to R$ 1,2 billion

	12/31/2026
Expansion (number of stores)	~20

SENDAS DISTRIBUIDORA S.A.

Public-Held Company with Authorized Capital

Tax ID 06.057.223/0001-71

NIRE 3330027290-9

Fiscal Council Opinion

The Fiscal Council of Sendas Distribuidora S.A., in the exercise of its legal and statutory functions, examined the Management Report, the Financial Statements, and their respective Explanatory Notes for the year ended December 31st, 2024, as well as the proposal for the allocation of the result for the year. The examination of the aforementioned documents was supplemented by information and clarifications provided to the Members of the Fiscal Council by the Independent Auditors and the Company's Management.

Based on the aforementioned work and clarifications, as well as the Report issued without modifications by the Independent Auditors, this Fiscal Council, by the unanimity of its members, concluded that the referred documents adequately reflect the financial and patrimonial situation of Sendas Distribuidora S.A., and thus opines favorably on the submission of the Management Report, the Financial Statements, and their respective Explanatory Notes for the year ended December 31, 2024, as well as the proposal for the allocation of the result for the year for resolution by the Annual General Shareholders Meeting.

São Paulo, February 19, 2025.

Artemio Bertholini	Edson Carlos Fernandes	Leda Maria Deiro Hahn
President	Effective Member	Effective Member

SUMMARY REPORT OF THE AUDIT COMMITTEE - FINANCIAL YEAR 2024

Introduction

The purpose of this report is to present a summary of the Audit Committee's activity report, including the activities and contributions of the Audit Committee ("Committee") of Sendas Distribuidora S.A. during the 2024 fiscal year, in accordance with its Internal Regulations. This document also includes the Committee's conclusions and recommendations on the financial statements for the period, intended for the Board of Directors.

Main Activities for the Financial Year 2024

During 2024, the Committee played a central role in strengthening corporate governance and transparency, conducting the following main activities:

1. Review of the Financial Statements:

   - Thorough analysis of the quarterly information (ITRs) and the annual financial statements, including the explanatory notes and the Independent Auditors' Report.
   - Assessment of the alignment of the information disclosed with the best accounting and regulatory practices.

2. Interaction with Management and Auditors:

   - Discussion with Management and the Independent Auditor on the main audit matters (PAA), including critical aspects identified during the work.
   - Monitoring of actions implemented to address Internal and Independent Audit recommendations.

3. Evaluation of Internal Controls and Risks:

   - Monitoring initiatives related to compliance with SOX legislation and the Company's internal controls.
   - Supervision of issues related to tax and non-tax contingencies, provisions, guarantees and other aspects relevant to risk management.

4. Promoting a culture of compliance:

   - Monitoring the implementation of integrity and ethics programs, in line with applicable legislation and good market practices.

Conclusion and recommendation

Based on the information analyzed during the 2024 financial year, the Audit Committee, in accordance with its responsibilities under the Internal Regulations, concludes that:

i) The financial statements for the fiscal year ended December 31, 2024 reflect fairly, in all material respects, the Company's financial position and the results of its operations.

ii) The Independent Auditors' Report, issued without reservations, and the information provided by Management and Internal Audit corroborate the adequacy and transparency of the data presented.

Accordingly, the Audit Committee recommends approval of the financial statements by the Board of Directors.

São Paulo, February 19, 2025.

Heraldo Oliveira
Committee Coordinator

Andiara Petterle

Leonardo Pereira

Enéas Pestana

Guillermo Braunbeck

MANAGEMENT STATEMENT

By means of this instrument, the officers below of **SENDAS DISTRIBUIDORA S.A.**, enrolled with the CNPJ/ME under No. 06.057.223/0001-71, with head offices at Avenida Ayrton Senna, No. 6.000, *Lote* 2, Pal 48959, *Anexo* A, Jacarepaguá, CEP 22775-005, in the City of Rio de Janeiro, State of Rio de Janeiro (the "Company"), state that they:

(i) have reviewed, discussed and agreed with the Independent Registered Public Accounting Firm Report over the Company's financial statements for the year ended December 31st, 2024; and

(ii) have reviewed, discussed and agreed with the Company's financial statements related to the year ended December 31st, 2024.

Rio de Janeiro, February 19st, 2025.

Belmiro de Figueiredo Gomes
Chief Executive Officer

Vitor Fagá de Almeida
Vice President of Finance and Investor Relations