Magazine Luiza

Earnings Release

4Q22

Record sales of R$18 billion in 4Q22 and R$60 billion in 2022
Operating cash flow of more than R$2 billion during 4Q22
Total cash position of R$11 billion in Dec/22

MGLU
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Magalu's total sales reached R$18 billion in 4Q22, 16% higher than 4Q21. **Over the last three years, the average annual sales growth rate was 26%**. 2022 sales were R$60 billion, 8% higher than 2021.

E-commerce reached more than R$13 billion in sales during the quarter, increasing by 16%, while the Brazilian e-commerce market shrank by 6% during the same period (*Neotrust*). **Magalu's average annual e-commerce growth rate over the last three years was 44%. In 2022, e-commerce sales were R$43 billion,** a growth of 9% compared to 2021.

Over the last three years, **Magalu's Marketplace has experienced an average annual growth rate of 58%.**
Despite a strong comparison base, **Marketplace sales totaled around R$5 billion during the quarter, growing 12%** compared to the same period last year. **In 2022, marketplace sales totaled R$15 billion,** a growth of 18% compared to 2021.

In 4Q22, the Magalu marketplace reached the mark of **260,000 sellers and 91 million offers** available for sale. In one year, more than 118,000 new sellers joined the platform, most of them connected via **Partner Magalu**, which is being accelerated by the efforts of the local physical store teams and **Caravan Magalu**.

Magalu is a truly multi-channel Marketplace. More than **61,000 marketplace sellers are already using Magalu's physical store-based logistics program, Agency Magalu**, to deliver their items and **21% of total Marketplace orders are being picked up at one of Magalu's more than 1,000 pick-up enabled stores.**

During the quarter, **43% of marketplace deliveries were made within 48 hours**. More than **1,000 sellers have already utilized Magalu's fulfillment operation, which is totally integrated with the Company's logistics operation.** This enables Marketplace sellers to accelerate the speed of their deliveries, combining high service levels with lower costs.

In physical stores, sales were R$5 billion during the quarter, a growth of 15% compared to 4Q21. **In 2022, physical store sales were R$17 billion,** a growth of 6% compared to 2021.

There was also significant strengthening of operating margins during the quarter. Magalu's adjusted EBITDA margin continued its upward trajectory, reaching 6.0% during the quarter, an increase of 340 bps compared to 4Q21. **In 2022, the adjusted EBITDA totaled more than R$2 billion, with a margin of 5.7%.**

During the quarter, **operating cash flow reached R$2.1 billion,** mainly reflecting the evolution of EBITDA and an improvement in working capital. Magalu ended the year with **a total cash position of R$11 billion and an adjusted net cash position of R$3.5 billion.**

Magalu has one of the largest audiences on the Brazilian internet, with **more than 500 million monthly hits**, distributed across different brands and content channels, such as Jovem Nerd, Steal the Look and Canaltech. As of today, 100% of Magalu's assortment has been enabled for sponsored search. **In the fourth quarter, we reached the mark of 6,000 campaigns created and 2,500 sellers used MagaluAds** to promote their products.

Magalu's Fintech operation grew 15% during the quarter to R$26 billion in TPV. One highlight was the 14% growth in credit card TPV, which reached more than R$14 billion in 4Q22. There are now more than 7 million issued credit cards and the credit portfolio is R$20 billion. **In 2022, TPV was R$91 billion**, **a growth of 39% compared to 2021**.

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4Q22 in numbers

Principal consolidated numbers from the Magalu Ecosystem

R$18 billion
Total sales
+16% compared to 4Q21
+26% three-year CAGR

R$13 billion
E-commerce sales
+16% compared to 3Q21
+44% three-year CAGR

7.1 million
Credit Cards
Luiza Card and Magalu Card

+37 million
MAU (Monthly Active Users)

R$ 2.2 billion
Operating Cash Generation
(Adjusted)

R$26 billion
TPV
+15% compared to 4Q21

37 million
Active customers

1,339 Physical Stores
in 21 Brazilian states

269 DCs and Cross-Docking Stations

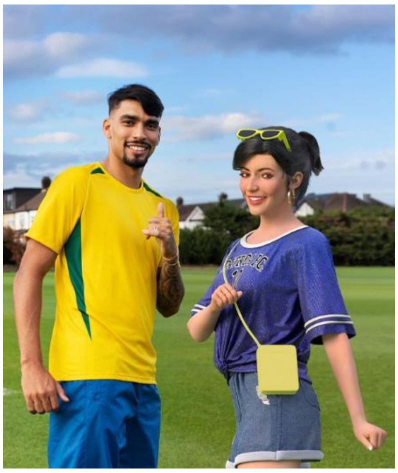
Marketplace: 1,000 sellers already utilize Fulfillment Magalu

R$4.6 billion marketplace sales
+12% compared to 4Q21
+58% three-year CAGR

260k sellers
+118k new sellers since Dec/21
+213k new sellers since Dec/20

80% of marketplace orders pass through Magalu Entregas
43% delivered in up to 48 hours

36% of total online sales generated by the marketplace
More Sellers, greater assortment, faster delivery



World Cup: Magalu's agressive commercial and marketing strategies--which included the sponsorship of the FIFA Soccer World Cup on the Globo network-- contributed to the excellent sales performance during the period.

MGLU3: R$ 3.39 per share
Total Shares: 6,748,926,848
Market Cap: R$ 22.9 billion

Conference Call
Mar 10,2023 (Friday)
10:00 AM in US (EST)/ 12:00 AM in Brazil
Conference Call Access

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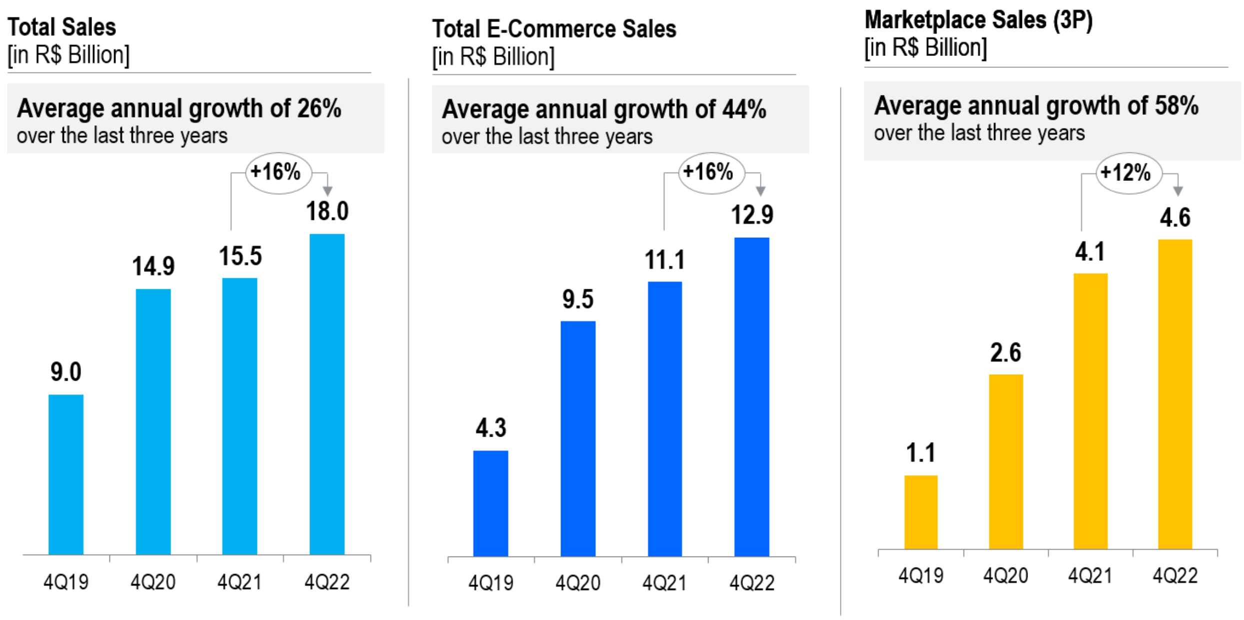
LETTER TO SHAREHOLDERS

2022 began with the one-two punch of rising interest rates and high inflation. Like every other company, we were blindsided by the unprecedented speed with which the macroeconomic scenario shifted, but we were one of the first companies, globally, to realize the gravity of the situation and react. By making hard decisions quickly, we were able to mitigate the damage. Despite the challenges, we were able to expand our sales, margins and operating cash generation, all while continuing to offer our customers the best service levels. As a result, Magalu's total sales surpassed R$60 billion for the first time, increasing 8% compared to 2021.

During the first half, we made important adjustments to our operation. We improved the gross margin by reducing freight subsidies and increasing the marketplace take-rate (accelerating the growth of service revenues); we radically reduced expenses (mainly marketing and logistics) and reduced inventories significantly. These adjustments led to a material increase in our operating margins. Magalu's adjusted EBITDA margin, which was only 2.6% in the fourth quarter of 2021, reached 6.0% in the fourth quarter of 2022. For the year, adjusted EBITDA surpassed the mark of R$2.1 billion reais, 44% higher than in 2021, with a 5.7% margin–the highest adjusted EBITDA margin since 2019.

Though our primary focus was on expanding margins and implementing a lighter structure, we managed to accelerate growth and market share gains, especially during the last quarter of the year, which was characterized by strong growth across all channels. In the period from October to December, we achieved record sales of R$18 billion, 16% higher than the previous year.

During the fourth quarter of 2022, e-commerce sales grew by 16%, reaching R$13 billion. In physical stores, sales surpassed the R$5 billion mark, with 15% growth compared to the same period in 2021. The Company's excellent sales performance during the quarter was primarily driven by Magalu's assertive commercial and marketing strategy, including sponsorship of the World Cup.



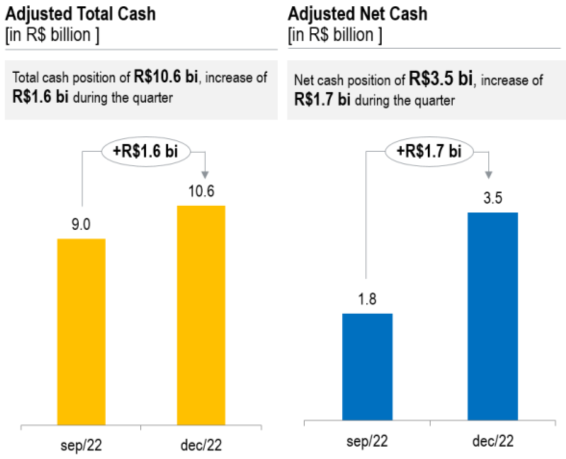
According to data from Neotrust, the strong evolution of online sales during the quarter led to an increase of 5.1 percentage points in Magalu's share of Brazilian e-commerce. The Company's first-party or 1P sales grew 18% during the period from October to December compared to 2021. Sales across the Company's third-party (3P) marketplace platforms grew 12% during the same period, accelerating throughout the quarter. In December growth reached 33%.

Working Capital and Cash Generation

Another important highlight of 2022 was the significant reduction in inventory levels. Inventory levels ended the year at R$7.8 billion, R$1.3 billion less than December 2021. This reduction, in conjunction with the higher sales volume, led to a turnover improvement of more than 30 days.

The strong improvement in operating results, added to the evolution of working capital, led to an operating cash generation of more than R$800 million in 2022. It is worth noting that in the fourth quarter, operating cash generation reached an expressive R$2.2 billion.

Our solid capital structure enables us to withstand short-term market fluctuations without the need to pause investments in the execution of our strategy: the digitalization of retail in Brazil. We ended the year with a total cash position of R$10.6 billion, including financial investments and credit card receivables. Discounting debts, the Company's net cash was R$3.5 billion in 2022. It is worth highlighting that Magalu's debt maturities are long term, distributed between 2024 and 2026.



The future of retail is digital, multichannel and hyperlocal

We are convinced that Brazilian retail will become increasingly digital. The e-commerce penetration rate in Brazil is still low. Total retail e-commerce penetration in 2022 was only 11% and we do not believe that the 4% (Neotrust) contraction that Brazil experienced in 2022 is a long-term trend. We believe that the strong e-commerce growth experienced during the pandemic anticipated the advance of e-commerce by a couple of years and that, after a brief period of normalization, we are returning to the previous growth curve. The average growth rate of our e-commerce operation over the last three years was a significant 44%, reflecting this trend.

Going forward, we believe that growth will be accompanied by profitability. In this context, our unique model which combines digital, multichannel and hyperlocal, stands out.

Multichannel is one of the pillars of Magalu's business model. Our operation combines physical sales channels (stores) with digital sales channels (1P e-commerce business and 3P marketplace business). Historically, part of Magalu's edge derived from its ability to leverage its physical store assets to benefit its first-party e-commerce business. Now, however, we are going a step beyond, leveraging the Company's physical store assets to benefit the Company's third-party marketplace business. This will enable the more than 260,000 sellers on Magalu's marketplace platform to benefit from the physical stores, using them for onboarding and logistics services. Whether applied to Magalu's first-party e-commerce business or its third-party marketplace business, the Company's multichannel model provides Magalu with a strong, sustainable competitive advantage, enabling a higher level of customer service and increased operating efficiency in a value accretive way.

In addition to being multichannel, the Company''s marketplace is also hyperlocal. Magalu's vision is that in the future, many deliveries will come from local retailers in your immediate vicinity. In order to realize this vision we are: using the Partner Magalu app to digitize local small and medium-sized analog businesses, migrating them to our marketplace and bringing them online; developing new geolocation technology to more efficiently enable local buyers to find local sellers; using ComSchool to educate analog retailers nationwide, at scale, on how to become marketplace sellers and catalyzing retailers around the country to enter the marketplace via our Caravan Magalu initiative. We believe that this hyperlocal strategy will enable Magalu to offer the fastest and least expensive delivery, even for low-ticket items, in a value accretive way.

In terms of logistics, 3P marketplace sellers have at their disposal all of Magalu's infrastructure – which already serves the Company's physical store and 1P e-commerce businesses. The ability to leverage Magalu's existing logistics infrastructure enables the seller's to deliver customers' orders faster, at a lower cost. Around 80% of marketplace orders currently pass through Magalu Entregas and 43% are delivered within 48 hours. More than 61,000 sellers use the product drop-off service, Agency Magalu, at the Company's physical stores. In addition to collection and delivery services, Magalu also recently began offering fulfillment.

Magalu's fulfillment operation takes place in the same distribution centers used by the Company's 1P operation. Here, once again, Magalu's multichannel model demonstrates its value. Today, around 1,000 marketplace sellers use the Company's fulfillment service, benefitting from the scale of the largest 1P operation in Brazil. Currently, Magalu has 5 distribution centers offering fulfillment and the Company plans to expand the operation significantly throughout 2023, providing sellers nationwide with the fastest delivery speeds at the lowest cost.

Diversification of revenue sources and the Magalu Ecosystem

After years of hard work and diligent execution, we recently achieved leadership in the durable goods category. This puts Magalu in a position to grow, profitably, in the durable goods category, especially via our physical store and first-party e-commerce operations. We have the structure, leadership and knowledge necessary to expand our market share in this important segment, which also represents a significant share of the profit pool of Brazilian e-commerce.

This does not mean, however, that Magalu will focus exclusively on durable goods. We believe that the relevance of new categories will continue to expand as our marketplace continues to grow, becoming a more meaningful part of our sales as we onboard millions of small to medium-sized analog retailers from diverse categories.

In fact, we believe that the next growth leap for Brazilian e-commerce will be driven by the digitization of new categories with low levels of e-commerce penetration such as fashion; beauty; home and garden; groceries, automotive accessories and others. At Magalu, our multichannel marketplace has been instrumental in capturing this opportunity in a profitable way.

Over the last few years, Magalu has made investments organically and through acquisitions to expand, and increasingly diversify, its sources of revenue. Magalu's diversification efforts involve both expansion into new categories and the expansion of service offerings.

New categories are becoming an increasingly meaningful part of the Company's total e-commerce sales. During the last quarter, sales of new categories represented 51% of Magalu's total online sales.

- In fashion, marketplace sales, principally via the SuperApp, grew 25% during the quarter and already represent 65% of the category's total sales. According to Neotrust, Zattini has the fourth largest fashion e-commerce traffic in Brazil and is the second largest retailer in searches for footwear on Google.

- In beauty, sales grew 22% during the fourth quarter and Magalu gained 1.9 p.p. of online market share in the category during the period. Época Cosméticos celebrated its 16th anniversary at an event with more than 200 influencers and launched its first TV campaign for brand positioning. Época finished the year with profits of R$76 million.

- In the sports category, it is worth highlighting the excellent performance of the marketplace which grew 34% during the fourth quarter of 2022. For the year, Netshoes reached a net profit of R$56 million.

- In food delivery, AiQFome – the second largest food delivery platform in Brazil – surpassed the mark of 30 million orders in 2022, which corresponds to around R$1.4 billion in sales. AiQFome has also been expanding the services that it offers to partner restaurants. In December 2022, about a third of all payments to restaurants were processed by AiQFome, expanding its sources of revenue.

- At Kabum, sales reached R$4 billion in 2022, with around R$180 million in profits and strong cash generation. Magalu is extending its multichannel model to Kabum as well. A recently launched initiative to enable Kabum customers to pick-up their online purchases at Magalu stores is already available in more than 600 stores, reducing costs for the end consumer.

In terms of consumer credit, Luizacred's portfolio reached R$20.6 billion and revenue from the Company's credit cards, Cartão Luiza and Cartão Magalu, totaled R$14.5 billion during the quarter and R$54.0 billion in 2022 (30% higher than in 2021). Short-term delinquency, which has the greatest impact on the volume of provisions, continues to improve, due to a disciplined credit strategy and robust collection efforts. As a result, Luizacred had its best quarter at the end of the year, returning to profitability in recent months.

Fintech Magalu has also been expanding the portfolio of value added services offered to marketplace sellers. The prepayment of receivables is already a service widely used by our sellers. In 2022, even with the scenario of high interest rates, Magalu Payments reached R$67 million in net profit. Fintech Magalu also offers a digital account in which all sellers will receive the amounts paid by Magalu. Today, more than 15 thousand sellers use the Company's digital account and Magalu has transacted more than R$700 million since launch.

Finally, it is worth highlighting the evolution of MagaluAds, the Company's advertising platform. Magalu has one of the largest audiences on the Brazilian internet, with more than 500 million monthly hits, distributed across different brands and content channels, such as Jovem Nerd, Steal the Look and Canaltech. As of today, 100% of Magalu's assortment has been enabled for sponsored search. In the fourth quarter, we reached the mark of 6,000 campaigns created and 2,500 sellers used MagaluAds to promote their products, a number that has been growing rapidly. In addition to helping sellers gain visibility, MagaluAds will increase the monetization and profitability of Magalu's operation.

ESG

The Company's advances also extend to its ESG initiatives. In January, Magalu was included, for the second consecutive year, in the Brazilian stock exchange's Corporate Sustainability Index (ISE), which evaluates companies on their commitment to environmental, social and governance issues. The ISE portfolio is in its 18th edition and, in 2023, it will comprise 70 publicly-traded companies.

Final considerations

We started 2023 off on the right foot, with the biggest Fantastic Liquidation Sale in the Company's history. Achieving an optimal balance between profitability and growth remains the Company's top priority. Magalu is committed to expanding its market share across all of its sales channels in a sustainable, value accretive way. Going forward, we believe that the Company will continue to harvest the benefits of the decisive actions taken at the beginning of the crisis as well as those that we have taken in recent months.

Once again, we would like to thank our customers, sellers, employees, shareholders, suppliers and partners for their continued support.

EXECUTIVE MANAGEMENT TEAM

4Q22 Financial Highlights

Strong sales growth across all channels. In 4Q22, total sales - including physical stores, e-commerce first-party inventory (1P) and marketplace (3P) - increased 15.5% to R$18.0 billion, reflecting growth of 15.9% in e-commerce (44.0% three-year CAGR) and a 14.7% increase in physical store sales (2.7% three-year CAGR). In 2022, total sales grew 8.2%, reaching R$60.2 billion.

E-commerce grew at an above market rate. During 4Q22, the Brazilian e-commerce market shrank by 5.8% according to Neotrust, while Magalu again outperformed the market. During the quarter, e-commerce sales grew 15.9%, reaching R$12.9 billion, driven by the aggressive commercial and marketing strategies implemented for Black Friday and the World Cup. Magalu's 1P e-commerce sales grew an impressive 18.4% (average annual growth of 37.9% over the last three years). Despite a high comparison base, marketplace sales grew 11.6%, reaching R$4.6 billion during the quarter (average annual growth of 58.5% over the last three years). The gain in e-commerce market share was driven by the performance of the SuperApp, which reached 36.9 million monthly active users (MAU). Other contributing factors include faster delivery speeds for 1P and 3P, the growth of new categories and an evolution of the seller base.

Rise of gross margin driven by a better balance between sales and profitability. In 4Q22, the gross margin was 27.8%, an increase of 250 bps. from the same period in 2021. This increase reflects a 44.4% growth in service revenues, driven in large part by marketplace commissions. In addition, the practice of passing along the costs of rising inflation and interest rates to consumers contributed to the increase in gross merchandise margin. In 2022, gross margin was 28.0%, increasing 3.9 p.p. compared to 2021.

Operating expenses. The percentage of adjusted operating expenses in relation to net revenues was 21.6% in 4Q22, a decrease of 1.0 p.p. compared to 4Q21, and the lowest level in the last five quarters. This wasachieved by optimizing marketing and logistics expenses and via a reduction in fixed expenses.

EBITDA and net result. During the quarter, adjusted EBITDA grew an impressive 176.7% comparted to 4Q21, reaching R$673.7 million. This wasdriven, in large part, by sales growth, particularly in the marketplace, and an increase in gross margin. The adjusted EBITDA margin was 6.0% in 4Q22, rising 3.4 p.p. compared to 4Q21. In 2022, adjusted EBITDA was R$2.1 billion, equivalent to a gross margin of 5.7%.

In 4Q22, the adjusted net result was negative by R$15.2 million--which was a significant improvement over the last quarters--driven by increased operating efficiency. The Company is now approaching break-even.

Cash generation and capital structure. In 4Q22, cash flow from operations was R$2.2 billion, driven by better operating results and by an improvement in working capital, particularly a strong reduction in inventory levels. In Dec/22, the adjusted net cash position was R$3.5 billion, and the total adjusted cash position was R$10.6 billion, including cash and financial instruments of R$2.7 billion and available credit card receivables of R$7.9 billion.

Fintech. Total payment volume (TPV) reached R$25.8 billion in 4Q22, growing 15.2%. In 2022, TPV was R$90.6 billion. In Dec/22, the cardholder base reached 7.1 million credit cards. Credit card billing grew 14.3% in 4Q22, reaching R$14.5 billion during the period. In 2022, credit card billing was R$54.0 billion. The credit card portfolio reached R$20.6 billion at the end of the quarter. In December 2022, MagaluPay reached 8.9 million open digital accounts.

R$ million (except when otherwise indicated)	4Q22	4Q21	% Chg	12M22	12M21	% Chg
Total Sales[1] (including marketplace)	17,959.7	15,544.8	15.5%	60,160.7	55,607.7	8.2%
Gross Revenue	13,515.8	11,476.5	17.8%	45,189.0	42,982.7	5.1%
Net Revenue	11,167.4	9,400.0	18.8%	37,299.0	35,278.2	5.7%
Gross Income	3,099.7	2,374.3	30.6%	10,438.9	8,486.8	23.0%
Gross Margin	27.8%	25.3%	250 bps	28.0%	24.1%	390 bps
EBITDA	642.3	(7.9)	-8242.3%	1,935.3	1,287.6	50.3%
EBITDA Margin	5.8%	-0.1%	590 bps	5.2%	3.6%	160 bps
Net Income	(35.9)	93.0	-	(499.0)	590.7	-
Net Margin	-0.3%	1.0%	-130 bps	-1.3%	1.7%	-300 bps
Adjusted - Gross Income	3,099.7	2,374.3	30.6%	10,438.9	8,881.9	17.5%
Adjusted - Gross Margin	27.8%	25.3%	250 bps	28.0%	25.2%	280 bps
Adjusted - EBITDA	673.7	243.5	176.7%	2,127.5	1,477.1	44.0%
Adjusted - EBITDA Margin	6.0%	2.6%	340 bps	5.7%	4.2%	150 bps
Adjusted - Net Income	(15.2)	(79.0)	-80.8%	(372.1)	114.2	-
Adjusted - Net Margin	-0.1%	-0.8%	70 bps	-1.0%	0.3%	-130 bps
Same Physical Store Sales Growth	13.3%	-22.8%	-	0.1%	0.2%	-
Total Physical Store Sales Growth	14.7%	-18.4%	-	5.8%	5.8%	-
E-commerce Sales Growth (1P)	18.4%	0.9%	-	4.7%	28.4%	-
Marketplace Sales Growth (3P)	11.6%	60.0%	-	18.3%	68.8%	-
Total E-commerce Sales Growth	15.9%	16.9%	-	9.2%	39.4%	-
E-commerce Share of Total Sale	71.9%	71.6%	0.2 pp	72.1%	71.5%	0.6 pp
Number of Stores - End of Period	1,339	1,481	-142 stores	1,339	1,481	-142 stores
Sales Area - End of Period (M^2)	716,707	723,085	-0.9%	716,707	723,085	-0.9%

[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 4Q21, 4Q22 results are also being presented in an adjusted view, without the effects of non-recurring provisions and expenses.

CONCILIATION ADJUSTED INCOME STATEMENT (R$ million)	4Q22 Adjusted	V.A.	Non-recurring	4Q22	V.A.
Gross Revenue	13,515.8	121.0%	-	13,515.8	121.0%
Taxes and Deductions	(2,348.4)	-21.0%	-	(2,348.4)	-21.0%
Net Revenue	11,167.4	100.0%	-	11,167.4	100.0%
Total Costs	(8,067.7)	-72.2%	-	(8,067.7)	-72.2%
Gross Income	3,099.7	27.8%	-	3,099.7	27.8%
Selling Expenses	(2,033.9)	-18.2%	-	(2,033.9)	-18.2%
General and Administrative Expenses	(345.8)	-3.1%	-	(345.8)	-3.1%
Provisions for Loan Losses	(60.7)	-0.5%	-	(60.7)	-0.5%
Other Operating Revenues, Net	24.2	0.2%	(31.4)	(7.2)	-0.1%
Equity in Subsidiaries	(9.8)	-0.1%	-	(9.8)	-0.1%
Total Operating Expenses	(2,426.0)	-21.7%	(31.4)	(2,457.4)	-22.0%
EBITDA	673.7	6.0%	(31.4)	642.3	5.8%
Depreciation and Amortization	(354.5)	-3.2%	-	(354.5)	-3.2%
EBIT	319.2	2.9%	(31.4)	287.8	2.6%
Financial Results	(568.8)	-5.1%	-	(568.8)	-5.1%
Operating Income	(249.6)	-2.2%	(31.4)	(281.0)	-2.5%
Income Tax and Social Contribution	234.4	2.1%	10.7	245.1	2.2%
Net Income	(15.2)	-0.1%	(20.7)	(35.9)	-0.3%

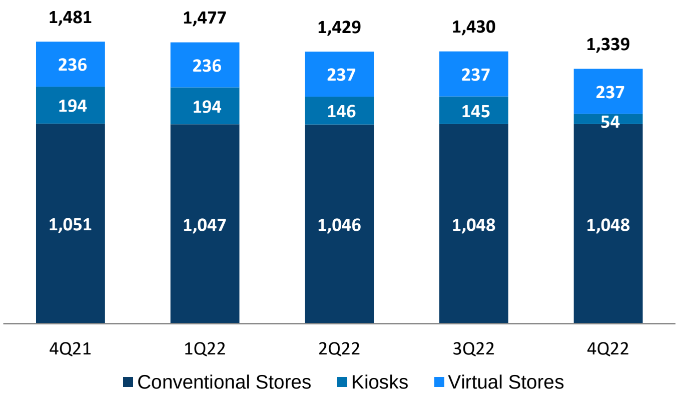
| Adjustments – Non – Recurring Events

Adjustments	4Q22
Tax Credits	1.4
Tax Provisions	(7.8)
Expert Fees	(0.8)
Non Recurring Expenses	(10.7)
Other Expenses	(13.5)
EBITDA Adjustments	**(31.4)**
Income Tax and Social Contribution	10.7
Net Income Adjustments	**(20.7)**

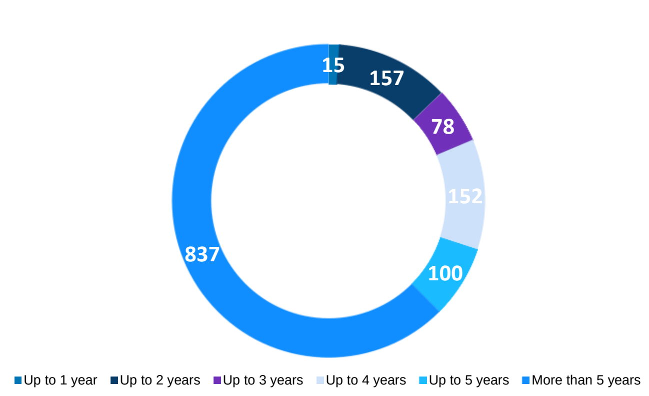
| OPERATING AND FINANCIAL PERFORMANCE

Magalu ended 4Q22 with 1,339 physical stores (1,048 conventional, 237 virtual and 54 kiosks via the partnerships with Lojas Marisa and the Semar supermarket chain). During 4Q22, the Company closed 91 kiosks. Over the last 12 months, the Company opened 15 new stores (6 in the South, 7 in the Southeast and 2 in the Northeast) and closed 17 stores and 140 kiosks. Thirty-seven percent of our total number of stores are not yet mature.

Number of Stores

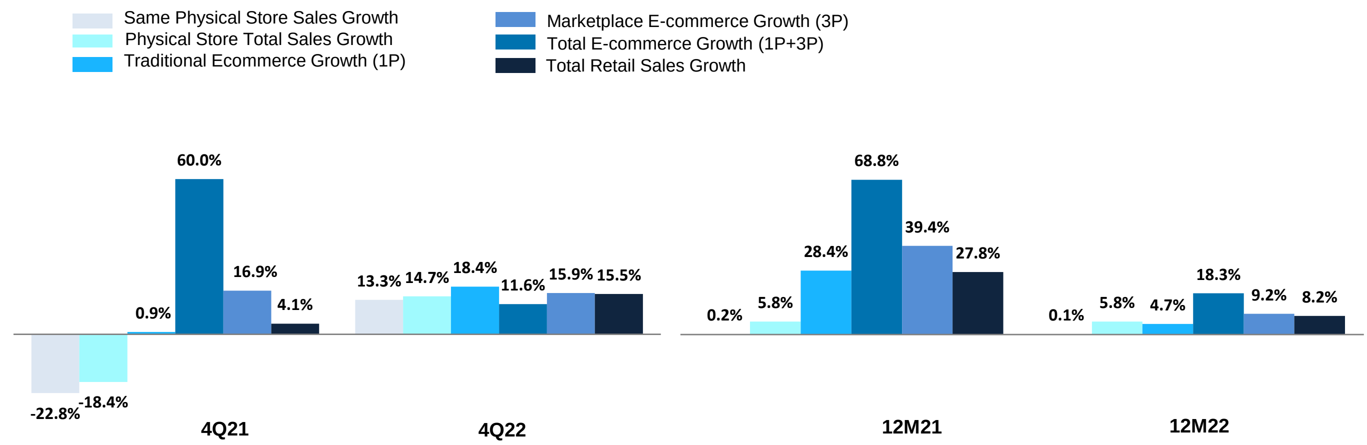


Average Age of Stores (number of stores)



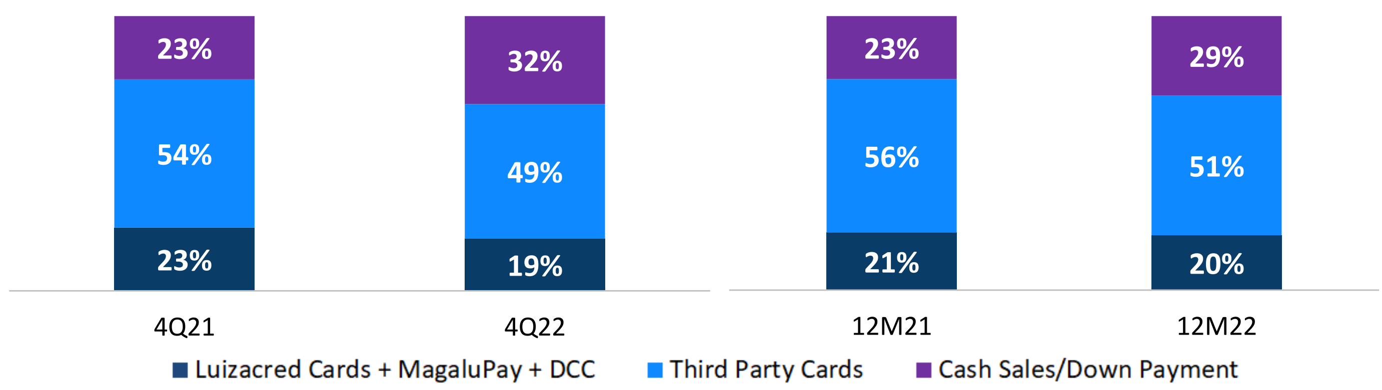
In 4Q22, total sales grew 15.5% (26.0% three-year CAGR), as a result of a 15.9% increase in e-commerce sales (44.0% three-year CAGR) and a 14.7% increase in physical store sales (2.7% three-year CAGR). Total Retail sales were up 8.2% in 12M22, as a result of a 9.2% increase in e-commerce sales and a 5.8% increase in physical store sales.

Total Sales Growth (%)



In 4Q22, the share of cash sales (non-installment sales) increased from 23% to 32% compared to the same period in 2021. The increase in cash sales was driven by widespread PIX adoption, especially at KaBuM! and Magalu, which contributed to a reduction in financial expenses. In 12M22, the share of cash sales was 29%.

Financed Sales Mix (% of total sales)



| Gross Revenues

(in R$ million)	4Q22	4Q21	% Chg	12M22	12M21	% Chg
Merchandise Sales	12,430.7	10,725.3	15.9%	41,746.6	40,283.4	3.6%
Services	1,085.1	751.3	44.4%	3,442.4	2,699.2	27.5%
Gross Revenue - Total	**13,515.8**	**11,476.5**	**17.8%**	**45,189.0**	**42,982.7**	**5.1%**

In 4Q22, total gross revenue was R$13.5 billion, a 17.8% increase compared to the same period in 2021. The accelerated growth of e-commerce and the excellent performance of physical stores during the quarter contributed to the evolution of gross revenue. Retail service revenue increased 44.4% during the period, mainly due to an increase in the Marketplace take-rate. In 12M22, gross revenue was R$45.2 billion, rising 5.1% during the period.

| Net Revenues

(in R$ million)	4Q22	4Q21	% Chg	12M22	12M21	% Chg
Merchandise Sales	10,264.9	8,832.3	16.2%	34,457.8	33,077.4	4.2%
Services	902.5	567.7	59.0%	2,841.2	2,200.8	29.1%
Net Revenue - Total	**11,167.4**	**9,400.0**	**18.8%**	**37,299.0**	**35,278.2**	**5.7%**

In 4Q22, total net revenue was R$11.2 billion, an 18.8% increase compared to 4Q21. In 12M22, net revenue rose 5.7% to R$37.3 billion, in line with the variation in total gross revenue.

| Gross Profit

(in R$ million)	4Q22	4Q21	% Chg	12M22	12M21 Adjusted	% Chg
Merchandise Sales	2,213.5	1,827.9	21.1%	7,671.2	7,033.8	9.1%
Services	886.2	546.4	62.2%	2,767.7	1,848.1	49.8%
Gross Profit - Total	**3,099.7**	**2,374.3**	**30.6%**	**10,438.9**	**8,881.9**	**17.5%**
Gross Margin - Total	**27.8%**	**25.3%**	**250 bps**	**28.0%**	**25.2%**	**280 bps**

In 4Q22, adjusted gross profit increased 30.6% to R$3.1 billion. During the quarter, gross margin was 27.8%, an increase of 250 bps. compared to the same period in 2021. This increase reflects the growth in service revenue, particularly from the marketplace. In addition, the gradual repassing of inflation costs and interest rate increases to consumers contributed to the increase in the gross margin of goods. In 12M22, gross profit increased 17.5% to R$10.4 billion, equivalent to a gross margin of 28.0%.

| Operating Expenses

(in R$ million)	4Q22 Adjusted	% NR	4Q21 Adjusted	% NR	% Chg	12M22 Adjusted	% NR	12M21 Adjusted	% NR	% Chg
Selling Expenses	(2,033.9)	-18.2%	(1,759.7)	-18.7%	15.6%	(6,741.1)	-18.1%	(6,374.4)	-18.1%	5.8%
General and Administrative Expenses	(345.8)	-3.1%	(328.3)	-3.5%	5.3%	(1,370.2)	-3.7%	(1,031.7)	-2.9%	32.8%
General and Administrative Expenses	**(2,379.7)**	**-21.3%**	**(2,088.0)**	**-22.2%**	**14.0%**	**(8,111.3)**	**-21.7%**	**(7,406.1)**	**-21.0%**	**9.5%**
Provisions for Loan Losses	(60.7)	-0.5%	(55.9)	-0.6%	8.6%	(239.7)	-0.6%	(154.2)	-0.4%	55.4%
Other Operating Revenues, Net	24.2	0.2%	13.7	0.1%	76.6%	75.3	0.2%	56.3	0.2%	33.8%
Total Operating Expenses	**(2,416.2)**	**-21.6%**	**(2,130.2)**	**-22.7%**	**13.4%**	**(8,275.7)**	**-22.2%**	**(7,504.1)**	**-21.3%**	**10.3%**

| Selling Expenses

In 4Q22, selling expenses totaled R$2.0 billion, equivalent to 18.2% of net revenue, 50 bps lower than the same period in 2021, mainly due to an increase in sales; the optimization of marketing and logistics expenses and the reduction of fixed expenses. In 12M22, selling expenses totaled R$6.7 billion, equivalent to 18.1% of net revenue.

| General and Administrative Expenses

In 4Q22, general and administrative expenses totaled R$345.8 million, equivalent to 3.1% of net revenue, 40 bps lower than the same period in 2021. In 12M22, general and administrative expenses totaled R$1.4 billion, equivalent to 3.7% of net revenue.

| Provisions for Loan Losses

Provisions for loan losses totaled R$60.7 million in 4Q22 and R$239.7 million in 12M22.

| Other Operating Revenues and Expenses, Net

(in R$ million)	4Q22	% NR	4Q21	% NR	% Chg	12M22	% NR	12M21	% NR	% Chg
Gain on Sale of Assets	(0.8)	0.0%	0.5	0.0%	-	(0.7)	0.0%	1.0	0.0%	-
Deferred Revenue Recorded	25.0	0.2%	13.2	0.1%	88.7%	76.0	0.2%	55.3	0.2%	37.4%
Subtotal - Adjusted	**24.2**	**0.2%**	**13.7**	**0.1%**	**76.6%**	**75.3**	**0.2%**	**56.3**	**0.2%**	**33.8%**
Tax Credits	1.4	0.0%	92.6	1.0%	-98.5%	25.5	0.1%	353.8	1.0%	-92.8%
Tax Provisions	(7.8)	-0.1%	17.9	0.2%	-	(32.0)	-0.1%	420.8	1.2%	-
Expert fees	(0.8)	0.0%	(45.8)	-0.5%	-98.3%	(30.4)	-0.1%	(170.7)	-0.5%	-82.2%
Non Recurring Expenses	(10.7)	-0.1%	(268.0)	-2.9%	-96.0%	(136.2)	-0.4%	(320.1)	-0.9%	-57.4%
Other Expenses	(13.5)	-0.1%	(48.1)	-0.5%	-71.9%	(19.1)	-0.1%	(78.4)	-0.2%	-75.7%
Subtotal - Non Recurring	**(31.4)**	**-0.3%**	**(251.4)**	**-2.7%**	**-87.5%**	**(192.2)**	**-0.5%**	**205.5**	**0.6%**	**-**
Total	**(7.2)**	**-0.1%**	**(237.7)**	**-2.5%**	**-97.0%**	**- 116.9**	**-0.3%**	**261.8**	**0.7%**	**-**

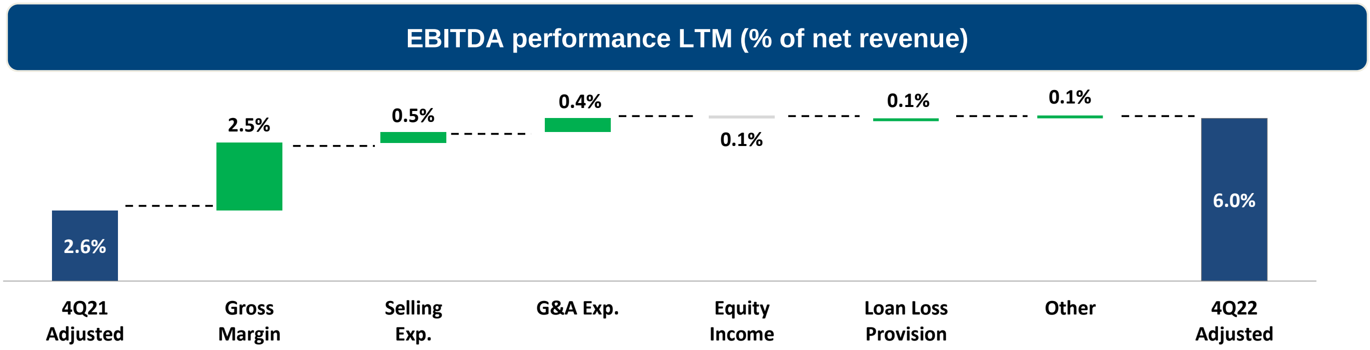
In 4Q22, other adjusted net operating revenues totaled R$24.2 million, mainly impacted by the recognition of deferred revenues in the amount of R$25.0 million. In 12M22, other adjusted net operating revenues totaled R$75.3 million.

| Equity Income

In 4Q22, equity income was negative R$9.8 million, comprised of the following: (i) R$6.6 million in negative equity attributable to the performance of Luizacred; (ii) R$9.8 million in positive equity attributable to Luizaseg; and (iii) practice adjustments in the amount of R$13.0 million. In 12M22, equity income was negative R$35.7 million.

| EBITDA

In 4Q22, adjusted EBITDA reached R$673.7 million, driven by sales growth, an increase in gross margin and a dilution of operating expenses. The adjusted EBITDA margin was 6.0% in 4Q22, an increase of 340 bps compared to the same period last year. In 12M22, adjusted EBITDA reached R$2.1 billion, a margin of 5.7%.



| Financial Results

R$ million	4Q22	% NR	4Q21 Adjusted	% NR	% Chg	12M22	% NR	12M21 Adjusted	% NR	% Chg
Financial Expenses	(628.1)	-5.6%	(372.6)	-4.0%	68.6%	(2,438.6)	-6.5%	(955.5)	-2.7%	155.2%
Interest on loans and financing	(247.8)	-2.2%	(93.1)	-1.0%	166.3%	(897.8)	-2.4%	(172.6)	-0.5%	420.3%
Interest on prepayment of receivables – third party card	(137.6)	-1.2%	(150.5)	-1.6%	-8.6%	(668.1)	-1.8%	(369.2)	-1.0%	81.0%
Interest on prepayment of receivables – Luiza Card	(75.4)	-0.7%	(52.7)	-0.6%	43.0%	(333.6)	-0.9%	(198.7)	-0.6%	67.9%
Other expenses	(167.3)	-1.5%	(76.2)	-0.8%	119.5%	(539.1)	-1.4%	(215.1)	-0.6%	150.6%
Financial Revenues	153.1	1.4%	130.0	1.4%	17.8%	695.4	1.9%	300.2	0.9%	131.7%
Gains on marketable securities	22.2	0.2%	25.0	0.3%	-11.4%	134.9	0.4%	42.7	0.1%	216.0%
Other financial revenues	130.9	1.2%	104.9	1.1%	24.8%	560.5	1.5%	257.5	0.7%	117.7%
Subtotal: Net Financial Results	(475.0)	-4.3%	(242.6)	-2.6%	95.8%	(1,743.2)	-4.7%	(655.3)	-1.9%	166.0%
Interest on lease	(93.8)	-0.8%	(62.1)	-0.7%	51.0%	(297.8)	-0.8%	(225.1)	-0.6%	32.3%
Total Net Financial Results	(568.8)	-5.1%	(304.7)	-3.2%	86.7%	(2,041.0)	-5.5%	(880.4)	-2.5%	131.8%

In 4Q22, net financial expenses totaled R$568.8 million, equivalent to 5.1% of net revenue. Expenses were 190 bps higher than the same period the previous year, due to the increase in interest rates in Brazil, where the SELIC rate rose from 6.25% p.a. in the beginning of October 2021 to 13.75% p.a. at the end of December 2022.

Setting aside the effects of leasing interest, the net financial result was R$475.0 million in 4Q22, equivalent to 4.3% of net revenue.

In 12M22, net financial results came to R$2.0 billion or 5.5% of net revenue.

| Net Income

In 4Q22, the Company experienced a net loss of R$35.9 million, a significant improvement over the previous quarters, due to increased operating efficiency. Magalu is nearing break-even. Setting aside non-recurring items, the adjusted net income was a net loss of R$15.2 million. In 12M22, adjusted net income was a net loss of R$372.1 million.

| Adjusted Working Capital

CONSOLIDATED (R$ million)	LTM	Dec-22	Sep-22	Jun-22	Mar-22	Dec-21
(+) Accounts Receivables (without Credit Card)	343.7	1,376.4	1,063.5	1,076.1	1,124.6	1,032.7
(+) Inventories	(1,322.1)	7,790.1	8,471.3	7,965.7	8,077.3	9,112.2
(+) Related Parties (without Luiza Card)	(38.6)	76.2	83.1	57.0	68.7	114.8
(+) Recoverable Taxes	284.9	1,564.2	1,502.5	1,431.4	1,316.8	1,279.3
(+) Income Tax and Recoverable Social Contribution	79.6	314.5	285.1	265.6	250.1	234.9
(+) Other Assets	(194.6)	208.2	342.5	294.1	267.4	402.8
(+) Current Operating Assets	(847.2)	11,329.6	11,748.1	11,090.0	11,104.8	12,176.8
(-) Suppliers (including agreement)	(555.7)	9,543.3	8,606.8	7,380.8	6,248.5	10,098.9
(-) Transfers and Other Deposits	133.7	1,552.6	1,309.0	1,362.9	1,488.9	1,418.9
(-) Payroll, Vacation and Related Charges	50.3	420.5	425.8	409.2	376.4	370.2
(-) Taxes Payable	(14.7)	224.9	180.2	212.1	198.6	239.6
(-) Related Parties	27.2	152.5	111.7	116.1	114.7	125.3
(-) Deferred Revenue	26.6	76.9	50.6	50.5	50.4	50.3
(-) Other Accounts Payable	60.8	1,618.1	1,320.1	1,426.5	1,429.7	1,557.3
(-) Current Operating Liabilities	(271.7)	13,588.8	12,004.1	10,958.1	9,907.3	13,860.5
(=) Working Capital Adjusted	(575.5)	(2,259.2)	(256.0)	131.9	1,197.5	(1,683.8)
% of Gross Revenue (LTM)	-1.1%	-5.0%	-0.6%	0.3%	2.8%	-3.9%

In December 2022, the adjusted working capital need was negative R$2.3 billion, improving R$2.0 billion in 4Q22 and contributing significantly to operating cash generation. This was due, in large part, to an emphasis on inventory turnover, which improved from 117 days to 87 days. As a result, the Company reduced inventory levels by R$681.3 million during the quarter and by R$1.3 billion during the year.

In the last 12 months, the variation in adjusted working capital contributed R$575.5 million to the generation of operating cash flow.

| Capex

CAPEX (in R$ million)	4Q22	%	4Q21	%	%Chg	12M22	%	12M21	%	%Chg
New Stores	0.7	0%	63.3	21%	-99%	36.2	5%	222.2	19%	-84%
Remodeling	17.2	12%	8.7	3%	97%	36.8	5%	50.2	4%	-27%
Technology	108.1	72%	83.8	27%	29%	441.4	63%	330.6	28%	34%
Logistics	19.7	13%	123.8	40%	-84%	123.0	18%	459.6	39%	-73%
Other	3.6	2%	27.5	9%	-87%	58.6	8%	101.5	9%	-42%
Total	149.3	100%	307.1	100%	-51%	696.1	100%	1,164.1	100%	-40%

In 4Q22, investments totaled R$149.3 million, including investments in technology, logistics and remodeling.

Capital Structure

	LTM	Dec-22	Sep-22	Jun-22	Mar-22	Dec-21
(-) Current Loans and Financing	283.7	(124.3)	(224.2)	(377.7)	(494.4)	(408.0)
(-) Non-current Loans and Financing	(599.6)	(6,984.5)	(6,923.8)	(6,468.9)	(6,417.1)	(6,384.9)
(=) Gross Debt	(315.9)	(7,108.8)	(7,148.0)	(6,846.6)	(6,911.5)	(6,792.9)
(+) Cash and Cash Equivalents	(146.2)	2,420.0	1,812.2	1,710.7	1,407.2	2,566.2
(+) Current Securities	(1,252.1)	304.3	293.9	211.3	584.4	1,556.4
(+) Total Cash	(1,398.2)	2,724.3	2,106.1	1,922.0	1,991.6	4,122.6
(=) Net Cash	(1,714.1)	(4,384.4)	(5,041.9)	(4,924.6)	(4,919.9)	(2,670.3)
(+) Credit Card - Third Party Card	765.8	5,383.8	4,422.5	4,545.6	3,676.5	4,618.0
(+) Credit Card - Luiza Card	(1,092.1)	2,500.4	2,445.2	2,508.1	2,818.4	3,592.4
(+) Total Credit Card	(326.3)	7,884.2	6,867.8	7,053.6	6,494.8	8,210.5
(=) Adjusted Net Cash	(2,040.4)	3,499.8	1,825.9	2,129.1	1,574.9	5,540.2
Short Term Debt / Total	-4%	2%	3%	6%	7%	6%
Long Term Debt / Total	4%	98%	97%	94%	93%	94%
Adjusted EBITDA (LTM)	650.3	2,127.5	1,697.3	1,520.8	1,484.2	1,477.1
Adjusted Net Cash / Adjusted EBITDA	-2.1 x	1.6 x	1.1 x	1.4 x	1.1 x	3.8 x
Cash, Securities and Credit Cards	(1,724.5)	10,608.5	8,973.9	8,975.7	8,486.5	12,333.0

The Company's net cash position increased from R$1.8 billion in Sep/22 to R$3.5 billion in Dec/22 due to strong cash generation during the quarter. The Company ended the quarter with total cash position of R$10.6 billion. This includes cash and securities worth R$2.7 billion and credit card receivables worth R$7.9 billion. It is worth noting that gross debt maturities are long term, distributed between 2024 and 2026.

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ANNEX I
FINANCIAL STATEMENTS – CONSOLIDATED INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT (R$ million)	4Q22	V.A.	4Q21	V.A.	% Chg	12M22	V.A.	12M21	V.A.	% Chg
Gross Revenue	13,515.8	121.0%	11,476.5	122.1%	17.8%	45,189.0	121.2%	42,982.7	121.8%	5.1%
Taxes and Deductions	(2,348.4)	-21.0%	(2,076.5)	-22.1%	13.1%	(7,890.0)	-21.2%	(7,704.5)	-21.8%	2.4%
Net Revenue	11,167.4	100.0%	9,400.0	100.0%	18.8%	37,299.0	100.0%	35,278.2	100.0%	5.7%
Total Costs	(8,067.7)	-72.2%	(7,025.7)	-74.7%	14.8%	(26,860.1)	-72.0%	(26,791.3)	-75.9%	0.3%
Gross Income	3,099.7	27.8%	2,374.3	25.3%	30.6%	10,438.9	28.0%	8,486.8	24.1%	23.0%
Selling Expenses	(2,033.9)	-18.2%	(1,759.7)	-18.7%	15.6%	(6,741.1)	-18.1%	(6,374.4)	-18.1%	5.8%
General and Administrative Expenses	(345.8)	-3.1%	(328.3)	-3.5%	5.3%	(1,370.2)	-3.7%	(1,031.7)	-2.9%	32.8%
Provisions for Loan Losses	(60.7)	-0.5%	(55.9)	-0.6%	8.6%	(239.7)	-0.6%	(154.2)	-0.4%	55.4%
Other Operating Revenues, Net	(7.2)	-0.1%	(237.7)	-2.5%	-97.0%	(116.9)	-0.3%	261.8	0.7%	-
Equity in Subsidiaries	(9.8)	-0.1%	(0.6)	0.0%	1594.5%	(35.7)	-0.1%	99.3	0.3%	-
Total Operating Expenses	(2,457.4)	-22.0%	(2,382.2)	-25.3%	3.2%	(8,503.6)	-22.8%	(7,199.2)	-20.4%	18.1%
EBITDA	642.3	5.8%	(7.9)	-0.1%	-	1,935.3	5.2%	1,287.6	3.6%	50.3%
Depreciation and Amortization	(354.5)	-3.2%	(226.1)	-2.4%	56.7%	(1,163.6)	-3.1%	(817.0)	-2.3%	42.4%
EBIT	287.8	2.6%	(234.0)	-2.5%	-	771.6	2.1%	470.6	1.3%	64.0%
Financial Results	(568.8)	-5.1%	(248.0)	-2.6%	129.3%	(2,041.0)	-5.5%	(689.0)	-2.0%	196.2%
Operating Income	(281.0)	-2.5%	(482.1)	-5.1%	-41.7%	(1,269.4)	-3.4%	(218.4)	-0.6%	481.2%
Income Tax and Social Contribution	245.1	2.2%	575.0	6.1%	-57.4%	770.4	2.1%	809.1	2.3%	-4.8%
Net Income	(35.9)	-0.3%	93.0	1.0%	-	(499.0)	-1.3%	590.7	1.7%	-

Calculation of EBITDA

Net Income	(35.9)	-0.3%	93.0	1.0%	-	(499.0)	-1.3%	590.7	1.7%	-
(+/-) Income Tax and Social Contribution	(245.1)	-2.2%	(575.0)	-6.1%	-57.4%	(770.4)	-2.1%	(809.1)	-2.3%	-4.8%
(+/-) Financial Results	568.8	5.1%	248.0	2.6%	129.3%	2,041.0	5.5%	689.0	2.0%	196.2%
(+) Depreciation and Amortization	354.5	3.2%	226.1	2.4%	56.7%	1,163.6	3.1%	817.0	2.3%	42.4%
EBITDA	642.3	5.8%	(7.9)	-0.1%	-	1,935.3	5.2%	1,287.6	3.6%	50.3%

Reconciliation of EBITDA for non-recurring expenses

EBITDA	642.3	5.8%	(7.9)	-0.1%	-	1,935.3	5.2%	1,287.6	3.6%	50.3%
Non-recurring Result	31.4	0.3%	251.4	2.7%	-87.5%	192.2	0.5%	189.6	0.5%	1.4%
Adjusted EBITDA	673.7	6.0%	243.5	2.6%	176.7%	2,127.5	5.7%	1,477.1	4.2%	44.0%

Net Income	(35.9)	-0.3%	93.0	1.0%	-	(499.0)	-1.3%	590.7	1.7%	-
Non-recurring Result	20.7	0.0%	(171.9)	-1.8%	-	126.8	0.3%	(476.4)	-1.4%	-
Adjusted Net Income	(15.2)	-0.1%	(79.0)	-0.8%	-80.8%	(372.1)	-1.0%	114.2	0.3%	-

* 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)	4Q22 Adjusted	V.A.	4Q21 Adjusted	V.A.	% Chg	12M22 Adjusted	V.A.	12M21 Adjusted	V.A.	% Chg
Gross Revenue	13,515.8	121.0%	11,476.5	122.1%	17.8%	45,189.0	121.2%	42,982.7	121.8%	5.1%
Taxes and Deductions	(2,348.4)	-21.0%	(2,076.5)	-22.1%	13.1%	(7,890.0)	-21.2%	(7,704.5)	-21.8%	2.4%
Net Revenue	11,167.4	100.0%	9,400.0	100.0%	18.8%	37,299.0	100.0%	35,278.2	100.0%	5.7%
Total Costs	(8,067.7)	-72.2%	(7,025.7)	-74.7%	14.8%	(26,860.1)	-72.0%	(26,396.3)	-74.8%	1.8%
Gross Income	3,099.7	27.8%	2,374.3	25.3%	30.6%	10,438.9	28.0%	8,881.9	25.2%	17.5%
Selling Expenses	(2,033.9)	-18.2%	(1,759.7)	-18.7%	15.6%	(6,741.1)	-18.1%	(6,374.4)	-18.1%	5.8%
General and Administrative Expenses	(345.8)	-3.1%	(328.3)	-3.5%	5.3%	(1,370.2)	-3.7%	(1,031.7)	-2.9%	32.8%
Provisions for Loan Losses	(60.7)	-0.5%	(55.9)	-0.6%	8.6%	(239.7)	-0.6%	(154.2)	-0.4%	55.4%
Other Operating Revenues, Net	24.2	0.2%	13.7	0.1%	76.6%	75.3	0.2%	56.3	0.2%	33.8%
Equity in Subsidiaries	(9.8)	-0.1%	(0.6)	0.0%	1594.5%	(35.7)	-0.1%	99.3	0.3%	-
Total Operating Expenses	(2,426.0)	-21.7%	(2,130.8)	-22.7%	13.9%	(8,311.4)	-22.3%	(7,404.7)	-21.0%	12.2%
EBITDA	673.7	6.0%	243.5	2.6%	176.7%	2,127.5	5.7%	1,477.1	4.2%	44.0%
Depreciation and Amortization	(354.5)	-3.2%	(226.1)	-2.4%	56.7%	(1,163.6)	-3.1%	(817.0)	-2.3%	42.4%
EBIT	319.2	2.9%	17.4	0.2%	1738.2%	963.8	2.6%	660.2	1.9%	46.0%
Financial Results	(568.8)	-5.1%	(304.7)	-3.2%	86.7%	(2,041.0)	-5.5%	(880.4)	-2.5%	131.8%
Operating Income	(249.6)	-2.2%	(287.3)	-3.1%	-13.1%	(1,077.2)	-2.9%	(220.3)	-0.6%	389.0%
Income Tax and Social Contribution	234.4	2.1%	208.4	2.2%	12.5%	705.1	1.9%	334.5	0.9%	110.8%
Net Income	(15.2)	-0.1%	(79.0)	-0.8%	-80.8%	(372.1)	-1.0%	114.2	0.3%	-

ANNEX III
FINANCIAL STATEMENTS – CONSOLIDATED BALANCE SHEET
ASSETS

	Dec-22	Sep-22	Jun-22	Mar-22	Dec-21
CURRENT ASSETS					
Cash and Cash Equivalents	2.420,0	1.812,2	1.710,7	1.407,2	2.566,2
Securities	304,3	293,9	211,3	584,4	1.556,4
Accounts Receivable - Credit Card	5.383,8	4.422,5	4.545,6	3.676,5	4.618,0
Accounts Receivable - Other	1.376,4	1.063,5	1.076,1	1.124,6	1.032,7
Inventories	7.790,1	8.471,3	7.965,7	8.077,3	9.112,2
Related Parties - Credit Card	2.500,4	2.445,2	2.508,1	2.818,4	3.592,4
Related Parties - Other	76,2	83,1	57,0	68,7	114,8
Taxes Recoverable	1.564,2	1.502,5	1.431,4	1.316,8	1.279,3
Income Tax and Recoverable Social Contribution	314,5	285,1	265,6	250,1	234,9
Other Assets	208,2	342,5	294,1	267,4	402,8
Total Current Assets	21.938,1	20.722,0	20.065,6	19.591,3	24.509,8
NON-CURRENT ASSETS					
Accounts Receivable	17,2	15,5	-	14,2	17,4
Recoverable Taxes	2.123,9	1.971,1	1.691,5	1.679,7	1.551,6
Deferred Income Tax and Social Contribution	1.686,4	1.468,6	1.296,1	1.114,1	915,1
Judicial Deposits	1.650,2	1.511,6	1.384,9	1.277,1	1.189,9
Other Assets	116,8	115,0	14,7	0,3	184,8
Investments in Subsidiaries	338,8	360,5	368,4	377,5	407,8
Right of use	3.511,5	3.425,9	3.344,8	3.396,7	3.363,0
Fixed Assets	1.955,5	1.979,8	1.990,7	1.982,9	1.938,7
Intangible Assets	4.427,5	4.406,4	4.344,2	4.327,4	4.306,6
Total Non-Current Assets	15.827,7	15.254,4	14.435,3	14.170,0	13.874,8
TOTAL ASSETS	37.765,8	35.976,4	34.501,0	33.761,2	38.384,6

ANNEX III
FINANCIAL STATEMENTS – CONSOLIDATED BALANCE SHEET
LIABILITIES

LIABILITIES (R$ million)	Dec-22	Sep-22	Jun-22	Mar-22	Dec-21
CURRENT LIABILITIES					
Suppliers	9,543.3	8,606.8	7,380.8	6,248.5	10,098.9
Suppliers	*5,741.0*	*4,612.5*	*3,555.8*	*3,219.5*	*5,638.4*
Suppliers - agreement	*3,802.2*	*3,994.2*	*3,825.0*	*3,029.0*	*4,460.6*
Transfers and other deposits	1,552.6	1,309.0	1,362.9	1,488.9	1,418.9
Loans and Financing	124.3	224.2	377.7	494.4	408.0
Payroll, Vacation and Related Charges	420.5	425.8	409.2	376.4	370.2
Taxes Payable	224.9	180.2	212.1	198.6	239.6
Related Parties	152.5	111.7	116.1	114.7	125.3
Lease	619.8	428.1	421.6	439.7	433.8
Deferred Revenue	76.9	50.6	50.5	50.4	50.3
Dividends Payable	-	-	-	41.4	41.4
Other Accounts Payable	2,118.1	1,820.1	1,926.5	1,429.7	2,070.7
Total Current Liabilities	14,832.9	13,156.4	12,257.4	10,882.8	15,257.2
NON-CURRENT LIABILITIES					
Loans and Financing	6,984.5	6,923.8	6,468.9	6,417.1	6,384.9
Taxes to be collected	7.8	7.8	7.8	7.8	24.3
Lease	3,073.7	3,146.3	3,053.6	3,069.4	3,020.8
Deferred Income Tax and Social Contribution	108.8	116.8	94.5	101.0	113.9
Provision for Tax, Civil and Labor Risks	1,193.8	1,150.3	1,135.1	1,111.5	1,154.1
Deferred Revenue	423.5	265.4	217.3	231.3	245.3
Other Accounts Payable	492.1	404.2	328.4	822.2	922.9
Total Non-Current Liabilities	12,284.2	12,014.7	11,305.7	11,760.2	11,866.2
TOTAL LIABILITIES	27,117.1	25,171.1	23,563.1	22,643.0	27,123.4
SHAREHOLDERS' EQUITY					
Capital Stock	12,352.5	12,352.5	12,352.5	12,352.5	12,352.5
Capital Reserve	(1,896.4)	(1,756.7)	(1,777.5)	(1,619.5)	(1,637.1)
Treasury Shares	(1,245.8)	(1,265.1)	(1,275.8)	(1,448.2)	(1,449.2)
Legal Reserve	137.4	137.4	137.4	137.4	137.4
Profit Retention Reserve	1,797.9	1,797.9	1,797.9	1,856.7	1,856.7
Other Comprehensive Income	2.0	2.3	(0.4)	0.6	0.8
Retained Earnings	(499.0)	(463.1)	(296.3)	(161.3)	-
Total Shareholders' Equity	10,648.7	10,805.3	10,937.8	11,118.2	11,261.2
TOTAL	37,765.8	35,976.4	34,501.0	33,761.2	38,384.6

magalu

ANNEX IV
FINANCIAL STATEMENTS – ADJUSTED CONSOLIDATED STATEMENT OF CASH FLOWS

ADJUSTED CASH FLOW STATEMENTS (R$ million)	4Q22	4Q21	LTM	LTM
Net Income	**(35.9)**	**93.0**	**(499.0)**	**590.7**
Effect of Income Tax and Social Contribution Net of Payment	(256.1)	(604.4)	(830.2)	(906.1)
Depreciation and Amortization	354.5	226.1	1,163.6	817.0
Interest Accrued on Loans	343.7	155.2	1,213.4	399.4
Equity Income	9.8	0.6	35.7	(99.3)
Dividends Received	0.3	-	70.5	29.5
Provision for Losses on Inventories and Receivables	155.5	156.8	512.7	691.1
Provision for Tax, Civil and Labor Contingencies	(3.7)	(5.7)	66.7	(417.5)
Gain on Sale of Fixed Assets	0.8	(0.4)	0.7	(0.6)
Recognition of Deferred Income	(25.0)	(13.5)	(76.0)	(55.9)
Stock Option Expenses	58.0	55.0	116.7	118.1
Adjusted Net Income	**601.8**	**62.6**	**1,774.8**	**1,166.1**
Trade Accounts Receivable	(442.2)	492.5	(686.1)	122.9
Inventories	653.4	(299.7)	1,152.0	(2,923.1)
Taxes Recoverable	(243.8)	(691.1)	(936.8)	(1,468.5)
Deposit in Court	(138.6)	(15.3)	(460.3)	(344.9)
Other Receivables	145.7	(130.5)	161.0	(125.7)
Changes in Operating Assets	**(25.5)**	**(644.0)**	**(770.1)**	**(4,739.4)**
Trade Accounts Payable	936.5	508.9	(555.7)	1,184.4
Other Payables	697.1	67.8	378.4	473.1
Change in Operating Liabilities	**1,633.6**	**576.7**	**(177.3)**	**1,657.5**
Cash Flow from Operating Activities	**2,209.9**	**(4.8)**	**827.5**	**(1,915.8)**
Additions of Fixed and Intangible Assets	(148.6)	(307.1)	(695.4)	(1,164.1)
Investment in Subsidiaries	(76.5)	14.9	(620.1)	(153.3)
Sale of Exclusive Dealing and Exploration Right Contract	200.0	-	272.0	-
Cash Flow from Investing Activities	**(25.1)**	**(292.2)**	**(1,043.6)**	**(1,317.4)**
Loans and Financing	-	4,000.3	400.0	6,300.3
Repayment of Loans and Financing	(3.1)	(8.3)	(383.3)	(1,687.7)
Payment of Interest on Loans and Financing	(286.0)	(24.5)	(616.5)	(131.3)
Payment of Lease	(159.2)	(103.7)	(487.2)	(373.8)
Payment of Interest on Lease	(101.8)	(66.8)	(321.5)	(244.7)
Payment of Dividends	-	-	(100.0)	(146.1)
Treasury Shares	-	(279.4)	-	(1,050.2)
Proceeds from the Secondary Equity Offering	-	-	-	3,981.3
Payment of expenses from the Secondary Equity Offering	-	-	-	(81.0)
Cash Flow from Financing Activities	**(550.2)**	**3,517.5**	**(1,508.4)**	**6,566.7**
Cash, Cash Equivalents and Securities at Beginning of Period	8,973.9	9,112.5	12,333.0	8,999.5
Cash, Cash Equivalents and Securities at end of Period	10,608.5	12,333.0	10,608.5	12,333.0
Change in Cash and Cash equivalents	**1,634.7**	**3,220.6**	**(1,724.5)**	**3,333.6**

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.
(iii) the accounting treatment of suppliers agreement as suppliers

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

INVESTED CAPITAL (R$ million)	dec-22	set-22	jun-22	mar-22	dec-21
Working Capital	4.505,2	5.683,6	6.263,8	7.252,7	5.579,4
(+) Accounts Receivable	17,2	15,5	-	14,2	17,4
(+) Income Tax and Social Contribution deferred	1.686,4	1.468,6	1.296,1	1.114,1	915,1
(+) Taxes Recoverable	2.123,9	1.971,1	1.691,5	1.679,7	1.551,6
(+) Judicial Deposits	1.650,2	1.511,6	1.384,9	1.277,1	1.189,9
(+) Other Assets	116,8	115,0	14,7	0,3	184,8
(+) Investment In Joint Subsidiaries	338,8	360,5	368,4	377,5	407,8
(+) Right of use	3.511,5	3.425,9	3.344,8	3.396,7	3.363,0
(+) Fixed Assets	1.955,5	1.979,8	1.990,7	1.982,9	1.938,7
(+) Intangible Assets	4.427,5	4.406,4	4.344,2	4.327,4	4.306,6
(+) Non Current Assets	15.827,7	15.254,4	14.435,3	14.170,0	13.874,8
(-) Provision for Contingencies	1.193,8	1.150,3	1.135,1	1.111,5	1.154,1
(-) Lease	3.073,7	3.146,3	3.053,6	3.069,4	3.020,8
(-) Deferred Revenue	423,5	265,4	217,3	231,3	245,3
(-) Taxes to be Collected	7,8	7,8	7,8	7,8	24,3
(-) Income Tax and Social Contribution deferred	108,8	116,8	94,5	101,0	113,9
(-) Other Accounts Payable	492,1	404,2	328,4	822,2	922,9
(-) Non-Current operating liabilities	5.299,8	5.090,9	4.836,8	5.343,1	5.481,3
(=) Fixed Capital	10.528,0	10.163,5	9.598,6	8.826,9	8.393,5
(=) Total Invested Capital	15.033,1	15.847,2	15.862,4	16.079,6	13.972,9
(+) Net Debt	4.384,4	5.041,9	4.924,6	4.919,9	2.670,3
(+) Dividends Payable	-	-	-	41,4	41,4
(+) Shareholders Equity	10.648,7	10.805,3	10.937,8	11.118,2	11.261,2
(=) Total Financing	15.033,1	15.847,2	15.862,4	16.079,6	13.972,9

FINANCIAL EXPENSES RECONCILIATION (R$MM)	4Q22	3Q22	2Q22	1Q22	4Q21
Financial Income	153,1	182,1	155,6	204,7	186,6
Financial Expenses	(721,9)	(738,3)	(649,4)	(626,8)	(434,6)
Net Financial Expenses	(568,8)	(556,3)	(493,8)	(422,1)	(248,0)
Interest on prepayment of receivables: Luiza Card and third-party card	213,0	271,4	237,0	280,3	203,3
Adjusted Financial Expenses	(355,8)	(284,9)	(256,9)	(141,8)	(44,8)
Taxes on Adjusted Financial Expenses	121,0	96,9	87,3	48,2	15,2
Net Adjusted Financial Expenses	(234,8)	(188,1)	(169,5)	(93,6)	(29,5)

NOPLAT AND ROIC/ROE RECONCILIATION(R$MM)	4Q22	3Q22	2Q22	1Q22	4Q21
EBITDA	642,3	496,1	457,4	339,5	(7,9)
Interest on prepayment of receivables: Luiza Card and third-party card	(213,0)	(271,4)	(237,0)	(280,3)	(203,3)
Depreciation	(354,5)	(273,3)	(270,8)	(265,1)	(226,1)
Current and deferred taxes	245,1	166,8	172,2	186,4	575,0
Taxes on Adjusted Financial Expenses	(121,0)	(96,9)	(87,3)	(48,2)	(15,2)
Net Operating Income (NOPLAT)	198,9	21,3	34,5	(67,7)	122,5
Invested Capital	15.033,1	15.847,2	15.862,4	16.079,6	13.972,9
ROIC Annualized	5%	1%	1%	-2%	4%
Net Income	(35,9)	(166,8)	(135,0)	(161,3)	93,0
Shareholders Equity	10.648,7	10.805,3	10.937,8	11.118,2	11.261,2
ROE Annualized	-1%	-6%	-5%	-6%	3%

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

Breakdown of Total Sales (R$ million)	4Q22	V.A.	4Q21	V.A.	Growth Total
Virtual Stores	350.3	2.0%	331.5	2.1%	5.7%
Conventional Stores	4,703.9	26.2%	4,076.4	26.2%	15.4%
Subtotal - Physical Stores	5,054.3	28.1%	4,407.9	28.4%	14.7%
Traditional E-commerce (1P)	8,294.4	46.2%	7,006.5	45.1%	18.4%
Marketplace (3P)	4,611.1	25.7%	4,130.4	26.6%	11.6%
Subtotal - Total E-commerce	12,905.5	71.9%	11,136.9	71.6%	15.9%
Total Sales	17,959.7	100.0%	15,544.8	100.0%	15.5%

Breakdown of Total Sales (R$ million)	12M22	V.A.	12M21	V.A.	Growth Total
Virtual Stores	1,160.1	1.9%	1,187.5	2.1%	-2.3%
Conventional Stores	15,611.4	25.9%	14,668.7	26.4%	6.4%
Subtotal - Physical Stores	16,771.5	27.9%	15,856.2	28.5%	5.8%
Traditional E-commerce (1P)	27,940.1	46.4%	26,688.7	48.0%	4.7%
Marketplace (3P)	15,449.2	25.7%	13,062.8	23.5%	18.3%
Subtotal - Total E-commerce	43,389.3	72.1%	39,751.5	71.5%	9.2%
Total Sales	60,160.7	100.0%	55,607.7	100.0%	8.2%

[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/22	Part(%)	dec/21	Part(%)	Growth Total
Virtual Stores	237	17.7%	236	15.9%	1
Conventional Stores	1,048	78.3%	1,051	71.0%	(3)
Kiosks	54	4.0%	194	13.1%	(140)
Subtotal - Physical Stores	1,339	100.0%	1,481	100.0%	(142)
Total Sales Area (m²)	716,707	100.0%	723,085	100.0%	-0.9%

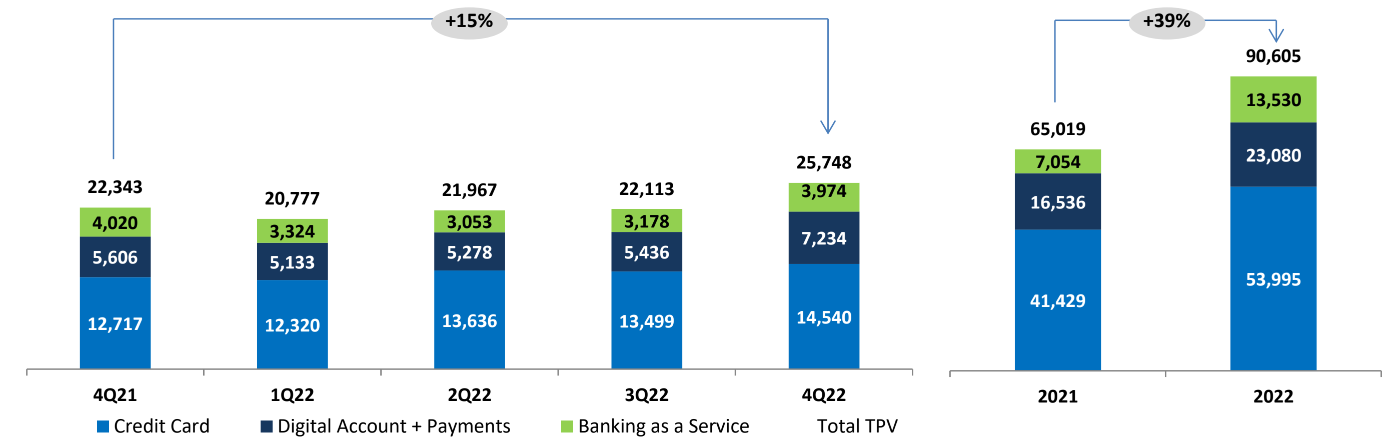
ANNEX VII
FINTECH MAGALU

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-acquring 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$ 25.7 billion in 4Q22, growing 15.2% compared to 4Q21. In 12M22, TPV reached R$90.6 billion, growing an impressive 39.4%.

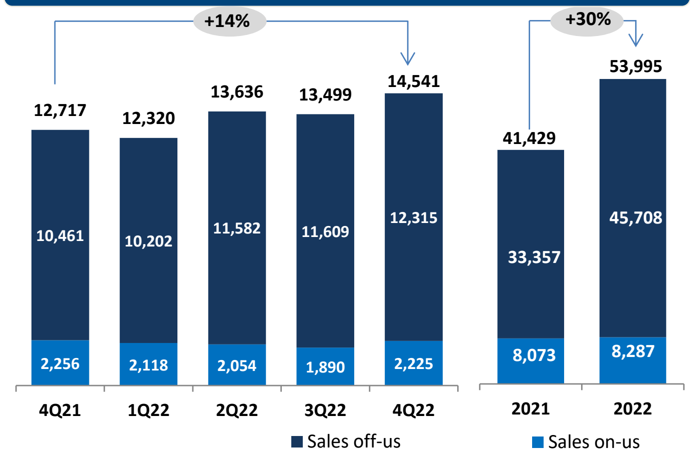
Total Payment Volume - TPV (in R$ millions)



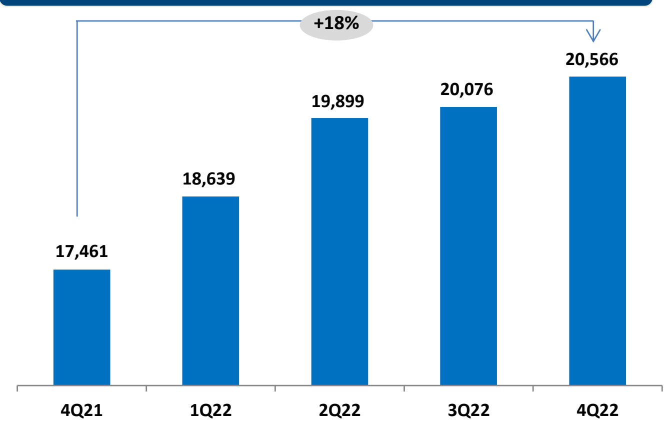
| Credit Card

- Credit Card TPV grew 14.3% in 4Q22, reaching R$14.5 billion during the period. In 12M22, this TPV reached R$54.0 billion. In-store sales to Luiza and Magalu Card customers, distinguished by their loyalty and higher purchase frequency, reached R$8.3 billion in 12M22, R$2.2 billion of which occurred in 4Q22. Sales outside Magalu grew 17.7% in 4Q22 to R$12.3 billion, reaching R$45.7 billion in 2022.
- Luizacred's credit portfolio reached R$20.6 billion at the end of 4Q22, an increase of 17.8% over 4Q21.

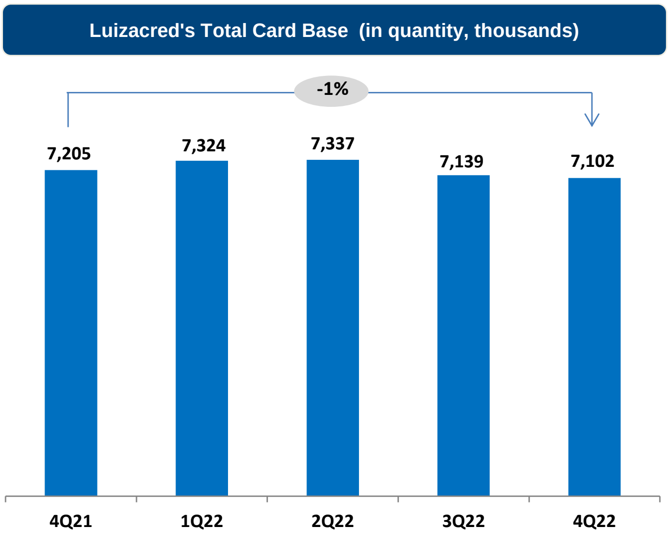
Credit Card TPV (in R$ thousands)

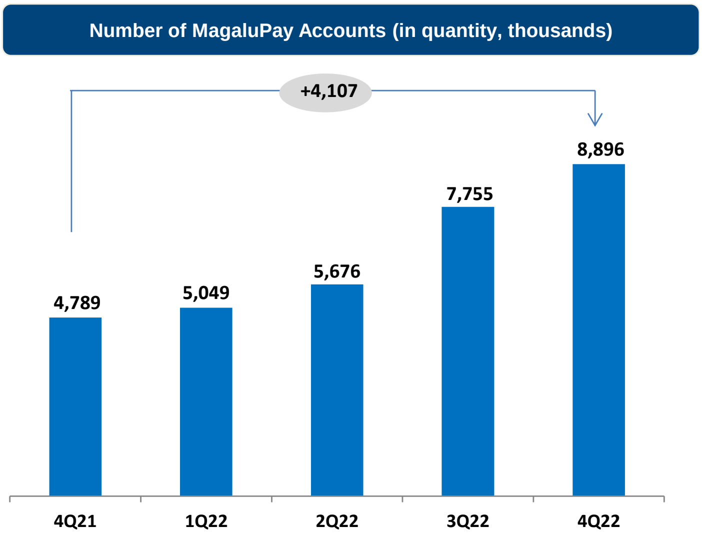


Portfolio (in R$ thousands)



- In December 2022, Luizacred's total card base reached 7.1 million cards (-1.4% versus December 2022). This includes Luiza Card and the Magalu Card.





Digital Account and Payments

- In December 2022, Magalu's digital banking initiative, MagaluPay, reached 8.9 million accounts, representing an increase of 1.1 million new accounts opened during the quarter and 4.1 million new accounts in 2022.
- The total payment volume (TPV) of sub-acquiring, digital accounts and loans to sellers reached R$7.2 billion in 4Q22, growing 29.0% during the period, reaching R$23.1 billion in 2022.
- After just a few months, more than 15,000 entrepreneurs used Fintech Magalu's digital account and in 4Q22 they transacted more than R$700 million. In addition to the account, which comes with a prepaid card, the portfolio of value added services includes factoring of receivables, loans and mobile point of sale machines.

Banking as a Service (BaaS)

- Total payment volume (TPV) in the Banking as a Service segment reached R$4.0 billion in 4Q22, and R$13.5 billion in 2022.

ANNEX VIII
LUIZACRED

| Income Statement in IFRS

LUIZACRED – Income (R$ million)	4Q22	V.A.	4Q21	V.A.	% Chg	12M22	V.A.	12M21	V.A.	% Chg
Financial Intermediation Revenue	677.8	100.0%	483.3	100.0%	40.3%	2,577.7	100.0%	1,599.9	100.0%	61.1%
Financial Intermediation Expenses	(771.3)	-113.8%	(512.4)	-106.0%	50.5%	(2,930.4)	-113.7%	(1,343.0)	-83.9%	118.2%
Market Funding Operations	(182.7)	-27.0%	(73.9)	-15.3%	147.4%	(632.7)	-24.5%	(178.1)	-11.1%	255.2%
Provision for Loan Losses	(588.6)	-86.8%	(438.6)	-90.8%	34.2%	(2,297.7)	-89.1%	(1,164.9)	-72.8%	97.2%
Gross Financial Intermediation Income	**(93.5)**	**-13.8%**	**(29.2)**	**-6.0%**	**220.7%**	**(352.7)**	**-13.7%**	**256.9**	**16.1%**	**-**
Service Revenue	383.4	56.6%	334.0	69.1%	14.8%	1,439.2	55.8%	1,162.4	72.7%	23.8%
Other Operating Revenues (Expenses)	(310.4)	-45.8%	(310.5)	-64.3%	-0.1%	(1,254.6)	-48.7%	(1,137.9)	-71.1%	10.3%
Personnel Expenses	(4.2)	-0.6%	(5.4)	-1.1%	-21.5%	(22.6)	-0.9%	(15.2)	-0.9%	48.9%
Other Administrative Expenses	(228.1)	-33.7%	(178.3)	-36.9%	27.9%	(875.7)	-34.0%	(804.6)	-50.3%	8.8%
Depreciation and Amortization	(3.0)	-0.4%	(3.0)	-0.6%	-0.1%	(12.0)	-0.5%	(11.9)	-0.7%	0.3%
Tax Expenses	(49.8)	-7.4%	(46.2)	-9.6%	7.9%	(210.5)	-8.2%	(160.8)	-10.1%	30.9%
Other Operating Revenues (Expenses)	(25.2)	-3.7%	(77.6)	-16.1%	-67.5%	(133.8)	-5.2%	(145.4)	-9.1%	-8.0%
Income Before Tax	**(20.5)**	**-3.0%**	**(5.7)**	**-1.2%**	**259.4%**	**(168.1)**	**-6.5%**	**281.5**	**17.6%**	**-**
Income Tax and Social Contribution	7.3	1.1%	(8.8)	-1.8%	-	68.9	2.7%	(128.5)	-8.0%	-
Net Income	**(13.2)**	**-1.9%**	**(14.5)**	**-3.0%**	**-9.0%**	**(99.2)**	**-3.8%**	**153.0**	**9.6%**	**-**

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

LUIZACRED – Income (R$ million)	4Q22	V.A.	4Q21	V.A.	% Chg	12M22	V.A.	12M21	V.A.	% Chg
Financial Intermediation Revenue	677.9	100.0%	483.3	100.0%	40.3%	2,577.9	100.0%	1,599.9	100.0%	61.1%
Financial Intermediation Expenses	(871.4)	-128.6%	(411.3)	-85.1%	111.9%	(2,994.6)	-116.2%	(1,106.5)	-69.2%	170.6%
Market Funding Operations	(182.7)	-27.0%	(73.9)	-15.3%	147.4%	(632.7)	-24.5%	(178.1)	-11.1%	255.2%
Provision for Loan Losses	(688.7)	-101.6%	(337.4)	-69.8%	104.1%	(2,361.9)	-91.6%	(928.4)	-58.0%	154.4%
Gross Financial Intermediation Income	**(193.6)**	**-28.6%**	**72.0**	**14.9%**	**-**	**(416.7)**	**-16.2%**	**493.5**	**30.8%**	**-**
Service Revenue	383.4	56.6%	334.0	69.1%	14.8%	1,439.2	55.8%	1,162.4	72.7%	23.8%
Other Operating Revenues (Expenses)	(310.4)	-45.8%	(310.5)	-64.3%	-0.1%	(1,254.6)	-48.7%	(1,137.9)	-71.1%	10.3%
Personnel Expenses	(4.2)	-0.6%	(5.4)	-1.1%	-21.5%	(22.6)	-0.9%	(15.2)	-0.9%	48.9%
Other Administrative Expenses	(228.1)	-33.6%	(178.3)	-36.9%	27.9%	(875.7)	-34.0%	(804.6)	-50.3%	8.8%
Depreciation and Amortization	(3.0)	-0.4%	(3.0)	-0.6%	-0.1%	(12.0)	-0.5%	(11.9)	-0.7%	0.3%
Tax Expenses	(49.8)	-7.4%	(46.2)	-9.6%	7.9%	(210.5)	-8.2%	(160.8)	-10.1%	30.9%
Other Operating Revenues (Expenses)	(25.2)	-3.7%	(77.6)	-16.1%	-67.5%	(133.8)	-5.2%	(145.4)	-9.1%	-8.0%
Income Before Tax	**(120.6)**	**-17.8%**	**95.5**	**19.8%**	**-**	**(232.1)**	**-9.0%**	**518.0**	**32.4%**	**-**
Income Tax and Social Contribution	47.3	7.0%	(49.3)	-10.2%	-	94.5	3.7%	(223.1)	-13.9%	-
Net Income	**(73.2)**	**-10.8%**	**46.2**	**9.6%**	**-**	**(137.6)**	**-5.3%**	**294.9**	**18.4%**	**-**

| Revenue from Financial Intermediation

In 4Q22, revenues from financial intermediation were R$677.8 million, up 40.3% compared to 4Q21. The increase was driven by a growth in sales and the card portfolio. In 12M22, revenues from financial intermediation reached R$2.6 billion, growing a significant 61.1%.

| Provision for Loan Losses

The portfolio of loans overdue from 15 to 90 days (NPL 15) accounted for only 3.3% of the total portfolio in Dec/22, a variation of 80 bps. compared to Dec/21. It is worth highlighting that, in comparison to Sep/22, the NPL 15 improved 0.1 p.p. The percentage of the portfolio overdue for more than 90 days (NPL 90) reached 10.2% in December 2022, an increase of 460 bps. compared to Dec/21. This variation is related to the normalization of the non-performing loan indicators, such as the rise in inflation and interest rates.

Luizacred's conservative credit policy and the collection efforts carried out by the stores and collection centers were, and continue to be, fundamental in minimizing the impact of recent macroeconomic conditions on the portfolio, already represented in the reduction of short-term defaults in relation to Sep/22.

Provisions for bad debt expenses, net of recovery, represented 2.9% of the total portfolio in 4Q22. The overdue portfolio coverage ratio was 140% in December 2022. It is worth noting that the amount of provisions remained at very high levels, significantly higher than in Dec/21.

PORTFOLIO - OVERDUE	Dec-22		Sep-22		Jun-22		Mar-22		Dec-21	
000 to 014 days	17,786	86.5%	17,534	87.3%	17,770	89.3%	16,816	90.2%	16,043	91.9%
015 to 030 days	146	0.7%	136	0.7%	115	0.6%	140	0.8%	103	0.6%
031 to 060 days	215	1.0%	229	1.1%	192	1.0%	196	1.1%	143	0.8%
061 to 090 days	325	1.6%	327	1.6%	291	1.5%	253	1.4%	196	1.1%
091 to 120 days	324	1.6%	299	1.5%	242	1.2%	211	1.1%	185	1.1%
121 to 150 days	287	1.4%	254	1.3%	257	1.3%	195	1.0%	148	0.9%
151 to 180 days	274	1.3%	249	1.2%	212	1.1%	170	0.9%	119	0.7%
180 to 360 days	1,209	5.9%	1,048	5.2%	820	4.1%	658	3.5%	524	3.0%
Portfolio (R$ million)	**20,566**	**100.0%**	**20,076**	**100.0%**	**19,899**	**100.0%**	**18,639**	**100.0%**	**17,461**	**100.0%**
Receipt expectation of loan portfolio overdue above 360 days	230		215		203		195		187	
Total Portfolio in IFRS 9 (R$ million)	**20,797**		**20,291**		**20,102**		**18,834**		**17,649**	
Overdue 15-90 days	686	3.3%	691	3.4%	598	3.0%	589	3.2%	442	2.5%
Overdue Above 90 days	2,095	10.2%	1,851	9.2%	1,532	7.7%	1,235	6.6%	977	5.6%
Total Overdue	**2,780**	13.5%	**2,542**	12.7%	**2,129**	10.7%	**1,824**	9.8%	**1,419**	8.1%
Provisions for loan losses on Portfolio	2,602	12.7%	2,406	12.0%	2,076	10.4%	1,766	9.5%	1,453	8.3%
Provisions for loan losses on available limit	320	1.6%	329	1.6%	373	1.9%	368	2.0%	333	1.9%
Total Provisions for loan losses in IFRS 9	**2,922**	14.2%	**2,735**	13.6%	**2,449**	12.3%	**2,135**	11.5%	**1,786**	10.2%
Coverage of Portfolio (%)	124%		130%		136%		143%		149%	
Coverage of Total Portfolio (%)	140%		148%		160%		173%		183%	

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 were negative R$93.5 million in 4Q22 and negative R$352.7 million in 12M22, driven in large part by conservative provisioning due to the strong growth of the portfolio and by the increase in interest rates

| Service Revenue and Other Operating Revenues (Expenses)

Service revenues grew 14.8% in 4Q22, reaching R$383.4 million. This was largely attributable to an increase in revenue growth. During the same period, operating expenses were R$310.4 million, falling by 0.1%. In 12M22, services revenues grew 23.8%, reaching R$1.4 billion, compared to operating expenses, which grew 10.3%, representing R$1.2 billion in 2022.

| Operating Income and Net Income

In 4Q22, Luizacred recorded a net loss of R$13.2 million under IFRS. Using the accounting practices established by the Brazilian Central Bank, the net loss was R$73.2 million during the period. In 12M22, Luizacred had a net loss of R$99.2 million under IFRS, and a net loss of R$137.6 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$1.1 billion in December 2022. 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$754.0 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 projections for the period ended in December 31, 2021 and the periods ending in December 31, 2022 and December 31, 2023.

Magalu ended 2022 with 23 distribution centers, 246 cross-docking stations and 1,339 physical stores.

	Accomplished 2022	Guidance 2022
Total Logistics Units	269	380
Number of Distribution Centers	23	30
Number of Cross-docking Hubs	246	350
Number of Stores	1,339	1,560
Total Storage Area	1,281	1,630

The ability to achieve 2022 guidance was materially impacted by changes in the macroeconomic environment. Since the publication of the guidance, interest rates rose from 4.25% per year to 13.75% per year in just over 12 months, with an accompanying increase in inflation. These changes significantly impacted retail sales, both in the physical world and in e-commerce.

To adapt to this new scenario, Magalu significantly reduced inventory levels – which reduced the need to expand the storage area. Additionally, investments in new stores were also revised due to high interest rates. As a result, we ended the year with a smaller number of stores and distribution centers than initially proposed, but with a much more efficient structure adapted to the current market environment.

It is worth mentioning that these adjustments played a fundamental role in achieving the results obtained throughout 2022, including the strong expansion of operating margins and improvements in operating cash generation.

CONFERENCE CALL DETAILS

Conference Call in Portuguese with simultaneous translation to English

Friday, Mar 10th, 2023
12:00 – Brasilia time
10:00 – 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 23 distribution centers serving a network of over 1,339 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 around 2,000 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.