

2021: A year of strategic advance

Magalu doubled in size in two years. **2021 sales were R\$56 billion**, with 30% YoY growth.

E-commerce tripled during the same period, with **R\$40 billion in online sales**, 200 million of items sold and 40% YoY growth.

Online sales already represent 71% of **Magalu's** total sales.

The Marketplace **quadrupled in two years** to R\$13 billion in 2021, with 69% YoY growth. **In February, for the first time, marketplace¹ sales surpassed physical store sales.**

Magalu reached 160 thousand sellers who offer more than **60 million items**.

Partner Magalu: 96 thousand small and medium-sized retailers were digitalized using Magalu's technology – more than 50 thousand of them were originated by the local physical store teams. Net result: a seller base with the largest geographic distribution and strong expansion of local assortment.

In the year of You Blinked, It Arrived, Magalu invested in the expansion of logistics bases, reaching **272 distribution centers and dedicated cross-dockings stations** by the end of the year.

Currently, **80% of marketplace orders are handled by Magalu Entregas** and 30% of them are delivered in up to 48 hours.

We implemented **Agency Magalu in +400 stores in 2021**, offering our sellers better logistics services, faster delivery, for a lower price.

Magalu's multichannel model arrived in Rio de Janeiro. There were 51 stores inaugurated in the state in 2021. In total, **Magalu opened 182 new stores over the course of the year.**

After a cycle of assertive acquisitions and organic investments, we are expanding into new categories: **45% of Magalu's online sales come from new, non-traditional categories**, such as fashion goods, home and decoration, beauty and personal care.

Magalu is already present on the smartphones of a large percentage of the Brazilian population. **Together, our applications passed the 45 million monthly active user mark.**

Magalu's Fintech operation doubled in size in 2021: generating more than **R\$65 billion in TPV.**

Magalu finished the year with the largest **total cash position in its history, R\$12.3 billion.**

¹ Preliminary, unaudited information

2021 in numbers

Consolidated principal numbers from the Magalu Ecosystem

R\$56 billion

Total sales

+28% compared to 2020

+104% compared to 2019

R\$40 billion

E-commerce sales

+39% compared to 2020

+221% compared to 2019

+200 million

Items sold online

Magalu Ecosystem

+37 million

Active customers

+400 bps NPS in 2021

+450 million

Total Online Audience

(Website and app access in Dec/21)

R\$65 billion

TPV

+83% compared to 2020

+45 million MAU

(Monthly Active Users)

1,481 Physical Stores

in 21 Brazilian states

272 DCs and Cross-Docking

Stations

Marketplace: in 2 years, GMV grew 4x

R\$13 billion

3P sales

+69% compared to 2020

+332% compared to 2019

+160 k sellers

+113 k since Dec/20

+145 k since Dec/10

80% of 3P orders

Magalu Entregas

30% delivered in up to 48 hours

50% increase in sales conversion

More Sellers, Greater Assortment,
Faster delivery



Continuing to innovate: Magalu's avatar, Lu, was featured on the cover of Vogue Brasil



MGLU3: R\$ 5.33 per share
Total Shares: 6,748,926,848
Market Cap: R\$ 36.0 billion



Conference Call

March 15, 2021 (Tuesday)
08:00 AM in US (EST)/ 09:00 AM in Brazil
[Conference Call Access](#)



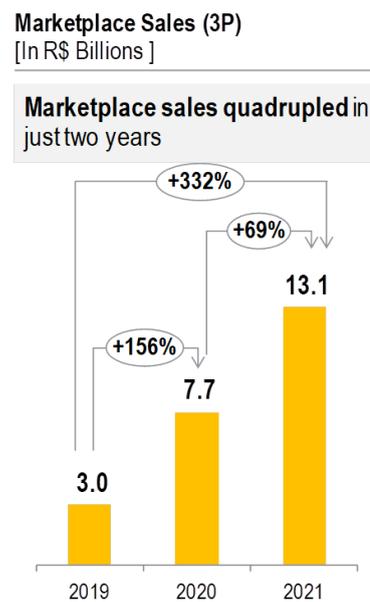
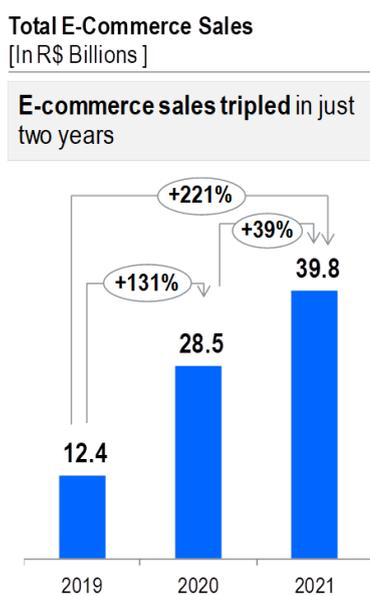
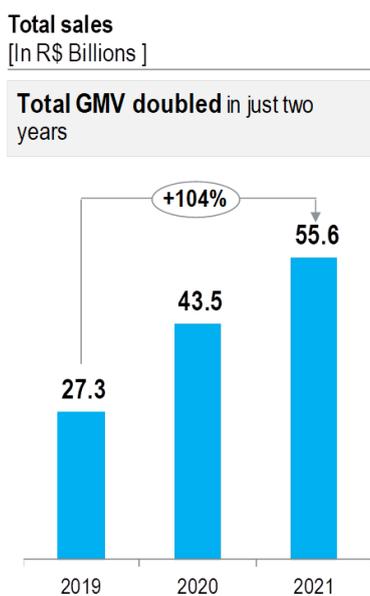
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| MESSAGE FROM THE EXECUTIVE DIRECTORS

In 2019, after completing the most successful digital transformation in the history of Brazil, **Magalu** began a new strategic cycle. The cornerstone of this new strategic cycle was the creation of a multi-channel marketplace which would act as an onramp for onboarding millions of analog retailers to the digital world. Other important objectives included radically expanding the breadth of new product categories and services offered to our more than 37 million active customers and building new revenue streams beyond Magalu’s traditional businesses. Despite a global pandemic and a macroeconomic crisis, we see strong evidence that we are following the right path including:

- **Total GMV doubled in just two years.** The sum of all offline and online sales made by the company (GMV) reached R\$56 billion last year with 30% growth and 104% growth since 2019.
- **E-commerce sales tripled.** E-commerce sales were R\$40 billion last year, 40% more than in 2020, which was, itself, an extraordinary year for **Magalu**. Over the last two years, online sales grew 221% year to date and the company's e-commerce business reached the unprecedented mark of 200 million items sold during the year.
- **Marketplace sales quadrupled.** In 2021, **Magalu's** 3P sales reached R\$13 billion. This is an expansion of around 70% during the period and accumulated growth of 332% over the last two years. Compared to 2019, our marketplace is now four times bigger. Here, the beauty of our strategy is revealed: to grow, digitalizing Brazilian retail. Marketplace sales surpassed physical store sales. In February of this year, we reached a milestone: *for the first time in the Company's history, marketplace sales' surpassed physical store sales.*



The numbers are impressive, but how did we get here and how do we plan to continue to grow?

Marketplace Magalu: The Rise of 3P

The same sustainable competitive advantage that enabled **Magalu** to achieve leadership in its 1P business - the Company’s multichannel business model - is now being used to strengthen our 3P operation.

Over the last two years, the marketplace has been the main driver behind the acceleration of Magalu's e-commerce business. Currently, more than 160,000 sellers, most of them small local retailers, are integrated into our platform. They sell absolutely everything, formally and in full compliance with the law.

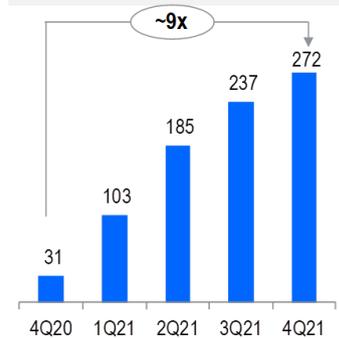
Of the 160,000 sellers on the marketplace platform, 96,000 were originated through our **Partner Magalu** initiative. The initiative, created at the beginning of the pandemic, aimed to help small, analog shopkeepers overcome the hurdles imposed by social isolation. We knew that, for these small entrepreneurs, there were only two options: sell their products online or die. We also knew that these small merchants would not be able to create a solution on their own and would only survive if someone created a retail operating system for Brazil. By offering a complete, turnkey solution – a marketplace; billing systems; back office accounting; credit; logistics, advertising and marketing services – we helped migrate companies that only knew the physical world to the digital universe.

In terms of assortment, **Magalu** offers products from a wide variety of categories and the number of offers available on the marketplace is currently 60 million, more than double the number at the end of 2020.

By increasing investments in logistics bases – we reached 272 distribution centers and dedicated cross-docking stations in 2021 – and integrating the fleets of GFL, SODE and Logbee into **Magalu Entregas**, we were able to significantly increase the number of 3P deliveries handled by our own logistics network, dramatically reducing the role of Correios, the national mail service. Currently, about 80% of 3P orders are made by **Magalu Entregas** and more than 30% of 3P orders reach customers' homes within two days. Faster deliveries and more efficient operations contributed to a 50% increase in the 3P sales conversion rate in 2021 and an improvement in marketplace NPS (Net Promoter Score).

Number of logistics bases
 [Distribution Centers and Cross Dockings]

Heavy investments in logistics in 2021, with a focus on marketplace growth.



Marketplace growth has also been driven by something that only **Magalu** has: physical stores. Not the stores of the past, where you can only buy products. **Magalu** stores have, year after year, evolved, gaining new functionalities and a new purpose. We were the first to believe in the value of a multichannel model. We were also pioneers in transforming physical stores into hyperlocal mini distribution hubs. Physical stores played a key role in the growth of our 1P business and now we are leveraging our physical store assets to help accelerate our marketplace.

Sellers who ship their orders through Magalu Agency
 A truly multichannel marketplace

+293%
 Average order growth

+141%
 Average GMV increase

51%
 Average decrease in freight costs

More than 400 stores have already been transformed into mini postal agencies, where sellers can ship their orders. The 9,500 sellers who switched from Correios to our mini postal agencies experienced an average order growth of 293%; an average GMV increase of 143% and an average decrease in freight costs of 51%. Customers can also pick up their marketplace orders in more than 1,100 **Magalu** stores. Today, 13% of purchases made on the **Magalu** marketplace are picked up by customers in-store. But our physical stores aren't just important for logistics, last year, almost half of the 100,000 or so new sellers who joined our platform were originated by the local physical store teams.

Greater convenience. More services. Faster deliveries. Nationwide coverage. Lower costs. Connection with local retailers. That's why we continue to believe in the enormous potential of physical stores and multichannel. That is the rationale behind the opening of 182 stores over the past year and our entry into Rio de Janeiro, the second largest retail market in Brazil. The 51 physical stores in operation in Rio de Janeiro have already made a significant contribution, increasing **Magalu's** market share in the state by five percentage points in just five months. In addition, the Rio de Janeiro physical store teams distinguished themselves as the most successful at attracting new sellers to the marketplace platform.

New categories, services and sources of revenue

We've been selling durable goods for six decades. Thanks to changes in consumption patterns driven by the pandemic, a little over a year ago, we became the market leader in Brazil. When the consumer wanted to change smartphones, buy a more modern television or a refrigerator with more features, **Magalu** was there, as a first option. The Company is now the largest seller of products from manufacturers such as Samsung, Apple and Whirlpool in Brazil. And scale makes all the difference in a business like this – regardless of cycles that, by definition, are temporary.

Through acquisitions and organic investments, **Magalu** has been pursuing a revenue diversification strategy since 2018. *In 2021, sales of products from new categories represented 45% of e-commerce sales (in annualized terms), driven mainly by the marketplace, one of the fastest growing in the country.*

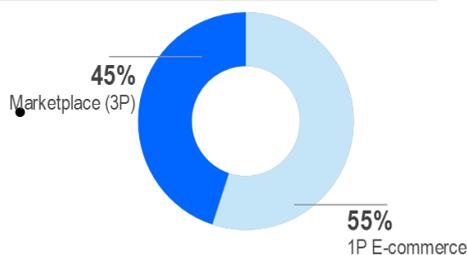
The opportunity for expansion in these new, non-traditional categories is enormous. In order to accelerate our entry into new categories and help us to capture greater operating efficiencies, we have been accelerating our mergers and acquisitions activities. In 2020, **Magalu** acquired ten companies and last year, the Company made twelve acquisitions including **Jovem Nerd**, **Steal the Look**, **KaBuM!** and **VIP Commerce**. These movements demonstrate strategic acumen, executional prowess and financial discipline. The vast majority of consideration was paid in the form of **Magalu** shares, aligning the founders of the acquired companies with **Magalu's** long-term strategic interests.

All of the acquired companies have been generating positive results, exceeding expectations, and proving to be resilient to the current macroeconomic scenario. Here are some of the highlights:

- **Gaming and computer accessories, R\$4 billion in GMV.** **KaBuM!**, the leading technology and gaming e-commerce site, purchased in July, generated R\$4 billion in GMV and a recurring profit of R\$300 million in 2021 - a result that doesn't yet appear on **Magalu's** balance sheet, since **KaBuM!**'s numbers are only consolidated with **Magalu's** in December. Sales growth was 32% compared to 2020 and over 200% during the last two years. There are more than 20,000 items for sale on the platform, which include computers, components, hardware, peripherals, products for the gamer universe and for the smart home – a complete assortment for technology lovers, extremely complementary to the more limited selection typically sold by **Magalu**. **KaBuM!** currently has 2 million active customers, 63% of whom were not **Magalu** customers. **KaBuM!**'s customers skew younger and are very loyal.
- **Netshoes, R\$4 billion in GMV.** Together, the sports and fashion categories reached R\$5 billion in total sales in 2021. Now fully connected to the **Magalu** ecosystem, **Netshoes** recorded the highest annual profit in its 20 year history, R\$135 million in 2021. GMV totaled R\$4 billion, a quarter of which was derived from the approximately 8,000 marketplace sellers. **Netshoes'** product catalog currently lists 250,000 items and, over the course of the year, **Netshoes** sold 10 million pairs of athletic shoes and 1 million football jerseys to its more than 7 million customers.

In the fashion category, almost half of all sales are made via the marketplace

Magalu fashion sales by channel



- Fashion sales grew 170% over the past year, becoming one of the most important traffic generating categories for our channels. 3P's share in the category rose from 33% in 2020 to 45% in 2021. Today, the fashion vertical, with its 3.5 million items and 300 brands, has 30,000 sellers, up from 6,000 sellers a year ago.

With the help of **Hubsales**, the number of manufacturers that sell their fashion items directly to consumers went from 136 to 300, distributed across eight different manufacturing regions. Together, these manufacturers sell over 350,000 items.

- **Beauty, R\$1 billion in GMV.** The beauty category, led by **Época Cosméticos**, reached R\$1 billion in GMV in 2021, gaining three percentage points in market share. Direct sales expanded 60% and large improvements were made in relationships with major luxury brands. On Black Friday, for example, **Época** hosted a live commerce broadcast with the French brand Dior, which was their first live commerce broadcast in Latin America.
- **Groceries, R\$1 billion in GMV.** **Vip Commerce**, a startup company acquired by **Magalu** in 2021, has been working to digitalize supermarkets across Brazil. Vip's e-commerce as-a-service solutions are behind more than 2.4 million purchases, with 190 million items sold to consumers in 280 cities. In 2021, **Vip Commerce's** GMV grew by more than 200%, reaching

R\$ 330 million. **Vip** is already integrated with the SuperApp and the plan for 2022 is to begin to expand **Magalu's** grocery offerings across the country. Including **Magalu's** own 1P sales, the grocery category – hygiene, cleaning products, beverages and non-perishable food – generated more than R\$ 1.1 billion of GMV. Groceries is also **Magalu's** largest category in terms of the number of items sold.

- **Food delivery, R\$1.3 billion in GMV. AiQFome**, the food delivery startup that we acquired in 2020, has become the second largest food delivery company in Brazil, in terms of number of orders. Together with **ToNoLucro**, from Tocantins, and **Plus Delivery**, operating in Espírito Santo, AiQFome generated R\$ 1.3 billion in GMV last year and is profitable. Currently present in more than 700 cities, **AiQFome** serves 5.3 million customers, principally, in rural areas. In 2021, **AiQFome** was integrated into the **Magalu SuperApp** and should begin to expand to larger cities this year.
- **Magalu Ads, R\$100 million in revenue.** In 2021, **Magalu** and its affiliates generated R\$ 100 million in advertising revenue, much of which came from seller ads placed on **Magalu's** proprietary advertising platform. Among other properties, **Magalu's** advertising platform consists of content portals like **Steal The Look** (fashion, beauty, home), **Canaltech** (technology, product reviews, daily news), **Jovem Nerd** (cinema, series, video games, role playing games, science), as well as **Magalu's** e-commerce channels such as the Company's website and mobile. SuperApp and those of ecosystem members such as **KaBuM!** and **Netshoes**. In December, **Magalu's** total online audience - which includes the portals and mobile platforms - surpassed the 450 million mark, giving **Magalu** one of the largest online audiences in Brazil. And we are just getting started!
- **Fintech doubled in size to R\$65 billion in TPV.** In 2021, **Magalu** acquired fintech startups **Hub Fintech** and **Bit55**. 2021 was also marked by an exponential growth in the volume of transactions, from R\$ 36 billion to more than R\$ 65 billion, growing 82.5% compared to the previous year. **MagaluPay**, our digital account integrated with the SuperApp, reached 4.8 million users. Taking into account **Magalu's** sub-acquiring and Banking as a Service (BaaS) businesses, more than R\$ 24 billion passed through **Magalu Pagamentos**, with a net profit of R\$ 156 million.

In terms of the Company's credit card business, we exceeded 7.2 million active credit cards and, in just eight months, we issued more than 1 million of the recently launched **Magalu Cards** through our digital channels. Over the course of the year, credit card total payment volume, or TPV, was more than R\$ 41 billion. The Company's credit portfolio reached R\$ 17.5 billion and generated a profit of R\$153 million for **Luizacred**.

Real sustainability in practice. For a long time already.

We approach our sustainability initiatives with the same enthusiasm, passion and dedication as our core business operations. We have always had an umbilical relationship with the communities in which we operate and with Brazil in general. But we know that the path to sustainability has no finish line. We can only improve our day to day practices and the way our business impacts those around us.

We made considerable progress over the last year. An important demonstration of this was the inclusion of **Magalu** in the Brazilian stock exchange's B3 Corporate Sustainability Index (ISE), in 2022. The index aggregates 46 companies from 27 different sectors that are recognized for their commitment to corporate sustainability.

In the environmental realm, **Magalu** concluded the process of implementing new waste disposal practices in its 26 distribution centers and installed collection boxes for used electronic products in 250 stores. More than 1.3 tons of electronic waste was collected and sent for recycling or environmentally sound disposal. About 40% of all energy consumed by the company already comes from clean energy sources. Fifty electric trucks were added to **Magalu's** logistics fleet, avoiding 1.7 tons of carbon emissions.

Mundo Social, a mini world inside the **Magalu SuperApp**, started to offer products from more than 60 non-profit organizations and social impact businesses. And, in a time of increasing violence against women, the domestic violence report button, embedded in the **Magalu SuperApp**, was also improved.

In terms of diversity, for the second year in a row, **Magalu** organized a trainee program exclusively for people of African descent, with the goal of identifying and training talented young people to join our leadership ranks. A census, carried out in September, showed that 41.5% of the company's leaders declared themselves to be of African descent.

In terms of gender equality, we hosted the third edition of **LuizaCode**, an acceleration program for women in the area of software development. We have distributed over 210 scholarships and 330 women have been trained by the program.

In order to retrain older individuals and bring them into the digital workforce, we created the **Magalu** Development 40+ initiative, a training program for people over 40 years old that want to learn to be programmers. As part of the initiative, we provided 100 scholarships, half of them to people of self-declared African ancestry. Another initiative is designed to recruit people over 50 to join our customer service department.

As a result of these and other initiatives, **Magalu** was named by the Great Place to Work Institute as the overall best company to work for in Brazil.

In recent years, we have made a series of investments in assets that, connected to each other and leveraged within our ecosystem, will serve as the foundation for yet another great cycle of growth. In doing so, we will also be fulfilling our strategy of digitalizing Brazilian retailers, through an inclusive marketplace – which helps to formalize what today, due to a lack of tools, is often outside the law. A marketplace that includes sellers of all sizes (but, in particular, small analog entrepreneurs), of all categories, from all regions of Brazil.

We ended the year with the largest cash position in the Company's history, R\$12.3 billion. In 2021, Magalu raised R\$8 billion reais in the market, 50% in equity, with a follow-on offering in July, and 50% from the issuance of debt which matures in 2024 and 2025. These are resources which will be used to support the digitalization of Brazilian retail.

We remain on this path, which we consider to be the most promising and best suited to the company's strengths, culture and beliefs. We believe that the future is here – a future that, once again, **Magalu** is building.

To our partners – customers, employees, suppliers, sellers, and investors – we thank you for your trust and support. We continue together and optimistic in 2022.

EXECUTIVE MANAGEMENT TEAM

2021 and 4Q21 Financial Highlights



Sales growth on top of the highest comparison basis in Magalu's history. In 2021, total sales - including physical stores, e-commerce first-party inventory (1P) and marketplace (3P) - increased 27.8% to R\$55.6 billion, reflecting growth of 39.4% in e-commerce (on growth of 130.7% in 2020) and a 5.8% increase in physical stores. In 4Q21, total sales grew 4.1%, reaching R\$15.5 billion, even with the deterioration in macroeconomic conditions, such as the rise in inflation and interest rates, which directly impacted the durable goods category.



E-commerce continues to grow at a fast pace with marketplace growth a highlight. In 2021, Brazilian e-commerce grew 27.0%, according to Neotrust, with Magalu growing more than the market. During the period, Magalu's e-commerce sales increased by 39.4%, reaching R\$39.8 billion. In 1P e-commerce, sales increased by 28.4%, while 3P marketplace sales increased by 68.8%, reaching R\$13.1 billion in 2021. The gain in market share was driven by the excellent performance of the SuperApp, which reached 45.2 million monthly active users (MAU). Other contributing factors include faster delivery speeds for 1P and 3P, the growth of new categories and the continued evolution of the marketplace.

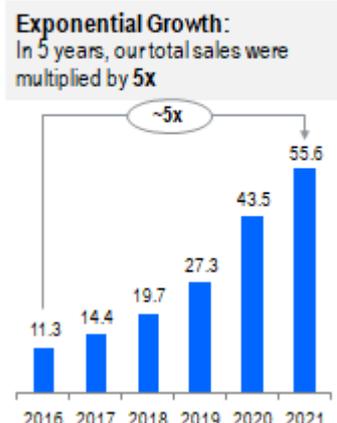


Gross margin reflects greater e-commerce participation. In 2021, adjusted gross margin was 25.2%, a reduction of 0.6 p.p. from the same period in 2020 (25.8% in 2020). This was a result of greater e-commerce participation in total sales (from 65.6% in 2020 to 71.5% of the Company's total sales in 2021) and partially due to the rise in inflation and its impact on the cost of goods sold throughout the second semester. In 4Q21, gross margin was 25.3%, increasing 0.6 p.p. compared to 4Q20, due to service revenue growth.



Expenses impacted by physical store contraction. The percentage of adjusted operating expenses in relation to net revenues was 21.0% in 2021. The 0.4 p.p. increase over 2020 was attributable to a slight dilution of physical stores expenses and an increase in e-commerce marketing expenses throughout the second semester. In 4Q21, the percentage of adjusted operating expenses was 22.7%, an increase of 3.2 p.p. compared to 4Q20, due to a more accentuated deceleration in physical store sales during the period.

Total Sales
[in R\$ billions]



EBITDA and net profit. Sales growth and positive e-commerce results contributed to adjusted EBITDA which reached R\$1.5 billion in 2021. However, the decrease in gross margin and the increase in expenses over net revenues impacted the Adjusted EBITDA margin, which decreased from 5.2% in 2020 to 4.2% in 2021. Adjusted net income reached R\$114.2 million during the same period. Considering non-recurring net gains, net income was R\$590.7 million in 2021. In 4Q21, net income was R\$93.0 million and the adjusted net result was negative by \$79.0 million.



Cash generation and capital structure. In December 2021, the adjusted net cash position was R\$5.5 billion and Magalu achieved the highest total adjusted cash position in its history, in the amount of R\$12.3 billion, including cash and financial investments of R\$4.1 billion and available credit card receivables of R\$8.2 billion. It is also worth mentioning that the Company raised R\$3.9 billion in a July 2021 follow-on offering, and also reinforced its cash position in 4Q21 with debentures issued in the amount of R\$4.0 billion, with a total payment term of 5 years.



Fintech. Total payment volume (TPV) exceeded R\$65.0 billion in 2021, growing 82.5%. In December 2021, the cardholder base reached 7.2 million credit cards, growing 35.5% compared to December 2020. Credit card billing grew an expressive 41.1% in 2021, reaching R\$41.1 billion during the period, R\$12.7 billion of which occurred in 4Q21. The credit card portfolio reached R\$17.5 billion at the end of 2021. In December 2021, MagaluPay reached 4.8 million open accounts.



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Market Cap: R\$ 36.0 billion



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R\$ million (except when otherwise indicated)	4Q21	4Q20	% Chg	12M21	12M20	% Chg
Total Sales ¹ (including marketplace)	15,544.8	14,932.2	4.1%	55,607.7	43,516.7	27.8%
Gross Revenue	11,476.5	12,463.7	-7.9%	42,982.7	36,116.0	19.0%
Net Revenue	9,400.0	10,065.8	-6.6%	35,278.2	29,177.1	20.9%
Gross Income	2,374.3	2,485.6	-4.5%	8,486.8	7,520.0	12.9%
Gross Margin	25.3%	24.7%	60 bps	24.1%	25.8%	-170 bps
EBITDA	(7.9)	504.7	-	1,287.6	1,527.1	-15.7%
EBITDA Margin	-0.1%	5.0%	-510 bps	3.6%	5.2%	-160 bps
Net Income	93.0	219.5	-57.6%	590.7	391.7	50.8%
Net Margin	1.0%	2.2%	-120 bps	1.7%	1.3%	40 bps
Adjusted - Gross Income	2,374.3	2,485.6	-4.5%	8,881.9	7,520.0	18.1%
Adjusted - Gross Margin	25.3%	24.7%	60 bps	25.2%	25.8%	-60 bps
Adjusted - EBITDA	243.5	523.8	-53.5%	1,477.1	1,506.0	-1.9%
Adjusted - EBITDA Margin	2.6%	5.2%	-260 bps	4.2%	5.2%	-100 bps
Adjusted - Net Income	(79.0)	232.1	-	114.2	377.8	-69.8%
Adjusted - Net Margin	-0.8%	2.3%	-310 bps	0.3%	1.3%	-100 bps
Same Physical Store Sales Growth	-22.8%	10.9%	-	0.2%	-7.4%	-
Total Physical Store Sales Growth	-18.4%	15.7%	-	5.8%	0.6%	-
E-commerce Sales Growth (1P)	0.9%	119.8%	-	28.4%	122.6%	-
Marketplace Sales Growth (3P)	60.0%	122.9%	-	68.8%	155.7%	-
Total E-commerce Sales Growth	16.9%	120.7%	-	39.4%	130.7%	-
E-commerce Share of Total Sale	71.6%	63.8%	7.8 pp	71.5%	65.6%	5.9 pp
Number of Stores - End of Period	1,481	1,301	180 stores	1,481	1,301	180 stores
Sales Area - End of Period (M ²)	723,085	666,089	8.6%	723,085	666,089	8.6%

¹ Total Sales include gross revenue from physical stores, 1P e-commerce sales and 3P marketplace sales.

| NON-RECURRING EVENTS

For ease of comparability with 4Q20, 4Q21 results are also being presented in an adjusted view, without the effects of non-recurring provisions and expenses.

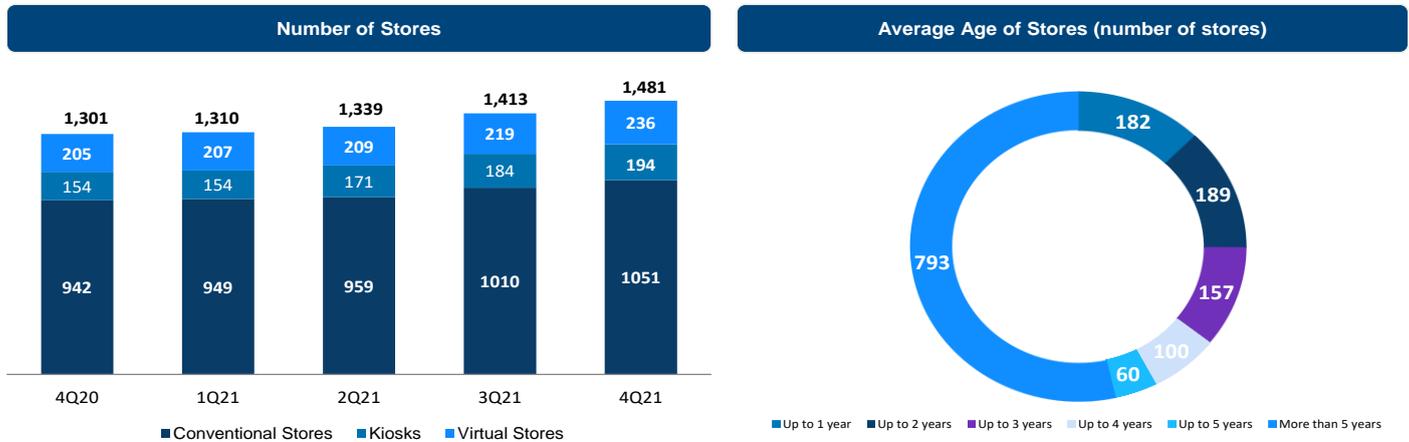
CONCILIATION ADJUSTED INCOME STATEMENT (R\$ million)	4Q21	Adjusted	V.A.	Non-recurring	4Q21	V.A.
Gross Revenue		11,476.5	122.1%	-	11,476.5	122.1%
Taxes and Deductions		(2,076.5)	-22.1%	-	(2,076.5)	-22.1%
Net Revenue		9,400.0	100.0%	-	9,400.0	100.0%
Total Costs		(7,025.7)	-74.7%	-	(7,025.7)	-74.7%
Gross Income		2,374.3	25.3%	-	2,374.3	25.3%
Selling Expenses		(1,759.7)	-18.7%	-	(1,759.7)	-18.7%
General and Administrative Expenses		(328.3)	-3.5%	-	(328.3)	-3.5%
Provisions for Loan Losses		(55.9)	-0.6%	-	(55.9)	-0.6%
Other Operating Revenues, Net		13.7	0.1%	(251.4)	(237.7)	-2.5%
Equity in Subsidiaries		(0.6)	0.0%	-	(0.6)	0.0%
Total Operating Expenses		(2,130.8)	-22.7%	(251.4)	(2,382.2)	-25.3%
EBITDA		243.5	2.6%	(251.4)	(7.9)	-0.1%
Depreciation and Amortization		(226.1)	-2.4%	-	(226.1)	-2.4%
EBIT		17.4	0.2%	(251.4)	(234.0)	-2.5%
Financial Results		(304.7)	-3.2%	56.7	(248.0)	-2.6%
Operating Income		(287.3)	-3.1%	(194.7)	(482.1)	-5.1%
Income Tax and Social Contribution		208.4	2.2%	366.7	575.0	6.1%
Net Income		(79.0)	-0.8%	171.9	93.0	1.0%

| Adjustments – Non – Recurring Events

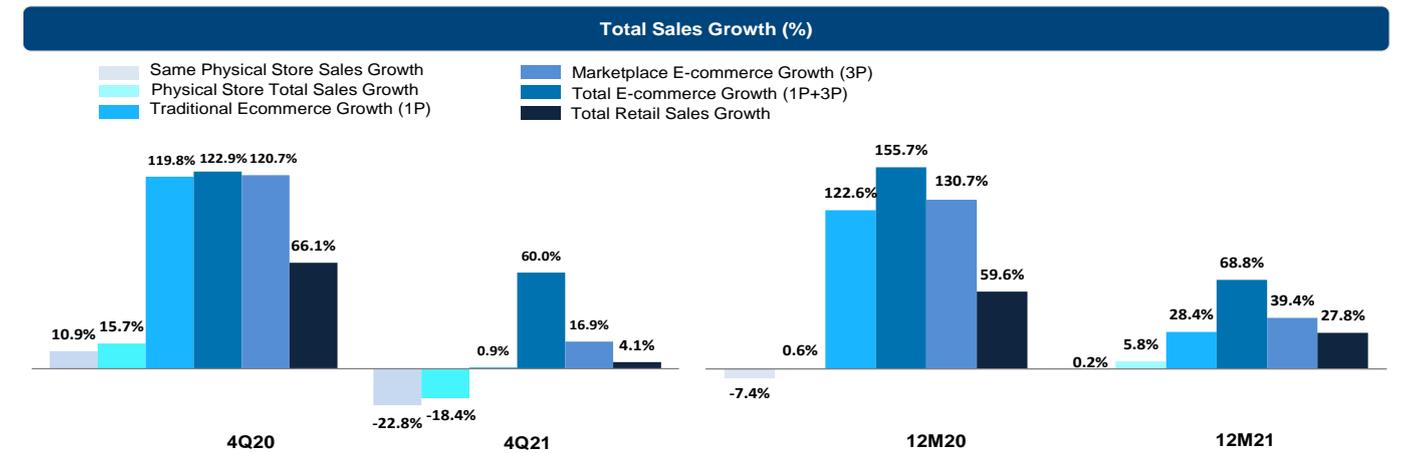
Adjustments	4Q21
Tax Credits	92.6
Tax Provisions	17.9
Consulting and Lawer	(45.8)
Pre-operating Store Expenses	(19.3)
Non Recurring Expenses	(248.7)
Other Expenses	(48.1)
EBITDA Adjustments	(251.4)
Update - Tax Credits	56.7
Financial Result Adjustments	56.7
Income Tax and Social Contribution	85.5
Income Tax Exclusion / Social contribution on monetary restatement and tax subsidies	281.2
Net Income Adjustments	171.9

| OPERATING AND FINANCIAL PERFORMANCE

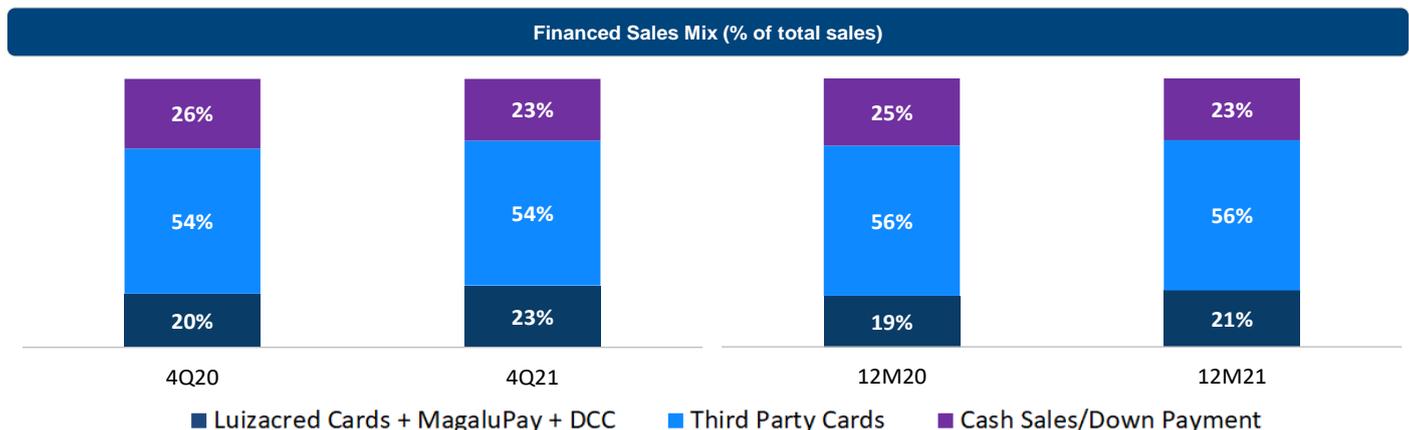
Magalu ended 4Q21 with 1,481 stores (1,051 conventional, 236 virtual and 194 kiosks via the partnership with Lojas Marisa and the Semar supermarket chain). In 4Q21, the Company inaugurated 68 stores. Over the last 12 months, the Company opened 182 new stores (25 in the South, 114 in the Southeast, 11 in the Midwest, 27 in the Northeast and 5 in the North). Forty-six percent of our total number of stores are not yet mature.



In 12M21, total sales grew 27.8%, as a result of a 39.4% increase in e-commerce sales and a 5.8% increase in physical store sales, which were impacted by the deterioration of the macroeconomic scenario during the second semester. It is worth highlighting the marketplace performance, which grew 68.8% in 2021, on top of a growth of 155.7% the previous year. Total Retail sales were up 4.1% in 4Q21 (72.9% in the last two years) as a result of a 16.9% increase in e-commerce sales (157.9% in the last two years) and a 18.4% reduction in physical stores sales.



In 12M21, Luiza Card, Magalu Card, MagaluPay and Direct Credit to Consumer (DCC) use increased from 19% to 21% compared to the same period in 2020. This was due in large part to the growth in the Luiza Card base and the successful launch of the Magalu Card. In 4Q21, the use of Luiza Card, Magalu Card, MagaluPay and DCC was 23%.



| Gross Revenues

(in R\$ million)	4Q21	4Q20	% Chg	12M21	12M20	% Chg
Retail - Merchandise Sales	10,725.3	11,796.8	-9.1%	40,283.4	34,176.9	17.9%
Retail - Services	654.0	550.4	18.8%	2,240.9	1,638.5	36.8%
Other Services	97.2	116.4	-16.5%	458.3	300.6	52.5%
Gross Revenue - Total	11,476.5	12,463.7	-7.9%	42,982.7	36,116.0	19.0%

In 12M21, total gross revenue grew 19.0% to R\$43.0 billion. The growth in sales, driven by e-commerce growth, contributed to the evolution of gross revenue in 2021. Service revenue increased 36.8% during the period, mainly due to the growth of the Marketplace and Magalu Payments. In 4Q21, total gross revenue decreased 7.9% to R\$11.5 million, impacted by the lower sales volume in the durable goods category driven by the deterioration of the macroeconomic scenario.

| Net Revenues

(in R\$ million)	4Q21	4Q20	% Chg	12M21	12M20	% Chg
Retail - Merchandise Sales	8,800.6	9,476.8	-7.1%	32,995.5	27,453.4	20.2%
Retail - Services	595.2	502.0	18.6%	2,092.2	1,491.4	40.3%
Other Services	4.2	87.0	-95.2%	190.4	232.3	-18.0%
Net Revenue - Total	9,400.0	10,065.8	-6.6%	35,278.2	29,177.1	20.9%

In 12M21, total net revenue increased 20.9% to R\$35.3 billion, in line with the variation in total gross revenue. In 4Q21, net revenue was down 6.6% to R\$9.4 billion.

| Gross Profit

(in R\$ million)	4Q21 Adjusted	4Q20	% Chg	12M21 Adjusted	12M20	% Chg
Merchandise Sales	1,796.2	2,043.6	-12.1%	6,952.2	6,141.0	13.2%
Services	578.1	441.9	30.8%	1,929.7	1,378.9	39.9%
Gross Profit - Total	2,374.3	2,485.6	-4.5%	8,881.9	7,520.0	18.1%
Gross Margin - Total	25.3%	24.7%	60.0 pp	25.2%	25.8%	-60.0 pp

In 12M21, adjusted gross profit increased 18.1% to R\$8.9 billion. During the year, adjusted gross margin was 25.2%, a reduction of 0.6 p.p. compared to the same period in 2020, reflecting greater e-commerce participation in total sales and, partially, from the increase in cost inflation during the second semester. In 4Q21, adjusted gross profit was R\$2.4 billion, equivalent to a gross margin of 25.3%, an increase of 0.6 p.p. compared to the same period in 2020, mainly due to service revenue growth.

Operating Expenses

(in R\$ million)	4Q21		4Q20		% Chg	12M21		12M20		% Chg
	Adjusted	% NR	Adjusted	% NR		Adjusted	% NR	Adjusted	% NR	
Selling Expenses	(1,759.7)	-18.7%	(1,675.4)	-16.6%	5.0%	(6,374.4)	-18.1%	(5,162.6)	-17.7%	23.5%
General and Administrative Expenses	(328.3)	-3.5%	(289.5)	-2.9%	13.4%	(1,031.7)	-2.9%	(906.8)	-3.1%	13.8%
General and Administrative Expenses	(2,088.0)	-22.2%	(1,964.9)	-19.5%	6.3%	(7,406.1)	-21.0%	(6,069.4)	-20.8%	22.0%
Provisions for Loan Losses	(55.9)	-0.6%	(33.7)	-0.3%	66.2%	(154.2)	-0.4%	(118.1)	-0.4%	30.6%
Other Operating Revenues, Net	13.7	0.1%	12.7	0.1%	7.9%	56.3	0.2%	53.7	0.2%	4.8%
Total Operating Expenses	(2,130.2)	-22.7%	(1,985.9)	-19.7%	7.3%	(7,504.1)	-21.3%	(6,133.8)	-21.0%	22.3%
Operating Expenses / Total Sales		-13.7%		-13.3%	-40.4 bps		-13.5%		-14.1%	60.1 bps

Selling Expenses

In 12M21, selling expenses totaled R\$6.4 billion, equivalent to 18.1% of net revenue, 0.4 p.p. higher than in 2020, mainly due to a lower dilution of physical store expenses and, partially, due to an increase in e-commerce marketing expenses during the second half of the year. In 4Q21, selling expenses totaled R\$1.8 billion, equivalent to 18.7% of net revenue, a variation of 2.1 p.p. compared to 4Q20, due to a more accentuated deceleration in physical stores sales during the period.

General and Administrative Expenses

In 12M21, general and administrative expenses totaled R\$1.0 billion, equivalent to 2.9% of net revenue. In 4Q21, general and administrative expenses totaled R\$328.3 million, equivalent to 3.5% of net revenue.

Provisions for Loan Losses

Provisions for loan losses totaled R\$154.2 million in 12M21 and R\$55.9 million in 4Q21.

Other Operating Revenues and Expenses, Net

(in R\$ million)	4Q21	% NR	4Q20	% NR	% Chg	12M21	% NR	12M20	% NR	% Chg
Gain on Sale of Assets	0.5	0.0%	(1.4)	0.0%	-	1.0	0.0%	(3.3)	0.0%	-
Deferred Revenue Recorded	13.2	0.1%	14.1	0.1%	-6.2%	55.3	0.2%	57.0	0.2%	-3.0%
Subtotal - Adjusted	13.7	0.1%	12.7	0.1%	7.9%	56.3	0.2%	53.7	0.2%	4.8%
Tax Credits	92.6	1.0%	(0.2)	0.0%	-	353.8	1.0%	56.4	0.2%	-
Tax Provisions	17.9	0.2%	1.7	0.0%	-	420.8	1.2%	35.4	0.1%	-
Expert Fees	(45.8)	-0.5%	(8.0)	-0.1%	-	(170.7)	-0.5%	(27.8)	-0.1%	-
Pre-operating Store Expenses	(19.3)	-0.2%	(2.4)	0.0%	-	(71.4)	-0.2%	(9.5)	0.0%	-
Non Recurring Expenses	(248.7)	-2.6%	0,0	0.0%	-	(248.7)	-0.7%	0,0	0.0%	-
Other Expenses	(48.1)	-0.5%	(10.2)	-0.1%	-	(78.4)	-0.2%	(33.4)	-0.1%	-
Subtotal - Non Recurring	(251.4)	-2.7%	(19.1)	-0.2%	-	205.5	0.6%	21.1	0.1%	-
Total	(237.7)	-2.5%	(6.4)	-0.1%	3591.0%	261.8	0.7%	74.7	0.3%	250.2%

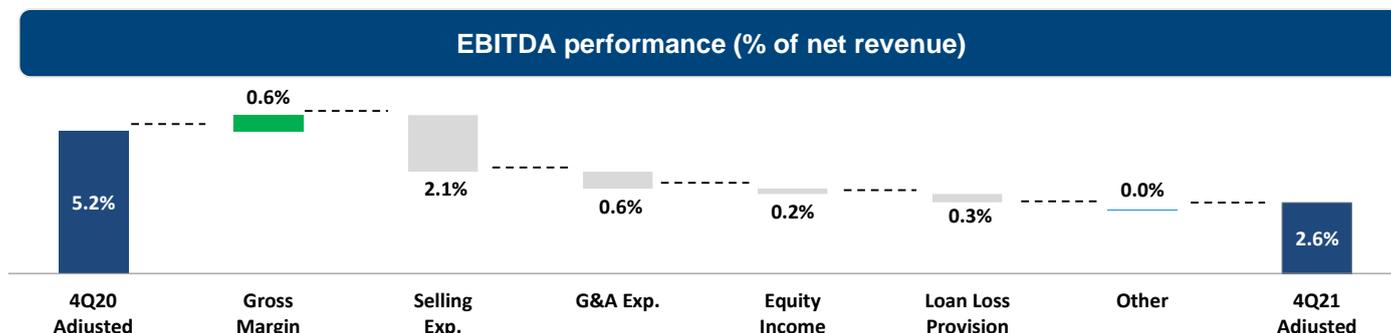
In 12M21, other adjusted net operating revenues totaled R\$56.3 million, mainly influenced by the recognition of deferred revenues in the amount of R\$55.3 million. In 4Q21, adjusted net operating revenues came to R\$13.7 million.

Equity Income

In 12M21, equity income was R\$99.3 million. Luizacred was responsible for R\$76.5 million and Luizaseg was responsible for R\$22.8 million. In 4Q21, equity income was negative R\$0.6 million. Luizacred was responsible for -R\$7.2 million and Luizaseg was responsible for R\$6.6 million.

EBITDA

In 12M21, adjusted EBITDA reached R\$1.5 billion, driven by sales growth and the positive e-commerce result. However, the lower dilution of expenses over the second half of the year impacted the EBITDA margin, which was 4.2% in 12M21, a variation of 1.0 p.p. compared to 12M20. In 4Q21, adjusted EBITDA reached R\$243.5 million, a margin of 2.6%.



Financial Results - Adjusted

R\$ million	4Q21	% NR	4Q20	% NR	% Chg	12M21	% NR	12M20	% NR	% Chg
Financial Expenses	(372.6)	-4.0%	(96.2)	-1.0%	287.3%	(955.5)	-2.7%	(414.4)	-1.4%	130.6%
Interest on loans and financing	(93.1)	-1.0%	(9.6)	-0.1%	865.8%	(172.6)	-0.5%	(46.6)	-0.2%	270.5%
Interest on prepayment of receivables – third party card	(150.5)	-1.6%	(50.2)	-0.5%	199.6%	(369.2)	-1.0%	(124.5)	-0.4%	196.6%
Interest on prepayment of receivables – Luiza Card	(52.7)	-0.6%	(28.2)	-0.3%	86.9%	(198.7)	-0.6%	(115.4)	-0.4%	72.2%
Other expenses	(76.2)	-0.8%	(8.1)	-0.1%	840.4%	(215.1)	-0.6%	(128.0)	-0.4%	68.0%
Financial Revenues	130.0	1.4%	23.0	0.2%	464.5%	300.2	0.9%	183.4	0.6%	63.7%
Gains on marketable securities	25.0	0.3%	5.6	0.1%	349.6%	42.7	0.1%	19.0	0.1%	125.3%
Other financial revenues	104.9	1.1%	17.5	0.2%	501.2%	257.5	0.7%	164.4	0.6%	56.6%
Subtotal: Net Financial Results - Adjusted	(242.6)	-2.6%	(73.2)	-0.7%	231.5%	(655.3)	-1.9%	(231.1)	-0.8%	183.6%
Interest on lease	(62.1)	-0.7%	(45.6)	-0.5%	36.0%	(225.1)	-0.6%	(179.4)	-0.6%	25.4%
Total Net Financial Results - Adjusted	(304.7)	-3.2%	(118.8)	-1.2%	156.4%	(880.4)	-2.5%	(410.5)	-1.4%	114.5%

In 12M12, net financial adjusted expenses totaled R\$880.4 million, equivalent to 2.5% of net revenue. In relation to the same period the previous year, expenses were 100 bps higher due to the increase in interest rates in Brazil - the SELIC rate increased from 2.00% p.a. at the end of 2020 to 9.25% p.a. at the end of 2021.

Disregarding the effects of leasing interest, the net financial adjusted result was R\$655.3 million in 12M21, equivalent to 1.9% of net revenue. In 4Q21, net financial results came to R\$242.6 million or 2.6% of net revenue (-1.9 p.p. versus 4Q20).

Net Income

Net income reached R\$590.7 million in 2021. Considering non-recurring income tax credits and other non-recurring effects, adjusted net income was R\$114.2 million. In 4Q21, net income reached R\$93.0 million.

| Adjusted Working Capital

CONSOLIDATED (R\$ million)	LTM	Dec-21	Sep-21	Jun-21	Mar-21	Dec-20
(+) Accounts Receivables (without Credit Card)	118.2	1,032.7	1,240.6	1,169.0	823.3	914.6
(+) Inventories	3,185.0	9,112.2	8,126.3	7,496.9	6,808.4	5,927.2
(+) Related Parties (without Luiza Card)	34.2	114.8	4.8	18.2	19.0	80.6
(+) Recoverable Taxes	575.0	1,279.3	1,100.1	944.9	872.7	704.3
(+) Income Tax and Recoverable Social Contribution	223.0	234.9	48.1	31.5	22.7	11.8
(+) Other Assets	242.1	402.8	241.7	236.7	183.6	160.8
(+) Current Operating Assets	4,377.4	12,176.8	10,761.5	9,897.2	8,729.8	7,799.3
(-) Suppliers	1,597.5	10,098.9	9,177.5	8,241.8	7,070.5	8,501.4
(-) Transfers and Other Deposits	700.4	1,418.9	1,577.7	878.7	756.7	718.5
(-) Payroll, Vacation and Related Charges	10.5	370.2	437.7	372.4	380.2	359.7
(-) Taxes Payable	(161.7)	239.6	144.3	169.2	211.2	401.3
(-) Related Parties	(5.0)	125.3	56.8	62.8	36.2	130.3
(-) Deferred Revenue	7.3	50.3	50.3	43.1	43.1	43.0
(-) Other Accounts Payable	353.6	1,557.3	1,476.3	1,234.5	1,133.7	1,203.7
(-) Current Operating Liabilities	2,502.7	13,860.5	12,920.7	11,002.5	9,631.5	11,357.9
(=) Working Capital Adjusted	1,874.8	(1,683.8)	(2,159.1)	(1,105.3)	(901.8)	(3,558.5)
% of Gross Revenue (LTM)	5.9%	-3.9%	-4.9%	-2.5%	-2.3%	-9.9%

In December 2021, the adjusted working capital need was negative by R\$1.7 billion, contributing to the Company's capital structure. It is worth mentioning that the consolidated inventory in Dec/21 includes the balance of Kabum's inventories, whose acquisition was concluded at the end of the year. Adjusting for the acquisition of Kabum and the provisions made in 3Q21, the Company has rapidly improved its inventory turnover since the end of the year, a trend which should be reflected in a reduction of more than R\$1.0 billion in the inventory balance in the first months of 2022.

| Capex

CAPEX (in R\$ million)	4Q21	%	4Q20	%	%Chg	12M21	%	12M20	%	%Chg
New Stores	63.3	21%	24.1	11%	163%	222.2	19%	93.1	17%	139%
Remodeling	8.7	3%	18.7	9%	-53%	50.2	4%	33.3	6%	51%
Technology	83.8	27%	49.7	23%	69%	330.6	28%	197.4	36%	67%
Logistics	123.8	40%	76.1	35%	63%	459.6	39%	138.1	25%	233%
Other	27.5	9%	46.2	22%	-40%	101.5	9%	81.9	15%	24%
Total	307.1	100%	214.8	100%	43%	1,164.1	100%	543.9	100%	114%

In 4Q21, investments totaled R\$307.1 million. Investments included new store openings as well as investments in technology and logistics, including the opening of 35 dedicated cross-docking stations. In 4Q21, the Company opened 68 new stores - including kiosks (inside Lojas Marisa) and 17 stores in the State of Rio de Janeiro.

| Capital Structure

CONSOLIDATED (R\$ million)	LTM	Dec-21	Sep-21	Jun-21	Mar-21	Dec-20
(-) Current Loans and Financing	1,259.2	(408.0)	(12.4)	(12.0)	(847.5)	(1,667.2)
(-) Non-current Loans and Financing	(6,365.3)	(6,384.9)	(2,339.6)	(2,319.9)	(822.3)	(19.6)
(=) Gross Debt	(5,106.1)	(6,792.9)	(2,352.0)	(2,331.9)	(1,669.8)	(1,686.8)
(+) Cash and Cash Equivalents	884.8	2,566.2	751.2	1,288.3	639.9	1,681.4
(+) Current Securities	334.6	1,556.4	1,354.2	468.5	745.4	1,221.8
(+) Total Cash	1,219.4	4,122.6	2,105.4	1,756.8	1,385.3	2,903.2
(=) Net Cash	(3,886.7)	(2,670.3)	(246.6)	(575.1)	(284.5)	1,216.4
(+) Credit Card - Third Party Card	770.7	4,618.0	4,187.3	2,610.1	2,891.0	3,847.3
(+) Credit Card - Luiza Card	1,343.4	3,592.4	2,819.8	1,729.0	1,614.9	2,249.0
(+) Total Credit Card	2,114.1	8,210.5	7,007.1	4,339.1	4,505.9	6,096.3
(=) Adjusted Net Cash	(1,772.6)	5,540.2	6,760.5	3,764.0	4,221.4	7,312.7
Short Term Debt / Total	-93%	6%	1%	1%	51%	99%
Long Term Debt / Total	93%	94%	99%	99%	49%	1%
Adjusted EBITDA (LTM)	(28.9)	1,477.1	1,757.4	1,967.5	1,659.3	1,506.0
Adjusted Net Cash / Adjusted EBITDA	-1.1 x	3.8 x	3.8 x	1.9 x	2.5 x	4.9 x
Cash, Securities and Credit Cards	3,333.6	12,333.0	9,112.5	6,095.9	5,891.2	8,999.5

The Company ended the year with an adjusted net cash position of R\$5.5 billion and the highest total cash position in its history, R\$12.3 billion. This includes cash and securities worth R\$4.1 billion and credit card receivables worth R\$8.2 billion. It is also worth mentioning that the Company raised R\$3.9 billion in a follow-on offering in Jul/21, and also reinforced its cash position in 4Q21 with debentures issued in the amount of R\$4.0 billion, with a total payment term of 5 years.

ANNEX I
FINANCIAL STATEMENTS – CONSOLIDATED INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT (R\$ million)	4Q21	V.A.	4Q20	V.A.	% Chg	12M21	V.A.	12M20	V.A.	% Chg
Gross Revenue	11,476.5	122.1%	12,463.7	123.8%	-7.9%	42,982.7	121.8%	36,116.0	123.8%	19.0%
Taxes and Deductions	(2,076.5)	-22.1%	(2,397.9)	-23.8%	-13.4%	(7,704.5)	-21.8%	(6,938.9)	-23.8%	11.0%
Net Revenue	9,400.0	100.0%	10,065.8	100.0%	-6.6%	35,278.2	100.0%	29,177.1	100.0%	20.9%
Total Costs	(7,025.7)	-74.7%	(7,580.2)	-75.3%	-7.3%	(26,791.3)	-75.9%	(21,657.2)	-74.2%	23.7%
Gross Income	2,374.3	25.3%	2,485.6	24.7%	-4.5%	8,486.8	24.1%	7,520.0	25.8%	12.9%
Selling Expenses	(1,759.7)	-18.7%	(1,675.4)	-16.6%	5.0%	(6,374.4)	-18.1%	(5,162.6)	-17.7%	23.5%
General and Administrative Expenses	(328.3)	-3.5%	(289.5)	-2.9%	13.4%	(1,031.7)	-2.9%	(906.8)	-3.1%	13.8%
Provisions for Loan Losses	(55.9)	-0.6%	(33.7)	-0.3%	66.2%	(154.2)	-0.4%	(118.1)	-0.4%	30.6%
Other Operating Revenues, Net	(237.7)	-2.5%	(6.4)	-0.1%	-	261.8	0.7%	74.7	0.3%	250.2%
Equity in Subsidiaries	(0.6)	0.0%	24.1	0.2%	-	99.3	0.3%	119.9	0.4%	-17.2%
Total Operating Expenses	(2,382.2)	-25.3%	(1,980.9)	-19.7%	20.3%	(7,199.2)	-20.4%	(5,992.9)	-20.5%	20.1%
EBITDA	(7.9)	-0.1%	504.7	5.0%	-	1,287.6	3.6%	1,527.1	5.2%	-15.7%
Depreciation and Amortization	(226.1)	-2.4%	(186.2)	-1.9%	21.4%	(817.0)	-2.3%	(702.5)	-2.4%	16.3%
EBIT	(234.0)	-2.5%	318.4	3.2%	-	470.6	1.3%	824.6	2.8%	-42.9%
Financial Results	(248.0)	-2.6%	(118.8)	-1.2%	108.7%	(689.0)	-2.0%	(410.5)	-1.4%	67.8%
Operating Income	(482.1)	-5.1%	199.6	2.0%	-	(218.4)	-0.6%	414.1	1.4%	-152.7%
Income Tax and Social Contribution	575.0	6.1%	19.9	0.2%	2792.0%	809.1	2.3%	(22.4)	-0.1%	-
Net Income	93.0	1.0%	219.5	2.2%	-57.6%	590.7	1.7%	391.7	1.3%	50.8%

Calculation of EBITDA

Net Income	93.0	1.0%	219.5	2.2%	-57.6%	590.7	1.7%	391.7	1.3%	50.8%
(+/-) Income Tax and Social Contribution	(575.0)	-6.1%	(19.9)	-0.2%	-	(809.1)	-2.3%	22.4	0.1%	-
(+/-) Financial Results	248.0	2.6%	118.8	1.2%	108.7%	689.0	2.0%	410.5	1.4%	67.8%
(+) Depreciation and Amortization	226.1	2.4%	186.2	1.9%	21.4%	817.0	2.3%	702.5	2.4%	16.3%
EBITDA	(7.9)	-0.1%	504.7	5.0%	-	1,287.6	3.6%	1,527.1	5.2%	-15.7%

Reconciliation of EBITDA for non-recurring expenses

EBITDA	(7.9)	-0.1%	504.7	5.0%	-	1,287.6	3.6%	1,527.1	5.2%	-15.7%
Non-recurring Result	251.4	2.7%	19.1	0.2%	-	189.6	0.5%	(21.1)	-0.1%	-
Adjusted EBITDA	243.5	2.6%	523.8	5.2%	-53.5%	1,477.1	4.2%	1,506.0	5.2%	-1.9%

Net Income	93.0	1.0%	219.5	2.2%	-57.6%	590.7	1.7%	391.7	1.3%	50.8%
Non-recurring Result	(171.9)	0.0%	12.6	0.1%	-	(476.4)	-1.4%	(13.9)	0.0%	-
Adjusted Net Income	(79.0)	-0.8%	232.1	2.3%	-	114.2	0.3%	377.8	1.3%	-69.8%

* EBITDA (EBITDA - Earnings before Interest, Income Taxes including Social Contribution on Net Income, Depreciation and Amortization) is a non-GAAP measurement prepared by the Company, in accordance with CVM Instruction No. 527 of April 04 October 2012. EBITDA consists of the Company's net income, plus net financial income, income tax and social contribution, and depreciation and amortization costs and expenses. Adjusted EBITDA consists of adjusted EBITDA for extraordinary expenses and IFRS 16 effects. In the case of the adjustment identified above, this result refers to tax credits, the Netshoes acquisition and other provisions and non-recurring expenses. The Company understands that the disclosure of Adjusted EBITDA is necessary to understand the actual impact on cash generation, excluding extraordinary events. Adjusted EBITDA is not a performance metric adopted by IFRS. The Company's adjusted EBITDA definition may not be comparable to similar measures provided by other companies.

ANNEX II – ADJUSTED
FINANCIAL STATEMENTS – CONSOLIDATED INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT (R\$ million)	4Q21 Adjusted	V.A.	4Q20 Adjusted	V.A.	% Chg	12M21 Adjusted	V.A.	12M20 Adjusted	V.A.	% Chg
Gross Revenue	11,476.5	122.1%	12,463.7	123.8%	-7.9%	42,982.7	121.8%	36,116.0	123.8%	19.0%
Taxes and Deductions	(2,076.5)	-22.1%	(2,397.9)	-23.8%	-13.4%	(7,704.5)	-21.8%	(6,938.9)	-23.8%	11.0%
Net Revenue	9,400.0	100.0%	10,065.8	100.0%	-6.6%	35,278.2	100.0%	29,177.1	100.0%	20.9%
Total Costs	(7,025.7)	-74.7%	(7,580.2)	-75.3%	-7.3%	(26,396.3)	-74.8%	(21,657.2)	-74.2%	21.9%
Gross Income	2,374.3	25.3%	2,485.6	24.7%	-4.5%	8,881.9	25.2%	7,520.0	25.8%	18.1%
Selling Expenses	(1,759.7)	-18.7%	(1,675.4)	-16.6%	5.0%	(6,374.4)	-18.1%	(5,162.6)	-17.7%	23.5%
General and Administrative Expenses	(328.3)	-3.5%	(289.5)	-2.9%	13.4%	(1,031.7)	-2.9%	(906.8)	-3.1%	13.8%
Provisions for Loan Losses	(55.9)	-0.6%	(33.7)	-0.3%	66.2%	(154.2)	-0.4%	(118.1)	-0.4%	30.6%
Other Operating Revenues, Net	13.7	0.1%	12.7	0.1%	8.0%	56.3	0.2%	53.7	0.2%	4.8%
Equity in Subsidiaries	(0.6)	0.0%	24.1	0.2%	-	99.3	0.3%	119.9	0.4%	-17.2%
Total Operating Expenses	(2,130.8)	-22.7%	(1,961.8)	-19.5%	8.6%	(7,404.7)	-21.0%	(6,013.9)	-20.6%	23.1%
EBITDA	243.5	2.6%	523.8	5.2%	-53.5%	1,477.1	4.2%	1,506.0	5.2%	-1.9%
Depreciation and Amortization	(226.1)	-2.4%	(186.2)	-1.9%	21.4%	(817.0)	-2.3%	(702.5)	-2.4%	16.3%
EBIT	17.4	0.2%	337.5	3.4%	-94.9%	660.2	1.9%	803.5	2.8%	-17.8%
Financial Results	(304.7)	-3.2%	(118.8)	-1.2%	156.4%	(880.4)	-2.5%	(410.5)	-1.4%	114.5%
Operating Income	(287.3)	-3.1%	218.7	2.2%	-	(220.3)	-0.6%	393.0	1.3%	-
Income Tax and Social Contribution	208.4	2.2%	13.4	0.1%	-	334.5	0.9%	(15.2)	-0.1%	-
Net Income	(79.0)	-0.8%	232.1	2.3%	-	114.2	0.3%	377.8	1.3%	-69.8%

ANNEX III
FINANCIAL STATEMENTS – CONSOLIDATED BALANCE SHEET

ASSETS (R\$ million)	Dec-21	Sep-21	Jun-21	Mar-21	Dec-20
CURRENT ASSETS					
Cash and Cash Equivalents	2,566.2	751.2	1,288.3	639.9	1,681.4
Securities	1,556.4	1,354.2	468.5	745.4	1,221.8
Accounts Receivable - Credit Card	4,618.0	4,187.3	2,610.1	2,891.0	3,847.3
Accounts Receivable - Other	1,032.7	1,240.6	1,169.0	823.3	914.6
Inventories	9,112.2	8,126.3	7,496.9	6,808.4	5,927.2
Related Parties - Credit Card	3,592.4	2,819.8	1,729.0	1,614.9	2,249.0
Related Parties - Other	114.8	4.8	18.2	19.0	80.6
Taxes Recoverable	1,279.3	1,100.1	944.9	872.7	704.3
Income Tax and Recoverable Social Contribution	234.9	48.1	31.5	22.7	11.8
Other Assets	402.8	241.7	236.7	183.6	160.8
Total Current Assets	24,509.8	19,874.0	15,993.1	14,621.0	16,798.8
NON-CURRENT ASSETS					
Accounts Receivable	17.4	-	15.2	17.0	16.1
Recoverable Taxes	1,551.6	1,077.3	680.2	690.3	787.9
Deferred Income Tax and Social Contribution	915.1	470.7	270.8	128.3	196.7
Judicial Deposits	1,189.9	1,173.5	1,139.1	980.6	843.9
Other Assets	184.8	6.7	7.7	4.9	6.3
Investments in Subsidiaries	407.8	454.5	411.7	381.8	386.7
Right of use	3,363.0	3,048.4	2,945.6	2,472.6	2,465.5
Fixed Assets	1,938.7	1,746.8	1,460.8	1,308.0	1,258.2
Intangible Assets	4,306.6	2,697.7	2,141.9	2,006.1	1,887.0
Total Non-Current Assets	13,874.8	10,675.5	9,073.1	7,989.6	7,848.4
TOTAL ASSETS	38,384.6	30,549.5	25,066.2	22,610.6	24,647.2
LIABILITIES (R\$ million)	Dec-21	Sep-21	Jun-21	Mar-21	Dec-20
CURRENT LIABILITIES					
Suppliers	10,098.9	9,177.5	8,241.8	7,070.5	8,501.4
Transfers and other deposits	1,418.9	1,577.7	878.7	756.7	718.5
Loans and Financing	408.0	12.4	12.0	847.5	1,667.2
Payroll, Vacation and Related Charges	370.2	437.7	372.4	380.2	359.7
Taxes Payable	239.6	144.3	169.2	211.2	401.3
Related Parties	125.3	56.8	62.8	36.2	130.3
Lease	433.8	411.7	398.5	353.7	351.2
Deferred Revenue	50.3	50.3	43.1	43.1	43.0
Dividends Payable	41.4	-	0.2	40.0	40.0
Other Accounts Payable	2,070.7	1,476.3	1,234.5	1,133.7	1,203.7
Total Current Liabilities	15,257.2	13,344.8	11,413.2	10,872.7	13,416.1
NON-CURRENT LIABILITIES					
Loans and Financing	6,384.9	2,339.6	2,319.9	822.3	19.6
Taxes to be collected	24.3	-	-	-	-
Lease	3,020.8	2,713.1	2,625.1	2,191.9	2,175.2
Deferred Income Tax and Social Contribution	113.9	23.7	15.6	21.1	24.8
Provision for Tax, Civil and Labor Risks	1,154.1	992.2	1,147.6	1,131.2	1,379.9
Deferred Revenue	245.3	259.3	273.5	287.4	301.3
Other Accounts Payable	922.9	4.2	5.7	13.4	5.0
Total Non-Current Liabilities	11,866.2	6,332.2	6,387.4	4,467.2	3,905.8
TOTAL LIABILITIES	27,123.4	19,677.0	17,800.6	15,339.9	17,321.9
SHAREHOLDERS' EQUITY					
Capital Stock	12,352.5	9,852.5	5,952.3	5,952.3	5,952.3
Capital Reserve	(1,637.1)	350.8	346.4	421.7	390.6
Treasury Shares	(1,449.2)	(1,275.1)	(836.2)	(943.5)	(603.7)
Legal Reserve	137.4	123.0	123.0	123.0	123.0
Profit Retention Reserve	1,856.7	1,321.7	1,321.7	1,451.9	1,451.9
Other Comprehensive Income	0.8	2.0	4.3	6.6	11.2
Retained Earnings	-	497.7	354.2	258.6	-
Total Shareholders' Equity	11,261.2	10,872.5	7,265.6	7,270.7	7,325.3
TOTAL	38,384.6	30,549.5	25,066.2	22,610.6	24,647.2

ANNEX IV
FINANCIAL STATEMENTS – ADJUSTED CONSOLIDATED STATEMENT OF CASH FLOWS

ADJUSTED CASH FLOW STATEMENTS (R\$ million)	4Q21	4Q20	12M21	12M20
Net Income	93.0	219.5	590.7	391.7
Effect of Income Tax and Social Contribution Net of Payment	(604.4)	(71.5)	(906.1)	(96.0)
Depreciation and Amortization	226.1	186.2	817.0	702.5
Interest Accrued on Loans	155.2	57.8	399.4	228.5
Equity Income	0.6	(24.1)	(99.3)	(119.9)
Dividends Received	-	-	29.5	27.4
Provision for Losses on Inventories and Receivables	156.8	58.5	691.1	67.0
Provision for Tax, Civil and Labor Contingencies	(5.7)	100.8	(417.5)	282.5
Gain on Sale of Fixed Assets	(0.4)	-	(0.6)	1.9
Recognition of Deferred Income	(13.5)	(13.9)	(55.9)	(56.6)
Stock Option Expenses	55.0	39.6	118.1	110.6
Adjusted Net Income	62.6	552.8	1,166.1	1,539.6
Trade Accounts Receivable	492.5	(215.2)	122.9	(210.5)
Inventories	(299.7)	(950.4)	(2,923.1)	(2,065.5)
Taxes Recoverable	(691.1)	193.5	(1,468.5)	475.2
Deposit in Court	(15.3)	(273.7)	(344.9)	(273.7)
Other Receivables	(130.5)	156.8	(125.7)	35.2
Changes in Operating Assets	(644.0)	(1,089.0)	(4,739.4)	(2,039.4)
Trade Accounts Payable	508.9	2,399.7	1,184.4	2,563.6
Other Payables	67.8	267.0	473.1	1,019.2
Change in Operating Liabilities	576.7	2,666.7	1,657.5	3,582.8
Cash Flow from Operating Activities	(4.8)	2,130.5	(1,915.8)	3,083.1
Additions of Fixed and Intangible Assets	(307.1)	(214.8)	(1,164.1)	(543.8)
Investment in Subsidiaries	14.9	(36.2)	(153.3)	(107.6)
Cash Flow from Investing Activities	(292.2)	(251.0)	(1,317.4)	(651.4)
Loans and Financing	4,000.3	1.1	6,300.3	801.1
Repayment of Loans and Financing	(8.3)	(2.0)	(1,687.7)	(22.6)
Payment of Interest on Loans and Financing	(24.5)	(0.1)	(131.3)	(0.8)
Payment of Lease	(103.7)	(75.6)	(373.8)	(290.2)
Payment of Interest on Lease	(66.8)	(50.6)	(244.7)	(197.6)
Payment of Dividends	-	-	(146.1)	(299.4)
Treasury Shares	(279.4)	(304.8)	(1,050.2)	(567.4)
Proceeds from the Secondary Equity Offering	-	-	3,981.3	-
Payment of expenses from the Secondary Equity Offering	-	-	(81.0)	-
Cash Flow from Financing Activities	3,517.5	(431.9)	6,566.7	(576.8)
Cash, Cash Equivalents and Securities at Beginning of Period	9,112.5	7,551.9	8,999.5	7,144.6
Cash, Cash Equivalents and Securities at end of Period	12,333.0	8,999.5	12,333.0	8,999.5
Change in Cash and Cash equivalents	3,220.6	1,447.6	3,333.6	1,854.9

Note: The difference between the Statement of Cash Flows and the Adjusted Statement of Cash Flows derives from:
(i) the accounting treatment of marketable securities as cash and cash equivalents.
(ii) the accounting treatment of credit card receivables as cash and cash equivalents.

ANNEX V
RETURN ON INVESTED CAPITAL (ROIC) AND ON EQUITY (ROE)

INVESTED CAPITAL (R\$ million)	dec-21	sep-21	jun-21	mar-21	dec-20
Working Capital	5,344.5	4,388.1	2,803.9	3,227.8	2,174.8
(+) Accounts Receivable	17.4	-	15.2	17.0	16.1
(+) Income Tax and Social Contribution deferred	915.1	470.7	270.8	128.3	196.7
(+) Taxes Recoverable	1,551.6	1,077.3	680.2	690.3	787.9
(+) Judicial Deposits	1,189.9	1,173.5	1,139.1	980.6	843.9
(+) Other Assets	184.8	6.7	7.7	4.9	6.3
(+) Investment In Joint Subsidiaries	407.8	454.5	411.7	381.8	386.7
(+) Right of use	3,363.0	3,048.4	2,945.6	2,472.6	2,465.5
(+) Fixed Assets	1,938.7	1,746.8	1,460.8	1,308.0	1,258.2
(+) Intangible Assets	4,306.6	2,697.7	2,141.9	2,006.1	1,887.0
(+) Income Tax and Recoverable Social Contribution	234.9	48.1	31.5	22.7	11.8
(+) Non Current Assets	14,109.7	10,723.6	9,104.5	8,012.3	7,860.2
(-) Provision for Contingencies	1,154.1	992.2	1,147.6	1,131.2	1,379.9
(-) Lease	3,020.8	2,713.1	2,625.1	2,191.9	2,175.2
(-) Deferred Revenue	245.3	259.3	273.5	287.4	301.3
(-) Taxes to be Collected	24.3	-	-	-	-
(-) Income Tax and Social Contribution deferred	113.9	23.7	15.6	21.1	24.8
(-) Other Accounts Payable	922.9	4.2	5.7	13.4	5.0
(-) Non-Current operating liabilities	5,481.3	3,992.5	4,067.5	3,644.9	3,886.2
(=) Fixed Capital	8,628.4	6,731.0	5,037.0	4,367.4	3,974.0
(=) Total Invested Capital	13,972.9	11,119.2	7,840.9	7,595.2	6,148.8
(+) Net Debt	2,670.3	246.6	575.1	284.5	(1,216.4)
(+) Dividends Payable	41.4	-	0.2	40.0	40.0
(+) Shareholders Equity	11,261.2	10,872.5	7,265.6	7,270.7	7,325.3
(=) Total Financing	13,972.9	11,119.2	7,840.9	7,595.2	6,148.8

FINANCIAL EXPENSES RECONCILIATION (R\$MM)	4Q21	3Q21	2Q21	1Q21	4Q20
Financial Income	186.6	219.3	52.1	33.6	23.0
Financial Expenses	(434.6)	(260.3)	(281.7)	(203.9)	(141.8)
Net Financial Expenses	(248.0)	(41.0)	(229.7)	(170.3)	(118.8)
Interest on prepayment of receivables: Luiza Card and third-party card	203.3	101.7	149.5	113.3	78.5
Adjusted Financial Expenses	(44.8)	60.7	(80.2)	(57.0)	(40.4)
Taxes on Adjusted Financial Expenses	15.2	(20.7)	27.3	19.4	13.7
Net Adjusted Financial Expenses	(29.5)	40.1	(52.9)	(37.6)	(26.6)

NOPLAT AND ROIC/ROE RECONCILIATION(R\$MM)	4Q21	3Q21	2Q21	1Q21	4Q20
EBITDA	(7.9)	134.8	465.1	695.6	504.7
Interest on prepayment of receivables: Luiza Card and third-party card	(203.3)	(101.7)	(149.5)	(113.3)	(78.5)
Depreciation	(226.1)	(207.8)	(204.7)	(178.3)	(186.2)
Current and deferred taxes	575.0	257.5	64.8	(88.3)	19.9
Taxes on Adjusted Financial Expenses	(15.2)	20.7	(27.3)	(19.4)	(13.7)
Net Operating Income (NOPLAT)	122.5	103.4	148.4	296.3	246.1
Invested Capital	13,972.9	11,119.2	7,840.9	7,595.2	6,148.8
ROIC Annualized	4%	4%	8%	16%	16%
Net Income	93.0	143.5	95.5	258.6	219.5
Shareholders Equity	11,261.2	10,872.5	7,265.6	7,270.7	7,325.3
ROE Annualized	3%	5%	5%	14%	12%

ANNEX VI
BREAKDOWN OF TOTAL SALES¹ AND NUMBER OF STORES PER CHANNEL

Breakdown of Total Sales (R\$ million)	4Q21		4Q20		Growth
		V.A.		V.A.	Total
Virtual Stores	331.5	2.1%	389.3	2.6%	-14.8%
Conventional Stores	4,076.4	26.2%	5,014.3	33.6%	-18.7%
Subtotal - Physical Stores	4,407.9	28.4%	5,403.6	36.2%	-18.4%
Traditional E-commerce (1P)	7,006.5	45.1%	6,946.8	46.5%	0.9%
Marketplace (3P)	4,130.4	26.6%	2,581.9	17.3%	60.0%
Subtotal - Total E-commerce	11,136.9	71.6%	9,528.6	63.8%	16.9%
Total Sales	15,544.8	100.0%	14,932.2	100.0%	4.1%

Breakdown of Total Sales (R\$ million)	12M21		12M20		Growth
		V.A.		V.A.	Total
Virtual Stores	1,187.5	2.1%	1,131.2	2.6%	5.0%
Conventional Stores	14,668.7	26.4%	13,859.9	31.8%	5.8%
Subtotal - Physical Stores	15,856.2	28.5%	14,991.1	34.4%	5.8%
Traditional E-commerce (1P)	26,688.7	48.0%	20,786.2	47.8%	28.4%
Marketplace (3P)	13,062.8	23.5%	7,739.4	17.8%	68.8%
Subtotal - Total E-commerce	39,751.5	71.5%	28,525.6	65.6%	39.4%
Total Sales	55,607.7	100.0%	43,516.7	100.0%	27.8%

¹ Total Sales include gross revenue from physical stores and e-commerce plus marketplace sales

Number of stores per channel – End of the period	dec/21		dec/20		Growth
		Part(%)		Part(%)	Total
Virtual Stores	236	15.9%	205	15.8%	31
Conventional Stores	1,051	71.0%	942	72.4%	109
Kiosks	194	13.1%	154	11.8%	40
Subtotal - Physical Stores	1,481	100.0%	1,301	100.0%	180
Total Sales Area (m²)	723,085	100.0%	666,089	100.0%	8.6%

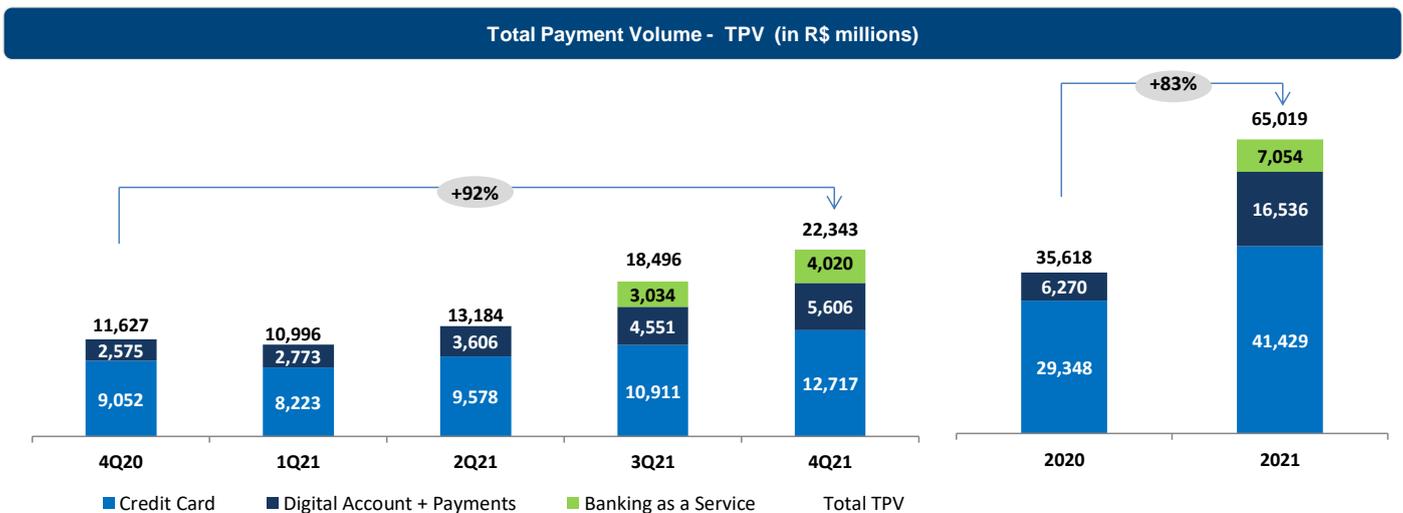
¹ The value of sales processed in the marketplace and on the Aiqfome (food delivery) platforms (managed by the Company or by licensees) from October 1st to December 31st, 2021 in the amount of R \$ 4.1 billion, which are added to the total sales presented in this report, was subject to Independent Limited Assurance by our external auditors and is available on our website. The other components of the quarter's total sales are within the scope quarterly review conducted by our independent auditors.

ANNEX VII FINTECH MAGALU

Magalu’s fintech offerings include solutions for individuals and marketplace sellers, as well as a Banking as a Service (BaaS) platform, which provides enterprise banking services, that was acquired in the Hub Fintech acquisition. Magalu’s fintech services include: a sub-acquiring business; a digital bank account (MagaluPay); credit to consumers via the Luiza and Magalu Cards, and loans for individuals and sellers.

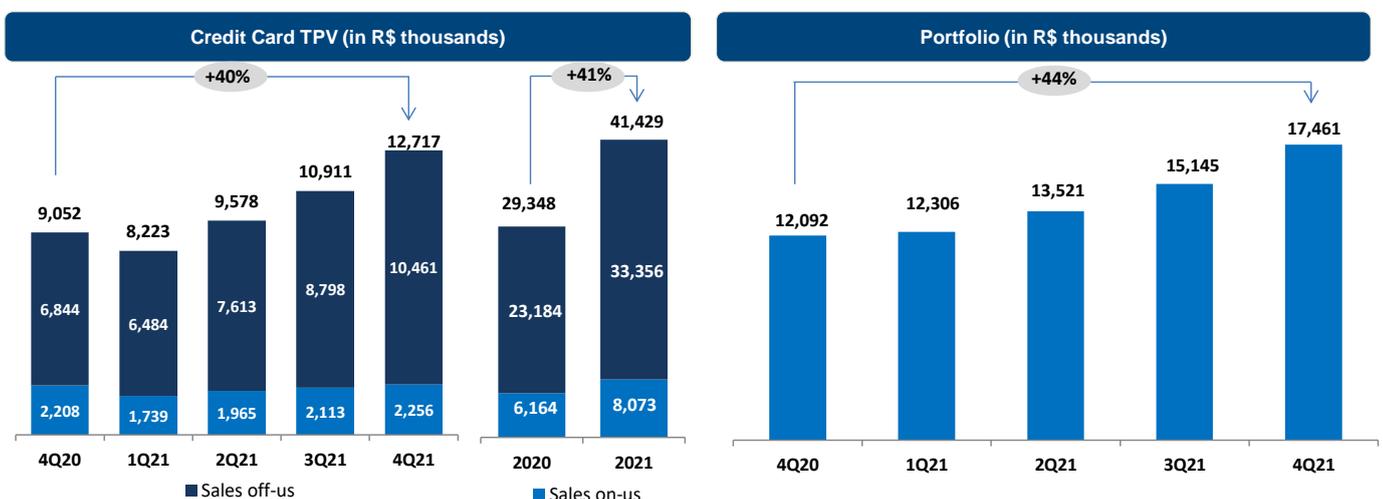
| Operating Indicators

- Magalu’s total payment volume (TPV) reached R\$ 65.0 billion in 2021, growing 82.5%. In 4Q21, TPV reached R\$22.3 billion, growing 92.2% compared to 4Q20.

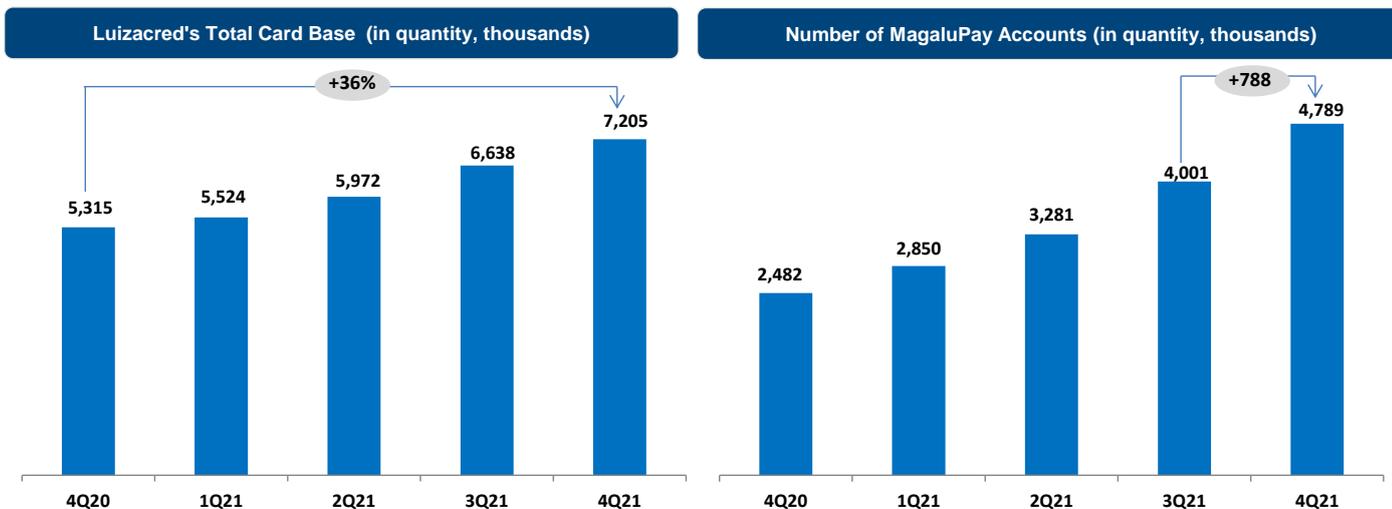


| Credit Card

- Credit Card TPV was R\$41.4 billion in 2021, growing 41.1% during the period, reaching R\$12.7 billion in 4Q21. In-store sales to Luiza and Magalu Card customers, distinguished by their loyalty and higher purchase frequency, increased 31.0% in 2021 reaching R\$8.1 billion, R\$2.3 billion of which occurred during 4Q21. Sales outside Magalu grew 43.9% in 2021 to R\$33.4 billion, R\$10.5 billion of which occurred in 4Q21.
- Luizacred's credit portfolio reached R\$17.5 billion at the end of 4Q21, an increase of 44.4% over 4Q20.



- In December 2021, Luizacred's total card base reached 7.2 million cards (+35.5% versus December 2020), including Luiza Card and the recently launched Magalu Card, which surpassed the mark of more than one million cards sold since its launch in April 2021.



| Digital Account and Payments

- In December 2021, Magalu's digital account, MagaluPay, reached 4.8 million opened accounts, representing an increase of 788,000 new accounts during the period.
- The total payment volume (TPV) of sub-acquiring, digital accounts and loans to sellers reached R\$16.5 billion in 2021, growing 163.7% during the period.
- Magalu also continued to expand credit to marketplace sellers via our FIDC.
- In August 2021, we launched Magalu's first mobile point of sale machines (mPOS). There are three different models: the Mini, the Super and the Smart. The Smart model is particularly noteworthy because it is fully integrated with the Partner Magalu program, enabling retailers to sell online and manage their offline sales using the same system. This machine opens the door to e-commerce sales for thousands of small retailers who are just beginning their digital journey.

| Banking as a Service (BaaS)

- Total payment volume (TPV) in the Banking as a Service segment exceeded R\$7.1 billion since its launch in July 2021.

ANNEX VIII
LUIZACRED

| Income Statement in IFRS

LUIZACRED – Income (R\$ million)	4Q21	V.A.	4Q20	V.A.	% Chg	12M21	V.A.	12M20	V.A.	% Chg
Financial Intermediation Revenue	483.3	100.0%	252.4	100.0%	91.5%	1,599.9	100.0%	1,296.1	100.0%	23.4%
Financial Intermediation Expenses	(512.4)	-106.0%	(151.8)	-60.1%	237.6%	(1,343.0)	-83.9%	(876.2)	-67.6%	53.3%
Market Funding Operations	(73.9)	-15.3%	(17.2)	-6.8%	328.4%	(178.1)	-11.1%	(126.8)	-9.8%	40.5%
Provision for Loan Losses	(438.6)	-90.8%	(134.6)	-53.3%	226.0%	(1,164.9)	-72.8%	(749.4)	-57.8%	55.4%
Gross Financial Intermediation Income	(29.2)	-6.0%	100.6	39.9%	-	256.9	16.1%	419.9	32.4%	-38.8%
Service Revenue	334.0	69.1%	241.6	95.7%	38.2%	1,162.4	72.7%	900.8	69.5%	29.0%
Other Operating Revenues (Expenses)	(310.5)	-64.3%	(253.8)	-100.5%	22.3%	(1,137.9)	-71.1%	(977.6)	-75.4%	16.4%
Personnel Expenses	(5.4)	-1.1%	(1.9)	-0.7%	183.8%	(15.2)	-0.9%	(17.0)	-1.3%	-10.5%
Other Administrative Expenses	(178.3)	-36.9%	(198.4)	-78.6%	-10.1%	(804.6)	-50.3%	(766.0)	-59.1%	5.0%
Depreciation and Amortization	(3.0)	-0.6%	(3.0)	-1.2%	0.1%	(11.9)	-0.7%	(12.0)	-0.9%	-0.4%
Tax Expenses	(46.2)	-9.6%	(31.6)	-12.5%	46.3%	(160.8)	-10.1%	(132.2)	-10.2%	21.7%
Other Operating Revenues (Expenses)	(77.6)	-16.1%	(18.9)	-7.5%	310.6%	(145.4)	-9.1%	(50.5)	-3.9%	188.2%
Income Before Tax	(5.7)	-1.2%	88.4	35.0%	-	281.5	17.6%	343.0	26.5%	-17.9%
Income Tax and Social Contribution	(8.8)	-1.8%	(35.7)	-14.1%	-75.4%	(128.5)	-8.0%	(138.2)	-10.7%	-7.0%
Net Income	(14.5)	-3.0%	52.7	20.9%	-	153.0	9.6%	204.9	15.8%	-25.3%

| Income Statement in compliance with accounting practices established by the Brazilian Central Bank

LUIZACRED – Income (R\$ million)	4Q21	V.A.	4Q20	V.A.	% Chg	12M21	V.A.	12M20	V.A.	% Chg
Financial Intermediation Revenue	483.3	100.0%	252.4	100.0%	91.5%	1,599.9	100.0%	1,296.1	100.0%	23.4%
Financial Intermediation Expenses	(411.3)	-85.1%	(126.7)	-50.2%	224.6%	(1,106.5)	-69.2%	(1,035.9)	-79.9%	6.8%
Market Funding Operations	(73.9)	-15.3%	(17.2)	-6.8%	328.4%	(178.1)	-11.1%	(126.8)	-9.8%	40.5%
Provision for Loan Losses	(337.4)	-69.8%	(109.5)	-43.4%	208.2%	(928.4)	-58.0%	(909.1)	-70.1%	2.1%
Gross Financial Intermediation Income	72.0	14.9%	125.7	49.8%	-42.7%	493.5	30.8%	260.2	20.1%	89.7%
Service Revenue	334.0	69.1%	241.6	95.7%	38.2%	1,162.4	72.7%	900.8	69.5%	29.0%
Other Operating Revenues (Expenses)	(310.5)	-64.3%	(253.8)	-100.5%	22.3%	(1,137.9)	-71.1%	(977.6)	-75.4%	16.4%
Personnel Expenses	(5.4)	-1.1%	(1.9)	-0.7%	183.8%	(15.2)	-0.9%	(17.0)	-1.3%	-10.5%
Other Administrative Expenses	(178.3)	-36.9%	(198.4)	-78.6%	-10.1%	(804.6)	-50.3%	(766.0)	-59.1%	5.0%
Depreciation and Amortization	(3.0)	-0.6%	(3.0)	-1.2%	0.1%	(11.9)	-0.7%	(12.0)	-0.9%	-0.4%
Tax Expenses	(46.2)	-9.6%	(31.6)	-12.5%	46.3%	(160.8)	-10.1%	(132.2)	-10.2%	21.7%
Other Operating Revenues (Expenses)	(77.6)	-16.1%	(18.9)	-7.5%	310.6%	(145.4)	-9.1%	(50.5)	-3.9%	188.2%
Income Before Tax	95.5	19.8%	113.5	45.0%	-15.9%	518.0	32.4%	183.4	14.1%	182.5%
Income Tax and Social Contribution	(49.3)	-10.2%	(45.7)	-18.1%	7.7%	(223.1)	-13.9%	(74.3)	-5.7%	200.2%
Net Income	46.2	9.6%	67.8	26.8%	-31.8%	294.9	18.4%	109.0	8.4%	170.4%

Revenue from Financial Intermediation

In 12M21, revenues from financial intermediation were R\$1.6 billion, 23.4% higher than in 12M20, influenced by the growth in sales inside and outside of Magalu. In 4Q21, revenues from financial intermediation reached R\$483.3 million, growing a significant 91.5% compared to 4Q20.

Provision for Loan Losses

The portfolio of loans overdue from 15 to 90 days (NPL 15) accounted for only 2.5% of the total portfolio in December 2021, a variation of 1.1 p.p. compared to December 2020, due to the recent deterioration in macroeconomic conditions. Luizacred's assertive credit policy and the collection efforts carried out by the stores and collection centers were fundamental in minimizing the impact on the portfolio.

The percentage of the portfolio overdue for more than 90 days (NPL 90) showed an improvement, reaching 5.6% in December 2021. This is one of the lowest levels in the Company's history and represents a reduction of 0.9 p.p. compared to December 2020.

Provisions for bad debt expenses, net of recovery, represented 2.5% of the total portfolio in 4Q21. The overdue portfolio coverage ratio was 183% in December 2021 compared to 176% in December 2020.

PORTFOLIO - OVERDUE	Dec-21		Sep-21		Jun-21		Mar-21		Dec-20	
000 to 014 days	16,043	91.9%	14,081	93.0%	12,615	93.3%	11,414	92.7%	11,137	92.1%
015 to 030 days	103	0.6%	75	0.5%	59	0.4%	81	0.7%	45	0.4%
031 to 060 days	143	0.8%	108	0.7%	81	0.6%	87	0.7%	53	0.4%
061 to 090 days	196	1.1%	135	0.9%	125	0.9%	104	0.8%	74	0.6%
091 to 120 days	185	1.1%	130	0.9%	122	0.9%	77	0.6%	76	0.6%
121 to 150 days	148	0.9%	112	0.7%	111	0.8%	67	0.5%	69	0.6%
151 to 180 days	119	0.7%	108	0.7%	87	0.6%	61	0.5%	74	0.6%
180 to 360 days	524	3.0%	397	2.6%	320	2.4%	415	3.4%	565	4.7%
Portfolio (R\$ million)	17,461	100.0%	15,145	100.0%	13,521	100.0%	12,306	100.0%	12,092	100.0%
Receipt expectation of loan portfolio overdue above 360 days	187		189		190		182		169	
Total Portfolio in IFRS 9 (R\$ million)	17,649		15,334		13,711		12,488		12,261	
Overdue 15-90 days	442	2.5%	318	2.1%	265	2.0%	272	2.2%	171	1.4%
Overdue Above 90 days	977	5.6%	747	4.9%	640	4.7%	620	5.0%	784	6.5%
Total Overdue	1,419	8.1%	1,065	7.0%	906	6.7%	892	7.3%	955	7.9%
Provisions for loan losses on Portfolio	1,453		1,078		1,080		1,026		1,093	
Provisions for loan losses on available limit	333		398		340		316		284	
Total Provisions for loan losses in IFRS 9	1,786		1,477		1,420		1,342		1,377	
Coverage of Portfolio (%)	149%		144%		169%		165%		139%	
Coverage of Total Portfolio (%)	183%		198%		222%		216%		176%	

Note: in order to facilitate comparability and analysis of NPL performance, the Company now discloses the breakdown of the portfolio by arrears criterion, while it continues disclosing the portfolio breakdown by risk level to the Central Bank.

| Financial Intermediation Gross Results

Financial intermediation gross results reached R\$256.9 million in 2021 and were slightly negative in 4Q21, due to conservative provisions under IFRS. Such provisions are associated with the strong growth of the portfolio and the increase in the issuance of new cards.

In compliance with accounting practices established by the Brazilian Central Bank, the gross margin of financial intermediation was R\$493.5 million in 2021, reflecting a lower necessity for provisions for doubtful accounts in the amount of R\$236.5 million in 2021 and R\$101.2 million in 4Q21.

| Service Revenue and Other Operating Revenues (Expenses)

Service revenues grew 29.0% in 2021, reaching R\$1.16 billion. This was largely attributable to an increase in revenue growth. During the same period, operating expenses were R\$1.14 billion, growing by 16.4%. In 4Q21, service revenues grew 38.2%, reaching R\$334.0 million, compared to operating expenses, which grew 22.3%, representing R\$310.5 million.

| Operating Income and Net Income

In 2021, Luizacred recorded net income of R\$153.0 million under IFRS. During the same period, in compliance with accounting practices established by the Brazilian Central Bank, net income was R\$294.9 million. In 4Q21, Luizacred had a negative result of R\$14.5 million under IFRS, but a positive result of R\$46.2 million according to the practices established by the Brazilian Central Bank.

| Shareholders' Equity

In compliance with the same practices, Luizacred posted shareholders' equity of R\$1.2 billion in December 2021. As a result of adjustments required under IFRS, specifically additional provisions for expected losses, net of taxes, Luizacred's shareholders' equity for the purposes of Magazine Luiza's financial statements came to R\$852.8 million.

**ANNEX IX
 OPERATIONAL GUIDANCE**

| Quarterly update

In order to facilitate analysis of the evolution of the Company’s logistics infrastructure, Magalu is sharing key indicators, such as the number of distribution centers, dedicated cross-docking stations, total storage area and the number of physical stores. Since Magalu’s physical stores and e-commerce operations are completely integrated, the total storage area metric also includes the area of the physical stores that is dedicated to handling and stocking goods.

In a material fact published on July 15, 2021, the Company published the following projections for the periods ending December 31, 2021; December 31, 2022 and December 31, 2023:

	Accomplished 4Q21	Guidance		
		2021	2022	2023
Total Logistics Units	272	225	380	450
Number of Distribution Centers	26	26	30	33
Number of Cross-docking Hubs	246	199	350	417
Number of Stores	1,481	1,440	1,560	1,680
Total Storage Area	1,389	1,180	1,630	2,000

CONFERENCE CALL DETAILS

Conference Call in Portuguese with simultaneous translation to English

Tuesday, March 15th, 2021

09:00 – Brasilia time

08:00 – New York time (EST)

Conference Call Access

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About Magazine Luiza

Magazine Luiza, or Magalu, is a technology and logistics company focused on the retail sector. From its humble origins as a traditional retailer providing electronics and home appliances to Brazil's rising middle class, the company has since transformed into a technology powerhouse providing a wide array of products to Brazilians of all classes. Magalu has one of the largest geographic footprints with 27 distribution centers serving a network of over 1,481 stores in 21 states. At the heart of the company's success is an omnichannel retail platform capable of reaching customers via mobile app, web and physical stores. A large part of the company's success is attributable to its in-house development team, Luizalabs, which consists of over 1,800 engineers and product development specialists. Among other things, engineers from Luizalabs use technologies such as big data and machine learning to create logistics, fintech and inventory apps which remove friction from the retail process, improving margins, delivery times and customer experience. The company has been at the forefront of e-commerce adoption in Latin America and its profitable e-commerce operation currently accounts for over 72% of total sales. Magazine Luiza has also been a logistics pioneer. The company's integrated online and offline logistics operations enable it to leverage its physical presence to radically reduce delivery times and costs in a sustainable way. The result is the fastest, lowest cost logistics network in Brazil.

EBITDA, Adjusted EBITDA and Adjusted Net Income

EBITDA (earnings before interest, income and social contribution taxes, financial income and expenses, depreciation and amortization) is not a financial performance measure under the accounting practices adopted in Brazil. Because it does not consider expenses intrinsic to the business, EBITDA has limitations that affect its use as a profitability or liquidity indicator. EBITDA should not be considered an alternative to net income or operating cash flow. In addition, EBITDA does not have a standard meaning, and our definition may not be comparable with the definitions adopted by other companies. Non-recurring results used to calculate adjusted EBITDA and adjusted net income should not be considered an alternative to EBITDA and net income in accordance with the accounting practices adopted in Brazil.

Disclaimer

The statements herein related to business prospects, future estimates of operating and financial results, and those related to Magazine Luiza's growth prospects are merely estimates and, as such, are based solely on the expectations of the Executive Board regarding the future of the Company's business. These expectations largely depend on approvals and licenses for the projects, market conditions, performance of the Brazilian economy, the sector and the international markets and are, therefore, subject to changes without prior notice. This performance report includes accounting and non-accounting data such as pro forma operating and financial results and projections based on the expectations of the Company's Management. The non-accounting data were not reviewed by the Company's independent auditors.