magazineluiza

Earnings Release 4Q24

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EBITDA adjusted of R$846 million, with a 7.8% margin. Operating cash flow generation of R$2.1 billion and total cash position of R$7.9 billion Recurring net income of R$139 million, up 37%

Magalu's total sales reached **R$18 billion in 4Q24**, an increase of 3% over 4Q23. **In 2024, total sales were R$65 billion**, an increase of 4% over 2023.

Physical store sales totaled R$6 billion in 4Q24, moving up 6% over 4Q23. **On a same-store basis, sales grew 8%**, increasing its market share in the physical world. **In 2024, physical store sales totaled R$19 billion**, an increase of 10% over 2023 (12% SSS).

E-commerce reached R$13 billion in sales in 4Q24, remaining in line with 4Q23 but with higher margins. Sales in **first-party inventory (1P) e-commerce totaled R$8 billion** and **marketplace sales reached more than R$5 billion in the same period,** representing 40% of online sales**. In 2024, online sales exceeded R$46 billion,** representing 71% of the total sales of Magalu on the year.

In the quarter, adjusted EBITDA reached R$846 million, with margin of 7.8%, an increase of 0.6 p.p. compared to the same period of the previous year. In the year, **adjusted EBITDA totaled R$3.0 billion, with margin of 7.8%, representing a growth of 39% and an expansion of 2.0 p.p. over 2023.**

Financial expenses represented 3.6% of net revenue. **In 2024, Magalu reduced financial expenses by 25%, bringing them to 4.0% of net revenue, a decrease of 1.6 p.p. over 2023.** Additionally, financial expenses as a percentage of EBITDA dropped from 97% to 52% during the period.

With the significant improvement in operational results and the reduction in financial expenses, Magalu increased its operating profit before income tax by R$115 million in the quarter and R$1.3 billion in 2024. **In 4Q24, recurring net income reached R$139 million, totaling R$277 million for the year.**

Operating cash generation in 4Q24 was R$2.1 billion, 36% higher than recorded in 4Q23**. In 2024, this cash flow generation reached R$3.1 billion**, with 100% EBITDA conversion into cash. This improvement is related to a significant enhancement in operational performance during the period and to the evolution of working capital. In 4Q24, **working capital improved by R$1.0 billion compared to Sep/24.**

In 2024, we reduced our gross debt by nearly R$3 billion, ending the year with a **total cash position of R$7.9 billion. Net cash reached R$3.3 billion in December**, an increase of R$1.6 billion over the past 12 months, reflecting a solid capital structure.

Fulfillment already accounts for 24% of marketplace orders, doubling compared to 2023. This reduced logistics costs for sellers, accelerated delivery times, and boosted the sustainable conversion of sales.

In 2024, the customer experience improved significantly. **The focus on Magalu Enchants raised the Corporate NPS to 77 points in 4Q24**, its highest historical level for the period, driven by an **increase of 14 points in NPS service**, approaching the exceptional satisfaction levels of the Stores and 1P.

At Magalubank, the growth of Digital CDC drove advancements in consumer credit. **The Central Bank's approval of Magalupay SCFI enables a more efficient and profitable operation**, both in tax terms and funding costs. The financial arm also paves the way for new services, such as loans for sellers and investment options for digital account customers.

At Luizacred, credit card revenue reached R$16 billion in 4Q24 — with over 6 million active credit cards and R$20 billion in the credit portfolio. Notable highlights include the sequential **decline in delinquency rate and net income of R$145 million in the quarter** (annualized ROE of 31%) **and of R$295 million in the year.**

MGLU3: R$ 8.46 per share
Total Shares: 738.955,248
Market Cap: R$ 6.3 billion

Conference Call
March 14,2025 (Friday)
08:00 AM in US (EST)/ 09:00 AM in Brazil
Conference Call Access

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LETTER TO SHAREHOLDERS

The year 2025 will mark the conclusion of Magalu's current strategic cycle, a period of profound transformation that began in 2021, focused on building and consolidating a powerful business ecosystem. It is time, therefore, to take stock of the results achieved during this cycle and to point out what lies ahead. Our ecosystem concept, a business network based on interconnection, intensive use of technology, multichannel and a unique culture - was developed with a clear purpose: to shield the Company from adverse macroeconomic effects. By expanding our product and service offerings — through the acquisition of companies such as Netshoes, KaBuM!, and Hub Fintech, and the creation of Magalog, Magalubank, Magalu Ads and Magalu Cloud — we diversify our revenue sources and enhance our resilience to external instabilities.

We are heading towards the end of a transformational cycle, and the 2024 results reported herein, evidence how successful this process has been so far.

In December—amid a high and rising interest rate environment—we completed five consecutive quarters of profitable operations. In 2024 to date, profit reached R$277 million. We ended 2024 with an EBITDA of R$3 billion – up 39% from the previous year. Magalu's EBITDA margin reached 7.8% in 2024, 2 percentage points higher than in 2023. The Company's operating income, before taxes, advanced more than R$1.3 billion in 2024, directly reflecting a notable improvement in operating results and a reduction of more than 25% in financial expenses.

These results were combined with an operating cash flow generation of R$3 billion in 2024, with a conversion of 100% of EBITDA. In 2024, gross debt declined by nearly R$3 billion. At the year-end, Magalu's cash totaled R$8 billion, while net cash reached R$3.3 billion in December – an advance of R$1.6 billion within 12 months.

This occurred during a period of significant monetary tightening, characterized by frequent interest rate increases and restrictions on credit, a scenario that could be particularly challenging for a leading durable goods retailer. The double-digit Selic interest rate was our great litmus test. The figures reported in this 2024 balance sheet clearly evidence our ability to successfully navigate this headwind.

The surge in interest rates has profound implications for the ecosystem consolidation cycle, akin to the impact of the pandemic on our digitalization process, which commenced in 2016 and culminated in 2020. During that year of tragic pandemic, we were compelled to close all our physical stores. Despite these circumstances, in 2020, the Company achieved unprecedent results, solidifying Magalu's status as a thriving digital enterprise.

In the process of consolidating our ecosystem, we reinforced our belief in a unique competitive advantage: multichannel capabilities. We aim to replicate the experience customers have at Magalu and the benefits our physical stores provide across all our brands. Therefore, a key milestone in 2024 and this final phase of the cycle is to establish a physical presence within our business ecosystem. We recently inaugurated outlet stores for KaBuM! and Netshoes, and by midyear, we will open a concept store in the Conjunto Nacional in São Paulo's Avenida Paulista. This store will feature all our retail brands: Magalu, Netshoes, KaBuM!, Época Cosméticos, and Estante Virtual.

Our business is anchored in a physical space, which we use to generate revenue, reduce costs, and promote consumer relationships, as a lever for our digital platform, the center of our business model. We are continually strengthening the foundations of this model. Over the past decade, bolstered by multichannel, digital sales have grown exponentially, from R$2 billion to R$46 billion, and will remain as a major driver of revenue for the Company. Our platform caters to a diverse customer base, offering a wide range of products. In 2024, Magalu's total sales reached R$65 billion, with more than 70% of these sales originating from digital platforms. Our 1P (own inventory) recorded R$27 billion in sales for the year, with significant operating margin gains.

The marketplace accounted for 40% of our online sales, and Magalu's 3P Fulfillment doubled in size compared to 2023, reaching 24% of orders. In July, we entered into a groundbreaking partnership with AliExpress for cross-border product sales on Magalu. This initiative significantly expanded the availability of low-ticket items on our platform, sold by Chinese sellers from Alibaba. At the same time, we began offering our own assortment (1P) on AliExpress' digital channels in Brazil, further strengthening our market presence.

And, in further evidence of the importance of multichannel for our business model, physical stores advanced 12% in the same-store sales (SSS) concept, leading to new market share gains.

The significance of financial results is magnified by the progress achieved in enhancing customer experience during the period. During the 'Encanta Magalu' year, the Corporate NPS attained 77 points in the fourth quarter, the highest level ever recorded by the Company for the period. This outcome is primarily attributable to the enhancement of marketplace service standards, which led to an increase of 14 points in the 3P's NPS in the quarter.

Luizacred and Magalu Ecosystem New Services

The year 2024 revealed significant advances in Luizacred's results. The operation's annual net income reached R$295 million, reversing the R$98 million loss recorded in 2023. Annualized ROE (Return on Equity) reached 31% in 4Q24. The quality of the portfolio continues to evolve consistently: in December, the short-term NPL was 2.7% and the long-term NPL was 8.1%, down 0.4 p.p. and 1.7 p.p. from 2023, respectively. In the last three months of the year, Luizacred's loan portfolio grew again, albeit conservative approval criteria.

Strategic verticals, such as Luizacred, and the ecosystem's other businesses have been paramount to expanding the Company's margins - the management's main directive at present. Making a profit remains Magalu's financial priority, and offering services linked to the ecosystem has been fundamental to achieving our goals.

In addition to Luizacred's notable advancement of results, Magalubank has made significant strides in Direct Consumer Credit (CDC), particularly in the e-commerce with the rollout of the CDC Digital. The recent approval by the Brazilian Central Bank of Magalu's new finance company, Magalupay SCFI, paves the way for an enhanced and profitable CDC operation, both fiscally and in terms of funding costs. Magalupay SCFI also facilitates the introduction of new services, such as seller loans and investment options (interest-bearing balances) for digital account holders.

In the second half of 2024, Magalu Ads recorded key milestones in its growth and innovation journey. In October, substantial advancements were made to the Sponsored Products Platform and Display, impacting three key areas: (1) enhancements to the platform's algorithm, performance, and user experience; (2) the initiation of a self-service model for large customers; and (3) the refinement of the Display product.

Magalu Ads demonstrated remarkable growth, with an 103% revenue increase in 2024. Notably, the fourth quarter saw a significant rise of 220% compared to the previous year. The number of single advertisers classified as key accounts recorded an average growth of 15% throughout the year, 20% in the last quarter.

Magalu Cloud's initial product release occurred in 2024, accounting for nearly 40% of Magalu's own workloads. This has led to a substantial reduction in the technological infrastructure costs of our ecosystem. Currently, the solution is being utilized by nearly 300 external customers, especially designed to meet the demands of small and medium-sized Brazilian enterprises. As the era of artificial intelligence progresses and impacts businesses across various sectors, the strategic importance of Magalu Cloud will become increasingly evident.

The Future Has Begun

Our operation has always evolved in response to the rapid advancements in technology. Initially, it was the internet, followed by mobile technology. Now, we are preparing Magalu for the commencement of its next strategic cycle: AI-commerce, in which artificial intelligence and Lu, with a new brain designed as a powerful sales engine, will play a pivotal role.

To adapt to this new momentum, in which software, algorithms, and artificial intelligence models are increasingly decisive in the management process, we recently reorganized our structure. André Fatala, an executive who over the last 15 years has been one of the pillars of Magalu's digitalization, will now head the Platform and Business areas in a centralized manner. The marketplace, marketing, ads, technology, and cloud areas are currently under Fatala's vice-presidency. These areas' integration underscores our unwavering commitment to the power of revolution that lies ahead. With this restructuring, Magalu now relies on two strategic vice-presidencies: (i) Platforms and (ii) Retail, Physical Stores and Logistics, led by Fabrício Garcia.

The Platforms vice-presidency has also been reinforced with two new hires. Ricardo Garrido, who headed Amazon's marketplace in Brazil for the past years, is now in charge of Magalu's 3P operation, responsible for the commercial marketplace, seller development, advanced analytics and Magalu Entregas. Garrido also joins the Company's technology team focused on the Magalu platform. Marielle Paiva, who has worked at Banco Neon and Red Ventures, has taken over the newly created Growth board. Marielle will now be responsible for increasing the ecosystem's customer base and optimizing marketing and conversion investments.

These changes to our structure are taking place in the year of ‘Converte Magalu.’ In 2025, our focus will be on expediting the platform's sales conversion - and the merger of the technology and business areas will further boost this movement. We will work to generate more sales from our current structure and investments, optimizing each stage of the conversion funnel. The priority will be to turn the volume of visits to the platform into actual transactions, increasing current traffic’s monetization.

As in life, a company's cycles overlap. While we work to consolidate our ecosystem, we are preparing for Magalu's new phase, a cycle to be based on artificial intelligence. The advent of IA-commerce portends a new era in the world of retail. We are preparing for this transformation with our characteristic enthusiasm.

We would like to thank our customers, employees, sellers, suppliers, and shareholders for another year of partnership and trust. Together, we are building the future.

EXECUTIVE MANAGEMENT TEAM

4Q24 Financial Highlights

Total sales growth with increased profitability. In 4Q24, total sales -- including physical stores, e-commerce first-party inventory (1P) and marketplace (3P) grew 2.6% compared to the same period of the previous year and totaled R$18.4 billion. This was a result of a 1.1% increase in total e-commerce and a growth of 6.4% in physical stores, with significant market share gain. In 2024, total sales grew 3.6% reaching R$65.3 billion.

Marketplace reaches 40% of total online sales. During 4Q24, e-commerce sales totaled R$12.9 billion. Magalu's 1P e-commerce sales achieved R$7.7 billion and increased 0.5%. Marketplace sales reached R$5.2 billion during the quarter, with a 2.1% growth. This growth reflected the performance of the app, with 53.7 million monthly active users, as well as faster delivery for 1P and 3P, the evolution of the seller base, and the introduction of new categories.

Gross margin. In 4Q24, the gross margin reached 30.1%, remaining virtually stable compared to the same period last year. Throughout the year, the gross margin increased by 1.4 p.p., reaching 30.6%. The product margin also rose by 1.4 p.p. in 2024, mainly driven by the completion of the DIFAL pass-through. Additionally, the growth in revenue from services such as marketplace and insurance was also a relevant factor in the total gross margin increase.

Operating expenses. The percentage of adjusted operating expenses in relation to net revenues was 22.9% in 4Q24, a decrease of 0.3 p.p. compared to 4Q23. This dilution mainly reflects increased efficiency and greater leverage of physical stores.

EBITDA growth and net profit. The increase in the contribution margin across all sales channels, including physical stores, e-commerce with own inventory, and the marketplace, contributed to the growth of adjusted EBITDA, which reached R$846.2 million in 4Q24 with a margin of 7.8%, a 0.6 p.p. increase compared to the previous year. In 2024, adjusted EBITDA totaled R$3.0 billion, a 39% increase compared to 2023, with a margin of 7.8%, expanding by 2.0 p.p. year-over-year. In the quarter, adjusted net income was R$139.2 million, a 37.1% increase compared to 4Q23. Considering non-recurring net revenues, net income was R$294.8 million in the quarter. In 2024, adjusted net income was R$276.7 million.

Strong cash generation and solid capital struture. Cash flow from operations in 4Q24 was R$2.1 billion, contributing to the generation of R$3.1 billion in 2024. This generation was driven by the significant evolution in the operational result and in working capital. In Dec/24, Magalu´s adjusted net cash position was R$3.3 billion, an increase of R$1.6 billion compared to last year, and the total adjusted cash position was R$7.9 billion.

Magalubank. Total payment volume (TPV) reached R$27.4 billion in 4Q24. In 2024, the total TPV amounted to R$100.1 billion. In Dec/24, the cardholder base was 6.2 million credit cards. Credit card billing grew 4.8% in 4Q24, reaching R$16.3 billion during the period. In 2024, credit card billing was R$59.5 billion. The credit card portfolio reached R$20.3 billion at the end of the quarter, with one of the lowest delinquency rates in history. Luizacred's profit reached R$144.9 million in 4Q24, with an annualized ROE of 30.8%.

R$ million (except when otherwise indicated)	4Q24	4Q23	% Chg	12M24	12M23	% Chg
Total Sales[1] (including marketplace)	18,419.9	17,947.4	2.6%	65,330.9	63,056.3	3.6%
Gross Revenue	13,404.1	13,062.5	2.6%	47,277.0	45,591.0	3.7%
Net Revenue	10,787.3	10,549.7	2.3%	38,038.1	36,768.1	3.5%
Gross Income	3,244.0	3,192.8	1.6%	11,627.3	10,163.9	14.4%
Gross Margin	30.1%	30.3%	-20 bps	30.6%	27.6%	300 bps
EBITDA	842.4	548.6	53.6%	2,895.7	870.5	232.6%
EBITDA Margin	7.8%	5.2%	260 bps	7.6%	2.4%	520 bps
Net Income	294.8	212.2	38.9%	448.7	(979.1)	-
Net Margin	2.7%	2.0%	70 bps	1.2%	-2.7%	390 bps
Adjusted - Gross Income	3,244.0	3,192.8	1.6%	11,627.3	10,750.1	8.2%
Adjusted - Gross Margin	30.1%	30.3%	-20 bps	30.6%	29.2%	140 bps
Adjusted - EBITDA	846.2	756.5	11.9%	2,962.2	2,131.8	39.0%
Adjusted - EBITDA Margin	7.8%	7.2%	60 bps	7.8%	5.8%	200 bps
Adjusted - Net Income	139.2	101.5	37.1%	276.7	(550.1)	-
Adjusted - Net Margin	1.3%	1.0%	30 bps	0.7%	-1.5%	220 bps
Same Physical Store Sales Growth	8.1%	3.7%	-	11.7%	4.7%	-
Total Physical Store Sales Growth	6.4%	3.5%	-	10.1%	4.0%	-
E-commerce Sales Growth (1P)	0.5%	-7.8%	-	-0.4%	-1.3%	-
Marketplace Sales Growth (3P)	2.1%	9.9%	-	3.4%	16.8%	-
Total E-commerce Sales Growth	1.1%	-1.5%	-	1.1%	5.1%	-
E-commerce Share of Total Sale	69.8%	70.8%	-1.1 pp	70.6%	72.3%	-1.7 pp
Number of Stores - End of Period	1,245	1,286	-41 stores	1,245	1,286	-41 stores
Sales Area - End of Period (M^2)	686,976	716,298	-4.1%	686,976	716,298	-4.1%

[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 4Q23, 4Q24 results are also being presented in an adjusted view, without the effects of non-recurring provisions and expenses.

CONCILIATION ADJUSTED INCOME STATEMENT (R$ million)	4Q24 Adjusted	V.A.	Non-recurring	4Q24	V.A.
Gross Revenue	13,404.1	124.3%	-	13,404.1	124.3%
Taxes and Deductions	(2,616.8)	-24.3%	-	(2,616.8)	-24.3%
Net Revenue	10,787.3	100.0%	-	10,787.3	100.0%
Total Costs	(7,543.3)	-69.9%	-	(7,543.3)	-69.9%
Gross Income	3,244.0	30.1%	-	3,244.0	30.1%
Selling Expenses	(2,045.4)	-19.0%	-	(2,045.4)	-19.0%
General and Administrative Expenses	(352.0)	-3.3%	-	(352.0)	-3.3%
Provisions for Loan Losses	(108.8)	-1.0%	-	(108.8)	-1.0%
Other Operating Revenues, Net	35.7	0.3%	(3.8)	31.9	0.3%
Equity in Subsidiaries	72.7	0.7%	-	72.7	0.7%
Total Operating Expenses	(2,397.9)	-22.2%	(3.8)	(2,401.7)	-22.3%
EBITDA	846.2	7.8%	(3.8)	842.4	7.8%
Depreciation and Amortization	(327.6)	-3.0%	-	(327.6)	-3.0%
EBIT	518.6	4.8%	(3.8)	514.8	4.8%
Financial Results	(390.0)	-3.6%	-	(390.0)	-3.6%
Operating Income	128.6	1.2%	(3.8)	124.8	1.2%
Income Tax and Social Contribution	10.7	0.1%	159.4	170.0	1.6%
Net Income	139.2	1.3%	155.6	294.8	2.7%

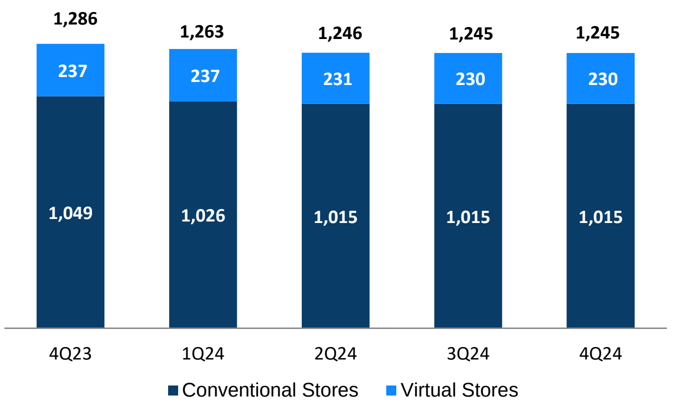
| Adjustments – Non – Recurring Events

Adjustments	4Q24
Tax Credits	(49.8)
Gain on Sale of Assets	0.2
Tax Provisions	50.0
Expert Fees	(2.8)
Non Recurring Expenses	(0.8)
Other Expenses	(0.6)
EBITDA Adjustments	**(3.8)**
Deferred income tax / social contribution on goodwill in the merger of subsidiaries	158.1
Income tax / social contribution on other adjustments	1.3
Net Income Adjustments	**155.6**

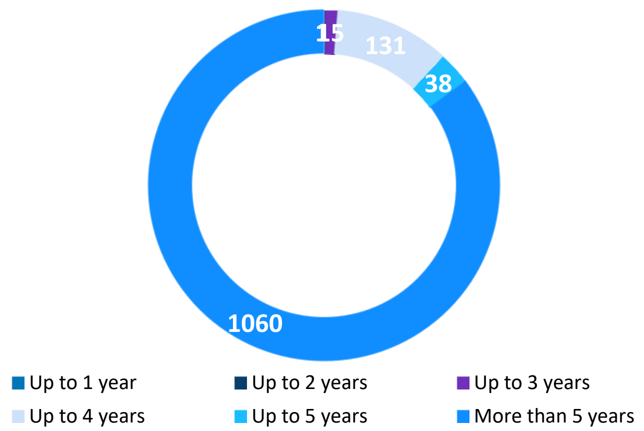
| OPERATING AND FINANCIAL PERFORMANCE

Magalu ended 4Q24 with 1,245 physical stores (1,015 conventional, 230 virtual). Fifteen percent of our total number of stores are in the process of maturation.

Number of Stores

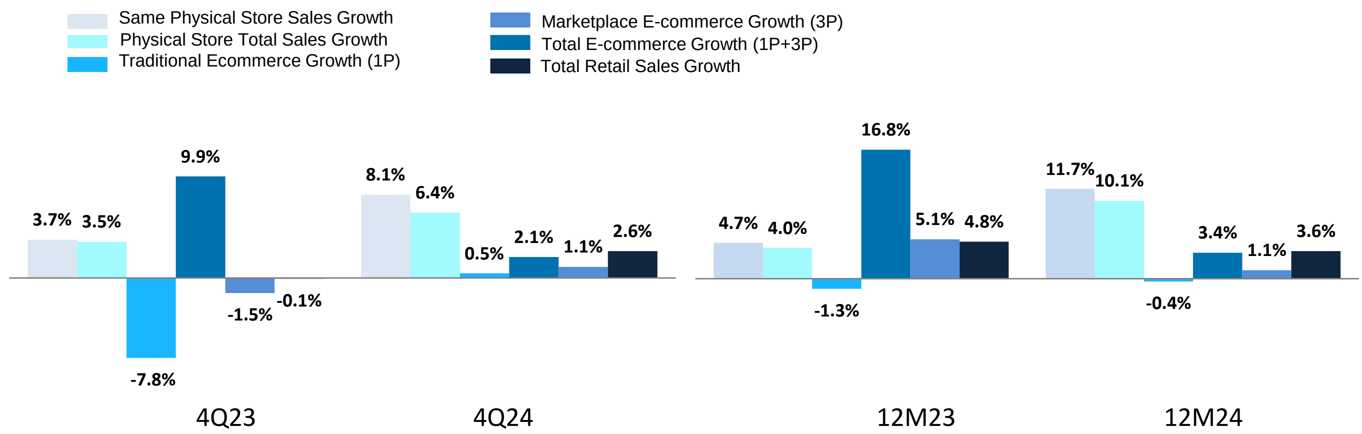


Average Age of Stores (number of stores)

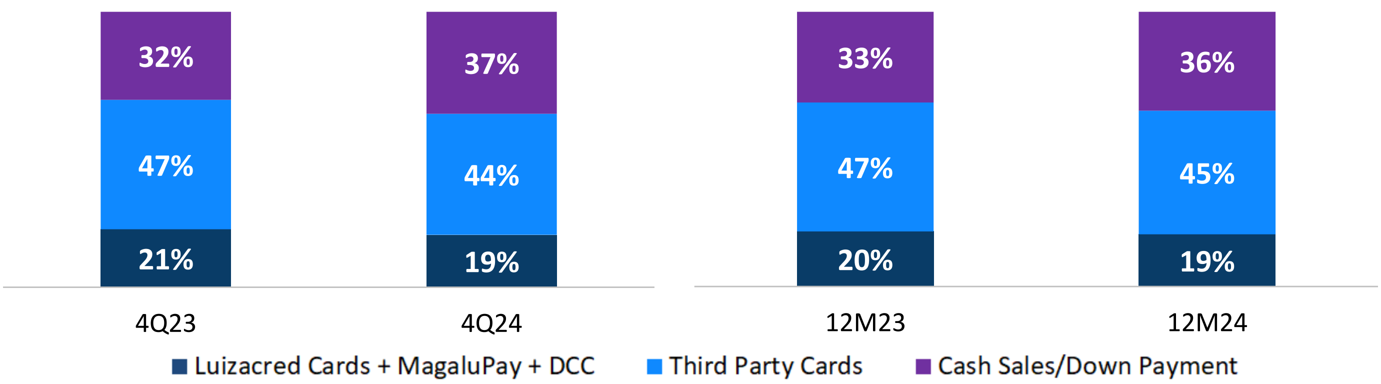


In 4Q24, Magalu´s total sales grew 2.6 %, as a result of an 1.1% increase in e-commerce sales and a 6.4% increase in physical store sales (growth in same-store sales of 8.1%). In 12M24, total sales grew by 3.6%, as a result of an 1.1% increase in e-commerce sales and a 10.1% increase in physical store sales.

Total Sales Growth (%)



Financed Sales Mix (% of total sales)



In 4Q24, the share of cash (non-installment) sales increased from 32% to 37% compared to the same period in 2023. In 12M24, the share of cash sales increased from 33% to 36%. The increase in cash sales was driven by widespread PIX adoption, especially at Kabum, Netshoes and Magalu, which contributed to mitigate the effect of high interest rates.

Gross Revenues

(in R$ million)	4Q24	4Q23	% Chg	12M24	12M23	% Chg
Merchandise Sales	12,174.7	11,810.8	3.1%	42,777.3	41,281.6	3.6%
Services	1,229.4	1,251.6	-1.8%	4,499.7	4,309.3	4.4%
Gross Revenue - Total	**13,404.1**	**13,062.5**	**2.6%**	**47,277.0**	**45,591.0**	**3.7%**

In 4Q24, total gross revenue was R$13.4 billion, a 2.6% increase compared to the same period in 2023. The performance of physical stores and the growth of e-commerce during the quarter contributed to the evolution of gross revenue. Service revenue reached R$1.2 billion in 4Q24. In 12M24, total gross revenue increased 3.7% to R$47.3 billion.

Net Revenues

(in R$ million)	4Q24	4Q23	% Chg	12M24	12M23	% Chg
Merchandise Sales	9,774.3	9,497.0	2.9%	34,333.9	33,187.5	3.5%
Services	1,013.0	1,052.8	-3.8%	3,704.2	3,580.7	3.4%
Net Revenue - Total	**10,787.3**	**10,549.7**	**2.3%**	**38,038.1**	**36,768.1**	**3.5%**

In 4Q24, total net revenue was R$10.8 billion, a 2.3% increase compared to 4Q23, in line with the variation in total gross revenue. In 12M24, net revenue increased 3.5% to R$38.0 billion.

Gross Profit

(in R$ million)	4Q24	4Q23	% Chg	12M24	12M23 Adjusted	% Chg
Merchandise Sales	2,241.0	2,156.4	3.9%	7,961.4	7,221.5	10.2%
Services	1,003.1	1,036.4	-3.2%	3,665.9	3,528.6	3.9%
Gross Profit - Total	**3,244.0**	**3,192.8**	**1.6%**	**11,627.3**	**10,750.1**	**8.2%**
Gross Margin - Total	**30.1%**	**30.3%**	**-20 bps**	**30.6%**	**29.2%**	**140 bps**

In 4Q24, gross profit grew by 1.6% and reached R$3.2 billion. Gross margin was 30.1%, practically stable compared to 4Q23. In 12M24, gross profit grew 8.2% to R$11.6 billion, equivalent to a gross margin of 30.6%.

| Operating Expenses

(in R$ million)	4Q24 Adjusted	% NR	4Q23 Adjusted	% NR	% Chg	12M24 Adjusted	% NR	12M23 Adjusted	% NR	% Chg
Selling Expenses	(2,045.4)	-19.0%	(2,036.0)	-19.3%	0.5%	(7,131.6)	-18.7%	(7,002.1)	-19.0%	1.8%
General and Administrative Expenses	(352.0)	-3.3%	(342.1)	-3.2%	2.9%	(1,373.7)	-3.6%	(1,335.2)	-3.6%	2.9%
General and Administrative Expenses	**(2,397.4)**	**-22.2%**	**(2,378.1)**	**-22.5%**	**0.8%**	**(8,505.3)**	**-22.4%**	**(8,337.3)**	**-22.7%**	**2.0%**
Provisions for Loan Losses	(108.8)	-1.0%	(104.7)	-1.0%	4.0%	(452.7)	-1.2%	(386.2)	-1.1%	17.2%
Other Operating Revenues, Net	35.7	0.3%	37.1	0.4%	-3.9%	144.5	0.4%	112.7	0.3%	28.2%
Total Operating Expenses	**(2,470.5)**	**-22.9%**	**(2,445.7)**	**-23.2%**	**1.0%**	**(8,813.5)**	**-23.2%**	**(8,610.7)**	**-23.4%**	**2.4%**
Operaing Expenses / Total Sales	**-13.4%**		**-13.6%**		**21.4 bps**	**-13.5%**		**-13.7%**		**16.5 bps**

| Selling Expenses

In 4Q24, selling expenses totaled R$2.0 billion, representing 19.0% of net revenue. This corresponds to a decrease of 0.3 p.p. compared to the same period in 2023, reflecting the increased operational leverage of physical stores and improved operational efficiency. In 12M24, selling expenses totalled R$7.1 billion, equivalent to 18.7% of net revenue.

| General and Administrative Expenses

In 4Q24, general and administrative expenses totaled R$352.0 million, equivalent to 3.3% of net revenue, virtually stable compared to the same period in 2023. In 12M24, general and administrative expenses were R$1.4 billion, equivalent to 3.6% of net revenue.

| Provisions for Loan Losses

Provisions for loan losses totaled R$108.8 million in 4Q24 and R$452.7 million in 12M24.

| Other Operating Revenues and Expenses, Net

(in R$ million)	4Q24	% NR	4Q23	% NR	% Chg	12M24	% NR	12M23	% NR	% Chg
Deferred Revenue Recorded	35.7	0.3%	37.1	0.4%	-3.9%	144.5	0.4%	112.7	0.3%	28.2%
Subtotal - Adjusted	**35.7**	**0.3%**	**37.1**	**0.4%**	**-3.9%**	**144.5**	**0.4%**	**112.7**	**0.3%**	**28.2%**
Tax Credits	(49.8)	-0.5%	1.3	0.0%	-	113.6	0.3%	525.7	1.4%	-78.4%
Provisions for tax, civil and labor risks	50.0	0.5%	(373.9)	-3.5%	-	(162.9)	-0.4%	(363.0)	-1.0%	-55.1%
Expert fees	(2.8)	0.0%	(4.4)	0.0%	-36.2%	(13.0)	0.0%	(27.7)	-0.1%	-52.8%
Restructuring and integration expenses	(0.8)	0.0%	(33.7)	-0.3%	-97.6%	(3.4)	0.0%	(299.9)	-0.8%	-98.9%
Non Recurring Expenses	-	0.0%	201.9	1.9%	-	-	0.0%	201.9	0.5%	-
Estimates revision	-	0.0%	-	0.0%	-	-	0.0%	(670.6)	-1.8%	-
Gain on Sale of Assets	0.2	0.0%	(6.5)	-0.1%	-	1.2	0.0%	(20.5)	-0.1%	-
Other Expenses	(0.6)	0.0%	7.4	0.1%	-	(1.9)	0.0%	(9.5)	0.0%	-79.8%
Subtotal - Non Recurring	**(3.8)**	**0.0%**	**(207.9)**	**-2.0%**	**-98.2%**	**(66.5)**	**-0.2%**	**(663.6)**	**-1.8%**	**-90%**
Total	**31.9**	**0.3%**	**(170.8)**	**-1.6%**	**-**	**78.0**	**0.2%**	**(550.9)**	**-1.5%**	**-**

In 4Q24, other adjusted net operating revenues totaled R$35.7 million, impacted by the recognition of deferred revenues. In 12M24, other operating revenues and expenses net were R$144.5 million.

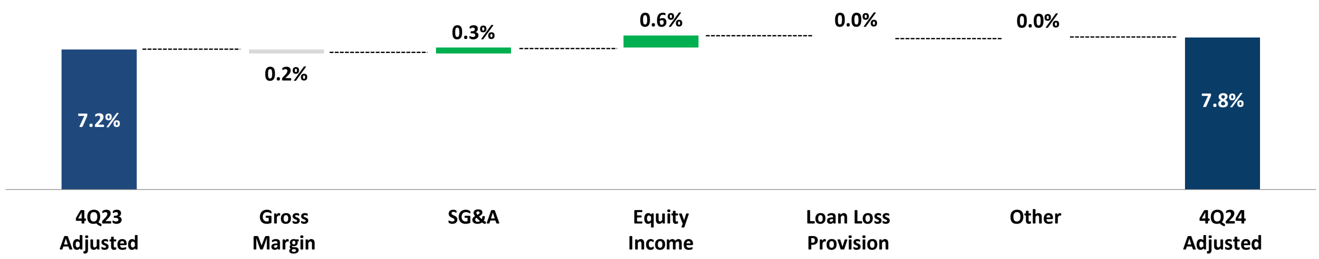
| Equity Income

In 4Q24, equity income was R$72.7 million, comprised of R$72.4 million in equity attributable to the performance of Luizacred; and practice adjustments in the amount of R$0.3 million. In 12M24, equity income result was R$148.5 million.

| EBITDA

In 4Q24, adjusted EBITDA grew 11.9% compared to the same period last year, and reached R$846.2 million. This significant improvement was due to the increase in gross merchandise margin and from the dilution of operating expenses, as well as the significant improvement in Luizacred's results. The adjusted EBITDA margin increased 0.6 p.p., from 7.2% in 4Q23 to 7.8% in 4Q24. In 12M24, adjusted EBITDA reached R$3.0 billion, equivalent to a margin of 7.8%.

EBITDA performance LTM (% of net revenue)



| Adjusted Financial Results

In 4Q24, net financial expenses totaled R$390.0 million, equivalent to 3.6% of net revenue. Expenses fell 0.5 p.p., in relation to the same period last year, due to the evolution of cash flow from operations, a higher share of PIX in sales, and improvement in capital structure. In nominal terms, the financial result in 4Q24 was 10.9% lower than in 4Q23.

Setting aside the effects of interest on leasing, net financial expenses were R$306.6 million in 4Q24, equivalent to 2.8% of net revenue.

In 12M24, net financial expense was R$1.5 billion, 25.4% lower considering 12M23, and representing 3.3% of net revenue.

R$ million	4Q24	% NR	4Q23	% NR	% Chg	12M24	% NR	12M23	% NR	% Chg
Financial Expenses	(475.7)	-4.4%	(541.2)	-5.1%	-12.1%	(1,877.4)	-4.9%	(2,488.4)	-6.8%	-24.6%
Interest on loans and financing	(142.7)	-1.3%	(229.9)	-2.2%	-37.9%	(623.4)	-1.6%	(985.7)	-2.7%	-36.8%
Interest on prepayment of receivables – third party card	(145.0)	-1.3%	(152.5)	-1.4%	-4.9%	(645.2)	-1.7%	(746.4)	-2.0%	-13.6%
Interest on prepayment of receivables – Luiza Card	(91.2)	-0.8%	(88.6)	-0.8%	2.9%	(269.5)	-0.7%	(373.8)	-1.0%	-27.9%
Other expenses	(96.8)	-0.9%	(70.2)	-0.7%	37.8%	(339.3)	-0.9%	(382.5)	-1.0%	-11.3%
Financial Revenues	169.1	1.6%	186.0	1.8%	-9.1%	660.7	1.7%	740.0	2.0%	-10.7%
Gains on marketable securities	21.1	0.2%	32.2	0.3%	-34.5%	100.3	0.3%	152.1	0.4%	-34.1%
Other financial revenues	148.0	1.4%	153.8	1.5%	-3.8%	560.4	1.5%	587.9	1.6%	-4.7%
Subtotal: Net Financial Results - Adjusted	(306.6)	-2.8%	(355.3)	-3.4%	-13.7%	(1,216.6)	-3.2%	(1,748.4)	-4.8%	-30.4%
Interest on lease	(83.4)	-0.8%	(82.4)	-0.8%	1.2%	(317.9)	-0.8%	(309.9)	-0.8%	2.6%
Total Net Financial Results - Adjusted	(390.0)	-3.6%	(437.7)	-4.1%	-10.9%	(1,534.5)	-4.0%	(2,058.3)	-5.6%	-25.4%

| Net Income

In 4Q24, the Company experienced a net income of R$294.8 million, showing an improvement compared to previous quarters due to operational efficiency and substantial reduction in financial expenses. Considering non-recurring income tax credits and other non-recurring items, adjusted net income was R$139.2 million. Adjusted net income for 12M24 was R$276.7 million.

| Adjusted Working Capital

CONSOLIDATED (R$ million)	LTM	Dec-24	Sep-24	Jun-24	Mar-24	Dec-23
(+) Accounts Receivables (without Credit Card)	318.4	1,704.6	1,525.7	1,401.2	1,348.1	1,386.2
(+) Inventories	113.8	7,611.1	7,385.3	7,195.2	7,315.2	7,497.3
(+) Related Parties (without Luiza Card)	21.6	72.5	76.9	69.5	47.4	50.9
(+) Recoverable Taxes	176.0	1,856.5	1,598.1	1,662.9	1,691.2	1,680.5
(+) Income Tax and Recoverable Social Contribution	(79.3)	97.8	191.8	222.7	197.3	177.0
(+) Other Assets	(9.3)	325.4	327.4	356.8	416.0	334.7
(+) Current Operating Assets	541.2	11,667.9	11,105.1	10,908.3	11,015.2	11,126.7
(-) Suppliers (including agreement)	959.0	10,283.1	9,124.3	8,788.9	8,598.0	9,324.1
(-) Suppliers	216.9	7,182.9	6,447.1	6,438.0	6,367.0	6,966.0
(-) Suppliers agreement	742.1	3,100.2	2,677.2	2,350.8	2,230.9	2,358.1
(-) Transfers and Other Deposits	(124.5)	1,640.6	1,490.6	1,480.4	1,724.5	1,765.1
(-) Payroll, Vacation and Related Charges	156.7	558.6	527.4	442.0	409.8	401.9
(-) Taxes Payable	3.0	363.0	273.6	270.3	281.4	360.0
(-) Related Parties	6.1	107.1	103.0	96.4	90.6	101.0
(-) Deferred Revenue	7.0	152.9	145.7	146.3	145.5	145.9
(-) Other Accounts Payable	(97.1)	1,750.4	1,613.9	1,680.4	1,875.8	1,847.5
(-) Current Operating Liabilities	910.3	14,855.7	13,278.5	12,904.5	13,125.5	13,945.4
(=) Working Capital Adjusted	(369.1)	(3,187.8)	(2,173.3)	(1,996.2)	(2,110.3)	(2,818.7)
% of Gross Revenue (LTM)	-0.6%	-6.7%	-4.6%	-4.3%	-4.6%	-6.2%

In Dec/24, the adjusted working capital requirement was negative at R$3.2 billion, improving by R$1.0 billion in 4Q24 and significantly contributing to the strong cash generation in the quarter, even with the inventory increase in anticipation of sales for the Liquidação Fantástica.

| Capex

CAPEX (in R$ million)	4Q24	%	4Q23	%	%Chg	12M24	%	12M23	%	%Chg
New Stores	-	0%	0.7	0%	-100%	-	0%	2.7	0%	-100%
Remodeling	42.3	17%	12.0	7%	252%	86.0	12%	39.5	6%	118%
Technology	153.3	61%	130.5	75%	17%	538.3	74%	511.2	80%	5%
Logistics	37.0	15%	17.5	10%	111%	61.1	8%	46.0	7%	33%
Other	17.7	7%	12.2	7%	45%	44.2	6%	41.5	6%	7%
Total	250.3	100%	172.9	100%	45%	729.5	100%	640.8	100%	14%

In 4Q24, investments totaled R$250.3 million, highlighting investments in technology, which represented 61% of the total investment. Investments in 12M24 were R$729.5 million

| Capital Structure

CONSOLIDATED (R$ million)	LTM	Dec-24	Sep-24	Jun-24	Mar-24	Dec-23
(-) Current Loans and Financing	1,552.2	(1,402.2)	(564.3)	(57.1)	(2,269.4)	(2,954.3)
(-) Non-current Loans and Financing	1,220.5	(3,180.0)	(4,198.7)	(4,400.6)	(4,400.4)	(4,400.5)
(=) Gross Debt	2,772.7	(4,582.2)	(4,763.0)	(4,457.7)	(6,669.8)	(7,354.9)
(+) Cash and Cash Equivalents	(766.1)	1,827.2	1,538.2	1,207.4	1,978.3	2,593.3
(+) Current Securities	(441.2)	337.9	269.5	739.1	352.1	779.1
(+) Total Cash	(1,207.3)	2,165.1	1,807.7	1,946.5	2,330.3	3,372.4
(=) Net Cash	1,565.4	(2,417.1)	(2,955.3)	(2,511.2)	(4,339.5)	(3,982.4)
(+) Credit Card - Third Party Card	(370.3)	4,128.9	3,253.1	3,143.7	4,698.0	4,499.3
(+) Credit Card - Luiza Card	366.1	1,588.9	1,579.3	1,387.8	2,009.0	1,222.8
(+) Total Credit Card	(4.2)	5,717.8	4,832.4	4,531.5	6,707.0	5,722.1
(=) Adjusted Net Cash	1,561.1	3,300.8	1,877.1	2,020.3	2,367.5	1,739.6
Short Term Debt / Total	-10%	31%	12%	1%	34%	40%
Long Term Debt / Total	10%	69%	88%	99%	66%	60%
Adjusted EBITDA (LTM)	830.4	2,962.2	2,872.5	2,642.4	2,371.6	2,131.8
Adjusted Net Cash / Adjusted EBITDA	0.3 x	1.1 x	0.7 x	0.8 x	1.0 x	0.8 x
Cash, Securities and Credit Cards	(1,211.6)	7,882.9	6,640.1	6,478.0	9,037.3	9,094.5

The Company ended the quarter with a total cash position of R$7.9 billion, considering cash and financial instruments of R$2.2 billion and available credit card receivables of R$5.7 billion.

It is a notable highlight that the Company reduced its gross debt by R$2.8 billion throughout the year, strengthening its capital structure. Additionally, positive cash generation, combined with a private capital increase of R$1.25 billion, contributed to the increase in net cash, which rose from R$1.7 billion in Dec/23 to R$3.3 billion in Dec/24. The Company also renegotiated the amendment of its 11th issuance of simple debentures, originally maturing in 2025 and 2026, extending the terms to 2027 and 2028, providing greater financial flexibility.

ANNEX I
FINANCIAL STATEMENTS – CONSOLIDATED INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT (R$ million)	4Q24	V.A.	4Q23	V.A.	% Chg	12M24	V.A.	12M23	V.A.	% Chg
Gross Revenue	13,404.1	124.3%	13,062.5	123.8%	2.6%	47,277.0	124.3%	45,591.0	124.0%	3.7%
Taxes and Deductions	(2,616.8)	-24.3%	(2,512.7)	-23.8%	4.1%	(9,239.0)	-24.3%	(8,822.8)	-24.0%	4.7%
Net Revenue	10,787.3	100.0%	10,549.7	100.0%	2.3%	38,038.1	100.0%	36,768.1	100.0%	3.5%
Total Costs	(7,543.3)	-69.9%	(7,356.9)	-69.7%	2.5%	(26,410.8)	-69.4%	(26,604.3)	-72.4%	-0.7%
Gross Income	3,244.0	30.1%	3,192.8	30.3%	1.6%	11,627.3	30.6%	10,163.9	27.6%	14.4%
Selling Expenses	(2,045.4)	-19.0%	(2,036.0)	-19.3%	0.5%	(7,131.6)	-18.7%	(7,002.1)	-19.0%	1.8%
General and Administrative Expenses	(352.0)	-3.3%	(342.1)	-3.2%	2.9%	(1,373.7)	-3.6%	(1,335.2)	-3.6%	2.9%
Provisions for Loan Losses	(108.8)	-1.0%	(104.7)	-1.0%	4.0%	(452.7)	-1.2%	(386.2)	-1.1%	17.2%
Other Operating Revenues, Net	31.9	0.3%	(170.8)	-1.6%	-	78.0	0.2%	(550.9)	-1.5%	-
Equity in Subsidiaries	72.7	0.7%	9.3	0.1%	677.8%	148.5	0.4%	(19.0)	-0.1%	-
Total Operating Expenses	(2,401.7)	-22.3%	(2,644.2)	-25.1%	-9.2%	(8,731.5)	-23.0%	(9,293.3)	-25.3%	-6.0%
EBITDA	842.4	7.8%	548.6	5.2%	53.6%	2,895.7	7.6%	870.5	2.4%	232.6%
Depreciation and Amortization	(327.6)	-3.0%	(305.4)	-2.9%	7.3%	(1,333.3)	-3.5%	(1,242.7)	-3.4%	7.3%
EBIT	514.8	4.8%	243.2	2.3%	111.7%	1,562.4	4.1%	(372.1)	-1.0%	-
Financial Results	(390.0)	-3.6%	(227.2)	-2.2%	71.7%	(1,475.0)	-3.9%	(1,692.2)	-4.6%	-12.8%
Operating Income	124.8	1.2%	16.0	0.2%	679.4%	87.4	0.2%	(2,064.4)	-5.6%	-
Income Tax and Social Contribution	170.0	1.6%	196.2	1.9%	-13.3%	361.3	0.9%	1,085.3	3.0%	-66.7%
Net Income	294.8	2.7%	212.2	2.0%	38.9%	448.7	1.2%	(979.1)	-2.7%	-

Calculation of EBITDA

Net Income	294.8	2.7%	212.2	2.0%	38.9%	448.7	1.2%	(979.1)	-2.7%	-
(+/-) Income Tax and Social Contribution	(170.0)	-1.6%	(196.2)	-1.9%	-13.3%	(361.3)	-0.9%	(1,085.3)	-3.0%	-66.7%
(+/-) Financial Results	390.0	3.6%	227.2	2.2%	71.7%	1,475.0	3.9%	1,692.2	4.6%	-12.8%
(+) Depreciation and Amortization	327.6	3.0%	305.4	2.9%	7.3%	1,333.3	3.5%	1,242.7	3.4%	7.3%
EBITDA	842.4	7.8%	548.6	5.2%	53.6%	2,895.7	7.6%	870.5	2.4%	232.6%

Reconciliation of EBITDA for non-recurring expenses

EBITDA	842.4	7.8%	548.6	5.2%	53.6%	2,895.7	7.6%	870.5	2.4%	232.6%
Non-recurring Result	3.8	0.0%	207.9	2.0%	-98.2%	66.5	0.2%	1,261.3	3.4%	-94.7%
Adjusted EBITDA	846.2	7.8%	756.5	7.2%	11.9%	2,962.2	7.8%	2,131.8	5.8%	39.0%

Net Income	294.8	2.7%	212.2	2.0%	38.9%	448.7	1.2%	(979.1)	-2.7%	-
Non-recurring Result	(155.6)	0.0%	(110.6)	-1.0%	40.6%	(172.1)	-0.5%	429.0	1.2%	-
Adjusted Net Income	139.2	1.3%	101.5	1.0%	37.1%	276.7	0.7%	(550.1)	-1.5%	-

* 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)	4Q24 Adjusted	V.A.	4Q23 Adjusted	V.A.	% Chg	12M24 Adjusted	V.A.	12M23 Adjusted	V.A.	% Chg
Gross Revenue	13,404.1	124.3%	13,062.5	123.8%	2.6%	47,277.0	124.3%	45,591.0	124.0%	3.7%
Taxes and Deductions	(2,616.8)	-24.3%	(2,512.7)	-23.8%	4.1%	(9,239.0)	-24.3%	(8,822.8)	-24.0%	4.7%
Net Revenue	10,787.3	100.0%	10,549.7	100.0%	2.3%	38,038.1	100.0%	36,768.1	100.0%	3.5%
Total Costs	(7,543.3)	-69.9%	(7,356.9)	-69.7%	2.5%	(26,410.8)	-69.4%	(26,018.0)	-70.8%	1.5%
Gross Income	3,244.0	30.1%	3,192.8	30.3%	1.6%	11,627.3	30.6%	10,750.1	29.2%	8.2%
Selling Expenses	(2,045.4)	-19.0%	(2,036.0)	-19.3%	0.5%	(7,131.6)	-18.7%	(7,002.1)	-19.0%	1.8%
General and Administrative Expenses	(352.0)	-3.3%	(342.1)	-3.2%	2.9%	(1,373.7)	-3.6%	(1,335.2)	-3.6%	2.9%
Provisions for Loan Losses	(108.8)	-1.0%	(104.7)	-1.0%	4.0%	(452.7)	-1.2%	(386.2)	-1.1%	17.2%
Other Operating Revenues, Net	35.7	0.3%	37.1	0.4%	-3.9%	144.5	0.4%	124.1	0.3%	16.4%
Equity in Subsidiaries	72.7	0.7%	9.3	0.1%	677.8%	148.5	0.4%	(19.0)	-0.1%	-
Total Operating Expenses	(2,397.9)	-22.2%	(2,436.3)	-23.1%	-1.6%	(8,665.0)	-22.8%	(8,618.3)	-23.4%	0.5%
EBITDA	846.2	7.8%	756.5	7.2%	11.9%	2,962.2	7.8%	2,131.8	5.8%	39.0%
Depreciation and Amortization	(327.6)	-3.0%	(305.4)	-2.9%	7.3%	(1,293.1)	-3.4%	(1,242.7)	-3.4%	4.1%
EBIT	518.6	4.8%	451.1	4.3%	15.0%	1,669.2	4.4%	889.1	2.4%	87.7%
Financial Results	(390.0)	-3.6%	(437.7)	-4.1%	-10.9%	(1,534.5)	-4.0%	(2,058.3)	-5.6%	-25.4%
Operating Income	128.6	1.2%	13.4	0.1%	858.3%	134.6	0.4%	(1,169.2)	-3.2%	-
Income Tax and Social Contribution	10.7	0.1%	88.1	0.8%	-87.9%	142.1	0.4%	619.1	1.7%	-77.1%
Net Income	139.2	1.3%	101.5	1.0%	37.1%	276.7	0.7%	(550.1)	-1.5%	-

ANNEX III
FINANCIAL STATEMENTS – CONSOLIDATED BALANCE SHEET
ASSETS

	Dec-24	Sep-24	Jun-24	Mar-24	Dec-23
CURRENT ASSETS					
Cash and Cash Equivalents	1,827.2	1,538.2	1,207.4	1,978.3	2,593.3
Securities	337.9	269.5	739.1	352.1	779.1
Accounts Receivable - Credit Card	4,128.9	3,253.1	3,143.7	4,698.0	4,499.3
Accounts Receivable - Other	1,704.6	1,525.7	1,401.2	1,348.1	1,386.2
Inventories	7,611.1	7,385.3	7,195.2	7,315.2	7,497.3
Related Parties - Credit Card	1,588.9	1,579.3	1,387.8	2,009.0	1,222.8
Related Parties - Other	72.5	76.9	69.5	47.4	50.9
Taxes Recoverable	1,856.5	1,598.1	1,662.9	1,691.2	1,680.5
Income Tax and Recoverable Social Contribution	97.8	191.8	222.7	197.3	177.0
Other Assets	325.4	327.4	356.8	416.0	334.7
Total Current Assets	19,550.8	17,745.2	17,386.3	20,052.5	20,221.2
NON-CURRENT ASSETS					
Accounts Receivable	48.6	32.6	107.4	106.5	72.7
Recoverable Taxes	1,870.7	2,407.3	2,395.5	2,267.8	2,464.2
Deferred Income Tax and Social Contribution	3,285.8	3,124.4	3,098.0	2,959.8	2,836.9
Judicial Deposits	1,902.4	1,865.9	1,819.7	1,779.3	1,734.5
Other Assets	129.4	123.1	127.8	129.3	113.7
Investments in Subsidiaries	971.9	898.7	565.5	329.8	322.5
Right of use	3,235.4	3,256.9	3,158.4	3,243.8	3,343.1
Fixed Assets	1,834.7	1,780.3	1,797.7	1,823.6	1,841.5
Intangible Assets	4,482.3	4,469.4	4,521.2	4,526.5	4,504.8
Total Non-Current Assets	17,761.0	17,958.7	17,591.1	17,166.4	17,233.9
TOTAL ASSETS	37,311.9	35,703.9	34,977.4	37,218.9	37,455.1

magalu

ANNEX III
FINANCIAL STATEMENTS – CONSOLIDATED BALANCE SHEET
LIABILITIES

LIABILITIES (R$ million)	Dec-24	Sep-24	Jun-24	Mar-24	Dec-23
CURRENT LIABILITIES					
Suppliers	10,283.1	9,124.3	8,788.9	8,598.0	9,324.1
Suppliers	*7,182.9*	*6,447.1*	*6,438.0*	*6,367.0*	*6,966.0*
Suppliers - agreement	*3,100.2*	*2,677.2*	*2,350.8*	*2,230.9*	*2,358.1*
Transfers and other deposits	1,640.6	1,490.6	1,480.4	1,724.5	1,765.1
Loans and Financing	1,402.2	564.3	57.1	2,269.4	2,954.3
Payroll, Vacation and Related Charges	558.6	527.4	442.0	409.8	401.9
Taxes Payable	363.0	273.6	270.3	281.4	360.0
Related Parties	107.1	103.0	96.4	90.6	101.0
Lease	452.7	467.2	469.2	506.0	508.4
Deferred Revenue	152.9	145.7	146.3	145.5	145.9
Other Accounts Payable	1,750.4	1,613.9	1,680.4	1,875.8	1,847.5
Total Current Liabilities	16,710.6	14,309.9	13,430.9	15,900.9	17,408.1
NON-CURRENT LIABILITIES					
Loans and Financing	3,180.0	4,198.7	4,400.6	4,400.4	4,400.5
Taxes to be collected	55.6	4.2	4.4	4.7	4.8
Lease	3,080.9	3,066.5	2,951.2	2,986.7	3,069.8
Deferred Income Tax and Social Contribution	74.2	119.3	158.3	163.9	105.1
Provision for Tax, Civil and Labor Risks	1,857.4	1,826.6	1,894.0	1,661.0	1,619.2
Deferred Revenue	952.9	996.4	1,032.1	1,067.1	1,102.8
Other Accounts Payable	81.0	117.5	131.9	134.2	134.2
Total Non-Current Liabilities	9,282.0	10,329.0	10,572.5	10,418.1	10,436.4
TOTAL LIABILITIES	25,992.6	24,639.0	24,003.5	26,318.9	27,844.5
SHAREHOLDERS' EQUITY					
Capital Stock	13,602.5	13,602.5	13,602.5	13,602.5	12,352.5
Capital Reserve	(2,556.7)	(2,557.4)	(2,551.9)	(2,102.7)	(2,087.3)
Treasury Shares	(503.6)	(509.9)	(529.9)	(951.9)	(990.6)
Legal Reserve	137.4	137.4	137.4	137.4	137.4
Profit Retention Reserve	319.8	319.8	319.8	319.8	319.8
Other Comprehensive Income	(129.0)	(81.4)	(55.6)	(133.2)	(121.4)
Retained Profits (Losses)	448.7	153.9	51.5	27.9	-
Total Shareholders' Equity	11,319.3	11,064.9	10,974.0	10,899.9	9,610.5
TOTAL	37,311.9	35,703.9	34,977.4	37,218.9	37,455.1

ANNEX IV
FINANCIAL STATEMENTS – ADJUSTED CONSOLIDATED STATEMENT OF CASH FLOWS

ADJUSTED CASH FLOW STATEMENTS (R$ million)	4Q24	4Q23	LTM	LTM
Net Income	**294.8**	**212.2**	**448.7**	**(979.1)**
Effect of Income Tax and Social Contribution Net of Payment	(178.1)	(207.3)	(406.1)	(1,124.1)
Depreciation and Amortization	327.6	305.4	1,333.3	1,242.7
Interest Accrued on Loans and Lease	229.3	312.1	949.5	1,300.9
Equity Income	(72.7)	(9.3)	(148.5)	19.0
Dividends Received	42.6	(0.2)	42.6	67.0
Provision for Losses on Inventories and Receivables	231.7	146.3	748.1	584.8
Provision for Tax, Civil and Labor Contingencies	32.3	405.0	321.5	534.7
Gain on Sale of Fixed Assets	(1.0)	(209.2)	(1.2)	(200.1)
Recognition of Deferred Income	(35.7)	(37.1)	(144.5)	(112.7)
Stock Option Expenses	1.6	(10.0)	23.2	68.3
Adjusted Net Income	**872.4**	**907.8**	**3,166.6**	**1,401.4**
Trade Accounts Receivable	(372.2)	(448.5)	(835.4)	(715.4)
Inventories	(319.9)	377.0	(333.8)	230.5
Taxes Recoverable	334.7	298.3	181.9	(319.3)
Deposit in Court	(36.5)	23.7	(167.8)	(84.3)
Other Receivables	(31.8)	182.5	(93.0)	(105.2)
Changes in Operating Assets	**(425.7)**	**432.9**	**(1,248.1)**	**(993.6)**
Trade Accounts Payable	1,158.8	17.2	959.0	(219.2)
Other Payables	466.9	171.0	175.1	34.6
Change in Operating Liabilities	**1,625.7**	**188.2**	**1,134.2**	**(184.6)**
Cash Flow from Operating Activities	**2,072.5**	**1,528.9**	**3,052.6**	**223.1**
Additions of Fixed and Intangible Assets	(250.3)	(172.9)	(729.5)	(640.8)
Investment in Subsidiaries	(43.0)	(4.3)	(561.1)	(528.9)
Sale of equity interest in jointly controlled entity	-	166.8	-	166.8
Sale of Exclusive Dealing and Exploration Right Contract	-	4.6	-	854.6
Cash Flow from Investing Activities	**(293.3)**	**(5.8)**	**(1,290.6)**	**(148.4)**
Loans and Financing	-	-	300.2	-
Repayment of Loans and Financing	(278.5)	(0.1)	(2,687.4)	(4.7)
Payment of Interest on Loans and Financing	(44.5)	(280.6)	(1,013.4)	(742.7)
Payment of Lease	(127.0)	(124.3)	(502.1)	(512.8)
Payment of Interest on Lease	(86.4)	(84.3)	(320.8)	(328.6)
Private Capital Increase	-	-	1,250.0	-
Cash Flow from Financing Activities	**(536.3)**	**(489.3)**	**(2,973.6)**	**(1,588.8)**
Cash, Cash Equivalents and Securities at Beginning of Period	6,640.1	8,060.7	9,094.5	10,608.5
Cash, Cash Equivalents and Securities at end of Period	7,882.9	9,094.5	7,882.9	9,094.5
Change in Cash and Cash equivalents	**1,242.8**	**1,033.8**	**(1,211.6)**	**(1,514.0)**

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' agreements as suppliers

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

INVESTED CAPITAL (R$ million)	dec/24	sep/24	jun/24	mar/24	dec/23
Working Capital	2,245.6	2,191.9	2,066.1	4,090.7	2,395.0
(+) Accounts Receivable	48.6	32.6	107.4	106.5	72.7
(+) Income Tax and Social Contribution deferred	3,285.8	3,124.4	3,098.0	2,959.8	2,836.9
(+) Taxes Recoverable	1,870.7	2,407.3	2,395.5	2,267.8	2,464.2
(+) Judicial Deposits	1,902.4	1,865.9	1,819.7	1,779.3	1,734.5
(+) Other Assets	129.4	123.1	127.8	129.3	113.7
(+) Investment In Joint Subsidiaries	971.9	898.7	565.5	329.8	322.5
(+) Right of use	3,235.4	3,256.9	3,158.4	3,243.8	3,343.1
(+) Fixed Assets	1,834.7	1,780.3	1,797.7	1,823.6	1,841.5
(+) Intangible Assets	4,482.3	4,469.4	4,521.2	4,526.5	4,504.8
(+) Non Current Assets	17,761.0	17,958.7	17,591.1	17,166.4	17,233.9
(-) Provision for Contingencies	1,857.4	1,826.6	1,894.0	1,661.0	1,619.2
(-) Lease	3,080.9	3,066.5	2,951.2	2,986.7	3,069.8
(-) Deferred Revenue	952.9	996.4	1,032.1	1,067.1	1,102.8
(-) Taxes to be Collected	55.6	4.2	4.4	4.7	4.8
(-) Income Tax and Social Contribution deferred	74.2	119.3	158.3	163.9	105.1
(-) Other Accounts Payable	81.0	117.5	131.9	134.2	134.2
(-) Non-Current operating liabilities	6,102.1	6,130.3	6,172.0	6,017.7	6,035.9
(=) Fixed Capital	11,659.0	11,828.3	11,419.1	11,148.7	11,198.0
(=) Total Invested Capital	13,904.6	14,020.2	13,485.2	15,239.4	13,593.0
(+) Net Debt	2,417.1	2,955.3	2,511.2	4,339.5	3,982.4
(+) Shareholders Equity	11,319.3	11,064.9	10,974.0	10,899.9	9,610.5
(=) Total Financing	13,736.3	14,020.2	13,485.2	15,239.4	13,593.0

FINANCIAL EXPENSES RECONCILIATION (R$MM)	3Q24	3Q24	2Q24	1Q24	4Q23
Financial Income	169.1	223.9	170.1	157.1	396.5
Financial Expenses	(559.1)	(524.5)	(571.2)	(540.5)	(623.6)
Net Financial Expenses	(390.0)	(300.6)	(401.1)	(383.4)	(227.2)
Interest on prepayment of receivables: Luiza Card and third-party card	236.2	215.0	265.4	198.1	241.1
Adjusted Financial Expenses	(153.8)	(85.5)	(135.7)	(185.4)	13.9
Taxes on Adjusted Financial Expenses	52.3	29.1	46.1	63.0	(4.7)
Net Adjusted Financial Expenses	(101.5)	(56.4)	(89.6)	(122.3)	9.2

NOPLAT AND ROIC/ROE RECONCILIATION(R$MM)	3Q24	3Q24	2Q24	1Q24	4Q23
EBITDA	842.4	713.5	655.0	684.9	548.6
Interest on prepayment of receivables: Luiza Card and third-party card	(236.2)	(215.0)	(265.4)	(198.1)	(241.1)
Depreciation	(327.6)	(359.7)	(323.3)	(322.7)	(305.4)
Current and deferred taxes	170.0	49.1	93.0	49.2	196.2
Taxes on Adjusted Financial Expenses	(52.3)	(29.1)	(46.1)	(63.0)	4.7
Net Operating Income (NOPLAT)	396.3	158.8	113.2	150.3	203.0
Invested Capital	13,904.6	14,020.2	13,485.2	15,239.4	13,593.0
ROIC Annualized	11%	5%	3%	4%	6%
Net Income	294.8	102.4	23.6	27.9	212.2
Shareholders Equity	11,319.3	11,064.9	10,974.0	10,899.9	9,610.5
ROE Annualized	10%	4%	1%	1%	9%

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

Breakdown of Total Sales (R$ million)	4Q24	V.A.	4Q23	V.A.	Growth Total
Virtual Stores	354.4	1.9%	336.9	1.9%	5.2%
Conventional Stores	5,212.2	28.3%	4,895.9	27.3%	6.5%
Subtotal - Physical Stores	5,566.6	30.2%	5,232.8	29.2%	6.4%
Traditional E-commerce (1P)	7,680.6	41.7%	7,646.0	42.6%	0.5%
Marketplace (3P)	5,172.7	28.1%	5,068.6	28.2%	2.1%
Subtotal - Total E-commerce	12,853.3	69.8%	12,714.7	70.8%	1.1%
Total Sales	18,419.9	100.0%	17,947.4	100.0%	2.6%

Breakdown of Total Sales (R$ million)	12M24	V.A.	12M23	V.A.	Growth Total
Virtual Stores	1,199.0	1.8%	1,159.7	1.8%	3.4%
Conventional Stores	18,007.1	27.6%	16,280.0	25.8%	10.6%
Subtotal - Physical Stores	19,206.1	29.4%	17,439.7	27.7%	10.1%
Traditional E-commerce (1P)	27,472.5	42.1%	27,575.4	43.7%	-0.4%
Marketplace (3P)	18,652.4	28.6%	18,041.1	28.6%	3.4%
Subtotal - Total E-commerce	46,124.9	70.6%	45,616.5	72.3%	1.1%
Total Sales	65,330.9	100.0%	63,056.3	100.0%	3.6%

[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/24	Part(%)	dec/23	Part(%)	Growth Total
Virtual Stores	230	18.5%	237	18.4%	(7)
Conventional Stores	1,015	81.5%	1,049	81.6%	(34)
Subtotal - Physical Stores	1,245	100.0%	1,286	100.0%	(41)
Total Sales Area (m²)	686,976	100.0%	716,298	100.0%	-4.1%

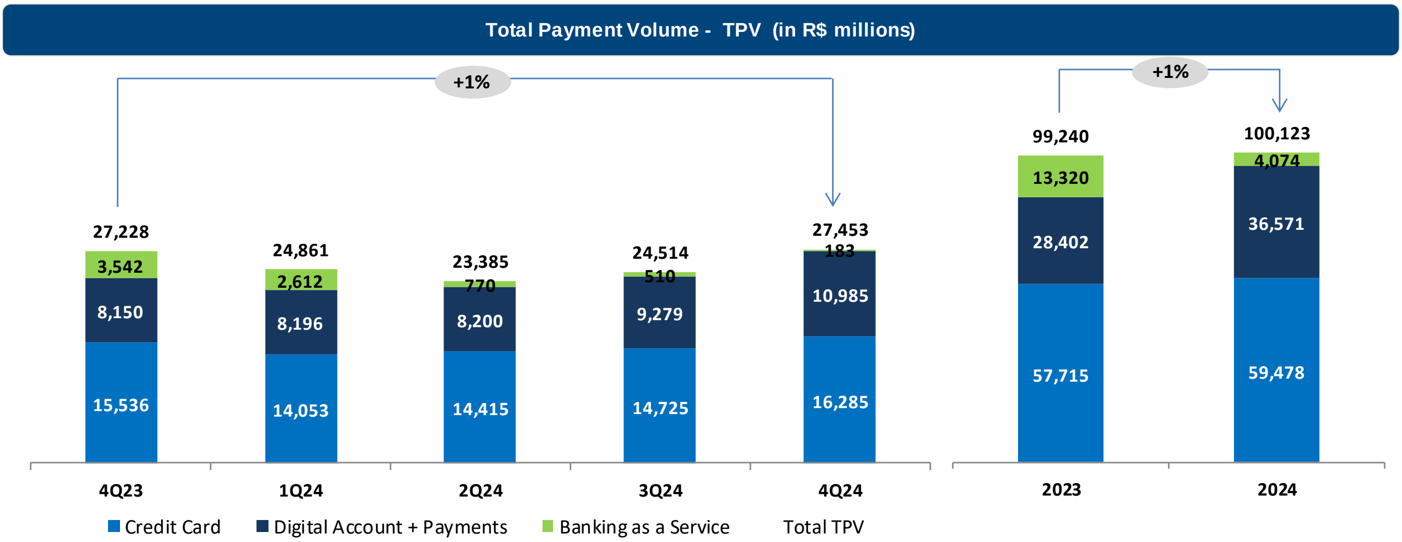
ANNEX VII
MAGALUBANK

Magalubank’s offerings include solutions for individuals and marketplace sellers. Among the services offered are: a sub-acquring business; a digital bank account (Magalupay); credit to consumers via Magalu Cards and DCC (“Buy now, Pay later”); insurance and loans for individuals and sellers.

In 4Q24, Carnê Digital DCC (“Buy now, Pay later”) continued to expand. This online financing option has established itself as an effective solution to broaden access to credit and stimulate consumption, offering customers the ability to pay in installments directly with the company. This service not only enhances the user experience but also presents significant growth potential for the credit portfolio, directly impacting profitability. By integrating the Digital Installment Plan into Magalu's digital ecosystem, we are creating a robust revenue stream that contributes to sales expansion and fosters a sustainable and profitable financial model.

| Operating Indicators

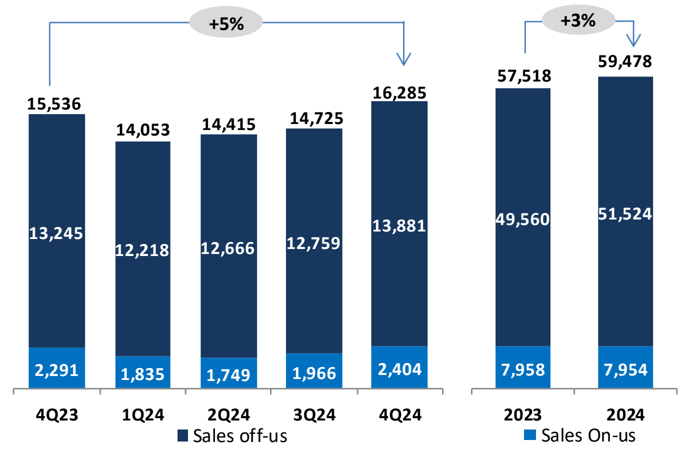
- Magalu’s total payment volume (TPV) reached R$ 27.4 billion in 4Q24, a growth of 50 bps considering 4Q23. In 12M24, the volume reached R$ 100.1 billion, increasing 0,9 p.p. considering 2023.



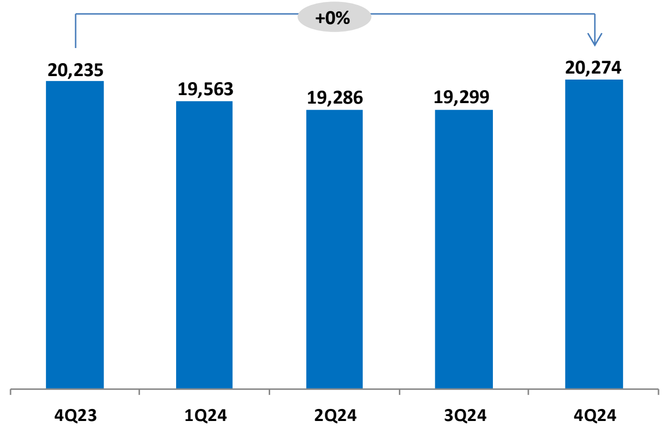
| Credit Card

- Credit Card TPV grew 4.8% in 4Q24, reaching R$16.3 billion during the period. In 2024, TPV reached R$59.5 billion. In-store sales to Luiza and Magalu Card customers, distinguished by their loyalty and higher purchase frequency reached R$2.4 billion in 4Q24, growing 4.9%, and reached R$8.0 billion in 2024. Sales outside Magalu grew 4.8% in 4Q24, totaling R$13.9 billion in the quarter and R$51.5 billion in 2024.
- Luizacred's credit portfolio reached R$20.3 billion at the end of 4Q24, practically stable considering 2023.

Credit Card TPV (in R$ thousands)

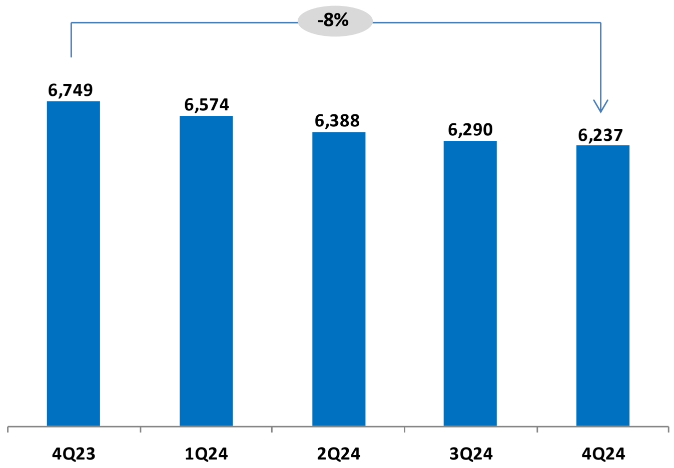


Portfolio (in R$ thousands)

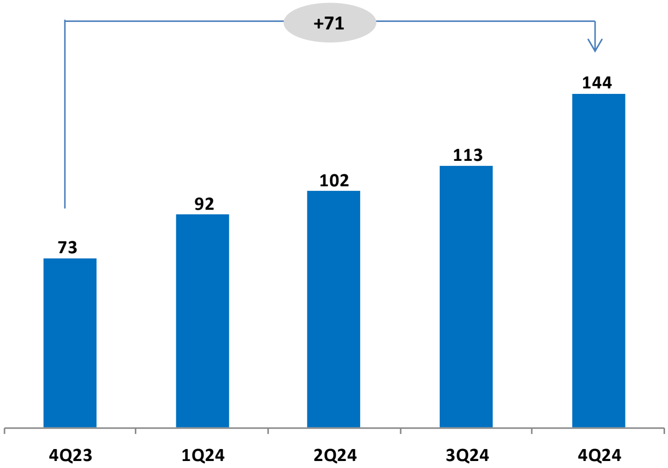


- In Dec/24, Luizacred's total card base reached 6.2 million cards (-7.6% versus Dec/23). This includes Luiza Card and the Magalu Card.

Luizacred's Total Card Base (in quantity, thousands)



Numbers of sellers with MagaluPay Digital Account (in quantity, thousands)



Digital Account and Payments

- The total payment volume (TPV) of sub-acquiring, digital accounts and loans to sellers reached R$10.9 billion in 4Q24, growing 33.7% and reached R$36.6 billion in 2024.
- MagaluPay Empresas reached the milestone of 144 thousand accounts and a TPV of R$1.4 biillion in 4Q24. Our digital seller account offers various financial services from the ecosystem in one place.

Banking as a Service (Baas)

- Total payment volume (TPV) in the Banking as a Service segment was R$182.5 million in 4Q24.

ANNEX VIII
LUIZACRED

Income Statement in IFRS

LUIZACRED – Income (R$ million)	4Q24	V.A.	4Q23	V.A.	% Chg	12M24	V.A.	12M23	V.A.	% Chg
Financial Intermediation Revenue	618.1	100.0%	642.9	100.0%	-3.9%	2,478.1	100.0%	2,657.0	100.0%	-6.7%
Financial Intermediation Expenses	(563.2)	-91.1%	(705.4)	-109.7%	-20.2%	(2,509.8)	-101.3%	(3,119.3)	-117.4%	-19.5%
Market Funding Operations	(110.0)	-17.8%	(158.6)	-24.7%	-30.7%	(502.1)	-20.3%	(733.2)	-27.6%	-31.5%
Provision for Loan Losses	(453.2)	-73.3%	(546.7)	-85.0%	-17.1%	(2,007.6)	-81.0%	(2,386.1)	-89.8%	-15.9%
Gross Financial Intermediation Income	**54.9**	**8.9%**	**(62.5)**	**-9.7%**	**-**	**(31.6)**	**-1.3%**	**(462.3)**	**-17.4%**	**-93.2%**
Service Revenue	421.3	68.2%	412.7	64.2%	2.1%	1,631.0	65.8%	1,560.6	58.7%	4.5%
Other Operating Revenues (Expenses)	(296.2)	-47.9%	(318.2)	-49.5%	-6.9%	(1,174.6)	-47.4%	(1,257.4)	-47.3%	-6.6%
Personnel Expenses	(9.5)	-1.5%	(4.9)	-0.8%	93.7%	(18.2)	-0.7%	(17.4)	-0.7%	4.8%
Other Administrative Expenses	(193.8)	-31.3%	(203.5)	-31.6%	-4.8%	(792.0)	-32.0%	(849.2)	-32.0%	-6.7%
Depreciation and Amortization	(2.9)	-0.5%	(3.0)	-0.5%	-1.9%	(11.8)	-0.5%	(12.0)	-0.5%	-1.5%
Tax Expenses	(57.8)	-9.3%	(57.7)	-9.0%	0.1%	(223.7)	-9.0%	(229.0)	-8.6%	-2.3%
Other Operating Revenues (Expenses)	(32.2)	-5.2%	(49.1)	-7.6%	-34.4%	(128.9)	-5.2%	(149.7)	-5.6%	-13.9%
Income Before Tax	**180.0**	**29.1%**	**32.1**	**5.0%**	**460.8%**	**424.8**	**17.1%**	**(159.2)**	**-6.0%**	**-**
Income Tax and Social Contribution	(35.1)	-5.7%	(13.9)	-2.2%	153.3%	(129.7)	-5.2%	61.4	2.3%	-
Net Income	**144.9**	**23.4%**	**18.2**	**2.8%**	**694.8%**	**295.1**	**11.9%**	**(97.8)**	**-3.7%**	**-**

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

LUIZACRED – Income (R$ million)	4Q24	V.A.	4Q23	V.A.	% Chg	12M24	V.A.	12M23	V.A.	% Chg
Financial Intermediation Revenue	618.2	100.0%	643.0	100.0%	-3.9%	2,478.4	100.0%	2,657.7	100.0%	-6.7%
Financial Intermediation Expenses	(537.1)	-86.9%	(753.6)	-117.2%	-28.7%	(2,516.4)	-101.5%	(3,393.8)	-127.7%	-25.9%
Market Funding Operations	(110.0)	-17.8%	(158.6)	-24.7%	-30.7%	(502.1)	-20.3%	(733.2)	-27.6%	-31.5%
Provision for Loan Losses	(427.1)	-69.1%	(594.9)	-92.5%	-28.2%	(2,014.2)	-81.3%	(2,660.5)	-100.1%	-24.3%
Gross Financial Intermediation Income	**81.1**	**13.1%**	**(110.5)**	**-17.2%**	**-**	**(37.9)**	**-1.5%**	**(736.1)**	**-27.7%**	**-94.8%**
Service Revenue	421.3	68.1%	412.7	64.2%	2.1%	1,631.0	65.8%	1,560.6	58.7%	4.5%
Other Operating Revenues (Expenses)	(296.2)	-47.9%	(318.2)	-49.5%	-6.9%	(1,174.6)	-47.4%	(1,257.4)	-47.3%	-6.6%
Personnel Expenses	(9.5)	-1.5%	(4.9)	-0.8%	93.7%	(18.2)	-0.7%	(17.4)	-0.7%	4.8%
Other Administrative Expenses	(193.8)	-31.3%	(203.5)	-31.6%	-4.8%	(792.0)	-32.0%	(849.2)	-32.0%	-6.7%
Depreciation and Amortization	(2.9)	-0.5%	(3.0)	-0.5%	-1.9%	(11.8)	-0.5%	(12.0)	-0.5%	-1.5%
Tax Expenses	(57.8)	-9.3%	(57.7)	-9.0%	0.1%	(223.7)	-9.0%	(229.0)	-8.6%	-2.3%
Other Operating Revenues (Expenses)	(32.2)	-5.2%	(49.1)	-7.6%	-34.4%	(128.9)	-5.2%	(149.7)	-5.6%	-13.9%
Income Before Tax	**206.2**	**33.4%**	**(16.0)**	**-2.5%**	**-**	**418.5**	**16.9%**	**(432.9)**	**-16.3%**	**-**
Income Tax and Social Contribution	(45.6)	-7.4%	5.4	0.8%	-	(127.2)	-5.1%	170.9	6.4%	-
Net Income	**160.6**	**26.0%**	**(10.6)**	**-1.7%**	**-**	**291.3**	**11.8%**	**(262.1)**	**-9.9%**	**-**

| Revenue from Financial Intermediation

In 4Q24, revenues from financial intermediation were R$618.1 million, a decrease of 3.9% compared to the same quarter of the previous year. In 2024, revenues from financial intermediation reached R$2.5 million, a decrease of 6.7%.

| Provision for Loan Losses

The portfolio of loans overdue from 15 to 90 days (NPL 15) accounted for only 2.7% of the total portfolio in Dec/24, an improvement of 0.1 p.p. compared to Sep/24 and an improvement of 0.4 p.p. compared to Dec/23. The portfolio past due over 90 days (NPL 90) was 8.1% in Dec/24, an improvement of 0.7 p.p. in relation to Sep/24 and 1.7 p.p. compared to Dec/23.

Luizacred's conservative credit policy and the collection efforts carried out by the digital channels, 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 recent defaults. The total overdue portfolio decreased by R$51.8 million in 4Q24, dropping from R$2,243.3 million in Sep/24 to R$2,188.2 million in Dec/24. This total overdue portfolio continues to improve in line with our more conservative credit risk management strategy.

Provisions for bad debt expenses, net of recovery, represented 2.2% of the total portfolio in 4Q24. We observed a positive trend in the reduction of default indicators in recent months, signaling a favorable contribution of new cohorts to Luizacred's performance. The overdue portfolio coverage ratio was 159% in Dec/24, up 470 bps compared to Sep/24.

PORTFOLIO - OVERDUE	Dec-24		Sep-24		Jun-24		Mar-24		Dec-23	
000 to 014 days	18,086	89.2%	17,053	88.4%	16,934	87.8%	17,055	87.2%	17,620	87.1%
015 to 030 days	138	0.7%	118	0.6%	115	0.6%	158	0.8%	135	0.7%
031 to 060 days	186	0.9%	184	1.0%	192	1.0%	224	1.1%	210	1.0%
061 to 090 days	229	1.1%	238	1.2%	278	1.4%	290	1.5%	290	1.4%
091 to 120 days	238	1.2%	219	1.1%	238	1.2%	232	1.2%	289	1.4%
121 to 150 days	194	1.0%	214	1.1%	244	1.3%	239	1.2%	251	1.2%
151 to 180 days	178	0.9%	211	1.1%	215	1.1%	228	1.2%	219	1.1%
180 to 360 days	1,025	5.1%	1,063	5.5%	1,071	5.6%	1,138	5.8%	1,222	6.0%
Portfolio (R$ million)	**20,274**	**100.0%**	**19,299**	**100.0%**	**19,286**	**100.0%**	**19,563**	**100.0%**	**20,235**	**100.0%**
Receipt expectation of loan portfolio overdue above 360 days	453		444		429		402		367	
Total Portfolio in IFRS 9 (R$ million)	**20,727**		**19,743**		**19,715**		**19,966**		**20,602**	
Overdue 15-90 days	553	2.7%	540	2.8%	584	3.0%	672	3.4%	635	3.1%
Overdue Above 90 days	1,635	8.1%	1,707	8.8%	1,768	9.2%	1,836	9.4%	1,981	9.8%
Total Overdue	**2,188**	10.8%	**2,246**	11.6%	**2,352**	12.2%	**2,508**	12.8%	**2,616**	12.9%
Provisions for loan losses on Portfolio	2,167	10.7%	2,207	11.4%	2,267	11.8%	2,361	12.1%	2,482	12.3%
Provisions for loan losses on available limit	425	2.1%	419	2.2%	388	2.0%	355	1.8%	332	1.6%
Total Provisions for loan losses in IFRS 9	**2,592**	12.8%	**2,625**	13.6%	**2,655**	13.8%	**2,715**	13.9%	**2,814**	13.9%
Coverage of Portfolio (%)	133%		129%		128%		129%		125%	
Coverage of Total Portfolio (%)	159%		154%		150%		148%		142%	

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 R$54.9 million in 4Q24 and negative R$31.6 million in 2024, influenced by conservative provisions and still high interest rates.

| Service Revenue and Other Operating Revenues (Expenses)

Service revenues grew 2.1% in 4Q24, reaching R$421.3 million, this was largely attributable to an increase in factoring and insurance penetration. During the same period, operating expenses decreased 6.9% to R$296.2 million. In 12M24, service revenues reached R$1.6 billion, growing by 4.5% during the period, while operating expenses decreased by 6.6%, reaching R$1.2 billion in 2024.

| Operating Income and Net Income

In 4Q24, Luizacred recorded a net income of R$144.9 million under IFRS. Using the accounting practices established by the Brazilian Central Bank, the net income was R$160.6 million during the period. In 12M24, Luizacred recorded a net income of R$ 295.1 million under IFRS and, using the accounting practices established by the Brazilian Central Bank, net income of R$ 291.3 million.

| Shareholders´ Equity

In compliance with the same practices, Luizacred posted shareholders' equity of R$2.1 billion in Dec/24. 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$2.0 billion.

It is worth noting that in 2024, Magalu and Itaú Unibanco approved an R$1.0 billion capital increase in Luizacred, in proportion to their shareholdings. The increase was successfully completed in Aug/24 and aimed to support the business's return to growth while reducing funding costs and improving the company's profitability.

ANNEX IX
ESG

Throughout 2024, Magalu remained committed to its sustainability agenda and expanded strategic initiatives with socio-environmental impact, including diversity and inclusion, entrepreneurship, packaging, energy, and reverse logistics. Our efforts kept us in the B3 Corporate Sustainability Index (ISE) portfolio for the third consecutive year.

Reverse logistics

Our reverse logistics program for electronics, in partnership with the Brazilian Association for Electronics and Home Appliance Recycling (ABREE), continued to advance. We installed 30 new collection bins in Magalu stores across the Northeast and Southeast, bringing the total to 530 stores equipped to receive this type of waste. In 2024, we collected 31 metric tons of electronic waste. Additionally, in August, the Magalu Electronic Waste Drive gathered another 39 metric tons through a community engagement initiative involving employee volunteers, students, and teachers from 64 schools in Franca, São Paulo. Altogether, we collected and recycled nearly 70 metric tons of electronic waste in 2024—300% more than in 2023.

Packaging

On the packaging front, we replaced plastic fillers (air pillows and bubble wrap) in Época Cosméticos' shipping boxes with paper. This initiative to reduce plastic usage will be expanded across the entire Magalu ecosystem in the coming years. In parallel, we ensured that all our paper and cardboard materials are certified by the Forest Stewardship Council (FSC), which verifies responsible forestry practices. We also reduced plastic use in product storage at our distribution centers, prioritizing recycled and/or reusable materials to eliminate single-use virgin plastic.

Clean energy

We further expanded our distributed energy generation network by building six new solar plants in five states (Bahia, Goiás, Mato Grosso, Pernambuco, and Rio Grande do Sul), adding 124 stores to this energy model. In 2024, we operated 22 photovoltaic plants and a small hydroelectric power plant, supplying electricity to 800 of our 1,247 stores. For locations not technically eligible for distributed generation, Magalu sourced wind energy in the free market, acquiring International Renewable Energy Certificates (I-REC). As a result, we reached 100% clean energy across our electricity consumption.

Combating violence against women

On the social impact front, Magalu strengthened efforts to combat gender-based violence, one of our key initiatives, by launching the Magalu Network for Women. This initiative brought together 38 organizations supported by the Magalu Fund to Combat Violence Against Women, fostering collaboration, knowledge-sharing, and joint strategy development among NGOs. Since its launch in 2020, the Fund has supported psychological assistance, legal guidance, and income-generation initiatives for survivors of domestic violence, allocating R$4.7 million to projects across Brazil.

Diversity and Inclusion

Internally, in line with our Diversity and Inclusion Policy, we strengthened our Employee Resource Groups (ERGs), which focus on four themes: Diversifica (LGBT+), Quilombo (Race), Para Todos (People with Disabilities), and Vozes (Gender). These groups engaged more than 600 employees in weekly discussions throughout the year. Additionally, we held 68 diversity and inclusion training sessions for employees across the Magalu ecosystem, integrating these themes into our daily operations.

To promote career development, we launched the Move+ Program, designed to prepare women and Black professionals for future leadership roles. Of the 48 participants who completed the program in 2024—which included training, mentorship, and structured development paths—more than half earned promotions or merit-based recognition. Aligned with our goals, we closed the year with women representing 42.2% and Black employees 41% of leadership positions.

Since 2019, Magalu has also featured Mundo Social, a dedicated section on our marketplace for products with positive socio-environmental impact. In 2024, this initiative included 86 sellers and nearly 5,000 SKUs. The majority of these sellers are Black women, who benefit from reduced fees on our platform and access to business development programs, ranging from management mentorship to social media marketing support.

CONFERENCE CALL DETAILS

Conference Call in Portuguese with simultaneous translation to English

Friday, March 14th, 2024
9:00 – 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 21 distribution centers serving a network of 1,245 stores in 20 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 more than 2,200 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 70% 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.