

Financial Statements

Dimed S.A. Distribuidora de Medicamentos

December 31, 2024
with Independent Auditor's Report

Contents

Company Information

Capital Breakdown	1
-------------------------	---

Individual Financial Statements

Statement of Financial Position - Assets	2
Statement of Financial Position - Liabilities and Equity	4
Statement of Profit or Loss	6
Statement of Comprehensive Income	7
Statement of Cash Flows - Indirect Method	8

Statement of Changes in Equity

SCE - 01/01/2024 to 12/31/2024	10
SCE - 01/01/2023 to 12/31/2023	11
SCE - 01/01/2022 to 03/31/2022	12
Statement of Value Added	13

Consolidated Financial Statements

Statement of Financial Position - Assets	15
Statement of Financial Position - Liabilities and Equity	17
Statement of Profit or Loss	19
Statement of Comprehensive Income	20
Statement of Cash Flows - Indirect Method	21

Statement of Changes in Equity

SCE - 01/01/2024 to 12/31/2024	23
SCE - 01/01/2023 to 12/31/2023	24
SCE - 01/01/2022 to 03/31/2022	25
Statement of Value Added	26

Independent auditor's report on individual and consolidated financial statements	28
Notes	33

Reports and Representations

Independent Auditor's Report containing an Unqualified Opinion	92
Report or Summary Report, if any, of the Audit Committee (statutory or not)	95
Officers' Representation on the Financial Statements	97
Officers' Representation on the Independent Auditor's Report	98

Company Information / Capital Breakdown

Number of shares (unit)	Last fiscal year 12/31/2024
Paid-in Capital	
Common shares	150,377,841
Preferred shares	0
Total	150,377,841
Treasury shares	
Common shares	1,584,230
Preferred shares	0
Total	1,584,230

A free translation from Portuguese into English of Individual and Consolidated Financial Statements prepared in Brazilian currency in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS), issued by International Accounting Standards Board (IASB), currently referred to by the IFRS Foundation as IFRS accounting standards

Individual Financial Statements / Statement of Financial Position - Assets

(In thousands of reais)

Account Code	Account Description	Last year 12/31/2024	Year before last 12/31/2023	Second year before last 12/31/2022
1	Total assets	3,358,024	3,072,057	2,729,336
1.01	Current assets	1,921,584	1,765,291	1,493,849
1.01.01	Cash and cash equivalents	78,903	27,921	23,517
1.01.02	Short-term investments	73,440	167,775	87,967
1.01.02.01	Financial Assets Measured at Fair Value Through Profit or Loss	73,440	167,775	87,967
1.01.02.01.03	Short-term investments	73,440	167,775	87,967
1.01.03	Accounts receivable	572,889	553,459	462,864
1.01.03.01	Trade accounts receivable	440,573	446,017	397,434
1.01.03.02	Other accounts receivable	132,316	107,442	65,430
1.01.04	Inventories	1,129,051	982,972	882,439
1.01.06	Taxes recoverable	47,640	33,164	37,062
1.01.06.01	Current taxes recoverable	47,640	33,164	37,062
1.01.06.01.01	Income and social contribution taxes recoverable	11,130	8,813	26,064
1.01.06.01.02	Other taxes recoverable	36,510	24,351	10,998
1.01.08	Other current assets	19,661	0	0
1.01.08.03	Other	19,661	0	0
1.01.08.03.01	Derivative financial instruments	19,661	0	0
1.02	Noncurrent assets	1,436,440	1,306,766	1,235,487
1.02.01	Long-term assets	88,294	69,752	59,595
1.02.01.07	Deferred taxes	53,675	49,356	45,263
1.02.01.07.01	Deferred income and social contribution taxes	53,675	49,356	45,263
1.02.01.08	Prepaid expenses	5,321	4,387	0
1.02.01.09	Related-party receivables	11,402	1,330	1,530
1.02.01.09.02	Receivables from subsidiaries	11,402	1,330	1,530
1.02.01.10	Other noncurrent assets	17,896	14,679	12,802
1.02.01.10.03	Other taxes recoverable	12,975	12,366	9,625
1.02.01.10.04	Judicial deposits	4,713	2,048	2,654
1.02.01.10.05	Other assets	208	265	523

Individual Financial Statements / Statement of Financial Position - Assets**(In thousands of reais)**

Account Code	Account Description	Last year 12/31/2024	Year before last 12/31/2023	Second year before last 12/31/2022
1.02.02	Investments	91,430	83,620	75,478
1.02.02.01	Equity interests	91,430	83,620	75,478
1.02.02.01.02	Interests held in subsidiaries	82,142	83,620	75,478
1.02.02.01.04	Other Investments	9,288	0	0
1.02.03	Property, plant and equipment (PPE)	1,160,941	1,070,879	1,024,274
1.02.03.01	Property, plant and equipment in operation	535,162	494,686	436,995
1.02.03.02	Right-of-use assets - Lease	611,422	576,193	587,279
1.02.03.03	Construction in progress	14,357	0	0
1.02.04	Intangible assets	95,775	82,515	76,140
1.02.04.01	Intangible assets	95,775	82,515	76,140
1.02.04.01.02	Intangible assets	95,775	82,515	76,140

Individual Financial Statements / Statement of Financial Position - Liabilities and Equity**(In thousands of reais)**

Account Code	Account Description	Last year 12/31/2024	Year before last 12/31/2023	Second year before last 12/31/2022
2	Total liabilities	3,358,024	3,072,057	2,729,336
2.01	Current liabilities	1,186,696	1,130,098	1,006,080
2.01.01	Social and labor obligations	83,866	66,517	59,222
2.01.01.01	Social obligations	27,962	16,008	13,753
2.01.01.02	Labor obligations	55,904	50,509	45,469
2.01.02	Trade accounts payable	641,339	684,780	562,322
2.01.02.01	Trade accounts payable - domestic	641,339	684,780	562,322
2.01.03	Tax obligations	47,569	29,394	27,215
2.01.03.01	Federal tax obligations	14,283	7,771	5,238
2.01.03.01.01	Income and social contribution taxes payable	4,385	1,551	964
2.01.03.01.02	Other federal tax obligations	9,898	6,220	4,274
2.01.03.02	State tax obligations	31,209	19,923	20,371
2.01.03.03	Local tax obligations	2,077	1,700	1,606
2.01.04	Loans and financing	292,459	266,896	270,488
2.01.04.01	Loans and financing	119,330	0	0
2.01.04.01.01	In domestic currency	119,330	0	0
2.01.04.02	Debentures	43,326	102,535	118,395
2.01.04.03	Financing through lease	129,803	164,361	152,093
2.01.05	Other obligations	110,183	79,004	84,411
2.01.05.02	Other	110,183	79,004	84,411
2.01.05.02.01	Dividends and interest on equity payable	13,953	6,406	5,518
2.01.05.02.04	Profit sharing payable	12,907	10,877	16,399
2.01.05.02.05	Other liabilities	83,323	61,721	62,494
2.01.06	Provisions	11,280	3,507	2,422
2.01.06.01	Provisions for tax, social security, labor and civil contingencies	11,280	3,507	2,422
2.01.06.01.05	Other provisions	11,280	3,507	2,422
2.02	Noncurrent liabilities	936,614	768,543	615,094
2.02.01	Loans and financing	922,632	755,791	601,052

Individual Financial Statements / Statement of Financial Position - Liabilities and Equity**(In thousands of reais)**

Account Code	Account Description	Last year 12/31/2024	Year before last 12/31/2023	Second year before last 12/31/2022
2.02.01.01	Loans and financing	121,287	0	0
2.02.01.01.01	In domestic currency	121,287	0	0
2.02.01.02	Debentures	250,000	280,000	116,429
2.02.01.03	Financing through lease	551,345	475,791	484,623
2.02.02	Other obligations	7,634	7,220	6,665
2.02.02.02	Other	7,634	7,220	6,665
2.02.02.02.04	Other obligations	7,634	7,220	6,665
2.02.04	Provisions	6,348	5,532	7,377
2.02.04.01	Provisions for tax, social security, labor and civil contingencies	6,348	5,532	7,377
2.02.04.01.01	Provisions for tax contingencies	0	0	202
2.02.04.01.02	Provisions for social security and labor contingencies	6,348	5,532	7,175
2.03	Equity	1,234,714	1,173,416	1,108,162
2.03.01	Paid-in capital	981,773	955,668	928,552
2.03.01.01	Capital	996,221	970,116	943,000
2.03.01.02	Share issue costs	-14,448	-14,448	-14,448
2.03.02	Capital reserves	-21,537	-23,157	-29,368
2.03.02.05	Treasury shares	-23,993	-28,582	-35,139
2.03.02.07	Goodwill reserve	-4,938	-2,064	-268
2.03.02.08	Long-term incentive reserve	7,394	7,489	6,039
2.03.04	Income reserves	273,683	240,905	208,978
2.03.04.01	Legal reserve	17,823	12,548	9,201
2.03.04.07	Tax incentive reserve	180,684	180,684	154,690
2.03.04.08	Proposed additional dividend	24,938	21,568	17,971
2.03.04.10	Reserve for capital increase	50,238	26,105	27,116
2.03.08	Other Comprehensive Income	795	0	0

Individual Financial Statements / Statement of Profit or Loss**(Reais Mil)**

Account Conta	Account Description	Last year 01/01/2024 to 12/31/2024	Year before last 01/01/2023 to 12/31/2023	Second year before last 01/01/2022 to 12/31/2022
3.01	Revenue from sales of goods and/or services	4,895,897	4,447,960	3,979,242
3.01.01	Gross sales of products and services	5,268,012	4,786,392	4,265,129
3.01.02	Sales taxes	-311,912	-284,855	-235,785
3.01.03	Returns and unconditional discounts	-60,203	-53,577	-50,102
3.02	Cost of sales and/or services	-3,371,702	-3,085,135	-2,749,790
3.03	Gross income	1,524,195	1,362,825	1,229,452
3.04	Operating income/expenses	-1,325,582	-1,194,053	-1,087,809
3.04.01	Selling expenses	-1,222,572	-1,097,575	-1,004,884
3.04.01.01	Selling expenses	-1,222,572	-1,097,575	-1,004,884
3.04.02	General and administrative expenses	-155,631	-129,575	-107,367
3.04.04	Other operating income	16,968	24,955	13,603
3.04.04.01	Other operating income	16,968	24,955	13,603
3.04.06	Equity pickup	35,653	8,142	10,839
3.05	Income before finance income (costs) and taxes	198,613	168,772	141,643
3.06	Finance income (costs)	-87,542	-81,224	-64,297
3.06.01	Finance income	55,803	30,762	14,846
3.06.02	Finance costs	-143,345	-111,986	-79,143
3.07	Income before income taxes	111,071	87,548	77,346
3.08	Income and social contribution taxes	-5,562	5,357	8,999
3.08.01	Current	-9,880	1,263	-984
3.08.02	Deferred	4,318	4,094	9,983
3.09	Net income from continuing operations	105,509	92,905	86,345
3.11	Income/loss for the period	105,509	92,905	86,345
3.99	Earnings per share (reais / share)			
3.99.01	Basic earnings per share			
3.99.01.01	Registered common shares	0.71	0.62	0.58
3.99.02	Diluted earnings per share			
3.99.02.01	Registered common shares	0.7	0.62	0.58

Individual Financial Statements / Statement of Comprehensive Income

(In thousands of reais)

Account Code	Account Description	Last year 01/01/2024 to 12/31/2024	Year before last 01/01/2023 to 12/31/2023	Second year before last 01/01/2022 to 12/31/2022
4.01	Net income for the period	105,509	92,905	86,345
4.02	Other Comprehensive Income	795	0	0
4.03	Comprehensive income for the period	106,304	92,905	86,345

Individual Financial Statements / Statement of Cash Flows - Indirect Method**(In thousands of reais)**

Account Code	Account Description	Last year 01/01/2024 to 12/31/2024	Year before last 01/01/2023 to 12/31/2023	Second year before last 01/01/2022 to 12/31/2022
6.01	Net cash flows from operating activities	234,320	297,109	204,538
6.01.01	Cash from operations	442,883	369,674	306,779
6.01.01.01	Net income for the year	105,509	92,905	86,345
6.01.01.02	Depreciation and amortization	208,790	198,926	183,496
6.01.01.03	Provision for contingent liabilities	816	-1,845	-3,057
6.01.01.04	Equity pickup	1,478	-8,142	-10,839
6.01.01.05	Cost of permanent assets written off/sold	6,095	5,281	8,336
6.01.01.06	Deferred income and social contribution taxes	-4,318	-4,094	-9,983
6.01.01.07	Provision for Inventory Losses	-865	160	237
6.01.01.08	Allowance for expected credit losses	1,373	111	1,111
6.01.01.09	Interest expenses	127,842	101,554	69,631
6.01.01.11	Stock option plan or share subscription	6,025	5,614	4,503
6.01.01.13	Tax credits from legal proceeding	0	0	-5,591
6.01.01.16	Net reimbursement of property, plant and equipment written off	0	0	-6,231
6.01.01.17	Discounts on leases payable	0	0	-3,976
6.01.01.18	Current income and social contribution taxes	9,880	1,263	984
6.01.01.20	Short-term investment yield	-19,742	-22,059	-8,187
6.01.02	Changes in assets and liabilities	-208,563	-72,565	-102,241
6.01.02.01	Credits receivable from customers	4,071	-48,694	-77,781
6.01.02.02	Inventories	-145,214	-100,693	-156,326
6.01.02.03	Judicial deposits	-2,665	606	757
6.01.02.05	Taxes recoverable	-24,966	-106	9,025
6.01.02.06	Trade accounts payable	-43,441	122,458	90,505
6.01.02.07	Income and social contribution taxes (IRPJ and CSLL) payable	41,184	9,588	7,465
6.01.02.10	Other asset groups	-57,164	-45,941	11,750
6.01.02.11	Other liability groups	25,292	-9,669	15,045
6.01.02.13	Income and social contribution taxes (IRPJ and CSLL) paid	-5,660	-114	-2,681
6.02	Net cash flows from investing activities	-46,179	-194,880	-129,496

Individual Financial Statements / Statement of Cash Flows - Indirect Method**(In thousands of reais)**

Account Code	Account Description	Last year 01/01/2024 to 12/31/2024	Year before last 01/01/2023 to 12/31/2023	Second year before last 01/01/2022 to 12/31/2022
6.02.01	Acquisition of property, plant and equipment	-117,875	-112,500	-148,062
6.02.02	Acquisition of Intangible Assets	-34,773	-24,631	-32,010
6.02.03	Claim Reimbursement	0	0	11,479
6.02.04	Short-term investments	114,077	-57,749	39,097
6.02.05	Equity interests	-7,608	0	0
6.03	Net cash flows from financing activities	-137,159	-97,825	-103,115
6.03.01	Payment of dividends and interest on equity	-33,165	-28,721	-24,752
6.03.03	Acquisition of own shares	-4,929	-715	-1,605
6.03.04	Loans and financing taken out	261,287	425,000	150,000
6.03.06	Payment of leases	-181,899	-166,102	-150,309
6.03.07	Repayment of financing principal and interest	-136,492	-287,836	-52,857
6.03.08	Payment of interest - financing	-43,893	-41,526	-25,037
6.03.10	Shares granted - matching share plan	1,932	2,075	1,445
6.05	Increase (decrease) in cash and cash equivalents	50,982	4,404	-28,073
6.05.01	Cash and cash equivalents at beginning of period	27,921	23,517	51,590
6.05.02	Cash and cash equivalents at end of period	78,903	27,921	23,517

Individual Financial Statements / Statement of Changes in Equity / SCE - 01/01/2024 to 12/31/2024**(In thousands of reais)**

Account Code	Account Description	Paid-in capital	Capital reserves, options granted and treasury shares	Income reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity
5.01	Opening balances	955,668	-23,157	240,905	0	0	1,173,416
5.02	Prior-year adjustments	0	0	0	0	0	0
5.03	Adjusted opening balances	955,668	-23,157	240,905	0	0	1,173,416
5.04	Capital transactions with shareholders	26,105	1,620	-22,735	-49,996	0	-45,006
5.04.01	Capital increases	26,105	0	-26,105	0	0	0
5.04.03	Recognized options granted	0	1,932	0	0	0	1,932
5.04.04	Treasury shares acquired	0	-4,929	0	0	0	-4,929
5.04.06	Dividends	0	0	-21,568	0	0	-21,568
5.04.07	Interest on equity	0	0	0	-25,058	0	-25,058
5.04.08	Surplus	0	0	24,938	-24,938	0	0
5.04.09	Fair value of matching share plan	0	6,025	0	0	0	6,025
5.04.10	Disposal/transfer of shares	0	-1,408	0	0	0	-1,408
5.05	Total comprehensive income	0	0	0	105,509	795	106,304
5.05.01	Net income for the period	0	0	0	105,509	0	105,509
5.05.02	Other Comprehensive Income	0	0	0	0	795	795
5.06	Internal changes in equity	0	0	55,513	-55,513	0	0
5.06.01	Establishment of Reserves	0	0	55,513	-55,513	0	0
5.07	Closing balances	981,773	-21,537	273,683	0	795	1,234,714

Individual Financial Statements / Statement of Changes in Equity / SCE - 01/01/2023 to 12/31/2023**(In thousands of reais)**

Account Code	Account Description	Paid-in capital	Capital reserves, options granted and treasury shares	Income reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity
5.01	Opening balances	928,552	-29,368	208,978	0	0	1,108,162
5.02	Prior-year adjustments	0	0	0	0	0	0
5.03	Adjusted opening balances	928,552	-29,368	208,978	0	0	1,108,162
5.04	Capital transactions with shareholders	27,116	6,211	-23,518	-37,460	0	-27,651
5.04.01	Capital increases	27,116	0	-27,116	0	0	0
5.04.03	Recognized options granted	0	2,075	0	0	0	2,075
5.04.04	Treasury shares acquired	0	-715	0	0	0	-715
5.04.07	Interest on equity	0	0	0	-15,891	0	-15,891
	Approvals of Proposed Additional						
5.04.08	Dividends	0	0	-17,971	0	0	-17,971
5.04.11	Fair value - Matching shares	0	5,615	0	0	0	5,615
5.04.12	Disposal/transfer of shares	0	-764	0	0	0	-764
5.04.13	Surplus	0	0	21,569	-21,569	0	0
5.05	Total comprehensive income	0	0	0	92,905	0	92,905
5.05.01	Net income for the period	0	0	0	92,905	0	92,905
5.06	Internal changes in equity	0	0	55,445	-55,445	0	0
5.06.01	Establishment of Reserves	0	0	55,445	-55,445	0	0
5.07	Closing balances	955,668	-23,157	240,905	0	0	1,173,416

Individual Financial Statements / Statement of Changes in Equity / SCE - 01/01/2022 to 12/31/2022**(In thousands of reais)**

Account Code	Account Description	Paid-in capital	Capital reserves, options granted and treasury shares	Income reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity
5.01	Opening balances	903,552	-33,409	176,052	0	0	1,046,195
5.02	Prior-year adjustments	0	0	0	0	0	0
5.03	Adjusted opening balances	903,552	-33,409	176,052	0	0	1,046,195
5.04	Capital transactions with shareholders	25,000	4,041	-20,419	-33,000	0	-24,378
5.04.01	Capital increases	25,000	0	-25,000	0	0	0
5.04.03	Recognized options granted	0	1,447	0	0	0	1,387
5.04.04	Treasury shares acquired	0	-1,701	0	0	0	-1,605
5.04.06	Dividends	0	0	-13,390	0	0	-13,390
5.04.07	Interest on equity	0	0	0	-15,029	0	-15,029
5.04.08	Disposal/transfer of shares	0	-208	0	0	0	-244
5.04.09	Fair value - Matching shares	0	4,503	0	0	0	4,503
5.04.10	Surplus	0	0	17,971	-17,971	0	0
5.05	Total comprehensive income	0	0	0	86,345	0	86,345
5.05.01	Net income for the period	0	0	0	86,345	0	86,345
5.06	Internal changes in equity	0	0	53,345	-53,345	0	0
5.06.01	Establishment of Reserves	0	0	53,345	-53,345	0	0
5.07	Closing balances	928,552	-29,368	208,978	0	0	1,108,162

Individual Financial Statements / Statement of Value Added

(In thousands of reais)

Account Code	Account Description	Last year 01/01/2024 to 12/31/2024	Year before last 01/01/2023 to 12/31/2023	Second year before last 01/01/2022 to 12/31/2022
7.01	Revenues	5,628,161	5,111,625	4,493,186
7.01.01	Sales of goods, products and services	5,207,809	4,732,815	4,215,027
7.01.02	Other revenues	421,725	378,921	279,270
7.01.04	Reversal of/Allowance for expected credit losses	-1,373	-111	-1,111
7.02	Bought-in inputs	-4,086,817	-3,705,586	-3,245,637
7.02.01	Costs of goods, products and services sold	-3,671,904	-3,368,034	-2,938,965
7.02.02	Materials, electric power, third-party services and other expenses	-429,124	-353,595	-316,047
7.02.03	Loss/recovery of assets	14,211	16,043	9,375
7.03	Gross value added	1,541,344	1,406,039	1,247,549
7.04	Retentions	-208,781	-198,926	-183,496
7.04.01	Depreciation, amortization and depletion	-208,781	-198,926	-183,496
7.05	Net value added produced	1,332,563	1,207,113	1,064,053
7.06	Value added received in transfer	92,771	40,219	26,910
7.06.01	Equity pickup	35,656	8,142	10,839
7.06.02	Finance income	57,115	32,077	16,071
7.07	Total value added to be distributed	1,425,334	1,247,332	1,090,963
7.08	Distribution of value added	1,425,334	1,247,332	1,090,963
7.08.01	Personnel	594,952	546,291	497,236
7.08.01.01	Direct compensation	494,718	458,267	420,764
7.08.01.02	Benefits	59,349	50,798	43,267
7.08.01.03	Unemployment Compensation Fund (FGTS)	40,885	37,226	33,205
7.08.02	Taxes, charges and contributions	544,791	462,669	400,112
7.08.02.01	Federal	167,614	138,446	109,889
7.08.02.02	State	366,036	313,895	281,620
7.08.02.03	Local	11,141	10,328	8,603
7.08.03	Debt remuneration	180,082	145,467	107,270
7.08.03.01	Interest	144,691	113,324	80,623
7.08.03.02	Rent	35,391	32,143	26,647

Individual Financial Statements / Statement of Value Added

(In thousands of reais)

Account Code	Account Description	Last year 01/01/2024 to 12/31/2024	Year before last 01/01/2023 to 12/31/2023	Second year before last 01/01/2022 to 12/31/2022
7.08.04	Equity remuneration	105,509	92,905	86,345
7.08.04.01	Interest on Equity (IOE)	49,996	37,459	33,000
7.08.04.03	Retained profits/loss for the period	55,513	55,446	53,345

Consolidated Financial Statements / Statement of Financial Position - Assets**(In thousands of reais)**

Account Code	Account Description	Last year 12/31/2024	Year before last 12/31/2023	Second year before last 12/31/2022
1	Total assets	3,377,453	3,077,470	2,733,126
1.01	Current assets	2,012,581	1,840,064	1,558,547
1.01.01	Cash and cash equivalents	79,995	27,953	25,715
1.01.02	Short-term investments	133,413	217,436	131,640
1.01.02.01	Financial Assets Measured at Fair Value Through Profit or Loss	133,413	217,436	131,640
1.01.02.01.03	Short-term investments	133,413	217,436	131,640
1.01.03	Accounts receivable	578,004	560,353	464,731
1.01.03.01	Trade accounts receivable	444,702	452,013	399,173
1.01.03.02	Other accounts receivable	133,302	108,340	65,558
1.01.04	Inventories	1,151,516	999,405	896,535
1.01.06	Taxes recoverable	49,578	33,793	39,926
1.01.06.01	Current taxes recoverable	49,578	33,793	39,926
1.01.06.01.01	Income and social contribution taxes recoverable	11,328	9,293	26,587
1.01.06.01.02	Other taxes recoverable	38,250	24,500	13,339
1.01.08	Other current assets	20,075	1,124	0
1.01.08.01	Noncurrent assets for sale	414	1,124	0
1.01.08.01.01	Properties available for sale	414	1,124	0
1.01.08.03	Other	19,661	0	0
1.01.08.03.01	Derivative financial instruments	19,661	0	0
1.02	Noncurrent assets	1,364,872	1,237,406	1,174,579
1.02.01	Long-term assets	84,847	73,295	63,402
1.02.01.07	Deferred taxes	61,617	52,885	48,598
1.02.01.07.01	Deferred income and social contribution taxes	61,617	52,885	48,598
1.02.01.08	Prepaid expenses	5,321	4,387	0
1.02.01.09	Related-party receivables	0	1,330	1,530
1.02.01.09.03	Receivables from subsidiaries	0	1,330	1,530
1.02.01.10	Other noncurrent assets	17,909	14,693	13,274
1.02.01.10.03	Other taxes recoverable	12,975	12,366	9,625

Consolidated Financial Statements / Statement of Financial Position - Assets**(In thousands of reais)**

Account Code	Account Description	Last year 12/31/2024	Year before last 12/31/2023	Second year before last 12/31/2022
1.02.01.10.04	Judicial deposits	4,729	2,064	3,124
1.02.01.10.05	Other assets	205	263	525
1.02.02	Investments	9,288	0	4
1.02.02.01	Equity interests	9,288	0	4
1.02.02.01.05	Other Investments	9,288	0	4
1.02.03	Property, plant and equipment (PPE)	1,174,066	1,080,794	1,034,437
1.02.03.01	Property, plant and equipment in operation	548,287	504,601	447,158
1.02.03.02	Right-of-use assets - Lease	611,422	576,193	587,279
1.02.03.03	Construction in progress	14,357	0	0
1.02.04	Intangible assets	96,671	83,317	76,736
1.02.04.01	Intangible assets	96,671	83,317	76,736
1.02.04.01.02	Intangible assets	96,671	83,317	76,736

Consolidated Financial Statements / Statement of Financial Position - Liabilities and Equity**(In thousands of reais)**

Account Code	Account Description	Last year 12/31/2024	Year before last 12/31/2023	Second year before last 12/31/2022
2	Total liabilities	3,377,453	3,077,470	2,733,126
2.01	Current liabilities	1,184,660	1,134,412	1,008,234
2.01.01	Social and labor obligations	84,852	67,443	60,105
2.01.01.01	Social obligations	28,306	16,202	13,973
2.01.01.02	Labor obligations	56,546	51,241	46,132
2.01.02	Trade accounts payable	630,823	679,763	555,452
2.01.02.01	Trade accounts payable - domestic	630,823	679,763	555,452
2.01.03	Tax obligations	51,779	32,299	30,583
2.01.03.01	Federal tax obligations	16,055	8,895	6,626
2.01.03.01.01	Income and social contribution taxes payable	5,689	2,153	1,757
2.01.03.01.02	Other federal tax obligations	10,366	6,742	4,869
2.01.03.02	State tax obligations	33,636	21,696	22,345
2.01.03.03	Local tax obligations	2,088	1,708	1,612
2.01.04	Loans and financing	292,728	266,896	270,488
2.01.04.01	Loans and financing	119,599	0	0
2.01.04.01.01	In domestic currency	119,599	0	0
2.01.04.02	Debentures	43,326	102,535	118,395
2.01.04.03	Financing through lease	129,803	164,361	152,093
2.01.05	Other obligations	113,010	84,206	88,862
2.01.05.02	Other	113,010	84,206	88,862
2.01.05.02.01	Dividends and interest on equity payable	13,953	6,406	5,518
2.01.05.02.04	Profit sharing payable	13,004	11,247	16,879
2.01.05.02.05	Other liabilities	86,053	66,553	66,465
2.01.06	Provisions	11,468	3,805	2,744
2.01.06.01	Provisions for tax, social security, labor and civil contingencies	11,468	3,805	2,744
2.01.06.01.05	Other provisions	11,468	3,805	2,744
2.02	Noncurrent liabilities	958,079	769,642	616,730
2.02.01	Loans and financing	943,077	755,791	601,052

Consolidated Financial Statements / Statement of Financial Position - Liabilities and Equity**(In thousands of reais)**

Account Code	Account Description	Last year 12/31/2024	Year before last 12/31/2023	Second year before last 12/31/2022
2.02.01.01	Loans and financing	141,732	0	0
2.02.01.01.01	In domestic currency	141,732	0	0
2.02.01.02	Debentures	250,000	280,000	116,429
2.02.01.03	Financing through lease	551,345	475,791	484,623
2.02.02	Other obligations	7,634	7,220	6,665
2.02.02.02	Other	7,634	7,220	6,665
2.02.02.02.04	Other obligations	7,634	7,220	6,665
2.02.04	Provisions	7,368	6,631	9,013
2.02.04.01	Provisions for tax, social security, labor and civil contingencies	7,368	6,631	9,013
2.02.04.01.01	Provisions for tax contingencies	909	1,009	1,604
2.02.04.01.02	Provisions for social security and labor contingencies	6,459	5,622	7,409
2.03	Consolidated equity	1,234,714	1,173,416	1,108,162
2.03.01	Paid-in capital	981,773	955,668	928,552
2.03.01.01	Paid-in	996,221	970,116	943,000
2.03.01.02	Share issue costs	-14,448	-14,448	-14,448
2.03.02	Capital reserves	-21,537	-23,157	-29,368
2.03.02.05	Treasury shares	-23,993	-28,582	-35,139
2.03.02.07	Goodwill reserve	-4,938	-2,064	-268
2.03.02.08	Long-term incentive reserve	7,394	7,489	6,039
2.03.04	Income reserves	273,683	240,905	208,978
2.03.04.01	Legal reserve	17,823	12,548	9,201
2.03.04.07	Tax incentive reserve	180,684	180,684	154,690
2.03.04.08	Proposed additional dividend	24,938	21,568	17,971
2.03.04.10	Reserve for capital increase	50,238	26,105	27,116
2.03.08	Other Comprehensive Income	795	0	0

Consolidated Financial Statements / Statement of Profit or Loss**(In thousands of reais)**

Account Code	Account Description	Last year 01/01/2024 to 12/31/2024	Year before last 01/01/2023 to 12/31/2023	Second year before last 01/01/2022 to 12/31/2022
3.01	Revenue from sales of goods and/or services	4,942,462	4,461,017	3,990,475
3.01.01	Gross sales of products and services	5,322,904	4,803,912	4,279,781
3.01.02	Sales taxes	-317,377	-288,921	-238,446
3.01.03	Returns and unconditional discounts	-63,065	-53,974	-50,860
3.02	Cost of sales and/or services	-3,371,196	-3,083,809	-2,747,937
3.03	Gross income	1,571,266	1,377,208	1,242,538
3.04	Operating income/expenses	-1,375,987	-1,210,635	-1,105,253
3.04.01	Selling expenses	-1,234,979	-1,102,691	-1,009,353
3.04.01.01	Selling expenses	-1,234,979	-1,102,691	-1,009,353
3.04.02	General and administrative expenses	-159,860	-132,908	-109,750
3.04.04	Other operating income	18,852	24,964	13,850
3.04.04.01	Other operating income	18,852	24,964	13,850
3.05	Income before finance income (costs) and taxes	195,279	166,573	137,285
3.06	Finance income (costs)	-82,715	-74,989	-58,855
3.06.01	Finance income	61,501	37,621	20,429
3.06.02	Finance costs	-144,216	-112,610	-79,284
3.07	Income before income taxes	112,564	91,584	78,430
3.08	Income and social contribution taxes	-7,055	1,321	7,915
3.08.01	Current	-15,787	-2,966	-4,292
3.08.02	Deferred	8,732	4,287	12,207
3.09	Net income from continuing operations	105,509	92,905	86,345
3.11	Consolidated income (loss) for the period	105,509	92,905	86,345
3.11.01	Attributable to controlling shareholders	105,509	92,905	86,345
3.99	Earnings per share (reais / share)			
3.99.01	Basic earnings per share			
3.99.01.01	Registered common shares	0.71	0.62	0.58
3.99.02	Diluted earnings per share			
3.99.02.01	Registered common shares	0.7	0.62	0.58

Consolidated Financial Statements/ Statement of Comprehensive Income

(In thousands of reais)

Account Code	Account Description	Last year 01/01/2024 to 12/31/2024	Year before last 01/01/2023 to 12/31/2023	Second year before last 01/01/2022 to 12/31/2022
4.01	Consolidated net income for the period	105,509	92,905	86,345
4.02	Other Comprehensive Income	795	0	0
4.03	Consolidated comprehensive income for the period	106,304	92,905	86,345
4.03.01	Attributable to controlling shareholders	106,304	92,905	86,345

Consolidated Financial Statements / Statement of Cash Flows - Indirect Method**(In thousands of reais)**

Account Code	Account Description	Last year 01/01/2024 to 12/31/2024	Year before last 01/01/2023 to 12/31/2023	Second year before last 01/01/2022 to 12/31/2022
6.01	Net cash flows from operating activities	224,449	296,621	205,480
6.01.01	Cash from operations	438,926	368,570	314,381
6.01.01.01	Net income for the year	105,509	92,905	86,345
6.01.01.02	Depreciation and amortization	210,203	200,154	184,568
6.01.01.03	Provision for contingent liabilities	737	-2,382	-3,288
6.01.01.04	Net reimbursement of property, plant and equipment written off	0	0	-6,231
6.01.01.05	Cost of permanent assets written off or sold	6,556	6,407	8,411
6.01.01.06	Deferred income and social contribution taxes	-8,732	-4,287	-12,207
6.01.01.07	Provision for Inventory Losses	-925	140	144
6.01.01.08	Allowance for expected credit losses	1,373	111	1,111
6.01.01.09	Interest expenses	128,112	101,554	69,631
6.01.01.10	Tax credits from legal proceeding	0	0	-5,591
6.01.01.11	Stock option plan or share subscription	6,025	5,614	4,503
6.01.01.13	Discounts on leases payable	0	0	-3,976
6.01.01.14	Current income and social contribution taxes	15,786	-2,966	4,292
6.01.01.15	Short-term investment yield	-25,718	-28,680	-13,331
6.01.02	Changes in assets and liabilities	-214,477	-71,949	-108,901
6.01.02.01	Credits receivable from customers	5,938	-52,951	-76,135
6.01.02.02	Inventories	-151,186	-103,010	-157,643
6.01.02.03	Judicial deposits	-2,665	1,060	751
6.01.02.04	Taxes recoverable	-32,180	6,360	11,331
6.01.02.05	Trade accounts payable	-48,940	124,311	89,038
6.01.02.06	Taxes, contributions and social obligations payable	47,196	12,613	4,428
6.01.02.07	Income and social contribution taxes (IRPJ and CSLL) paid	-10,307	-3,559	-4,664
6.01.02.08	Other asset groups	-45,139	-47,827	10,534
6.01.02.09	Other liability groups	22,806	-8,946	13,459
6.02	Net cash flows from investing activities	-55,693	-196,558	-131,085
6.02.01	Acquisition of property, plant and equipment	-122,724	-114,419	-149,298

Consolidated Financial Statements / Statement of Cash Flows - Indirect Method**(In thousands of reais)**

Account Code	Account Description	Last year 01/01/2024 to 12/31/2024	Year before last 01/01/2023 to 12/31/2023	Second year before last 01/01/2022 to 12/31/2022
6.02.02	Acquisition of Intangible Assets	-35,102	-25,023	-32,339
6.02.03	Short-term investments	109,741	-57,116	39,073
6.02.04	Claim Reimbursement	0	0	11,479
6.02.05	Equity interests	-7,608	0	0
6.03	Net cash flows from financing activities	-116,714	-97,825	-103,115
6.03.01	Payment of dividends and interest on equity	-33,165	-28,721	-24,752
6.03.02	Shares granted - matching share plan	1,932	2,075	1,445
6.03.03	Acquisition of own shares	-4,929	-715	-1,605
6.03.04	Loans and financing taken out	281,732	425,000	150,000
6.03.05	Payment of leases	-181,899	-166,102	-150,309
6.03.06	Repayment of principal - financing	-136,492	-287,836	-52,857
6.03.07	Payment of interest - financing	-43,893	-41,526	-25,037
6.05	Increase (decrease) in cash and cash equivalents	52,042	2,238	-28,720
6.05.01	Cash and cash equivalents at beginning of period	27,953	25,715	54,435
6.05.02	Cash and cash equivalents at end of period	79,995	27,953	25,715

Consolidated Financial Statements / Statement of Changes in Equity - SCE - 01/01/2024 to 12/31/2024**(In thousands of reais)**

Account Code	Account Description	Paid-in capital	Capital reserves, options granted and treasury shares	Income Reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity	Noncontrolling shareholders	Consolidated equity
5.01	Opening balances	955,668	-23,157	240,905	0	0	1,173,416	0	1,173,416
5.02	Prior-year adjustments	0	0	0	0	0	0	0	0
5.03	Adjusted opening balances	955,668	-23,157	240,905	0	0	1,173,416	0	1,173,416
5.04	Capital transactions with shareholders	26,105	1,620	-22,735	-49,996	0	-45,006	0	-45,006
5.04.01	Capital increases	26,105	0	-26,105	0	0	0	0	0
5.04.03	Recognized options granted	0	1,932	0	0	0	1,932	0	1,932
5.04.04	Treasury shares acquired	0	-4,929	0	0	0	-4,929	0	-4,929
5.04.06	Dividends	0	0	-21,568	0	0	-21,568	0	-21,568
5.04.07	Interest on equity	0	0	0	-25,058	0	-25,058	0	-25,058
5.04.08	Surplus	0	0	24,938	-24,938	0	0	0	0
5.04.09	Fair Value of Matching Share Plan	0	6,025	0	0	0	6,025	0	6,025
5.04.10	Disposal/transfer of shares	0	-1,408	0	0	0	-1,408	0	-1,408
5.05	Total comprehensive income	0	0	0	105,509	795	106,304	0	106,304
5.05.01	Net income for the period	0	0	0	105,509	0	105,509	0	105,509
5.05.02	Other Comprehensive Income	0	0	0	0	795	795	0	795
5.06	Internal changes in equity	0	0	55,513	-55,513	0	0	0	0
5.06.01	Establishment of Reserves	0	0	55,513	-55,513	0	0	0	0
5.07	Closing balances	981,773	-21,537	273,683	0	795	1,234,714	0	1,234,714

Consolidated Financial Statements / Statement of Changes in Equity - SCE - 01/01/2023 to 12/31/2023**(In thousands of reais)**

Account Code	Account Description	Paid-in capital	Capital reserves, options granted and treasury shares	Income Reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity	Noncontrolling shareholders	Consolidated equity
5.01	Opening balances	928,552	-29,368	208,978	0	0	1,108,162	0	1,108,162
5.02	Prior-year adjustments	0	0	0	0	0	0	0	0
5.03	Adjusted opening balances	928,552	-29,368	208,978	0	0	1,108,162	0	1,108,162
5.04	Capital transactions with shareholders	27,116	6,211	-23,518	-37,460	0	-27,651	0	-27,651
5.04.01	Capital increases	27,116	0	-27,116	0	0	0	0	0
5.04.03	Recognized options granted	0	2,075	0	0	0	2,075	0	2,075
5.04.04	Treasury shares acquired	0	-715	0	0	0	-715	0	-715
5.04.07	Interest on equity	0	0	0	-15,891	0	-15,891	0	-15,891
5.04.08	Approvals of Proposed Additional Dividends	0	0	-17,971	0	0	-17,971	0	-17,971
5.04.11	Fair value - Matching shares	0	5,615	0	0	0	5,615	0	5,615
5.04.12	Disposal/transfer of shares	0	-764	0	0	0	-764	0	-764
5.04.13	Surplus	0	0	21,569	-21,569	0	0	0	0
5.05	Total comprehensive income	0	0	0	92,905	0	92,905	0	92,905
5.05.01	Net income for the period	0	0	0	92,905	0	92,905	0	92,905
5.06	Internal changes in equity	0	0	55,445	-55,445	0	0	0	0
5.06.01	Establishment of Reserves	0	0	55,445	-55,445	0	0	0	0
5.07	Closing balances	955,668	-23,157	240,905	0	0	1,173,416	0	1,173,416

Consolidated Financial Statements / Statement of Changes in Equity - SCE - 01/01/2022 to 12/31/2022**(In thousands of reais)**

Account Code	Account Description	Paid-in capital	Capital reserves, options granted and treasury shares	Capital reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity	Noncontrolling shareholders	Consolidated equity
5.01	Opening balances	903,552	-33,409	176,052	0	0	1,046,195	0	1,046,195
5.02	Prior-year adjustments	0	0	0	0	0	0	0	0
5.03	Adjusted opening balances	903,552	-33,409	176,052	0	0	1,046,195	0	1,046,195
5.04	Capital transactions with shareholders	25,000	4,041	-20,419	-33,000	0	-24,378	0	-24,378
5.04.01	Capital increases	25,000	0	-25,000	0	0	0	0	0
5.04.03	Recognized options granted	0	1,447	0	0	0	1,387	0	1,387
5.04.04	Treasury shares acquired	0	-1,701	0	0	0	-1,606	0	-1,606
5.04.06	Dividends	0	0	-13,390	0	0	-13,390	0	-13,390
5.04.07	Interest on equity	0	0	0	-15,029	0	-15,029	0	-15,029
5.04.08	Disposal/transfer of shares	0	-208	0	0	0	-243	0	-243
5.04.09	Fair value - Matching shares	0	4,503	0	0	0	4,503	0	4,503
5.04.10	Surplus	0	0	17,971	-17,971	0	0	0	0
5.05	Total comprehensive income	0	0	0	86,345	0	86,345	0	86,345
5.05.01	Net income for the period	0	0	0	86,345	0	86,345	0	86,345
5.06	Internal changes in equity	0	0	53,345	-53,345	0	0	0	0
5.06.01	Establishment of reserves	0	0	53,345	-53,345	0	0	0	0
5.07	Closing balances	928,552	-29,368	208,978	0	0	1,108,162	0	1,108,162

Consolidated Financial Statements / Statement of Value Added**(In thousands of reais)**

Account Code	Account Description	Last year 01/01/2024 to 12/31/2024	Year before last 01/01/2023 to 12/31/2023	Second year before last 01/01/2022 to 12/31/2022
7.01	Revenues	5,822,258	5,261,819	4,631,176
7.01.01	Sales of goods, products and services	5,402,230	4,883,032	4,353,400
7.01.02	Other revenues	421,401	378,898	278,887
7.01.04	Reversal of/Allowance for expected credit losses	-1,373	-111	-1,111
7.02	Bought-in inputs	-4,239,005	-3,842,463	-3,368,711
7.02.01	Costs of goods, products and services sold	-3,813,093	-3,500,058	-3,058,242
7.02.02	Materials, electric power, third-party services and other expenses	-442,294	-358,519	-319,838
7.02.03	Loss/recovery of assets	16,382	16,114	9,369
7.03	Gross value added	1,583,253	1,419,356	1,262,465
7.04	Retentions	-210,164	-200,154	-184,568
7.04.01	Depreciation, amortization and depletion	-210,164	-200,154	-184,568
7.05	Net value added produced	1,373,089	1,219,202	1,077,897
7.06	Value added received in transfer	66,139	38,990	21,709
7.06.02	Finance income	66,139	38,990	21,709
7.07	Total value added to be distributed	1,439,228	1,258,192	1,099,606
7.08	Distribution of value added	1,439,228	1,258,192	1,099,606
7.08.01	Personnel	597,372	549,476	500,345
7.08.01.01	Direct compensation	496,643	461,090	423,506
7.08.01.02	Benefits	59,644	50,990	43,456
7.08.01.03	Unemployment Compensation Fund (FGTS)	41,085	37,396	33,383
7.08.02	Taxes, charges and contributions	552,752	470,718	406,659
7.08.02.01	Federal	174,444	144,716	115,352
7.08.02.02	State	366,805	315,248	282,368
7.08.02.03	Local	11,503	10,754	8,939
7.08.03	Debt remuneration	183,595	145,093	106,257
7.08.03.01	Interest	148,836	113,965	80,778
7.08.03.02	Rent	34,759	31,128	25,479
7.08.04	Equity remuneration	105,509	92,905	86,345

Consolidated Financial Statements / Statement of Value Added

(In thousands of reais)

Account Code	Account Description	Last year 01/01/2024 to 12/31/2024	Year before last 01/01/2023 to 12/31/2023	Second year before last 01/01/2022 to 12/31/2022
7.08.04.01	Interest on Equity (IOE)	49,996	37,459	33,000
7.08.04.03	Retained profits/loss for the period	55,513	55,446	53,345



**Shape the future
with confidence**

Iguatemi Business

Avenida Nilo Peçanha, 2.900
9º andar - Chácara das Pedras
91330-001- Porto Alegre - RS - Brazil
Phone: +55 51 3204-5500
ey.com.br

A free translation from Portuguese into English of Independent Auditor’s Report on Individual and Consolidated Financial Statements prepared in Brazilian currency in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS), issued by International Accounting Standards Board (IASB), currently referred to by the IFRS Foundation as IFRS accounting standards

Independent auditor’s report on individual and consolidated financial statements

To the Shareholders, Board of Directors and Officers of
Dimed S.A. Distribuidora de Medicamentos
Eldorado do Sul - RS

Opinion

We have audited the individual and consolidated financial statements of Dimed S.A. Distribuidora de Medicamentos (the “Company”), identified as Individual and Consolidated, respectively, which comprise the statement of financial position as at December 31, 2024, and the statements of profit or loss, 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 and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the individual and consolidated financial position of the Company as at December 31, 2024, and its individual and consolidated financial performance and cash flows for the year then ended in accordance with the accounting the practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), currently referred to by the IFRS Foundation as IFRS accounting standards.

Basis for opinion

We conducted our audit in accordance with the 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 principles set forth in the Code of Professional Ethics for Accountants and the professional standards issued by Brazil’s National Association of State Boards of Accountancy (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 opinion.

Key audit matters

Key audit matters are those that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter, including any commentary on the findings or outcome of our procedures, is provided in that context.



**Shape the future
with confidence**

We have fulfilled the responsibilities described in the “Auditor’s responsibilities for the audit of the individual and consolidated financial statements” section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Measurement of lease liabilities and right-of-use assets

As mentioned in Notes 12 and 20, the Company recorded right-of-use assets and lease liabilities for agreements within the scope of NBC TG 06 (R3) (IFRS 16). As at December 31, 2024, the Company recorded R\$611,422 thousand for right-of-use assets in the individual and consolidated financial statements, in addition to lease liabilities of R\$681,148 thousand in the individual and consolidated financial statements.

This matter was considered significant for our audit due to the materiality of the amounts involved, both in relation to the asset/liability balances and P&L for the year, as well as the uncertainties inherent in this type of calculation and the degree of judgment required that must be exercised by the executive board in determining the significant assumptions, which include, among other, the discount rate used.

How our audit addressed this matter

Our audit procedures included, among others, the assessment of significant assumptions used related to the lease term, discount rate and consideration amounts, in addition to the calculation methodology used by the Company to measure accounting impacts; inventory analysis of the Company's lease agreements, in addition to checking the compliance of these agreements with the scope of the standard. We also tested the reasonableness of the criteria adopted by the Company for a sample of agreements randomly selected, considering the information on the agreements and their amendments, in addition to recalculate the amounts measured by the Company for these transactions. As a result of these procedures, we identified no audit adjustment related to the measurement of lease liabilities and right-of-use assets.

Based on the results of the audit procedures performed, which are consistent with the executive board’s assessment, we consider that the accounting records prepared by the executive board for measurement of the impacts from NBC TG 06 (R3) (IFRS 16) on lease agreements, as well as the related disclosures in Notes 12 and 20, are acceptable in the context of the individual and consolidated financial statements taken as a whole.



**Shape the future
with confidence**

Other matters

Statements of value added

The individual and consolidated statements of value added (SVA) for the year ended December 31, 2024, prepared under the responsibility of the Company's executive board, and presented as supplementary information for IFRS purposes, have been subject to audit procedures performed in conjunction with the audit of the Company's individual and consolidated financial statements. For the purpose of forming our opinion, we evaluate whether these statements are reconciled with the financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria set forth in Accounting Pronouncement CPC 09 - Statement of Value Added. In our opinion, these statements of value added were prepared fairly, in all material respects, in accordance with the criteria defined in the referred to Accounting 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 auditor's report

The executive board is responsible for such other information, which comprise 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 assurance 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 of the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the executive board and those charged with governance for the individual and consolidated financial statements

The executive board is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), currently referred to by the IFRS Foundation as IFRS accounting standards, and for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



**Shape the future
with confidence**

In preparing the individual and consolidated financial statements, the executive board 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 the executive board either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's 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 the audit conducted in accordance with the 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 the Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identified and assessed risks of material misstatements of the individual and consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained 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 the risk of not detecting one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained 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 internal control of Company and its subsidiaries.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive board.
- Concluded on the appropriateness of the executive board'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 Company's ability 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 to cease to continue as a going concern.



**Shape the future
with confidence**

- Evaluated 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.

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

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements, including those regarding independence, and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, 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 period 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.

Porto Alegre, March 27, 2025.

ERNST & YOUNG
Auditores Independentes S.S. Ltda.
CRC SP-015199/F

Arthur Ramos Arruda
Accountant CRC-RS RS-096102/O-0

grupo panvel

PanVel
FARMÁCIAS

Financial Statements
December 31, 2024
with Independent Auditor's Report

Statements of financial position

December 31, 2024 and 2023

(In thousands of reais)

	Note	Individual		Consolidated			Nota	Individual		Consolidated	
		12/31/2024	12/31/2023	12/31/2024	12/31/2023			12/31/2024	12/31/2023		
Assets						Liabilities and equity					
Current						Current					
Cash and cash equivalents	6.1	78,903	27,921	79,995	27,953	Payroll and related charges		83,866	66,517	84,852	67,443
Short-term investments	6.2	73,440	167,775	133,413	217,436	Trade accounts payable	16	641,339	684,780	630,823	679,763
Trade accounts receivable	7	440,573	446,017	444,702	452,013	Tax obligations	18	47,569	29,394	51,779	32,299
Other accounts receivable		132,316	107,442	133,302	108,340	Loans and financing	17	162,656	102,535	162,925	102,535
Inventories	8	1,129,051	982,972	1,151,516	999,405	Leases payable	20	129,803	164,361	129,803	164,361
Income and social contribution taxes recoverable	9	11,130	8,813	11,328	9,293	Interest on equity	17	13,953	6,406	13,953	6,406
Taxes recoverable	10	36,510	24,351	38,250	24,500	Profit sharing payable	19	12,907	10,877	13,004	11,247
Properties available for sale		-	-	414	1,124	Other liabilities		83,323	61,721	86,053	66,553
Derivative financial instruments	4.1	19,661	-	19,661	-	Provisions		11,280	3,507	11,468	3,805
Total current assets		1,921,584	1,765,291	2,012,581	1,840,064	Total current liabilities		1,186,696	1,130,098	1,184,660	1,134,412
Noncurrent						Noncurrent					
Deferred income and social contribution taxes	14	53,675	49,356	61,617	52,885	Loans and financing	17	371,287	280,000	391,732	280,000
Prepaid expenses		5,321	4,387	5,321	4,387	Leases payable	20	551,345	475,791	551,345	475,791
Receivables from shareholders	31	11,402	1,330	-	1,330	Other obligations		7,634	7,220	7,634	7,220
Taxes recoverable	10	12,975	12,366	12,975	12,366	Provisions	21	6,348	5,532	7,368	6,631
Judicial deposits	21	4,713	2,048	4,729	2,064	Total noncurrent liabilities		936,614	768,543	958,079	769,642
Other assets		208	265	205	263	Equity					
Equity interests	11	82,142	83,620	-	-	Capital	23	981,773	955,668	981,773	955,668
Other investments		9,288	-	9,288	-	Treasury shares	23	(23,993)	(28,582)	(23,993)	(28,582)
Property, plant and equipment (PPE)	12	1,160,941	1,070,879	1,174,066	1,080,794	Goodwill reserve	23	(4,938)	(2,064)	(4,938)	(2,064)
Intangible assets	13	95,775	82,515	96,671	83,317	Long-term incentive reserve	23	7,394	7,489	7,394	7,489
Total noncurrent assets		1,436,440	1,306,766	1,364,872	1,237,406	Income reserve	23	273,683	240,905	273,683	240,905
						Other comprehensive income (loss)	23	795	-	795	-
Total assets		3,358,024	3,072,057	3,377,453	3,077,470	Total equity		1,234,714	1,173,416	1,234,714	1,173,416
						Total liabilities and equity		3,358,024	3,072,057	3,377,453	3,077,470

See accompanying notes.

Statements of profit or loss

December 31, 2024 and 2023

(In thousands of reais, except for earnings per share)

	Note	Individual		Consolidated	
		12/31/2024	12/31/2023	12/31/2024	12/31/2023
Gross sales of products and services	26	5,268,012	4,786,392	5,322,904	4,803,912
Sales taxes	26	(311,912)	(284,855)	(317,377)	(288,921)
Returns and unconditional discounts	26	(60,203)	(53,577)	(63,065)	(53,974)
Net revenue from sales and services	26	4,895,897	4,447,960	4,942,462	4,461,017
Cost of goods sold and services rendered	27	(3,371,702)	(3,085,135)	(3,371,196)	(3,083,809)
Gross profit		1,524,195	1,362,825	1,571,266	1,377,208
Selling expenses	28	(1,222,572)	(1,097,575)	(1,234,979)	(1,102,691)
General and administrative expenses	28	(155,631)	(129,575)	(159,860)	(132,908)
Other operating income (expenses), net	29	16,968	24,955	18,852	24,964
Equity pickup	11	35,653	8,142	-	-
		(1,325,582)	(1,194,053)	(1,375,987)	(1,210,635)
Operating income before finance income (costs)		198,613	168,772	195,279	166,573
Finance income (costs)					
Finance income	30	55,803	30,762	61,501	37,621
Finance costs	30	(143,345)	(111,986)	(144,216)	(112,610)
		(87,542)	(81,224)	(82,715)	(74,989)
Income before income and social contribution taxes		111,071	87,548	112,564	91,584
Income and social contribution taxes					
Current	15	(9,880)	1,263	(15,787)	(2,966)
Deferred	15	4,318	4,094	8,732	4,287
		(5,562)	5,357	(7,055)	1,321
Net income for the year		105,509	92,905	105,509	92,905
Basic earnings per common share		0.71	0.62	0.71	0.62
Diluted earnings per common share		0.70	0.62	0.70	0.62

See accompanying notes.

Statements of comprehensive income

December 31, 2024 and 2023

(In thousands of reais)

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Net income for the year	105,509	92,905	105,509	92,905
Other comprehensive income	795	-	795	-
Total comprehensive income for the year	106,304	92,905	106,304	92,905

See accompanying notes.

Statements of changes in equity

December 31, 2024 and 2023

(In thousands of reais)

	Capital	Treasury shares	Capital reserve - stock option plan	Income reserve				Retained earnings (accumulated losses)	Other comprehensive income	Equity
				Tax incentives	Legal reserve	For capital increase	Proposed additional dividends and IOE			
Balances at December 31, 2022	928,552	(35,139)	5,771	154,690	9,201	27,116	17,971	-	-	1,108,162
Capital increase	27,116	-	-	-	-	(27,116)	-	-	-	-
Recognized options granted	-	4,053	(1,978)	-	-	-	-	-	-	2,075
Share issue costs	-	-	-	-	-	-	-	-	-	-
Acquisition of own shares	-	(715)	-	-	-	-	-	-	-	(715)
Dividends	-	-	-	-	-	-	(17,971)	-	-	(17,971)
Proposed interest on equity (IOE)	-	-	-	-	-	-	-	(15,891)	-	(15,891)
Excess interest on equity	-	-	-	-	-	-	21,568	(21,568)	-	-
Disposal/transfer of shares	-	3,219	(3,983)	-	-	-	-	-	-	(764)
Fair value of matching share plan	-	-	5,615	-	-	-	-	-	-	5,615
Net income for the year	-	-	-	-	-	-	-	92,905	-	92,905
Legal reserve	-	-	-	-	3,347	-	-	(3,347)	-	-
Tax incentive reserve	-	-	-	25,994	-	-	-	(25,994)	-	-
Reserve for capital increase	-	-	-	-	-	26,105	-	(26,105)	-	-
Balances at December 31, 2023	955,668	(28,582)	5,425	180,684	12,548	26,105	21,568	-	-	1,173,416
Capital increase	26,105	-	-	-	-	(26,105)	(21,568)	-	-	(21,568)
Recognized options granted	-	3,463	(1,531)	-	-	-	-	-	-	1,932
Acquisition of own shares	-	(4,929)	-	-	-	-	-	-	-	(4,929)
Dividends	-	-	-	-	-	-	24,938	(24,938)	-	-
Proposed interest on equity (IOE)	-	-	-	-	-	-	-	(25,058)	-	(25,058)
Disposal/transfer of shares	-	6,055	(7,463)	-	-	-	-	-	-	(1,408)
Fair value of matching share plan	-	-	6,025	-	-	-	-	-	-	6,025
Net income for the year	-	-	-	-	-	-	-	105,509	-	105,509
Other comprehensive income	-	-	-	-	-	-	-	-	795	795
Legal reserve	-	-	-	-	5,275	-	-	(5,275)	-	-
Reserve for capital increase	-	-	-	-	-	50,238	-	(50,238)	-	-
Balances at December 31, 2024	981,773	(23,993)	2,456	180,684	17,823	50,238	24,938	-	795	1,234,714

See accompanying notes.

Statements of cash flows

December 31, 2024 and 2023

(In thousands of reais)

	Note	Individual		Consolidated	
		12/31/2024	12/31/2023	12/31/2024	12/31/2023
Cash flows from operating activities					
Net income for the year		105,509	92,905	105,509	92,905
Adjustments:					
Depreciation/amortization of property, plant and equipment and intangible assets	12 and 13	208,790	198,926	210,203	200,154
Provision for contingent liabilities		816	(1,845)	737	(2,382)
Equity pickup	11	1,478	(8,142)	-	-
Cost of property, plant and equipment and intangible assets written off		6,095	5,281	6,556	6,407
Allowance for expected credit losses	7	1,373	111	1,373	111
Provision for inventory losses	8	(865)	160	(925)	140
Stock option plan or share subscription		6,025	5,614	6,025	5,614
Deferred income and social contribution taxes	15	(4,318)	(4,094)	(8,732)	(4,287)
Interest expenses from loans and financing	17	127,842	101,554	128,112	101,554
Current income and social contribution taxes	15	9,880	1,263	15,786	(2,966)
Short-term investment yield	30	(19,742)	(22,059)	(25,718)	(28,680)
Changes in assets and liabilities					
Trade accounts receivable	7	4,071	(48,694)	5,938	(52,951)
Inventories	8	(145,214)	(100,693)	(151,186)	(103,010)
Trade accounts payable	16	(43,441)	122,458	(48,940)	124,311
Income and social contribution taxes payable		41,184	9,588	47,196	12,613
Judicial deposits	21	(2,665)	606	(2,665)	1,060
Taxes recoverable		(24,966)	(106)	(32,180)	6,360
Other asset groups		(57,164)	(45,941)	(45,139)	(47,827)
Other liability groups		25,292	(9,669)	22,806	(8,946)
Income and social contribution taxes paid		(5,660)	(114)	(10,307)	(3,559)
Net cash from operating activities		234,320	297,109	224,449	296,621
Cash flows from investing activities					
Acquisition of property, plant and equipment	12	(117,875)	(112,500)	(122,724)	(114,419)
Acquisition of intangible assets	13	(34,773)	(24,631)	(35,102)	(25,023)
Short-term investments		114,077	(57,749)	109,741	(57,116)
Other Investments		(7,608)	-	(7,608)	-
Net cash flows used in investing activities		(46,179)	(194,880)	(55,693)	(196,558)
Cash flows from financing activities					
Payment of dividends and interest on equity	17	(33,165)	(28,721)	(33,165)	(28,721)
Acquisition of own shares		(4,929)	(715)	(4,929)	(715)
Loans/financing (principal) taken out	17	261,287	425,000	281,732	425,000
Payment of leases	17	(181,899)	(166,102)	(181,899)	(166,102)
Repayment of principal - financing	17	(136,492)	(287,836)	(136,492)	(287,836)
Payment of interest - financing	17	(43,893)	(41,526)	(43,893)	(41,526)
Shares granted - matching share plan		1,932	2,075	1,932	2,075
Net cash used in financing activities		(137,159)	(97,825)	(116,714)	(97,825)
Net increase in cash and cash equivalents		50,982	4,404	52,042	2,238
Cash and cash equivalents at beginning of year		27,921	23,517	27,953	25,715
Cash and cash equivalents at end of year		78,903	27,921	79,995	27,953
Net increase in cash and cash equivalents		50,982	4,404	52,042	2,238

See accompanying notes.

Statements of value added

December 31, 2024 and 2023

(In thousands of reais)

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Revenues	5,628,161	5,111,625	5,822,258	5,261,819
Sales of goods, products and services	5,207,809	4,732,815	5,402,230	4,883,032
Other revenues	421,725	378,921	421,401	378,898
Reversal of/allowance for expected credit losses	(1,373)	(111)	(1,373)	(111)
Bought-in inputs	(4,086,817)	(3,705,586)	(4,239,005)	(3,842,463)
Cost of goods and products sold and services rendered	(3,671,904)	(3,368,034)	(3,813,093)	(3,500,058)
Materials, energy, third-party services and other	(429,124)	(353,595)	(442,294)	(358,519)
Loss/recovery of assets	14,211	16,043	16,382	16,114
Gross value added	1,541,344	1,406,039	1,583,253	1,419,356
Depreciation and amortization	(208,781)	(198,926)	(210,164)	(200,154)
Net value added produced by the entity	1,332,563	1,207,113	1,373,089	1,219,202
Value added received in transfer	92,771	40,219	66,139	38,990
Equity pickup	35,656	8,142	0	0
Finance income	57,115	32,077	66,139	38,990
Total value added to be distributed	1,425,334	1,247,332	1,439,228	1,258,192
Distribution of value added	1,425,334	1,247,332	1,439,228	1,258,192
Personnel	594,952	546,291	597,372	549,476
Direct compensation	494,718	458,267	496,643	461,090
Benefits	59,349	50,798	59,644	50,990
Unemployment Compensation Fund (FGTS)	40,885	37,226	41,085	37,396
Taxes, charges and contributions	544,791	462,669	552,752	470,718
Federal	167,614	138,446	174,444	144,716
State	366,036	313,895	366,805	315,248
Local	11,141	10,328	11,503	10,754
Debt remuneration	180,082	145,467	183,595	145,093
Interest	144,691	113,324	148,836	113,965
Rent	35,391	32,143	34,759	31,128
Equity remuneration	105,509	92,905	105,509	92,905
Interest on equity	49,996	37,459	49,996	37,459
Retained profits	55,513	55,446	55,513	55,446

See accompanying notes.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

1. Operations

1.1 Operations

Dimed S.A. Distribuidora de Medicamentos or “Dimed” and its subsidiaries (jointly referred to as the “Company”), with head office in the city of Eldorado do Sul, state of Rio Grande do Sul, is primarily engaged in the sale of medicines, perfumery, personal care and beauty products, cosmetics and dermo-cosmetics. To support retail sales and serve the wholesale segment, the Company has distribution centers in the states of Rio Grande do Sul, Paraná, and Espírito Santo. There are also 631 stores distributed among the states of Rio Grande do Sul (409 stores), Santa Catarina (98 stores), Paraná (112 stores), and São Paulo (12 stores). In the 12-month period, the Company opened a total of 47 stores, 20 of which in the fourth quarter of 2024. Over this quarter, it also closed 1 store.

The parent company is a corporation listed on B3 S.A. - BRASIL, BOLSA, BALCÃO (ticker symbol PNVL3).

Subsidiary Laboratório Industrial Farmacêutico Lifar Ltda. operates in the industrial segment, producing a wide range of products in the cosmetics, food, medicine and outsourced production segments. Such subsidiary is responsible for most of the production of the own brand product line of the Company's pharmacy chain and parent company of Empresa Lifar Distribuidora de Produtos Farmacêuticos Ltda., which is engaged in the distribution of the manufactured products.

Subsidiary Dimesul Gestão Imobiliária Ltda. is engaged in the purchase, sale, intermediation, subdivision, lease, rent, management and administration of own or third-party properties, with a view to centralizing and optimizing the management of the Company's properties.

1.2 Extreme weather event

In compliance with Memorandum Circular No. 1/2024 issued by the Brazilian Securities and Exchange Commission (“CVM”), which addresses the disclosure of impacts related to the weather event that occurred in the state of Rio Grande do Sul in the second quarter of 2024, the Company conducted an assessment and did not identify significant impacts from the third quarter of 2024 onwards.

1.3 Authorization for issue of the annual financial statements

The issue of these individual and consolidated financial statements was authorized by the Company's Board of Directors on March 27, 2025.

2. Material accounting policy information

Material accounting policies used in preparing these individual and consolidated financial statements are listed in the subitems described below. These policies have been consistently applied for all years presented.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

2.1 Basis of preparation and presentation of the individual and consolidated financial statements

The Company's individual and consolidated financial statements were prepared and are presented in accordance with the accounting practices adopted in Brazil, which comprise the rules issued by the Brazilian Securities and Exchange Commission (CVM) and the pronouncements issued by Brazil's Financial Accounting Standards Board (CPC), which comply with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Company management understands that all significant information related to the financial statements is disclosed and corresponds to the information used to manage the Company's operations.

The preparation of financial statements is based on historical cost, except for financial instruments measured at fair value, as per Note 5, which require the use of certain accounting estimates that affect the balances of asset, liability and profit or loss accounts, as well as the exercise of judgment by management members in the process of applying the Company's accounting policies. The most significant effects on the book accounts that involve the use of estimates or that require more complex judgments are disclosed in Note 3.

The Company adopted all the standards, revised standards and interpretations issued by Brazil's FASB (CPC) and regulators that were effective at December 31, 2024.

The presentation of the individual and consolidated Statement of Value Added (SVA) is required by the Brazilian Corporation Law and by the accounting practices adopted in Brazil applicable to publicly-held companies. The Statement of Value Added is not required under IFRS. As such, for IFRS purposes, this statement is presented as supplementary information without prejudice to the individual and consolidated financial statements taken as a whole.

2.1.1 Consolidated financial statements

The consolidated financial statements include the operations of the Company and of the following subsidiaries:

Company	Activity	Direct equity interest	
		2024	2023
Dimesul Gestão Imobiliária Ltda.	Management and administration of own and/or third-party properties and operation of marketplace activities.	99.99%	99.99%
Laboratório Industrial Farmacêutico Lifar Ltda.	Production of cosmetics, food, medicines and outsourced production.	99.99%	99.99%

Company	Activity	Indirect equity interest	
		2024	2023
Lifar Distribuidora de Produtos Farmacêuticos Ltda.	Pharmaceutical products distributor.	99.97%	99.97%

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

These consolidated financial statements are prepared in accordance with the consolidation practices and applicable legal provisions. The accounting practices adopted by the Subsidiaries were consistently applied and are consistent with the ones adopted by the Company. Where applicable, all transactions, balances, revenues and expenses between the Subsidiaries and the Company are fully eliminated from the consolidated financial statements.

The financial statement period of the subsidiaries included in the consolidation coincides with that of the Parent Company and the accounting policies have been consistently applied in the consolidated companies and are consistent with those used in prior year.

Income for the year is fully attributed to the controlling interests given that equity interest held by noncontrolling interests corresponds to 0.01% of the consolidated.

2.2 Presentation of segment reporting

Operational segment reporting is stated consistently with the internal report provided by key operational decision makers. The main operational decision maker, responsible for the allocation of funds and for the assessment of performance of operational segments is the Board of Directors, which is responsible for the Dimed's main strategic decisions.

2.3 Functional and presentation currency

The individual and consolidated financial statements are presented in Brazilian reais (R\$), which is the Company's and its subsidiaries' functional currency and presentation currency.

2.4 Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and other highly-liquid short-term investments, originally maturing within three months, and with insignificant risk of change in value. The balance is presented net of secured accounts in the statement of cash flows.

2.5 Financial instruments

2.5.1 Classification

The Company initially measures its financial assets or financial liabilities at fair value plus, for an item not measured at fair value, transactions costs that are directly attributable to their acquisition or issue. The classification of financial assets in accordance with CPC 48/IFRS 9 is usually based on the business model in which a financial asset is managed and on its contractual cash flow characteristics. Trade accounts receivable without a significant financing component are initially measured at the transaction price.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

2.5.2 Classification and subsequent measurement

Upon initial recognition, a financial asset is classified as measured: at amortized cost or at fair value through profit or loss, and is not reclassified subsequently to the initial recognition, except in the case of changes in the business model for the management of financial assets.

Trade accounts receivable and debt notes issued are initially recognized at their inception date. All other financial assets and liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset is measured at amortized cost if it is maintained within a business model whose objective is to maintain financial assets in order to receive contractual cash flows and its contractual terms generate, on specific dates, cash flows that are solely payment of principal and interest (SPPI) on the principal amount outstanding.

Financial liabilities were classified as measured at amortized cost or at fair value through profit or loss. A financial liability is classified as measured at fair value through profit or loss if it is classified as held for trading, is a derivative or is designated as such upon initial recognition. Other financial liabilities are subsequently measured at amortized cost, using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in P&L. Any gain or loss upon derecognition is also recognized in P&L.

Financial assets are written off when the rights to receive cash flows from the investments have expired or have been transferred. In the latter case, provided that Dimed has substantially transferred all the risks and rewards of ownership of the financial asset and has neither retained control over the financial asset. The Company derecognizes a financial liability when its contractual obligations are withdrawn, canceled or expires. The Company also derecognizes a financial liability when the terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains or losses arising from changes in fair value of financial assets measured at fair value through profit or loss are presented in the statement of profit or loss, under "Finance income (costs)". At the statement of financial position date, the Company evaluates whether there is objective evidence that a financial asset or group of financial assets is impaired. The analysis to show whether accounts receivable are impaired is described in Note 2.5.4.

2.5.3 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is recognized in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle them on a net basis, or realize the asset and settle the liability simultaneously. The Company reported in the statement of financial position the net amount of offsetting of contribution amounts from suppliers originally recorded in liabilities, where the Company records the receipts of funds through deposit, discounts or bonuses, and the checking account of funds recorded in assets, where the Company records notes issued against trade accounts payable, the net amount was recorded in assets under "Other accounts receivable".

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

2.5.4 Impairment

Nonderivative financial assets

Financial instruments and contract assets

The Company recognizes allowances for expected credit losses on financial assets measured at amortized cost.

The Company measures the allowance for loss in an amount equal to the lifetime expected credit loss, except for debt notes with low credit risk at the statement of financial position date, which are measured as 12-month expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is significant and available without undue cost or effort. This includes quantitative and qualitative information and analysis, based on the Company's historical experience in credit assessment and considering forward-looking information.

The Company assumes that the credit risk of a financial asset has increased significantly if it is more than 90 days past due.

The Company considers a financial asset to be in default when:

- It is unlikely that the debtor will fully pay its credit obligations to the Company, without resorting to actions such as the realization of the guarantee (if any);
- The financial asset has been past due for more than 90 days;
- Lifetime ECL are the expected credit losses that result from all possible default events over the expected life of the financial instrument;
- 12-month expected credit losses are credit losses that result from possible default events within 12 months after the statement of financial position date (or in a shorter period, if the expected life of the instrument is less than 12 months).

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

Financial assets with recovery problems

At each statement of financial position date, the Company assesses whether financial assets accounted for at amortized cost have recovery problems. A financial asset has "recovery problems" when one or more events occur that have a detrimental impact on the estimated future cash flows of the financial asset.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

Objective evidence that financial assets have had recovery problems includes the following observable data:

- Significant financial hardship faced by the issuer or borrower;
- Breach of contractual clauses, such as default or delay of more than 90 days;
- Rescheduling of an amount due to the Company in conditions that would not be accepted under regular conditions;
- High probability that the debtor will enter bankruptcy or other type of financial reorganization; or
- The extinction of an active market for such note due to financial hardship.

Presentation of the allowance for expected credit losses in the statement of financial position

The allowance for losses on financial assets measured at amortized cost is deducted from the gross book value of the assets.

Derivative financial instruments

The Company uses derivative financial instruments for financial risk management. These instruments are measured at fair value and variations are recognized in the statement of profit or loss. The measurement occurs monthly based on the mark-to-market position.

2.6 Trade accounts receivable

Trade accounts receivable correspond to receivables from customers for sale of goods or rendering of services in the ordinary course of Dimed's activities. All trade accounts receivable have a short term of receipt, without financing character and are consistent with market practices, classified in current assets.

Trade accounts receivable are initially recognized at fair value, less the allowance for expected credit losses (*impairment*), by the provision for financial discounts.

2.7 Inventories

Inventories are measured at the lower of average cost of acquisition, net of bonuses and net realizable value, including provisions for losses, if any.

Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

2.8 Contractual payments

The Company has various transactions related to commercial negotiations in the purchase of goods represented by commercial agreements whereby products can be sold together with other goods or with discounts which are, substantially, negotiations promoted by suppliers at the Company's points of sale in various forms. These negotiations are individual and different among suppliers and may have complex characteristics and nature.

Such transactions refer to financial discounts granted by laboratories, rebates for volume targets, marketing and publicity funds, disclosure of offers in own catalog, having a range of conditions and individual characteristics, such as bonuses in goods, financial contributions, reduction of purchase amounts, trade discounts, among others. The Company recognizes the amounts received based on sales effectively performed, and bonuses in goods are recorded under cost. This accounting treatment is applied after acquisition of the products, which receive a discount in their invoice according to the terms of the negotiation with the supplier and are recorded in inventories for the same amount.

2.9 Property, plant and equipment

Property, plant and equipment items are measured at cost of acquisition, buildup or construction, less accumulated depreciation.

Costs subsequently incurred are included in the carrying amount of the asset or recognized as a separate asset, as appropriate, if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of those items or pieces that are replaced is derecognized. All other repair and maintenance costs are posted against profit or loss for the year, as incurred.

Land is not depreciated. Depreciation of other assets is calculated using the straight-line method to allocate their costs or revalued amounts to residual values over the estimated useful life, as shown in Note 12. Residual values and useful lives of assets are reviewed and adjusted, as appropriate, at each year end. Gains and losses on disposals are determined by comparing P&L with the book value and are recognized in "Other operating income, net" in the statement of profit or loss.

2.10 Intangible assets

Intangible assets are represented by the lease of a commercial point, trademarks and patents and the right to use software. The amounts recorded as commercial point are the initial disbursements made by the Company to obtain the assignment of use of a certain establishment where the branch will be located. Upon initial recognition, they are measured at acquisition cost and subsequently deducted of accumulated amortization, calculated by the straight-line method based on the economic and useful life as described in Note 13.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

2.11 Impairment of nonfinancial assets

Nonfinancial assets, except deferred taxes and inventories that have specific rules for disclosure, are tested for *impairment* whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. An *impairment* loss is recognized at the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For purposes of *impairment* test, assets are grouped at the lowest levels for which there are separately identifiable cash flows (Cash-Generating Units (CGU)).

2.12 Loans and financing

Loans and financing are recognized at amortized cost. Any difference between the funds raised (net of transaction costs) and the settlement amount is recognized in the statement of profit or loss over the period in which loans are effective, using the effective interest rate method.

The rates paid upon taking out loans and financing are recognized as loan transaction costs, to the extent that it is probable that the loan is drawn down in full or in part. In this case, the rate is deferred until effective withdrawal. When there is no evidence of probability of full or partial withdrawal of the loan, the rate is capitalized as an advance payment of liquidity services and amortized over the loan period related thereto.

Loans and financing are classified as current liabilities unless the Company has an unconditional right to defer settlement of such liability for at least 12 months after the statement of financial position date.

2.13 Provisions

Provisions are recognized when there is a present or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate has been made of the amount of the obligation.

Provisions for tax, civil and labor contingencies are recognized based on the case laws in force, available evidence as well as estimates of the risk involved and their nature, updated on the statement of financial position dates. The amounts provisioned by the nature of contingencies are described in Note 21.

Where there are a number of similar obligations, the likelihood that an outflow will be required in order to settle these obligations is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of settlement related to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of expenses that will be required to settle the obligation, using a time rate of money and of specific risks in the obligation.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

2.14 Current and deferred income and social contribution taxes

Deferred income and social contribution taxes are calculated on temporary differences arising from differences between asset and liability tax bases and their carrying amounts in the financial statements.

Deferred income and social contribution tax assets are only recognized to the extent that it is probable that future taxable profit will be available, and against which the temporary differences can be used.

Deferred tax liabilities are recognized in relation to all taxable temporary differences, so that they are recognized on the differences that will result in amounts to be added in the calculation of taxable income of future years, when the carrying amount of the asset or liability is recovered or settled.

Current and deferred income and social contribution taxes are recognized in the statement of profit or loss, except to the extent that they are related to items directly recognized in equity or in comprehensive income. In this case, tax is also recognized in equity or comprehensive income.

Current and deferred income and social contribution taxes are determined based on the tax legislation in force, or substantially in force, at the statement of financial position date of the Company and that generate taxable profit. From time to time, management assesses the positions assumed in the Company's income tax returns as for circumstances where the applicable tax legislation provides margin for interpretations and sets provisions, where applicable, based on the estimated amount payable to tax authorities.

2.15 Employee benefits

Short-term benefit obligations to employees are recognized as personnel expenses as the relevant service is provided. The liability is recognized by the amount of expected payment should the Company has a present legal or constructive obligation of paying said amount due to past services provided by the employee and the obligation may be reliably estimated.

2.16 Payment of dividends and interest on equity

Payment of dividends and interest on equity to the Parent's shareholders is recognized as a liability in its financial statements at year end, according to the Company's Articles of Incorporation, which provide that at least 25% of net income for the year shall be paid out as dividends. The amounts exceeding this limit are recorded under "Excess dividends and interest on equity" in equity, as shown in Note 23.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

2.17 Leases

Upon adoption of CPC 06 (R2)/IFRS 16, the Company recognized lease liabilities involving leases that had already been classified as "operating leases" under IAS 17.

The Company recognizes the lease liability and the right-of-use asset on the date the lease agreement is entered into. The Company's main agreements refer to store lease operations. As the Group is not in a position to determine the exact discount rate to be applied to contracts, the Company uses the interest rate that it would have to pay, in case of borrowing from third parties, in a similar economic environment.

These liabilities were measured at the present value of the remaining lease payments discounted at the incremental interest rate, as described in Note 20. Company management considers as a lease component only the minimum fixed amount for purposes of measuring the lease liability. The remeasurements of lease liabilities were recognized as adjustments to the related rights-of-use assets, immediately after the initial application date. Significant assumptions used by the Company to assess whether a contract is or contains a lease are as follows:

- The lessor cannot have a substantive right to replace the asset with an alternative asset during the lease term;
- The Company holds substantially all the economic benefits of a contract asset if it benefits from most of the benefits arising from the main product, by-product and other benefits that the asset may generate;
- The Company has the right to direct the use of the asset, managing how and for what purposes it will be used during the utilization period or when these decisions are predetermined in the contract and the Company operates the asset throughout the contract period, without the lessor having the right to change these operational instructions.

2.18 Standards and interpretations not in force

2.18.1 IFRS S1/CBPS 01 – General requirements for disclosure of sustainability-related financial information and IFRS S2/CBPS 02 - Climate-related disclosures

With mandatory adoption for 2026 and voluntary adoption as of 2024, these standards require that the entities disclose information about their risks and opportunities relating to sustainability and the weather to assist the users of the financial statements. The Company is assessing the impacts of referred to standards.

2.18.2 IFRS 18 - Presentation and Disclosure in Financial Statements

This standard will become effective as of January 1, 2027, and will replace IAS 1, with significant changes to the structure of the statement of profit or loss, introducing new categories and subtotals in the classification of revenues and expenses. The Company is assessing the impacts to ensure a transition in compliance with the new guidelines.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

2.18.3 IFRS 19 - Subsidiaries without Public Accountability

This standard will become effective as of January 1, 2027, aiming at simplifying the consolidation process of financial statements, allowing for the adoption of uniform accounting policies between the parent company and its subsidiary. The standard facilitates the presentation of financial reports within corporate groups, making them more consistent and compatible. The Company is assessing potential impacts.

3. Significant accounting estimates and judgments

In preparing these financial statements, it is necessary to use estimates to account for certain assets, liabilities and other transactions. Therefore, the financial statements include various estimates referring to the allowance for doubtful accounts, provision for inventory losses, assessment of the useful lives of property, plant and equipment, provisions required for contingent liabilities and determination of provisions for income tax. Since management's judgment involves determining estimates related to the likelihood of future events, actual results may differ from these estimates. The estimates considered to be more critical by management, which may have significant effects on the accounting balances, are described below:

3.1 Provision for inventory losses

The provision for inventory losses is estimated based on the inventories of stores and distribution centers, whose maturity dates are close to the expiration date, and deemed sufficient by management to cover the risk of loss on these inventories. These amounts are stated in Note 8. The Company monthly evaluates and writes off items that are already past due and damaged.

3.2 Allowance for expected credit losses

The allowance for expected credit losses is based on certain assumptions and involves management's judgment, consistent with the accounting practices disclosed in Note 2.5.4 to the financial statements as at December 31, 2024. The amounts can be verified in Note 7.

3.3 Provisions for tax, civil and labor contingencies

The estimates to set up the provisions for contingencies are analyzed by management, based on the opinion of the Company's lawyers, where factors such as the hierarchy of laws, available case law, most recent court decisions and their relevance in the legal system are considered. The realization of these estimates may result in amounts different from those recorded in the accounts depending on the outcome of each legal or administrative proceeding.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

3.4 Fair value measurement of financial instruments

When the fair value of financial assets and liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, it will be determined using valuation techniques, including the discounted cash flow model. The inputs considered in these models are obtained from observable markets, when possible. In situations where these inputs cannot be obtained from observable markets, a degree of judgment is required to establish their fair values. Associated judgments include assessment of liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the fair value of financial instruments. Additional information on financial instruments can be found in Note 4.

3.5 Contractual payments

The estimates for the accounting recognition of negotiations for payments are based on the transactions with suppliers, consistently with the accounting practices disclosed in Note 2.8 to the financial statements as at December 31, 2024. These amounts may be verified in Note 27, under "Reimbursement of capital contribution costs".

3.6 Income taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the broad scope of tax legislation and the long-term nature and complexity of existing contractual arrangements, differences between actual results and assumptions adopted, or future changes to such assumptions could require future adjustments to the previously recorded tax income and expense.

When determining current and deferred income tax, the Company takes into consideration the impact of uncertain tax positions. The Company understands that the provision for income tax is adequate based on the assessment of various factors, including interpretations of tax laws and the opinion of its legal advisors.

The Company sets up provisions, based on reliable estimates, for possible consequences from audits by tax authorities of the respective jurisdictions in which it operates. The amount of these provisions is based on various factors, such as past tax audit experience and different interpretations of tax regulations by the taxable entity and by the competent tax authority. These different interpretations may arise in a wide range of issues, depending on the prevailing conditions in the respective domicile of the Company. Management's significant judgment is required to determine the amount of deferred tax assets that may be recognized based on probable term and future taxable profit levels, together with future tax planning strategies.

3.7 Discount rate of IFRS 16/CPC 06 (R2)

Estimates for determining the discount rate are based on assumptions, as described in Note 20.

4. Financial risk management

4.1 Financial risk factors

The Company's activities expose it to various financial risks: market risk (including fair value interest rate risk and cash flow interest rate risk), credit risk, liquidity risk and currency risk. The Company's global risk management program is concentrated in the unpredictability of the financial markets and aims to minimize potential adverse effects on the Company's financial performance.

Risk management is conducted by the Company's Controllership, which identifies and assesses possible financial risks, adopting measures to safeguard the Company in cooperation with the operational units. Management establishes global risk management principles, including for specific areas, such as interest rate risk, credit risk, use of nonderivative financial instruments and investment of cash surplus.

4.1.1 Market risk

Interest rate risk

The Company's interest rate risk arises from long-term borrowings and cash surplus invested in floating rate notes, such as Bank Deposit Certificates (CDB). Borrowings and investments at variable rates expose the Company to the cash flow interest rate risk. Borrowings and investments issued at fixed rates expose the Company to the fair value interest rate risk. At December 31, 2024, the Company's borrowings and investments at variable and fixed rates were accounted for in Brazilian reais.

The Company analyzes its exposure to interest rate in a dynamic manner. Scenarios are simulated, taking into consideration the refinancing, renewal of existing positions and alternative financing, as well as new investment possibilities for cash surplus. Based on these scenarios, the Company defines a reasonable interest rate change and calculates its impact on profit or loss. The scenarios are prepared only for liabilities and assets representing key interest-bearing positions.

Currency risk

As part of its financial management strategy, the Company took out an external funding operation in the form of "loan 4131", backed by a swap contract that fully covers the foreign exchange exposure. This funding was taken out to meet the Company's cash needs, providing greater financial flexibility and optimizing the cost of capital. To mitigate the risks arising from exposure to foreign exchange fluctuations related to this operation, the Company entered into a derivative instrument in the form of a swap, in which the debt's foreign exchange variation is fully offset.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

In accordance with CPC 48 (IFRS 9) – Financial Instruments, the Company recognizes financial instruments in its statement of financial position based on fair value measurement. During the term of the operation, derivatives are recognized as either assets or liabilities based on the changes in the fair value of the swap. At the end of the contract, the effects of the foreign exchange differences of the debt taken out and the derivative are financially offset, resulting in a neutral exposure to foreign exchange risk.

Sensitivity analysis

The sensitivity analysis of interest rates on financial instruments of the Company and its Subsidiaries is presented below, which describes the risks that may generate significant variations, with the most probable scenario (scenario I) according to management's assessment, considering a 12-month period. There are two other scenarios, in which interest rates increase (scenario II) and decrease (scenario III), both with a possible 25% and 50% variation in interest rates.

Index/Operation	Scenario I	Increase in interest		Decrease in interest	
	Probable	Scenario II		Scenario III	
		Possible -25%	Remote -50%	Possible -25%	Remote -50%
Average CDI	10.83%	13.54%	16.25%	8.12%	5.42%
Short-term investments	29,029	35,854	42,665	22,188	15,330
Loans and financing	(51,849)	(61,908)	(71,776)	(41,587)	(32,128)

The table below shows the sensitivity analysis of the Company's liabilities subject to exchange rate differences, with presentation of the projected amount under probable, possible, and remote scenarios, subtracting the exchange rate closing value for the period and multiplying by the debt in dollars.

Index/Operation	Notional (R\$)	Scenario I	Exchange rate increase		Exchange rate decrease	
			Scenario II		Scenario III	
	12/31/2024	Stable	Possible -25%	Remote -50%	Possible -25%	Remote -50%
US dollars	-	6.19	7.74	9.29	4.64	3.10
Loan 4131	118,489	-	(29,622)	(59,244)	29,622	59,244
Swap	-	-	29,622	59,244	(29,622)	(59,244)
Net exposure	-	-	-	-	-	-

4.1.2 Credit risk

Credit risk is managed on a corporate-level basis and arises from cash and cash equivalents, as well as credit exposures with customers, both legal entities and individuals, including outstanding receivables. For banks and financial institutions, only notes of entities that have mutual transactions with the Company are accepted. The credit analysis area assesses the customer creditworthiness, taking into consideration its financial position, past experience and other factors. Individual risk limits are established based on internal or external ratings, according to the limits determined by the Board of Directors and the Executive Board. The use of credit limits is regularly monitored by management. Sales to customers of retail branches are settled in local currency, check, agreements or by means of the main credit cards existing in the market. The carrying amount of financial assets represents the maximum credit risk exposure.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

Cash flow projection is carried out based on information provided by the operating units and the procurement department. The Treasury Department monitors the forecasts of the Company's liquidity requirements to ensure that it has cash sufficient to meet its operating needs. This departments also keeps sufficient margin of credit facilities, under repurchase agreements, available for the Company at any time, so that it does not exceed limits or breach loan agreement clauses (where applicable) in any of its credit facilities. Such projection takes into consideration the Company's debt financing plans, covenant compliance, compliance with internal ratio targets of the statement of financial position and, if applicable, external regulatory or legal requirements - for instance, currency restrictions.

4.1.3 Liquidity risk

Any cash surplus held by the operational entities, in addition to the amount required for working capital management purposes, is invested in short-term investments, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient margins as determined by the above-mentioned forecasts. At December 31, 2024, the Company recorded short-term investments amounting to R\$73,440 and R\$133,413 in the individual and consolidated financial statements, respectively, which generated cash inflows to manage liquidity risk.

The table below presents the Company's nonderivative and derivative financial liabilities, by maturity date, corresponding to the remaining period in the statement of financial position up to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Consolidated				
	Contractual cash flow	Within 1 year	From 1 to 2 years	From 3 to 5 years	Above 5 years
At December 31, 2024					
Trade accounts payable	630,823	630,823	-	-	-
Lease	681,148	129,803	162,816	242,315	146,214
Loans and financing	699,932	196,319	267,213	173,388	63,012
Total	2,011,903	956,945	430,029	415,703	209,226
	Consolidated				
	Contractual cash flow	Within 1 year	From 1 to 2 years	From 3 to 5 years	Above 5 years
At December 31, 2023					
Trade accounts payable	679,763	679,763	-	-	-
Lease	640,152	164,361	140,504	209,110	126,177
Loans and financing	481,913	127,258	130,842	223,813	-
Total	1,801,828	971,382	271,346	432,923	126,177

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

4.2 Capital management

The Company's objectives in managing its capital are to safeguard its ability to continue as a going concern in order to provide return for its shareholders and benefits for other stakeholders, in addition to maintain an optimal target capital structure to reduce the cost of capital.

To maintain or adjust its capital structure, the Company may revise the policy for payment of dividends, return capital to shareholders, issue new shares, or sell assets to reduce its indebtedness, for instance. In line with other companies in the sector, the Company monitors capital based on the financial leverage ratio. This ratio corresponds to the net debt divided by total capital. Net debt corresponds to total loans (including short and long-term loans, as stated in the consolidated statement of financial position), deducted from cash and cash equivalents. Total capital is calculated through the sum of equity, as stated in the consolidated statement of financial position, plus net debt.

The Company's business strategy is to maintain its net financial indebtedness, compared to the sum of net financial debt and equity, at low levels. Financial leverage ratios at December 31, 2024 and 2023 are summarized as follows:

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Total loans (Note 17)	533,943	382,535	554,657	382,535
Less:				
Cash and cash equivalents (Note 6)	(78,903)	(27,921)	(79,995)	(27,953)
Short-term investments (Note 6)	(73,440)	(167,775)	(133,413)	(217,436)
Net debt - A	381,600	186,839	341,249	137,146
Total equity	1,234,714	1,173,416	1,234,714	1,173,416
Total capital - B	1,591,376	1,360,255	1,575,963	1,310,562
Ratio - % - A/B	23.98	13.74	21.65	10.46

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

5. Financial instruments by category**5.1 Classification of financial assets**

At December 31, 2024 and 2023, financial assets are classified as follows:

	12/31/2024			
	Individual		Consolidated	
	Amortized cost	Fair value through profit or loss	Amortized cost	Fair value through profit or loss
Cash and cash equivalents	-	78,903	-	79,995
Short-term investments	-	73,440	-	133,413
Trade and other accounts receivable	572,889	-	578,004	-
Derivative financial instruments	-	19,661	-	19,661
Total	572,889	172,004	578,004	233,069

	12/31/2023			
	Individual		Consolidated	
	Amortized cost	Fair value through profit or loss	Amortized cost	Fair value through profit or loss
Cash and cash equivalents	-	27,921	-	27,953
Short-term investments	-	167,775	-	217,436
Trade and other accounts receivable	553,459	-	560,353	-
Total	553,459	195,696	560,353	245,389

5.2 Classification of financial liabilities

	12/31/2024			
	Individual		Consolidated	
	Amortized cost	Fair value through profit or loss	Amortized cost	Fair value through profit or loss
Trade accounts payable	641,339	-	630,823	-
Loans and financing	533,943	-	554,657	-
Lease obligations	681,148	-	681,148	-
Total	1,856,430	-	1,866,628	-

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

	12/31/2023			
	Individual		Consolidated	
	Amortized cost	Fair value through profit or loss	Amortized cost	Fair value through profit or loss
Trade accounts payable	684,780	-	679,763	-
Loans and financing	382,535	-	382,535	-
Lease obligations	640,152	-	640,152	-
Total	1,707,467	-	1,702,450	-

Fair values are determined based on market price quotations, when available, or in their absence, the present value of expected cash flows. The fair values of cash and cash equivalents, trade and other accounts receivable, and trade accounts payable are equivalent to their carrying amounts.

The estimated fair values of loans and financing in the individual and consolidated financial statements as at December 31, 2024 were R\$496,592 and R\$513,590, respectively, calculated at current market rates, considering their nature, term and risks, and can be compared with their carrying amounts of R\$533,943 and R\$513,590, respectively.

5.3 Fair value hierarchy

The Company applies CPC 40 (R1) for financial instruments, which requires the disclosure of fair value measurements based on the following hierarchy levels:

Level 1: prices quoted (unadjusted) in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs that have a material effect on the recorded fair value are observable, either directly or indirectly;

Level 3: techniques using inputs that have a material effect on the fair value recorded that are not based on observable market data.

The Company's financial instruments are measured using the Level 2 valuation technique. There were no transfers between levels 1, 2 and 3 until December 31, 2024.

6. Cash and cash equivalents and marketable securities

6.1 Cash and cash equivalents

	Average rate (p.a.)	Individual		Consolidated	
		12/31/2024	12/31/2023	12/31/2024	12/31/2023
Cash on hand (retail branches)	-	5,813	7,912	5,813	7,912
Short-term bank deposits	-	13,848	12,863	14,673	12,896
Short-term investments – fixed income (*)	88.5% of CDI	59,242	7,146	59,509	7,146
Total		78,903	27,921	79,995	27,953

(*) Short-term investments mostly refer to Bank Deposit Certificates (CBD) and repurchase agreements, remunerated at a CDI percentage. Information on investment liquidity is detailed in Note 4.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

6.2. Marketable securities

	Average rate (p.a.)	Individual		Consolidated	
		12/31/2024	12/31/2023	12/31/2024	12/31/2023
Boutique investment fund	112.7% of CDI	73,440	167,775	123,223	215,882
Bradesco referenced fund	108.5% of CDI	-	-	10,190	1,554
Total		73,440	167,775	133,413	217,436

Short-term investments by type are broken down as follows:

Type	Consolidated	
	12/31/2024	12/31/2023
Investment funds	113,126	192,757
Debentures	6,449	11,426
Financial Bills (LF)	3,732	4,078
Financial Treasury Bills (LFT)	9,281	8,349
Credit Note (NC)	825	826
Total	133,413	217,436

GD FIM Crédito Privado is a private credit fixed income fund under the management, administration and custody of BRAM - Bradesco Asset Management S.A. DTVM. The investment fund does not have significant financial obligations. These are limited to asset management fees, custody fees, audit fees and expenses. The fund is exclusively for the benefit of the Company and, therefore, the financial investment in the investment fund in which the Company holds an exclusive interest has been consolidated.

7. Trade accounts receivable

7.1 Breakdown of trade accounts receivable

Trade accounts receivable comprise receivables for the sales of goods.

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Trade accounts receivable	448,583	454,146	452,712	460,142
Provision for financial charges	(54)	(1,546)	(54)	(1,546)
Allowance for expected credit losses	(7,956)	(6,583)	(7,956)	(6,583)
Total	440,573	446,017	444,702	452,013

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

7.2 Aging list of trade accounts receivable

	<u>12/31/2024</u>	<u>12/31/2023</u>
Falling due		
Within 30 days	247,784	250,820
31 to 60 days	99,179	89,839
61 to 90 days	41,925	56,263
91 to 120 days	18,580	27,464
121 to 150 days	9,988	9,382
151 to 180 days	4,866	3,033
Above 180 days	3,174	3,027
	<u>425,496</u>	<u>439,828</u>
Past due		
Within 30 days	7,325	6,358
31 to 90 days	2,094	1,377
Above 90 days	13,667	6,583
	<u>23,086</u>	<u>14,318</u>
Provision for financial charges	(54)	(1,546)
Allowance for expected credit losses	(7,956)	(6,583)
Total - Individual	<u>440,573</u>	<u>446,017</u>
Trade accounts receivable (Lifar) - Falling due	2,574	5,738
Trade accounts receivable (Lifar) - Overdue	1,555	258
Total - Consolidated	<u>444,702</u>	<u>452,013</u>

7.3. Estimated credit losses

The allowance for losses on receivables is set up based on CPC 48/IFRS 9 methodology. The expected loss is estimated based on the analysis of the portfolio's performance, taking into consideration the likelihood of default and loss that each delay range presents.

Changes in provision for impairment of accounts receivable are as follows:

	Individual		Consolidated	
	<u>12/31/2024</u>	<u>12/31/2023</u>	<u>12/31/2024</u>	<u>12/31/2023</u>
Balance at beginning of period	(6,583)	(6,472)	(6,583)	(6,472)
Additional provision	(8,378)	(3,722)	(8,378)	(3,722)
Provision amounts written off	7,005	3,611	7,005	3,611
Total	<u>(7,956)</u>	<u>(6,583)</u>	<u>(7,956)</u>	<u>(6,583)</u>

Recognition and derecognition of the allowance for expected credit losses were recorded in the statement of profit or loss for the year as "Net losses on receivables". The amounts charged to the allowance account are usually written off when there is no expectation of recovery of funds. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of the abovementioned receivables.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

8. Inventories**8.1 Breakdown of inventories**

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Goods for resale	1,121,442	976,056	1,122,681	976,243
Goods held by third parties	-	-	-	107
Finished products	-	-	6,632	3,430
Raw materials	-	-	5,580	6,007
Consumables/storeroom supplies	7,616	7,789	16,630	14,551
(-) Provision for inventory losses	(7)	(873)	(7)	(933)
Total	1,129,051	982,972	1,151,516	999,405

8.2 Estimated inventory losses

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Opening balance	(873)	(713)	(933)	(793)
Additional provision	(7,361)	(3,411)	(7,361)	(3,496)
Provision amounts written off	8,227	3,251	8,287	3,356
Balance at end of year	(7)	(873)	(7)	(933)

9. Income and social contribution taxes recoverable

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Corporate Income Tax - IRPJ	10,800	8,516	10,981	8,923
Social Contribution Tax on Net Profit - CSLL	330	297	347	370
Total	11,130	8,813	11,328	9,293

On June 22, 2023, the writ of mandamus became final and unappealable, which discussed the unenforceability of IRPJ and CSLL amounts related to Selic (interest and monetary restatement) levied on taxes refunded or offset with the right to offset the undue tax payments, for the period from 2016 to 2023. In 2023, the Company calculated and recorded the credit amounting to R\$7,850, of which R\$6,141 of current IRPJ and CSLL (R\$4,920 of principal and R\$1,221 of monetary restatement), already offset in 2023, and R\$1,709 of deferred IRPJ and CSLL, to be offset in the next years.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

10. Taxes recoverable

10.1 Breakdown of taxes recoverable

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Current				
State Value-Added Tax – ICMS	25,659	21,661	26,815	21,807
Contribution Tax on Gross Revenue for Social Integration Program – PIS	1,767	159	1,767	160
Contribution Tax on Gross Revenue for Social Security Financing – COFINS	8,432	733	8,432	733
Credit relating to the exclusion of the ICMS from the PIS and COFINS tax bases	-	1,450	-	1,450
Other	652	349	1,236	349
Total	36,510	24,351	38,250	24,500
Noncurrent				
State Value-Added Tax – ICMS	12,975	12,366	12,975	12,366
Total	12,975	12,366	12,975	12,366

10.2 ICMS on PIS and COFINS tax bases

In the third quarter of 2023, a supplementary credit was calculated regarding the final and unappealable decision on the lawsuits that discussed the exclusion of ICMS from the PIS and COFINS tax bases in January 2021, totaling R\$4,115, of which R\$3,106 relating to principal and R\$1,009 to interest. Throughout the fourth quarter of 2023, amounts were offset and a balance of R\$1,450 remained, which was fully offset in the first quarter of 2024. In the second quarter of 2024, a supplementary credit was calculated regarding this same matter, totaling R\$692, which was offset in the third quarter of 2024. From this period onwards, the Company accounts for this credit on a monthly basis.

10.3 ICMS-ST in the state of Santa Catarina

On May 31, 2023, a final and unappealable decision was awarded by the State of Santa Catarina Court of Justice, which allows the recovery of ICMS-ST (tax substitution regime) amounts paid in excess of the amounts effectively adopted in sales, due to the ICMS-ST calculation methodology in the state of Santa Catarina, whose tax base calculated according to the Company's gross revenue (Maximum Sale Price to the Consumer - "PMC") is often higher than the retail price of the goods to the final consumer, evidencing overpayment of the tax and justifying the right to recover the excess amounts paid in the period from 10/21/2011 to 12/31/2020.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

The recovery of amounts is conditioned to the preparation and filing of the accessory obligation named DRCST (Statement for Monthly Calculation of Reimbursement of Refund and Supplementing of ICMS-ST) as provided for in article 25-C of the state of Santa Catarina ICMS Regulations (RICMS/SC). In 2023, the Company partially calculated and accounted for credits (from 2011 to 2017) amounting to R\$12,585, of which R\$9,697 refer to principal and R\$2,888 to restatement. In 2024, the Company continued gathering information and calculating the remaining balance, resulting in an additional recognition in the amount of R\$2,365, of which R\$1,122 refer to principal and R\$1,243 to restatement in the first quarter of 2024. This process is still awaiting final approval, and should there be additional credits, they will be accounted for after the process is completed. On April 18, 2024, a request for partial offset was filed with the Santa Catarina State Finance Department, whose review is currently in progress. The offset of these amounts is contingent upon the approval of such request.

10.4 Exclusion of ICMS-ST from the PIS and COFINS tax bases

On September 13, 2024, the decision that allows the recovery of PIS and COFINS amounts related to the exclusion of ICMS-ST from the PIS and COFINS tax bases owed by substituted taxpayers became final and unappealable at the Superior Court of Justice (TRF-4), granting rights to credits from September 2018 to December 2024. Until December 2024, an amount of R\$12,544 had been recognized, consisting of R\$9,822 in principal and R\$2,722 in monetary restatement. The other periods encompassed by this proceeding are still in the phase of determining the remaining tax credit, which is expected to be completed in the first half of 2025, subsequent to the application for authorization from the Brazilian IRS.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

11. Investments in subsidiaries

11.1 Changes in investments

The Company's investments are accounted for in the Parent Company by the equity method, and are shown below:

	12/31/2024								
	Paid-in	Units of interest held (unit)	(%) Equity interest	Equity	Net income (loss) for the year	Opening balance at January 1	Equity pickup	Dividends received	Total investments
Dimesul Gestão Imobiliária Ltda.	8,978	19,999	99.99%	52,905	38,710	51,324	38,710	(37,131)	52,903
Laboratório Industrial Farmacêutico Lifar Ltda.	500	499,999	99.99%	31,461	(2,636)	32,296	(3,057)	-	29,239
Total						<u>83,620</u>	<u>35,653</u>	<u>(37,131)</u>	<u>82,142</u>
	12/31/2023								
	Capital	Units of interest held (unit)	(%) Equity interest	Equity	Net income (loss) for the year	Opening balance at January 1	Equity pickup	Dividends received	Total investments
Dimesul Gestão Imobiliária Ltda.	8,978	19,999	99.99%	51,324	5,254	46,070	5,254	-	51,324
Laboratório Industrial Farmacêutico Lifar Ltda.	500	499,999	99.99%	34,097	2,913	29,408	2,888	-	32,296
Total						<u>75,478</u>	<u>8,142</u>	<u>-</u>	<u>83,620</u>

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

11.2 Breakdown of investments

Information related to the subsidiaries is shown below:

Subsidiaries - 2024

Dimesul Gestão Imobiliária Ltda.
Laboratório Industrial Farmacêutico Lifar Ltda.
Lifar Distribuidora de Produtos Farmacêuticos Ltda.

12/31/2024			
Control	Total assets	Total liabilities	Equity
Direct equity interest	53,313	410	52,903
Direct equity interest	83,691	52,230	31,461
Indirect equity interest	24,795	5,224	19,571

Subsidiaries - 2023

Dimesul Gestão Imobiliária Ltda.
Laboratório Industrial Farmacêutico Lifar Ltda.
Lifar Distribuidora de Produtos Farmacêuticos Ltda.

12/31/2023			
Control	Total assets	Total liabilities	Equity
Direct equity interest	51,580	255	51,324
Direct equity interest	50,265	16,168	34,097
Indirect equity interest	18,795	4,182	14,613

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

12. Property, plant and equipment (PPE)

The property, plant and equipment balance comprises own and leased assets. Leased properties and vehicles are included in “Rights of use”.

12.1 Summary of changes in property, plant and equipment (Individual)

	<u>Properties</u>	<u>Machinery and equipment</u>	<u>Furniture and fixtures</u>	<u>Facilities</u>	<u>Computers and peripherals</u>	<u>Vehicles and aircraft</u>	<u>Construction in progress</u>	<u>Improvements</u>	<u>Right of use</u>	<u>Total</u>
Balance at December 31, 2023										
Cost	98,763	78,393	59,432	169,755	83,951	21,550	-	234,476	1,096,692	1,843,012
Accumulated depreciation	(10,984)	(24,762)	(25,359)	(66,868)	(58,559)	(1,675)	-	(63,427)	(520,499)	(772,133)
Net book balance	<u>87,779</u>	<u>53,631</u>	<u>34,073</u>	<u>102,887</u>	<u>25,392</u>	<u>19,875</u>	<u>-</u>	<u>171,049</u>	<u>576,193</u>	<u>1,070,879</u>
At December 31, 2024										
Opening balance	87,779	53,631	34,073	102,887	25,392	19,875	-	171,049	576,193	1,070,879
Acquisitions	-	6,482	12,569	23,556	11,572	-	14,357	49,339	170,433	288,308
Write-offs	-	(339)	(1,126)	(1,974)	(488)	-	-	(2,167)	(4,874)	(10,968)
Depreciation	(1,521)	(5,156)	(5,279)	(15,849)	(10,722)	(741)	-	(17,680)	(130,330)	(187,278)
Net book balance	<u>86,258</u>	<u>54,618</u>	<u>40,237</u>	<u>108,620</u>	<u>25,754</u>	<u>19,134</u>	<u>14,357</u>	<u>200,541</u>	<u>611,422</u>	<u>1,160,941</u>
At December 31, 2024										
Cost	98,764	83,064	68,301	188,505	83,291	21,324	14,357	280,024	1,262,251	2,099,881
Accumulated depreciation	(12,506)	(28,446)	(28,064)	(79,885)	(57,537)	(2,190)	-	(79,483)	(650,829)	(938,940)
Net book balance	<u>86,258</u>	<u>54,618</u>	<u>40,237</u>	<u>108,620</u>	<u>25,754</u>	<u>19,134</u>	<u>14,357</u>	<u>200,541</u>	<u>611,422</u>	<u>1,160,941</u>

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

12.2 Summary of changes in property, plant and equipment (Consolidated)

	Consolidated									
	Properties	Machinery and equipment	Furniture and fixtures	Facilities	Computers and peripherals	Vehicles and aircraft	Construction in progress	Improvements	Right of use	Total
Balance at December 31, 2023										
Cost	101,566	86,183	60,127	174,190	84,648	21,677	-	240,168	1,096,692	1,865,251
Accumulated depreciation	(12,360)	(28,568)	(25,891)	(69,856)	(59,149)	(1,766)	-	(66,368)	(520,499)	(784,457)
Net book balance	89,206	57,615	34,236	104,334	25,499	19,911	-	173,800	576,193	1,080,794
At December 31, 2024										
Opening balance	89,206	57,615	34,236	104,334	25,499	19,911	-	173,800	576,193	1,080,794
Acquisitions	-	8,026	12,660	25,244	11,681	-	14,357	50,756	170,433	293,157
Write-offs	-	(684)	(1,172)	(1,975)	(526)	(30)	-	(2,168)	(4,874)	(11,429)
Depreciation	(1,537)	(5,562)	(5,309)	(16,237)	(10,773)	(747)	-	(17,961)	(130,330)	(188,456)
Net book balance	87,669	59,395	40,415	111,366	25,881	19,134	14,357	204,427	611,422	1,174,066
At December 31, 2024										
Cost	101,568	90,025	68,655	193,857	83,534	21,323	14,357	285,846	1,262,251	2,121,416
Accumulated depreciation	(13,899)	(30,630)	(28,240)	(82,491)	(57,653)	(2,189)	-	(81,419)	(650,829)	(947,350)
Net book balance	87,669	59,395	40,415	111,366	25,881	19,134	14,357	204,427	611,422	1,174,066

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

12.3 Other information

The Company detected no indication that assets could be recorded at an amount above their recoverable amount.

The weighted average depreciation rates of property, plant and equipment, considering the useful lives of the assets, are as follows:

	Average depreciation rate (% p.a.)	
	2024	2023
Properties	2	2
Machinery and equipment	7	7
Furniture and fixtures	9	9
Facilities	9	9
Computers and peripherals	24	24
Vehicles	20	20
Aircraft	4	4
Improvements	7	7

12.4 Right-of-use assets

CPC 06 (R2)/IFRS 16 requires that all lease agreements (except those that fall under the exceptions) should be recognized in liabilities, matched against the right-of-use asset. The breakdown of rights of use of property and vehicle contracts as well as the finite useful life are described in the table below:

	Individual and Consolidated	
	Useful life (years)	12/31/2024
Properties	2 to 17	609,401
Vehicles	2 to 3	2,021
Total		611,422

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

grupo panvel**13. Intangible assets**

13.1 Summary of changes in intangible assets (Individual)

	Individual			Total
	Goodwill	Software	Trademarks and formulas	
Balance at December 31, 2023				
Cost	26,683	143,438	361	170,482
Accumulated amortization	(19,944)	(68,010)	(13)	(87,967)
Net book balance	6,739	75,428	348	82,515
At December 31, 2024				
Opening balance	6,739	75,428	348	82,515
Acquisitions	660	34,108	5	34,773
Write-offs	-	(1)	-	(1)
Amortization	(1,452)	(20,060)	-	(21,512)
Net book balance	5,947	89,475	353	95,775
At December 31, 2024				
Cost	26,017	177,546	365	203,928
Accumulated amortization	(20,070)	(88,071)	(12)	(108,153)
Net book balance	5,947	89,475	353	95,775

13.2 Summary of changes in intangible assets (Consolidated)

	Consolidated			Total
	Goodwill	Software	Trademarks and formulas	
Balance at December 31, 2023				
Cost	26,683	144,731	790	172,204
Accumulated amortization	(19,944)	(68,758)	(185)	(88,887)
Net book balance	6,739	75,973	605	83,317
At December 31, 2024				
Opening balance	6,739	75,973	605	83,317
Acquisitions	660	34,212	230	35,102
Write-offs	-	(1)	-	(1)
Amortization	(1,452)	(20,251)	(44)	(21,747)
Net book balance	5,947	89,933	791	96,671
At December 31, 2024				
Cost	26,017	178,658	957	205,632
Accumulated amortization	(20,070)	(88,725)	(166)	(108,961)
Net book balance	5,947	89,933	791	96,671

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

13.3 Other information

The Company detected no indication that assets could be recorded at an amount above their recoverable amount.

The weighted average amortization rates of intangible assets are as follows:

	Average amortization rate	
	(% p.a.)	
	2024	2023
Goodwill	13	13
Software	18	18
Trademarks and formulas	10	10

14. Deferred income and social contribution taxes, net

14.1 Breakdown

Deferred income and social contribution taxes are calculated on the corresponding temporary differences between the tax bases of assets and liabilities and their carrying amounts recorded in the financial statements. The applicable tax rates, currently defined for calculation of deferred taxes, are 25% for income tax and 9% for social contribution tax.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available to offset temporary differences, based on deferred income projections prepared and grounded on internal assumptions and future economic scenarios that may, therefore, suffer changes.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

grupo panvel

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Provision for inventory losses	7	873	7	933
Provision for labor indemnities	6,348	5,532	6,459	5,622
Provision for civil contingencies	-	-	-	-
Provision for profit sharing ("PLR")	12,907	10,877	13,002	10,879
Provision for tax contingencies	-	-	909	1,009
Allowance for expected credit losses	7,956	6,583	7,956	6,583
Provision for financial discounts	54	1,546	54	1,546
Deferred credits	(6,707)	-	(6,707)	-
Provision for premiums - employees	321	204	321	204
Net effect - IFRS 16	69,727	63,959	69,727	63,959
Fair value - Matching shares	19,305	12,789	19,305	12,789
Foreign exchange differences – Cash basis	23,022	-	23,022	-
Derivative instruments	(19,661)	-	(19,661)	-
Provision for collective bargaining	298	283	298	283
Provision for commissions	-	582	-	582
Provisions - retail	201	-	201	-
Other provisions	11,074	3,507	11,260	3,805
Total tax base	124,852	106,735	126,153	108,194
Income tax at the rate of 25%	31,213	26,684	31,538	27,049
Income tax on tax loss	7,877	9,536	13,392	11,765
Social contribution tax at the rate of 9%	11,237	9,606	11,354	9,737
Social contribution tax on tax loss	4,142	4,325	6,127	5,128
Total deferred tax assets	54,469	50,151	62,411	53,679
Temporary exclusions				
Adjustments due to leases	2,337	2,338	2,337	2,338
Total tax base	2,337	2,338	2,337	2,338
Income tax at the rate of 25%	584	585	584	585
Social contribution tax at the rate of 9%	210	210	210	210
Total deferred tax liabilities	794	795	794	795
Total deferred taxes, net	53,675	49,356	61,617	52,885

14.2 Deferred tax realization

Based on the Company's deferred income projections and considering the history of realization of the assets that generated the income and social contribution tax balance, the estimated realization schedule is as follows:

	Individual	Consolidated
	12/31/2024	12/31/2024
2024	27,233	31,207
2025	6,809	7,801
2026	6,809	7,801
2027	6,809	7,801
2028	6,809	7,801
Total	54,469	62,411

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

grupo panvel**15. Reconciliation of income and social contribution taxes**

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Income before income and social contribution taxes	111,071	87,548	112,564	91,584
Combined tax rate	34%	34%	34%	34%
Tax expense at nominal rate	(37,764)	(29,766)	(38,272)	(31,139)
Other nondeductible expenses	(1,348)	(277)	(1,365)	(289)
Equity pickup	12,123	2,768	-	-
Credits arising from lawsuits	3,566	-	3,772	-
IRPJ/CSLL - Tax credits (*)	-	6,888	-	6,639
Tax incentives – Workers’ Meal Program (PAT)	178	66	178	66
Tax incentives - investment grant - Matching credit	-	4,902	-	4,902
Tax incentives - investment grant - Other credits	-	3,936	-	3,936
Reversal of the effect of the taxable profit based on accounting records regime on the subsidiary using the taxable profit based on a percentage of gross revenue regime	-	-	14,314	2,584
Taxation under taxable profit based on a percentage of gross revenue regime using gross revenue for the tax base	-	-	(3,413)	(2,372)
Tax incentives – Technological innovation – Benefit	2,129	3,784	2,129	3,889
Managing officers’ profit sharing	(1,149)	(478)	(1,149)	(478)
Interest on equity – benefit	16,999	12,736	16,999	12,736
Foreign exchange differences – Cash basis	(320)	-	(320)	-
Effect of the portion exempt from the 10% surtax of income tax – benefit	24	798	72	847
	(5,562)	5,357	(7,055)	1,321
Income and social contribution taxes in profit or loss				
Current income and social contribution taxes	(9,880)	1,263	(15,787)	(2,966)
Deferred income and social contribution taxes	4,318	4,094	8,732	4,287
Total income and social contribution taxes	(5,562)	5,357	(7,055)	1,321
Effective rate	5.0%	-6.1	6,3%	-1.4%

(*) This refers to exclusion of Selic interest on undue tax payments according to judicial decisions in a collective process in which the Company is a party, and exclusion of revenues from insurance claim reimbursements.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

grupo panvel**16. Trade accounts payable**

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Trade accounts payable - domestic	628,928	676,593	630,823	679,763
Trade accounts payable – related parties	12,411	8,187	-	-
Total	641,339	684,780	630,823	679,763

17. Loans and financing

17.1 Breakdown of loans and financing

	Rate range (p.a.)	Individual		Consolidated	
		12/31/2024	12/31/2023	12/31/2024	12/31/2023
Domestic currency					
Debentures – 3 rd issue	109% of CDI	-	26,924	-	26,924
Debentures – 4 th issue	CDI + 1.40%	30,641	92,054	30,641	92,054
Debentures – Mortgage-backed securities (CRI)	CDI + 1.30%	262,685	263,557	262,685	263,557
FINEP	TR + 3.30%	66,475	-	66,475	-
BNDES – Working capital	7.42%	55,653	-	76,367	-
Foreign currency					
Operation 4131 Itaú (*)	CDI + 1.20%	118,489	-	118,489	-
Total		533,943	382,535	554,657	382,535
Current		162,656	102,535	162,925	102,535
Noncurrent		371,287	280,000	391,732	280,000

(*) Operation issued in US dollar, translated at the average rate (dollar) as of December 31, 2024 (R\$6.1917).

Management monitors the forecasts for the Company's liquidity requirements to ensure it has sufficient cash to meet its operating needs. The global limits of credit facilities granted to the Company are in amounts sufficient to not generate the risk of exceeding such limits or of breaching loan agreement clauses. This forecast takes into consideration the Company's debt financing plans. For the increase in indebtedness, the Company considered its growth strategy and the current economic scenario of the segment. This indebtedness is monitored through the analysis of available funds and the calculation of the net debt.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

In the first quarter of 2024, the Company raised R\$90 million through operation 4131 with Itaú S.A., hedged by swap. The risk analysis of this operation is described in Note 4.1. In the second quarter, to address potential cash needs due to the flood event, a 4131-format loan was raised in the amount of R\$50 million from Banco Santander S.A., which was settled during the third quarter of 2024. Also, in the third quarter of 2024, Dimed raised R\$66 million provided by the Funding Authority for Studies and Projects (FINEP) aimed at technology and innovation investments. In the fourth quarter of 2024, the amount of R\$52 million was raised by Dimed and R\$20 million by Lifar Indústria from BNDES, through a credit facility under tax incentive for companies impacted by the floods in the state of Rio Grande do Sul.

17.2 Payment flow of loans and financing

Year of payment	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
2025	162,656	30,000	162,925	30,000
2026	63,732	50,000	68,844	50,000
2027	113,732	100,000	118,844	100,000
2028	120,238	100,000	125,349	100,000
2029	21,538	-	26,648	-
2030 to 2036	52,047	-	52,047	-
Total	533,943	280,000	554,657	280,000

17.3 Debt Service Coverage Ratio ("DSCR") higher than or equal to 1.2 (one and two tenths) times

Where: "DSCR" means the division of Adjusted EBITDA (as defined below) by the Debt Service; and "Debt Service" means finance costs for the last twelve (12) months calculated under the accrual basis of accounting, on a consolidated basis, by the Issuer, i.e. (a) interest on bank debts (net of income from short-term investments), (b) portion that has an impact on cash from monetary and foreign exchange difference on interest of debt arrangements, (c) interest paid to Debentures and other marketable securities issued in the financial and capital markets, both international and domestic (net of income from investments in marketable securities or in government securities and corporate bonds of any nature), (d) finance costs with cash impact on intercompany loans recorded in liabilities (net of finance income with cash impact received from intercompany loans recorded in assets), as well as (e) the amount effectively disbursed relating to liabilities from derivative transactions hedging debts (net of amounts effectively received in connection with assets from derivative transactions hedging debts).

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

17.4 Adjusted Net Financial Debt/Adjusted EBITDA ratio, according to the calculation method described below, not exceeding 2.5 (two and five tenths) times

Where: for the calculation of Adjusted EBITDA, the accumulated performance for the last 12 months from the statements closing date, to be measured based on the consolidated statements of financial position for March, June, September and December of each year, shall be considered. For the purposes of this item, the following shall apply: "Adjusted Net Financial Debt" is the sum of amounts corresponding to (i) short-term bank loans; (ii) short-term debentures; (iii) long-term bank loans; (iv) long-term debentures; (v) long-term loans; (vi) short-term bank leases; (vii) long-term bank leases; (viii) accounts payable or receivable in connection with derivative transactions, in the event of less cash equivalents, cash/short-term investments and marketable securities; and also (ix) all intercompany loans recorded in assets and liabilities, between group companies, either associates or not; "Adjusted EBITDA", as provided for in CVM Ruling No.527 of October 4, 2012, as amended; and "Net Financial Debt/Adjusted EBITDA" is Adjusted Net Financial Debt divided by Adjusted EBITDA.

The Company is compliant with all such clauses at December 31, 2024.

The loan agreements in force also have non-financial early maturity clauses, the most relevant of which are described below:

- Default on debts and/or other contracts with the financial institutions that granted credit facilities;
- Enforcement of a court order or out-of-court order that may affect the Company's ability to pay;
- Transfer of debt to third parties, without the approval of the financial institution that granted the credit facility;
- Changes in the Company's business purpose or changes in corporate control without the financial institution's formal acceptance and agreement to maintain contracts.

17.5 Cash flows from financing activities

The table below shows additional information on cash flow from financing activities:

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

grupo panvel

17.5.a Cash flows from financing activities - Individual

	Individual			Total
	Finance leases	Loans, financing and debentures	Interest on equity payable	
Balance at December 31, 2023	640,152	382,535	6,406	1,029,093
Changes in cash	(181,899)	80,902	(33,165)	(134,162)
Payment of financing activities	-	(136,492)	-	(136,492)
Loans raised	-	261,287	-	261,287
Payment of IOE	-	-	(33,165)	(33,165)
Leases paid	(181,899)	-	-	(181,899)
Interest paid in the period	-	(43,893)	-	(43,893)
Noncash changes	222,895	70,506	40,712	334,113
Remeasurement of contracts and new contracts - IFRS 16	165,559	-	-	165,559
IOE recognized in the period	-	-	40,712	40,712
Interest recognized in the period	57,336	70,506	-	127,842
Balance at December 31, 2024	681,148	533,943	13,953	1,229,044

17.5.b Cash flows from financing activities - Consolidated

	Consolidated			Total
	Finance leases	Loans, financing and debentures	Interest on equity payable	
Balance at December 31, 2023	640,152	382,535	6,406	1,029,093
Changes in cash	(181,899)	101,347	(33,165)	(113,717)
Payment of financing activities	-	(136,492)	-	(136,492)
Loans raised	-	281,732	-	281,732
Payment of IOE	-	-	(33,165)	(33,165)
Leases paid	(181,899)	-	-	(181,899)
Interest paid in the period	-	(43,893)	-	(43,893)
Noncash changes	222,895	70,776	40,712	334,383
Remeasurement of contracts and new contracts - IFRS 16	165,559	-	-	165,559
IOE recognized in the period	-	-	40,712	40,712
Interest recognized in the period	57,336	70,776	-	128,112
Balance at December 31, 2024	681,148	554,658	13,953	1,249,759

The balances of loans and financing at December 31, 2024 and 2023 are presented at amortized cost. The aging list of loans and financing is presented in Note 4.1 (c) Liquidity risk and Note 17.2 Payment flow of loans and financing.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

grupo panvel**18. Tax obligations**

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Corporate Income Tax (IRPJ)	2,940	758	3,781	1,080
Social Contribution Tax on Net Profit (CSLL)	1,518	793	1,981	1,073
Contribution Tax on Gross Revenue for Social Integration Program (PIS)	839	344	870	383
Contribution Tax on Gross Revenue for Social Security Financing (COFINS)	3,898	1,628	4,050	1,812
Withholding Income Tax (IRRF)	4,942	3,715	5,062	3,786
State Value-Added Tax (ICMS)	31,209	19,923	33,636	21,696
Other obligations	2,223	2,233	2,399	2,469
Total	47,569	29,394	51,779	32,299

19. Profit sharing payable

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Employees' profit sharing	12,907	10,877	13,004	11,247
Total	12,907	10,877	13,004	11,247

20. Lease obligations

The Company has obligations arising from real estate and vehicle lease agreements, accounted for under the criteria of IFRS 16. Changes in the Company's lease liability balance by December 31, 2024 were as follows:

	Individual and Consolidated		
	Properties	Vehicles	Total
Balance at December 31, 2023	638,420	1,732	640,152
Remeasurement of contracts, new contracts and write-offs	168,385	2,048	170,433
Write-offs	(4,825)	(49)	(4,874)
Interest	56,982	354	57,336
Payment of leases	(179,986)	(1,913)	(181,899)
Balance at December 31, 2024	678,976	2,172	681,148
Current	128,709	1,094	129,803
Noncurrent	550,267	1,078	551,345

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

grupo panvel

The Company applied the simplified retrospective approach and, at the time of transition, lease liabilities are measured at the present value of the remaining payments, discounted at the incremental borrowing rate. Initially, the Company measured the right to use the assets at an amount equivalent to the lease liability, and used the practical expedient that allows lessees to exclude initial direct costs from the measurement of the right-of-use asset on the date of initial application.

In compliance with CVM Memorandum Circular No. 02/2019 and CPC 06 (R2)/IFRS 16, explained by the fact that the Company did not apply the nominal flow methodology due to the IFRS 16 prohibition of future inflation projection, companies shall present minimum inputs for users of financial statements to reach this information. Accordingly, the Company decided to disclose the minimum inputs below for users to reach that information. Inputs are:

- Nominal average discount rate applied - between 5% and 15.26% p.a.; and
- Inflation component to be used in projecting the flows (Extended Consumer Price Index - IPCA, based on National Treasury Notes - NTN-B) - 3.6% p.a.

21. Provisions

The Company is a party to civil, labor and tax claims, in administrative and legal proceedings. Where applicable, claims are supported by judicial deposits. Provisions for losses, if any, arising from these proceedings are estimated and restated by management, supported by the opinion of its external and internal legal advisors.

21.1 Breakdown of provisions for contingencies

The proceedings assessed as possible or probable losses, in the opinion of the Company's legal advisors, at December 31, 2024 and 2023, are presented below. Provisions are recognized for proceedings assessed as probable losses, as follows:

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Civil and labor	6,348	5,532	7,368	6,631
Noncurrent	6,348	5,532	7,368	6,631
Judicial deposits	4,713	2,048	4,729	2,064

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

grupo panvel**21.2 Changes in provisions for contingencies**

Changes in provisions for civil, labor and tax claims are shown in the table below:

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Civil and labor				
Balance at beginning of year	5,532	7,377	6,631	9,013
New provisions	6,294	5,614	6,315	5,614
Write-offs due to payment	(4,995)	(7,459)	(4,995)	(7,460)
Reversals	(483)	-	(583)	(536)
Balance at end of year	6,348	5,532	7,368	6,631

21.3 Lawsuits assessed as possible loss

	12/31/2024			
	Individual		Consolidated	
	Number	Amount	Number	Amount
Civil	9	1,189	9	1,189
Labor	609	26,650	621	27,177
Total	618	27,839	630	28,366

	12/31/2023			
	Individual		Consolidated	
	Number	Amount	Number	Amount
Civil	18	1,283	18	1,283
Labor	467	20,338	480	20,766
Tax	1	9	1	9
Total	486	21,630	499	22,058

22. Investment grants and matching credits

The government grants received by the Company are characterized as investment grant and correspond to:

(i) donation of a public area in the city of Eldorado do Sul/RS in 2011, where the Distribution Center was built, with an area of 50,000 square meters, and in 2014, a complement to the donation of another 10,000 square meters. The grant was recognized as a consideration to a liability account temporarily, considering that the economic benefits are postponed to the moment of their use, and in connection with the fulfillment of the obligations expressed in Municipal Law No. 3067 of December 13, 2011. The grant supplement was recorded under the same accounting criteria adopted in the initial recognition of the first grant.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

23. Equity**23.1 Capital**

At the Special General Meeting held on May 15, 2023, a capital increase from R\$943,000 to R\$970,116 was approved (R\$955,668 net of share issue costs), through capitalization of the Legal Reserve and Reserve for Capital Increase, without issue of new shares.

At the Special General Meeting held on August 22, 2024, a capital increase from R\$970,116 to R\$996,221 was approved (R\$981,773 net of share issue costs), through full capitalization of the Reserve for Capital Increase, without issue of new shares. The Company's capital comprises 150,377,481 registered common shares with no par value.

23.2 Treasury shares

The purposes of the Share Buyback Program are to maximize the generation of value for shareholders, based on an adequate capital structure combined with the growth of results and earnings from shares, as well as enabling the implementation of long-term incentive plans, through which executive officers will receive shares issued by the Company (see Note 24 - Incentive plan in connection with shares).

At December 31, 2024, the Company had 1,584,230 treasury shares (1,525,357 at December 31, 2023), whose average cost value was R\$23,993 (R\$28,582 at December 31, 2023). The share market price on December 30, 2024 was R\$8.80 (R\$13.36 on December 28, 2023).

Shares already exercised, that is, transferred to the beneficiaries, are also withdrawn from treasury shares as of the vesting expiration of the Matching Share programs. In the second quarter of 2024, the treasury shares account was also impacted by the grant of shares in the 5th Matching Share program by R\$3,415 (R\$4,053 in the second quarter of 2023, referring to the 4th program).

	Individual	
	Common shares	R\$
Balance at 12/31/2023	(1,525,357)	(28,582)
Acquisition of shares	(564,286)	(4,929)
Options granted	182,116	3,463
Recognized options granted	323,297	6,055
Balance at 12/31/2024	(1,584,230)	(23,993)

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

	Share price		
	Minim um	Maxim um	Average cost
From 01/01/2023 to 12/31/2023	8.96	13.80	11.41
From 01/01/2024 to 12/31/2024	8.68	13.15	10.70

23.3 Income reserves

23.3.1 Reserve for future capital increase

The purpose of this reserve is to increase the Company's investments, as provided for in article 28, clause "c", of Dimed's Articles of Incorporation. The use of this reserve balance was approved by the shareholders at the Annual General Meeting held on July 17, 2020. In December 2023, the amount of R\$26,105 was accounted for as a reserve for future capital increase, and this balance was paid in as Capital at the Special General Meeting held on August 22, 2024.

23.3.2 Legal reserve

The legal reserve is set up at 5% of net income for each year, under the terms of Law No. 6404/76, article 193, capped at 20% of capital.

23.3.3. Dividends and interest on equity additional to those proposed

This reserve is recognized in relation to dividends exceeding the mandatory minimum dividends of 25%, as provided for by law and approved by the shareholders.

23.3.4 Compensation paid to shareholders

In accordance with the provisions of Dimed's Articles of Incorporation, the mandatory minimum dividend is 25% on net income for the year, considering the adjustments provided for in the corporation law. The dividend proposed, including interest on equity, is calculated as follows:

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

grupo panvel

	Individual	
	2024	2023
Net income for the year	105,509	92,905
Recognition of legal reserve	(5,275)	(3,346)
Investment reserve	-	(25,994)
Calculation basis of mandatory minimum dividends	100,234	63,565
Mandatory minimum dividend - 25%	25,058	15,891
Proposed dividend in excess of mandatory minimum dividend	24,938	21,568
Total dividends proposed by management	49,996	37,459
Withholding Income Tax (IRRF) on IOE	(5,726)	(4,440)
Compensation net of IRRF	44,270	33,019

The resolved amount of interest on equity as well as the value per share are described below:

Date of resolution	Amount	Installments	Net unit value per share	Date of payment			
				1st installment	2nd installment	3rd installment	4th installment
1/11/2024	14,200	4	0.080931296	03/31/2025	04/31/2025	05/30/2025	03/31/2026
09/25/2024	13,500	2	0.07682383	04/30/2025	05/30/2025	-	-
06/21/2024	10,700	2	0.06109669	03/31/2025	04/30/2025	-	-
03/28/2024	11,600	2	0.06623569	08/30/2024	03/31/2025	-	-
12/15/2023	17,559	3	0.10026200	04/30/2024	05/31/2024	08/30/2024	-
09/29/2023	11,900	1	0.06795027	03/29/2024	-	-	-
06/30/2023	8,000	1	0.04568086	08/31/2023	-	-	-

23.4 Capital reserves

This reserve is set up and matched against the expenses with the stock option plan granted by the Company to its managing officers and employees (Note 24). The difference between the strike price of Matching Share plans and the cost of acquisition by the beneficiaries is recognized in the Goodwill reserve.

23.5 Other comprehensive income

This is made up of foreign exchange differences on investment in a non-controlled entity, after conversion into equity interest.

24. Incentive plan in connection with shares - Individual

24.1 Conditions of the Matching Share plan

The shares granted as an incentive under the Dimed's Matching Share Plan may not exceed the maximum limit of 3% of the shares of the Company's subscribed and paid-in capital. Beneficiaries will be granted the right to receive, free of charge, the maximum proportion of up to five (5) and minimum of one (1) Matching Share for each common share of the Company, acquired under the Plan ("Own shares"), up to the limit established in their respective Private Share Granting Instruments and Adhesion to Dimed's *Matching Share Plan*, provided that certain conditions are met.

Matching shares will be subject to a progressive Vesting period of four years, according to each annual program, during which the beneficiary must maintain his/her relationship with the Company. The *Vesting* period will start on the grant date and within this period the *Matching* shares will become *Mature Matching Shares* and will be liquidated to the beneficiaries on the dates specified below:

Anniversary	Mature Matching Shares
1 st anniversary of the grant date	-
2 nd anniversary of the grant date	1/3 (one third) of the total matching shares
3 rd anniversary of the grant date	1/3 (one third) of the total matching shares
4 th anniversary of the grant date	1/3 (one third) of the total matching shares

Upon execution of the grant agreement, the beneficiary must expressly authorize the blocking of the negotiation and encumbrance of the "Own shares" acquired, during the *Vesting* period, in the records of the depositary institution of the Company's book-entry shares.

24.2 Changes in the Matching Share plan

At the Board of Directors' meeting held on May 16, 2024, the creation of the Company's fifth *Matching Share* program was approved, under the same conditions defined in the previous program. The share transfer orders were formalized throughout April 2024, with the adhesion of 182,116 "Own shares" and 623,960 "Matching shares". In the second quarter of 2024, 323,297 matching shares were transferred to the beneficiaries, referring to the third vesting of the 2020 program, the second vesting of 2021 and 2022 programs and the first vesting of the 2023 program.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

	Own shares	Matching shares
Balance in December 2022	242,646	649,872
Options granted	216,177	696,804
Options exercised	-	(237,042)
Dissenting holders	-	(71,413)
Balance in December 2023	458,823	1,038,221
Options granted	(182,116)	623,960
Options exercised (*)	-	(445,769)
Dissenting holders	-	(17,000)
Balance in December 2024	276,707	1,199,412

(*) The gross number of maturing *Matching* shares was converted into 323,297 net shares in 2024.

24.3 Amounts recognized in the year

In 2024, the Company recognized as fair value of Matching Shares programs the total of R\$6,025 (R\$5,615 in 2023).

25. Earnings per share

25.1 Basic

Basic earnings per share are calculated by dividing the profit attributable to the Company's shareholders by the weighted average number of common shares issued during the year, excluding common shares purchased by the Company and held as treasury shares.

25.2 Diluted

Diluted earnings per share are calculated by adjusting the weighted average number of outstanding common shares, to assume the conversion of all dilutive potential common shares. As required by IAS 33/CPC 41, the number of shares used to calculate earnings (loss) per share for the current period and the comparative period were affected by the referred to share split.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

grupo panvel

	<u>12/31/2024</u>	<u>12/31/2023</u>
	Registered common shares	Registered common shares
Denominator		
Total weighted average number of shares	150,377,481	150,377,481
Weighted number of treasury shares	(1,263,143)	(1,669,738)
Weighted average number of outstanding shares	149,114,338	148,707,743
% of shares in relation to the total number	100%	100%
Numerator		
Net income attributable to each class of shares (R\$)	105,509,605	92,904,516
Weighted average number of outstanding shares	149,114,338	148,707,743
Basic and diluted earnings per share (R\$)	0.71	0.62
Numerator		
Net income attributable to each class of shares (R\$)	105,509,605	92,904,516
Weighted average number of outstanding shares	149,114,338	148,707,743
Weighted average number of matching shares	1,227,105	1,009,314
Diluted earnings per share (R\$)	0.70	0.62

26. Revenues

The Company's revenue derives mainly from the resale of drugs and personal care and beauty products.

Reconciliation between gross revenues for tax purposes and the revenues stated in the statement of profit or loss for the year is as follows:

	<u>Individual</u>		<u>Consolidated</u>	
	<u>12/31/2024</u>	<u>12/31/2023</u>	<u>12/31/2024</u>	<u>12/31/2023</u>
Gross sales of products and services	5,268,012	4,786,392	5,322,904	4,803,912
Sales taxes	(311,912)	(284,855)	(317,377)	(288,921)
Returns and unconditional discounts	(60,203)	(53,577)	(63,065)	(53,974)
Net revenue	4,895,897	4,447,960	4,942,462	4,461,017

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

grupo panvel**27. Cost of goods sold and services rendered**

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Cost of goods sold	(3,703,442)	(3,377,513)	(3,668,757)	(3,346,653)
Cost of products sold	-	-	(31,021)	(29,534)
Cost of real properties sold	-	-	(3,158)	-
Reimbursement of capital contribution costs	364,185	321,260	364,185	321,260
Revenue – campaign funds	1,369	920	1,369	920
Taxes on funds	(33,814)	(29,802)	(33,814)	(29,802)
	(3,371,702)	(3,085,135)	(3,371,196)	(3,083,809)

The amounts reimbursed by suppliers relating to lease of properties, promotional funds and advertising and publicity expenses are deducted from cost of sales, and the average period for reimbursement is 30 to 60 days. Such reimbursement is recognized when the contractual conditions are likely to be met.

28. Expenses by nature**28.1 Breakdown of selling expenses**

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Selling expenses				
Personnel and third-party service expenses	(696,911)	(614,805)	(699,270)	(617,974)
Lease expenses	(46,067)	(40,267)	(45,694)	(39,540)
Freight expenses	(66,010)	(59,527)	(67,719)	(60,769)
Credit card fees	(56,886)	(56,205)	(57,200)	(56,307)
Advertising	(33,081)	(29,244)	(33,162)	(29,344)
Utilities and services	(26,465)	(25,952)	(26,489)	(25,994)
Depreciation and amortization expenses	(198,495)	(190,024)	(198,552)	(190,089)
Employees' profit sharing	(10,809)	(13,669)	(10,964)	(13,968)
Managing officers' profit sharing	-	(6,254)	-	(6,254)
Maintenance expenses	(14,973)	(13,803)	(15,005)	(13,824)
Consumables	(14,366)	(16,843)	(14,586)	(17,022)
Travel and sales representation expenses	(3,693)	(2,936)	(3,754)	(3,068)
Packaging materials	(8,411)	(9,788)	(8,411)	(9,788)
Insurance expenses	(4,986)	(4,851)	(5,023)	(4,872)
Inventory losses (*)	(31,273)	(19,471)	(39,146)	(20,420)
Other selling expenses (**)	(10,146)	6,064	(10,004)	6,542
Total	(1,222,572)	(1,097,575)	(1,234,979)	(1,102,691)

(*) Inventory items that were accounted for as reimbursable expenses in assets in the second quarter were reclassified to inventory losses in P&L in the third quarter, totaling R\$15,287. The amount reimbursed by insurance companies is presented in Note 29.

(**) This line includes selling expenses that do not fit the lines above, such as provisions and their reversals. As such, certain periods may present a credit balance.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

grupo panvel

28.2 Breakdown of general and administrative expenses

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
General and administrative expenses				
Personnel and third-party service expenses	(97,753)	(84,281)	(100,833)	(86,782)
Lease expenses	(1,489)	(628)	(1,566)	(634)
Utilities and services	(1,367)	(1,502)	(1,437)	(1,571)
Depreciation and amortization expenses	(10,319)	(8,702)	(10,642)	(8,996)
Employees' profit sharing	(3,122)	(4,455)	(3,151)	(4,469)
Managing officers' profit sharing	(9,106)	(738)	(9,106)	(738)
Bank expenses	(1,345)	(1,338)	(1,362)	(1,355)
Managing officers' compensation	(7,298)	(7,294)	(7,298)	(7,295)
Maintenance expenses	(11,510)	(11,470)	(11,673)	(11,626)
Consumables	(876)	(398)	(946)	(460)
Travel and representation expenses	(2,178)	(1,299)	(2,178)	(1,308)
Insurance expenses	(375)	(143)	(478)	(220)
Other administrative expenses	(8,893)	(7,327)	(9,190)	(7,454)
Total	(155,631)	(129,575)	(159,860)	(132,908)

29. Other operating income (expenses)

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Additional revenue	1,959	6,924	1,974	6,945
Revenue from property lease	347	339	347	379
Credit recovery	12,317	19,708	12,336	19,822
Reimbursement of cash difference	361	384	361	384
Cost of disposal of PPE	(3,536)	(2,255)	(4,027)	(2,258)
Other operating income (expenses)	5,520	(145)	7,861	(308)
Total	16,968	24,955	18,852	24,964

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

grupo panvel**30. Finance income and costs**

30.1 Breakdown of finance income and costs

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Finance income				
Interest on assets	5,652	5,652	5,274	5,713
Foreign exchange difference	5,400	-	5,496	7
Short-term investment yield	19,742	22,059	25,718	28,680
Financial discounts obtained	2,206	3,373	2,267	3,556
Taxes on finance income	(1,313)	(1,315)	(1,380)	(1,369)
Fair value of derivative financial instruments	24,116	993	24,126	1,034
	55,803	30,762	61,501	37,621

30.2 Breakdown of finance income and costs

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Finance costs				
Interest on financing	(47,274)	(52,062)	(47,544)	(52,062)
Interest expenses	(696)	(961)	907	(1,030)
Discounts granted/bonuses	(4,267)	(7,735)	(4,606)	(8,186)
Foreign exchange difference	(27,911)	(616)	(27,912)	(651)
Interest on leases	(57,336)	(49,481)	(57,336)	(49,481)
Other finance costs	(5,861)	(1,131)	(7,725)	(1,200)
Total	(143,345)	(111,986)	(144,216)	(112,610)

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

31. Transactions with related parties

31.1 Balances and transactions

The total amounts of transactions carried out by Dimed, through December 31, 2024, with related parties are described below:

	Dimesul Gestão Imobiliária Ltda.		Laboratório Industrial e Farmacêutico Lifar Ltda.	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Trade accounts payable	-	-	12,411	8,187
Related parties – intercompany loans	-	-	(11,402)	-
	Dimesul Gestão Imobiliária Ltda.		Laboratório Industrial e Farmacêutico Lifar Ltda.	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Purchase of goods and services	-	-	55,661	53,113
Revenue from services rendered	1,108	1,592	-	-
Finance costs	-	-	1,629	-
	Accounts receivable from shareholders			
	12/31/2024	12/31/2023		
Share issue costs (secondary offering)	-	1,330		

Sales transactions between related parties are conducted at amounts agreed by and between the companies, with days sales/payable outstanding of 30 days. The balance of the intercompany loan agreement is restated monthly at the benchmark rate of the Central Bank of Brazil (SELIC).

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

31.2 Key management personnel compensation

The table below contains information on key management personnel compensation (individual):

	Individual	
	12/31/2024	12/31/2023
Fixed compensation	7,298	7,294
Social charges	2,043	2,044
Equity interest	9,106	6,992
Total	18,447	16,330

These amounts are stated under "General and administrative expenses" in the statement of profit or loss and are detailed in Note 28. Management is also part of the Incentive Plan in connection with the Company's shares, created to regulate the possibility of granting incentives through common shares issued by the Company.

Managing officers were granted the right to receive, free of charge, the proportion of three (3) to five (5) Matching Shares for each common share of the Company, acquired under the Plan ("Own shares"), for which a fair value of R\$3,934 was recorded in 2023, up to the limit established in their respective Private Share Granting Instruments and Adhesion to Dimed's Matching Shares Plan, provided that certain conditions are met. In 2024, the Company recognized an amount of R\$6,025 as fair value, which corresponds to the Matching shares of managing officers. Additional information can be found in Note 24.

32. Insurance coverage

The Company has insurance policies that consider the nature and degree of risks involved. At December 31, 2024, the Company and its subsidiaries had insurance coverage for vehicles, fire, civil liability and aircraft, among others. The insurance coverage sufficiency is under the responsibility of Company management that considers it adequate to cover losses, if any. The maximum indemnification limits for the main insurance policies are as follows:

Policies	Amounts in R\$ thousands
Vehicles	FIPE Table + Property Damage + Bodily Injury
Fire	R\$703,576
Civil liability	R\$31,200
Aircraft	R\$27,007*
Civil liability (D&O) - Aircraft	R\$154,793*

(*) Policy issued in US dollar, translated at the average rate (US dollar) of 12/31/2024 (R\$6.1917).

33. Segment reporting

Segment reporting is presented based on the management reports used by the Board of Directors, the board responsible for the Company's strategic decision-making, to manage the business. The Company's segments are divided into Retail, Wholesale and Corporate, which include all administrative expenses, as well as finance income (costs).

The Retail segment has 631 stores that sell more than 15 thousand items among drugs and personal care and beauty products. The Wholesale segment is one of the main distributors of drugs in Brazil and also the pioneer in the country in its segment. Lastly, the Corporate segment includes Wholesale and Retail, as well as subsidiary Lifar (Laboratório Farmacêutico Lifar Ltda.). In addition to adding divisions of cosmetics, drugs and food, Lifar is responsible for the production of major brands in Brazil, as well as products of its own brand Panvel. Subsidiary Dimesul is engaged in the purchase, sale, intermediation through the marketplace, subdivision, lease, rent, management and administration of own or third-party properties as well as the marketplace operation, with a view to centralizing and optimizing the management of the Company's properties.

Notes to financial statements (Continued)

December 31, 2024 and 2023

(In thousands of reais)

	Retail		Wholesale		Corporate		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Continuing operations								
Net revenue from sales and services	4,728,661	4,094,176	213,801	366,841	-	-	4,942,462	4,461,017
Cost of goods sold and services rendered	(3,213,689)	(2,783,008)	(157,507)	(300,801)	-	-	(3,371,196)	(3,083,809)
Gross profit	1,514,972	1,311,168	56,294	66,040	-	-	1,571,266	1,377,208
Selling expenses	-	-	-	-	(1,234,979)	(1,102,691)	(1,234,979)	(1,102,691)
Administrative expenses	-	-	-	-	(159,860)	(132,908)	(159,860)	(132,908)
Other operating income (expenses), net	-	-	-	-	18,852	24,964	18,852	24,964
Operating income before finance income (costs)	1,514,972	1,311,168	56,294	66,040	(1,375,987)	(1,210,635)	195,279	166,573
<u>Finance income (costs)</u>	-	-	-	-	(82,715)	(74,989)	(82,715)	(74,989)
Finance income	-	-	-	-	61,501	37,621	61,501	37,621
Finance costs	-	-	-	-	(144,216)	(112,610)	(144,216)	(112,610)
Operating income before income and social contribution taxes	1,514,972	1,311,168	56,294	66,040	(1,458,702)	(1,285,624)	112,564	91,584
Current	-	-	-	-	(15,787)	(2,966)	(15,787)	(2,966)
Deferred	-	-	-	-	8,732	4,287	8,732	4,287
Net income for the year	1,514,972	1,311,168	56,294	66,040	(1,465,757)	(1,284,303)	105,509	92,905

34. Events after the reporting period

34.1 Discontinuation of wholesale activities

The Company, in a state of continuous expansion, has decided to discontinue its wholesale segment operations starting in 2025, concentrating its efforts on retail and industry, where it has greater competitiveness. This decision is aligned with the Company's long-term strategy, which aims to prioritize operations with higher profitability and financial efficiency.

Reports and Representations / Independent Auditor's Report - Unqualified

Independent auditor's report on individual and consolidated financial statements

To the Shareholders, Board of Directors and Officers of
Dimed S.A. Distribuidora de Medicamentos
Eldorado do Sul - RS

Opinion

We have audited the individual and consolidated financial statements of Dimed S.A. Distribuidora de Medicamentos (the "Company"), identified as Individual and Consolidated, respectively, which comprise the statement of financial position as at December 31, 2024, and the statements of profit or loss, 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 and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the individual and consolidated financial position of the Company as at December 31, 2024, and its individual and consolidated financial performance and cash flows for the year then ended in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), currently referred to by the IFRS Foundation as IFRS accounting standards.

Basis for opinion

We conducted our audit in accordance with the 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 principles set forth in the Code of Professional Ethics for Accountants and the professional standards issued by Brazil's National Association of State Boards of Accountancy (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 opinion.

Key audit matters

Key audit matters are those that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter, including any commentary on the findings or outcome of our procedures, is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Measurement of lease liabilities and right-of-use assets

As mentioned in Notes 12 and 20, the Company recorded right-of-use assets and lease liabilities for agreements within the scope of NBC TG 06 (R3) (IFRS 16). As at December 31, 2024, the Company recorded R\$611,422 thousand for right-of-use assets in the individual and consolidated financial statements, in addition to lease liabilities of R\$681,148 thousand in the individual and consolidated financial statements.

This matter was considered significant for our audit due to the materiality of the amounts involved, both in relation to the asset/liability balances and P&L for the year, as well as the uncertainties inherent in this type of calculation and the degree of judgment required that must be exercised by the executive board in determining the significant assumptions, which include, among other, the discount rate used.

How our audit addressed this matter

Our audit procedures included, among others, the assessment of significant assumptions used related to the lease term, discount rate and consideration amounts, in addition to the calculation methodology used by the Company to measure accounting impacts; inventory analysis of the Company's lease agreements, in addition to checking the compliance of these agreements with the scope of the standard. We also tested the reasonableness of the criteria adopted by the Company for a sample of agreements randomly selected, considering the information on the agreements and their amendments, in addition to recalculate the amounts measured by the Company for these transactions. As a result of these procedures, we identified no audit adjustment related to the measurement of lease liabilities and right-of-use assets.

Based on the results of the audit procedures performed, which are consistent with the executive board's assessment, we consider that the accounting records prepared by the executive board for measurement of the impacts from NBC TG 06 (R3) (IFRS 16) on lease agreements, as well as the related disclosures in Notes 12 and 20, are 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 (SVA) for the year ended December 31, 2024, prepared under the responsibility of the Company's executive board, and presented as supplementary information for IFRS purposes, have been subject to audit procedures performed in conjunction with the audit of the Company's individual and consolidated financial statements. For the purpose of forming our opinion, we evaluate whether these statements are reconciled with the financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria set forth in Accounting Pronouncement CPC 09 - Statement of Value Added. In our opinion, these statements of value added were prepared fairly, in all material respects, in accordance with the criteria defined in the referred to Accounting 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 auditor's report

The executive board is responsible for such other information, which comprise 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 assurance 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 of the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the executive board and those charged with governance for the individual and consolidated financial statements

The executive board is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), currently referred to by the IFRS Foundation as IFRS accounting standards, and for such internal control as it 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, the executive board 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 the executive board either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's 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 the audit conducted in accordance with the 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 the Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identified and assessed risks of material misstatements of the individual and consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained 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 the risk of not detecting one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained 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 internal control of Company and its subsidiaries.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive board.
- Concluded on the appropriateness of the executive board'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 Company's ability 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 to cease to continue as a going concern.
- Evaluated 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.

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

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements, including those regarding independence, and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, 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 period 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.

Porto Alegre, March 27, 2025.

ERNST & YOUNG
Auditores Independentes S.S. Ltda.
CRC SP-015199/F

Arthur Ramos Arruda
Accountant CRC-RS RS-096102/O-0

Reports and Representations / Report or Summary Report, if any, of the Audit Committee (statutory or not)

Pursuant to the Articles of Incorporation and legal provisions, the Audit Committee of Dimed S.A. Distribuidora de Medicamentos examined the Management Report, the Financial Statements and Proposal for distribution of profits for the year ended December 31, 2024. Based on the examinations carried out, considering, furthermore, the unqualified independent auditor's report issued by Ernst & Young Auditores Independentes, dated March 27, 2025, as well as the information and clarifications received in the year, the Audit Committee unanimously understand that the aforementioned documents are in conditions to be considered at the Annual General Meeting of Shareholders.

Eldorado do Sul, March 27, 2025.

João Verner Juenemann
Claudio Roberto Ely
Gilberto Carlos Monticelli

Summary Report

This document presents the schedule and topics discussed in each meeting of the Audit and Risk Committee of the Panvel Group held during the fiscal year 2024.

During this period, a total of 12 meetings were held, covering a range of topics and objectives. These meetings provided an environment for constructive discussions, significantly contributing to the progress and alignment of the projects on the agenda.

The frequency and effectiveness of these meetings demonstrate the commitment and dedication of those involved in maintaining clear and effective communication throughout the fiscal year, as shown in the following statement.

Minutes of the Audit and Risk Committee Meeting - No. 87 January 2024

- Presentation on Channel and Ethics;
- Presentation on Information Security;
- Validation of the 2024 Schedule.

Minutes of the Audit and Risk Committee Meeting - No. 89 February 2024

- Internal Audit Report – Agreements;
- Update on the Sustainability Area;
- Internal Audit Report - *Troco Amigo*;
- Internal Audit Report - Data Transfer - *LIVELO*.

Minutes of the Audit and Risk Committee Meeting - No. 90 March 2024

- Investor Relations - Press Release;
- Controllership - 2023 Annual Financial Statements;
- External Audit - Ernst & Young

Minutes of the Audit and Risk Committee Meeting - No. 91 April 2024

- Swearing-in of Director Gilberto Monticelli;
- Information Security;
- Internal Audit Report - NPS.

Minutes of the Audit and Risk Committee Meeting - No. 92

June 2024

- Ethics Channel;
- Insurance;
- Litigation Portfolio;
- Activities of the 1st half.

Minutes of the Audit and Risk Committee Meeting - No. 93

July 2024

- Logistics: Key processes;
- Loss Prevention: Key Controls and Projects;
- Information Security: Key projects.

Minutes of the Audit and Risk Committee Meeting - No. 94

August 2024

- Presentation by Ernst & Young;
- Financial Statements;
- Press Release.

Minutes of the Audit and Risk Committee Meeting - No. 95

September 2024

- Loss Prevention: Ethics Channel;
- Legal: Litigation Portfolio;
- Risk Management: Business Continuity Plan (BCP) and Business Impact Analysis (BIA).

Minutes of the Audit and Risk Committee Meeting - No. 96

October 2024

- Internal Audit Reports;
- Information Security;
- Finance;
- Sustainability.

Minutes of the Audit and Risk Committee Meeting - No. 97

November 2024

- Opening of the meeting;
- Presentation by Ernst & Young;
- Press Release.

Minutes of the Audit and Risk Committee Meeting - No. 98

December 2024

- Opening of the meeting;
- Schedule of 2025 Committee Meetings;
- Audit Action Plans;
- Peers Deep Dive.

Reports and Representations / Officers' Representation on Financial Statements

In compliance with article 27 of CVM Ruling No. 80/22, the Officers of Dimed S.A. Distribuidora de Medicamentos represent that they have reviewed, discussed and agreed with the individual and consolidated financial statements for the year ended December 31, 2024.

Eldorado do Sul, Rio Grande do Sul state, March 27, 2025.

Julio Ricardo Mottin Neto - CEO

Roberto Coimbra Santos - Executive Officer

Antônio Carlos Tocchetto Napp - Chief Investor Relations and Financial Officer

Reports and Representations / Officers' Representation on the Independent Auditor's Report

In compliance with the provisions contained in article 27 of CVM Ruling No. 80/22, the Officers of Dimed S.A. Distribuidora de Medicamentos represent that they have reviewed, discussed and agreed with the opinion expressed in the audit report issued by Ernst & Young Auditores Independentes S.S. Ltda. on the individual and consolidated financial statements for the year ended December 31, 2024.

Eldorado do Sul, Rio Grande do Sul state, March 27, 2025.

Julio Ricardo Mottin Neto - CEO

Roberto Coimbra Santos - Executive Officer

Antônio Carlos Tocchetto Napp - Chief Investor Relations and Financial Officer