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*Individual and Consolidated Financial Statement for the
Year Ended December 31, 2025*

Deloitte Touche Tohmatsu Auditores Independentes Ltda.



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

Companhia Brasileira de Distribuição



Consolidated Financial Statements
Year ended December 31, 2025

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

INDEPENDENT AUDITOR'S REPORT ON THE INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders and Board of Directors of
Companhia Brasileira de Distribuição

Opinion

We have audited the accompanying individual and consolidated financial statements of Companhia Brasileira de Distribuição ("Company"), identified as Parent and Consolidated, respectively, which comprise the individual and consolidated balance sheet as at December 31, 2025, and the related individual and consolidated statements of operations, of comprehensive income, of changes in equity and of cash flows for the year then ended, and notes to the financial statements, including material accounting policies.

In our opinion, the individual and consolidated financial statements referred to above present fairly, in all material respects, the individual and consolidated financial position of Companhia Brasileira de Distribuição as at December 31, 2025, and its individual and consolidated financial performance and its individual and consolidated cash flows for the year then ended in accordance 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 individual and consolidated financial statements" section of our report. We are independent of the Company and its subsidiaries 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.

Material uncertainty related to going concern

We draw attention to Note 1.6 to the individual and consolidated financial statements, which describes that, as of December 31, 2025, the Company had a consolidated negative working capital of R\$1,224 million, mainly related to loans and borrowings amounting to R\$1,700 million due throughout 2026. Management's plans regarding this matter are described in the aforementioned note. These events or conditions indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those that, in our professional judgment, were the most significant in our audit of the current year. These matters have been dealt with in the context of our audit of the individual and consolidated financial statements as a whole and in forming our opinion on these individual and consolidated financial statements and, therefore, we do not express a separate opinion on these matters. Besides the matter described in the section “Material uncertainty related to going concern”, we have determined that the matters described below are the key audit matters to be communicated in our report.

Realization of Deferred Income Tax and Social Contribution

Why it is a KAM

As disclosed in note 20 to the individual and consolidated financial statements, the Company had deferred income tax and social contribution balances (“net deferred tax assets”) amounting to R\$1,671 million, mainly arising from tax loss carryforwards and negative social contribution bases. The realization of these assets depends on the generation of future taxable profits, which are based on expected changes in its operating performance, including business restructuring, as well as the possibility of utilizing these credits to settle tax liabilities. This scenario requires significant judgment by Management, especially considering the recent history of negative results and the economic environment of the food retail sector.

The recoverability of these net deferred tax assets was considered a key audit matter due to: (i) the materiality of the amounts involved; (ii) the high level of complexity related to Management’s assessment process, which requires significant judgment and includes key assumptions in forecasting future taxable profits; and (iii) the assessment of requests for tax regularization under discussion with the tax authorities.

How the matter was addressed in our audit

In our audit procedures, among others, we:

- Obtained an understanding of the key internal controls related to the identification, assessment, and recognition of deferred income tax and social contribution.
- Read the technical memorandum and accounting policies supporting the recognition of deferred income tax and social contribution.
- Analyzed the reasonableness of key data and assumptions used by Management in estimating future taxable profits.
- Evaluated the related disclosures in the individual and consolidated financial statements.

Based on the evidence obtained through the procedures described above, we consider Management’s assessment of the realization of deferred income tax and the related note disclosures to be acceptable in the context of the individual and consolidated financial statements taken as a whole.

Recoverability of PIS/COFINS Tax Credits

Why it is a KAM

As disclosed in note 11 to the individual and consolidated financial statements, the Company had Program of Social Integration (PIS) / Contribution for the Financing of Social Security (COFINS) tax credits amounting to R\$1,824 million in the parent company and R\$1,864 million on a consolidated basis. The recoverability of these credits depends on the future generation of sufficient PIS/COFINS amounts payable, as well as their offset against other Federal taxes and contributions. In assessing the recoverability of these credits, Management uses projections of revenues, costs, and expenses, as well as other information, to estimate the timing and nature of future Federal taxes payable, which are based on assumptions and estimates of future business performance and market conditions, including expectations of applicable tax regulations.

The recoverability of these tax credits was considered a key audit matter due to: (i) the materiality of the amounts involved; and (ii) the high level of complexity of Brazilian Federal indirect tax legislation and of Management's assessment process, which requires significant judgment and includes key assumptions regarding the timing and amounts of future Federal taxes payable, which could be affected by economic or market conditions and events.

How the matter was addressed in our audit

Our audit procedures included, among others:

- Obtained an understanding of the relevant internal controls over Management's assessment of the recoverability of these tax credits, including key controls over the projections prepared by Management and approved by governance bodies, used in this recoverability assessment.
- Evaluated the significant assumptions used by Management in preparing the recoverability plan and tested the integrity and accuracy of the underlying information supporting the significant assumptions.
- With the assistance of our tax specialists, evaluated the application of tax laws used in the recoverability assessment.
- Tested the data used by Management in determining the tax credits by comparing them with internal data and testing the integrity and accuracy of the calculations.
- Evaluated the related disclosures in the individual and consolidated financial statements.

Based on the evidence obtained through the procedures described above, we consider Management's assessment of the realization of tax credits and the related note disclosures to be acceptable in the context of the individual and consolidated financial statements taken as a whole.

Tax Provisions and Contingencies

Why it is a KAM

As disclosed in notes 20 and 21 to the individual and consolidated financial statements, the Company and its subsidiaries are involved in a significant number of tax administrative and judicial proceedings. Based on legal opinions and with the support of its internal and external legal counsel, Management assesses the likelihood of loss related to these proceedings and recognizes provisions when a loss is considered probable and the amounts can be reliably estimated. As of December 31, 2025, Management recorded provisions for tax litigation amounting to R\$901 million and provisions for income tax and social contribution arising from uncertain tax treatments amounting to R\$53 million.

Additionally, the Company and its subsidiaries have further tax administrative and judicial proceedings amounting to R\$11,058 million as of December 31, 2025, and are responsible for certain tax administrative and judicial proceedings arising from indemnification agreements related to divested subsidiaries totaling R\$1,570 million, for which no provision has been recorded as they were assessed as possible losses.

The Company is also involved in administrative and judicial discussions regarding income tax and social contribution assessed in accordance with IFRIC 23 / ICPC 22 – Uncertainty over Income Tax Treatments, totaling R\$4,326 million. The Company is subject to reimbursement from former and certain current shareholders in a specific tax dispute amounting to R\$1,923 million.

The tax provisions and contingencies was considered a key audit matter due to: (i) Management applies significant judgment to assess the technical merits of each administrative or judicial proceeding and the likelihood and potential amount of loss, considering the complexity of the Brazilian tax environment and legislation, including the existence and interpretation of applicable case law and ongoing judgments; and (ii) Management’s assessment also involves the assistance of the Company’s external legal.

How the matter was addressed in our audit

Our audit procedures included, among others:

- Obtained an understanding of the relevant internal controls over the assessment of tax administrative and judicial proceedings, including the assumptions and technical merits of the tax positions used to assess the likelihood of loss, as well as the process for measuring, recording, and disclosing tax contingencies.
- Read and understood the indemnification agreements executed by the Company.
- Tested the completeness of tax litigation subject to Management’s evaluation.
- With the assistance of our tax specialists, challenged Management’s assessment of the estimated likelihood of loss for a sample of material contingencies, including:
 - Obtaining an understanding and evaluating Management’s judgments, technical merits, and supporting documentation, including reading and assessing technical opinions, legal opinions, or other documents obtained from the Company’s external legal advisors.
 - Inspecting and evaluating responses to external confirmations obtained from the Company’s key legal advisors.
 - Challenging Management’s assessment using our knowledge and experience with the application of tax laws and developments in jurisprudence within the applicable regulatory and tax environments.
- Tested the assumptions, underlying information, and accuracy of the calculations of recorded tax provisions and disclosed tax contingencies.
- Obtained written representations from the Company’s executives.
- Evaluated the related disclosures in the individual and consolidated financial statements.

Based on the evidence obtained through the procedures described above, we consider Management’s assessment of the measurement and the related note disclosures of tax contingencies to be acceptable in the context of the individual and consolidated financial statements taken as a whole.

Other matters

Statements of value added

The individual and consolidated statements of value added (DVA) for the year ended December 31, 2025, prepared under the responsibility of the Company's Management and presented as supplemental information for purposes of the IFRS, were subject to audit procedures performed together with the audit of the Company's individual and consolidated 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 - 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 individual and consolidated financial statements taken as a whole.

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

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

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

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement 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 individual and consolidated financial statements

Management is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil and the IFRS Accounting Standards, as issued by the 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 individual and consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free 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 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 judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual and consolidated 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 internal control of the Company and its subsidiaries.
- 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 and its subsidiaries to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries 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 individual and consolidated 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 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 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.

Other matter

Convenience translation

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

São Paulo, February 24, 2026

DELOITTE TOUCHE TOHMATSU
Auditores Independentes Ltda.

Eduardo Franco Tenório
Engagement Partner



Message from the CEO

I assumed the leadership of GPA with enthusiasm for the Company's relevance and the strength of its history, fully aware of the responsibility this moment entails. From day one, I have remained close to the operations, deepening my understanding of the business and engaging directly with teams, suppliers, customers, creditors, and shareholders.

GPA brings together relevant assets, well-established brands and a loyal customer base, supported by a team of more than 37,000 employees who are essential to the execution of our strategy. The Company is undergoing a phase of evolution that requires focus, discipline, and consistency.

The fourth quarter showed improvements in operational indicators, with an adjusted EBITDA margin of 10%, a reduction in net loss, and progress in operating cash flow generation. These results reflect the initial impacts of the efficiency agenda implemented throughout the year and reinforce the Company's potential to improve performance throughout 2026.

Our efforts are concentrated on three clear priorities: operating cash flow generation, financial discipline, and enhancing customer experience. Within this agenda, we maintain a close and constructive relationship with our suppliers, who are key partners in delivering our value proposition.

We are simplifying our structure and processes, reducing expenses and increasing agility to make the Company more efficient and competitive.

We will continue executing this agenda with discipline. Our focus is on building consistent and sustainable progress, quarter after quarter.

Alexandre Santoro
GPA CEO

AUDIT COMMITTEE REPORT – FISCAL YEAR 2025

Initial Considerations

The Audit Committee (“Committee”) of Companhia Brasileira de Distribuição (“Company”) is a statutory advisory body to the Board of Directors.

The responsibilities and duties of the various governance bodies that interact with the Audit Committee, in accordance with their respective current Internal Charters, are identified on the Company’s Investor Relations website, available at: <http://www.gpari.com.br/>

Committee Activities in 2025

In 2025, the Committee met in 08 sessions, 06 of which were ordinary meetings scheduled according to the official annual calendar, and the remaining were extraordinary meetings. These meetings covered matters within the Committee’s competence, as provided in Article 12 of its Internal Charter in effect on December 31, 2025, namely:

- a) propose amendments to its Internal Charter, submitting them to the Board of Directors for deliberation;
- b) issue an opinion on the hiring and dismissal of independent audit services, and for that purpose, the Committee must at least:
 - (i) issue an opinion on the hiring of the independent auditor to provide any other services to the Company; and (ii) supervise the activities of the independent auditors, in order to assess:
 - (1) their independence;
 - (2) the quality of the services provided; and
 - (3) the adequacy of the services provided to the Company’s needs.
- c) evaluate the management report, financial statements, interim statements, and quarterly information of the Company, making any recommendations deemed necessary to the Board of Directors, and for that purpose, the Committee must at least:
 - (i) monitor the quality and integrity of the quarterly information, interim financial statements, and the Company’s financial statements; and
 - (ii) monitor the quality and integrity of information and measurements disclosed based on adjusted accounting data and non-accounting data that add elements not provided for in the usual structure of financial statement reports.
- d) monitor the activities of the Company’s internal audit and internal controls department;
- e) assess and monitor the Company’s risk exposures, and may request detailed information on policies and procedures related to:
 - (i) management compensation;
 - (ii) use of Company assets;
 - (iii) expenses incurred on behalf of the Company; and
 - (iv) compliance with corporate governance and management practices;
- f) verify compliance with its recommendations and/or clarifications regarding its statements;
- g) evaluate the Company’s Executive Board’s observance of recommendations made by the independent and internal auditors, as well as express its opinion to the Board of Directors on any conflicts among internal audit, external audit, and/or the Company’s Executive Board;

- h) evaluate, monitor, and recommend to the Company's Board of Directors the correction or improvement of the Company's internal policies, including the related-party transactions policy, and may meet with various Committees and the Board of Directors to discuss such policies, as well as practices and procedures identified within their respective areas of competence;
- i) prepare an annual summary report to be presented together with the financial statements, which must be kept at the Company's headquarters and available to the CVM for a period of 5 (five) years, containing at least the following information:
- (i) meetings held and main topics discussed;
 - (ii) assessment of the effectiveness of the Company's internal controls and risk management systems;
 - (iii) description of recommendations submitted to Company management and evidence of their implementation;
 - (iv) assessment of the effectiveness of the independent and internal audits;
 - (v) assessment of the quality of financial, internal control, and risk management reports for the period; and
 - (vi) any situation where significant disagreement exists between Company management, independent auditors, and the Committee regarding the Company's financial statements;
- j) have means to receive and process information regarding violations of legal and regulatory provisions applicable to the Company, including internal regulations and procedures, while ensuring whistleblower protection and information confidentiality;
- k) evaluate and monitor the mechanisms of control and verification of the Company's compliance with Law nº 12.846 of August 1, 2013, and its regulations; and
- l) issue opinions on any other matters submitted to it by the Board of Directors, as well as those it considers relevant.

The meetings were attended by members of the Executive Board, the internal auditor, and other Company managers. The independent auditors were present in 07 Committee meetings.

Based on analyses of the information provided by the Company's Management and the Independent Auditor, as well as on the monitoring of activities from the Risk Management, Internal Audit, Corporate Forensic, Internal Controls, Compliance, and Ombudsman departments, the Committee concluded that all relevant matters were disclosed and are properly presented in the Management Report, Financial Statements, and related Notes for the fiscal year ended December 31, 2025, which were duly audited by Deloitte Touche Tohmatsu (DTT).

Furthermore, the Audit Committee highlights that the report issued by DTT concerning the 2025 financial statements includes a specific paragraph related to the Company's going concern, as follows:

"We draw attention to Note 1.6 to the individual and consolidated financial statements, which describes that, as of December 31, 2025, the Company had a consolidated negative working capital of R\$1,224 million, mainly due to loans and financing totaling R\$1,700 million maturing throughout 2026. Management's plans in relation to this matter are described in the aforementioned note. These events or conditions indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter."

Companhia Brasileira de Distribuição



Consolidated Financial Statements
Year ended December 31, 2025

This paragraph was duly discussed with Management and the independent auditors during the audit work.

Finally, the Committee recommends that the Financial Statements and related Notes for the fiscal year ended December 31, 2025, be submitted for deliberation and approval by the Company's Board of Directors.

São Paulo, February 23th, 2026.

Ricardo Baldin

Coordinator

Décio Chaves Rodrigues

Gustavo Jeronimo Viana Lobato Gonçalves

Luiz Nelson Porto de Araújo

Companhia Brasileira de Distribuição

Consolidated Financial Statements
Year ended December 31, 2025



REPORT OF THE FISCAL COUNCIL

The Fiscal Council of the Company, in compliance with its statutory and legal duties, based on the documents reviewed and the clarifications provided by the Company's Management and by the independent auditors, hereby states that the undersigned sitting members of the Fiscal Council recommend approval, at the General Shareholders' Meeting, of the Annual Management Report and the Financial Statements for the year ended December 31, 2025.

São Paulo, February 24th, 2026

Marcílio Amato Vaz de Melo – Sitting member

Rômulo Santos Siqueira – Sitting member

David Rosa Alegre – Sitting member

Companhia Brasileira de Distribuição



Consolidated Financial Statements
Year ended December 31, 2025

Management statement on the financial statements

In accordance with item VI, paragraph 1, article 27 of CVM Resolution No. 80 of March 29, 2022, as amended, the Executive Board declares that it has reviewed, discussed and agreed with the Company's Financial Statements for fiscal year 2025, authorizing their conclusion on this date.

São Paulo, February 24th 2026

Directors

Alexandre Santoro
Chief Executive Officer and Acting Vice President of Finance.

Companhia Brasileira de Distribuição



Consolidated Financial Statements
Year ended December 31, 2025

Management statement on the independent auditor's report

In accordance with item V, of paragraph 1, of article 27 of CVM Resolution No. 80, of March 29, 2022, as amended, the Executive Board declares that it has reviewed, discussed and agreed with the opinion expressed in the independent auditors' report on the Company's Financial Statements for fiscal year 2025, issued on this date.

São Paulo, February 24th 2026

Directors

Alexandre Santoro
Chief Executive Officer and Acting Vice President of Finance.

Companhia Brasileira de Distribuição

Balance Sheet
December 31, 2025
(In millions of Reais)



	Note	Parent Company		Consolidated	
		12.31.2025	12.31.2024	12.31.2025	12.31.2024
Current assets					
Cash and cash equivalents	6	1,751	2,106	1,990	2,631
Financial investments	7	24	15	24	15
Trade receivable, net	8	199	368	285	408
Other receivable	9	69	38	70	47
Inventories, net	10	1,963	2,014	1,963	2,014
Recoverable taxes	11	687	598	736	647
Related parties	12	64	-	54	-
Other current assets		362	229	365	232
		<u>5,119</u>	<u>5,368</u>	<u>5,487</u>	<u>5,994</u>
Assets held for sale or distribution	32	370	114	373	122
Total current assets		<u>5,489</u>	<u>5,482</u>	<u>5,860</u>	<u>6,116</u>
Non-current assets					
Other receivables	9	838	841	838	841
Recoverable taxes	11	1,877	2,364	1,878	2,368
Derivative financial instruments	18.2	36	23	36	23
Deferred income tax and social contribution	20	1,671	1,157	1,691	1,184
Related parties	12	5	13	5	5
Restricted deposits for legal proceedings	21.7	220	329	223	332
Other non-current assets		136	139	136	140
Investments in associates	13	391	1,334	-	804
Property and equipment, net	14	6,134	6,142	6,136	6,146
Intangible assets, net	15	1,556	1,677	1,623	1,744
Total non-current assets		<u>12,864</u>	<u>14,019</u>	<u>12,566</u>	<u>13,587</u>
Total assets		<u>18,353</u>	<u>19,501</u>	<u>18,426</u>	<u>19,703</u>

The accompanying notes are integral part of these financial statements.

Companhia Brasileira de Distribuição

Balance Sheet
December 31, 2025
(In millions of Reais)



	Note	Parent Company		Consolidated	
		12.31.2025	12.31.2024	12.31.2025	12.31.2024
Current liabilities					
Trade payable, net	16	2,933	2,942	3,014	2,976
Supplier Finance	16	382	372	382	372
Borrowings and financing	17	1,700	849	1,700	849
Lease liabilities	22	459	454	459	451
Payroll and related taxes		318	419	335	437
Taxes, installment and contributions payable	20	18	68	23	72
Taxes and contributions payable and taxes paid in installments	19	350	380	355	385
Related parties	12	19	52	-	6
Financing of property and equipment		80	156	80	156
Deferred revenue	23	25	30	161	173
Other current liabilities		474	343	497	362
		6,758	6,065	7,006	6,239
Liabilities associated with assets held for sale or distribution	32	71	106	78	117
Total current liabilities		6,829	6,171	7,084	6,356
Non-current liabilities					
Borrowings and financing	17	2,402	3,196	2,402	3,196
Lease liabilities	22	3,910	3,873	3,911	3,877
Deferred income tax and social contribution	20	76	286	76	286
Tax payable in installments	19	623	625	623	625
Related parties	12	206	-	-	-
Provision for legal proceedings	21	2,057	2,038	2,062	2,042
Deferred revenue	23	38	59	38	59
Other non-current liabilities		106	327	106	327
Total non-current liabilities		9,418	10,404	9,218	10,412
Shareholders' equity					
Share capital	24	2,511	2,511	2,511	2,511
Capital reserves		(60)	(63)	(60)	(63)
Earnings reserves		(344)	479	(344)	479
Other comprehensive income		(1)	(1)	(1)	(1)
		2,106	2,926	2,106	2,926
Non-controlling interest		-	-	18	9
Total shareholders' equity		2,106	2,926	2,124	2,935
Total liabilities and shareholders' equity		18,353	19,501	18,426	19,703

The accompanying notes are integral part of these financial statements

Companhia Brasileira de Distribuição

Statements of Operations
Years ended December 31, 2025 and 2024
(In millions of Reais)



	Note	Parent Company		Consolidated	
		12.31.2025	12.31.2024	12.31.2025	12.31.2024
Net operating revenue	25	18,949	18,663	19,113	18,790
Cost of sales	26	(13,809)	(13,584)	(13,845)	(13,618)
Gross profit		5,140	5,079	5,268	5,172
Operating expenses, net					
Selling expenses	26	(3,071)	(3,037)	(3,079)	(3,040)
General and administrative expenses	26	(543)	(591)	(605)	(648)
Depreciation and amortization		(1,023)	(1,027)	(1,044)	(1,045)
Share of profit of associates	13	116	101	60	64
Other operating expenses, net	27	(767)	(939)	(769)	(939)
Profit (Loss) from operations		(148)	(414)	(169)	(436)
Financial expenses, net	28	(1,329)	(1,291)	(1,264)	(1,241)
Loss before income tax and social contribution		(1,477)	(1,705)	(1,433)	(1,677)
Income tax and social contribution	20	828	36	791	12
Net income (loss) for the year from continued operations		(649)	(1,669)	(642)	(1,665)
Net income (loss) for the year from discontinued operations	33	(175)	(738)	(173)	(738)
Net income for the year		(824)	(2,407)	(815)	(2,403)
Attributed to:					
Controlling shareholders of the company				(824)	(2,407)
Non-Controlling shareholders				9	4
				(815)	(2,403)
				12.31.2025	12.31.2024
Loss per share attributable to owners of the parent	29				
(Weighted average for the year - R\$)					
Basic				(1.68083)	(5.39528)
Diluted				(1.68083)	(5.39528)
Net earnings from continuing operations per share	29				
Basic				(1.32794)	(3.74106)
Diluted				(1.32794)	(3.74106)

The accompanying notes are integral part of these financial statements.

Companhia Brasileira de Distribuição

Statements of Comprehensive Income
Years ended December 31, 2025 and 2024
(In millions of Reais)



	Parent company		Consolidated	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024
Net income (loss) for the year	(824)	(2,407)	(815)	(2,403)
-Items that may be subsequently reclassified to statement of operations:				
Others	-	1	-	1
Comprehensive income for the year	(824)	(2,406)	(815)	(2,402)
Attributed to:				
Controlling shareholders			(824)	(2,406)
Non-controlling shareholders			9	4
			(815)	(2,402)

The accompanying notes are integral part of these financial statements.

Companhia Brasileira de Distribuição

Statements of Changes in Shareholders' Equity
Years ended December 31, 2025 and 2024
(In millions of Reais)



	Capital reserves				Earnings reserves				Accumulated profit (loss)	Other comprehensive results	Equity attributable to owners of the parent	Participation of non-controlling shareholders	Total
	Share Capital	Other Reserves	Stock Options	Treasury Shares	Legal	Business growth reserve	Earnings Retention	Grant reserve					
Balance at December 31, 2023	1,807	-	26	(1)	190	625	1,931	2,584	(2,443)	(2)	4,717	5	4,722
(Loss)Net income for the year	-	-	-	-	-	-	-	-	(2,407)	-	(2,407)	4	(2,403)
Other comprehensive results	-	-	-	-	-	-	-	-	-	1	1	-	1
Comprehensive income for the year	-	-	-	-	-	-	-	-	(2,407)	1	(2,406)	4	(2,402)
increase in capital	704	-	-	-	-	-	-	-	-	-	704	-	704
Stock options granted (note 24)	-	-	14	-	-	-	-	-	-	-	14	-	14
Cost public offering of shares	-	(103)	-	-	-	-	-	-	-	-	(103)	-	(103)
Compensation for losses from previous years	-	-	-	-	-	(512)	(1,931)	-	2,443	-	-	-	-
Compensation for losses from the period	-	-	-	-	-	(113)	-	(2,294)	2,407	-	-	-	-
Balance at December 31, 2024	<u>2,511</u>	<u>(103)</u>	<u>40</u>	<u>(1)</u>	<u>190</u>	<u>-</u>	<u>-</u>	<u>290</u>	<u>-</u>	<u>(1)</u>	<u>2,926</u>	<u>9</u>	<u>2,935</u>

The accompanying notes are integral part of these financial statements.

Companhia Brasileira de Distribuição

Statements of Changes in Shareholders' Equity
 Years ended December 31, 2025 and 2024
 (In millions of Reais)



	Capital reserves				Earnings reserves				Accumulated profit (loss)	Other comprehensive results	Equity attributed to the controlling shareholders	Participation of non-controlling shareholders	Total
	Share Capital	Other Reserves	Stock Options	Treasury Shares	Legal	Business growth reserve	Earnings Retention	Grant reserve					
Balance at December 31, 2024	<u>2,511</u>	<u>(103)</u>	<u>40</u>	<u>(1)</u>	<u>190</u>	<u>-</u>	<u>-</u>	<u>290</u>	<u>-</u>	<u>(1)</u>	<u>2,926</u>	<u>9</u>	<u>2,935</u>
(Loss)Net income for the year	-	-	-	-	-	-	-	-	(824)	-	(824)	9	(815)
Other comprehensive results	-	-	-	-	-	-	-	-	-	-	-	-	-
Comprehensive income for the year	-	-	-	-	-	-	-	-	(824)	-	(824)	9	(815)
Stock options granted (note 24)	-	-	3	-	-	-	-	-	-	-	3	-	3
Offset of tax losses for the year	-	-	-	-	-	-	-	(291)	291	-	-	-	-
Others	-	-	-	-	-	-	-	1	-	-	1	-	1
Balance at December 31, 2025	<u>2,511</u>	<u>(103)</u>	<u>43</u>	<u>(1)</u>	<u>190</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(533)</u>	<u>(1)</u>	<u>2,106</u>	<u>18</u>	<u>2,124</u>

The accompanying notes are integral part of these financial statements

Companhia Brasileira de Distribuição

Statement of Cash Flows
Years ended December 31, 2025 and 2024
(In millions of Reais)



	Note	Parent Company		Consolidated	
		12.31.2025	12.31.2024	12.31.2025	12.31.2024
Cash flow provided by operating activities					
(Loss) Net income for the year		(824)	(2,407)	(815)	(2,403)
Adjustments to reconcile net income					
Deferred income taxes	20.6	(804)	(106)	(798)	(105)
(Gain) losses on disposals of property and equipment		58	364	62	362
Depreciation and amortization	14.3 and 15.2	1,133	1,149	1,153	1,167
Interest and monetary variations		946	1,318	936	1,334
Adjust to present value		(2)	(1)	(2)	(1)
Share of profit of associates	13.4	(116)	(101)	(60)	(64)
Provision for legal proceedings	21.2	496	824	496	824
Related parties		(12)	-	(12)	-
Share-based payment		3	14	3	14
Allowance for doubtful accounts		2	2	2	2
Allowance for inventory losses and damages	10.2 b	(2)	(25)	(2)	(25)
Deferred revenue		(24)	(21)	(24)	(21)
Lease liabilities write-off	22.3	(122)	(135)	(127)	(135)
Other operating expenses/income		(109)	235	(109)	235
Gain/Loss on sale of subsidiary		-	-	-	1
Investment impairment - Bellamar	13.4	527	-	527	-
		<u>1,150</u>	<u>1,110</u>	<u>1,230</u>	<u>1,185</u>
Changes in operating assets and liabilities					
Trade receivables		160	50	121	48
Inventories		61	(55)	60	(55)
Recoverable taxes		553	602	558	599
Other assets		(65)	(99)	(59)	(59)
Related parties		289	78	(56)	39
Restricted deposits for legal proceedings		119	159	119	160
Trade payables		2	266	38	247
Supplier Finance		10	(151)	10	(151)
Payroll, related taxes		(101)	51	(100)	55
Taxes and social contributions payable		219	(245)	222	(242)
Payments of income tax and social contributions		-	-	(9)	(2)
Provision for legal proceedings		(672)	(531)	(672)	(531)
Deferred revenue		(40)	86	(46)	105
Other liabilities		(84)	(165)	(81)	(159)
Dividends received		17	124	17	124
		<u>468</u>	<u>170</u>	<u>122</u>	<u>178</u>
Net cash provided (used) by the operating activities		<u>1,618</u>	<u>1,280</u>	<u>1,352</u>	<u>1,363</u>

Companhia Brasileira de Distribuição

Statement of Cash Flows
Years ended December 31, 2025 and 2024
(In millions of Reais)



	Note	Parent Company		Consolidated	
		12.31.2025	12.31.2024	12.31.2025	12.31.2024
Cash flow from investing activities					
Acquisition of property, plant and equipment	14.6	(530)	(607)	(531)	(608)
Increase in intangible assets	15.4	(80)	(78)	(100)	(95)
Proceeds from sales of property and equipment		132	273	133	280
Cash received from the sale of subsidiaries		-	-	(2)	-
Net cash flow from incorporations		-	-	2	-
Short-term investments (net)		(9)	483	(9)	761
Net cash generated (used) in investment activities		<u>(487)</u>	<u>71</u>	<u>(507)</u>	<u>338</u>
Cash flow from financing activities					
Capital increase		-	659	-	659
Additions	17.3	1,138	1,829	1,138	1,829
Payments of borrowings and financing	17.3	(1,275)	(2,598)	(1,275)	(2,598)
Interest paid on borrowings and financing	17.3	(400)	(1,051)	(400)	(1,051)
Payments of lease liabilities and interest	22.3	(902)	(851)	(902)	(853)
Others	22.3	(47)	(27)	(47)	(27)
Net cash (used) in financing activities		<u>(1,486)</u>	<u>(2,039)</u>	<u>(1,486)</u>	<u>(2,041)</u>
Net (decrease) increase in cash and cash equivalents		(355)	(688)	(641)	(340)
Cash and cash equivalents at the beginning of the year		<u>2,106</u>	<u>2,794</u>	<u>2,631</u>	<u>2,971</u>
Cash and cash equivalents at the end of the year		<u>1,751</u>	<u>2,106</u>	<u>1,990</u>	<u>2,631</u>

The main non-cash transactions are disclosed in note 31.

The accompanying notes are integral part of these financial statements.

Companhia Brasileira de Distribuição



Statement of Value Added
Years ended December 31, 2025 and 2024
(In millions of Reais)

	Parent Company		Consolidated	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024
Revenues				
Gross sales of goods and service	20,453	19,910	20,631	20,048
Allowance for doubtful accounts	1	(38)	1	(38)
Other revenues	189	414	188	419
	20,643	20,286	20,820	20,429
Products acquired from third parties				
Costs of sales	(13,540)	(13,197)	(13,575)	(13,228)
Materials, energy, outsourced services and other	(2,129)	(2,993)	(2,165)	(3,029)
Loss/Recovery of asset values	(527)	-	(527)	-
	(16,196)	(16,190)	(16,267)	(16,257)
Gross value added	4,447	4,096	4,553	4,172
Retention				
Depreciation and amortization	(1,129)	(1,143)	(1,150)	(1,161)
Net Value Added Produced	3,318	2,953	3,403	3,011
Value added received in transfer				
Share of profit of associates	116	101	60	64
Financial income	379	192	439	248
Others (net income of discontinued operations)	(175)	(738)	(173)	(738)
	320	(445)	326	(426)
Total value added to distribute	3,638	2,508	3,729	2,585
Personnel	2,610	2,746	2,654	2,791
Direct compensation	1,569	1,571	1,595	1,595
Benefits	292	340	294	343
Government Severance Indemnity Fund for Employees (F.G.T.S)	151	148	154	150
Others	598	687	611	703
Taxes, fees and contributions	139	676	186	700
Federal	(525)	(391)	(474)	(363)
State	638	886	634	882
Municipal	26	181	26	181
Value distributed to providers of capital	1,713	1,493	1,704	1,497
Interest	1,703	1,488	1,694	1,492
Rentals	10	5	10	5
Value distributed to shareholders	(824)	(2,407)	(815)	(2,403)
Retained earnings	(824)	(2,407)	(824)	(2,407)
Non-controlling interest	-	-	9	4
Total value added distributed	3,638	2,508	3,729	2,585

The accompanying notes are integral part of these financial statements.

Notes to the consolidated financial statements
December 31, 2025
(In millions of Brazilian reais, unless otherwise stated)

1. Corporate information

Companhia Brasileira de Distribuição ("Company" or "CBD"), directly or through its subsidiaries ("Group" or "GPA"), is engaged in the retail of food and other products through its chain of supermarkets and specialized stores, especially under the trade names "Pão de Açúcar", "Minuto Pão de Açúcar", "Extra Mercado" and "Minimercado Extra". The Group's headquarters are located in São Paulo city, State of São Paulo, Brazil.

The Company's shares are traded at the Corporate Governance level of the São Paulo Stock Exchange (B3 S.A. – Brasil, Bolsa, Balcão ("B3")) called Novo Mercado, under the ticker "PCAR3. Furthermore, subsequent to the delisting from the New York Stock Exchange (note 1.2), approved by the Board of Directors on March 29, 2024, the Company's ADSs (Level I ADR) started to be traded on the U.S. over-the-counter market ("Over-the-Counter" or "OTC") under the ticker "CBDBY".

Until April 18, 2024, the Company was directly controlled by Ségisor, with Casino Guichard-Perrachon ("Casino") as its ultimate parent company. As a result of the primary public offering of shares (Note 1.1), Casino ceased to be the controlling shareholder, and the Company became a publicly held corporation with no defined controlling shareholder.

During the year 2025, André Luiz Coelho Diniz, Alex Sandro Coelho Diniz, Fábio Coelho Diniz, Henrique Mulford Coelho Diniz, and Helton Coelho Diniz ("Coelho Diniz Group"), through a series of acquisitions of shares issued by the Company on the B3 stock exchange, started to hold a significant shareholding in the Company.

Thus, the shareholders with significant influence over the Company as of December 31, 2025, are Grupo Coelho Diniz and Grupo Casino through shareholdings of 24.6% and 22.5%, respectively, and both with representation on the Board of Directors.

1.1 Public Distribution Offer

On March 13, 2024, the Board of Directors approved the increase of the Company's share capital through the issuance of 220,000,000 new common shares, registered, book-entry and without par value, issued by the Company, all free and clear of any liens or encumbrances, at a price of R\$3.20 per share, thus totaling the amount of the offer of R\$704. The cost of this transaction was R\$103, which includes costs with advisors, lawyers, banks and extraordinary bonuses to administrators and employees.

Due to the increase in the Company's share capital following the scope of the Offer, the company's share capital after the offering became R\$2,511, divided into 490,796,962 common shares, all nominative, book-entry and no nominal value.

The Shares subject of the Offer started to be traded on B3 on March 15, 2024 and the physical and financial settlement of the shares took place on March 18, 2024. The resources from the Offer were used exclusively and entirely to reduce the Company's financial leverage, through the early repayment of financial agreements maintained with financial institutions.

1.2 Delisting process from the NYSE and deregistration with the SEC

On March 29, 2024, the Board of Directors approved the delisting of the Company's ADSs from the NYSE, a decision applicable exclusively to these ADSs. The Company's common shares remain listed and traded on B3. The decision considered: (i) the low trading volume of the ADSs compared with the total trading volume of the Company's shares; (ii) the historical absence of capital raising through the NYSE; and (iii) the significant costs associated with maintaining the listing and registration with the SEC, as well as complying with the related regulatory obligations.

After fulfilling all legal requirements, Form 25F was filed with the SEC within the appropriate timeframe, terminating the NYSE listing and initiating the process of settling regulatory obligations.

On April 18, 2025, the Company filed the Form 15F to complete the cancellation of registration with the Securities and Exchange Commission ("SEC"). After the 90-day statutory period elapsed without any

objection from the SEC, the registration was definitively terminated, extinguishing all applicable disclosure obligations.

1.3 Sale of Gas Stations

On February 23, 2024, Management informed the market of the progress in its plan to reduce financial leverage through the sale of non-core assets and improvements in capital allocation efficiency.

The operation of gas stations in the State of São Paulo, which represents the largest part of the total value of this transaction, was acquired by a company of the Ultra Group and was completed on June 26, 2024, with the signing of the contract for the sale of the 49 stations located in this State. The remaining operations, distributed across eight states, were acquired by other buyers. Until the effective transfer, the operating stations remain under the management of GPA, including the appropriation of profits.

The sale of the Company's 69 gas stations, located in various regions of Brazil, represents a total approximate value of R\$200, to be paid as follows: (i) R\$160 already received by the end of December 2025; and (ii) approximately R\$40 to be received, conditional upon the fulfillment of precedent conditions for the definitive transfer of the assets. The impact on the period's result was R\$54. Initially, the transaction included 71 stations, however (i) the Galeão station in Rio de Janeiro was discontinued and excluded from the scope of the transaction, without a significant impact on the agreed values; and (ii) the Teresina station in Piauí was also excluded from the scope of the transaction, however, it remains in operation by the Company until the sale of the remaining stations is completed. Neither exclusion has a significant impact on the agreed values.

The net assets and net liabilities of the gas stations are classified as held for sale, and the operating result of the stations is presented as a discontinued operation, in accordance with CPC 31 / IFRS 5.

1.4 Sale of participation in FIC

On December 5, 2025, the Company entered into an agreement with Itaú Unibanco Holding S.A. ("IUH") for the sale of all Bellamar shares held by the Company. Upon completion of this transaction, the Company will terminate its commercial participation in Financeira Itaú CBD S.A. – Crédito, Financiamento e Investimento (FIC).

The agreed sale price for Bellamar shares is R\$260, to be settled in cash on the closing date of the transaction ("Closing Date"), after the fulfillment of certain precedent conditions, including obtaining approvals from the competent regulatory agencies. The referred price is subject to specific adjustments, to be determined and made between the date of execution of the contract and the Closing Date. Regulatory approval from the Conselho Administrativo de Defesa Econômica– CADE was obtained on January 5, 2026.

Upon signing the agreement, the Company classified the investment in Bellamar as an Asset Held for Sale, in accordance with CPC 31 / IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations, and the investment was reclassified to a separate line in the balance sheet. The Company assessed that the disposal does not qualify as a discontinued operation; therefore, Bellamar's results were not presented as discontinued operations.

On the date of classification as an asset held for sale, a loss of R\$527 was recognized in the income statement, corresponding to the difference between the fair value of the investment and the agreed sale price. Additionally, the Company recognized a deferred tax asset of R\$179, recorded to offset the deferred income tax liability previously established in the fair value revaluation, considering that the taxation of the gain or loss will occur upon closing of the transaction.

1.5 Arbitration proceedings

1.5.1 Arbitration proceeding – request for establishment of guarantees

Sendas Distribuidora S.A. (“Sendas”) filed a “Preliminary Injunction Request” (“Medida Cautelar”) seeking urgent relief, as an antecedent measure to the initiation of an arbitration proceeding, requesting, in summary: (a) the blocking of the shares issued by the Company and held, directly or indirectly, by the shareholder Casino Guichard Perrachon (“Casino”), or, alternatively, that any potential sale of such shares be conditioned upon (i) the judicial deposit of the proceeds from such sale or (ii) the provision of adequate collateral in favor of the Company; and (b) that the Company provide sufficient guarantees to hold Sendas indemnity from tax contingencies of the Company relating to periods prior to the spin-off completed on December 31, 2020. The judge of the 3rd Corporate Court of the State of São Paulo issued a decision denying in full the urgent relief requested by Sendas in the pre-arbitration injunctive proceeding (“Medida Cautelar”), rejecting all requests presented, including the request that the Company provide guarantees in an amount corresponding to the Company’s tax contingencies related to the period prior to the spin-off completed on December 31, 2020, as well as a list of unencumbered assets owned by the Company to cover potential new tax liabilities. The decision remains subject to appeal. In the meantime, Sendas initiated an arbitration proceeding with the same claims as those raised in the “Medida Cautelar.”, this arbitration is ongoing, and, to date, no decision has been taken on the merits of the claims or regarding any obligation to provide the requested guarantees.

1.5.2 Arbitration proceeding – Corporate Income Tax (IRPJ)

The Company initiated an arbitration proceeding against the shareholder Casino with the purpose of preserving the Company’s rights and guarantees related to collection proceedings concerning differences in the payment of corporate income tax (IRPJ) for 2007 and 2013 calendar years, arising from the alleged improper deduction of goodwill amortization. Arbitration is still in progress at an early stage, and the Company recognized in related parties (Note 12.2), the amount of R\$54 corresponding to definitive expenses related to one of the tax assessments. The other cases connected to the arbitration discussion are described in Note 20.3.

1.5.3 Arbitration proceedings – Grupo Casas Bahia

The Company is involved in arbitration proceedings and legal cases related to obligations assumed under the association agreement and to contingent liabilities arising from labor, civil, and regulatory claims of the former Globex, currently part of Grupo Casas Bahia S.A. (“GCB”), as well as an ongoing arbitration proceeding related to a remaining balance of indemnification for losses and damages. The amounts involved are recorded either as liabilities or as provisions, as applicable. In December 2025, a final arbitral award was issued in one of the arbitration proceedings, recognizing an obligation for the Company to pay GCB an indemnification of approximately R\$170. This amount is recorded in “Other Current Liabilities.”

1.6 Going concern

As of December 31, 2025, the Company reported a net working capital deficit of approximately R\$1,224, primarily due to loans and debentures maturing in 2026 totaling R\$1,700. Despite improvements in key operating indicators, as well as recurring positive operating cash generation, the Company continues to incur losses for the period. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern.

To mitigate the risks associated with the negative working capital position and the significant maturities expected in 2026, Management has been implementing a set of initiatives that include negotiations to extend the maturities of financial debt, reduce financial costs and expenses, and monetize tax credits. The Company currently has no signed agreements for debt renegotiation or tax credit sales, and these actions and the terms of any agreements that may be executed are not fully within Management’s control.

The financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities in the normal course of business. The financial statements do not include any adjustments to reflect the potential future effects on the recoverability or classification of assets or on the amounts or classifications of liabilities that may result from the uncertainty related to the Company's ability to continue operating normally.

Management will continue to monitor the execution of these initiatives and the evolution of liquidity indicators, taking additional timely actions as necessary.

2. Basis of preparation

The individual and consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS Accounting Standards), issued by the International Accounting Standards Board (IASB), as well as with accounting practices adopted in Brazil, including Law No. 6,404/76 and the technical pronouncements and interpretations issued by the Brazilian Accounting Pronouncements Committee (CPC) and ratified by the Brazilian Securities Commission (CVM).

The financial statements were prepared based on historical costs, except for certain financial instruments measured at fair value, and disclose only relevant information, in line with that used by Management in operating the Company.

The individual and consolidated financial statements have the Real(R\$) as their functional and presentation currency and are expressed in millions of reais. The information presented therein was prepared based on the historical cost of transactions, except for certain financial instruments that are measured at fair value, as applicable.

The consolidated financial statements include all subsidiaries over which the Company exercises control, directly or indirectly, in accordance with CPC 36 (R3) / IFRS 10. The subsidiaries prepare their financial statements using the same reporting date as the Company and consistent accounting policies. All intragroup balances and transactions, including revenues and expenses, unrealized gains and losses, and dividends, are fully eliminated.

Changes in ownership interests in subsidiaries that do not result in loss of control are recognized directly in equity. In the individual financial statements, investments are measured based on the Company's ownership percentage. In the consolidated financial statements, the subsidiaries are fully consolidated, with non-controlling interests presented separately in equity and in the statement of profit or loss.

The statements of cash flow include both continuing and discontinued operations, in accordance with CPC 31 / IFRS 5.

The individual and consolidated financial statements for the year ended December 31, 2025 were approved by the Board of Directors on February 24, 2026.

3. Material accounting policy information

The main material policies and accounting practices are described in each corresponding explanatory note, except for the accounting practices below, which relate to more than one explanatory note. The policies and accounting practices have been applied consistently for the periods presented and for the individual and consolidated financial statements of the Company.

3.1 Financial instruments

Financial assets are recognized when the Company or its subsidiaries assume contractual rights to receive cash or other financial assets from contracts to which they are a party. Financial assets are derecognized when the rights to receive cash flows from the financial assets expire or when substantially all the risks and rewards have been transferred to third parties. Assets and liabilities are recognized when rights and/or obligations are retained upon transfer by the Company.

Financial liabilities are recognized when the Company and/or its subsidiaries assume contractual obligations to settle in cash or to assume third-party obligations through a contract to which they are a party. Financial liabilities are derecognized when they are settled, extinguished, or expire.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or market convention (regular-way trades) are recognized on the trade date, i.e., the date on which the Company and its subsidiaries commit to purchase or sell the asset.

(i) Classification and measurement of financial assets and financial liabilities

In accordance with CPC 48 / IFRS 9, at initial recognition a financial asset is classified as measured at: amortized cost, fair value through other comprehensive income (“FVOCI”), or fair value through profit or loss (“FVTPL”). The classification of financial assets under CPC 48 / IFRS 9 is generally based on the business model under which a financial asset is managed and on its contractual cash flow characteristics. Embedded derivatives in which the host contract is a financial asset within the scope of the standard are never separated. Instead, the hybrid financial instrument is assessed for classification in its entirety.

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

- It is held within a business model whose objective is to hold financial assets to collect contractual cash flow; and
- Its contractual terms give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as measured at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At initial recognition of an equity instrument that is not held for trading, the Company may make an irrevocable election to present subsequent changes in fair value in other comprehensive income (“OCI”). This election is made on an investment-by-investment basis.

All financial assets that are not classified as measured at amortized cost or at fair value through other comprehensive income (FVOCI), as described above, are classified as measured at fair value through profit or loss (FVTPL). This category includes all derivative financial instruments.

At initial recognition, the Company may irrevocably designate a financial asset that would otherwise meet the criteria for measurement at amortized cost, FVOCI, or FVTPL as measured at fair value through profit or loss when such designation eliminates or significantly reduces an accounting mismatch that would otherwise arise, as permitted by CPC 48 / IFRS 9.

A financial asset — except for a trade receivable without a significant financing component — is initially measured at fair value, plus, in the case of assets not measured at fair value through profit or loss, transaction costs that are directly attributable to its acquisition.

Financial assets measured at FVTPL – These assets are subsequently measured at fair value. The net result, including interest or dividend income, is recognized in profit or loss.

Financial assets at amortized cost – These assets are subsequently measured at amortized cost using the effective interest method. Amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses, and impairment losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Financial assets at FVOCI – These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses, and impairment

losses are recognized in profit or loss. Other net gains and losses are recognized in OCI. Upon derecognition, the accumulated amount in OCI is reclassified to profit or loss.

(ii) Derecognition of financial assets and liabilities

A financial asset (or, as the case may be, part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows expire; or
- The Company and its subsidiaries transfer their rights to receive the cash flows from the asset or assume an obligation to pay the received cash flows in full to a third party under a pass-through arrangement, and: (a) substantially transfer all the risks and rewards of ownership of the asset; or (b) neither transfer nor retain substantially all the risks and rewards of ownership of the asset, but transfer control of the asset.

When the Company and its subsidiaries transfer the rights to receive the cash flows from a financial asset or enter into a pass-through arrangement without having transferred or retained substantially all the risks and rewards of ownership, and without having transferred control of the asset, the asset is not derecognized. In such cases, the Company recognizes a corresponding financial liability.

The transferred asset and the associated financial liability are measured in a manner that reflects the rights and obligations retained by the Company and its subsidiaries, characterizing continuing involvement with the transferred financial assets.

Financial liability is derecognized when the underlying obligation is discharged, cancelled, or expires. When an existing financial liability is replaced by another with the same lender on substantially different terms, or when the terms of an existing financial liability are substantially modified, such replacement or modification is accounted for as derecognition of the original liability and recognition of a new financial liability. The difference between the respective carrying amounts is recognized in profit or loss for the period.

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and presented on a net basis in the financial statements only when there is a legally enforceable right to offset the recognized amounts and when there is an intention either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

Derivative financial instruments

The Company uses derivative financial instruments, such as interest rate swaps and foreign currency swaps, to hedge financial risks related mainly to foreign exchange fluctuations and interest rate variations.

Derivatives are initially recognized at fair value on the trade date and subsequently remeasured at fair value at each reporting period, being classified as financial assets when their fair value is positive and as financial liabilities when negative.

Gains and losses arising from changes in the fair value of derivatives are recognized in profit or loss, except when the instruments are designated and qualify for hedge accounting, in accordance with CPC 48 / IFRS 9.

At the inception of each hedging relationship, the Company formally designates and documents the hedging instrument, the hedged item, the hedged risk, and the method for assessing hedge effectiveness. The Company continuously evaluates whether the hedging relationships meet the requirements for applying hedge accounting.

Hedging relationships classified as fair value hedges are accounted for by recognizing in profit or loss both the change in fair value of the derivative instrument and the change in fair value of the hedged item attributable to the hedged risk.

The Company uses derivative financial instruments exclusively for hedging purposes, limited to up to 100% of the identified exposures, and does not engage in derivatives for speculative purposes.

Cash flow hedge

Derivative instruments are recorded as cash flow hedges, in accordance with CPC 48 / IFRS 9, following the procedures below:

- The effective portion of the gain or loss on the hedging instrument is recognized directly in equity, in Other Comprehensive Income (OCI). If the hedging relationship ceases to meet the quantitative effectiveness criteria, but the risk management objective remains unchanged, the Company rebalances the hedge ratio to restore compliance with the qualification requirements.
- Any excess gain or loss on the hedging instrument, including those arising from hedge rebalancing, is considered hedge ineffectiveness and recognized immediately in profit or loss.
- Amounts recognized in OCI are reclassified to profit or loss in the same period in which the hedged transaction affects profit or loss — for example, when the hedged finance income or expense is recognized, or when a forecast sale occurs. When the hedged item relates to the cost of a non-financial asset or liability, the amounts recognized in OCI are included in the initial carrying amount of the related asset or liability.
- The Company discontinues hedge accounting prospectively only when the hedging relationship ceases to meet the qualification criteria, after considering any adjustments resulting from hedge rebalancing.
- When the forecast transaction or firm commitment is no longer expected to occur, the amounts previously recognized in equity under OCI are immediately reclassified to profit or loss. If the hedging instrument expires, is sold, terminated, exercised, or rolled over without replacement, or if its hedge designation is revoked, accumulated gains or losses in OCI remain in equity until the forecast transaction or firm commitment affects profit or loss.

Impairment of financial assets

CPC 48 replaced the incurred loss model under CPC 38 with the expected credit loss (ECL) model, applicable to financial assets measured at amortized cost, contract assets, and debt instruments measured at fair value through other comprehensive income (FVOCI). The model does not apply to equity instruments or financial assets measured at fair value through profit or loss (FVTPL).

Under this model, loss allowances are measured using one of the following bases:

- 12-month expected credit losses, when there has not been a significant increase in credit risk;
- Lifetime expected credit losses, when there has been a significant increase in credit risk or under the simplified approach;
- Practical expedient, based on reasonable and supportable information, considering historical losses adjusted for current conditions and future economic expectations.

The Company measures the loss allowance for trade receivables, other receivables, and contract assets based on lifetime expected credit losses. For diversified portfolios, such as trade receivables, rent receivables, wholesale receivables, and receivables from carriers, the practical expedient is applied using aging-based loss matrices.

In assessing significant increases in credit risk and measuring expected credit losses, the Company uses reasonable and supportable information, including historical data, quantitative and qualitative analyses, credit assessments, and economic forecasts. A significant increase in credit risk is presumed when the financial asset is more than 90 days past due.

A financial asset is considered credit-impaired when full payment is considered unlikely without recourse to collateral enforcement, or when it is more than 90 days past due.

Credit risk for debt instruments is assessed individually, considering payment history, the counterparty's financial and macroeconomic condition, and, when applicable, credit ratings from specialized agencies. The maximum period considered in measuring expected credit losses corresponds to the maximum contractual period during which the Company is exposed to credit risk.

Measurement of expected credit losses – Expected credit losses are probability-weighted estimates based on historical losses and forward-looking assumptions. They are measured at the present value of all cash shortfalls (i.e., the difference between the contractual cash flows due to the Company and the cash flows the Company expects to receive).

Expected credit losses are discounted using the financial asset's effective interest rate.

Financial assets with credit recovery problems – At each reporting date, the Company assesses whether financial assets measured at amortized cost and debt securities measured at FVOCI show objective evidence of impairment. A financial asset exhibits impairment indicators when one or more events occur that have a negative impact on the asset's estimated future cash flows.

Presentation of impairment loss – Provision for losses for financial assets measured at amortized cost are deducted from the gross book value of the assets.

For financial instruments measured at FVOCI, the provision for losses is recognized in OCI, instead of deducting the book value of the asset.

Impairment losses related to trade accounts receivable and other receivables, including contractual assets, are presented separately in the statement of income and OCI. Impairment of other financial assets is reported under "selling expenses".

Accounts receivable and contractual assets – The Company considers the model and some of the assumptions used in the calculation of these expected credit losses as the main sources of uncertainty in the estimate.

The positions within each group were segmented based on common credit risk characteristics, such as:

- Credit risk level and historical losses – for wholesale clients and property rental; and
- Delinquency status, default risk and historical losses – for credit card operators and other clients.

Adjustment to present value of assets and liabilities

Long-term assets and liabilities are adjusted to their present value, calculated taking into account the contractual cash flows and the respective interest rate, explicit or implicit. Short-term assets and liabilities are not adjusted to present value.

3.2 Foreign currency transactions

Foreign currency transactions are initially recognized at the market value of the corresponding currencies on the date the transaction qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are converted into Real, according to the exchange rates of the respective currencies at the end of the year. Differences arising from the payment or translation of monetary items are recognized in the financial result.

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

The Company presents assets and liabilities in the financial statements based on their classification as current or non-current.

An asset is classified as current when: (i) it is expected to be realized, sold, or consumed in the normal course of the operating cycle; (ii) it is held for trading; (iii) it is expected to be realized within twelve months after the reporting date; or (iv) it is cash or cash equivalents, as defined in CPC 03 / IAS 7 – Statement of Cash Flows, except when subject to restrictions on its use for a period greater than twelve months after the reporting date. All other assets are classified as non-current.

A liability is classified as current when: (i) it is expected to be settled in the normal course of the operating cycle; (ii) it is held for trading; (iii) it is due to be settled within twelve months after the reporting date; or (iv) the Company does not have an unconditional right to defer its settlement for at least twelve months after the reporting date. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are presented as non-current, offset by legal entity, in accordance with CPC 32 / IAS 12 – Income Taxes.

3.4 Statement of value added

The Statement of Value Added (DVA) presents the wealth generated by the Company and its subsidiaries and its respective distribution during the period. It is presented in accordance with the requirements of Brazilian corporate law as an integral part of the parent company and consolidated financial statements, and it is not required under IFRS.

The DVA is prepared based on the accounting records that support the financial statements, in compliance with CPC 09 – Statement of Value Added. The statement initially discloses the wealth created, represented by revenues, inputs acquired from third parties and the value added received from third parties. It subsequently presents the distribution of the generated wealth among employees, government (taxes, fees and contributions), third-party capital providers, and equity holders.

4. Adoption of new procedures, amendments to and interpretations of existing standards issued by the IASB and CPC

4.1 Amendments and new interpretations of mandatory application from the current year.

In 2025, the Company evaluated the amendments and new interpretations to the CPCs and IFRSs issued by the CPC and IASB, respectively, which are mandatorily effective for accounting periods beginning on or after January 1, 2025. The main changes are:

Pronouncement	Description	Applicable to annual periods starting in or after
Amendments to CPC 02 / IAS 21	Determine whether a currency is convertible and how a spot exchange rate should be established when convertibility is lacking.	01/01/2025
Adoption of OCPC 10 / CVM 223	Makes the disclosure of the treatment of carbon credits, emission allowances, and decarbonization credits mandatory for all entities.	01/01/2025
Adoption of IFRS S1	General Requirements for the Disclosure of Financial Information Related to Sustainability.	01/01/2024(*)
Adoption of IFRS S2	Disclosures related to climate.	01/01/2024(*)
Amendments to CPC 18 (R3) and ICPC 09	To establish the accounting treatment for investments in associates and to define the requirements for applying the equity method when accounting for investments in associates and jointly controlled entities (joint ventures).	01/01/2025

(*) IFRS S1 and S2 standards will be mandatory in 2026. The Company is evaluating the impact of adopting these standards.

The adoption of these standards did not result in material impacts on the Company's individual and consolidated financial statements.

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4.2 New and revised standards and interpretations already issued and not yet effective

The Company did not early adopt the new CPCs and IFRSs. Below is the main revision already issued and not yet effective:

Pronouncement	Description	Applicable to annual periods starting in or after
Amendments to CPC 40 (R1) / IFRS 7 and CPC 48 / IFRS 9	Improvements in the criteria for recognition, derecognition, and disclosure of Financial Instruments.	01/01/2026
Amendments to CPC 40 (R1) / IFRS 7 and CPC 48 / IFRS 9	Contracts referencing electricity depending on the nature.	01/01/2026
Adoption of IFRS 18 CPC 51	Presentation of the Financial Statements.	01/01/2027
Adoption of IFRS 19	Disclosure of Subsidiaries without public responsibility.	01/01/2027

The Company is assessing the impacts of adopting these standards and, at this time, no significant effects are expected on individual and consolidated financial statements. The exception refers to IFRS 18, which is still under assessment and is expected to have a significant impact on the way information is presented and disclosed in the Company's financial statements.

5. Significant accounting judgments, estimates and assumptions

The preparation of the individual and consolidated financial information of the Company requires Management to make judgments, estimates and assumptions that impact the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the year; however, uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of the asset or liability impacted in future periods.

In the process of applying the Company's accounting policies, Management adopted judgments, which have the most significant impact on the amounts recognized in the parent company and consolidated according to the information included in the following explanatory notes:

- Impairment and useful life of property, plant, and equipment and intangible assets: Notes 8.1, 14.1, 14.2, 15.1, and 15.3.
- Inventory: Provision for estimated losses: Note 10.
- Taxes to be recovered: Expectation of realization of tax credits: Note 11.
- Fair value of derivatives and other financial instruments: Measurement of the fair value of derivatives: Note 18.
- Provision for legal claims: Provision for cases representing probable and estimated losses with a reasonable degree of certainty: Note 21.
- Income tax: Recognition of provisions based on reasonable estimates and realization of deferred income tax – Note 20.
- Leasing: Determination of the lease contract term and incremental interest rate – Note 22.
- Share-based payments: Estimation of fair value operations based on a valuation model – Note 24.

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6. Cash and cash equivalents

6.1 Accounting policy

Cash and cash equivalents consist of cash, bank accounts and highly liquid investments that are readily convertible into a known cash amount, and are subject to an insignificant risk of change in value, with intention and possibility to be redeemed in the short term, up to 90 days:

6.2 Composition

	<u>Parent Company</u>		<u>Consolidated</u>	
	<u>12.31.2025</u>	<u>12.31.2024</u>	<u>12.31.2025</u>	<u>12.31.2024</u>
Cash and banks – Brazil	69	79	69	79
Cash and banks – Abroad (*)	84	94	84	94
Short-term investments – Brazil (**)	1,598	1,933	1,837	2,458
	1,751	2,106	1,990	2,631

(*) As of December 31, 2025, refer to resources in US dollars. On January 2, 2026, the balances held in the foreign bank account were fully redeemed.

(**) As of December 31, 2025, substantially comprise repurchase operations and CDB, remunerated by the weighted average of 98.77% (97.12% on December 31, 2024) of the CDI (Interbank Deposit Certificate).

7. Short-term investments

7.1 Accounting policy

The Company holds certain financial investments classified separately from cash and cash equivalents due to the specific characteristics of these securities, which are subject to an insignificant risk of value change and are intended and possible to be redeemed in the short term directly from the issuer.

7.2 Composition

The amount recorded is R\$24 (R\$15 on December 31, 2024) referring to the CDB (Bank Deposit Certificate) remunerated at 100% of CDI (interbank deposit certificate).

8. Trade receivables

8.1 Accounting policy

Accounts receivable balances arise from the Company's operating activities related to the sale of goods and services. Amounts not related to operating activities are presented under the heading "Other accounts receivable".

Receivables are initially recognized at the transaction amount and subsequently measured according to the portfolio: (i) fair value through other comprehensive income (FVOCI), for receivables from credit card administrators; and (ii) amortized cost, for other portfolios.

The provision for losses on financial assets measured at amortized cost is deducted from the gross carrying amount of assets. For instruments measured at FVOCI, the provision is recognized in Other Comprehensive Income, without reducing the carrying amount of the asset.

On each reporting date, the Company assesses whether there are indications of impairment of financial assets measured at amortized cost or FVOCI. Accounts receivables are considered uncollectible and written off from the portfolio when they remain overdue for more than 360 days after the due date.

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8.2 Composition

	Parent Company		Consolidated	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024
Credit card companies	38	82	39	82
Credit card companies - related parties (note 12.2)	5	6	5	6
Sales vouchers and trade receivables benefit card	125	219	210	269
Receivables from related parties (note 12.2)	6	9	6	9
Receivables from suppliers	-	18	-	8
Allowance for doubtful accounts	26	35	26	35
	(1)	(1)	(1)	(1)
Total	199	368	285	408

The Company and its subsidiaries, as part of their cash-management strategy, sell a portion of their receivables without any right of recourse or related obligation, with the financial costs recognized in financial income.

Below is disclosed the composition of the consolidated balance of accounts receivable by its gross value by maturity period:

	Consolidated					
	Total	Not yet due	Overdue			
			<30 days	30-60 days	61-90 days	>90 days
12.31.2025	286	266	13	4	2	1
12.31.2024	409	399	9	1	-	-

9. **Other receivables**

	Parent Company		Consolidated	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024
Accounts receivable – GCB (*)	689	626	689	626
Accounts receivable – Sendas (**)	115	136	115	136
Receivable from sale of subsidiaries	40	51	40	51
Lease receivables	9	9	9	9
Sale of real estate properties	10	2	10	2
Others	46	58	47	67
Allowance for doubtful accounts on other receivables	(2)	(3)	(2)	(3)
	907	879	908	888
Current	69	38	70	47
Non-current	838	841	838	841

(*) Amounts receivable from GCB, a subsidiary sold in 2019. The amount of R\$689 corresponds mainly to GPA's right to receive from GCB the refund of the tax credit arising from the issue related to the exclusion of ICMS of the PIS and COFINS calculation base of its former subsidiary Globex. After obtaining final judgment in the case, GPA is entitled to the credits relating to the period from 2003 to 2010.

(**) Amounts receivable from Sendas, which is no longer considered a related party of GPA due to the total sale of its stake by Casino, which occurred in June 2023.

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10. Inventories

10.1 Accounting policy

Inventories are initially recognized at cost and measured at the lower of cost and net realizable value. Purchased inventories are recorded at weighted average cost, including storage and handling costs necessary to bring them to their selling condition, net of commercial agreements received from suppliers.

Net realizable value corresponds to the estimated selling price in the ordinary course of business, less the estimated costs to complete the sale, such as applicable taxes, expenses directly attributable to the sale, and other costs necessary to bring the inventories to their selling condition.

Inventories are written down to their recoverable amount through loss provisions, considering shrinkage, scrap, obsolescence, slow-moving items, and goods with negative gross margins, which are reviewed periodically.

Commercial agreements with suppliers are recognized in accordance with the terms of the related contracts and are recorded in profit or loss as the related inventories are sold. When contractually permitted, such amounts are recorded as reductions of trade payable.

10.2 Composition

	Parent Company and Consolidated	
	12.31.2025	12.31.2024
Stores	1,184	1,173
Distribution centers	838	902
Losses due to obsolescence and breakdowns (note 10.2 b)	(59)	(61)
	1,963	2,014

10.3 Commercial agreements on inventories and storage costs

On December 31, 2025, the amount of unrealized commercial agreements, presented as reducing the inventory balance, amounted to R\$42 (R\$42 on December 31, 2024).

10.4 Losses due to obsolescence and breakages

	Parent Company and Consolidated	
	12.31.2025	12.31.2024
At the beginning of the Period	(61)	(86)
Additions / Write-offs / reversal	2	25
At the end of the Period	(59)	(61)

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11. Recoverable taxes

11.1 Accounting policy

The Company records tax credits in the normal course of its operations and whenever it gathers legal, documentary and factual understanding about such credits that allow their recognition, including the realization estimate, with ICMS being recognized as a “cost of goods sold” reduction and PIS and COFINS as a reducer of the income accounts on which the credits are calculated.

These taxes are realized based on growth projections, operational issues and generation of debts for consumption of these credits by the Group’s companies.

11.2 Composition

	Parent Company		Consolidated	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024
ICMS (note 11 a)	180	289	180	289
PIS/COFINS (note 11 b)	1,824	1,976	1,864	2,019
Social Security Contribution – INSS (Note 11 c)	227	234	230	238
Income tax and social contribution	333	427	336	431
Others	-	36	4	38
Total	2,564	2,962	2,614	3,015
Current	687	598	736	647
Non-current	1,877	2,364	1,878	2,368

a) Schedule of expected realization of ICMS

The Company maintains distribution centers in certain States and the Federal District, which receive goods with ICMS (Tax on Circulation of Goods and Services) already collected through tax substitution and carry out interstate shipments to its stores. In these operations, the Company is entitled to reimbursement of the ICMS previously paid in advance, in accordance with applicable legislation, upon proof by tax documents and digital files, subject to approval by the State Tax Authority or compliance with specific ancillary obligations.

Part of the credits is realized through immediate compensation, authorized by special regimes or by procedures provided in state regulations. For credits not yet eligible for immediate compensation, the Administration understands that their future realization is probable, based on technical recovery studies that consider the expected growth of operations and the generation of future ICMS debits.

These studies are prepared and reviewed annually based on the strategic plan approved by the Board of Directors. As of December 31, 2025, the Company maintained monitoring controls over adherence to the credit realization plan, and no need for significant adjustments had been identified.

	Parent Company and Consolidated
Up to one year	56
From 1 to 2 years	55
From 2 to 3 years	44
From 3 to 4 years	25
	180

b) PIS and COFINS credits

The evidence that leads the Company to conclude on the right to PIS and COFINS credits includes (i) interpretation of tax legislation, (ii) internal and external factors such as case law and market interpretations that were part of the analysis, (iii) analysis by external legal advisors on the topics and (iv) accounting assessment on the topic.

The realization of the PIS and COFINS balance is shown below:

	<u>Parent Company</u>	<u>Consolidated</u>
Up to one year	462	501
From 1 to 2 years	595	595
From 2 to 3 years	290	290
From 3 to 4 years	369	370
Above 4 years	108	108
	<u>1,824</u>	<u>1,864</u>

In the context of the tax reform on consumption, enacted through the recently approved Supplementary Law, a legal provision was introduced allowing such credit balances to be offset against the Contribution on Goods and Services (CBS), as part of the replacement of the current taxes by the new tax model. However, as of the present date, the infralegal regulations governing the procedures, criteria and deadlines for implementing such offset have not yet been issued. While awaiting further guidance from the competent authorities, the Company considers the monetization of these credits through offsetting against other federal taxes, keeping them recorded as assets and monitoring the developments in the applicable regulation.

As of December 31, 2025, the Company has contingent tax credits arising from the calculation of PIS and COFINS related to its operations involving cold beverages. Considering the current stage of consolidation of the prevailing understanding on the matter, such credits have been classified as contingent assets, in accordance with IAS 37 / CPC 25 – Provisions, Contingent Liabilities and Contingent Assets, and have not been recognized in the balance sheet or in profit or loss for the year ended December 31, 2025, in the approximate amount of R\$600. Any impact on profit or loss will only be recognized when the criteria set forth in the applicable standard are met.

c) INSS credit

On June 25, 2025, the final and unappealable judgment was certified in the lawsuit filed by the Company seeking the non-incidence of social security contributions (INSS) on the one-third constitutional vacation bonus. The Company has registered its credits and continues to offset the related amounts in accordance with the compensation limits established by the federal tax authorities. The amount involved at the parent company and consolidated level totals R\$143 as of December 31, 2025 (R\$169 as of December 31, 2024).

Companhia Brasileira de Distribuição



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12. Related parties

12.1 Management and advisory committees' compensation

Expenses for the period relating to the remuneration of the eligible executives (officers appointed pursuant to the Bylaws, including members of the Board of Directors and the related support committees), were as follows:

(Values expressed in thousands of Reais)

	Base salary		Direct and indirect benefits		Variable compensation (***)		Stock option plan – (Note 24)		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Board of directors (*)	9,620	11,299	-	-	-	-	-	-	9,620	11,299
Executive officers (**)	8,893	8,795	1,405	1,905	14,716	41,708	11,678	6,664	36,692	59,072
Fiscal Council	413	-	-	-	-	-	-	-	413	-
	18,926	20,094	1,405	1,905	14,716	41,708	11,678	6,664	46,725	70,371

(*) The compensation of the Board of Directors' advisory committees (Human Resources and Compensation, Audit, Finance, Sustainable Development and Corporate Governance) is included in this line.

(**) Includes termination costs.

(**) The amount includes the extraordinary payment for Company's directors related to the Public Distribution Offer (note 1.1).

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12.2 Balances and transactions with related parties

Transactions with related parties refer mainly to transactions between the Company and its subsidiaries and other related entities and were substantially accounted for in accordance with the prices, terms and conditions agreed between the parties.

	Parent company									
	Balances								Transactions	
	Trade receivables		Other assets		Trade payables		Other liabilities		Revenues (expenses)	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024	12.31.2025	12.31.2024	12.31.2025	12.31.2024	12.31.2025	12.31.2024
<u>Subsidiaries:</u>										
Novasoc Comercial	-	-	8	8	-	-	-	-	-	9
Stix Fidelidade	-	10	-	-	-	13	-	-	(128)	(123)
GPA M&P	-	-	-	-	-	-	-	33	-	-
GPA Logística	-	-	-	-	37	15	19	13	-	6
GPA2	-	-	2	-	-	-	206	-	-	-
<u>Associates</u>										
FIC	5	6	3	3	1	3	-	-	30	16
<u>Other related parties</u>										
Grupo Casino (i)	-	8	54	-	-	-	-	6	-	(4)
Others	-	-	2	2	-	-	-	-	-	-
Total	5	24	69	13	38	31	225	52	(98)	(96)

(i) As a result of the initial public offering, Casino ceased to be the controlling shareholder of the Company as of April 18, 2024 (Note 1.1). The Casino Group is composed of Casino and its directly and indirectly controlled companies. The amount of R\$54 refers to the compensation to be received resulting substantially from joining the program established by Law No. 14,689/2023.

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(In millions of Brazilian reais, unless otherwise stated)

	Consolidated									
	Balances								Transactions	
	Trade receivables		Other assets		Trade payables		Other liabilities		Revenues (expenses)	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024	12.31.2025	12.31.2024	12.31.2025	12.31.2024	12.31.2025	12.31.2024
<u>Associates</u>										
FIC	5	6	3	3	1	3	-	-	30	16
<u>Other related parties</u>										
Grupo Casino (i)	-	8	54	-	-	-	-	6	-	(4)
Others	-	-	2	2	-	-	-	-	-	-
Total	5	14	59	5	1	3	-	6	30	12

(i) As a result of the initial public offering, Casino ceased to be the controlling shareholder of the Company as of April 18, 2024 (Note 1.1). The Casino Group comprises Casino and its directly and indirectly controlled companies. The amount of R\$54 refers to the compensation to be received substantially resulting from joining the program established by Law No. 14,689/2023.

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The Company's main operations with related parties are:

- (i) **Casino Group:** (a) Cost Sharing and Cost Reimbursement Agreement: entered into by the Company, Sendas, Helicco Participações Ltda., Foncière Euris, Casino Services, and Casino Guichard-Perrachon S.A. ("Casino") on August 1, 2014 and July 25, 2016, respectively, as amended, to govern the reimbursement by the Company of expenses incurred by Casino Group companies arising from know-how transfer activities provided to the Company, as well as the reimbursement to Casino of expenses related to French employees (expatriates); (b) Insurance Agreement: between the Company and Casino for the intermediation of the renewal of certain insurance policies held by the Company; (c) Agency Agreement – Global Sourcing and Agency Agreement (IRTS): entered into by the Company, Sendas, Groupe Casino Limited, and Casino Internacional S.A. on July 25, 2016 and December 20, 2004, respectively, as amended, for the provision of global sourcing services (prospection of global suppliers and purchase intermediation) by Casino and for the commercial negotiation of products to be acquired by the Company from international suppliers; and (d) Purchase Agreement: entered into by the Company, Sendas, and E.M.C. Distribution Limited on June 6, 2019 for the non-exclusive import of perishable and non-perishable goods. As of December 31, 2025, there are no active agreements with the Casino Group.
- (ii) **FIC:** Commercial contracts to set the rules for promotion and sale of financing services provided by FIC in the Company stores for implementation the financing partnership between the Company and Itaú Unibanco Holding S.A. ("Itaú").
- (iii) **Stix:** The transactions between the Company and Stix mainly relate to operational contracts for the sale of points and reimbursement of redeemed awards.

13. Investments

13.1 Accounting policy

Investments in subsidiaries are recorded in the Company's individual financial statements using the equity method, in accordance with CPC 18 (R2) / IAS 28 – Investments in Associates, Subsidiaries, and Joint Ventures. Under this method, the investment is initially recognized at acquisition cost and subsequently adjusted for the Company's share of the subsidiaries' results and other comprehensive income, net of any dividends or interest on equity received.

Investments in associates are those in which the Company exercises significant influence, presumed when it holds, directly or indirectly, 20% or more of the voting power. These investments are also accounted for using the equity method, pursuant to CPC 18 (R2).

In the consolidated financial statements, investments in subsidiaries are fully consolidated, in accordance with CPC 36 (R3) / IFRS10 – Consolidated Financial Statements, with intercompany balances, transactions, revenues, and expenses between Group entities being eliminated. Investments in associates are recognized using the equity method.

Goodwill, when applicable, is included in the carrying amount of the investment and is not amortized, being tested annually for impairment, in accordance with CPC 01 / IAS 36 – Impairment of Assets.

Investments are assessed for indicators of impairment, and when applicable, impairment losses are recognized in profit or loss for the period. Unrealized results arising from transactions between the Company and its investees are eliminated in proportion to the Company's interest.

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13.2 Interest in controlled companies, subsidiaries and associates

The details of the Company's subsidiaries at the end of each year are shown below:

Group	Societies	Country	Participation in investments - %			
			12.31.2025		12.31.2024	
			Company	Indirect participation	Company	Indirect participation
	Controlled					
CBD	Novasoc Comercial Ltda. ("Novasoc")	Brasil	100,00	-	100.00	-
	GPA 2 Empreend. e Participações Ltda. ("GPA 2")	Brasil	100,00	-	100.00	-
	GPA Logística e Transporte Ltda. ("GPA Logística")	Brasil	100,00	-	100.00	-
	GPA Holding Empreendimentos e Participações Ltda. ("GPA Holding")	Brasil	100,00	-	100.00	-
	Stix Fidelidade e Inteligência S.A. ("Stix")	Brasil	66,67	-	66.67	-
	Cheftime Comércio de Refeições S/A ("Cheftime")	Brasil	100,00	-	100.00	-
	GPA Malls & Properties Gestão de Ativos e Serviços Imobiliários Ltda. ("GPA M&P")	Brasil	-	-	100.00	-
	Place2B Serviços Imobiliários Ltda. ("Place2B")	Brasil	100,00	-	-	100.00

(*) On April 30, 2025, GPA Malls & Properties Gestão de Ativos e Serviços Imobiliários Ltda was fully merged into CBD, with its assets, liabilities, and operations being entirely absorbed by the parent company.

The details of the Company's associates at the end of each year are shown below:

Group	Societies	Country	Participation in investments - %			
			12.31.2025		12.31.2024	
			Company	Indirect participation	Company	Indirect participation
FIC	Bellamar Empreend. e Participações S.A. ("Bellamar")	Brasil	50,00	-	50.00	-
	Financeira Itaú CBD S.A. Crédito, Financiamento e Investimento ("FIC")	Brasil	-	16,50	-	17.88

13.3 Associates

Investments in associates are accounted for using the equity method, as the Company exercises significant influence, but not control, as defined under the applicable accounting standards. Such influence arises from the fact that the Company: (a) is party to a shareholders' agreement, with the right to appoint part of management and to exercise veto power over certain relevant decisions; and (b) participates in the operating and financial decision-making processes of the investee.

FIC, managed by Itaú Unibanco S.A. ("Itaú Unibanco"), is the Company's only associate. There are no restrictions imposed by the associate regarding the transfer of funds to the Company, including through the distribution of dividends.

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The summarized accounting information is as follows:

	FIC	
	12.31.2025	12.31.2025
Current assets	9,762	9,674
Non-current assets	1	1
Total assets	9,763	9,675
Current liabilities	8,033	8,161
Non-current liabilities	75	101
Shareholders' equity	1,655	1,412
Total liabilities and shareholders' equity	9,763	9,675

	12.31.2025	12.31.2024
Statement of operations		
Revenues	1,270	1,204
Operating income	488	574
Net income for the year	340	349

The investment value is determined based on the investee's net worth, plus the revaluation of R\$573 that occurred in December 2020, calculated at the time of the loss of control in Bellamar. On November 30, 2025, Itaú Unibanco carried out a capital increase through the capitalization of the special premium reserve, in the amount of R\$122, a right exclusive to Itaú Unibanco, with express waiver of the right of preference by the other shareholders.

As of December 31, 2025, as a result of the execution of the agreement for the sale of its equity interest, as described in Note 1.4, the Company classified the investment as an Asset Held for Sale in accordance with IFRS 5. Additionally, a negative adjustment of R\$(527) was recognized, corresponding to the difference between the fair value of the investment and the agreed sale price, as well as R\$179 related to deferred tax assets, recognized with the purpose of offsetting the deferred income tax liability previously recorded upon the fair value remeasurement.

13.4 Investment movement

	Parent company			
	Bellamar	GPA2	Others	Total
Balance at 12.31.2024	804	362	168	1,334
Equity	60	26	30	116
Dividends	(17)	-	-	(17)
Incorporation – GPA Malls	-	-	(40)	(40)
Capital Reduction	-	(150)	-	(150)
Investment impairment - Bellamar	(527)	-	-	(527)
Asset held for sale	(320)	-	-	(320)
Others	-	-	(5)	(5)
Balance at 12.31.2025	-	238	153	391

	Parent company			
	Bellamar	GPA2	Others	Total
Balance at 12.31.2023	864	330	82	1,276
Equity	64	32	5	101
Dividends	(124)	-	-	(124)
Capital increase	-	-	81	81
Balance at 12.31.2024	804	362	168	1,334

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	Consolidated	
	12.31.2025	12.31.2024
At the beginning of the period	804	864
Equity	60	64
Dividends	(17)	(124)
Investment impairment - Bellamar	(527)	-
Asset held for sale	(320)	-
At the end of the period	-	804

On January 30, 2026, the Company received an amount of R\$27 as dividends, of which R\$18 relate to mandatory dividends for the fiscal year and R\$9 refer to additional (extraordinary) dividends.

14. Property and equipment

14.1 Accounting policy

Property, plant and equipment are recorded at historical cost, less accumulated depreciation and any impairment losses when applicable. Cost comprises the purchase price of the assets, directly attributable costs necessary to bring them to operating condition, and, when applicable, borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, which are capitalized during the construction phase.

Depreciation is calculated using the straight-line method, based on the estimated useful lives of the assets. When an item of property, plant and equipment consists of significant components, these components are recognized and depreciated separately. Replacement costs of significant components are capitalized when the recognition criteria are met, with the carrying amount of the replaced component being written off, when applicable. Other repair and maintenance expenses are recognized in profit or loss as incurred.

Items of property, plant and equipment, including their significant components, are derecognized when disposed of or when no future economic benefits are expected from their use or disposal, with any resulting gains or losses recognized in profit or loss.

Residual values, useful lives, and depreciation methods are reviewed at the end of each reporting period and adjusted prospectively when applicable. In 2025, the Company reviewed the useful lives of its property, plant and equipment and concluded that no changes were necessary.

Capitalized borrowing costs begin to be depreciated from the date the related asset becomes operational, over its estimated useful life.

Asset category	Useful life (in years)
Buildings	40
Leasehold improvements	Between 24 and 40
Machinery and equipment	Between 10 and 20
Facilities	11
Furniture and fixtures	Between 3 and 12
Others	Between 3 and 5

14.2 Impairment of non-financial assets

The Company assesses, annually or whenever there are indications of impairment, whether its tangible and intangible assets are carried at amounts higher than their recoverable amounts.

For impairment testing purposes, assets are evaluated at the level of their Cash-Generating Unit (CGU), defined primarily as each store, as it represents the smallest identifiable group of assets capable of generating largely independent cash inflows.

The recoverable amount of an asset or CGU corresponds to the higher value of: (i) fair value less costs of disposal; and (ii) value in use, determined based on the present value of estimated future cash flows. In measuring value in use, cash flows are discounted using a rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

When the carrying amount of an asset or CGU exceeds its recoverable amount, an impairment loss is recognized in profit or loss, in accordance with the criteria established in CPC 01 (IAS 36).

Impairment test of stores operating assets

The procedure for assessing the recoverability of operating and intangible assets (such as goodwill) is based on grouping the assets directly attributable to each store according to their cash-generating capacity, in accordance with CPC 01 (IAS 36). Management defines the CGUs as follows:

- The Pão de Açúcar and Mercado Extra stores were individually considered as UGC due to their size and their individual capacity to generate cash.
- The Proximity stores, made up of the Minuto Pão de Açúcar and Mini Mercado Extra banners, were grouped based on their geographic region. These stores have a low initial investment and aim to protect an area/region from new entrants.

Value in use is determined based on discounted cash flow projections, using a long-term growth rate of 4.2% (5.7% in 2024) and a discount rate of 11.47% (12.1% in 2024), limited to the average remaining economic life of the operating assets of each CGU. For owned stores, when applicable, appraisal reports prepared by independent specialists are considered for determining fair value.

Stores with up to two years of operation are not included in the impairment test, as Management understands that such stores are still in their operational maturation phase, and their performance is not yet representative for recoverability assessment purposes.

In the year ended December 31, 2025, the Company performed impairment tests on the operating assets of its stores and, based on the results obtained, concluded that there was no need to recognize any additional impairment loss. The loss of R\$137 (on a consolidated basis) was fully recognized in the results for the year 2024, with no additional charges, reversals or value adjustments recorded in 2025.

Impairment losses are recognized in profit or loss, in line with the function of the related assets. Losses recognized in prior years are reversed only when there is a change in the assumptions used to determine the recoverable amount, limited to the carrying amount that the asset would have had if no impairment loss had been previously recognized.

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14.3 Composition

	Parent Company							Balance at 12.31.2025
	Balance at 12.31.2024	Additions	Remea- surement	Depreciation	Write-offs	Transfer (*)	Incorporation	
Land	189	-	-	-	(7)	8	3	193
Buildings	199	2	-	(10)	(4)	6	-	193
Property improvements	1,304	54	-	(146)	(31)	189	-	1,370
Machinery and equipment	901	91	-	(166)	(17)	43	-	852
Facilities	86	7	-	(16)	(4)	16	-	89
Furniture and fixtures	305	25	-	(52)	(8)	7	-	277
Construction in progress	61	219	-	-	-	(255)	-	25
Others	30	64	-	(9)	(1)	(57)	-	27
Total	3,075	462	-	(399)	(72)	(43)	3	3,026
<u>Lease – right of use:</u>								
Buildings	3,067	64	502	(441)	(84)	-	-	3,108
	3,067	64	502	(441)	(84)	-	-	3,108
Total	6,142	526	502	(840)	(156)	(43)	3	6,134

(*) R\$(86) was transferred to intangible assets, R\$(3) to financing of fixed assets and R\$40 to assets held for sale (note 31).

	Parent Company							Balance at 12.31.2024
	Balance at 12.31.2023	Additions	Remea- surement	Impairment	Depreciation	Write-offs	Transfer (*)	
Land	227	-	-	-	-	(34)	(4)	189
Buildings	361	1	-	7	(12)	(154)	(4)	199
Property improvements	1,398	70	-	(52)	(141)	(104)	133	1,304
Machinery and equipment	917	104	-	(12)	(166)	(57)	115	901
Facilities	103	5	-	-	(21)	(6)	5	86
Furniture and fixtures	328	43	-	-	(52)	(14)	-	305
Construction in progress	70	324	-	-	-	(5)	(328)	61
Others	61	39	-	-	(10)	(3)	(57)	30
Total	3,465	586	-	(57)	(402)	(377)	(140)	3,075
<u>Lease – right of use:</u>								
Buildings	3,097	203	368	(43)	(434)	(110)	(14)	3,067
	3,097	203	368	(43)	(434)	(110)	(14)	3,067
Total	6,562	789	368	(100)	(836)	(487)	(154)	6,142

(*) R\$(95) were transferred to intangibles and R\$(59) to assets held for sale.

	Parent Company					
	Balance at 12.31.2025			Balance at 12.31.2024		
	Cost	Accumulated depreciation	Net	Cost	Accumulated depreciation	Net
Land	193	-	193	189	-	189
Buildings	358	(165)	193	354	(155)	199
Leasehold improvements	2,870	(1,500)	1,370	2,758	(1,454)	1,304
Machinery and equipment	2,553	(1,701)	852	2,506	(1,605)	901
Facilities	369	(280)	89	360	(274)	86
Furniture and fixtures	933	(656)	277	942	(637)	305
Construction in progress	25	-	25	61	-	61
Others	131	(104)	27	122	(92)	30
Total	7,432	(4,406)	3,026	7,292	(4,217)	3,075
<u>Lease – right of use:</u>						
Buildings	6,758	(3,650)	3,108	6,446	(3,379)	3,067
	6,758	(3,650)	3,108	6,446	(3,379)	3,067
Total	14,190	(8,056)	6,134	13,738	(7,596)	6,142

	Consolidated						Balance at 12.31.2025
	Balance at 12.31.2024	Additions	Remeasurement	Depreciation	Write-offs	Transfers (*)	
Land	192	-	-	-	(7)	8	193
Buildings	198	2	-	(9)	(4)	6	193
Property improvements	1,305	54	-	(146)	(32)	191	1,372
Machinery and equipment	901	91	-	(167)	(16)	43	852
Facilities	86	7	-	(16)	(4)	16	89
Furniture and fixtures	305	26	-	(52)	(9)	7	277
Construction in progress	61	219	-	-	-	(255)	25
Other	30	64	-	(9)	(1)	(58)	26
Total	3,078	463	-	(399)	(73)	(42)	3,027
<u>Lease – right of use:</u>							
Buildings	3,068	65	502	(442)	(87)	3	3,109
	3,068	65	502	(442)	(87)	3	3,109
Total	6,146	528	502	(841)	(160)	(39)	6,136

(*) R\$(85) was transferred to intangible assets, R\$(3) to financing of fixed assets and R\$49 to assets held for sale (note 31).

	Consolidated							Balance at 12.31.2024
	Balance at 12.31.2023	Additions	Remea- surement	Impairment	Depreciation	Write-offs	Transfer (*)	
Land	232	-	-	-	-	(35)	(5)	192
Buildings	361	1	-	7	(12)	(155)	(4)	198
Property improvements	1,406	70	-	(52)	(142)	(107)	130	1,305
Machinery and equipment	917	104	-	(12)	(167)	(57)	116	901
Facilities	103	5	-	-	(20)	(7)	5	86
Furniture and fixtures	328	43	-	-	(52)	(14)	-	305
Construction in progress	69	324	-	-	-	(4)	(328)	61
Other	60	39	-	-	(10)	(3)	(56)	30
Total	3,476	586	-	(57)	(403)	(382)	(142)	3,078
Lease – right of use:								
Buildings	3,101	203	370	(43)	(435)	(110)	(18)	3,068
	3,101	203	370	(43)	(435)	(110)	(18)	3,068
Total	6,577	789	370	(100)	(838)	(492)	(160)	6,146

(*) (R\$95) were transferred to intangibles and (R\$65) to assets held for sale.

	Consolidated					
	Balance at 12.31.2025			Balance at 12.31.2024		
	Cost	Accumulated depreciation	Net	Cost	Accumulated depreciation	Net
Land	193	-	193	192	-	192
Buildings	357	(164)	193	353	(155)	198
Property improvements	2,868	(1,496)	1,372	2,757	(1,452)	1,305
Machinery and equipment	2,552	(1,700)	852	2,505	(1,604)	901
Facilities	368	(279)	89	360	(274)	86
Furniture and fixtures	933	(656)	277	942	(637)	305
Construction in progress	25	-	25	61	-	61
Others	130	(104)	26	122	(92)	30
	7,426	(4,399)	3,027	7,292	(4,214)	3,078
Lease – right of use:						
Buildings	6,761	(3,652)	3,109	6,449	(3,381)	3,068
	6,761	(3,652)	3,109	6,449	(3,381)	3,068
Total	14,187	(8,051)	6,136	13,741	(7,595)	6,146

14.4 Guarantees

At December 31, 2025 and 2024, the Company and its subsidiaries had collateralized property and equipment items for some legal claims, as disclosed in note 21.8.

14.5 Capitalized borrowing costs

The consolidated borrowing costs for the year ended December 31, 2025 were R\$2 (R\$1 for the year ended December 31, 2024). The rate used to determine the borrowing costs eligible for capitalization was 177.07% of the CDI (198.61 % of the CDI for the year ended December 31, 2024), corresponding to the effective interest rate on the Company's borrowings.

14.6 Additions to property and equipment for cash flow presentation purposes:

	Parent Company		Consolidated	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024
Additions (i)	526	789	528	789
Lease	(64)	(203)	(65)	(203)
Capitalized borrowing costs	(2)	(1)	(2)	(1)
Property and equipment financing - Additions (ii)	(390)	(509)	(390)	(509)
Property and equipment financing – Payments (ii)	460	531	460	532
Total	530	607	531	608

(i) Additions made by the Company refer to the purchase of operating assets, the acquisition of land and buildings for the expansion of activities, the construction of new stores, the modernization of existing distribution centers, renovations of various stores, and investments in equipment and information technology.

(ii) The additions and payments of property, plant and equipment mentioned above are presented in a manner that reflects only the acquisitions made during the year, in order to reconcile with the statement of cash flows and the total of additions shown in the schedule.

14.7 Other information

As of December 31, 2025, the Company recognized in cost of goods sold and services rendered the amount of R\$106 (R\$116 as of December 31, 2024), referring to the depreciation of trucks, machinery, buildings, and distribution center facilities.

15. Intangible assets

15.1 Accounting policy

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

Intangible assets consist mainly of software acquired from third parties, software developed for internal use, commercial rights (stores' rights of use), customer lists, advantageous lease agreements, advantageous furniture supply agreements and brands.

Store usage rights refer to identifiable intangible assets, acquired individually or allocated in business combinations, that give the Company the right to operate specific retail locations. Goodwill arises exclusively from business combinations and represents future economic benefits that are not individually identifiable. These assets are not amortized and are subject to impairment tests annually, or more frequently when there are indications of impairment, at the Cash Generating Unit (CGU) or operating segment level to which they are allocated, as described in note 14.

Intangible assets with a finite useful life are amortized using the straight-line method over their estimated economic useful lives. The amortization period and method are reviewed at least at the end of each financial year, with any changes treated prospectively as changes in accounting estimates. These assets are subject to impairment tests annually or whenever there are indications of impairment; see note 14 for details.

Software development costs recognized as assets are amortized from the date they become available for use, over their estimated useful life, which ranges from 5 to 10 years.

Intangible assets with indefinite useful lives are not amortized and are subject to impairment testing at least annually, or whenever there is an indication of impairment, individually or at the Cash Generating

Unit (CGU) level. The indefinite useful life classification is reviewed annually and, when applicable, adjusted prospectively to a definite useful life.

Gains or losses arising from the derecognition of intangible assets are determined by the difference between the net proceeds from disposal, when applicable, and the carrying amount of the asset, and are recognized in profit or loss for the period on the derecognition date.

15.2 Composition

	Parent Company						Balance at 12.31.2025
	Balance at 12.31.2024	Additions	Remeasurement	Amortization	Write-offs	Transfers	
Goodwill	482	-	-	-	-	-	482
Commercial rights	50	3	-	-	(8)	-	45
Software and implementation	859	77	-	(271)	(1)	86	750
	1,391	80	-	(271)	(9)	86	1,277
<u>Lease-right of use:</u>							
Right of use Paes Mendonça	286	-	15	(22)	-	-	279
	286	-	15	(22)	-	-	279
Total	1,677	80	15	(293)	(9)	86	1,556

	Parent Company							Balance at 12.31.2024
	Balance at 12.31.2023	Additions	Impairment	Remeasurement	Amortization	Write-offs	Transfers (*)	
Goodwill	519	-	-	-	-	-	(37)	482
Commercial rights	47	3	-	-	-	-	-	50
Software and implementation	1,020	75	(37)	-	(289)	(5)	95	859
	1,586	78	(37)	-	(289)	(5)	58	1,391
<u>Lease-right of use:</u>								
Right of use Paes Mendonça	310	-	-	(3)	(21)	-	-	286
	11	-	-	-	(3)	(8)	-	-
	321	-	-	(3)	(24)	(8)	-	286
Total	1,907	78	(37)	(3)	(313)	(13)	58	1,677

(*) In December 2024, due to the transaction related to the sale of gas stations (Note 1.3), an amount of R\$(37) was reclassified to assets held for sale, referring to the goodwill associated with the gas stations located in the state of São Paulo, and R\$95 was reclassified to property, plant and equipment.

	Parent Company					
	Balance at 12.31.2025			Balance at 12.31.2024		
	Cost	Accumulated amortization	Net	Cost	Accumulated amortization	Net
Goodwill	482	-	482	482	-	482
Commercial rights	45	-	45	50	-	50
Software and implementation	1,870	(1,120)	750	1,884	(1,025)	859
	2,397	(1,120)	1,277	2,416	(1,025)	1,391
<u>Lease-right of use:</u>						
Right of use Paes Mendonça (*)	527	(248)	279	512	(226)	286
Software	-	-	-	88	(88)	-
	527	(248)	279	600	(314)	286
Total	2,924	(1,368)	1,556	3,016	(1,339)	1,677

(*) Amounts linked to lease and operating agreements for certain stores. The Company has the contractual right to operate these stores until 2048.

	Consolidated						Balance at 12.31.2025
	Balance at 12.31.2024	Additions	Remeasurement	Amortization	Write-offs	Transfers	
Goodwill	504	-	-	-	-	-	504
Commercial rights	50	3	-	-	(8)	-	45
Software and implementation	904	97	-	(290)	(1)	85	795
	1,458	100	-	(290)	(9)	85	1,344
<u>Lease-right of use:</u>							
Right of use Paes Mendonça	286	-	15	(22)	-	-	279
	286	-	15	(22)	-	-	279
Total	1,744	100	15	(312)	(9)	85	1,623

	Consolidated							Balance at 12.31.2024
	Balance at 12.31.2023	Additions	Amortization	Impairment	Write-offs	Remeasurement	Transfers (*)	
Goodwill	541	-	-	-	-	-	(37)	504
Commercial rights	47	3	-	-	-	-	-	50
Software and implementation	1,064	92	(305)	(37)	(5)	-	95	904
	1,652	95	(305)	(37)	(5)	-	58	1,458
<u>Lease-right of use:</u>								
Right of use Paes Mendonça	310	-	(21)	-	-	(3)	-	286
	11	-	(3)	-	(8)	-	-	-
	321	-	(24)	-	(8)	(3)	-	286
Total	1,973	95	(329)	(37)	(13)	(3)	58	1,744

(*) In December 2024, due to the transaction related to the sale of gas stations (Note 1.6), an amount of R\$(37) was reclassified to assets held for sale, referring to the goodwill associated with the gas stations located in the state of São Paulo, and R\$95 was reclassified to property, plant and equipment.

	Consolidated					
	Balance at 12.31.2025			Balance at 12.31.2024		
	Cost	Accumulated amortization	Net	Cost	Accumulated amortization	Net
Goodwill	504	-	504	504	-	504
Commercial rights	45	-	45	50	-	50
Contractual rights	2	(2)	-	2	(2)	-
Software	1,980	(1,185)	795	1,975	(1,071)	904
	2,531	(1,187)	1,344	2,531	(1,073)	1,458
<u>Lease-right of use:</u>						
Right of use Paes Mendonça (*)	527	(248)	279	512	(226)	286
Software	-	-	-	88	(88)	-
	527	(248)	279	600	(314)	286
Total	3,058	(1,435)	1,623	3,131	(1,387)	1,744

(*) Amounts related to the right-of-use of certain stores. The Company has the contractual right to operate these stores until 2048.

15.3 Impairment test of intangible assets with indefinite useful lives, including goodwill

The impairment test of intangible assets with indefinite useful lives, including goodwill, is performed in accordance with the same assumptions described in Note 14.

For purposes of the impairment test, goodwill arising from business combinations is allocated to the Company's operating segment, which represents the smallest identifiable group of assets that generates cash inflows that are largely independent from those of other assets.

The recoverable amount of the segment is determined based on value in use, calculated using cash flow projections derived from financial budgets approved by Senior Management for a five-year period. The projections mainly consider:

- Revenues estimated based on historical sales and inflation expectations, without assuming expansion of operations;
- Gross profit and operating expenses, projected using historical margins and adjusted for expected operational efficiency gains and inflationary trends;
- Working capital, reflecting operational improvements in days of cost of goods sold;
- Capital expenditures (CAPEX) required for the maintenance of the CGUs, based on the 2026 investment plan and the historical average of long-term capital investments.

Projected cash flows are discounted to present value using a nominal discount rate of 11.47% (12.1% in 2024). Cash flows beyond the explicit five-year period are extrapolated using a long-term growth rate of 4.2% (5.7% as of December 31, 2024).

Based on the tests performed, no impairment loss was identified for these assets for the year ended December 31, 2025.

Sensitivity analysis

Based on the probable scenario, a sensitivity analysis was made for a 0.5% increase / decrease in the discount rate and growth rate. In any combination, the value of the segment's cash flow is higher than its book value. As a result of this analysis, there was no need to record a provision for impairment of these assets.

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15.4 Additions to intangible assets for cash flow presentation purposes:

	Parent Company		Consolidated	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024
Additions (i)	80	78	100	95
Total	80	78	100	95

(i) The additions made by the Company relate to the purchase of goodwill and investments in software and implementation.

16. Suppliers and Supplier Finance

16.1 Composition

	Parent Company		Consolidated	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024
Product suppliers	3,029	3,087	3,103	3,114
Service suppliers	200	199	207	206
Bonuses from suppliers (note 16.3)	(296)	(344)	(296)	(344)
	2,933	2,942	3,014	2,976
Supplier finance (note 16.2)	382	372	382	372

16.2 Agreement between suppliers, the Group and banks

The Company maintains agreements with financial institutions that allow its suppliers of products, capital goods, and services, at their sole discretion, to anticipate the receipt of amounts payable by the Company. Such transactions, commonly referred to as forfaiting, confirming, or reverse factoring, result in the replacement of the original creditor, with the financial institutions becoming the suppliers' creditors, without any change in the Company's responsibility, which remains obligated to settle the amounts under the same terms originally agreed with the suppliers.

Based on an analysis of the economic substance of these transactions, and in accordance with the criteria established in IAS 7 / CPC 03 (R2) and IFRS 7 / CPC 40 (R1), Management concluded that these operations have an operating nature, given that: (i) the decision to anticipate receivables is solely at the suppliers' discretion; (ii) there is no change to the payment terms negotiated by the Company; and (iii) there is no modification to the amounts contracted with the suppliers. These arrangements are intended to facilitate cash management by suppliers and do not represent early payment or financing obtained by the Company.

Management evaluated the potential effects of present value adjustments related to these liabilities and concluded that such effects are immaterial for measurement and disclosure purposes.

The balances arising from these transactions are classified as current liabilities under "Trade Payables – Agreements," and the corresponding cash flows are presented as operating activities in the statement of cash flows.

Liabilities arising from these arrangements are not considered net debt, nor are they subject to restrictive covenants (financial or non-financial).

As of December 31, 2025, the outstanding balance payable related to these transactions totaled R\$382 (R\$372 as of December 31, 2024). The average maturity of the balances recorded under Trade Payables and Trade Payables – Agreements was 74 days as of December 31, 2025.

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The Company is entitled to receive a premium for referring suppliers to participate in these receivables' anticipation arrangements, which is recognized directly in profit or loss. As of December 31, 2025, the amount recognized totaled R\$12 (R\$13 as of December 31, 2024).

16.3 Bonuses from suppliers

It includes bonuses and discounts obtained from suppliers. These amounts are established in agreements and include amounts for discounts on purchase volumes, joint marketing programs, freight reimbursements, and other similar programs. The collection of these receivables is by offsetting the amounts payable to suppliers, according to supply agreements conditions so that the settlement occurs by the net amount.

17. Borrowings and financing

17.1 Accounting policy

Borrowings, financing arrangements and debentures are initially recognized at fair value, net of transaction costs directly attributable to their issuance, in accordance with CPC 48 / IFRS 9 – Financial Instruments. After initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

Interest, financial charges, and monetary and foreign exchange variations, when applicable, are recognized in finance income (costs) over the contractual term. Transaction costs are allocated using the effective interest method.

Principal amortization follows the contractual schedule. Early repayments or prepayments, when applicable, result in the derecognition of the proportional carrying amount of the liability and the related unamortized transaction costs, with any resulting gain or loss recognized in profit or loss.

Liabilities are classified as current or non-current based on their maturities. Contractual modifications are assessed in accordance with CPC 48 / IFRS 9 and are accounted for as derecognition of the original liability and recognition of a new one when they are substantial, or as an adjustment to the amortized cost when they are not substantial.

Foreign-currency-denominated borrowings are subject to exchange rate fluctuations and, when applicable, have their risks mitigated through derivative financial instruments, which are recognized and measured in accordance with CPC 48 / IFRS 9, with their effects recorded in profit or loss or in equity depending on the hedge designation applied.

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17.2 Composition

	<u>Weighted average rate</u>	<u>Parent Company and Consolidated</u>	
		<u>12.31.2025</u>	<u>12.31.2024</u>
<u>Debentures and Real Estate Receivables Certificate</u>			
Debentures and Real Estate Receivables Certificate (note 17.5)	CDI + 1.67% per year	2,670	3,308
		2,670	3,308
<u>Borrowings and financing</u>			
<u>Local currency</u>			
Working capital	CDI +2.49% per year	425	225
Working capital	TR + 9.80%	2	4
		427	229
<u>Foreign currency</u>			
Working capital	EUR + 4.41% per year	1,005	508
Swap contracts (note 17.7)	CDI + 1.79 % per year	(36)	(23)
		969	485
Total		4,066	4,022
Non-current assets		36	23
Current liabilities		1,700	849
Non-current liabilities		2,402	3,196

17.3 Changes in borrowings

	<u>Parent Company and Consolidated</u>
At December 31, 2024	4,022
Additions	1,138
Accrued interest	547
Mark-to-market	1
Monetary and exchange rate changes	17
Borrowing cost	16
Interest amortization	(400)
Principal amortization	(1,275)
At December 31, 2025	4,066

	<u>Parent Company and Consolidated</u>
At December 31, 2023	5,273
Additions	1,829
Accrued interest	530
Derivatives financial instruments	(37)
Mark-to-market	2
Monetary and exchange rate changes	53
Borrowing cost	21
Interest amortization	(1,051)
Principal amortization	(2,598)
At December 31, 2024	4,022

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17.4 Maturity schedule of loans and financing including derivatives recognized in non-current assets and liabilities.

<u>Year</u>	<u>Parent Company and Consolidated</u>
From 1 to 2 years	597
From 2 to 3 years	1,597
From 4 to 5 years	179
Subtotal	2,373
Unamortized borrowing costs	(7)
Total	2,366

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17.5 Debentures and Real Estate Receivables Certificate

	Type	Issue Amount	Outstanding debentures (units)	Date		Annual financial charges	Unit price (in reais)	Parent Company and Consolidated	
				Issue	Maturity			12.31.2025	12.31.2024
18 th Issue of Debentures – CBD - 1 st series (**)	No preference	980	852,670	05/14/21	05/10/26	CDI + 1.70% per year	511	436	867
18 th Issue of Debentures – CBD - 2 nd series (*) (**)	No preference	520	520,000	05/14/21	05/10/28	CDI + 1.95% per year	1,022	532	529
19 th Issue of Debentures Real Estate Certificate – CBD - 1 st series	No preference	377	376,616	02/24/23	02/11/28	CDI + 1.00% per year	1,060	399	393
19 th Issue of Debentures Real Estate Certificate – CBD - 2 nd series	No preference	123	123,384	02/24/23	02/13/30	CDI + 1.20% per year	1,454	179	155
20 th Issue of Debentures – CBD - 1 st series (****)	No preference	378	377,913,287	12/05/24	07/29/25	CDI + 1.55% per year	-	-	381
20 th Issue of Debentures – CBD - 2 nd series	No preference	758	758,316,316	12/05/24	07/29/26	CDI + 1.65% per year	1	889	765
20 th Issue of Debentures – CBD - 3 rd series (***)	No preference	250	250,000	12/05/24	11/29/27	CDI + 2.50% per year	1,014	254	252
Borrowing cost								(19)	(34)
Total								2,670	3,308
Current liabilities								1,476	834
Non-current liabilities								1,194	2,474

(*) The due date of the 2nd series of the 18th issue will be in two installments, on 05/10/27 and 05/10/28.

(**) On September 11, 2024, the Company carried out an optional repurchase of debentures of the 1st series of the 18th issuance in the secondary market, following market prices and at an amount lower than their unit par value at issuance. The total amount disbursed was R\$101 for the acquisition of 100,000 debentures, corresponding to the updated total par value of R\$104 of the issuance, representing 6.8% of the outstanding debentures of this issuance. The repurchased debentures were fully cancelled. The gain on the transaction, in the amount of R\$3, is recorded in finance income (expense) (Note 28).

(***) The due date of the 3rd series of the 20th issuance will occur in two installments, on 11/29/2026 and 11/29/2027.

(****) On July 29, 2025, full payment was made for the 20th Issue of Debentures - 1st Series, in the amount of R\$414 million, thus ending all financial obligations linked to this series.

GPA uses the issue of debentures to strengthen its working capital, maintain its cash strategy, extension of its debt profile and make investments. The debentures issued are unsecured, without renegotiation clauses and not convertible into shares.

In 2021, the 18th issuance of simple debentures, non-convertible into shares, of the unsecured type, in up to 2 series, with maturity periods ranging from 5 to 7 years, in the amount of R\$1,500, for public distribution with restricted placement efforts, took place. The funds were used to strengthen working capital and/or extend the debt profile.

On January 24, 2023, CBD carried out the 19th issue of simple debentures, not convertible into shares, of the unsecured type, in two series, which were placed privately with Virgo Security Company, which in turn subscribed, paid in and issued two real estate credit notes to bind them as collateral for the securitization operation for the issuance of real estate receivables certificates of the 1st (first) and 2nd (second) series of the 80th (eightieth) issue. The resources raised through the debentures were allocated directly to reimbursement, by the Company, of expenses, costs and expenses arising from the payment of rent already incurred on certain properties, in the manner provided for in this Deed of Issuance.

Amortization of the 1st series of the 18th debenture issuance occurs through payments in two installments in 2025 and 2026, with semiannual interest payments. The 2025 installment has already been settled. The 2nd series of the 18th issuance will be amortized through two installments in 2027 and 2028, also with semiannual interest payments. Amortization of the 1st series of the 19th issuance will occur through a single payment at maturity, with semiannual interest payments, while amortization and interest of the 2nd series of the 19th issuance will also be paid exclusively at maturity. Amortization and interest of the 1st series of the 20th issuance were fully settled in 2025, while the 2nd series of the 20th issuance will be paid exclusively at maturity. Amortization of the 3rd series will occur in two installments in 2026 and 2027, with quarterly interest payments.

On August 7, 2023, the Company carried out an optional acquisition operation of debentures from the 1st series of the 18th issue on the secondary market, observing market prices and prices lower than their nominal unit value at the time of issue. The total disbursed was R\$21 for the acquisition of 27,330 debentures, equivalent to the updated total nominal value of R\$28 of the issue, representing 1.8% of the outstanding debentures of this issue. The debentures subject to this repurchase were canceled in December 2023. The gain on the transaction in the amount of R\$7 is recorded in the financial result.

On November 7, 2024, the Company's Board of Directors approved the 20th issuance of simple debentures, not convertible into shares, in 3 series, unsecured with a maturity date of up to 3 years, in the amount of R\$1,386 for public distribution. The resources raised through the Debentures were used to prepay the 1st (first) and 2nd (second) series of commercial promissory notes of the 5th (fifth) issue of the Company.

17.6 Guarantees

The Company does not provide relevant guarantees for its loan agreements.

17.7 Swap contracts

The Company uses swap transactions for 100% of its borrowings denominated in euro and fixed interest rates, exchanging these obligations for Real linked to CDI (floating) interest rates. These contracts include a total amount of debt with the objective of protecting interest and principal and are signed, generally, on the same due dates and in the same economic group. The weighted average annual rate on December 31, 2025, was 14.32% (10.88% as of December 31, 2024).

17.8 Financial covenants

In connection with the issuances of debentures and promissory notes, as well as certain foreign currency loans and working capital facilities, the Company is required to comply with certain financial

covenants. These covenants are calculated on a quarterly basis based on consolidated accounting information prepared in accordance with accounting practices adopted in Brazil.

In 2025, the Company proposed to its creditors the suspension of the net debt to equity ratio, as disclosed on September 2, 2025. The consent to such suspension was conditional upon a change in the definition of “Consolidated EBITDA” used in the net debt to EBITDA ratio. The amendment process was completed on January 26, 2026.

The Company calculated the following covenants: (i) net debt (debt less cash and cash equivalents and accounts receivable), not exceeding shareholders’ equity; and (ii) consolidated net debt/EBITDA ratio less than or equal to 3.25.

In addition, the consolidated net debt/“Consolidated EBITDA” ratio was calculated and must remain below a limit that decreases over time (from 3.75x to 3.25x). “Consolidated EBITDA” corresponds to income before financial result and taxes, adjusted for the following items: (1) tax installment plans and tax contingencies; (2) gains or losses on property, plant and equipment; (3) depreciation and amortization; (4) depreciation and amortization (Logistics); and (5) lease liability payments and interest.

As of December 31, 2025, the Company was in compliance with all applicable financial covenants.

18. Financial instruments

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

18.1 Composition

	<u>Parent Company</u>		<u>Consolidated</u>	
	<u>Carrying amount</u>		<u>Carrying amount</u>	
	<u>12.31.2025</u>	<u>12.31.2024</u>	<u>12.31.2025</u>	<u>12.31.2024</u>
Financial assets:				
<u>Amortized cost</u>				
Cash and cash equivalents	1,751	2,106	1,990	2,631
Related parties - assets	69	13	59	5
Other assets (financial investments)	24	15	24	15
Trade receivables and other receivables	1,053	1,117	1,140	1,165
<u>Fair value through profit or loss</u>				
Derivative financial instruments	36	23	36	23
<u>Fair value through other comprehensive income</u>				
Trade receivables credit card companies and sales vouchers	53	130	53	131
Financial liabilities:				
<u>Amortized cost</u>				
Related parties - liabilities	(225)	(52)	-	(6)
Trade payables	(2,933)	(2,942)	(3,014)	(2,976)
Supplier finance	(382)	(372)	(382)	(372)
Financing for purchase of assets	(80)	(156)	(80)	(156)
Debentures and promissory notes	(2,670)	(3,308)	(2,670)	(3,308)
Borrowings and financing	(427)	(229)	(427)	(229)
Lease	(4,369)	(4,327)	(4,370)	(4,328)
<u>Fair value through profit or loss</u>				
Borrowings and financing (<i>Hedge accounting underlying</i>)	(1,005)	(508)	(1,005)	(508)

The fair value of other financial instruments detailed in table above approximates the carrying amount based on the existing terms and conditions. The financial instruments measured at amortized cost, the related fair values of which differ from the carrying amounts, are disclosed in note 18.4.

18.2 Considerations about risk factors that may affect the Company's and its subsidiaries' business

(i) Credit risk

- **Cash and cash equivalents:** In order to minimize credit risk, the Company adopts investment policies in financial institutions approved by its Financial Committee, considering monetary limits and evaluations of the financial institutions, which are constantly updated.
- **Accounts receivable:** Credit risk related to accounts receivable is minimized because a large portion of sales is made through credit cards. Some of these receivables are sold to banks and credit card companies to provide working capital, which results in the derecognition of the receivables due to the transfer of credit risk, benefits, and control over such assets. Additionally, mainly for installment receivables, the Company monitors risk through credit granting and constant analysis of the allowance for doubtful accounts balances.
- There are no receivables from operations or customer sales that are individually bigger than 5% of accounts receivable or revenues.
- The Company also faces counterparty risk related to derivative instruments. This risk is mitigated by conducting transactions according to policies approved by governance bodies.
- Other receivables balances are considered uncollectible and, therefore, written off from accounts receivable when payment is not made within 360 days from the due date. At the end of each fiscal year, the Company assesses whether the assets or groups of financial assets have experienced impairment of their recoverable value.

(ii) Interest rate risk

The Company and its subsidiaries obtain loans and financing from major financial institutions to meet cash needs and enable their investments. As a result of these operations, the Company and its subsidiaries are primarily exposed to the risk of interest rate fluctuations, especially those related to debt indexed to the CDI (Interbank Deposit Certificate) and the passive portion of operations with derivative financial instruments used to hedge foreign exchange exposure. On the other hand, the cash and cash equivalents balance, mostly indexed to CDI, contributes to partially mitigating the risk of interest rate fluctuations.

(iii) Foreign currency exchange rate risk

The Company and its subsidiaries are exposed to exchange rate fluctuations, which may increase outstanding balances of foreign currency-denominated borrowings. The Company and its subsidiaries use derivatives, such as swaps aiming to mitigate the exchange exposure risk, converting the cost of debt into domestic currency and interest rates.

(iv) Capital risk management

The main objective of the Company's capital management is to ensure the maintenance of an adequate capital structure and a compatible credit rating, in order to support the continuity and development of its business, as well as to maximize shareholder value. To this end, the Company monitors and manages its capital structure, adjusting it, when necessary, in response to changes in economic, financial, and market conditions.

There were no changes to the objectives, policies, or processes during the year ended December 31, 2025. The capital structure in line with the financial covenants is presented as follows:

	Parent company		Consolidated	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024
Cash and cash equivalents	1,751	2,106	1,990	2,631
Trade receivables	199	368	285	408
Financial instruments – Fair value hedge	36	23	36	23

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Borrowings and financing	(4,102)	(4,045)	(4,102)	(4,045)
Net financial debt (Covenants)	(2,116)	(1,548)	(1,791)	(983)
Shareholders' equity	(2,106)	(2,926)	(2,124)	(2,935)
Net debt to equity ratio	100%	53%	84%	33%

(v) Liquidity risk management

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

The table below summarizes the Company's financial liabilities by maturity, not considering discounted cash flows as of December 31, 2025.

a) Parent company

	Up to 1 Year	1 – 5 years	More than 5 years	Total
Borrowings and financing	2,113	2,896	-	5,009
Lease liabilities	1,004	3,366	3,322	7,692
Trade payables	2,933	-	-	2,933
Supplier finance	382	-	-	382
Total	6,432	6,262	3,322	16,016

b) Consolidated

	Up to 1 Year	1 – 5 years	More than 5 years	Total
Borrowings and financing	2,113	2,896	-	5,009
Lease liabilities	1,005	3,366	3,322	7,693
Trade payables	3,014	-	-	3,014
Supplier finance	382	-	-	382
Total	6,514	6,262	3,322	16,098

The information above was prepared considering the undiscounted cash flows of financial liabilities based on the nearest date on which the Company may be required to make a payment or have the right to receive it. Since interest flows are floating, the undiscounted value is obtained based on the interest rate curves for the year ended December 31, 2025. Therefore, some balances presented do not match the balances presented in the balance sheets.

(vi) Derivative financial instruments

Certain swap transactions are designated as fair value hedges, with the purpose of mitigating exposure to foreign currency risk (Euro) and fixed interest rates, by converting the related borrowings into local currency and local interest rates. As of December 31, 2025, the notional amount of these contracts totaled R\$959 (R\$478 as of December 31, 2024). These transactions are typically entered into under conditions that are equivalent in value, maturity, and indexation to the hedged borrowings, and are executed with financial institutions belonging to the same economic group, in compliance with the limits and guidelines established by Management.

In accordance with the Company's treasury policies, the use of derivative financial instruments for purposes other than hedging is prohibited, and transactions involving caps, margins, knock-out or cancellation clauses, dual indexation, flexible options, or any other instruments differing from traditional

swaps or forward contracts used for debt hedging are not permitted.

The Company assesses hedge effectiveness at the time of designation and on an ongoing basis throughout the life of the hedge instruments. The hedge transactions contracted for the years ended December 31, 2025 and 2024 demonstrated effectiveness consistent with the hedged borrowings. For derivatives that qualify for hedge accounting under CPC 48 / IFRS 9, the hedged financial liability is adjusted to its fair value, with the corresponding effects recognized in profit or loss.

		Consolidated			
		Notional value		Fair value	
		12.31.2025	12.31.2024	12.31.2025	12.31.2024
<u>Swap with hedge accounting</u>					
Hedge object (debt)		959	478	1,007	512
<u>Long position (buy)</u>					
Prefixed rate	TR + 9.80% per year	21	22	2	4
EUR + fixed	EUR + 4.41% per year	938	456	1,005	508
		959	478	1,007	512
<u>Short position (sell)</u>					
Prefixed rate	CDI + 1.79% per year	(959)	(478)	(971)	(489)
Hedge position – Asset		-	-	36	23
Hedge position – liability		-	-	-	-
Net hedge position		-	-	36	23

Gains and losses on these contracts during the period ended December 31, 2025, are recorded as financial expenses, net and the balance receivable at fair value is R\$36 (Receivable of R\$23 as of December 31, 2024), the asset is recorded in line item “*financial instrument*” and the liability in “Borrowings and financing”.

(vii) Fair values of derivative financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing, and independent parties in an arm’s length transaction at the measurement date.

Fair values are calculated by projecting the future cash flows of transactions, using the curves of CDI and discounting them to present value, using CDI market rates for swaps both disclosed by B3.

The fair values of the foreign-currency coupon versus CDI swaps are determined based on the exchange rates in effect on the reporting date and on the future market-projected rates, which are calculated using the coupon curves of the respective currencies.

In order to calculate the coupon of foreign currency indexed-positions, the straight-line convention - 360 consecutive days was adopted and to calculate the coupon of CDI indexed-positions, the exponential convention - 252 business days was adopted.

(viii) Other liquidity risks

Due to the corporate restructuring operations involving Sendas and GCB, as well as the lease agreement for commercial establishments contracted with the Paes Mendonça Group in 1999, it is possible that third parties may sue the Company regarding contingencies of those companies based on allegations of joint liability or succession. The Company monitors issues related to this matter in conjunction with external legal advisors; the contingencies under discussion are mentioned in note 21.

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18.3 Sensitivity analysis of financial instruments

According to the Management's assessment, the most probable scenario is what the market has been estimating through market curves (currency and interest rates) of B3.

Therefore, in the probable scenario (I), there is no impact on the fair value of financial instruments. For scenarios (II) and (III), for the sensitivity analysis effect, Management considers an increase of 10% and a decrease of 10%, respectively, on risk variables, up to one year of the financial instruments.

For the probable scenario, the weighted interest rate was 14.18% per year.

In the case of derivative financial instruments, changes in the scenarios are monitored together with their respective hedged items, indicating that the effects are not significant.

The Company disclosed the net exposure of the derivative's financial instruments, corresponding to financial instruments and certain financial instruments in the sensitivity analysis table below, to each of the scenarios mentioned.

Other financial instruments

Transactions	Risk (CDI variation)	Balance at 12.31.2025	Projection of Sensitivity		
			Scenario I	Scenario II	Scenario III
Fair value hedge (fixed rate)	CDI - 0.13% per year	(2)	(1)	(1)	(1)
Fair value hedge (exchange rate)	CDI + 1.79% per year	(967)	(146)	(158)	(133)
Debentures and RE certificates	CDI + 1.67% per year	(2,688)	(413)	(449)	(377)
Bank loans	CDI + 2.49% per year	(425)	(69)	(74)	(63)
Cash and cash equivalents (*)	98.77% of CDI	1,837	249	273	224
Short-term investments (net) (*)	98.77% of CDI	24	3	3	3
Net exposure and its effects on the outcome:		<u>(2,221)</u>	<u>(377)</u>	<u>(406)</u>	<u>(347)</u>

(*) Weighted average

18.4 Fair value measurements

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 differ from the carrying amount, in accordance with CPC 46 ("IFRS13"), which refer to the requirements of measurement and disclosure.

Fair value measurement is classified within a hierarchy that reflects the nature of the inputs used, as described below:

Level 1: Measurement of fair value at the balance sheet date based on quoted (unadjusted) prices in active markets for assets or liabilities that the entity may have access to at the measurement date.

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

Level 3: Measurement of fair value at the balance sheet date using unobservable inputs for the asset or liability.

The data for these models are obtained, whenever possible, from observable markets or from information, on comparable operations and transactions in the market. The judgments include analysis of the data, such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors may affect the reported fair value of financial instruments.

The fair values of Cash and Cash Equivalents, Trade Accounts Receivable, and Trade Accounts Payable are considered to be equivalent to their respective carrying amounts due to the short-term maturities of these instruments.

The table below presents the fair value hierarchy of financial assets and liabilities measured at fair value and of financial instruments measured at amortized cost, the fair value of which is disclosed in the financial statements:

	Book value and Fair value	Level
	12.31.2025	
Financial assets and liabilities		
Trade receivables with credit card companies and sales vouchers	53	2
Swaps of annual rate between currencies	36	2
Borrowings and financing (FVPL) (*)	(1,005)	2
Borrowings and financing and debentures (amortized cost)	(3,097)	2
Total	(4,013)	

(*) The assumptions used in the fair value calculation are described in explanatory note 18.4.

The interest rate swaps, foreign currency, loans and financing swaps, and financial investments are classified at level 2, as readily observable market inputs are used, such as interest rate forecasts, spot and future exchange rate quotations.

There were no changes between the fair value measurements levels in the period ended December 31, 2025.

18.5 Consolidated position of derivative transactions

The consolidated position of outstanding derivative financial instruments is disclosed in the table below:

Risk	Reference value	Due date	Consolidated		
			12.31.2025	12.31.2024	
Debt					
EUR – BRL	EUR 75 million	R\$ 456 million	2026	-	23
EUR – BRL	EUR 75 million	R\$ 469 million	2028	9	-
EUR – BRL	EUR 75 million	R\$ 469 million	2028	27	-
Total				36	23

The fair value hedge effects recognized in profit or loss for the year ended December 31, 2025 resulted in a loss of R\$71 (a gain of R\$30 for the year ended December 31, 2024).

19. Taxes and contributions payables and taxes installments

19.1 Accounting policy

Revenue from sales of goods and services is subject to the Tax on Circulation of Goods and Services (ICMS) and the Service Tax (ISS), calculated based on the applicable rates in each jurisdiction, as well as the Social Integration Program (PIS) and the Contribution for the Financing of Social Security (COFINS). These taxes do not represent revenue of the Company and, therefore, are presented net of gross revenue, in accordance with CPC 47 – Revenue from Contracts with Customers.

Installments of taxes and contributions refer to tax liabilities included in formal installment programs or tax settlement arrangements and are recognized as liabilities and subsequently measured at amortized

cost, including interest, penalties and monetary adjustments, in accordance with the applicable legal and contractual terms. The related financial charges are recognized in finance income (costs).

Tax liabilities are classified as current or non-current according to their maturities, in accordance with CPC 26 / IAS 1 – Presentation of Financial Statements. Taxes under administrative or judicial challenge are accounted for in accordance with CPC 25 – Provisions, Contingent Liabilities and Contingent Assets, with provisions recognized when the loss is considered probable and measurable.

19.2 Composition

	Parent Company		Consolidated	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024
Taxes payable in installments – PERT and transaction by adhesion (i)	99	103	99	103
IPI (ii)	18	48	18	48
ICMS	214	220	216	223
Paulista Agreement - Law No. 17,843/2023 (iii)	631	624	631	624
Others	11	10	14	12
	973	1,005	978	1,010
Current	350	380	355	385
Non-current	623	625	623	625

(i) The Company decided to include federal tax liabilities in the Special Tax Regularization Program – PERT, according to the conditions described in Law No. 13,496, of October 24, 2017. In addition to payment in installments, PERT grants reductions in the amounts of fines and interest. The Company included liabilities related to (i) assessments on transactions of purchase, industrialization, and export sale of soybeans and derivatives (PIS/COFINS), (ii) non-homologation of compensations (IRPJ, PIS/COFINS); in addition to liabilities previously classified as having a possible risk of loss mainly related to CPMF. PERT has been settled in monthly installments over 12 years. The Company is current with the obligations assumed under this installment agreement. In the second quarter of 2025, the Company included debts related to social security contributions on bonuses performance according to the conditions described in the Notice of Transaction for Adhesion in the Tax Litigation of Relevant and Widespread Legal Controversy No. 27/2025, of the Attorney General's Office of the National Treasury, which follow: 65% reduction on the total amount of the debt, use of tax loss/negative calculation basis of up to 30% on the remaining balance after the discount, payment of a 30% down payment, and settlement of the remaining amount in 12 installments.

(ii) The Company decided to include IPI liabilities in the Self-Regularization Program (established by Law No. 14,740, of November 29, 2023, and regulated by RFB Normative Instruction No. 2,168, of December 28, 2023), which granted benefits such as reductions in fines and interest, the possibility of payment using tax losses and negative CSLL base, as well as installment payments of up to 48 times. The gains from these reductions will not be subject to IRPJ/CSLL/PIS/COFINS taxation, as provided in the legislation.

(iii) The Company joined the ICMS debt settlement program of the State of São Paulo (“Agreement”), as per the Public Notice PGE/Transação No. 01/2024, established in Article 43 of Law No. 17,843/2023. The Agreement aims for voluntary regularization by taxpayers, reducing judicial disputes, with the granting of benefits for the payment of debts in the State of São Paulo's active debt. The main benefits of the Agreement are: (i) a 100% discount on incurred interest; (ii) a 50% discount on the sum of principal and fines, limited to the amount of the principal; and (iii) payment of debts in 120 monthly installments adjusted by the SELIC rate. After individually analyzing the judicial processes and weighing the risks and benefits, the Company decided to join the Agreement, amounting to R\$3.6 billion, which substantially represents the total eligible liabilities in this context, resulting in a reduction of approximately 80% of this amount, with a resulting liability of approximately R\$791 at the time of the adhesion. The Company in 2024 recognized an expense of R\$258, with R\$66 recognized in other

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operating expenses and R\$192 related to the discontinued operation of the hypermarkets.

19.3 Maturity schedule of taxes payable in installments in non-current liabilities:

	<u>Consolidated</u>
From 1 to 2 years	65
From 2 to 3 years	71
From 3 to 4 years	73
From 4 to 5 years	70
Above 5 years	344
	<u>623</u>

20. Income tax and social contribution

20.1 Accounting policy

Detailed Current income tax and social contribution

Current income tax and social contribution, whether assets or liabilities, are measured at the expected amounts to be recovered from or paid to the tax authorities, based on the applicable tax rates and legislation enacted or substantively enacted at the end of each reporting period.

Income taxes comprise Corporate Income Tax (IRPJ) and Social Contribution on Net Profit (CSLL), both calculated under the taxable income regime. IRPJ is calculated at a 15% rate, plus a 10% surcharge on annual taxable income exceeding R\$240, while CSLL is calculated at a 9% rate, resulting in a combined statutory tax rate of 34%.

Following an unfavorable decision by the Federal Supreme Court (STF) in February 2023 regarding the limits of res judicata, with effects applied from September 2007 onward, the Company resumed paying CSLL at the 9% rate, applicable together with IRPJ.

Deferred income tax and social contribution

Deferred income tax and social contribution are recognized on temporary differences between the tax bases of assets and liabilities and their carrying amounts, as well as on unused tax losses, to the extent that it is probable that future taxable profits will be available against which these temporary differences can be utilized.

Deferred tax assets are not recognized when arising from the initial recognition of assets or liabilities in transactions that do not constitute a business combination and that, at the time of the transaction, do not affect accounting profit nor taxable profit. Deductible temporary differences related to investments in subsidiaries and associates are recognized only when it is probable that they will reverse in the foreseeable future.

Deferred tax assets are reviewed at each reporting date and reduced when it is no longer probable that sufficient taxable profits will be available for their realization; they are reinstated when the expectation of future taxable profits becomes probable based on consistent evidence.

Deferred income tax and social contribution credits have no expiration date; however, their utilization, as defined by law, is limited to 30% of taxable profit for each fiscal year for Brazilian legal entities, and relate to subsidiaries that have tax-planning opportunities to realize such amounts.

Deferred taxes related to items recognized directly in equity are also recorded directly in equity. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset and when they relate to the same entity and the same tax authority.

The measurement and recognition of deferred taxes involve significant Management judgment, based on projections of future results and approved tax-planning strategies. Differences between estimates

and actual results, as well as changes in tax legislation or interpretation, may result in future adjustments to tax expenses, for which the Company records provisions when applicable.

20.2 Composition

	Parent Company		Consolidated	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024
Uncertain income tax and social contribution – (ICPC22)	48	227	53	231
Self-regularization program	46	127	46	127
Total	94	354	99	358
Current	18	68	23	72
Non-current	76	286	76	286

20.3 Uncertainty about the treatment of income tax and social contribution

In accordance with IFRIC 23/ICPC 22 – Uncertainty over Income Tax Treatment, the Company has administrative and judicial discussions with federal regulatory bodies, related to uncertain treatments adopted in the calculation of income tax and social contribution on net profit. Based on internal assessment and advice from legal advisors, the tax treatment adopted by the Company is deemed appropriate, and for this reason, these issues are classified as having a higher chance of success than failure (more likely than not).

The Company has several tax assessments related to compensation proceedings, discrepancies in tax payments and overpayments; penalties for non-compliance with ancillary obligations; challenges of tax assessments; investment subsidies; foreign profits; the timing of taxation of tax credits, among other matters of lesser significance, all of which have been assessed by legal counsel as having a possible risk of loss and, therefore, have not been recognized as provisions. In the fourth quarter of 2025, the Company received two new tax assessments mainly related to investment subsidies and foreign profits—matters that had already been assessed previously—and the timing of taxation of tax credits. The amount involved totals R\$2,403 as of December 31, 2025 (R\$1,347 as of December 31, 2024).

The Company has legal and administrative proceedings related to the collection of differences in the payment of IRPJ and CSLL, allegedly owed for the years 2007 to 2013, claiming there was an improper deduction of goodwill amortization. If the Company is required to pay these differences, according to management's evaluation and their legal advisors, the Company has the right to be indemnified by Peninsula Participações S.A. and Casino Guichard Perrachon S.A. The amount involved is R\$1,923 as of December 31, 2025 (R\$2,552 as of December 31, 2024). The reduction in contingencies is substantially due to the adhesion in April 2025 to the program established by Law No. 14,689/2023, for one of its lawsuits.

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20.4 Income tax and social contribution effective rate reconciliation

	Parent Company		Consolidated	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024
Loss before income tax and social contribution (continued operations)	(1,477)	(1,705)	(1,433)	(1,677)
Credit of IR and CSLL	502	580	487	570
Tax penalties non-deductible	(7)	(15)	(7)	(15)
Equity	39	34	20	22
SELIC interest arising from tax debts	14	-	14	-
Indemnity (goodwill)	37	-	37	-
Government Grant for Investments	28	-	28	-
Deferred IRPJ and CSLL not recognized on tax loss and Negative basis (*)	44	(543)	44	(543)
Investment impairment - Bellamar	179	-	179	-
Other permanent differences (non-deductible)	(8)	(20)	(11)	(22)
Effective income tax and social contribution expense	828	36	791	12
Income tax and social contribution expense for the period:				
Current	24	(70)	(7)	(93)
Deferred	804	106	798	105
Credit income tax and social contribution expense	828	36	791	12
Effective rate	56.06%	2.11%	55.20%	0.72%

(*) On December 31, 2025, the Company's Management updated its assessment of the viability of realizing the deferred tax asset in the future, considering its likely capacity to generate taxable profits within the context of its main business variables, as well as the possibility of using these credits as a payment instrument in the settlement of federal tax liabilities, as provided for in current legislation and previous transactions carried out by the Company. Based on this assessment, the Company recognized tax credits related to tax losses and negative social contribution base in the amount of R\$418.

20.5 Breakdown of deferred income tax and social contribution

	Parent Company					
	12.31.2025			12.31.2024		
	Asset	Liability	Net	Asset	Liability	Net
Tax losses and negative basis of social contribution (*)	1,149	-	1,149	715	-	715
Provision for legal proceedings	707	-	707	745	-	745
Goodwill tax amortization	-	(188)	(188)	-	(371)	(371)
Mark-to-market adjustment	-	(6)	(6)	-	(11)	(11)
Fixed, intangible and investment properties	-	(84)	(84)	-	(40)	(40)
Unrealized gains with tax credits	-	(284)	(284)	-	(325)	(325)
Leasing (right of use)	1,467	(1,123)	344	1,454	(1,113)	341
Other	33	-	33	103	-	103
Deferred income tax and social contribution assets (liabilities)	3,356	(1,685)	1,671	3,017	(1,860)	1,157
Compensation	(1,685)	1,685	-	(1,860)	1,860	-
Deferred income tax and social contribution assets (liabilities), net	1,671	-	1,671	1,157	-	1,157

(*) The amount of R\$1,149 is composed of R\$2,399 of tax loss and negative gross social contribution base and an amount of R\$(1,250) referring to the recognition of provision for recoverable value (impairment), considering the probable capacity to generate taxable profits.

	Consolidated					
	12.31.2025			12.31.2024		
	Asset	Liability	Net	Asset	Liability	Net
Tax losses and negative basis of social contribution (*)	1,172	-	1,172	745	-	745
Provision for legal proceedings	709	-	709	747	-	747
Goodwill tax amortization	-	(188)	(188)	-	(371)	(371)
Mark-to-market adjustment	-	(6)	(6)	-	(11)	(11)
Fixed intangible and investment properties	-	(84)	(84)	-	(40)	(40)
Unrealized gains with tax credits	-	(289)	(289)	-	(330)	(330)
Leasing (right of use)	1,467	(1,123)	344	1,454	(1,113)	341
Others	33	-	33	103	-	103
Deferred income tax and social contribution assets (liabilities), gross	3,381	(1,690)	1,691	3,049	(1,865)	1,184
Compensation	(1,690)	1,690	-	(1,865)	1,865	-
Deferred income tax and social contribution assets (liabilities), net	1,691	-	1,691	1,184	-	1,184

(*) The amount of R\$1,172 is composed of R\$2,422 tax loss and negative gross social contribution base and an amount of R\$(1,250) referring to the recognition of provision for recoverable value (impairment), considering the probable capacity to generate taxable profits.

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The Company estimates to recover these deferred tax assets as follows:

	<u>Parent Company</u>	<u>Consolidated</u>
Up to one year	571	571
From 1 to 2 years	16	16
From 2 to 3 years	90	90
From 3 to 4 years	106	106
From 4 to 5 years	117	117
Above 5 years	771	791
	<u>1,671</u>	<u>1,691</u>

(*) The Company expects to recover these credits based on its expected ability to generate future taxable profits and on the possibility of using them to settle federal tax liabilities, as provided for under current legislation and based on the Company's previous experience with offsetting transactions already carried out.

20.6 Movement in deferred income tax and social contribution

	<u>Parent Company</u>		<u>Consolidated</u>	
	<u>12.31.2025</u>	<u>12.31.2024</u>	<u>12.31.2025</u>	<u>12.31.2024</u>
Opening balance	1,157	1,051	1,184	1,078
Credit (expense) for the period - Continued operations	804	106	797	105
Payment of contingent liabilities with tax losses and negative basis of social contribution	(291)	-	(291)	-
Others	1	-	1	1
At the end of the period	1,671	1,157	1,691	1,184

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21. Provision for Legal Proceedings

21.1 Accounting policy

Provisions are recognized when the Company and its subsidiaries have a present obligation, whether legal or constructive, resulting from a past event, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made.

Expenses related to provisions are recorded in profit or loss for the year in which they are recognized, net of any reimbursements, when applicable.

In the case of success fees, the Company and its subsidiaries adopt the policy of recognizing a provision when such fees are incurred, that is, upon the final judgment of the respective cases. For cases that have not yet been concluded, the amounts involved are disclosed in the notes to the financial statements.

The assessment of the likelihood of loss considers, among other factors, the available evidence, the hierarchy of applicable laws, existing jurisprudence, the most recent court decisions and their legal relevance, the history of occurrence and amounts involved, as well as the evaluation of internal and external legal counsel.

The provision for legal claims is estimated by the Company's management, supported by its internal and external legal advisors, and is recorded in an amount considered sufficient to cover losses classified as probable.

21.2 Composition

a) Parent Company

	Tax	Social security and labor	Civil and Regulatory	Total
Balance at December 31, 2024	929	842	267	2,038
Additions	124	501	67	692
Payments	(109)	(517)	(46)	(672)
Reversals	(89)	(96)	(11)	(196)
Transfers	(24)	-	-	(24)
Monetary adjustment	70	102	47	219
Balance at December 31, 2025	901	832	324	2,057

	Tax	Social security and labor	Civil and Regulatory	Total
Balance at December 31, 2023	1,108	802	238	2,148
Additions	490	539	159	1,188
Payments	-	(454)	(77)	(531)
Reversals	(137)	(133)	(94)	(364)
Transfers (*)	(566)	-	-	(566)
Monetary adjustment	34	88	41	163
Balance at December 31, 2024	929	842	267	2,038

(*) Refers to enrollment in the installment plan, under the program regulated by the São Paulo State Prosecutor's Office, through Article 43 of Law No. 17,843/2023, transferred to taxes in installments, according to explanatory note 19.2.

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b) Consolidated

	Tax	Social security and labor	Civil and Regulatory	Total
Balance at December 31, 2024	929	845	268	2,042
Additions	124	501	67	692
Payments	(109)	(517)	(46)	(672)
Reversals	(89)	(96)	(11)	(196)
Transfers	(24)	-	-	(24)
Monetary adjustment	70	103	47	220
Balance at December 31, 2025	901	836	325	2,062

	Tax	Social security and labor	Civil and Regulatory	Total
Balance at December 31, 2023	1,108	804	239	2,151
Additions	490	539	159	1,188
Payments	-	(454)	(77)	(531)
Reversals	(137)	(133)	(94)	(364)
Transfers (*)	(566)	-	-	(566)
Monetary adjustment	34	89	41	164
Balance at December 31, 2024	929	845	268	2,042

(*) Refers to enrollment in the installment plan, under the program regulated by the São Paulo State Prosecutor's Office, through Article 43 of Law No. 17,843/2023, transferred to taxes in installments, according to explanatory note 19.2.

21.3 Tax claims

As per prevailing legislation, tax claims are subject to monetary indexation, which refers to an adjustment to the provision for tax risks according to the indexation rates used by each tax jurisdiction. In all cases, both the interest charges and fines, when applicable, were computed and fully provisioned with respect to unpaid amounts.

Tax matters

The Company claims in court the eligibility not to pay the contributions provided by Supplementary Law 110/2001, referring to the FGTS (Government Severance Indemnity Fund for Employees) costs. The accrued amount as of December 31, 2025, is R\$39 (R\$37 on December 31, 2024).

Other tax claims remained, which, according to the analysis of its legal advisors, were provisioned by the Company. These refer to: (i) challenge on the non-application of the Accident Prevention Factor - FAP; (ii) undue credit; (iii) no social charges on benefits granted to its employees; (iv) IPI requirement on resale of imported products; (v) discussions related to IPTU and; (vi) other issues. The amount accrued for these matters as of December 31, 2025 is R\$862 (R\$871 as of December 31, 2024).

Indemnification agreement with Sendas Distribuidora S.A.

The Company is responsible for the legal proceedings of Sendas Distribuidora S.A. ("Sendas") that originated prior to the Assaí spin-off. As of December 31, 2025, the total amount involved is R\$31, comprising R\$4 related to tax matters, R\$8 to labor claims, and R\$19 to civil claims (R\$26 as of December 31, 2024, of which R\$4 related to tax matters, R\$7 to labor claims, and R\$15 to civil claims).

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21.4 Social security and labor

The Company and its subsidiaries are parties to various labor claims, which arise mainly from employment terminations carried out in the normal course of business. As of December 31, 2025, the provision for labor claims amounted to R\$836 (R\$845 as of December 31, 2024).

Management, with the support of its internal and external legal counsel, periodically evaluates these claims and recognizes provisions for losses when they are considered probable and can be reliably estimated.

For newly filed claims that do not yet have sufficient information for a specific individual assessment, the initial provision is estimated based on historical parameters. In such cases, provisions are measured using the Company's historical experience with claims of similar nature and characteristics, considering, among other factors, the historical average disbursement by job position and the historical probability of success in such claims.

As these claims progress and more detailed information and developments in the legal discussions become available, their amounts are reassessed periodically by internal and external legal counsel to more accurately reflect the best estimate of the probable loss associated with each case. This assessment also applies to the portfolio of class action lawsuits.

21.5 Civil, regulatory and others

The Company and its subsidiaries are parties to civil lawsuits, including, among others, indemnification and collection claims, which are at different procedural stages and are being heard in various judicial courts. Management, with the support of its internal and external legal advisors, recognizes provisions in amounts considered sufficient to cover potential unfavorable judicial outcomes, when losses are assessed as probable and can be reliably estimated.

Among these lawsuits, we point out the following:

- The Company and its subsidiaries are defendants in various civil lawsuits, including claims filed by consumers, suppliers, and service providers, as well as real estate-related proceedings connected to lease agreements, such as rent review and renewal actions, in which matters related to contractual terms and rental amounts are under discussion. As of December 31, 2025, the provision recognized for these claims amounted to R\$32 (R\$28 as of December 31, 2024), and there were no judicial deposits related to these proceedings.

The Company understands that any differences between the rental amounts originally paid and those that may be determined judicially in an unfavorable outcome to the Company qualify as additional lease payments. Accordingly, such amounts meet the recognition criteria set forth in the lease accounting standard (IFRS 16 / CPC 06 (R2)) and, when applicable, are incorporated into the Company's lease liability

- The Company and its subsidiaries to answer legal claims related to penalties applied by regulatory agencies, from the federal, state and municipal administrations, among which includes Public Ministry. National Health Surveillance Agency (Anvisa). Consumer Protection Agencies (Procon). National Institute of Metrology. Standardization and Industrial Quality (INMETRO). Municipalities and others and some lawsuits involving contract terminations with suppliers. Company supported by its legal counsel, assessed these claims, and recorded a provision according to probable cash expending and estimative of loss. On December 31, 2025 the amount of this provision is R\$144 (R\$114 on December 31, 2024).
- In relation to the provisioned amounts remaining for other civil jurisdiction matters on December 31, 2025, it is R\$149 (R\$126 on December 31, 2024).

Total civil lawsuits and others as of December 31, 2025 amount to R\$325 (R\$268 as of December 31, 2024).

21.6 Contingent liabilities not accrued

The Company has other litigations which have been analyzed by legal counsel and considered as possible loss and, therefore, have not been accrued. The possible litigations updated balance without indemnity from shareholders is R\$13,447 as December 31, 2025 (R\$10,809 in December 31, 2024), and are mainly related to:

- INSS (Social Security Contribution) – GPA was assessed for non-levy of payroll charges on benefits granted to its employees, among other matters, for which possible loss amounts to R\$311, as December 31, 2025 (R\$289 as of December 31, 2024). The lawsuits are under administrative and court discussions. The Company has been following the development of this issue, and together with its legal advisors, concluded that the elements so far do not require a provision to be registered.
- IRRF (withholding income tax), II (import tax) and IOF (tax on financial transactions) – GPA has several assessment notices regarding offsetting proceedings, rules on the deductibility of provisions, payment divergences and overpayments, fine for failure to comply with accessory obligations, among other less significant taxes. The amount involved is R\$166 as of December 31, 2025 (R\$184 as of December 31, 2024).
- COFINS. PIS and IPI - The Company has been questioned about compensations not approved; fine for noncompliance with accessory obligation, disallowance of COFINS and PIS credits. IPI requirement on resale of imported products, among other matters. These proceedings are awaiting judgment at the administrative and judicial levels. The amount involved in these assessments is R\$7,238 as of December 31, 2025 (R\$6,692 as of December 31, 2024).
- ICMS – GPA received tax assessment notices by the State tax authorities regarding: (i) utilization of electric energy credits; (ii) purchases from suppliers considered not qualified in the State Finance Department registry; (iii) levied on its own operation of merchandise purchase (own ICMS) – article 271 of ICMS by-law; (iv) resulting from sale of extended warranty, and (v) among other matters. The total amount of these assessments is R\$3,185 as of December 31, 2025 (R\$3,165 as of December 31, 2024), which awaits a final decision at the administrative and court levels.
- Municipal service tax - ISS. Municipal Real Estate Tax (“IPTU”), rates, and others – These refer to assessments on withholdings of third parties, IPTU payment divergences, fines for failure to comply with accessory obligation, ISS and sundry taxes, in the amount of R\$158 as December 31, 2025 (R\$142 as of December 31, 2024), which await decision at the administrative and court levels.
- Labor Class Actions – the Company began assessing the risk on an individual basis for each action, and the amounts remain uncertain given the current stage of the proceedings, totaling R\$200 as of December 31, 2025.
- The Company is responsible for the legal processes of GLOBEX prior to the association with Grupo Casas Bahia. As of December 31, 2025, the amount involved in tax proceedings is R\$215 (R\$209 as of December 31, 2024)
- The Company is also responsible for the legal proceedings of Sendas Distribuidora that originated prior to Assaí’s operations. As of December 31, 2025, the amount involved totals R\$1,462, of which R\$1,356 relates to tax matters and R\$107 other matters (R\$1,363 as of December 31, 2024, of which R\$1,362 relates to tax matters and R\$1 to civil and other matters)
- Other legal claims – Beginning December 31, 2025, the Company started assessing the risks on an individual basis for each proceeding, which relate to: (i) real estate lawsuits involving the renewal of lease agreements and the adjustment of rental amounts to market levels, as well as the payment of amounts related to lease and sublease contracts; (ii) civil and small claims court proceedings involving service providers, consumers, suppliers, the Public Prosecutor’s Office, and other third parties; and (iii) administrative proceedings initiated by regulatory and supervisory bodies, such as consumer protection authorities (PROCONs), the National Institute of Metrology, Standardization and Industrial Quality (INMETRO), the National Health Surveillance Agency (ANVISA), among others, totaling R\$512 as of December 31, 2025 (R\$337 as of December 31, 2024).

The Company's practice is to hire external lawyers to defend tax assessments, whose remuneration is linked to a percentage to be applied to the value of the successful outcome of these proceedings. These percentages may vary according to the qualitative and quantitative factors of each process, and on December 31, 2025 the estimated value, if all processes were completed successfully, is approximately R\$199 (R\$188 on December 31 2024).

21.7 Restricted deposits for legal proceedings

The Company is challenging the payment of certain taxes, contributions and labor-related obligations and has made judicial deposits in the corresponding amounts, as well as escrow deposits related to the provision for legal proceedings.

	Parent Company		Consolidated	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024
Tax	131	141	131	141
Labor	63	162	65	165
Civil and other	26	26	27	26
Total	220	329	223	332

21.8 Guarantees

Lawsuits	Property		Letter of Guarantee/Guarantee insurance		Total	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024	12.31.2025	12.31.2024
Tax	7	7	11,652	11,868	11,659	11,875
Labor	-	-	1,481	1,458	1,481	1,458
Civil and other	9	9	626	445	635	454
Total	16	16	13,759	13,771	13,775	13,787

Of the amount of R\$11,652, the amount of R\$4,611 is mainly related to the guarantees of the São Paulo Agreement (Law No. 17843/2023) and federal installment taxes (PERT and Law No. 11,941) described in note 18. These guarantees will be released after full payment of the installment.

The cost of letter of guarantees is approximately 0.92 % per year of the amount of the lawsuits and is recorded as expense.

22. Lease Liability

22.1 Accounting policy

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a specified period in exchange for consideration.

The Company leases equipment and commercial spaces, including stores and distribution centers, through cancellable and non-cancellable lease agreements, with terms ranging substantially from 5 to 25 years.

The Company and its subsidiaries as lessees

The Company evaluates its lease agreements to identify arrangements that convey the right-of-use of assets, applying the exemptions provided under CPC 06 (R2) / IFRS 16 for leases with terms shorter than twelve months and for low-value assets, defined as those with an individual value below US\$5,000.

Contracts classified as leases are recognized, at the lease commencement date, as a lease liability with a corresponding right-of-use asset, both measured at the present value of the minimum lease payments. For this calculation, the interest rate implicit in the lease is used when determinable; otherwise, the Company's incremental borrowing rate is applied (Notes 14 and 15).

The lease term considered for measurement corresponds to the period during which the Company is reasonably certain to exercise the renewal option or not to exercise the termination option.

Subsequently, lease payments are allocated between finance charges and reduction of the lease liability so as to produce a constant periodic interest rate on the remaining balance of the liability. Finance charges are recognized as finance costs in profit or loss.

Right-of-use assets are amortized over the lease term. Improvements, refurbishments and renovations on leased assets are amortized over their estimated useful lives or over the expected period of use of the asset, whichever is shorter, the latter being applied when there is evidence that the lease will not be renewed.

Variable lease payments are recognized as expenses in the periods in which they are incurred.

The Company and its subsidiaries as lessors

Leases in which the Company does not substantially transfer all the risks and rewards incidental to ownership of the assets are classified as operating leases. Initial direct costs incurred in negotiating such leases are added to the carrying amount of the leased assets and recognized over the lease term on the same basis as rental income.

Variable lease payments are recognized as revenue in the periods in which they are earned.

22.2 Composition

The consolidated lease agreements totaled R\$4,370 as of December 31, 2025 (R\$4,328 as of December 31, 2024), as shown in the table below:

	Parent Company		Consolidated	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024
Financial lease liability – minimum lease payments:				
Up to 1 year	459	454	459	451
1 - 5 years	1,846	1,799	1,846	1,801
Over 5 years	2,064	2,074	2,065	2,076
Present value of finance lease agreements	4,369	4,327	4,370	4,328
Future financing charges	3,323	3,339	3,323	3,342
Future gross amount of finance lease agreements	7,692	7,666	7,693	7,670
PIS and COFINS embedded in the present value of the lease agreements	266	263	266	263
PIS and COFINS embedded in the gross amount of the lease agreements	468	466	468	466

The interest expense on lease liability is disclosed in note 28. The incremental interest rate of the Company and its subsidiaries was 13.56% in the period ended December 31, 2025 (13.06% as of December 31, 2024).

If the Company had adopted the calculation methodology projecting the inflation embedded in the nominal incremental rate and bringing it to present value by the nominal incremental rate, the average percentage of inflation to be projected per year would have been approximately 7.64% (7.31% on

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December 31, 2024). The average term of the contracts considered is 9.66 years (10.01 years on December 31, 2024).

22.3 Movement of leasing obligation

	<u>Parent Company</u>	<u>Consolidated</u>
At December 31, 2024	4,327	4,328
Additions	64	65
Remeasurement	517	517
Accrued interest	528	528
Amortization	(902)	(902)
Anticipated lease contract termination	(122)	(127)
Liability held for sale	-	4
Transfers	4	4
Others	(47)	(47)
At December 31, 2025	4,369	4,370
Current	459	459
Non-current	3,910	3,911

	<u>Parent Company</u>	<u>Consolidated</u>
At December 31, 2023	4,295	4,300
Additions	203	203
Remeasurement	365	367
Accrued interest	511	511
Payments	(851)	(853)
Anticipated lease contract termination	(135)	(135)
Liability held for sale	(18)	(22)
Transfers	(16)	(16)
Others	(27)	(27)
At December 31, 2024	4,327	4,328
Current	454	451
Non-current	3,873	3,877

22.4 Results with variable rents, low-value and short-term assets

	<u>Parent Company</u>		<u>Consolidated</u>	
	<u>12.31.2025</u>	<u>12.31.2024</u>	<u>12.31.2025</u>	<u>12.31.2024</u>
Income and Expenses for the period:				
Variable (0.1% to 4.5% of sales)	(10)	(5)	(10)	(5)
Incomes from Sublease (*)	65	64	65	64

(*) Refers, mostly, to lease agreements receivable from commercial shopping malls.

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23. Deferred revenue

23.1 Accounting policy

The unearned revenues are recorded by the Company and its subsidiaries as liabilities, arising from the advance receipt of amounts from commercial partners related to exclusivity in the provision of services for the intermediation of complementary or extended warranty programs, as well as amounts related to end-cap shelf rental.

These revenues are recognized in profit or loss as the performance obligation is satisfied, which occurs upon evidence of the effective rendering of services, including the sale of such warranties to commercial partners, as applicable.

23.2 Composition

	Parent Company		Consolidated	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024
Commitment to future sale of real estate	21	27	21	27
Services rendering agreement – Partnerships	18	28	18	28
Deferred Revenue from Loyalty Points – Stix	-	-	136	143
Gift Card	22	30	22	30
Others	2	4	2	4
	63	89	199	232
Current	25	30	161	173
Non-current	38	59	38	59

24. Shareholders' equity

24.1 Capital stock

On March 13, 2024, the Company approved the primary offering of 220,000 shares at the target price of R\$3.20, totaling R\$704. Due to the increase in the Company's share capital within the scope of the Offering, the new share capital of the Company became R\$2,511.

The subscribed and paid-in share capital, as of December 31, 2025, is represented by 490,797 (490,198 as of December 31, 2024) thousands of registered shares with no par value represented by the amount of R\$2,511 (R\$2,511 as of December 31, 2024).

The Company is authorized to increase the capital stock up to the limit of 800,000 (in thousands of shares), regardless of statutory amendment, upon resolution of the Board of Directors, which will establish the issuance conditions.

24.2 Earnings reserve

- (i) *Legal reserve*: corresponds to appropriations of 5% of net income of each year, limited to 20% of the capital.
- (ii) *Expansion reserve*: corresponds to appropriations of the amount determined by shareholders to reserve funds to finance additional fixed and working capital investment through the allocation of up to 100% of the net income remaining after the appropriations determined by law and supported by capital budget, approved at shareholders' meeting.

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24.3 Stock options

Under the caption “Granted options”, the effects of the share-based payment plans offered to executives, employees, and officers of the Company and its subsidiaries are recognized, in accordance with CPC 10 (R1) / IFRS 2.

Equity-settled transactions are measured based on the fair value of the instruments at the grant date, estimated using appropriate valuation models and considering the plan conditions and terms, including expected option life, volatility, dividend yield, and other relevant assumptions.

The cost of equity-settled transactions is recognized as an expense over the vesting period, with a corresponding entry to equity, based on the best estimate of the number of instruments expected to vest. The expense recognized in each period reflects the movement in the cumulative balance between the beginning and end of the reporting period.

Market conditions and non-vesting conditions are incorporated into the fair value measurement at the grant date and do not give rise to reversals of expense, provided that the remaining performance and/or service conditions are met.

In the event of a modification of equity instruments, at a minimum, the expense that would have been recognized if the original terms had not been modified is recognized, with additional expense being recorded when the modification results in an increase in fair value or provides an additional benefit to the employee. Cancellations are treated as immediate vesting, with full recognition of the remaining expense in profit or loss, unless replaced by a new grant, in which case the replacement is treated as a modification.

The dilutive effect of outstanding options is considered in the calculation of diluted earnings per share.

The current option plans are described below:

Compensation Plan

The Compensation Plan is managed by the Company's Board of Directors, which has delegated to the Human Resources and Corporate Governance Committee the powers to grant options and provide advice on the management of the Compensation Plan (“Committee”).

The members of the Committee will meet to grant the options of the series of the Option Plan and whenever there are questions raised regarding the Compensation Plan. Each series of stock option grants will be designated with the letter “B”, followed by a number.

The exercise price of each stock option granted under the Compensation Plan is R\$0.01 (“exercise price”). The stock options granted under this plan may represent a maximum of 2% of the total shares issued by the Company.

On April 29, 2024, a new incentive plan was approved that establishes general conditions for the granting of shares and/or stock purchase options (“Plan”), the specific terms and conditions of which must be established through Share-Linked Incentive Programs and/or Stock Purchase Option Programs (“Programs”), both subject to approval by the Company's Board of Directors. The shares and/or options granted within the collective scope of the Programs that make up the Plan are limited to 3.5% of the shares of the Company's subscribed capital.

With the approval of the Plan by the General Meeting, the Company's Share-Based Compensation Program – Performance Shares – 2024 was ratified, approved at a meeting of the Board of Directors held on March 29, 2024. This Program establishes that each series of share grants will receive the letter “D” followed by a number. The first grant of shares under the terms of this Program will receive the letter D1 and subsequent series will receive the letter D and the subsequent number. The number of shares granted by each series to each of its beneficiaries will be recalculated after the 36-month period from the grant date, in accordance with a performance multiplier factor based on the TSR (Total Shareholder Return) of the Company's shares compared to a group of market companies also listed on the stock exchange, affecting all shares granted. In September 2024, 17,157 thousand shares were granted under this Program, under series D1.

The fair value of each share granted is R\$3.39 estimated on the grant date using the Monte Carlo option pricing model, considering the following assumptions for series D1: (a) expected dividends of 0.00%, (b) expected volatility of approximately 53.97% and (c) weighted average risk-free interest rate of 11.39%.

Information regarding current plans is summarized below:

Series granted	Grant date	1st date of exercise	Exercise price at the grant date	12.31.2025			
				Number of options (in thousands)			
				Granted	Exercised	Canceled (*)	Outstanding
Serie B9	07/01/2023	07/01/2026	0.01	487	(487)	-	-
Serie B10	05/31/2023	05/31/2026	0.01	4,875	(658)	(1,282)	2,935
Serie D1 – 1st tranche	06/01/2024	05/31/2027	-	5,719	-	(2,236)	3,483
Serie D1 – 2nd tranche	06/01/2024	05/31/2028	-	5,719	-	(2,236)	3,483
Serie D1 – 3rd tranche	06/01/2024	05/31/2029	-	5,719	-	(2,236)	3,483
				22,519	(1,145)	(7,990)	13,384

(*) Refers to certain options granted under the share-based payment plan that were cancelled as a result of the termination of executives of the Company, in accordance with the terms and conditions established in the respective plan rules.

Consolidated information of share-based payment plans – GPA

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 grace 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 grace 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.

At December 31, 2025 there were 160 thousand treasury preferred shares which may be used as guarantee for the options granted in the plan. The preferred share price at B3 was R\$3.80 per share.

The table below shows the maximum potential dilution percentage to which the current shareholders could be subject if all granted options are exercised by 2025:

	12.31.2025	
	Serie B	Serie D
Number of shares	490,797	490,797
Balance of effective stock options granted	2,935	10,448
Maximum percentage of dilution	0.60%	2.13%

The fair value of each option granted is estimated on the grant date, by using the options pricing model “Black & Scholes” taking into account the following assumptions for the series B9: (a) expectation of dividends of 2.59%, (b) expectation of volatility nearly 45.86% and (c) the weighted average interest rate without risk of 9.97%.

The fair value of each option granted is estimated at the grant date using the option pricing model Black & Scholes, taking into account the following assumptions for the B10 series: (a) dividend expectation of 2.59%, (b) volatility expectation of nearly 78.97% and (c) the weighted average interest rate of 10.58%.

The fair value of each share granted is R\$3.39 estimated on the grant date using the Monte Carlo option pricing model, considering the following assumptions for series D1: (a) expected dividends of 0.00%, (b) expected volatility of approximately 53.97% and (c) weighted average risk-free interest rate of 11.39%.

The expectation of remaining average life of the series outstanding at December 31, 2024 is 1.95 years. The weighted average fair value of options granted at December 31, 2025 was R\$0.01.

The movement of the amount of options granted, the weighted average of the exercise price and the weighted average of the term remainder are presented in the table below:

	Shares in thousands	Weighted average of exercise price	Weighted average of remaining contractual term
Total to be exercised at December 31, 2024	22,460	0.01	2.94
Cancelled during the period	(7,990)		
Exercised during the period	(1,086)	0.01	
Total to be exercised at December 31, 2025	13,384	0.01	1.95

The amount recorded in the results of Parent Company and Consolidated on December 31, 2025 were R\$17 (R\$20 on December 31, 2024).

24.4 Compensation program based on changes in share value (Phantom Stock Options)

In a contract entered between the Company and certain eligible directors on April 16, 2024, the long-term incentive program was approved, which establishes the terms and conditions for the payment of a cash bonus, referenced to the value of the Company's shares.

Under the terms of the program, the beneficiary will have the right to receive a certain amount of phantom shares, free of charge, subject to remaining an employee of the Company. Each phantom share is equivalent to one common share issued by the Company and is subject to appreciation and price fluctuations over time. A total of 9,114,149 phantom shares were granted, with a total vesting period of three years. 25% of the portion is exercised after 12 months, 25% after 24 months and the remaining 50% after 36 months. The last portion, corresponding to 50%, is linked to the performance of the share and may vary from 0% to 200%.

On December 31, 2025, the amount of liability corresponding to this premium, including social charges, is recorded in non-current liabilities in the amount of R\$10, the amount in the result of the period is R\$10.

24.5 Governmental subsidy reserve (tax incentives)

The tax incentives granted by the states have been characterized as investment subsidies, not subject to income tax and social contribution taxation.

The respective amounts of these incentives must be allocated, in shareholders' equity, in a tax incentive reserve account. As provided in article 30 of Law No. 12,973/14, the aforementioned reserve may be used to absorb losses, provided that the other profit reserves have already been fully absorbed, except for the legal reserve, or to increase capital.

This same legal provision provides that the amounts computed in the tax incentive reserve should not form the basis for calculating the minimum mandatory dividend, and the Company must submit amounts that may be allocated to partners or shareholders for taxation by the IRPJ and CSLL.

On June 29, 2018, was approved in extraordinary shareholders' meeting the proposal the management to reallocate the amount R\$48 arising from tax incentives treated as subsidies for investments granted to the Company in the years of 2013 to 2017 and in December 2018 the company allocated an additional R\$10 reserve tax incentives to be approved at an Extraordinary General Meeting on April 25, 2019. In December 2020, the Company allocated another R\$9 to the tax incentive reserve, approved at the Extraordinary General Meeting on April 28, 2021. In December 2021, the Company allocated another R\$2,282 to reserve tax incentives to be approved at the Extraordinary General Meeting, accumulated basis of the credit amount recorded in the income tax for the year. In December 2022, the Company

allocated another R\$613 to reserve tax incentives, of which R\$235 referred to tax incentives of previously years 2022 transferred for expansion reserve and R\$378 to be constituted as profits are earned in subsequent periods. On April 29, 2024, was approved in the Extraordinary General Meeting the compensation of the accumulated net loss recorded in the fiscal year ended December 31, 2023, through the use of the following profit reserves: (i) profit reserve: R\$1,931; and (ii) expansion reserve: R\$511. On February 18, 2025, in the Company's Board of Directors meeting was approved the compensation of the net loss for the year through the use of the following profit reserves: (i) expansion reserve: R\$114; and (ii) subvention reserve R\$2,293. On February 24, 2026, the Board of Directors approved the offset of the net loss for the year through the utilization of the investment grant reserve in the amount of R\$291. The balance of the investment grant reserve was fully consumed and will be reconstituted as profits are generated in subsequent periods. The remaining portion of the net loss for the year, totaling R\$533, was retained under accumulated losses.

24.6 Dividends and Interest on Equity

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.

The Company's Bylaws establish the minimum payment of 25% of the net income for the year, which may be higher as determined by the Board.

The Company may pay or credit interest as remuneration on equity calculated on equity accounts, subject to the rates and limits defined by law.

In 2025 and 2024 there was no basis for the destination of mandatory minimum dividends.

25. Revenue from the sale of goods and / or services

25.1 Accounting policy

Sale of goods

Revenue from sale of goods are recognized at their fair value and, when control over the products is transferred to the buyer, the Company and its subsidiaries cease to hold control or responsibility for the goods sold and the economic benefits generated to the Company and its subsidiaries are probable, which occurs substantially delivery of the products to the customers in the stores, moment when the Company's performance obligation is satisfied. No revenue is recognized if their realization is uncertain.

Service revenue

Since the Company and its subsidiaries' are holders of policies on extended sale, financial protection insurance, personal accident insurance, sales agents in technical assistance and mobile phone recharge, revenues earned are presented net of related costs and recognized in profit or loss when probable that the economic benefits will flow to the Company and their values can be measured reliably.

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25.2 Composition

	Parent Company		Consolidated	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024
Gross operating income:				
Goods	20,347	19,819	20,346	19,819
Services rendered	175	159	354	297
Sales returns and cancellations	(69)	(68)	(69)	(68)
	20,453	19,910	20,631	20,048
Taxes on sales	(1,504)	(1,247)	(1,518)	(1,258)
Net operating revenues	18,949	18,663	19,113	18,790

26. Expenses by nature

26.1 Accounting policy

Cost of goods sold

The cost of goods sold comprises the cost of purchases net of discounts and bonuses received from suppliers, changes in inventory and logistics costs.

Bonuses received from suppliers are measured based on contracts and agreements between the parties.

The cost of sales includes the cost of logistics operations managed or outsourced by the Company and its subsidiaries and includes warehousing, handling and freight costs incurred until the goods are available for sale. Transport costs are included in the acquisition costs.

Selling expenses

Selling expenses comprise all store expenses, such as salaries, marketing, occupancy, maintenance, expenses with credit card companies, etc.

Marketing expenses refer to advertising campaigns for each segment in which the Company operates. The main media used by the Company are: radio, television, newspapers and magazines. These expenses are recognized in profit or loss through campaign period.

General and administrative expenses

General and administrative expenses correspond to overhead and the cost of corporate units, including the purchasing and procurement, information technology and financial areas.

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26.2 Composition

	Parent Company		Consolidated	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024
Cost of inventories	(12,540)	(12,379)	(12,558)	(12,394)
Personnel expenses	(2,611)	(2,767)	(2,669)	(2,819)
Outsourced services	(440)	(403)	(457)	(421)
Overhead expenses	(834)	(789)	(835)	(790)
Commercial expenses	(615)	(589)	(619)	(590)
Other expenses	(383)	(285)	(391)	(292)
	(17,423)	(17,212)	(17,529)	(17,306)
Cost of sales	(13,809)	(13,584)	(13,845)	(13,618)
Selling expenses	(3,071)	(3,037)	(3,079)	(3,040)
General and administrative expenses	(543)	(591)	(605)	(648)
	(17,423)	(17,212)	(17,529)	(17,306)

27. Other operating expenses, net

27.1 Accounting policy

Other operating income and expenses comprise the effects of significant events occurring during the year which, by their nature, do not fall within the definition of the other line items in the statement of profit or loss.

27.2 Composition

	Parent Company		Consolidated	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024
Tax installments and other tax risks (*)	6	(468)	6	(468)
Restructuring expenses	(253)	(251)	(253)	(252)
Result with fixed assets (**)	(520)	(220)	(522)	(218)
Others	-	-	-	(1)
Total	(767)	(939)	(769)	(939)

(*) As described in Note 19.2, the Company adhered, under the installment modality, to the Settlement Program (“Transação”) established by the São Paulo State Attorney General’s Office, pursuant to Article 43 of Law No. 17,843/2023. The Company recognized an expense of R\$(66) related to this matter in 2024.

As described in the Note 21.3, the Company recognized the effects of the Transaction with the Federal Government under the terms of Public Notice No. 27/2024 relating to INSS social security contributions. The amount recognized was an expense of R\$(192).).

(**) In 2025, this includes the amount of (R\$527) related to the impairment loss on the Company’s investment in Bellamar (Note 1.4). In 2024, the amount of (R\$137) refers to impairment losses on assets (Notes 14.3 and 15.2).

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28. Financial income (expenses), net

28.1 Accounting policy

Financial income includes income generated by cash and cash equivalents and restricted deposits, gains related to the measurement of derivatives at fair value.

Interest income is recorded for all financial assets measured at amortized cost, using the effective interest rate, which corresponds to the discount rate for future payments or cash receipts over the expected useful life of the financial instrument - or shorter period, as the case may be - at the net book value of the financial asset or liability.

Financial expenses include substantially all expenses generated by net debt and receivables sold during the year, losses related to the measurement of derivatives at fair value, losses on disposals of financial assets, financial charges on lawsuits and taxes and interest charges on financial leases, as well as discount charges.

28.2 Composition

	Parent Company		Consolidated	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024
Finance expenses:				
Cost of debt	(667)	(568)	(655)	(583)
Cost of the discounting of receivables	(100)	(73)	(101)	(73)
Monetary restatement loss	(302)	(243)	(302)	(244)
Interest on lease liabilities	(503)	(487)	(504)	(488)
Other finance expenses	(117)	(90)	(118)	(91)
Total financial expenses	(1,689)	(1,461)	(1,680)	(1,479)
Financial income:				
Income from short term instruments	28	145	82	209
Monetary restatement gain	331	25	333	28
Other financial income	1	-	1	1
Total financial income	360	170	416	238
Total	(1,329)	(1,291)	(1,264)	(1,241)

The effects of the hedge are recorded under the line item 'Cost of debt' and are disclosed in note 18.

29. Earnings (loss) per share

29.1 Accounting policy

Basic earnings per share are calculated based on the weighted average number of shares of each class outstanding during the fiscal year.

Diluted earnings per share are calculated by adjusting the profit for the year for the dilutive effects of convertible instruments or stock options and the weighted average number of shares outstanding to reflect the effect of the potential conversion of these instruments. Equity instruments are included in the calculation of diluted earnings per share only when their conversion or settlement results in a dilutive effect.

Equity instruments that are to be or may be settled with shares of the Company and its subsidiaries are included in the calculation only when their settlement has a dilutive impact on earnings per share.

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29.2 Composition

The table below shows the determination of net income available to holders of common stock and the weighted average of common shares outstanding used to calculate basic and diluted earnings per share for each fiscal year presented:

	<u>12.31.2025</u>	<u>12.31.2024</u>
Basic numerator		
Net (loss) allocated to common shareholders – continued operations	(651)	(1,669)
Net income (loss) allocated to common shareholders - discontinued operations	(173)	(738)
Net income (loss) allocated to common shareholders	(824)	(2,407)
Basic denominator (millions of shares)		
Weighted average of shares	490	446
Basic (loss) per share (R\$) – continued operations	(1.32794)	(3.74106)
Basic (loss) per share (R\$) - discontinued operations	(0.35289)	(1.65422)
Basic (loss) per share (R\$) – total	(1.68083)	(5.39528)
Diluted numerator		
Net (loss) allocated to common shareholders – continued operations	(651)	(1,669)
Net income (loss) allocated to common shareholders - discontinued operations	(173)	(738)
Net income (loss) allocated to common shareholders	(824)	(2,407)
Diluted denominator		
Weighted average of shares (in millions)	490	446
Stock option	21	17
Diluted weighted average of shares (in millions)	511	463
Diluted earnings (loss) per share (R\$) – continued operations	(1.32794)	(3.74106)
Diluted earnings (loss) per share (R\$) – discontinued operations	(0.35289)	(1.65422)
Diluted earnings (loss) per share (R\$) – total	(1.68083)	(5.39528)

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30. Segment information

30.1 Accounting policy

Management considers that the Company has only one segment, referred to as “Retail”, which comprises the banners “Pão de Açúcar”, “Mercado Extra”, “Minimercado Extra” and “Minuto Pão de Açúcar”. Other businesses comprise the operations of Stix. Eliminations of results and balance sheet amounts are presented within the segment itself.

Management monitors the operating results of its business units separately for the purpose of making decisions regarding resource allocation and performance evaluation. The segment’s performance is evaluated based on operating income and is measured consistently with the operating income presented in the financial statements.

The Company operates retail stores located in 11 states and in the Federal District. The operating segments are disclosed consistently with the internal reporting provided to the chief operating decision maker, identified as the Chief Executive Officer.

The chief operating decision maker allocates resources and evaluates performance through the review of results and other information related to the segments.

The Company considers that it is not meaningful to disclose revenue by product category, since similar products are sold under different strategies in each business and managerial controls differ among the segments. Therefore, any aggregation of products for disclosure purposes is considered impracticable.

The Company measures segment results using the accounting practices adopted in Brazil and IFRSs, and determines the operating profit for each segment, which includes certain allocations of corporate indirect expenses. The Company frequently reviews the calculation of operating profit for each segment, including any allocations of corporate indirect expenses, based on the information regularly reviewed by the chief operating decision maker.

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30.2 Composition

The segment information of the Company as of December 31, 2025 and 2024 is presented in the table below:

Description	Retail		Other businesses		Total	
	2025	2024	2025	2024	2025	2024
Net operating revenue	18,975	18,683	138	107	19,113	18,790
Gross profit	5,159	5,087	109	85	5,268	5,172
Depreciation and amortization	(1,024)	(1,029)	(20)	(16)	(1,044)	(1,045)
Share of profit of subsidiaries and associates	60	64	-	-	60	64
Operating income	(188)	(442)	19	6	(169)	(436)
Net financial expenses	(1,285)	(1,254)	21	13	(1,264)	(1,241)
Profit(loss) before income tax and social contribution	(1,473)	(1,696)	40	19	(1,433)	(1,677)
Income tax and social contribution	805	19	(14)	(7)	791	12
Net income (loss) for continued operations	(668)	(1,677)	26	12	(642)	(1,665)
Net income (loss) for discontinued operations	(173)	(738)	-	-	(173)	(738)
Net income (loss) of period end	(841)	(2,415)	26	12	(815)	(2,403)
	Retail		Other businesses		Total	
	2025	2024	2025	2024	2025	2024
Current assets	5,585	5,924	275	192	5,860	6,116
Non-current assets	12,486	13,507	80	80	12,566	13,587
Current liabilities	6,801	6,128	283	228	7,084	6,356
Non-current liabilities	9,217	10,412	1	-	9,218	10,412
Shareholders' equity	2,053	2,891	71	44	2,124	2,935

31. Non-cash transactions

The Company had transactions that don't represent disbursement of cash and therefore is not disclosed in the statement of cash flow, as described below:

- Purchase of fixed assets not paid yet as note 14.6;
- Purchase of intangible assets not paid yet as note 15.4;
- New leasing contracts as note 22.3;
- Transaction Program regulated by the São Paulo State Attorney's Office: in note 19.2;
- Indemnity amounts receivable related to IR/CSLL contingencies: in note 9.

32. Assets held for sale or distribution

32.1 Accounting policy

The Company classifies a non-current asset or a disposal group as held for sale when its carrying amount will be recovered principally through a sale transaction rather than through continued use. These assets are measured at the lower of their carrying amount and fair value less costs to sell, which represent the incremental costs directly attributable to the sale, excluding finance costs and income taxes.

Classification as held for sale occurs when the sale is highly probable, the asset is available for immediate sale in its present condition, and Management is committed to a formal plan of sale, with completion expected within one year from the date of classification.

When the classification involves the loss of control of a subsidiary, all of its assets and liabilities are classified as held for sale, and the related net result is presented as a discontinued operation.

Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortized. Assets and liabilities held for sale are presented separately as current items in the balance sheet.

Assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

The Company has advanced in negotiations for the sale of gas stations located in several regions of Brazil through multiple transactions with different buyers; however, some stations continue to be operated by the Company until all precedent conditions are met (Note 1.3).

In December 2025, the Company entered into an agreement with Itaú Unibanco Holding S.A. for the sale of all shares of Bellamar owned by the Company. Closing of the transaction is subject to the fulfilment of certain precedent conditions (Note 1.4). As a result, the investment in Bellamar was reclassified as an Asset Held for Sale.

32.2 Composition

	Parent Company		Consolidated	
	12.31.2025	12.31.2024	12.31.2025	12.31.2024
Gas Stations	50	114	53	122
Investment Bellamar	320	-	320	-
Assets held for sale or distribution	370	114	373	122
Gas Stations	71	106	78	117
Liabilities related to assets held for sale or distribution	71	106	78	117

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33. Discontinued operations

33.1 Accounting policy

A discontinued operation is a component of the Company that has been disposed of or classified as held for sale and that represents a distinct and relevant line of business or geographic area.

The result of discontinued operations, including after-tax profit or loss and gains or losses on disposal, is presented separately in the income statement, with restatement of comparative information, where applicable.

33.2 Discontinued Operation - Extra Hiper, former subsidiaries and gas stations

On December 31, 2021, the Company initiated the process of divestment and discontinuation of the Extra Hiper banner operations, whose net results have since been presented as a discontinued operation.

The Company also remains responsible for certain tax and labor contingencies related to its former subsidiary Globex.

Additionally, negotiations for the sale of the gas stations have been completed, and the transaction is currently in the process of meeting and fulfilling the precedent conditions; therefore, the operation is presented as discontinued. The statement of profit or loss is presented below:

Statements of Operations:	<u>12.31.2025</u>	<u>12.31.2024</u>
Net sales revenue	1,266	1,506
Gross profit	106	128
Income before income tax and social contribution	<u>77</u>	<u>22</u>
Profit for the period	<u>77</u>	<u>22</u>

33.3 Reconciliation of net profit (loss) from discontinued operations:

	<u>12.31.2025</u>	<u>12.31.2024</u>
Extra Hiper and ex-subsidiaries	(250)	(760)
Gas stations	<u>77</u>	<u>22</u>
Net income from discontinued operations	<u>(173)</u>	<u>(738)</u>

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34. Insurance coverage

The insurance coverage as of December 31, 2025 is summarized as follows:

Insured assets	Covered risks	Amount insured	
		Parent Company	Consolidated
Property and equipment and inventories	Assigning profit	11,586	11,586
Profit	Loss of profits	5,652	5,652
Cars and Others (*)	Damages	399	432

(*) The value reported above does not include coverage of the hulls, which are insured by the value of 100% of the Foundation Institute of Economic Research – FIPE table.

The Company maintains specific policies covering general civil liability risks in the amount of R\$228, administrators' civil liability in the amount of R\$134 and risk of damage protection and Cyber liability in the amount of R\$60. Totaling the value of coverage R\$422.