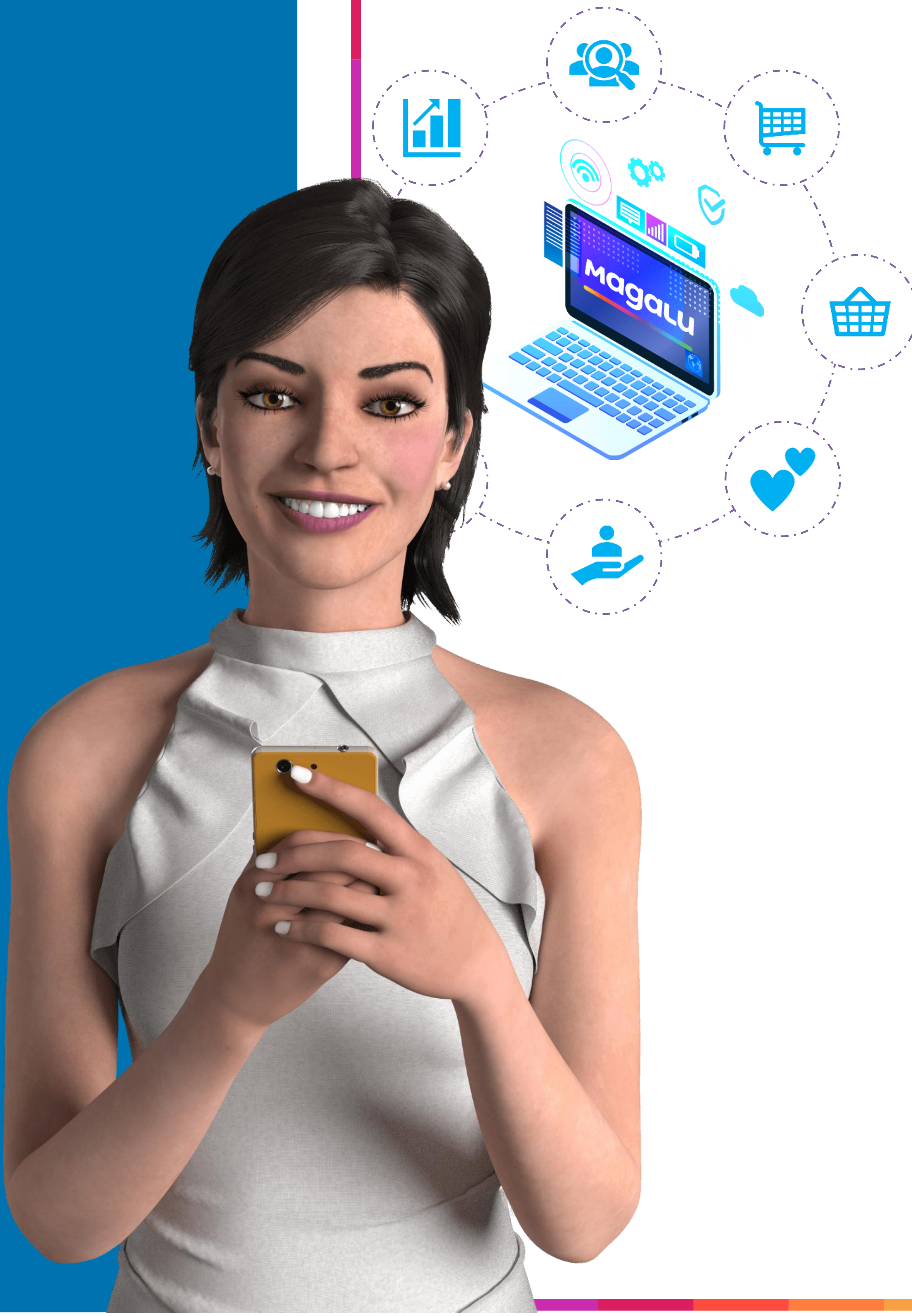
Financial Statements
December 31, 2024 and 2023



Magazine Luiza S.A. and Subsidiaries

Individual and consolidated financial statements

December 31, 2024

Contents

São Paulo Corporate Towers
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A free translation from Portuguese into English of Independent Auditor's Report on individual and consolidated financial statements prepared in Brazilian currency in accordance with the accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB)

Independent auditor's report on individual and consolidated financial statements

To the Shareholders, Board of Directors and Officers of
Magazine Luiza S.A.
Franca - SP

Opinion

We have audited the individual and consolidated financial statements of Magazine Luiza S.A. (the "Company"), identified as Individual and Consolidated, respectively, which comprise the statement of financial position as at December 31, 2024, and the statements of profit or loss, of comprehensive income, of changes in equity and of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

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

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the relevant ethical principles set forth in the Code of Professional Ethics for Accountants and the professional standards issued by Brazil's National Association of State Boards of Accountancy (CFC), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Restatement of corresponding figures

As mentioned in Note 4.8, due to the elimination of non-cash transactions in "Trade accounts payable – agreement", in financing activities of the individual and consolidated statements of cash flows for the year ended December 31, 2024, the corresponding figures of the prior year, presented for comparison purposes, have been adjusted and are being restated as provided for in CPC 03 (R2) – Statement of Cash Flows. Our opinion is not modified in respect of this matter.

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Key audit matters

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

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

<u>Information technology environment</u>

Due to the volume of transactions and the fact that the operations of the Company and its subsidiaries are highly dependent on the proper operation of the information technology structure and its systems and applications, added to the nature of their business and their geographic dispersion, we consider the IT environment to be a key audit matter.

How our audit addressed this matter

Our audit procedures included the following, among others: (i) assessing the information technology general controls (ITGC) and design related to the systems and applications considered by us to be relevant for the generation of information that directly impacts the individual and consolidated financial statements; (ii) evaluating the audit procedures to assess the effectiveness of controls over logical access, management of changes and information technology operations, report processing, and other aspects of technology; (iii) engaging information technology professionals to assist us in carrying out these procedures; (iv) assessing the process of generating and extracting reports that support the book balances, (v) performing compliance tests on the information produced by the Company's systems and applications.

With regard to controls over logical accesses: (i) we analyzed the process of authorizing and granting access to new users, timely revocation of access to transferred or terminated employees, and periodic review of users, and; (ii) we evaluated password policies, security settings, and access to information technology resources.

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With regard to the change management process: (i) we assessed whether the changes in systems and applications were duly authorized and approved by the Company's executive board, and; (ii) we analyzed the operations management process, focusing on the policies for carrying out information safeguarding procedures and the timeliness in the handling of incidents.

The deficiencies in the design and operation of information technology general controls (ITGC) identified during the audit, although substantially remedied at the end of the year ended 31 December 2024, modified our assessment on the nature, timing, and extent of our planned substantive procedures in order to obtain sufficient appropriate audit evidence. Taking into consideration the increase in the extent of the audit procedures, which we deemed appropriate, the results of these procedures have provided us with appropriate and sufficient audit evidence in the context of the individual and consolidated financial statements as of December 31, 2024.

Provision for tax contingencies

As disclosed in Note 24, the Company is a party to administrative and legal proceedings arising from various tax disputes, whose provision for contingencies, as of December 31, 2024, was R$1,096,417 thousand and R$1,715,228 thousand, representing 5.2% and 6.6% of the total liabilities in the individual and consolidated financial statements, respectively. The assessment of the likelihood of loss and the measurement of the provision for tax contingencies require judgment by the executive board, which is supported by the legal opinions of the Company's internal and external legal advisors. Changes in the assumptions used by the Company, which are the basis for exercising this judgment, including the position of the tax authorities and the development of tax disputes in the courts, may significantly impact the Company's individual and consolidated financial statements.

Additionally, at December 31, 2024, the Company is a party to tax disputes totaling R$3,407,965 thousand in the individual financial statements and R$4,199,862 thousand in the consolidated financial statements, which are not accrued in the individual and consolidated financial statements due to the executive board's assessment, supported by the Company's external and internal legal advisors, that the likelihood of loss is possible.

We consider this to be a key audit matter due to the magnitude of the amounts involved and the fact that the assessment of the likelihood of loss and the measurement of the provision for tax contingencies involve a high degree of professional judgment by the executive board together with the Company's external and internal legal advisors.

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How our audit addressed this matter

Our audit procedures included, among others: (i) assessing the control activities designed and implemented by the executive board in the process of identification and accounting recognition of provisions for tax contingencies; (ii) evaluating the accounting policies adopted by the Company for the classification of the likelihood of loss of administrative and legal proceedings as probable, possible or remote, including the assumptions used to measure the amounts to be recorded as a provision for tax contingencies; (iii) engaging professionals specialized in tax controversy, who analyzed a sample of the proceedings related to the contingencies classified as possible losses, considering the assessments prepared by the Company's external and internal legal advisors; (iv) obtaining evidence on the risks of losses considered by the Company in the main proceedings, including the review of supporting documentation, legal opinions, as well as external confirmations from the Company's legal advisors containing the current stage and likelihood of loss of each tax proceeding; and (v) assessing the adequacy of the disclosures in Note 24 to the individual and consolidated financial statements as at December 31, 2024.

Based on the result of the audit procedures performed on the provision for tax contingencies, which is consistent with the executive board's assessment, we understand that the criteria and assumptions adopted by the executive board, as well as the respective disclosures in Note 24, are acceptable within the context of the individual and consolidated financial statements as a whole.

<u>Commercial agreements for purchases of goods for resale (Bonuses)</u>

As disclosed in Note 8, the Company has commercial agreements with its suppliers of goods for resale, which may be of a specific or complex nature within the scope of the retail sector. In this context, there are different categories of commercial agreements that are substantially linked to the resale of goods to obtain financial incentives by the Company. Therefore, it is necessary for the executive board to carry out procedures, in particular, to analyze and conclude on the amounts and correct period in which the bonuses computed in these agreements should be accounted for, either to reduce the cost of goods sold or recover marketing expenses (joint advertising budget).

In view of the above, we consider the accounting recognition of bonuses arising from commercial agreements, particularly with regard to the total amount and its recognition in the correct accounting period, as a key audit matter.

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How our audit addressed this matter

Our audit procedures included, among others: (i) assessing the control activities designed and implemented by the executive board in the process of identifying and accounting for commercial agreements with suppliers; (ii) updating the understanding of the business processes established by the executive board to identify, measure and account for commercial agreements with suppliers; (iii) understanding the main contractual terms that are individually material or have specific characteristics; (iv) sending out confirmation letters for the amounts of bonuses receivable from certain suppliers, considering aspects of relevance of amounts and representative sample; (v) testing the recognition of bonuses in the correct accrual period, including subsequent financial settlement verification for a sample of transactions; and (vi) assessing whether the disclosures in Note 8 to the individual and consolidated financial statements are adequate as of December 31, 2024.

Based on the result of the audit procedures performed on the commercial agreements, which is consistent with the executive board's assessment, we consider the criteria and assumptions adopted by the executive board, as well as the respective disclosures in Note 8, acceptable within the context of the individual and consolidated financial statements as a whole.

Other matters

Statements of value added

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

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

The executive board is responsible for such other information, which comprises the Management Report.

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

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In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Management Report, we are required to report that fact. We have nothing to report in this regard.

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

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

In preparing the individual and consolidated financial statements, the executive board is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the executive board either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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- Identified and assessed the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its subsidiaries' internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the executive board.
- Concluded on the appropriateness of the executive board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the corresponding transactions and events in a manner that achieves fair presentation.
- Obtained sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the individual and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

Shape the future
with confidence

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From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, March 13, 2025.

ERNST & YOUNG
Auditores Independentes S/S Ltda.
CRC SP-034519/O

Alexandre Rubio
Accountant CRC SP-223361/O

A free translation from Portuguese into English of individual and consolidated financial statements prepared in Brazilian currency in accordance with the accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB)

Magazine Luiza S.A.

Statements of financial position at December 31, 2024 and December 31, 2023
(In thousands of reais - R$)

		Individual		Consolidated	
	Note	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Assets					
Current assets					
Cash and cash equivalents	6	**718,648**	1,113,662	**1,827,197**	2,593,346
Marketable securities and other financial assets	7	**272,824**	578,311	**337,894**	779,072
Accounts receivable	8	**3,447,789**	3,919,547	**5,833,528**	5,885,450
Inventories	9	**6,593,244**	6,383,303	**7,611,132**	7,497,299
Accounts receivable from related parties	10	**1,864,959**	1,675,950	**1,661,405**	1,273,718
Taxes recoverable	11	**1,671,336**	1,475,359	**1,856,475**	1,680,511
Income and social contribution taxes recoverable	12	**42,002**	79,374	**97,771**	177,024
Other current assets		**124,810**	84,208	**325,422**	334,743
Total current assets		**14,735,612**	15,309,714	**19,550,824**	20,221,163
Noncurrent assets					
Accounts receivable	8	**48,553**	72,691	**48,553**	72,691
Taxes recoverable	11	**1,808,934**	2,409,362	**1,870,705**	2,464,245
Deferred income and social contribution taxes	12	**2,751,837**	2,513,695	**3,285,792**	2,836,852
Judicial deposits	24	**1,333,234**	1,260,289	**1,902,376**	1,734,546
Other noncurrent assets		**128,498**	104,365	**129,362**	113,671
Long-term receivables		**6,071,056**	6,360,402	**7,236,788**	7,222,005
Investments in subsidiaries	13	**4,806,587**	4,629,769	**-**	-
Investments in joint ventures	14	**971,862**	322,516	**971,862**	322,516
Right of use - lease	15	**3,129,039**	3,282,873	**3,235,372**	3,343,054
Property and equipment	16	**1,618,551**	1,650,996	**1,834,725**	1,841,522
Intangible assets	17	**1,149,912**	1,055,626	**4,482,287**	4,504,807
		11,675,951	10,941,780	**10,524,246**	10,011,899
Total noncurrent assets		**17,747,007**	17,302,182	**17,761,034**	17,233,904
Total assets		**32,482,619**	32,611,896	**37,311,858**	37,455,067

The explanatory notes are an integral part of the individual and consolidated financial statements.

Magazine Luiza S.A.

Statements of financial position at December 31, 2024 and December 31, 2023
(In thousands of reais - R$)

	Note	Individual		Consolidated	
		12/31/2024	12/31/2023	12/31/2024	12/31/2023
Liabilities and equity					
Current liabilities					
Trade accounts payable	18	**6,291,347**	6,008,527	**7,182,906**	6,965,980
Trade accounts payable - agreement	19	**2,946,541**	2,312,134	**3,100,213**	2,358,092
Partners and other deposits	20	**-**	-	**1,640,637**	1,765,149
Loans and financing	21	**980,233**	2,928,459	**1,402,168**	2,954,347
Salaries, vacation pay and social charges		**335,803**	224,974	**558,572**	401,867
Taxes payable		**209,929**	229,494	**363,003**	359,971
Accounts payable to related parties	10	**228,387**	325,607	**107,061**	100,961
Lease	15	**425,027**	493,861	**452,654**	508,359
Deferred revenue	22	**122,407**	122,407	**152,910**	145,899
Other current liabilities	23	**1,144,002**	1,268,164	**1,750,426**	1,847,502
Total current liabilities		**12,683,676**	13,913,627	**16,710,550**	17,408,127
Noncurrent liabilities					
Loans and financing	21	**3,179,992**	4,000,278	**3,179,992**	4,400,508
Taxes payable		**1,057**	2,024	**55,597**	4,837
Accounts payable to related parties		**200,000**	-	**-**	-
Lease	15	**2,993,853**	3,020,488	**3,080,881**	3,069,796
Deferred income and social contribution taxes	12	**-**	-	**74,242**	105,122
Provision for tax, civil, and labor contingencies	24	**1,211,777**	996,505	**1,857,353**	1,619,166
Deferred revenue	22	**815,839**	938,246	**952,935**	1,102,758
Other noncurrent liabilities	23	**77,163**	130,194	**81,046**	134,219
Total noncurrent liabilities		**8,479,681**	9,087,735	**9,282,046**	10,436,406
Total liabilities		**21,163,357**	23,001,362	**25,992,596**	27,844,533
Equity	25				
Capital		**13,602,498**	12,352,498	**13,602,498**	12,352,498
Capital reserve		**(2,556,694)**	(2,087,258)	**(2,556,694)**	(2,087,258)
Treasury shares		**(503,574)**	(990,603)	**(503,574)**	(990,603)
Legal reserve		**137,442**	137,442	**137,442**	137,442
Income reserve		**768,554**	319,837	**768,554**	319,837
Equity adjustments		**(128,964)**	(121,382)	**(128,964)**	(121,382)
Total equity		**11,319,262**	9,610,534	**11,319,262**	9,610,534
Total liabilities and equity		**32,482,619**	32,611,896	**37,311,858**	37,455,067

The explanatory notes are an integral part of the individual and consolidated financial statements.

Magazine Luiza S.A.

Statements of profit or loss
Years ended December 31, 2024 and 2023
(In thousands of reais - R$)

	Note	Individual		Consolidated	
		12/31/2024	12/31/2023	12/31/2024	12/31/2023
Net sales revenue	26	**31,668,289**	30,097,635	**38,038,068**	36,768,149
Cost of goods resold and services rendered	27	**(22,428,814)**	(22,436,918)	**(26,410,812)**	(26,604,266)
Gross profit		**9,239,475**	7,660,717	**11,627,256**	10,163,883
Operating income (expenses)					
Selling expenses	28	**(5,879,230)**	(5,612,277)	**(7,131,584)**	(7,002,066)
General and administrative expenses	28	**(904,832)**	(912,413)	**(1,373,715)**	(1,335,204)
Expected credit losses		**(432,185)**	(366,710)	**(452,704)**	(386,157)
Depreciation and amortization	15/16/17	**(1,038,985)**	(1,001,857)	**(1,333,288)**	(1,242,690)
Equity pickup	13/14	**463,977**	140,692	**148,456**	(19,010)
Other operating income (expenses), net	29	**81,167**	(289,647)	**78,011**	(550,904)
		(7,710,088)	(8,042,212)	**(10,064,824)**	(10,536,031)
Operating income (loss) before finance income (costs)		**1,529,387**	(381,495)	**1,562,432**	(372,148)
Finance income		**627,048**	933,705	**720,233**	1,106,101
Finance costs		**(1,875,712)**	(2,419,081)	**(2,195,281)**	(2,798,320)
Finance income (costs)	30	**(1,248,664)**	(1,485,376)	**(1,475,048)**	(1,692,219)
Operating income (loss) before income and social contribution taxes		**280,723**	(1,866,871)	**87,384**	(2,064,367)
Current and deferred income and social contribution taxes	12	**167,994**	887,767	**361,333**	1,085,263
Income (loss) for the year		**448,717**	(979,104)	**448,717**	(979,104)
Income (loss) attributable to:					
Controlling shareholders		**448,717**	(979,104)	**448,717**	(979,104)
Earnings (loss) per share					
Basic (reais per share)	25	**0.610**	(1.463)	**0.610**	(1.463)
Diluted (reais per share)	25	**0.610**	(1.463)	**0.610**	(1.463)

The explanatory notes are an integral part of the individual and consolidated financial statements.

Magazine Luiza S.A.

Statement of other comprehensive incomeYears ended December 31, 2024 and 2023
(In thousands of reais - R$)

	Individual and Consolidated	
	12/31/2024	12/31/2023
Income (loss) for the year	**448,717**	(979,104)
Items that may be subsequently recycled to profit or loss:		
Investments valued under the equity method - share in other comprehensive income (OCI)	**(439)**	(6,262)
Tax effects	**149**	2,129
Total items that may be subsequently recycled to profit or loss	**(290)**	(4,133)
Financial assets measured at FVOCI	**7,872**	127,527
Total comprehensive income (loss) for the year, net of taxes	**456,299**	(855,710)
Attributable to:		
Controlling shareholders	**456,299**	(855,710)

The explanatory notes are an integral part of the individual and consolidated financial statements.

Magazine Luiza S.A.

Statements of changes in equity
Years ended December 31, 2024 and 2023
(In thousands of reais - R$)

	Note	Capital	Capital reserve	Treasury shares	Legal reserve	Income reserve: Reserve for working capital increase	Income reserve: Tax incentive reserve	Income reserve: Retained earnings (accumulated losses)	Equity adjustments	Total
Balances at December 31, 2022		12,352,498	(1,896,383)	(1,245,809)	137,442	83,660	1,215,281	-	2,012	10,648,701
Stock option plan	25	-	68,323	-	-	-	-	-	-	68,323
Treasury shares sold or delivered in stock option plans and business combinations	25	-	(259,198)	255,206	-	-	-	-	-	(3,992)
Loss for the year		-	-	-	-	-	-	(979,104)	-	(979,104)
Absorption of accumulated losses		-	-	-	-	(83,660)	-	83,660	-	-
		-	(190,875)	255,206	-	s(83,660)	-	(895,444)	-	(914,773)
Other comprehensive income:										
Equity adjustments		-	-	-	-	-	-	-	(123,394)	(123,394)
Balances at December 31, 2023		12,352,498	(2,087,258)	(990,603)	137,442	-	1,215,281	(895,444)	(121,382)	9,610,534
Balances at December 31, 2023		12,352,498	(2,087,258)	(990,603)	137,442	-	1,215,281	(895,444)	(121,382)	9,610,534
Capital increase	25	**1,250,000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,250,000**
Stock option plan	25	**-**	**29,899**	**-**	**-**	**-**	**-**	**-**	**-**	**29,899**
Treasury shares sold or delivered in stock option plans and business combinations	25	**-**	**(499,335)**	**487,029**	**-**	**-**	**-**	**-**	**-**	**(12,306)**
Net income for the year		**-**	**-**	**-**	**-**	**-**	**-**	**448,717**	**-**	**448,717**
Absorption of accumulated losses		**-**	**-**	**-**	**-**	**-**	**(446,727)**	**446,727**	**-**	**-**
		1,250,000	**(469,436)**	**487,029**	**-**	**-**	**(446,727)**	**895,444**	**-**	**1,716,310**
Other comprehensive income:										
Equity adjustments		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(7,582)**	**(7,582)**
Balances at December 31, 2024		**13,602,498**	**(2,556,694)**	**(503,574)**	**137,442**	**-**	**768,554**	**-**	**(128,964)**	**11,319,262**

The explanatory notes are an integral part of the individual and consolidated financial statements.

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Magazine Luiza S.A.

Statements of cash flows
Years ended December 31, 2024 and 2023
(In thousands of reais - R$)

	Note	Individual		Consolidated	
		12/31/2024	12/31/2023 (restated)	12/31/2024	12/31/2023 (restated)
Cash flows from operating activities					
Income (loss) for the year		**448,717**	(979,104)	**448,717**	(979,104)
Adjustments to reconcile income (loss) for the year to cash flows from operating activities:					
Income and social contribution taxes recognized in P&L	12	**(167,994)**	(887,767)	**(361,333)**	(1,085,263)
Depreciation and amortization	15/16/17	**1,038,985**	1,001,857	**1,333,288**	1,242,690
Accrued interest on loans, financing and lease	15/21	**894,826**	1,241,750	**949,483**	1,300,876
Gain (loss) on marketable securities		**(19,882)**	(30,793)	**(32,667)**	(40,491)
Equity pickup	13/14	**(463,977)**	(140,692)	**(148,456)**	19,010
Changes in the provision for losses on assets		**725,314**	2,637	**748,121**	16,978
Provision for tax, civil, and labor contingencies	24	**242,346**	288,913	**321,465**	534,717
Gain (loss) on disposal of property and equipment	29	**2,187**	(213,932)	**(1,229)**	(200,143)
Appropriation of deferred revenue	29	**(122,407)**	(89,815)	**(144,503)**	(112,720)
Stock option plan expenses		**23,207**	45,477	**23,207**	68,323
Adjusted net income for the year		**2,601,322**	238,531	**3,136,093**	764,873
(Increase) decrease in operating assets:					
Accounts receivable		**(41,381)**	529,742	**(465,032)**	737,050
Marketable securities		**325,369**	(243,220)	**473,845**	(434,283)
Inventories		**(410,922)**	177,738	**(333,806)**	230,501
Accounts receivable from related parties		**(204,085)**	1,629,898	**(452,763)**	1,286,600
Taxes recoverable		**126,923**	(291,725)	**181,929**	(319,270)
Judicial deposits		**(72,945)**	(25,569)	**(167,830)**	(84,323)
Other assets		**(64,735)**	(11,523)	**(6,367)**	(114,191)
Changes in operating assets		**(341,776)**	1,765,341	**(770,024)**	1,302,084
Increase (decrease) in operating liabilities:					
Trade accounts payable		**12,985,088**	13,728,240	**13,296,348**	13,773,559
Partners and other deposits		**-**	-	**(124,512)**	212,506
Salaries, vacation pay and social charges		**110,829**	(17,932)	**156,705**	(18,629)
Taxes payable		**284,677**	69,604	**353,349**	86,527
Accounts payable to related parties		**102,780**	68,900	**6,100**	(51,550)
Other accounts payable		**(215,174)**	(295,839)	**(216,526)**	(194,296)
Changes in operating liabilities		**13,268,200**	13,552,973	**13,471,464**	13,808,117
Income and social contribution taxes paid		**(2,064)**	-	**(44,752)**	(38,864)
Dividends received		**42,550**	167,011	**42,550**	67,011
Cash flows from operating activities		**15,568,232**	15,723,856	**15,835,331**	15,903,221
Cash flows from investing activities					
Acquisition of property and equipment	16	**(198,110)**	(114,735)	**(266,600)**	(168,225)
Acquisition of intangible assets	17	**(352,142)**	(363,886)	**(462,947)**	(472,620)
Capital increase at subsidiaries and joint venture	13|14	**(449,179)**	(181,276)	**(543,001)**	-
Payment for acquisition of subsidiary		**-**	(511,586)	**(18,058)**	(528,948)
Disposal of equity interest in joint venture	14	**-**	166,793	**-**	166,793
Sale of exclusivity agreement and right of operation	22	**-**	850,000	**-**	854,600
Cash flows used in investing activities		**(999,431)**	(154,690)	**(1,290,606)**	(148,400)
Cash flows from financing activities					
Loans and financing raised	21	**300,194**	-	**300,194**	-
Repayment of loans and financing	21	**(2,565,991)**	-	**(2,568,146)**	(4,715)
Payment of interest on loans and financing	21	**(1,082,057)**	(685,495)	**(1,132,723)**	(742,716)
Payment of lease	15	**(482,616)**	(483,901)	**(502,139)**	(512,750)
Payment of interest on lease	15	**(315,484)**	(325,944)	**(320,759)**	(328,595)
Payment of trade accounts payable - agreement	4.8	**(12,067,861)**	(13,768,928)	**(12,337,301)**	(13,992,744)
Capital increase	25	**1,250,000**	-	**1,250,000**	-
Cash flows used in financing activities		**(14,963,815)**	(15,264,268)	**(15,310,874)**	(15,581,520)
Increase (decrease) in cash and cash equivalents		**(395,014)**	304,898	**(766,149)**	173,301
Cash and cash equivalents at beginning of year		**1,113,662**	808,764	**2,593,346**	2,420,045
Cash and cash equivalents at end of year		**718,648**	1,113,662	**1,827,197**	2,593,346
Increase (decrease) in cash and cash equivalents		**(395,014)**	304,898	**(766,149)**	173,301

The explanatory notes are an integral part of the individual and consolidated financial statements.

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Magazine Luiza S.A.

Statements of value added
Years ended December 31, 2024 and 2023
(In thousands of reais - R$)

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Revenues				
Sales of goods, products and services	**37,740,932**	35,805,818	**46,218,782**	44,534,188
Allowance for doubtful accounts, net of reversals	**(432,185)**	(366,710)	**(452,704)**	(386,157)
Other operating income	**197,971**	3,369	**298,161**	(196,787)
	37,506,718	35,442,477	**46,064,239**	43,951,244
Materials acquired from third parties				
Cost of goods resold and services rendered	**(24,409,846)**	(23,833,295)	**(28,388,619)**	(27,990,389)
Materials, power, services from suppliers and other	**(4,699,618)**	(4,701,321)	**(5,768,470)**	(5,824,787)
Loss/recovery of receivables	**(166,922)**	(46,725)	**(167,138)**	(92,268)
	(29,276,386)	(28,581,341)	**(34,324,227)**	(33,907,444)
Gross value added	**8,230,332**	6,861,136	**11,740,012**	10,043,800
Depreciation and amortization	**(1,038,985)**	(1,001,857)	**(1,333,288)**	(1,242,690)
Net value added produced by the Company	**7,191,347**	5,859,279	**10,406,724**	8,801,110
Value added received in transfer				
Equity pickup	**463,977**	140,692	**148,456**	(19,010)
Finance income	**627,048**	933,705	**720,233**	1,106,101
Total value added to be distributed	**8,282,372**	6,933,676	**11,275,413**	9,888,201
Distribution of value added				
Personnel and charges:				
Salaries	**1,827,821**	1,656,413	**2,535,559**	2,389,514
Benefits	**247,909**	269,633	**392,764**	415,840
Unemployment Compensation Fund (FGTS)	**118,369**	122,384	**210,299**	213,200
	2,194,099	2,048,430	**3,138,622**	3,018,554
Taxes, charges and contributions:				
Federal	**389,748**	255,959	**1,068,880**	981,030
State	**3,229,747**	3,063,413	**4,121,018**	3,833,346
Local	**119,625**	108,087	**179,777**	169,408
	3,739,120	3,427,459	**5,369,675**	4,983,784
Debt remuneration:				
Interest	**1,673,070**	2,245,673	**1,787,573**	2,499,485
Rent	**75,839**	72,133	**86,164**	82,447
Other	**151,527**	119,085	**444,662**	283,035
	1,900,436	2,436,891	**2,318,399**	2,864,967
Equity remuneration:				
Income (loss) for the year	**448,717**	(979,104)	**448,717**	(979,104)
Total value added distributed	**8,282,372**	6,933,676	**11,275,413**	9,888,201

The explanatory notes are an integral part of the individual and consolidated financial statements.

Notes to financial statements

1. Operations

Magazine Luiza S.A. (“Company or Parent Company”) is a publicly-held corporation listed under the special segment called “Novo Mercado” of B3 S.A. - Brasil, Bolsa, Balcão, under ticker symbol “MGLU3” and is primarily engaged in the retail sale, through physical stores, e-commerce and its SuperApp. SuperApp is an application that offers products and services from Magazine Luiza, its subsidiaries, as well as from commercial partners (“sellers”) through the marketplace platform. Through its subsidiaries, Magazine Luiza also operates in consortium administration, logistics, software development, food delivery, digital content, and payment methods. The joint venture Luizacred (Note 14) offers loans and financing services to its customers. Magazine Luiza’s head office is located in the city of Franca, state of São Paulo, Brazil. Its parent company and holding company is LTD Administração e Participação S.A.

Magazine Luiza S.A. and its subsidiaries are hereinafter referred to as “Company” for purposes of this report, unless otherwise stated.

As at December 31, 2024, the Company owned 1,245 stores and 21 distribution centers (1,287 stores and 21 distribution centers as at December 31, 2023) located in all regions in Brazil. The Company also operates on the electronic commerce sites www.magazineluiza.com.br, www.epocacosmeticos.com.br, www.netshoes.com.br, www.zattini.com.br, www.shoestock.com.br, www.kabum.com.br, and related mobile apps, as well as through the food delivery apps AiQfome, Tônolucro and Plus Delivery.

On March 13, 2025, the Board of Directors authorized the issue of these financial statements.

2. Basis of preparation and presentation of the financial statements

The Company’s individual and consolidated financial statements were prepared in accordance with the accounting practices adopted in Brazil, which comprise the provisions of the Brazilian Corporation Law (Law No. 6,404/76, as amended), as well as with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), implemented in Brazil by the Brazilian Financial Accounting Standards Board (CPC), and its interpretations (ICPC) and guidelines (OCPC) approved by the Brazilian Securities and Exchange Commission (CVM).

All significant information of the individual and consolidated financial statements, and only such information, is being disclosed and corresponds to that used to manage the Company’s operations. The financial statements were prepared on a historical cost basis, except for certain financial instruments measured at fair value.

Management adopts the accounting policy of presenting the interest paid as financing activity and the dividends received as operating activity in the Statements of Cash Flows.

2. Basis of preparation and presentation of the financial statements (Continued)

The financial statements are presented in thousands of Brazilian reais ("R$"), which is the Company's functional and presentation currency. The financial statements of each subsidiary, as well as the financial statements used as a basis for the valuation of investments under the equity method, are prepared in Reais. All amounts were rounded to the nearest thousand, unless otherwise stated.

The Company prepared the financial statements under the going-concern assumption.

3. Basis of consolidation and investments in subsidiaries

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Control is obtained when the Company holds, directly or indirectly, a majority of the voting rights or is exposed to or entitled to variable returns based on its involvement with the investee and has the ability to affect those returns through the power exercised over the investee.

The Company's consolidation basis include:

Subsidiary	Business purpose	(%) Direct and indirect interest 2024	2023
Época Cosméticos	Electronic commerce of perfumes and cosmetics	**100%**	100%
Luiza Administradora de Consórcios (LAC)	Management of consortia	**100%**	100%
Magalu Log (Magalog)	Logistics services	**100%**	100%
Luizalabs Sistemas de Informação	Technology solutions for the retail and consumer goods industries	**100%**	100%
Netshoes	Electronic commerce of sports articles and fashion	**100%**	100%
Magalupay	Payments institution	**100%**	100%
KaBuM	Electronic commerce of IT equipment	**100%**	100%

The consolidated financial statements also include fixed income funds of one, in which the Company holds part of its financial investments, as shown in Note 7.

In the consolidation process of the financial statements, the following items are eliminated:

- Company's interest in capital, reserves and retained earnings (accumulated losses) of consolidated companies;
- Asset and liability balances held between consolidated companies; and
- Revenue and expenses arising from transactions carried out between consolidated companies.

In the Company's individual financial statements, the financial information of the subsidiaries and joint ventures is recorded under the equity method.

4. Summary of material accounting policies

The significant accounting policies and practices are described in each corresponding explanatory note, except for those below, which are related to more than one explanatory note. The accounting policies and practices were applied consistently to the years presented and to the Company's individual and consolidated financial statements.

4.1. Monetary transactions and adjustments of rights and obligations

Monetary assets and liabilities subject to contractual adjustments or foreign exchange differences and monetary variations are restated up to the statement of financial position date, and these variations are recognized as finance income or costs in profit or loss.

Monetary assets and liabilities denominated in foreign currency, if any, are translated into Reais (R$) at the exchange rate in force as of the corresponding statement of financial position dates. Differences arising from currency translation are recognized as finance income or costs in profit or loss.

4.2. Impairment of assets

i) Nonfinancial assets

The carrying amounts of the Company's nonfinancial assets are reviewed at each statement of financial position date to determine whether there is indication of impairment loss. If any indication exists, the Company estimates the asset's recoverable amount. Goodwill is tested for impairment on an annual basis.

Investees accounted for using the equity method

An impairment loss referring to an investee valued using the equity method is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognized in profit or loss and is reversed if there is a favorable change in the estimates used to determine the recoverable amount.

ii) Allocation of goodwill balances

Goodwill is allocated to each cash-generating unit and is tested annually for impairment, or more frequently, when there is any indication that a cash-generating unit is underperforming. If the recoverable amount of a cash-generating unit is lower than its carrying amount plus goodwill allocated thereto, the impairment loss is firstly allocated to reduce goodwill allocated to that unit, and subsequently, to other assets of that unit proportionally to the carrying amount of each of these assets. Any loss in the amount of goodwill is recognized directly in profit or loss for the year in which such loss was identified, and is not reversed in subsequent periods, even if the factors that led to its recognition cease to exist.

4. Summary of material accounting policies (Continued)

4.3. Present value adjustment

The main transactions that result in adjustments to present value are related to transactions for the purchase of goods for resale, carried out in installments, as well as transactions for the resale of goods, whose balances are payable in installments by customers, bearing fixed interest rates. Sales and purchases are discounted to establish the present value on the transactions date and considering the installment terms.

The discount rate used considers the effects of the financing rates applied to the final consumer, weighted by the percentage of default risk assessed and already considered in the allowance for expected credit losses.

The adjustment to present value of transactions related to the resale of goods, payable in installments, is matched against “Accounts receivable.” Its realization is recorded under “Revenue from resale of goods”, also over its term.

The adjustment to present value of the liability related to the purchase of goods for resale is recorded under “Trade accounts payable”, matched against “Inventories”. Its reversal is recorded under “Cost of goods resold and services rendered” upon lapse of the term.

4.4. Provisions

Provisions are recognized for current obligations or risks resulting from past events, for which it is possible to reliably estimate amounts and whose disbursement is probable. The amount recognized as a provision is the best estimate of the considerations required to settle the obligation at the end of each year or period, considering the risks and uncertainties related to the obligation.

4.5. Employee benefits

<u>Short-term employee benefits</u>

Obligations for short-term employee benefits are recognized as personnel expenses as the related service is rendered. The liability is recognized at the amount expected to be paid, if the Company has a legal or constructive obligation to pay this amount as a result of prior service rendered by the employee, and the obligation can be reliably estimated.

<u>Share-based payment agreements</u>

The fair value at the grant date of share-based payment agreements is recognized as personnel expenses, with a corresponding increase in equity, over the period when eligible employees become unconditionally entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards that effectively meet the service and performance conditions at the vesting date.

4. Summary of material accounting policies (Continued)

4.6. Statement of Value Added (SVA)

The purpose of this statement is to show the wealth created by the Company and its distribution during a certain period. It is presented as part of its individual financial statements as required by the Brazilian Corporation Law and as supplementary information to the consolidated financial statements, since this statement is not required under the IFRS.

4.7. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, in the principal market, or in the absence of a principal market, in the most advantageous market to which the Company has access on that date. The fair value of a liability reflects its risk of non-performance. The risk of non-performance includes the Company's own credit risk, among others.

When available, the Company measures the fair value of an instrument using the price quoted in an active market for that instrument. A market is considered to be active if transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no price quoted in an active market, the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would take into consideration when pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is usually the transaction price - that is, the fair value of the consideration given or received.

4.8. New or revised pronouncements applied for the first time in 2024

The Company applied for the first time certain standards and amendments that are effective for annual periods beginning on or after January 1, 2024. The Company has decided not to early adopt any other standard, interpretation or amendment that has been issued but is not yet effective.

- Supplier finance arrangements – Amendments to IAS 7 and IFRS 7 – The amendments to IAS 7 (equivalent to CPC 03 (R2) – Statement of Cash Flows) and IFRS 7 (equivalent to CPC 40 (R1) – Financial Instruments: Disclosures) clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

4. Summary of material accounting policies (Continued)

4.8. New or revised pronouncements applied for the first time in 2024 (Continued)

As a result of implementing the amendments, the Company provided additional disclosures about its supplier finance arrangements in Note 19, and restated the comparative figures for 2023 in the statement of cash flows due to the application of paragraph 44H - c of CPC 03 (R2), which requires the presentation, in the statement of cash flows, of the type and effect of non-cash changes of financial liabilities disclosed as trade accounts payable (agreement). Accordingly, the Company is presenting the trade accounts payable (agreement) amount in financing activities and disclosing the non-cash effect in Note 33. This restatement does not change the amount of increase or decrease in cash and cash equivalents, as shown below:

	Originally presented	Effect of new practices	Restated
Statement of cash flows - 2023 - Individual			
Trade accounts payable	1,403,954	12,324,286	13,728,240
Cash flows from operating activities	**3,399,570**	12,324,286	15,723,856
Payment of trade accounts payable (agreement)	(1,444,642)	(12,324,286)	(13,768,928)
Cash flows used in financing activities	**(2,939,982)**	(12,324,286)	(15,264,268)
Increase in cash and cash equivalents	**304,898**	-	**304,898**

	Originally presented	Effect of new practices	Restated
Statement of cash flows - 2023 - Consolidated			
Trade accounts payable	1,224,960	12,548,599	13,773,559
Cash flows from operating activities	**3,354,622**	12,548,599	15,903,221
Payment of trade accounts payable (agreement)	(1,444,145)	(12,548,599)	(13,992,744)
Cash flows used in financing activities	**(3,032,921)**	(12,548,599)	(15,581,520)
Increase in cash and cash equivalents	**173,301**	-	**173,301**

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are described below. The Company intends to adopt them when they become effective.

- IFRS 18: Presentation and Disclosure in Financial Statements – In April 2024, the IASB issued IFRS 18, which replaces IAS 1 (equivalent to CPC 26 (R1) – Presentation of Financial Statements). IFRS 18 introduces new requirements for presentation within the statement of profit or loss for the year, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. IFRS 18 will be effective for reporting periods beginning on or after January 1, 2027.

4. Summary of material accounting policies (Continued)

4.8. New or revised pronouncements applied for the first time in 2024 (Continued)

- Amendments to CPC 18 (R3) - Investment in Associates, Subsidiaries and Joint Ventures and ICPC 09 - Individual Financial Statements, Separate Financial Statements, Consolidated Financial Statements and Application of the Equity Method - The update of Accounting Pronouncement CPC 18 contemplates the application of the equity method to measure investments in subsidiaries in the Individual Financial Statements, reflecting the amendment to the international standards that now allow this practice in the Separate Financial Statements. This convergence aligns the accounting practices adopted in Brazil with the international practices, without generating material impacts in relation to the current standard, focusing only on adjustments in wording and regulatory reference updates. ICPC 09 was updated to align its wording with the amendments to the standards. The amendments are effective for reporting periods beginning on or after January 1, 2025.

The Company is currently assessing the impact of these amendments.

5. Significant accounting judgments and sources of uncertainties in estimates

In applying the accounting policies, management must make judgments and prepare estimates regarding the carrying amounts of assets and liabilities for which objective information is not easily obtained from other sources. These estimates and their respective assumptions are based on historical experience and other factors considered relevant. The actual results of these carrying amounts may differ from those estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions of estimates are recognized prospectively.

a) Judgments

Information on judgments regarding the accounting policies adopted that significantly affect the amounts reported in these individual and consolidated financial statements is included in the following notes:

- Note 3 - Basis of consolidation and investments in subsidiaries: determining whether the Company in fact holds control over an investee;
- Note 15 - Determining the lease term of contracts with renewal and termination options.

5. Significant accounting judgments and sources of uncertainties in estimates (Continued)

b) Uncertainties about assumptions and estimates

Information about uncertainties related to assumptions and estimates with significant risk of resulting in material adjustment to the book balances of assets and liabilities in the next fiscal year is included in the following notes:

- Note 8 – Accounts receivable: criteria and amounts of allowance for expected credit losses;
- Note 9 – Inventories: criteria and amounts of allowance for inventory losses;
- Note 11 – Taxes recoverable: the criteria for evaluation of the periods for recovery of tax credits involve a high level of judgment on the determination of offset assumptions;
- Note 12 - Deferred income and social contribution taxes: availability of future taxable profit against which tax losses may be used;
- Notes 16 and 17 – Property and equipment and Intangible assets – estimated useful life of long-term assets;
- Note 17 - The determination of goodwill in acquisition of companies is a complex process and involves a high level of subjectivity, and is based on several assumptions, such as the determination of cash-generating units, discount rates, projection of inflation, growth percentages, longevity and profitability of business of the Company for the next years, among others. These assumptions will be affected by market conditions or future economic scenarios in Brazil, which cannot be accurately estimated.
- Note 24 – Provision for tax, civil and labor contingencies: key assumptions about the probability and magnitude of the outflow of funds;
- Note 32 – Impairment of assets, net: determination of the fair value based on significant unobservable inputs.

6. Cash and cash equivalents

Accounting policy

The Company management defines “Cash and cash equivalents” as amounts held for the purpose of meeting short-term financial commitments rather than for investment or other purposes. Financial investments are readily convertible into a known amount of cash and are not subject to a significant risk of changes in value, and they are recorded at cost plus income earned up to the reporting dates, not exceeding their market value or realizable value.

6. Cash and cash equivalents (Continued)

	Rate	Individual 12/31/2024	Individual 12/31/2023	Consolidated 12/31/2024	Consolidated 12/31/2023
Cash		**138,769**	77,723	**140,836**	78,780
Banks		**62,765**	72,988	**162,426**	104,866
Short-term deposits	From 88% to 103% of the CDI	**517,114**	962,951	**1,440,020**	2,359,144
Investment funds	From 97% to 100% of the CDI	**-**	-	**83,915**	50,556
		718,648	1,113,662	**1,827,197**	2,593,346

Credit risk and sensitivity analyses are described in Note 32.

7. Marketable securities

	Rate	Individual 12/31/2024	Individual 12/31/2023	Consolidated 12/31/2024	Consolidated 12/31/2023
Investment funds	100% to 105% of the CDI	**5,244**	4,809	**5,244**	4,809
Receivables investment funds		**49,953**	49,263	**802**	3,248
Federal government securities	(a)	**-**	-	**114,221**	156,737
Funds of one:	(b)				
Federal government securities		**217,627**	524,239	**217,627**	614,278
		272,824	578,311	**337,894**	779,072

(a) This refers to investments by its subsidiary Magalupay in federal government securities, primarily National Treasury Financial Bills.

(b) Refers to fixed income funds of one held with Banco Itaú S.A. and Banco do Brasil S.A. As of December 31, 2024 and 2023, the portfolio comprised the investments described in the table above, which are linked to securities and financial transactions and referenced to the variation of the Interbank Deposit Certificate (CDI), with daily liquidity and the objective of returns at the average yield of 100% of the CDI for the Company.

Credit risk and sensitivity analyses are described in Note 32.

8. Accounts receivable

Accounting policy

Accounts receivable are recorded and held in the statement of financial position at the amount of the notes, adjusted to present value, as applicable, represented mainly by resale credits payable in installments and by credit card, accounts receivable for services rendered, receivables from suppliers' bonuses and allowance for expected credit losses, which is recognized at an amount deemed sufficient by management to cover possible losses on the financing portfolio and other existing receivables at the reporting date. The criterion for recognizing the allowance considers, for retail activities, the historical loss indices per maturity range of the portfolio, as mentioned in Note 32.

8. Accounts receivable (Continued)

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Credit cards (a)	**1,966,420**	2,776,422	**4,128,941**	4,499,274
Debit cards (a)	**2,270**	11,739	**2,319**	11,788
Direct consumer credit (b)	**1,576,331**	1,321,089	**1,576,331**	1,321,089
Customer services (c)	**546,413**	377,909	**574,594**	403,952
Other receivables (d)	**1,584**	4,566	**155,018**	159,684
Total accounts receivable	**4,093,018**	4,491,725	**6,437,203**	6,395,787
From commercial agreements (e)	**259,825**	235,290	**309,451**	302,974
Allowance for expected credit losses	**(488,608)**	(366,096)	**(496,680)**	(371,939)
Present value adjustment	**(367,893)**	(368,681)	**(367,893)**	(368,681)
Total	**3,496,342**	3,992,238	**5,882,081**	5,958,141
Current assets	**3,447,789**	3,919,547	**5,833,528**	5,885,450
Noncurrent assets	**48,553**	72,691	**48,553**	72,691

Days sales outstanding is of 40 and 49 days, individual and consolidated, respectively, as of December 31, 2024 (45 and 53 days, individual and consolidated, respectively, as of December 31, 2023).

(a) Accounts receivable arising from sales made through credit and debit cards, which the Company receives from the buyers in amounts, terms and number of installments defined at the time the products are sold. The consolidated information includes receivables from acquirers transacted through Fintech Magalu, to be transferred to the partners (sellers) as described in Note 20. As of December 31, 2024, the Company recorded credits assigned to certain acquirers and financial institutions amounting to R$3,307,836 (R$2,678,944 as of December 31, 2023), individual, and R$5,217,300 (R$5,337,901 as of December 31, 2023), consolidated, on which a discount ranging from 103.0% to 107.0% of the CDI is applied. Through assignment of receivables from cards, the Company transfers to the acquirers and financial institutions all risks from customer receivables and, thus, settles the amounts receivable related to these credits.

(b) Refers to receivables from sales financed by the Company.

(c) Refers substantially to sales intermediated by the Company for Luizaseg and Cardif do Brasil Seguros e Garantias S.A. The Company allocates to its partners the extended warranty and other insurance, in full, in the month following the sale, and receives from customers in accordance with the agreed transaction term. Additionally, receivables for marketplace services and other services are allocated to this account.

(d) Refers mostly to receivables for transportation services of subsidiary Magalog to third parties, as well as services rendered and additions to Magalupay's payment accounts and receivables from FIDC (Note 7).

(e) Refers to bonuses to be received from suppliers, arising from the fulfillment of the purchase volume or promotional campaigns, as well as from agreements that define the share of suppliers in disbursements related to advertising and promotion (joint advertising). The balance presented is net of the amounts offset with balances payable from the respective suppliers, provided for in the partnership agreement between the parties. The amounts offset totaled R$575,873, individual (R$574,333 as of December 31, 2023), and R$615,953, consolidated (R$602,197 as of December 31, 2023).

Changes in allowance for expected credit losses are as follows:

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Opening balance	**(366,096)**	(266,709)	**(371,939)**	(270,761)
(+) Additions	**(524,333)**	(519,702)	**(528,148)**	(522,579)
(-) Write-offs	**401,821**	420,315	**403,407**	421,401
Closing balance	**(488,608)**	(366,096)	**(496,680)**	(371,939)

The credit risk analysis is detailed in Note 32.

8. Accounts receivable (Continued)

The aging list of trade accounts receivable and receivables from commercial agreements is as follows:

	Trade accounts receivable				From commercial agreements			
	Individual		Consolidated		Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Falling due:								
Within 30 days	**442,491**	260,305	**667,234**	518,713	**37,164**	68,101	**49,916**	104,260
31 to 60 days	**250,751**	649,945	**611,807**	711,865	**111,286**	85,859	**142,275**	105,250
61 to 90 days	**248,448**	654,591	**264,784**	705,456	**45,917**	75,016	**46,956**	76,026
91 to 180 days	**1,374,972**	1,428,606	**2,485,928**	2,053,521	**60,516**	623	**61,545**	623
181 to 360 days	**1,321,101**	1,172,876	**1,927,672**	2,064,631	**53**	22	**53**	22
More than 361 days	**145,525**	99,618	**145,780**	99,618	**-**	-	**-**	-
	3,783,288	4,265,941	**6,103,205**	6,153,804	**254,936**	229,621	**300,745**	286,181
Overdue:								
Within 30 days	**73,622**	56,855	**97,890**	73,054	**2,696**	1,803	**5,583**	8,574
31 to 60 days	**54,509**	38,272	**54,509**	38,272	**393**	1,738	**830**	2,272
61 to 90 days	**50,498**	34,915	**50,498**	34,915	**387**	363	**662**	1,774
91 to 180 days	**131,101**	95,742	**131,101**	95,742	**1,413**	1,765	**1,631**	4,173
	309,730	225,784	**333,998**	241,983	**4,889**	5,669	**8,706**	16,793
	4,093,018	4,491,725	**6,437,203**	6,395,787	**259,825**	235,290	**309,451**	302,974

9. Inventories

Accounting policy

Inventories are carried at the lower of average cost of acquisition and net realizable value. The average cost of acquisition comprises the purchase price, non-recoverable taxes, such as ICMS tax substitution, as well as other costs directly attributable to the acquisition. Provisions for inventory losses comprise the provision for inventory realization that corresponds to the estimated selling price of the inventories, less all costs required to complete the sale and provision for obsolescence, which considers slow-moving goods and those sent to technical assistance, in addition to the provision for losses on physical inventories of stores and distribution centers.

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Goods for resale	**6,823,681**	6,511,511	**7,866,166**	7,641,437
Consumables	**26,881**	23,088	**35,087**	35,423
Provisions for inventory losses	**(257,318)**	(151,296)	**(290,121)**	(179,561)
	6,593,244	6,383,303	**7,611,132**	7,497,299

As of December 31, 2024, the Company recorded inventories of goods for resale given in guarantee of legal proceedings, under enforcement, in the approximate amount of R$8,988 (R$21,650 as of December 31, 2023).

Changes in the provision for inventory losses are shown below:

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Opening balance	**(151,296)**	(162,468)	**(179,561)**	(184,484)
Set-up of provision	**(200,981)**	(47,928)	**(219,973)**	(62,269)
Inventories written off or sold	**94,959**	59,100	**109,413**	67,192
Closing balance	**(257,318)**	(151,296)	**(290,121)**	(179,561)

10. Transactions with related parties

Company	Assets (Liabilities)				P&L			
	Individual		Consolidated		Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Luizacred (i)								
Commissions for services rendered	**23,521**	1,915	**23,521**	1,915	**226,342**	248,344	**226,342**	248,344
Credit card	**1,239,666**	1,125,171	**1,588,883**	1,222,793	**(269,527)**	(373,799)	**(269,527)**	(373,799)
Transfers of receivables	**(78,283)**	(84,061)	**(78,283)**	(84,061)	**-**	-	**-**	-
Reimbursement of shared expenses	**41,885**	45,523	**41,885**	45,523	**110,577**	136,610	**110,577**	136,610
	1,226,789	1,088,548	**1,576,006**	1,186,170	**67,392**	11,155	**67,392**	11,155
Luizaseg (ii)								
Commissions for services rendered	**-**	-	**-**	-	**-**	373,373	-	373,373
Total – joint ventures	**1,226,789**	1,088,548	**1,576,006**	1,186,170	**67,392**	384,528	**67,392**	384,528
Netshoes (iii)								
Commissions for services rendered and reimbursement of shared expenses	**17,464**	(71,090)	**-**	-	**14,777**	22,013	**-**	-
Época Cosméticos (iv)								
Commissions for services rendered	**994**	690	**-**	-	**4,895**	4,913	**-**	-
Kabum (v)								
Commissions for services rendered	**19,101**	8,210	**-**	-	**20,145**	19,196	**-**	-
Promissory notes	**(200,000)**	-	**-**	-	-	-	**-**	-
	(180,899)	8,210	**-**	**-**	**20,145**	19,196	**-**	**-**
Luiza Administradora de Consórcio (vi)								
Commissions for services rendered	**-**	1,210	**-**	-	**16,418**	16,383	**-**	-
Dividends receivable	**50,000**	6,454	**-**	-	**-**	-	**-**	-
Group of consortia	**447**	44	**447**	44	**-**	-	**-**	-
	50,447	7,708	**447**	44	**16,418**	16,383	**-**	**-**
Magalog (vii)								
Transfers of receivables	**(121,766)**	(106,178)	**-**	-	**-**			
Freight	**-**	-	**-**	-	**(1,831,725)**	(1,847,222)	**-**	-
	(121,766)	(106,178)	**-**	-	**(1,831,725)**	(1,847,222)	-	-
Magalupay (viii)								
Transfers of receivables	**465,652**	450,686	**-**	-	**(160,064)**	(290,668)	**-**	-
Luizalabs (ix)								-
System development	**-**	(14,774)	**-**	-	**-**	(14,774)	**-**	-
Total Subsidiaries	**231,892**	275,252	**447**	**44**	**(1,935,554)**	(2,090,159)	**-**	-
MTG Participações (x)								
Rent and other transfers	**(3,977)**	(2,744)	**(3,977)**	(2,744)	**(88,661)**	(79,018)	**(88,661)**	(79,018)
PJD Agropastoril (xi)								
Rent, freight and other transfers	**(30)**	(56)	**(30)**	(56)	**(741)**	(968)	**(741)**	(968)
LH Participações (xii)								
Rent	**(223)**	(216)	**(223)**	(216)	**(2,672)**	(2,590)	**(2,672)**	(2,590)
ASENOVE Administração (xiii)								
Rent	**-**	(15)	**-**	(15)	**-**	(132)	**-**	(132)
ETCO - SCP (xiv)								
Agency fee	**-**	-	**-**	-	**(7,568)**	(7,406)	**(7,568)**	(7,406)
Marketing expenses	**(17,879)**	(10,426)	**(17,879)**	(10,426)	**(236,507)**	(231,445)	**(236,507)**	(231,445)
	(17,879)	(10,426)	**(17,879)**	(10,426)	**(244,075)**	(238,851)	**(244,075)**	(238,851)
Total other related parties	**(22,109)**	(13,457)	**(22,109)**	(13,457)	**(336,149)**	(321,559)	**(336,149)**	(321,559)
Total related parties	**1,436,572**	1,350,343	**1,554,344**	1,172,757	**(2,204,311)**	(2,027,190)	**(268,757)**	62,969

Other related parties – marketable securities	Assets (Liabilities)				P&L			
	Individual		Consolidated		Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Funds of one – classified as Marketable securities (xv)	**217,627**	524,239	**217,627**	771.015	**18,874**	30,431	**18,874**	30,431

10. Transactions with related parties (Continued)

Reconciliation	Individual 12/31/2024	Individual 12/31/2023	Consolidated 12/31/2024	Consolidated 12/31/2023
Accounts receivable from related parties	**1,864,959**	1,675,950	**1,661,405**	1,273,718
Accounts payable to related parties	**(428,387)**	(325,607)	**(107,061)**	(100,961)
	1,436,572	1,350,343	**1,554,344**	1,172,757

(i) The transactions with Luizacred, a joint venture with Banco Itaúcard S.A., relate to the following activities:

(a) Receivables under private label credit cards and finance costs with advance of such receivables;

(b) Balance receivable from the sale of products financed to customers by Luizacred, received by the Company;

(c) Commissions on services provided monthly by the Company, including attraction of new customers, management and administration of consumer credit transactions, control and collection of financing granted, indication of insurance linked to financial services and products. The amounts payable (current liabilities) refer to the receipt of customer installments at the Company's store cashiers, which are transferred to Luizacred;

(d) Reimbursement of shared expenses.

(ii) The equity interest and control held by Magazine Luiza S.A. in Luizaseg was sold to NCVP Participações Societárias S.A., a subsidiary of Cardif do Brasil Seguros e Previdência S.A., on October 31, 2023, as described in Note 13 to the financial statements as of December 31, 2023. Therefore, Luizaseg is no longer considered a related party under CPC 05 – Related Party Disclosures.

(iii) The amounts of Netshoes, a wholly-owned subsidiary, refer to commissions for sales made via the Parent Company's Marketplace platform and reimbursement of shared expenses.

(iv) Transactions with Época Cosméticos, a wholly-owned subsidiary, refer to commissions for sales made via the Parent Company's marketplace platform.

(v) The transactions with KaBuM, a wholly-owned subsidiary, refer to commissions for sales made via the Parent Company's marketplace platform and to promissory notes entered into with Magazine Luiza, which were settled on January 22, 2025 by reducing the subsidiary's capital.

(vi) The amounts receivable (current assets) from Luiza Consortium (LACs), a wholly-owned subsidiary, refer to proposed dividends and commissions for sales made by the Parent Company as an agent for consortium operations. The amounts payable (current liabilities) refer to unrealized transfers to LAC relating to consortia installments received by the Parent Company through cashiers at the points of sale.

(vii) Transactions with Magalog, a wholly-owned subsidiary, refer to freight expenses and transfer of receivables.

(viii) Transactions with Magalupay, a wholly-owned subsidiary, refer to commissions receivable for sales made via its platform by Marketplace sellers.

(ix) This refers to provision of system development services by the subsidiary Luizalabs Computação e Sistemas de Informação Ltda.

(x) Transactions with MTG Administração, Assessoria e Participações S.A., controlled by the same controlling shareholders of the Company, refer to expenses with rent of commercial buildings for its stores, as well as distribution centers, and reimbursement of expenses.

(xi) Transactions with PJD Agropastoril Ltda., a company controlled by the Company's indirect controlling shareholders, refer to expenses with truck rentals for shipping of goods.

(xii) Transactions with LH Agropastoril, Administração Participações Ltda., controlled by the same controlling shareholders of the Company, refer to expenses with rent of commercial buildings and central office.

(xiii) Transactions ASENOVE Administração e Participações Ltda., controlled by a controlling shareholder of the Company, refer to expenses with rent of commercial building.

(xiv) Transactions with ETCO Sociedade em Conta de Participação, whose participating partner is a company controlled by the chairman of the Company's Board of Directors, refer to contracts for provision of promotion and advertising services, including transfers related to broadcasting, media production and graphic creation services.

(xv) This refers to investments, redemptions and income from funds of one (ML Renda Fixa Crédito Privado FI and BB MGL Fundo de Investimento RF Longo Prazo - Note 7 – Marketable securities).\

(xvi)

10. Transactions with related parties (Continued)

Management compensation – Individual and Consolidated

	12/31/2024		12/31/2023	
	Board of Directors	Statutory Board	Board of Directors	Statutory Board
Fixed and variable compensation	**5,221**	**18.490**	4,588	8,826
Stock option plan	**1,053**	**6,283**	193	1,808

The Company does not offer post-employment benefits, severance pay, or other long-term benefits. Short-term benefits for the statutory board correspond to those granted to the other Company employees, and certain eligible employees are beneficiaries of a share-based incentive plan, as mentioned in Note 25. The Company's internal policy determines the payment of Profit Sharing to its employees. These amounts are accrued on a monthly basis by the Company, according to estimated achievement of goals. Total management compensation was approved at the Annual General Meeting held on April 24, 2024, in which the limit of R$34,085 was established for 2024.

11. Taxes recoverable

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
ICMS recoverable (a)	**2,082,936**	2,460,626	**2,118,055**	2,506,638
PIS and COFINS recoverable (b)	**1,393,710**	1,420,482	**1,587,996**	1,618,975
Other	**3,624**	3,613	**21,129**	19,143
	3,480,270	3,884,721	**3,727,180**	4,144,756
Current assets	**1,671,336**	1,475,359	**1,856,475**	1,680,511
Noncurrent assets	**1,808,934**	2,409,362	**1,870,705**	2,464,245

(a) Refer to accumulated credits of Company State VAT (ICMS) and due to tax substitution, arising from the application of different rates on interstate receiving and shipping operations. These credits are realized through a request for reimbursement and offsetting of debts of the same nature to the States of origin of the credit.

(b) In a judgment held in 2023, the High Court of Justice (STJ) established its understanding in the sense of the non-levy of Contribution Tax on Gross Revenue for Social Integration Program (PIS) and Contribution Tax on Gross Revenue for Social Security Financing (COFINS) on discounts, bonuses and rebates received by retail companies from their suppliers. Therefore, based on judicial precedents and on the legal advisors' opinion, the Company completed the calculations and amendments in 2023 of the PIS/COFINS accessory obligations for the periods prior to 2023, with a view to excluding the bonuses received from the tax base. As a result, the Company recorded the effects of the reduction of PIS/COFINS debts and the consequent return of the credits overused in the past to the taxes recoverable account, as previously unused credits that have been offset with federal tax debts. In June 2024, the Company reassessed the calculation methodology for the exclusion of ICMS from the PIS/COFINS tax bases considering the final decisions handed down on lawsuits filed and, as a result, recognized the amount of R$160,788 under Other operating income, net.

12. Income and social contribution taxes

Accounting policy

Current and deferred income and social contribution taxes are calculated at the rate of 15%, plus a surtax of 10% on taxable profit exceeding R$240 thousand for income tax, whereas social contribution tax is calculated at 9% on taxable profit, and take into consideration income and social contribution tax losses offset, limited to 30% of taxable profit for the year.

Current tax

Income taxes are recognized in profit or loss for the year. Provisions for income and social contribution taxes are calculated individually by the businesses belonging to the Company based on the rates in effect at the end of the years.

Government investment grants are recognized to reduce sales taxes, whenever there is reasonable certainty that the benefit will be received and all corresponding conditions will be satisfied.

Deferred tax

Deferred income and social contribution taxes (“deferred taxes”) are recognized on temporary differences between the asset and liability balances recognized in the financial statements and the corresponding tax bases, used in computing taxable profit, including income and social contribution tax losses not subject to statute of limitations. Deferred tax liabilities are usually recognized on all taxable temporary differences, and deferred tax assets are recorded on all deductible temporary differences, only when it is likely that the future taxable base will be sufficient to absorb the deductible temporary differences.

The probability of recovery of the balance of deferred tax assets is reviewed at the end of each year and, when it is no longer probable that future taxable bases will be available to allow recovering the whole asset or a portion thereof, the asset balance is reduced to the amount expected to be recovered.

Deferred tax assets and liabilities are mutually offset only when there is a legal right to offset, when they are related to taxes managed by the same tax authority and the Company intends to settle the net value of its current tax assets and liabilities.

a) Income and social contribution taxes recoverable

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Corporate Income Tax (IRPJ) and Social Contribution Tax on Net Profit (CSLL) recoverable	**87**	17	**37,049**	73,301
Withholding Income Tax (IRRF) recoverable	**41,915**	79,357	**60,722**	103,723
Total current assets	**42,002**	79,374	**97,771**	177,024

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12. Income and social contribution taxes (Continued)

b) Reconciliation of the tax effect on income (loss) before income and social contribution taxes

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Income (loss) before income and social contribution taxes	**280,723**	(1,866,871)	**87,384**	(2,064,367)
Current statutory rate	**34%**	34%	**34%**	34%
Expected income and social contribution tax credit (debit) at current rates	**(95,446)**	634,736	**(29,711)**	701,885
Reconciliation to effective rate (effects of application of tax rates):				
Exclusion - equity pickup	**157,752**	47,835	**50,475**	(6,463)
Deferred IRPJ/CSLL recognized - Netshoes and Magalupay (1)	**-**	-	**152,322**	167,286
Effect of government grant (2)	**69,328**	154,832	**150,660**	162,645
Exclusion of inflation adjustment of undue tax payments (3)	**28,534**	57,781	**32,915**	62,678
Amortization of goodwill (Magalupay) (4)	**-**	-	**12,213**	-
Other permanent exclusions, net	**7,826**	(7,417)	**(7,541)**	(2,768)
Income and social contribution tax credit	**167,994**	887,767	**361,333**	1,085,263
Current	**-**	-	**(48,339)**	(68,929)
Deferred	**167,994**	887,767	**409,672**	1,154,192
Total	**167,994**	887,767	**361,333**	1,085,263
Effective rate	**-59.84%**	47.55%	**-413.50%**	52.57%

(1) Considering studies on expected future profitability, the subsidiaries Netshoes and Magalupay recognized deferred income and social contribution taxes on income and social contribution tax losses, and on temporary differences.

(2) In performing its regular activities, the Company is entitled to a number of tax benefits granted by the states. Based on the concept brought by Supplementary Law No. 160/2017, these benefits are considered investment grants and, according to CPC 07 – Government grants and assistance, they are recorded in the statement of profit or loss for the year.

(3) On September 24, 2021, in a decision of the Federal Supreme Court with recognized general repercussion effect, the levy of IRPJ and CSLL on amounts related to the Selic (Central Bank benchmark rate) received due to claim to refund taxes paid in error was declared unconstitutional. The Company has a writ of mandamus, dated before the judgment of the Federal Supreme Court, whose subject matter is precisely the recognition of the illegitimacy of the levy of IRPJ and CSLL on Selic in tax credits. Based on the decision of the STF, the Company permanently excluded these amounts from the tax base, considering that it is likely that the decision will be accepted by the tax authorities, pursuant to ICPC 22 – Uncertainty over Income Tax Treatments (equivalent to IFRIC 23).

(4) Refers to the deductible portion of goodwill arising from the acquisition and merger of Hub Fintech.

12. Income and social contribution taxes (Continued)

Deferred income and social contribution taxes

c) Breakdown and changes in balances of deferred income and social contribution tax assets and liabilities

	Individual				Consolidated			
	12/31/2023	P&L	Equity	12/31/2024	12/31/2023	P&L	Equity	12/31/2024
Deferred income and social contribution taxes on:								
Income and social contribution tax loss	1,796,415	**27,522**		**1,823,937**	2,056,572	**51,377**	**-**	**2,107,949**
Allowance for expected credit losses	124,603	**42,494**	**-**	**167,097**	128,573	**48,218**	**-**	**176,791**
Provision for inventory losses	51,441	**36,047**	**-**	**87,488**	51,918	**42,181**	**-**	**94,099**
Provision for present value and fair value adjustments	95,037	**5,454**	**70,148**	**170,639**	95,037	**5,453**	**70,148**	**170,638**
Provision for tax, civil, and labor contingencies	338,811	**73,193**	**-**	**412,004**	494,557	**150,253**	**-**	**644,810**
Provision for stock option plan	134,637	**(111,017)**	**-**	**23,620**	134,637	**(110,613)**	**-**	**24,024**
Temporary differences on leases	105,698	**16,967**	**-**	**122,665**	105,698	**17,233**	**-**	**122,931**
Temporary differences on fair value in acquisitions	(41,679)	**717**	**-**	**(40,962)**	(230,040)	**115,962**	**-**	**(114,078)**
Judicial deposits	617	**-**	**-**	**617**	617	**-**	**-**	**617**
Deferred tax credits (1)	(102,149)	**80,422**	**-**	**(21,727)**	(131,605)	**80,422**	**-**	**(51,183)**
Other provisions	10,264	**(3,805)**	**-**	**6,459**	25,766	**9,186**	**-**	**34,952**
Deferred income and social contribution tax assets (liabilities)	2,513,695	**167,994**	**70,148**	**2,751,837**	2,731,730	**409,672**	**70,148**	**3,211,550**

	Individual			Consolidated		
	Balance in 2022	P&L	Balance in 2023	Balance in 2022	P&L	Balance in 2023
Deferred income and social contribution taxes on:						
Income and social contribution tax loss	1,033,410	763,005	1,796,415	1,096,109	960,463	2,056,572
Allowance for expected credit losses	90,681	33,922	124,603	90,681	37,892	128,573
Provision for inventory losses	55,239	(3,798)	51,441	55,542	(3,624)	51,918
Provision for present value adjustments	83,998	11,039	95,037	83,998	11,039	95,037
Provision for tax, civil, and labor contingencies	277,044	61,767	338,811	392,931	101,626	494,557
Provision for stock option plan	127,528	7,109	134,637	127,528	7,109	134,637
Temporary differences on leases	88,255	17,443	105,698	88,255	17,443	105,698
Temporary differences on fair value in acquisitions	(41,679)	-	(41,679)	(258,028)	27,988	(230,040)
Judicial deposits	617	-	617	617	-	617
Deferred tax credits (1)	(102,149)	-	(102,149)	(131,605)	-	(131,605)
Other provisions	12,984	(2,720)	10,264	31,510	(5,744)	25,766
Deferred income and social contribution taxes	1,625,928	887,767	2,513,695	1,577,538	1,154,192	2,731,730

(1) Refers to temporary exclusions from the income and social contribution tax bases related to recognition of tax credits, the tax benefits of which are observed at a time other than upon recognition.

12. Income and social contribution taxes (Continued)

Breakdown of deferred income and social contribution taxes by company

	Balance in 2023	Deferred tax assets	Deferred tax liabilities	Balance in 2024
Individual	2,513,695	**2,751,837**	**-**	**2,751,837**
Netshoes	194,230	**257,206**	**-**	**257,206**
KaBuM	(86,277)	**-**	**(30,302)**	**(30,302)**
Luiza Consortium	(1,625)	**-**	**(6,246)**	**(6,246)**
Época Cosméticos	40,150	**61,183**	**-**	**61,183**
Magalog	80,859	**84,975**	**-**	**84,975**
Luizalabs	7,918	**15,582**	**-**	**15,582**
Magalupay	(17,220)	**77,315**	**-**	**77,315**
Consolidated	2,731,730	**3,248,098**	**(36,548)**	**3,211,550**

The balance of deferred income and social contribution tax assets recorded is limited to amounts whose realization is supported by projections of future taxable bases, approved by management. The forecast for realizing income tax and social contributions relating to tax losses and negative contribution bases is as follows:

Year	Individual	Consolidated
From one to three years	(19,260)	(48,667)
From three to five years	(330,929)	(354,872)
Over five years	(1,473,748)	(1,704,410)
	(1,823,937)	**(2,107,949)**

d) IFRIC 23/ICPC 22 - Uncertainty over Income Tax Treatments

The interpretation explains how to consider uncertainty in accounting for income tax. IAS 12/CPC32 - Income Taxes specifies how to account for current and deferred income taxes, but not how to reflect the effects of uncertainty. For example, it may not be clear how to: i) apply tax law to specific transactions or circumstances; ii) or whether the tax authorities will accept a particular tax treatment adopted by the entity.

If the entity concludes that a particular tax treatment is not likely to be accepted, the entity shall use estimates (most probable or expected amount) to determine the tax treatment (taxable profit, tax bases, unused tax losses, unused tax credits), tax rates, and so on. The decision should be based on which method better predicts the resolution of uncertainty.

With the exception of the matters mentioned in item b) (2) and (3) above, the Company has identified no significant effects of this Interpretation.

13. Investments in subsidiaries

Accounting policy

Business combinations are recorded using the acquisition method when control is transferred to the Company. The consideration transferred is usually measured at fair value, as well as the identifiable net assets acquired. Any goodwill arising from the transaction is tested annually for impairment. If the contingent consideration is classified as an equity instrument, then it is not remeasured and the settlement is recorded within equity. Other contingent considerations are remeasured at fair value on each reporting date and subsequent changes in fair value are recorded in P&L for the year. Transaction costs are recorded in P&L as incurred, except for costs related to the issue of debt or equity instruments. The consideration transferred does not include amounts referring to payment of pre-existing relationships. These amounts are usually recorded in P&L for the year. Any contingent consideration payable is measured at its fair value on the acquisition date.

13. Investments in subsidiaries (Continued)

a) Changes in investments in subsidiaries

Changes in investments in direct subsidiaries presented in the individual financial statements are as follows:

Position at 12/31/2024

Financial Information	Netshoes	KaBuM	Época Cosméticos	Magalupay	Luiza Consortium	Magalog	Luizalabs
Shares/units of interest	1,514,532,428	1,976,774	34,405,475	2,000,000	6,500	16,726	23,273,616
(%) Equity interest	100%	100%	100%	100%	100%	100%	100%
Current assets	640,503	1,554,601	208,657	2,938,749	257,547	290,945	61,972
Noncurrent assets	819,475	368,258	341,689	554,648	52,989	380,129	390,346
Current liabilities	585,957	1,098,859	173,252	2,672,643	177,267	352,965	103,693
Noncurrent liabilities	302,485	212,457	155,377	147,824	46,709	33,231	74,138
Capital	436,636	250,882	145,955	490,489	50,050	387,346	214,543
Equity	571,536	611,543	221,717	672,930	86,560	284,878	274,487
Net revenue	1,733,496	3,163,463	611,807	794,105	147,612	2,076,500	417,551
Net income (loss)	115,728	76,405	(22,423)	209,262	41,051	1,906	(27,820)

Changes	Netshoes	KaBuM	Época Cosméticos	Magalupay	Luiza Consortium	Magalog	Luizalabs	Total
Opening balance	1,287,661	1,980,246	285,829	457,526	95,508	237,526	285,473	4,629,769
Future capital contribution (capital reduction)	(198,274)	-	-	-	-	53,212	51,240	(93,822)
Other comprehensive income	462	-	-	(611)	-	-	-	(149)
Action plan	4,810	(2,460)	(136)	6,753	-	(1,058)	(2,641)	5,268
Proposed dividends	-	-	-	-	(50,000)	-	-	(50,000)
Equity pickup	94,724	30,485	(29,803)	209,262	41,051	(669)	(29,529)	315,521
Balance at December 31, 2024	1,189,383	2,008,271	255,890	672,930	86,559	289,011	304,543	4,806,587

13. Investments in subsidiaries (Continued)

a) Changes in investments in subsidiaries (Continued)

Position at 12/31/2023

Financial Information	Netshoes	KaBuM	Época Cosméticos	Magalupay	Luiza Consortium	Magalog	Luizalabs
Shares/units of interest	1,514,532,428	1,976,774	34,405,475	2,000,000	6,500	16,726	23,273,616
(%) Equity interest	100%	100%	100%	100%	100%	100%	100%
Current assets	757,326	1,792,889	237,502	2,586,682	176,963	310,045	74,216
Noncurrent assets	577,362	149,343	263,429	502,194	40,678	375,375	272,247
Current liabilities	538,958	796,678	164,570	2,433,064	93,290	407,497	83,373
Noncurrent liabilities	314,205	607,954	92,086	198,286	28,843	47,105	9,382
Capital	634,910	250,882	145,955	490,489	50,050	334,134	163,303
Equity	648,811	537,600	244,275	457,526	95,508	230,818	253,708
Net revenue	1,836,116	3,226,979	580,429	937,131	130,062	2,067,693	24,170
Net income (loss)	177,725	87,749	(22,476)	105,805	26,419	(116,432)	(7,176)

Changes	Netshoes	KaBuM	Época Cosméticos	Magalupay	Luiza Consortium	Magalog	Luizalabs	Total
Opening balance	1,168,083	1,922,997	270,263	430,028	75,363	275,124	237,873	4,379,731
Future capital contribution	4,238	-	37,950	22,010	-	79,627	37,451	181,276
Other comprehensive income	(356)	-	-	-	-	-	-	(356)
Action plan	(186)	(1,864)	92	(317)	-	(138)	18,103	15,690
Dividends	-	-	-	(100,000)	(6,275)	-	-	(106,275)
Equity pickup	115,882	59,113	(22,476)	105,805	26,420	(117,087)	(7,954)	159,703
Balance at December 31, 2023	1,287,661	1,980,246	285,829	457,526	95,508	237,526	285,473	4,629,769

13. Investments in subsidiaries (Continued)

b) Reconciliation of the carrying amount

Subsidiary	Equity	Goodwill from acquisition	Revaluation surplus[1]	Balance at 12/31/2024
Netshoes	**571,536**	**486,718**	**131,129**	**1,189,383**
Kabum	**611,543**	**705,042**	**691,685**	**2,008,270**
Época Cosméticos	**221,717**	**34,173**	**-**	**255,890**
Magalupay	**672,930**	**-**	**-**	**672,930**
Luiza Consortium	**86,560**	**-**	**-**	**86,560**
Magalog	**284,878**	**3,756**	**377**	**289,011**
Luizalabs	**274,487**	**25,421**	**4,635**	**304,543**
	2,723,651	**1,255,110**	**827,826**	**4,806,587**

[1] Refers to the difference in the fair value of assets and liabilities allocated to the acquisition price.

Subsidiary	Equity	Goodwill from acquisition	Revaluation surplus[1]	Balance at 12/31/2023
Netshoes	648,811	486,718	152,132	1,287,661
Kabum	537,600	710,911	731,735	1,980,246
Época Cosméticos	244,275	36,826	4,728	285,829
Magalupay	457,526	-	-	457,526
Luiza Consortium	95,508	-	-	95,508
Magalog	230,818	3,756	2,952	237,526
Luizalabs	253,708	25,421	6,344	285,473
	2,468,246	1,263,632	897,891	4,629,769

[1] Refers to the difference in the fair value of assets and liabilities allocated to the acquisition price.

14. Investments in joint ventures

Accounting policy

The investment in a joint venture is initially recognized at cost. As of acquisition date, the book value of the investment is adjusted for recognizing changes in the Company’s interest in the joint venture’s equity.

The statement of profit or loss reflects the Company’s share of the results of operations of the joint venture. Changes, if any, in other comprehensive income of those investees are presented as part of the Company’s other comprehensive income. In addition, when changes are directly recognized in the joint venture’s equity, the Company will recognize its interest in any changes, where applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Company and the joint venture are eliminated to the extent of the interest in the joint venture.

The financial statements of the joint venture are prepared for the same reporting period as that of the Company. When necessary, adjustments are made so that accounting policies are in line with those of the Company.

14. Investments in joint ventures (Continued)

Accounting policy (Continued)

After applying the equity method, the Company determines whether it is necessary to recognize additional impairment loss on its investments in its joint ventures. The Company determines, at each statement of financial position date, whether there is objective evidence that the investment in its joint venture has been impaired. If impairment is identified, the Company calculates impairment loss as the difference between the joint venture's recoverable amount and carrying amount, and recognizes the loss amount in the statement of profit or loss. The Company identified no objective evidence of impairment, thus not recognizing impairment losses in 2024 and 2023.

Position at 12/31/2024

Equity interest	Luizacred
Shares/units of interest	**31,056,244**
(%) Equity interest	**50%**
Current assets	**18,977,578**
Noncurrent assets	**1,572,852**
Current liabilities	**18,503,253**
Noncurrent liabilities	**94,241**
Capital	**1,682,002**
Equity	**1,952,936**
Net revenue	**4,430,465**
Net income for the year	**295,072**

Changes	Luizacred
Balance at December 31, 2023	**322,516**
Capital increase (a)	**543,001**
Other comprehensive income	**439**
Dividends	**(42,550)**
Unrealized income	**920**
Equity pickup	**147,536**
Balance at December 31, 2024	**971,862**

(a) The Company and Itaú Unibanco Holding S.A. approved a capital increase in the amount of R$1,086,002, which was fully paid proportionally to their equity interests in the capital of Luizacred, on May 6, 2024, August 15, 2024 and December 20, 2024, therefore maintaining joint control. This capital increase is linked to Luizacred's strategic planning.

Position at 12/31/2023

Equity interest	Luizacred
Shares/units of interest	31,056,244
(%) Equity interest	50%
Current assets	17,659,293
Noncurrent assets	1,755,990
Current liabilities	18,665,838
Noncurrent liabilities	93,358
Capital	596,000
Equity	656,087
Net revenue	4,463,614
Loss for the year	(97,807)

14. Investments in joint ventures (Continued)

Position at 12/31/2023 (Continued)

Changes	Luizacred	Luizaseg [1]	Total
Balance at December 31, 2022	370,550	(31,717)	338,833
Sale of joint venture	-	48,961	48,961
Other comprehensive income	(50)	4,539	4,489
Dividends	-	(50,757)	(50,757)
Unearned income/difference in practice	920	(7,953)	(7,033)
Equity pickup	(48,904)	36,927	(11,977)
Balance at December 31, 2023	322,516	-	322,516

[1] Disposal of equity interest - Luizaseg - On May 10, 2023, as part of the renegotiation of the strategic alliance agreement between the BNP Paribas Cardif Group, Magazine Luiza and Luizaseg, a future purchase and sale agreement was entered into for the disposal of the total equity interest held by Magazine Luiza in Luizaseg to NCVP, for R$160 million. On October 31, 2023, the abovementioned disposal of equity interest was completed, which was subject to the fulfillment of certain conditions precedent, including approval by the Brazilian Antitrust Agency (CADE) and Brazil's Private Insurance Supervisory Office (SUSEP). The Company computed a gain of R$201,920 from the transaction (Note 29).

Total investments in joint ventures

	12/31/2024	12/31/2023
Luizacred (a)	**976,467**	328,044
Luizacred – Difference in practice (b)	**(4,605)**	(5,528)
	971,862	322,516

(a) Interest of 50% of the voting capital representing the contractually agreed sharing of the control of the business, requiring the unanimous consent of the parties about significant decisions and financing and operating activities. Luizacred is joint venture held with Banco Itaúcard S.A. and is engaged in the supply, distribution and trade of financial products and services to the Company's customers.

(b) Adjustment of difference in accounting practice related to recognition of revenue arising from the association agreement between the parties described in Note 31, item b.

15. Leases

The Company acts as a lessee in agreements mainly related to real estate (physical stores, distribution centers and administrative units). The Company recognizes these agreements in accordance with CPC 06 (R2)/IFRS 16, in the statement of financial position as right of use and lease liability.

Accounting policy

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost and subsequently at cost less any accumulated depreciation and impairment, and adjusted by certain remeasurements of the lease liability. Depreciation is calculated by the straight-line method over the remaining terms of the agreements.

15. Leases (Continued)

Accounting policy (Continued)

The Company used as a cost component the fixed lease payments or in-substance fixed lease payments, which would be the minimum agreed payments in accordance with the contracts with variable payments in accordance with the revenue achieved. The specific amounts of variable payments are outside the scope of CPC 06 (R2) and are recognized monthly as operating expenses.

Lease liabilities are initially measured at present value of the lease payments that were not paid at the lease commencement date, discounted using the incremental borrowing rate, which is defined as a rate equivalent to what the lessee would have to pay when borrowing, for a similar period and similar guarantee, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The Company is a party in certain contracts with indefinite terms. Considering that both the lessor and the lessee have the right to cancel a contract at any time, with an insignificant fine, if any, the Company understands that such contracts are outside the scope of accounting pronouncement CPC 06 (R2), and such payments are recognized as operating expenses, should they occur. The amount of R$58,439 was recognized as variable or indefinite-term rent expenses at December 31, 2024 (R$ 68,383 at December 31, 2023).

Changes in the right of use for the years ended December 31, 2024 and 2023 were as follows:

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Opening balance	**3,282,873**	3,473,159	**3,343,054**	3,511,497
Additions/remeasurements	**470,723**	461,151	**560,130**	511,953
Direct costs	**3,405**	9,035	**3,405**	9,035
Write-offs	**(71,805)**	(85,798)	**(89,351)**	(85,798)
Depreciation	**(556,157)**	(574,674)	**(581,866)**	(603,633)
Closing balance	**3,129,039**	3,282,873	**3,235,372**	3,343,054
Breakdown				
Cost value	**5,992,783**	5,591,228	**6,156,101**	5,698,792
Accumulated depreciation	**(2,863,744)**	(2,308,355)	**(2,920,729)**	(2,355,738)
	3,129,039	3,282,873	**3,235,372**	3,343,054

15. Leases (Continued)

Accounting policy (Continued)

Changes in the lease liabilities for the years ended December 31, 2024 and 2023 are as follows:

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Opening balance	**3,514,349**	3,651,663	**3,578,155**	3,693,516
Additions/remeasurements	**470,723**	461,151	**560,116**	511,953
Payment of principal	**(482,616)**	(483,901)	**(502,139)**	(512,750)
Payment of interest	**(315,484)**	(325,944)	**(320,759)**	(328,595)
Accrued interest	**315,484**	304,696	**321,503**	307,347
Write-offs	**(83,576)**	(93,316)	**(103,341)**	(93,316)
Closing balance	**3,418,880**	3,514,349	**3,533,535**	3,578,155
Current liabilities	**425,027**	493,861	**452,654**	508,359
Noncurrent liabilities	**2,993,853**	3,020,488	**3,080,881**	3,069,796

Additional information

As described above, the Company has adopted as the discount rate for lease liabilities its incremental borrowing rate, which is calculated as a readily observable nominal benchmark interest rate, adjusted for the Company’s credit risk, the terms of the lease agreements and the nature and quality of potential collateral to be offered. Considering that the Company’s lease agreements are substantially contracts with payment flows indexed to inflation rates and, also considering the disclosure suggestions described by CVM in SNC/SEP Memorandum Circular No. 02/19, the Company provides below additional information on the characteristics of the agreements so that the users of these financial statements may, at their discretion, make projections of future payment flows indexed to inflation rates for the period:

15. Leases (Continued)

Contractual flows at December 31, 2024

Maturity term	Average discount rate	Contractual Payment Flow - Consolidated 2025	2026	2027	2028	2029	2030	After 2030
2025-2027	9.03%	223,911	149,726	59,468	-	-	-	-
2028-2030	9.58%	120,530	121,489	121,515	97,116	56,017	17,273	-
2031-2033	9.95%	145,479	145,434	145,841	145,632	145,744	145,740	211,738
2034-2036	8.42%	172,677	173,096	173,187	173,055	172,364	172,865	758,992
2037-2039	8.14%	72,220	72,586	72,522	72,194	71,965	72,528	579,447
2040-2042	9.70%	39,907	40,306	40,343	40,343	40,301	40,059	400,462
After 2042	13.95%	2,933	2,939	2,938	2,939	2,935	2,934	38,280
Total		**777,657**	**705,576**	**615,814**	**531,279**	**489,326**	**451,399**	**1,988,919**
Projected inflation[1]		6.72%	6.72%	6.72%	6.72%	6.60%	6.60%	6.60%

[1]Rate obtained through quotations of future coupon rates of DI vs. IPCA observed at B3 (www.b3.com.br)

As at December 31, 2024, the potential PIS and COFINS credits on the gross contractual flow for 2025 and 2026 amount to R$137,199 (R$125,729 at present value for the weighted average term). In view of the approval of the Constitutional Amendment No. 132/2023, PIS and COFINS will be replaced by the Goods and Services Contribution Tax (CBS), which is still pending regulation. Consequently, lease payments will generate PIS and COFINS credits until December 31, 2026 and CBS credits from 2027.

16. Property and equipment

Accounting policy

Property and equipment is stated at cost of acquisition or construction, less the respective accumulated depreciations, except land and construction in progress, plus interest incurred and capitalized during the construction phase of assets, when applicable. Depreciation is recognized on a straight-line basis considering the estimated useful life of each asset, so that the residual value after the useful life is fully written off. The estimated useful life, residual values, and depreciation methods are reviewed annually and the effect of any changes in estimates is recognized prospectively.

Property and equipment items are written off when disposed of or when no future economic benefits are expected from their continuous use. Gains or losses resulting from the sale or write-off are recognized in profit or loss when incurred.

The accounting policy related to the impairment of property and equipment is described in Note 4.2.

Changes in property and equipment for the years ended December 31, 2024 and 2023 are as follows:

Individual

	Balance at 12/31/2023	Additions	Depreciation	Write-offs	Transfer	Balance at 12/31/2024
Furniture and fixtures	288,758	**24,992**	**(46,409)**	**-**	**-**	**267,341**
Machinery and equipment	291,446	**8,747**	**(17,771)**	**-**	**-**	**282,422**
Vehicles	4,464	**8,166**	**(2,654)**	**(399)**	**-**	**9,577**
Computers and peripherals	152,742	**51,748**	**(64,808)**	**-**	**-**	**139,682**
Improvements	894,295	**82**	**(94,668)**	**(1,096)**	**98,341**	**896,954**
Construction in progress	7,072	**96,535**	**-**	**(150)**	**(98,254)**	**5,203**
Other	12,219	**7,840**	**(2,438)**	**(162)**	**(87)**	**17,372**
	1,650,996	**198,110**	**(228,748)**	**(1,807)**	**-**	**1,618,551**

	Balance at 12/31/2022	Additions	Depreciation	Write-offs	Transfer	Balance at 12/31/2023
Furniture and fixtures	330,623	15,423	(49,930)	-	(7,358)	288,758
Machinery and equipment	303,571	5,649	(17,226)	(748)	200	291,446
Vehicles	5,606	1,534	(2,705)	-	29	4,464
Computers and peripherals	179,293	32,389	(65,692)	(707)	7,459	152,742
Improvements	913,130	136	(83,955)	-	64,984	894,295
Construction in progress	23,789	48,364	-	(89)	(64,992)	7,072
Other	13,280	2,205	(2,791)	(153)	(322)	12,219
	1,769,292	105,700	(222,299)	(1,697)	-	1,650,996

	12/31/2024			12/31/2023		
	Cost	Accumulated depreciation	Net	Cost	Accumulated depreciation	Net
Furniture and fixtures	**577,858**	**(310,517)**	**267,341**	558,290	(269,532)	288,758
Machinery and equipment	**403,778**	**(121,356)**	**282,422**	394,899	(103,453)	291,446
Vehicles	**25,060**	**(15,483)**	**9,577**	20,865	(16,401)	4,464
Computers and peripherals	**507,029**	**(367,347)**	**139,682**	461,805	(309,063)	152,742
Improvements	**1,351,550**	**(454,596)**	**896,954**	1,285,109	(390,814)	894,295
Construction in progress	**5,203**	**-**	**5,203**	7,072	-	7,072
Other	**45,315**	**(27,943)**	**17,372**	39,283	(27,064)	12,219
	2,915,793	**(1,297,242)**	**1,618,551**	2,767,323	(1,116,327)	1,650,996

16. Property and equipment (Continued)

Consolidated

	Balance at 12/31/2023	Additions	Depreciation	Write-offs	Transfer	Balance at 12/31/2024
Furniture and fixtures	328,841	**28,068**	**(50,005)**	**(5)**	**(28,729)**	**278,170**
Machinery and equipment	315,968	**9,540**	**(26,595)**	**-**	**25,879**	**324,792**
Vehicles	14,252	**8,166**	**(4,190)**	**(399)**	**-**	**17,829**
Computers and peripherals	198,835	**107,638**	**(84,329)**	**(1)**	**4,102**	**226,245**
Improvements	923,832	**789**	**(101,136)**	**(1,012)**	**106,980**	**929,453**
Construction in progress	29,569	**104,474**	**-**	**(142)**	**(107,859)**	**26,042**
Other	30,225	**7,925**	**(5,412)**	**(171)**	**(373)**	**32,194**
	1,841,522	**266,600**	**(271,667)**	**(1,730)**	**-**	**1,834,725**

	Balance at 12/31/2022	Additions	Depreciation	Write-offs	Transfer	Balance at 12/31/2023
Furniture and fixtures	375,746	12,121	(53,200)	(89)	(5,737)	328,841
Machinery and equipment	330,227	6,918	(20,719)	(932)	474	315,968
Vehicles	6,023	11,598	(3,392)	(6)	29	14,252
Computers and peripherals	196,027	73,508	(77,169)	(990)	7,459	198,835
Improvements	947,136	204	(90,679)	(8)	67,179	923,832
Construction in progress	45,361	54,591	-	(55)	(70,328)	29,569
Other	54,959	1,372	(4,707)	(22,323)	924	30,225
	1,955,479	160,312	(249,866)	(24,403)	-	1,841,522

	12/31/2024			12/31/2023		
	Cost	Accumulated depreciation	Net	Cost	Accumulated depreciation	Net
Furniture and fixtures	**595,526**	**(317,356)**	**278,170**	619,950	(291,109)	328,841
Machinery and equipment	**499,715**	**(174,923)**	**324,792**	448,966	(132,998)	315,968
Vehicles	**35,954**	**(18,125)**	**17,829**	31,858	(17,606)	14,252
Computers and peripherals	**646,903**	**(420,658)**	**226,245**	551,890	(353,055)	198,835
Improvements	**1,455,383**	**(525,930)**	**929,453**	1,381,906	(458,074)	923,832
Construction in progress	**26,042**	**-**	**26,042**	29,569	-	29,569
Other	**74,122**	**(41,928)**	**32,194**	68,382	(38,157)	30,225
	3,333,645	**(1,498,920)**	**1,834,725**	3,132,521	(1,290,999)	1,841,522

Depreciation rates

The annual depreciation rates are as follows:

	12/31/2024	12/31/2023
Furniture and fixtures	**10%**	10%
Machinery and equipment	**5%**	5%
Aircraft	**5%**	5%
Light vehicles	**20%**	20%
Heavy vehicles	**14.3%**	14.3%
Computers and peripherals	**20%**	20%
Improvements	**10.9%**	10.1%

The Company has no property and equipment items that are idle or held for sale.

Asset impairment testing

The Company tested its property and equipment items for impairment in accordance with the assumptions described in Note 17, and identified no need to recognize a provision for impairment of assets.

17. Intangible assets

Accounting policy

Goodwill determined in acquisition of investments and business combinations is initially measured as the excess of the consideration transferred in relation to the net assets acquired at fair value (net identifiable assets acquired and liabilities assumed). After initial recognition, goodwill, which has an indefinite useful life, is carried at cost less any accumulated impairment losses, as described in Note 4.

Software refers to the acquisition cost of the business management system, which has been amortized on a straight-line basis over five years.

Research expenditures are recorded as expenses when incurred, and development expenditures related to technological innovations of existing products are capitalized if they are technologically and economically feasible, and amortized over the expected period of benefits in the operating expenses group. While such developments are not closed, balances are controlled in the group of "Projects in progress."

An intangible asset is derecognized on disposal, or when there are no related future economic benefits, and recognized in profit or loss when the asset is written off.

The accounting policy related to the impairment of intangible assets is described in Note 4.2.

Changes in intangible assets for the years ended December 31, 2024 and 2023 are as follows:

Individual

	Balance at 12/31/2023	Additions	Amortization	Write-offs	Transfer	Balance at 12/31/2024
Goodwill	313,856	**-**	**-**	**-**	**-**	**313,856**
Software	701,528	**70,184**	**(254,080)**	**(371)**	**316,262**	**833,523**
Projects in progress	40,124	**278,553**	**-**	**-**	**(316,262)**	**2,415**
Other	118	**-**	**-**	**-**	**-**	**118**
	1,055,626	**348,737**	**(254,080)**	**(371)**	**-**	**1,149,912**

	Balance at 12/31/2022	Additions	Amortization	Write-offs	Transfer	Balance at 12/31/2023
Goodwill	313,856	-	-	-	-	313,856
Software	510,620	59,406	(204,884)	(125)	336,511	701,528
Projects in progress	72,155	304,480	-	-	(336,511)	40,124
Other	118	-	-	-	-	118
	896,749	363,886	(204,884)	(125)	-	1,055,626

17. Intangible assets (Continued)

Individual (Continued)

	2024			2023		
	Cost	Accumulated amortization	Net	Cost	Accumulated amortization	Net
Goodwill	**325,451**	**(11,595)**	**313,856**	325,451	(11,595)	313,856
Software	**1,745,752**	**(912,229)**	**833,523**	1,342,683	(641,155)	701,528
Projects in progress	**2,415**	**-**	**2,415**	40,124	-	40,124
Other	**118**	**-**	**118**	118	-	118
	2,073,736	**(923,824)**	**1,149,912**	1,708,376	(652,750)	1,055,626

Consolidated

	Balance at 12/31/2023	Additions	Amortization	Write-offs	Transfer	Balance at 12/31/2024
Goodwill	2,251,014	**-**	**(8,522)**	**(975)**	**-**	**2,241,517**
Business goodwill	2,163	**-**	**(1,912)**	**-**	**-**	**251**
Customer portfolio	306,438	**-**	**(87,115)**	**(961)**	**(14,309)**	**204,053**
Software	1,052,359	**114,472**	**(376,821)**	**(371)**	**403,206**	**1,192,845**
Projects in progress	59,091	**343,399**	**-**	**-**	**(388,582)**	**13,908**
Trademarks and patents	815,318	**1,066**	**(5,385)**	**-**	**(42)**	**810,957**
Other	18,424	**605**	**-**	**-**	**(273)**	**18,756**
	4,504,807	**459,542**	**(479,755)**	**(2,307)**	**-**	**4,482,287**

	Balance at 12/31/2022	Additions	Amortization	Write-offs	Transfer	Balance at 12/31/2023
Goodwill	2,251,090	(76)	-	-	-	2,251,014
Business goodwill	2,199	-	(36)	-	-	2,163
Customer portfolio	358,662	-	(52,224)	-	-	306,438
Software	901,491	104,010	(334,849)	(6,113)	387,820	1,052,359
Projects in progress	78,251	368,660	-	-	(387,820)	59,091
Trademarks and patents	817,393	26	(2,084)	(17)	-	815,318
Other	18,424	-	-	-	-	18,424
	4,427,510	472,620	(389,193)	(6,130)	-	4,504,807

	12/31/2024			12/31/2023		
	Cost	Accumulated amortization	Net	Cost	Accumulated amortization	Net
Goodwill	**2,253,112**	**(11,595)**	**2,241,517**	2,262,609	(11,595)	2,251,014
Business goodwill	**495**	**(244)**	**251**	2,235	(72)	2,163
Customer portfolio	**496,160**	**(292,107)**	**204,053**	421,222	(114,784)	306,438
Software	**2,666,261**	**(1,473,416)**	**1,192,845**	2,093,787	(1,041,428)	1,052,359
Projects in progress	**13,908**	**-**	**13,908**	59,091	-	59,091
Trademarks and patents	**819,150**	**(8,193)**	**810,957**	821,629	(6,311)	815,318
Other	**18,756**	**-**	**18,756**	18,424	-	18,424
	6,267,842	**(1,785,555)**	**4,482,287**	5,678,997	(1,174,190)	4,504,807

Expenses related to the amortization of intangible assets are recorded under “Depreciation and amortization”, in profit or loss for the year.

17. Intangible assets (Continued)

Impairment testing of assets

In analyzing the indications that the assets' carrying amounts could be recorded at amounts higher than their value in use, management prepared an estimate of the recoverable amount or value in use of all assets, especially the relevant items recorded as right of use, property and equipment and intangible assets, including internally developed software, which were tested for impairment as at December 31, 2024.

The impairment testing of assets comprises the calculation of the recoverable amounts of Cash-Generating Units (CGUs) identified in each business. A relevant CGU identified is the grouping of all acquired physical retail chain stores, whose goodwill totals R$313,856 and have already been incorporated into companies. Other relevant CGUs identified are:

i) the sports and fashion vertical, whose goodwill substantially corresponds to the acquisition of Netshoes;
ii) the e-commerce operation of KaBuM;
iii) the payment processing vertical, represented by Magalupay.

The value in use of the CGUs is calculated according to the discounted cash flow method, before taxes. For the impairment testing of relevant CGUs, the following rates have been adopted:

	Retail - Physical	Netshoes	KaBuM	Magalupay
	Rate p.a.			
Discounted cash flow – discount rate, before taxes	15.3%	14.4%	16.3%	16.2%
Weighted average growth rate in the first 5 years	5.5%	11.7%	10.1%	15.8%
Perpetuity rate	3.8%	3.8%	3.8%	3.8%

Future cash flow assumptions and growth prospects for the CGUs are based on the Company's annual budget and business plans for the coming years approved by the Board of Directors, as well as comparable market data, representing management's best estimate of the prevailing economic conditions during the useful economic life of the group of cash flow-generating assets. To assess the value in use of the right of use and internally developed software, the projections of discounted cash flows were limited to the end of the useful life of the assets tested for impairment.

Based on the tests performed, the Company did not identify any impairment losses of the tested assets.

The Company performed a sensitivity analysis considering an increase and decrease in growth rates and a discount of 1% that did not result in the need to set up a provision for impairment loss.

18. Trade accounts payable

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Goods for resale – domestic market	**6,213,742**	5,961,917	**7,055,622**	6,864,636
Other trade accounts payable	**223,541**	214,106	**281,861**	275,396
Present value adjustment	**(145,936)**	(167,496)	**(154,577)**	(174,052)
	6,291,347	6,008,527	**7,182,906**	6,965,980

Trade accounts payable are initially recorded at present value, against Inventories. The reversal of the present value adjustment is accounted for under Cost of goods resold and services rendered, upon lapse of the term.

19. Trade accounts payable - agreement

Accounting policy

In accordance with the amendments to IAS 7 (equivalent to CPC 03 (R2)) and IFRS 7 (equivalent to CPC 40 (R1)) that clarify the characteristics of supplier finance arrangements, the Company segregated from the balance of Trade accounts payable (Note 18) the amounts related to such arrangements (supply chain finance), but maintaining the essence of a commercial transaction.

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Trade accounts payable – agreement (a)	**2,946,541**	2,312,134	**3,031,977**	2,358,092
Trade accounts payable – agreement import (b)	**-**	-	**68,236**	-
	2,946,541	2,312,134	**3,100,213**	2,358,092

The Company has agreements with partnering banks to structure a reverse factoring transaction with its main suppliers in relation to which the Company is the legitimate debtor. In these transactions, suppliers transfer their right over the trade bills to a bank in exchange for advance payment. The bank becomes the creditor of the transaction, which is divided into two types:

(a) In which the Company settles the trade bill on the same date agreed with its supplier. By confirming the existence of suppliers' receivables, the Company guarantees to the banks the certainty and liquidity of their maturities and, as a result, receives a premium from the banks, which is recognized as finance income in the same period the transaction, in the amount of R$148,564 in 2024 and R$121,846 in 2023. Days payable outstanding was 8 days longer for suppliers with supplier finance arrangements than suppliers without such arrangement as at December 31, 2024.

(b) In which the subsidiary Kabum, by virtue of its import activities, negotiates the extension of the payment term with the bank, in relation to the original dates, which at this reporting date was 80 days on average. The rates negotiated for the extension of the term of current transactions were 84.3% of the CDI.

20. Partners and other deposits

	Consolidated	
	12/31/2024	12/31/2023
Transfers to sellers – marketplace (a)	**1,487,929**	1,547,508
Payment arrangements to be settled	**-**	217
Digital accounts - customers and sellers (b)	**152,708**	217,424
	1,640,637	1,765,149

(a) This refers to amounts to be transferred to partners in the marketplace regarding purchases made by customers on Magazine Luiza's digital platform of products sold by partner storeowners (sellers) and transacted by Magalupay.

(b) This corresponds to deposits made by customers and sellers in Magalupay's digital accounts and prepaid payment accounts.

21. Loans and financing

Type	Charges	Guarantee	Final maturity	Individual		Consolidated	
				12/31/2024	12/31/2023	12/31/2024	12/31/2023
Promissory notes (a)	100% of CDI + 1.25% p.a.	Clean	April/24	**-**	2,041,610	**-**	2,041,610
Debentures – restricted offer (b)	100% of CDI + 1.25% to 2.5% p,a.	Clean	Dec/28	**4,159,704**	4,886,798	**4,581,387**	5,310,568
Other	113.5% of CDI p.a.	Clean	Oct/25	**521**	329	**773**	2,677
				4,160,225	6,928,737	**4,582,160**	7,354,855
Current liabilities				**980,233**	2,928,459	**1,402,168**	2,954,347
Noncurrent liabilities				**3,179,992**	4,000,278	**3,179,992**	4,400,508

(a) On April 30, 2021, the Company carried out the 5th issue of promissory notes, including 1,500 (one thousand five hundred) promissory notes with a par value of R$1,000,000 (one million reais) each, with a single maturity on April 29, 2024 at the cost of 100% of CDI + 1.25% p.a. The amounts raised were used to improve the cash flow in the ordinary course and management of the Company's business. The promissory notes were settled on April 26, 2024, in the total amount of R$2,121,848.

(b) The Company raised R$800 million on January 15, 2021 through the 9th issue of debentures, via public distribution and with restricted placement efforts, with yield of CDI + 1.25% p.a. and maturing on January 15, 2024. On October 14 and December 23, 2021, according to the debt extension strategy, the Company carried out the 10th and 11th issues of unsecured nonconvertible debentures, for public distribution with restricted placement efforts. 4,000,000 (four million) shares were issued with a par value of R$1,000 (one thousand reais) each, with final maturities on October 15 and December 23, 2025 and 2026, respectively, at the cost of 100% of CDI + 1.25% p.a. The main purpose of the amount raised was to increase the Company's working capital.

On December 27, 2024, the Company held a general meeting of debenture holders that approved changes in the debentures' maturity date, yield, and payment flow, among other changes in its 11th issue of unsecured nonconvertible debentures. The new maturity date approved was October 28, 2028, with quarterly amortization starting in January 2027, at a cost of 100% of the CDI +1.75%. p.a. The Company performed qualitative and quantitative analyses, in light of CPC 48 – Financial Instruments, to assess whether the terms and conditions effective after the modification meet the concept of derecognition of financial liabilities. The quantitative analyses resulted in an unsubstantial change in cash flows, therefore, did not require the derecognition of the financial liability.

On July 5, 2022, subsidiary KaBum carried out the 1st issue of unsecured nonconvertible debentures, for public distribution with restricted placement efforts. 400,000 (four hundred thousand) debentures were issued with a par value of R$1,000 (one thousand reais) each, with final maturity on July 13, 2025, at a cost of 100% of CDI +1.25% p.a. for the purpose of extending debt. The guarantor of this agreement is the parent Magazine Luiza. On August 5, 2024, the Company raised R$300 million through the 12th issue of debentures, via public distribution and with restricted placement efforts, at a cost of 100% of the CDI + 2.5% p.a., and issued 300,000 (three hundred thousand) debentures at a par value of R$1,000 (one thousand reais) each, maturing on August 5, 2026. The funds raised were used to increase capital of its joint venture Luizacred.

Reconciliation of cash flows from operating and financing activities

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Opening balance	**6,928,737**	6,677,178	**7,354,855**	7,108,757
Loans and financing raised	**300,194**	-	**300,194**	-
Payment of principal	**(2,565,991)**	-	**(2,568,146)**	(4,715)
Payment of interest	**(1,082,057)**	(685,495)	**(1,132,723)**	(742,716)
Accrued interest	**579,342**	937,054	**627,980**	993,529
Closing balance	**4,160,225**	6,928,737	**4,582,160**	7,354,855

21. Loans and financing (Continued)

Maturity schedule

The maturity schedule of loans and financing is as follows:

Maturity	Individual	Consolidated
2025	**980,233**	**1,402,168**
2026	**1,179,166**	**1,179,166**
2027	**1,000,000**	**1,000,000**
2028	**1,000,826**	**1,000,826**
	4,160,225	**4,582,160**

Covenants

Debentures issued by the Company and its subsidiary Kabum are subject to covenants corresponding to maintenance of the adjusted net debt-to-EBITDA ratio below 3.0 times. Adjusted net debt corresponds to the sum of all loans and financing, including debentures, excluding cash and cash equivalents, short-term investments and marketable securities, and credit card receivables not paid in advance. Adjusted EBITDA is calculated in accordance with CVM Ruling No. 527, of October 4, 2012, excluding operational events (revenue/expenses) of an extraordinary nature. At December 31, 2024, the Company was in compliance with the covenants, which are measured quarterly.

22. Deferred revenue

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Deferred revenue with third parties:				
Exclusivity agreement with Cardif (a)	**799,286**	888,096	**799,286**	888,096
Exclusivity agreement with Banco Itaúcard S.A. (b)	**57,500**	69,000	**57,500**	69,000
Exclusivity agreement for payment arrangements (c)	**-**	-	**156,576**	176,725
Other agreements	**35,343**	48,195	**46,366**	59,474
	892,129	1,005,291	**1,059,728**	1,193,295
Deferred revenue with related parties:				
Exclusivity agreement with Luizacred (b)	**46,117**	55,362	**46,117**	55,362
Total deferred revenue	**938,246**	1,060,653	**1,105,845**	1,248,657
Current liabilities	**122,407**	122,407	**152,910**	145,899
Noncurrent liabilities	**815,839**	938,246	**952,935**	1,102,758

(a) On May 10, 2023, Luizaseg entered into a new strategic partnership agreement with companies of the Cardif group and Luizaseg, aiming to extend the rights and obligations set forth in the agreements between the parties then in effect for an additional 10-year period, effective from July 1, 2023 to December 31, 2033. This agreement enabled a cash inflow of R$835,669 to the Company, with a negotiated net front fee of R$932,500 and amounts returned for the early maturity of the previous agreements of R$96,831. The Company's revenue resulting from this agreement is recognized in profit or loss over the term of the agreement, part of which is conditioned on the achievement of certain goals.

22. Deferred revenue (Continued)

(b) On September 27, 2009, the Company entered into a partnership agreement with Itaú Unibanco Holding S.A. ("Itaú") and Banco Itaucard S.A., under which the Company granted to Luizacred the exclusive right to offer, distribute, and sell financial products and services in its chain of stores for a 20-year period. Under the aforementioned partnership, Itaú institutions paid the amount of R$250,000 in cash, of which: (i) R$230,000 refers to the completion of the negotiation itself, without the right of recourse, and (ii) R$20,000 is subject to achievement of profitability goals in Luizacred. Said targets were fully achieved by the end of 2014.

On December 29, 2010, the parties signed the first addendum to the partnership agreement with Luizacred, extending the exclusive right to offer, distribute and sell financial products and services at the chain of stores then acquired in the Northeast of Brazil (Lojas Maia) for a 19-year period. As consideration, Luizacred paid R$160,000 to the Company, which is recognized in P&L over the term of the agreement. As part of this partnership agreement, the amount of R$20,000, mentioned in the paragraph above, was increased to R$55,000.

On December 16, 2011, the Company entered into a second addendum to the partnership agreement with Luizacred, due to acquisition of New-Utd ("Lojas do Baú"). As consideration, Luizacred paid R$48,000 to the Company, which is recognized in P&L over the remaining agreement term.

(c) On October 21, 2022, the Company, through its indirect subsidiary Hub Pagamentos S.A., entered into an agreement with Mastercard Brasil Soluções de Pagamento Ltda. to encourage payment arrangements between companies, whereby Mastercard has the exclusive right to issue cards for a period of 10 years. As consideration for such exclusivity, Mastercard paid R$200,000 to the Company, which is recognized in P&L over the term of the agreement.

23. Other current and noncurrent liabilities

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Sales pending delivery, net of returns	**433,690**	460,585	**649,440**	587,541
Amounts to be transferred to partners (a)	**226,254**	220,482	**311,039**	282,068
Specialized services	**2,060**	-	**11,038**	10,552
Freight payable	**116,918**	151,491	**286,968**	348,207
Marketing payable	**116,914**	142,921	**169,362**	202,177
Payables for acquisitions (b)	**210,417**	316,953	**251,574**	383,221
Other	**114,912**	105,926	**152,051**	167,955
	1,221,165	1,398,358	**1,831,472**	1,981,721
Current liabilities	**1,144,002**	1,268,164	**1,750,426**	1,847,502
Noncurrent liabilities	**77,163**	130,194	**81,046**	134,219

(a) Transfers of amounts carried out through sales of services (insurance, technical assistance, furniture installations, etc.) from partners intermediated by the Company.

(b) The consideration payable for acquisitions of companies includes a subscription warrant of up to 5 million common shares (50.0 million shares before the reverse split) issued by the Company (MGLU3) for acquisition of KaBuM, and up to 462 thousand shares (4.2 million shares before the reverse split), referring to the acquisition of other companies, subject to the achievement of goals agreed in the acquisition contracts.

24. Provision for tax, civil, and labor contingencies

In relation to labor, civil and tax proceedings in progress whose likelihood of loss has been assessed as probable by the legal advisors, the Company set up a provision, which is management's best estimate of the future disbursement. Changes in the provision for tax, civil and labor contingencies are shown below:

24. Provision for tax, civil and labor contingencies (Continued)

Individual

	Tax	Civil	Labor	Total
Balances at January 1, 2024:	891,046	22,339	83,120	996,505
Additions	**211,771**	**26,399**	**12,445**	**250,615**
Reversals	**(88,966)**	**(1,004)**	**(865)**	**(90,835)**
Payments	**-**	**(10,024)**	**(17,050)**	**(27,074)**
Restatement	**82,566**	**-**	**-**	**82,566**
Balances at December 31, 2024:	**1,096,417**	**37,710**	**77,650**	**1,211,777**

Consolidated

	Tax	Civil	Labor	Total
Balances at January 1, 2024:	1,507,384	24,673	87,109	1,619,166
Additions	**395,712**	**51,998**	**21,641**	**469,351**
Reversals	**(146,442)**	**(4,235)**	**(1,870)**	**(152,547)**
Payments	**(135,125)**	**(18,351)**	**(18,840)**	**(172,316)**
Restatement	**93,699**	**-**	**-**	**93,699**
Balances at December 31, 2024:	**1,715,228**	**54,085**	**88,040**	**1,857,353**

a) Tax contingencies

The Company is a party to administrative and legal proceedings involving tax matters assessed as probable loss, for which provisions have been set up. In addition to these proceedings, the Company records a provision for other legal disputes, for which judicial deposits have been made, as well as provisions related to the business combinations carried out in prior years. Tax contingencies are presented below:

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Federal	**511,751**	486,731	**642,585**	890,913
State[1]	**584,640**	404,289	**1,072,617**	616,445
Local	**26**	26	**26**	26
	1,096,417	891,046	**1,715,228**	1,507,384

[1] - The amount reported herein includes a provision of R$319,398, individual, and R$621,665, consolidated, related to ICMS – Rate Difference on operations intended for the final consumer, where the Company understands that the likelihood of loss for certain States are greater than that of gain. The other proceedings on this matter are described in item e) (iii) below.

b) Civil contingencies

The provision for civil contingencies of R$37,710, individual, and R$54,085, consolidated, as of December 31, 2024 (R$22,339, individual, and R$24,673, consolidated, as of December 31, 2023), refers to claims arising mainly from customers about possible defects of products.

24. Provision for tax, civil and labor contingencies (Continued)

c) Labor contingencies

The Company is a party to various labor claims, substantially involving incurred overtime.

The provision amount of R$77,650, individual, and R$88,040, consolidated, as of December 31, 2024 (R$83,120, individual, and R$87,109, consolidated, as of December 31, 2023) reflects the risk of probable loss assessed by the Company management together with its legal advisors.

d) Judicial deposits

To cover tax, civil and labor contingencies, the Company has judicial deposits in the amount of R$1,333,234, individual, and R$1,902,376, consolidated, at December 31, 2024 (R$1,260,289, individual, and R$1,734,546, consolidated, at December 31, 2023). The main deposits are related to lawsuits challenging the payment of ICMS Rate Difference (Difal), in the amount of R$827,640, individual, and R$1,080,289, consolidated, at December 31, 2024 (R$794,849, individual, and R$973,054, consolidated, at December 31, 2023).

e) Contingent liabilities – possible loss

The Company is a party to other tax proceedings and discussions assessed by management as possible risk of loss, based on the opinion of its legal advisors. Accordingly, no provision was set up for such proceedings and discussions. The amounts related to discussions involving taxes are as follows:

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Federal	**1,453,926**	2,050,131	**1,829,802**	2,262,858
State	**1,948,816**	1,750,891	**2,364,835**	2,179,401
Local	**5,223**	5,557	**5,225**	5,557
	3,407,965	3,806,579	**4,199,862**	4,447,816

The main tax suits assessed as possible loss are as follows:

(i) Legal proceeding in which the Company discusses with the tax authorities the nature/concept of the bonuses/reimbursements of its suppliers for PIS/COFINS taxation purposes, in addition to discussions on the classification of certain expenses related to its core business as inputs for purposes of PIS/COFINS credits. In view of the progress of the discussion, with decisions favorable to taxpayers, internal and external legal advisors assess the likelihood of loss as possible tending to remote;

24. Provision for tax, civil and labor contingencies (Continued)

e) Contingent liabilities – possible loss (Continued)

(ii) Proceedings in which the Company discusses with certain Brazilian states the unconstitutionality and illegality of the collection of the ICMS Rate Difference (Difal) on interstate sales to final consumers who do not pay such tax in transactions that occurred as of 2022, due to the noncompliance by the taxing entities with the tax principle whereby a tax rate may not be increased in the same year of enactment of the law and the rules determined by Supplementary Law No. 190/2022. On November 29, 2023, the Federal Supreme Court (STF) ruled on the matter in Direct Claims of Unconstitutionality Nos. 7066, 7078 and 7070 and, in view of (a) the uncertainty about the assumptions considered by the Court, (b) the obscurity, omissions and flaws identified in the judgment of the trial, published on May 6, 2024, and (c) the lack of definitiveness of said decision, the Company's internal and external legal advisors classify the likelihood of loss in some states as possible;

(iii) Various notices served, for which the Company discusses the collection of ICMS credits taken on the purchase of goods from certain suppliers, as they took advantage of a tax benefit granted by another state;

(iv) Risk related to non-reversal of taxes on physical inventory losses. In addition, the Company monitors the developments of all discussions every quarter so that, in the event of a change in the scenario, risk assessments and possible losses will also be reassessed.

The risks involved in the proceedings are constantly evaluated and reviewed by management. The Company is also challenging civil and labor administrative proceedings for which the likelihood of loss was assessed as possible loss, but the amounts of which are immaterial for disclosure.

25. Equity

a) Capital

At the Annual and Special General Meeting held on April 24, 2024, the reverse split of the common shares issued by the Company was approved, at a ratio of 10:1, so that each lot of 10 shares would be grouped into 1 share, without any change in the capital value.

At the Board of Director's Meeting held on January 26, 2024, a capital increase ("Capital Increase") was approved in the amount of R$1.25 billion, fully guaranteed by the controlling shareholders and Banco BTG Pactual S.A. and its affiliates ("BTG"). The capital increase, to be carried out within the limit of authorized capital provided for in the Company's Bylaws, includes the issue, for private subscription, of 64,102,564 book-entry common shares without par value (641,025,641 shares before the reverse split), at the issue price of R$19.50 per share (R$1.95 before the reverse split), totaling R$1.25 billion. This capital increase is intended to accelerate investments in technology, including the expansion of Luizalabs, evolution of the marketplace platform and optimization of the Company's capital structure.

25. Equity (Continued)

a) Capital (Continued)

Thus, considering the effects of the private capital increase and the reverse split carried out, as of December 31, 2024 and December 31, 2023, the Company's shareholding structure comprising book-entry registered common shares without par value is as follows:

	12/31/2024		12/31/2023	
	Number of shares	(%) Equity interest	Number of shares	(%) Equity interest
Controlling shareholders	**422,411,011**	**57.16**	379,241,088	56.19
Outstanding shares	**313,649,210**	**42.44**	289,950,033	42.96
Treasury shares	**2,935,027**	**0.40**	5,701,563	0.84
Total	**738,995,248**	**100.00**	674,892,684	100.00

Shares held by controlling shareholders who are members of the Board of Directors and/or the executive board are included in the controlling shareholders' line.

Under article 7 of the Bylaws, the Company may increase capital pursuant to article 168 of Law No. 6404/76, with the issue of 38,397,435 new common shares.

b) Capital reserve

Stock option plan – 2nd grant of the Stock option plan

The second grant of the Stock option plan was approved on October 25, 2013. On that occasion, 3,883,123 options (38,831,232 options before the reverse split) were granted and the strike price was set at R$3.00 (already considering the effects of the reverse split). The maximum term of exercise of this plan is of 12 years, as of the date of its signature, provided that the beneficiary remains linked to the Company and all the plan vesting periods have been fulfilled. The fair value of each option granted was estimated on the grant date using the Black & Scholes option pricing model, considering the following assumptions:

Assumption	2nd Grant
Expected average life of options (a)	5.5 years
Annualized average volatility	37.9%
Risk-free interest rate	6%
Weighted average fair value of options granted	R$1.90

(a) Represents the period in which the options are believed to be exercised and takes into account the average turnover of the plan's beneficiaries.

There were 28,493 exercisable stock options as of December 31, 2024 (284,928 options before the reverse split). In the year ended December 31, 2024, there were no changes in active stock options.

25. Equity (Continued)

b) Capital reserve (Continued)

Share-based payment plan

The Company has a long-term incentive plan based on shares, which was approved at the Special General Meeting held on April 20, 2017. The purpose of the plan is to regulate the granting of incentives tied to common shares issued by the Company through programs to be implemented by the Board of Directors. Managing officers, employees and service providers of the Company, its subsidiaries and joint ventures are eligible to participate.

The key plan objectives are as follows: (a) increase the Company's ability to attract and retain talent; (b) reinforce the culture of sustainable performance and seek the development of managing officers, employees and service providers, aligning the interests of shareholders with those of the eligible professionals; and (c) foster the Company's expansion and the achievement and surpassing of its business goals and fulfillment of its corporate objectives, in line with the interests of shareholders, through the long-term commitment of the beneficiaries.

The following table shows the balance (quantity) of shares granted as of December 31, 2024:

			After the split		Before the reverse split	
Type of program	Grant date	Maximum vesting period	Position of shares granted	Fair value¹	Position of shares granted	Fair value¹
4th Matching share	April 15, 2020	5 years	27,071	R$109.63	270,710	R$10.96
5th Matching share	May 4, 2021	5 years	37,355	R$198.60	373,550	R$19.86
6th Restricted share	May 4, 2021	3 years	31,760	R$198.60	317,600	R$19.86
7th Restricted share	July 4, 2022	3 years	663,576	R$21.60	6,635,760	R$2.16
10th Restricted share	October 25, 2023	5 years	2,246,261	R$14.40	22,462,610	R$1.44
			3,006,023	**R$21.08**	**30,060,230**	**R$2.11**

¹ Refers to the weighted average fair value calculated in each program.

In addition to the plans mentioned above, the Company has commonly used, in its acquisition processes, the negotiation of part of the acquisition price as consideration in shares issued by it (“MGLU3”) to the former owners of the acquired companies. The number of committed shares at December 31, 2024 is 462,326, already considering the effect of the reverse split, which must be delivered to the former owners by August 2026, part linked to the achievement of certain targets and part negotiated at a fixed price. Additionally, the Company issued, in the process of acquiring KaBuM, subscription warrants of up to 5 million registered book-entry common shares with no par value (50 million before the reverse split), subject to the fulfillment of certain goals.

25. Equity (Continued)

c) Treasury shares

	After the reverse split		Before the reverse split	
	Number of shares	Amount	Number of shares	Amount
At January 1, 2023	7,170,438	1,245,809	71,704,378	1,245,809
Disposed of in the year	(1,468,874)	(255,206)	(14,688,744)	(255,206)
At December 31, 2023	5,701,564	990,603	57,015,634	990,603
Disposed of in the year	**(2,803,168)**	**(487,029)**	**(28,031,676)**	**(487,029)**
At December 31, 2024	**2,898,396**	**503,574**	**28,983,958**	**503,574**

The reduction in the balance of treasury shares is equal to the weighted average of the cost incurred to acquire the shares. Any gain or loss in relation to the amount received from the disposal of treasury shares is recorded as capital reserve. The value of the MGLU3 share at December 31, 2024 was of R$6.50.

d) Equity adjustments

In the year ended December 31, 2024, the Company recorded the amount of (R$128,964) ((R$121,382) as of December 31, 2023) under equity adjustments, related to the adjustments at fair value through other comprehensive income of credit card receivables and financial assets in subsidiaries.

e) Income reserves

The Company's income for the year ended December 31, 2024, in the amount of R$448,717, was absorbed by part of the balance of accumulated losses, as provided for in article 189 of the Brazilian Corporation Law (Law No. 6404/76). The remaining balance of accumulated losses, amounting to R$446,727, was absorbed by part of the tax incentive reserve balance.

f) Earnings (loss) per share

Basic and diluted loss per share are calculated as follows:

	Basic loss		Diluted loss	
	12/31/2024	12/31/2023 (b)	12/31/2024	12/31/2023 (b)
In thousands				
Total number of common shares	**738,995,248**	674,892,685	**738,995,248**	674,892,685
Effect of treasury shares	**(2,898,396)**	(5,701,563)	**(2,898,396)**	(5,701,563)
Effect of exercise of stock option plans (a)	-	-	**3,907,888**	5,868,113
Weighted average number of outstanding common shares	**736,096,852**	669,191,122	**740,004,740**	675,059,235
Income (loss) for the year	**448,717**	(979,104)	**448,717**	(979,104)
Earnings (loss) per share (in reais)	**0.610**	(1.463)	**0.610**	(1.463)

(a) Considers the effect of exercisable shares in accordance with the share-based plans disclosed above.

(b) Restated columns considering the effect of the reverse split of common shares issued by the Company, at a ratio of 10:1, approved on April 24, 2024.

26. Net sales revenue

Accounting policy

Net revenue is measured at the fair value of the consideration received or receivable, net of returns, rebates and sales taxes, as follows:

Resale of goods - revenue is recognized when products are delivered and customers obtain control of the goods, also considering that the following conditions have been satisfied:

- The amount of revenue and the payment terms can be identified;
- It is probable that the Company will receive the consideration to which it is entitled in exchange for the goods that will be transferred to the customer.

The Company grants the customer the right to return the goods within a specified period and assumptions. The amount of revenue recognized is adjusted for the expected returns. The Company uses the expected-value method to estimate the assets that will not be returned. In these circumstances, a return liability and a right to recover the asset to be returned are recognized.

Revenue from services rendered – these are recognized when it is probable that the significant benefits to the service rendered will be transferred by the Company. The Company has the following main sources of revenues from services:

(a) intermediation of financial services for its joint ventures, as well as other Company's partner businesses;

(b) provision of delivery services through its subsidiary Magalog.

(c) commissions charged by the Company, through its subsidiary Magalu Pagamentos, from its customers for processing financial transactions carried out on the Magalu Group's e-commerce platforms.

(d) management of consortia in the subsidiary Luiza Administradora de Consórcios, where the revenue from the management fees of the consortium groups is recognized monthly upon the effective receipt of the installments of the consortium members, that, for the consortium management activities, represent the effective period of service provision.

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Retail - resale of goods	**36,393,061**	34,716,628	**42,777,329**	41,281,638
Retail - provision of services	**2,663,102**	2,393,162	**3,839,882**	3,698,824
Other services	**-**	-	**659,830**	610,521
Gross revenue	**39,056,163**	37,109,790	**47,277,041**	45,590,983
Retail - resale of goods	**(7,149,978)**	(6,808,114)	**(8,443,428)**	(8,094,147)
Retail - provision of services	**(237,896)**	(204,041)	**(468,959)**	(331,567)
Other services	**-**	-	**(326,586)**	(397,120)
Taxes and returns	**(7,387,874)**	(7,012,155)	**(9,238,973)**	(8,822,834)
Net sales revenue	**31,668,289**	30,097,635	**38,038,068**	36,768,149

27. Cost of goods resold and services rendered

Accounting policy

Costs of goods resold and services rendered include costs with the acquisition of goods and services rendered, less recovery of costs received from suppliers and ICMS tax substitution recoverable. Expenses with freight, related to the transportation of goods from suppliers to Distribution Centers (DCs) are incorporated to the cost of goods to be resold.

	Individual		Consolidated	
	3112/2024	12/31/2023	12/31/2024	12/31/2023
Cost of goods resold	**(22,428,814)**	(22,436,918)	**(26,372,530)**	(26,552,256)
Cost of services rendered	**-**	-	**(38,282)**	(52,010)
	(22,428,814)	(22,436,918)	**(26,410,812)**	(26,604,266)

28. Information on the nature of expenses and other operating income

The Company presented the statement of profit or loss using classification of expenses based on function. Information of the nature of these expenses recognized in the statement of profit or loss is presented below:

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Personnel expenses (a)	**(2,557,112)**	(2,403,863)	**(3,194,013)**	(3,067,663)
Expenses with service providers	**(2,997,891)**	(3,310,606)	**(3,316,172)**	(3,477,478)
Depreciation and amortization - sales	**(459,935)**	(472,575)	**(671,371)**	(646,535)
Depreciation and amortization - administrative	**(579,050)**	(529,283)	**(661,917)**	(596,156)
Other	**(1,147,892)**	(1,099,867)	**(1,917,103)**	(2,343,032)
	(7,741,880)	(7,816,194)	**(9,760,576)**	(10,130,864)
Classified by function as:				
Selling expenses	**(5,879,230)**	(5,612,277)	**(7,131,584)**	(7,002,066)
General and administrative expenses	**(904,832)**	(912,413)	**(1,373,715)**	(1,335,204)
Depreciation and amortization	**(1,038,985)**	(1,001,857)	**(1,333,288)**	(1,242,690)
Other operating income, net (Note 29)	**81,167**	(289,647)	**78,011**	(550,904)
	(7,741,880)	(7,816,194)	**(9,760,576)**	(10,130,864)

(a) The Company provides its employees with medical assistance benefits, dental reimbursement, life insurance, food vouchers, transportation vouchers, scholarships, child day care allowance (“cheque-mãe”), in addition to a stock option plan for eligible employees, as described in Note 25.

Freight for transportation of goods from the DCs to physical stores and delivery of the resold products to consumers are classified as selling expenses.

29. Other operating income, net

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Appropriation of deferred revenue (a)	**122,407**	89,815	**144,503**	112,720
Tax credits (b)	**106,822**	524,947	**113,596**	525,703
Provision for contingencies (c)	**(128,572)**	(206,485)	**(162,931)**	(363,010)
Income (loss) from write-off of assets	**(2,187)**	(6,708)	**1,229**	(20,512)
Disposal of equity interest (d)	**-**	201,920	**-**	201,920
Expert fees (e)	**(8,149)**	(24,850)	**(13,046)**	(27,655)
Restructuring expenses (f)	**(2,110)**	(195,132)	**(3,428)**	(299,942)
Review of estimates (g)	**-**	(670,647)	**-**	(670,647)
Other	**(7,044)**	(2,507)	**(1,912)**	(9,481)
Total	**81,167**	(289,647)	**78,011**	(550,904)

(a) Refers to appropriation of deferred revenue for assignment of exclusivity of operation of financial services, as described in Note 22.

(b) This refers substantially to the effect of the revision of the methodology applied on PIS/COFINS recoverable arising from the discussion for exclusion of ICMS from the tax bases considering the final decisions, as described in Note 11.

(c) Refers substantially to the provision related to the ICMS-Difal proceeding, detailed in Note 24.

(d) This refers to the sale of the equity interest of LuizaSeg Seguros S.A. to NCVP Participações Societárias S.A., as described in Note 14.

(e) Expenses related to advisory costs for integration of companies and lawyers' fees.

(f) Refers to expenses for adjustment of administrative and sales staff, as well as expenses necessary for the integration of businesses acquired in the past.

(g) Review of estimates of receivables from suppliers' bonuses.

30. Finance income (costs)

Accounting policy

Interest income and expenses are recognized in the statement of profit or loss using the effective interest rate method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

(i) gross carrying amount of financial assets; or

(ii) at amortized cost of financial liability. In calculating interest income or expense, the effective interest rate is applied to the gross carrying amount of the asset or the amortized cost of the liability.

The Company classifies interest received, dividends and interest on capital received as cash flows from operating activities. Interest paid on loans and leases are classified as cash flows from financing activities.

30. Finance income (costs) (Continued)

Accounting policy (Continued)

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Finance income				
Interest from sales of extended warranty	**217,297**	138,909	**217,297**	138,909
Yield from short-term investments and marketable securities	**54,144**	72,557	**100,326**	152,130
Late payment interest	**39,585**	37,129	**39,740**	37,272
Monetary restatement receivable (a)	**307,599**	683,959	**341,943**	744,922
Other	**8,423**	1,151	**20,927**	32,868
	627,048	933,705	**720,233**	1,106,101
Finance costs				
Interest on loans and financing	**(571,797)**	(928,141)	**(623,378)**	(985,740)
Lease interest	**(311,748)**	(304,696)	**(317,905)**	(309,911)
Charges on credit card advances	**(687,922)**	(831,459)	**(914,680)**	(1,120,188)
Provision for loss on interest from extended warranty	**(103,645)**	(72,490)	**(103,645)**	(72,490)
Taxes on finance income	**(36,714)**	(37,281)	**(42,201)**	(43,154)
Monetary restatement payable	**(116,505)**	(104,070)	**(137,135)**	(110,286)
Other (b)	**(47,381)**	(140,944)	**(56,337)**	(156,551)
	(1,875,712)	(2,419,081)	**(2,195,281)**	(2,798,320)
	(1,248,664)	(1,485,376)	**(1,475,048)**	(1,692,219)

(a) Refers substantially to the monetary restatement of tax credits described in Notes 11 and 12.

(b) Premiums received from banks for confirming the existence of suppliers' receivables, as explained in Note 18, are stated here net of other expenses with negotiation with suppliers.

31. Segment information

For financial and operational management purposes, the Company classified its businesses into Retail, Financial Operations, Insurance Operations and Other Services. These divisions are considered the primary segments for information disclosure. The main characteristics of each of the divisions are:

(a) Retail - substantially resale of goods and services in the Company's stores, electronic commerce (traditional e-commerce and marketplace), and food delivery management platform. In the marketplace context, this segment includes information related to Magalupay;

(b) Financial operations - through the joint venture Luizacred, whose main purpose is to provide credit to the Company's customers for the purchase of products;

(c) Insurance operations - through Luizaseg, whose main purpose is to offer extended warranties to products purchased by the Company's customers. The insurance operations affected the Company's profit or loss up to the date of the sale of Luizaseg's equity interest, described in Note 14;

(d) Other services - sum of the provision of consortium management services through the subsidiary Luiza Administradora de Consórcio, whose main purpose is the management of consortia for the Company's customers, for the acquisition of products; product delivery management services - through the subsidiary Magalog; and software development services through the subsidiary Luizalabs.

31. Segment information (Continued)

The Company's sales are entirely carried out in the national territory and, considering retail operations, there is no concentration of customers, as well as of products and services offered.

Statements of profit or loss

	12/31/2024				
	Retail (a)	Financial operations	Other services	Eliminations (b)	Consolidated
Gross revenue	46,625,651	2,215,233	2,685,601	(4,241,004)	47,285,481
Present value adjustment of revenue (a)	(919,416)	-	-	-	(919,416)
Reversal of present value adjustment of revenue (a)	910,976	-	-	-	910,976
Deductions from revenue	(8,798,429)	-	(440,544)	-	(9,238,973)
Net revenue of the segment	37,818,782	2,215,233	2,245,057	(4,241,004)	38,038,068
Costs	(26,405,410)	(251,071)	(30,377)	251,071	(26,435,787)
Present value adjustment - trade accounts payable (a)	17,271	-	-	-	17,271
Reversal of present value adjustment - trade accounts payable (a)	7,704	-	-	-	7,704
Gross profit	11,438,347	1,964,162	2,214,680	(3,989,933)	11,627,256
Selling expenses	(7,069,404)	(506,901)	(2,087,951)	2,532,672	(7,131,584)
General and administrative expenses	(1,308,110)	(9,116)	(65,605)	9,116	(1,373,715)
Gains (losses) on allowance for expected credit losses	(452,662)	(1,164,482)	(42)	1,164,482	(452,704)
Depreciation and amortization	(1,279,299)	(5,909)	(53,989)	5,909	(1,333,288)
Equity pickup	159,309	-	-	(10,853)	148,456
Other operating income	61,674	(64,436)	16,337	64,436	78,011
Finance income	700,867	-	19,366	-	720,233
Finance costs	(2,175,974)	-	(19,307)	-	(2,195,281)
Income and social contribution taxes	373,969	(64,862)	(12,636)	64,862	361,333
Net income (loss) for the period	448,717	148,456	10,853	(159,309)	448,717

Reconciliation of equity pickup

Equity pickup – Other services (Note 13)	10,853
Equity pickup – Luizacred (Note 14)	148,456
(=) Equity pickup of the retail segment	159,309
(-) Effect of elimination – Other services	(10,853)
(=) Consolidated equity pickup	148,456

(a) Considering that the retail segment has the characteristic of granting consumer financing, the Company follows the procedure of reversing the present value adjustment of trade accounts receivable under the gross revenue account. Therefore, to adequately determine the commercial gross margin, the reversal of the present value adjustment of liabilities referring to trade accounts payable is also carried out under the cost of goods sold account. The consumer financing activity is not dissociated from the retail segment for the main business managers in decision-making. Therefore, following the assumptions under CPC 22 - Segment Reporting, the consumer financing activity is presented in the context of the retail segment.

31. Segment information (Continued)

Statements of profit or loss (Continued)

The retail segment is represented by the consolidated amounts that include the results of Magazine Luiza S.A., Época Cosméticos, Netshoes, KaBuM, Magalupay, and Aiqfome. In the retail segment, the equity pickup line includes the net results of financial operations, insurance operations and other services, since this amount is contained in the profit or loss of the segment used by the key operations manager.

The eliminations are mainly represented by the effects of the financial operations and insurance operations segments, which are presented proportionally above, but are included in a single equity pickup line in the Company's consolidated financial statements.

Transfers of net revenue between operating segments are less than 10% of the combined net revenue of all segments.

	12/31/2023					
	Retail (a)	Financial operations	Insurance operations	Other services	Eliminations (b)	Consolidated
Gross revenue	44,963,262	2,231,808	239,147	2,619,045	(4,479,478)	45,573,784
Present value adjustment of revenue (a)	(773,199)	-	-	-	-	(773,199)
Reversal of present value adjustment of revenue (a)	790,398	-	-	-	-	790,398
Deductions from revenue	(8,425,714)	-	-	(397,120)	-	(8,822,834)
Net revenue of the segment	36,554,747	2,231,808	239,147	2,221,925	(4,479,478)	36,768,149
Costs	(26,593,689)	(366,614)	(32,911)	(33,048)	399,525	(26,626,737)
Present value adjustment - trade accounts payable (a)	19,173	-	-	-	-	19,173
Reversal of present value adjustment - trade accounts payable (a)	3,298	-	-	-	-	3,298
Gross profit	9,983,529	1,865,194	206,236	2,188,877	(4,079,953)	10,163,883
Selling expenses	(6,846,356)	(538,218)	(152,422)	(2,164,233)	2,699,163	(7,002,066)
General and administrative expenses	(1,265,139)	(8,702)	(28,530)	(70,065)	37,232	(1,335,204)
Gains (losses) on allowance for expected credit losses	(386,142)	(1,316,084)	-	(15)	1,316,084	(386,157)
Depreciation and amortization	(1,218,078)	(6,002)	(2,949)	(24,612)	8,951	(1,242,690)
Equity pickup	(117,631)	-	-	-	98,621	(19,010)
Other operating income	(501,555)	(74,858)	1,609	(49,349)	73,249	(550,904)
Finance income	1,089,480	-	27,827	16,621	(27,827)	1,106,101
Finance costs	(2,774,716)	-	(53)	(23,604)	53	(2,798,320)
Income and social contribution taxes	1,057,504	30,686	(22,744)	27,759	(7,942)	1,085,263
Net income (loss) for the period	(979,104)	(47,984)	28,974	(98,621)	117,631	(979,104)

31. Segment information (Continued)

Statements of profit or loss (Continued)

Reconciliation of equity pickup

Equity pickup – Other services (Note 13)	(98,621)
Equity pickup – Luizacred (Note 14)	(47,984)
Equity pickup – Luizaseg (Note 14)	28,974
(=) Equity pickup of the retail segment	(117,631)
(-) Effect of elimination – Other services	(98,621)
(=) Consolidated equity pickup	(19,010)

(a) Considering that the retail segment has the characteristic of granting consumer financing, the Company follows the procedure of reversing the present value adjustment of trade accounts receivable under the gross revenue account. Therefore, to adequately determine the commercial gross margin, the reversal of the present value adjustment of liabilities referring to trade accounts payable is also carried out under the cost of goods sold account. The consumer financing activity is not dissociated from the retail segment for the main business managers in decision-making. Therefore, following the assumptions under CPC 22 - Segment Reporting, the consumer financing activity is presented in the context of the retail segment.

31. Segment information (Continued)

The retail segment is represented by the consolidated amounts that include the results of Magazine Luiza S.A., Época Cosméticos, Netshoes, KaBuM, Magalupay, and Aiqfome. In the retail segment, the equity pickup line includes the net results of financial operations, insurance operations and other services, since this amount is contained in the profit or loss of the segment used by the key operations manager.

The eliminations are mainly represented by the effects of the financial operations and insurance operations segments, which are presented proportionally above, but are included in a single equity pickup line in the Company's consolidated financial statements.

Transfers of net revenue between operating segments are less than 10% of the combined net revenue of all segments.

Statement of financial position

	12/31/2024		
	Retail	Financial operations	Other services
Assets			
Cash and cash equivalents	1,623,301	88,873	203,896
Marketable securities and other financial assets	337,894	13,734	-
Accounts receivable	5,823,941	9,281,146	58,140
Inventory of goods for resale	7,611,132	-	-
Investments	1,651,975	-	-
Property and equipment, right of use and intangible assets	8,840,050	24,474	712,334
Other	10,876,972	862,383	455,893
	36,765,265	10,270,610	1,430,263
Liabilities			
Trade accounts payable	7,157,371	-	25,535
Trade accounts payable - agreement	3,100,213	-	-
Transfers and other deposits	1,640,637	-	-
Loans and financing	4,581,908	-	252
Lease	3,452,792	-	80,743
Interbank deposits	-	2,035,652	-
Credit card operations	-	6,505,732	-
Insurance reserves	-	-	-
Provision for tax, civil, and labor contingencies	1,813,065	47,121	44,288
Deferred revenue	1,103,854	-	1,991
Other	2,596,163	710,243	597,342
	25,446,003	9,298,748	750,151
Equity	11,319,262	971,862	680,112

Investment reconciliation	
Subsidiaries (Note 13)	
Luiza Consortium	86,559
Magalog	289,011
Luizalabs	304,543
	680,113
Joint ventures (Note 14)	971,862
Luizacred	
Total investments	1,651,975
(-) Effect of elimination	(680,113)
(=) Consolidated income (loss) on investments	971,862

31. Segment information (Continued)

Statement of financial position (Continued)

	12/31/2023		
	Retail	Financial operations	Other services
Assets			
Cash and cash equivalents	2,430,852	28,981	162,494
Marketable securities	779,072	14,871	-
Accounts receivable	5,897,162	9,073,500	60,979
Inventories	7,497,299	-	-
Investments	941,023	-	-
Property and equipment, intangible assets and right of use	9,081,261	29,462	608,122
Other	10,364,534	555,301	440,646
	36,991,203	9,702,115	1,272,241
Liabilities			
Trade accounts payable	6,931,270	-	34,710
Trade accounts payable - agreement	2,358,092	-	-
Transfers and other deposits	1,765,149	-	-
Loans and financing	7,353,948	-	907
Lease	3,578,155	-	-
Interbank deposits	-	2,799,337	-
Credit card operations	-	5,869,272	-
Insurance reserves	-	-	-
Provision for tax, civil and labor contingencies	1,559,076	46,679	60,090
Deferred revenue	1,248,165	-	492
Other	2,586,814	664,311	557,535
	27,380,669	9,379,599	653,734
Equity	9,610,534	322,516	618,507

Investment reconciliation	
Subsidiaries (Note 13)	
Luiza Consortium	95,508
Magalog	230,818
Luizalabs	253,708
Magalupay	457,526
	1,037,560
Joint ventures (Note 14)	
Luizacred	322,516
Total investments	1,360,076
(-) Effect of elimination	(1,037,560)
(=) Consolidated income (loss) on investments	322,516

32. Financial instruments

Accounting policy

Initial classification and subsequent measurement

Upon initial recognition, financial assets are classified as measured at amortized cost, at fair value through other comprehensive income (FVOCI), or at fair value through profit or loss (FVPL). Financial assets are measured at amortized cost if both of the following conditions are met and if these assets are not measured at FVPL:

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

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

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

All financial assets not classified as measured at amortized cost or at FVOCI, as described above, are classified as at FVPL. A financial asset (other than trade accounts receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value, plus, for an item not measured at FVPL, the transaction costs that are directly attributable to its acquisition.

The following accounting policies apply to subsequent measurement of financial assets:

- Financial assets measured at FVPL: These assets are subsequently measured at FVPL. Net gains (losses), including interest, are recognized in profit or loss.
- Financial assets at amortized cost: These assets are subsequently measured at amortized cost, using the effective interest method. Amortized cost is reduced by impairment losses. Interest income, possible exchange gains and losses, and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
- Financial assets measured at FVOCI: These assets are subsequently measured at fair value through other comprehensive income (FVOCI). Upon derecognition, cumulative gains (losses) in OCI are recycled to profit or loss.

32. Financial instruments (Continued)

Accounting policy (Continued)

Initial classification and subsequent measurement (Continued)

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

Derecognition and offsetting

The Company derecognizes a financial asset when its contractual rights to cash flows of the asset expire, or when it transfers the contractual rights to receive cash flows of a financial asset in a transaction in which substantially all risks and rewards of ownership of the financial asset are transferred.

The Company derecognizes a financial liability when the contractual obligation is discharged, canceled or expires. Upon derecognition of a financial liability, the difference between the extinguished book value and the consideration paid (including transferred assets that do not flow through cash or liabilities assumed) is recognized in P&L.

Financial assets or liabilities are offset and the net amount is stated in the statement of financial position when, and only when, the Company has a currently enforceable legal right to offset the amounts and intends to settle on a net basis or realize the asset and settle the liability simultaneously.

Impairment of financial assets

The Company elected to measure allowance for losses on accounts receivable and other receivables and contractual assets in an amount equal to the lifetime expected credit loss. In determining whether the credit risk of a financial asset has significantly increased since initial recognition and in estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes quantitative and qualitative information and analyses, based on the Company's experience, on credit assessment, and considering forward looking information, such as macroeconomic assumptions for inflation and sales growth. The Company considers a financial asset to be in default when: - It is unlikely that the creditor will pay its credit obligations in full, without resorting to actions such as realization of the guarantee (if any); or the financial asset is overdue for more than 30 days.

32. Financial instruments (Continued)

Measurement of expected credit losses

Expected credit losses are estimates weighted by the probability of credit losses. Credit losses are measured at present value based on all cash shortfalls (i.e., the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Financial assets with credit recovery issues

At each reporting date, the Company assesses whether the financial assets recorded at amortized cost and those measured at FVOCI are experiencing recovery issues. A financial asset has credit recovery issues when one or more events occur that adversely impact the financial asset's estimated future cash flows.

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32. Financial instruments (Continued)

Financial instruments by category

			Individual				Consolidated			
			12/31/2024		12/31/2023		12/31/2024		12/31/2023	
Financial instruments by category	Classification	Fair value measurement	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
Cash and banks	Amortized cost	Level 2	**201,534**	**201,534**	150,711	150,711	**303,262**	**303,262**	183,646	183,646
Accounts receivable – Credit and debit cards	FVOCI	Level 2	**1,968,690**	**1,968,690**	2,788,161	2,788,161	**4,131,260**	**4,131,260**	4,511,062	4,511,062
Accounts receivable – Other trade accounts receivable and receivables from commercial agreements	Amortized cost	Level 2	**1,527,652**	**1,527,652**	1,204,077	1,204,077	**1,750,821**	**1,750,821**	1,447,079	1,447,079
Accounts receivable from related parties	Amortized cost	Level 2	**625,293**	**625,293**	550,779	550,779	**72,522**	**72,522**	50,925	50,925
Accounts receivable from related parties – Credit card	Amortized cost	Level 2	**1,239,666**	**1,239,666**	1,125,171	1,125,171	**1,588,883**	**1,588,883**	1,222,793	1,222,793
Cash equivalents - Bills	FVPL	Level 2	**16,698**	**16,698**	239,537	239,537	**16,698**	**16,698**	239,537	239,537
Cash equivalents - CDBs	Amortized cost	Level 2	**500,416**	**500,416**	723,414	723,414	**1,423,322**	**1,423,322**	2,119,607	2,119,607
Marketable securities	Amortized cost	Level 2	**5,244**	**5,244**	4,809	4,809	**5,244**	**5,244**	4,809	4,809
Marketable securities	FVPL	Level 2	**217,627**	**217,627**	524,239	524,239	**331,848**	**331,848**	771,015	771,015
Total financial assets			**6,302,820**	**6,302,820**	7,310,898	7,310,898	**9,623,860**	**9,623,860**	10,550,473	10,550,473

			Individual				Consolidated			
			12/31/2024		12/31/2023		12/31/2024		12/31/2023	
Financial instruments by category	Classification	Fair value measurement	Book value	Fair value	Book value	Fair value	Book value	Fair value	Book value	Fair value
Suppliers of goods and agreement	Amortized cost	Level 2	**9,237,888**	**9,237,888**	8,320,661	8,320,661	**10,283,119**	**10,283,119**	9,324,071	9,324,071
Transfers and other deposits	Amortized cost	Level 2	**-**	**-**	-	-	**1,640,637**	**1,640,637**	1,765,149	1,765,149
Loans and financing	Amortized cost	Level 2	**4,160,225**	**4,541,898**	6,928,737	6,998,865	**4,582,160**	**4,963,833**	7,354,855	7,424,983
Lease	Amortized cost	Level 2	**3,418,880**	**3,418,880**	3,514,349	3,514,349	**3,533,535**	**3,533,535**	3,578,155	3,578,155
Accounts payable to related parties	Amortized cost	Level 2	**428,387**	**428,387**	325,607	325,607	**107,061**	**107,061**	100,961	100,961
Other accounts payable - acquisition	FVPL	Level 2	**210,417**	**210,417**	316,953	316,953	**251,574**	**251,574**	383,221	383,221
Total financial liabilities			**17,455,797**	**17,837,470**	19,406,307	19,476,435	**20,398,086**	**20,779,759**	22,506,412	22,576,540

32. Financial instruments (Continued)

Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are classified within the fair value hierarchy described below, based on the lowest level input that is significant to the overall fair value measurement:

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

(b) Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is either directly or indirectly observable. The Company uses the discounted cash flow technique for its measurements;

(c) Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is not observable.

Valuation techniques and significant non-observable inputs

Specific valuation techniques used to value financial instruments under Level 2 rules include:

- Quoted market prices or quotes from financial institutions or brokers for similar instruments.
- Discounted cash flows, which consider the present value of expected future payments, discounted at a risk-adjusted rate for the remaining financial instruments.

Capital risk management

The primary objective of the Company's capital management is to ensure its ability to continue as a going concern in order to offer return to shareholders and benefits to stakeholders, maintaining an adequate capital structure to reduce cost and maximize the resources to be applied in opening and modernization of stores, new technologies, process improvements, and advanced management methods.

The Company's capital structure comprises financial liabilities, cash and cash equivalents and marketable securities. From time to time, management reviews the capital structure and its ability to settle liabilities, as well as monitors, on a timely basis, the days payable outstanding in relation to the average term of inventory turnover. Necessary actions are promptly taken in the event of significant imbalances.

32. Financial instruments (Continued)

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Company's Finance Board, which prepares an appropriate liquidity risk management model to manage funding needs and liquidity management in the short, medium and long terms. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities and maintaining close relationships with financial institutions, frequently disclosing information to support credit decisions when in need for external funds.

The table below details the remaining contractual maturity of the Company's financial liabilities and contractual repayment terms. The table was prepared in accordance with the undiscounted cash flows of financial liabilities.

Contractual maturity is based on the earliest date on which the Company is required to settle the respective obligations.

Position at 12/31/2024

	Book balance	Up to 1 year	1 to 3 years	More than 3 years	Total
Individual					
Suppliers of goods and agreement	9,237,888	9,237,888	-	-	9,237,888
Lease	3,418,880	726,528	1,220,980	3,246,158	5,193,666
Loans and financing	4,160,225	980,233	2,179,166	-	3,159,399
Transactions with related parties	428,387	428,387	-	-	428,387
Other accounts payable - acquisition	210,417	130,473	-	79,944	210,417

	Book balance	Up to 1 year	1 to 3 years	More than 3 years	Total
Consolidated					
Suppliers of goods and agreement	10,283,119	10,283,119	-	-	10,283,119
Lease	3,533,535	741,392	1,245,960	3,312,572	5,299,924
Loans and financing	4,582,160	1,402,168	2,179,166	-	3,581,334
Transactions with related parties	107,061	107,061	-	-	107,061
Other accounts payable - acquisition	251,574	152,970	20,612	86,016	259,598

Considerations about other financial risks

The Company's business is mostly comprised of the retail trade of consumer goods and insurance, financial and other services, as described in Note 31, segment information. The main market risk factors that affect the Company's business are summarized below:

32. Financial instruments (Continued)

Considerations about other financial risks (Continued)

Credit risk: the credit risk arises from the possibility that the Company may incur losses resulting from the non-receipt of amounts billed to its customers, the consolidated balance of which as of December 31, 2024 was R$6,437,203 (R$6,395,787 as of December 31, 2023). A significant portion of the Company's sales are made using the credit card as payment method, which is substantially securitized with the credit card companies. For other accounts receivable, the Company also assesses the risk as low, in view of the natural dispersion of sales due to the large number of customers, but there are no real guarantees of receipt of the total balance of accounts receivable given the nature of the business. Even so, the risk is managed through periodic analysis of the level of default (with consistent criteria to support the requirements of IFRS 9), as well as adoption of more effective forms of collection. As of December 31, 2024, the Company recorded accounts receivable balances that would be overdue or lost, whose terms were renegotiated, in the amount of R$289,241 (R$78,591 as of December 31, 2023), which are included in the analysis on the need to recognize an allowance for expected credit losses. Note 8 provides further information on accounts receivable.

The Company's policy for investing in debt securities (financial investments) is to invest in securities that are assessed by the main credit rating agencies and that have a rating equal to or higher than the sovereign rating (on a global scale). As of December 31, 2024, almost all of the investments held by the Company have such a rating level, reaching the amount of R$789,938 (R$1,541,262 as of December 31, 2023), individual, and R$1,861,829 (R$3,188,772 as of December 31, 2023), consolidated.

Market risk: arises from the possible downturn in retail in the country's economic scenario. Management of the risks involved in these operations is carried out through the establishment of operational and commercial policies, and constant monitoring of the positions assumed. The key related risks include fluctuations of the interest, inflation and exchange rates.

Currency risk: as at the date of these financial statements, the Company did not have significant directly traded foreign exchange transactions. However, many products sold by the Company, especially technology items, are manufactured locally but have various imported components, so their costs may vary with the exchange rate differences. Therefore, management of "indirect" currency risk is closely related to commercial management, price and margin of products and is carried out together with the suppliers, with the objective of not transferring large fluctuations to end customers.

Interest rate risk: the Company is exposed to floating interest rates linked to the Interbank Deposit Certificate (CDI), related to financial investments, loans and financing in reais, for which a sensitivity analysis was carried out, as described below.

As of December 31, 2024, management performed a sensitivity analysis considering a probable scenario and scenarios with decreases and increases of 25% and 50% in expected interest rates. The probable scenario, of decrease and increase in interest rates, was measured using future interest rates published by BM&F BOVESPA and/or BACEN, considering a base rate of CDI at 15% p.a.

32. Financial instruments (Continued)

Considerations about other financial risks (Continued)

The expected effects of finance costs on loans and financing, net of short-term investment yields, for the next three months are as follows:

	Individual	Consolidated
	12/31/2024	12/31/2024
Bank Deposit Certificates - CDB (Note 6)	**517,114**	**1,440,020**
Investment funds (Note 6)	**-**	**83,915**
Cash equivalents	**517,114**	**1,523,935**
Marketable securities (Note 7)	**272,824**	**337,894**
Total cash equivalents and marketable securities	**789,938**	**1,861,829**
B		
Loans and financing (Note 21)	**(4,160,225)**	**(4,582,160)**
Net exposure	**(3,370,287)**	**(2,720,331)**
Finance cost related to interest - exposure to CDI	**15%**	**15%**
Impact on finance income (costs), net of taxes:		
Base scenario – rate of 15.00% p.a.	**(218,332)**	**(243,467)**
Scenario of 25% increase – rate of 18.75% p.a.	**(272,914)**	**(304,334)**
Scenario of 50% increase – rate of 22.50% p.a.	**(327,497)**	**(365,201)**
Scenario of 25% decrease – rate of 11.25% p.a.	**(163,749)**	**(182,600)**
Scenario of 50% decrease – rate of 7.50% p.a.	**(109,166)**	**(121,734)**

33. Statements of cash flows

Changes in statement of financial position accounts that did not impact the Company's cash flows are as follows:

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Changes in the fair values of financial assets	**(290)**	(4,133)	**(290)**	(4,133)
Additions – IFRS 16 – Right of use and lease	**474,128**	461,151	**563,537**	511,953
Stock option plan	**-**	(24,829)	**-**	(24,829)
Adjustments – IFRS 09 – fair value	**7,872**	-	**7,872**	-
Trade accounts payable (agreement) (a)	**12,702,268**	12,324,286	**13,079,422**	12,548,599

(a) As described in Note 4.8, with the adoption of paragraph 44H-c of CPC 03 (R2), which requires the presentation, in the statement of cash flows, of the type and effect of non-cash changes of financial liabilities disclosed as trade accounts payable (agreement), the Company is presenting changes in the operating liabilities of trade accounts payable net of the non-cash effect of confirming transactions.

34. Insurance coverage

The Company has insurance contracts with coverage determined by expert advice, taking into account the nature and degree of risk, at amounts considered sufficient to cover possible losses on its assets and/or liabilities.

Insurance coverage at December 31, 2024 and December 31, 2023 is as follows:

	Individual		Consolidated	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Civil liability D&O	**110,000**	100,000	**110,000**	194,025
Sundry risks – inventories and P&E	**6,787,146**	6,646,341	**7,918,522**	7,398,581
Vehicles	**29,120**	20,695	**41,823**	32,741
	6,926,266	6,767,036	**8,070,345**	7,625,347