magazineluiza

Earnings Release
1Q24

Adjusted EBITDA grew by 54%, with a margin of 7.4% - the highest in the last four years. Net income of R$30 million and total cash position of R$9.0 billion.

MGLU
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Magalu's total sales reached **R$16 billion in 1Q24**, an increase of 3% over 1Q23.

Physical store sales totaled R$5 billion in 1Q24, moving up 8% over 1Q23. On a same-store basis, sales grew 9%. As a result, **Magalu increased its market share by 0.7 p.p. in the quarter.**

E-commerce reached R$11 billion in sales in the period, an increase of 1% over 1Q23. In first-party inventory (1P) e-commerce, the full pass-through of the DIFAL tax-rate differential boosted the gross margin in the quarter.

Marketplace sales reached R$5 billion, 6% more than in the same period last year, consolidating its position as the second largest sales channel and accounting for **more than 40% of online sales**.

Magalu's marketplace reached 353,000 sellers, an increase of 72,000 partners over 1Q23. **We have a catalog of over 138 million offerings available for sale**, compared to 100 million offerings available a year ago.

Fulfillment currently accounts for 19% of marketplace orders, a significant increase of 5 p.p. over the end of 2023. **More than 3,000 sellers** are benefiting from the scale and efficiency of the company's multichannel model.

The gross margin reached 29,9%, 2.6 p.p. higher than in 1Q23, boosted by the DIFAL pass-through (completed in 3Q23), the success of commercial campaigns, and growth in service revenue.

Adjusted EBITDA grew 54%, to R$688 million. **The EBITDA margin reached 7.4%,** an increase of 2.5 p.p. over the previous year.

Financial expenses declined 39%, representing 4% of net revenue. As a result, **Magalu recorded recurring net income of R$30 million in the quarter.**

Operating cash flow generation reached R$2.7 billion in the last 12 months, more than double the amount recorded in the previous year, driven by a significant improvement in operating performance in the period and the evolution of working capital. In the first quarter of 2024 alone, **working capital improved by R$2.1 billion over 1Q23**.

Magalu ended Mar/24 with a **total cash position of more than R$9 billion**, in line with Dec/23 — a milestone, considering seasonality. In 1Q24, we also completed a R$1.25 billion private capital increase and paid around R$900 million in debt. As a result, **Magalu ended the quarter with a total net cash position of R$2.4 billion**.

At **MagaluAds**, the platform - sponsored search and showcase products - **grew over 70%** in revenue in 1Q24.

MagaluBank reached R$25 billion in TPV, up 6%. One of the highlights was the 14% increase in the volume of payments made to sellers and MagaluPay digital accounts. In the credit card operation, billing reached more than R$14 billion in 1Q24, with 7 million credit cards issued and a credit portfolio of R$20 billion. It is worth noting a **sequential drop in the total default rate and a recovery in Luizacred's net income.**

MGLU3: R$ 1.67 per share
Total Shares: 7,389,952,489
Market Cap: R$ 12.3 billion

Conference Call
May 10,2024 (Friday)
08:00 AM in US (EST)/ 09:00 AM in Brazil
Conference Call Access

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LETTER TO SHAREHOLDERS

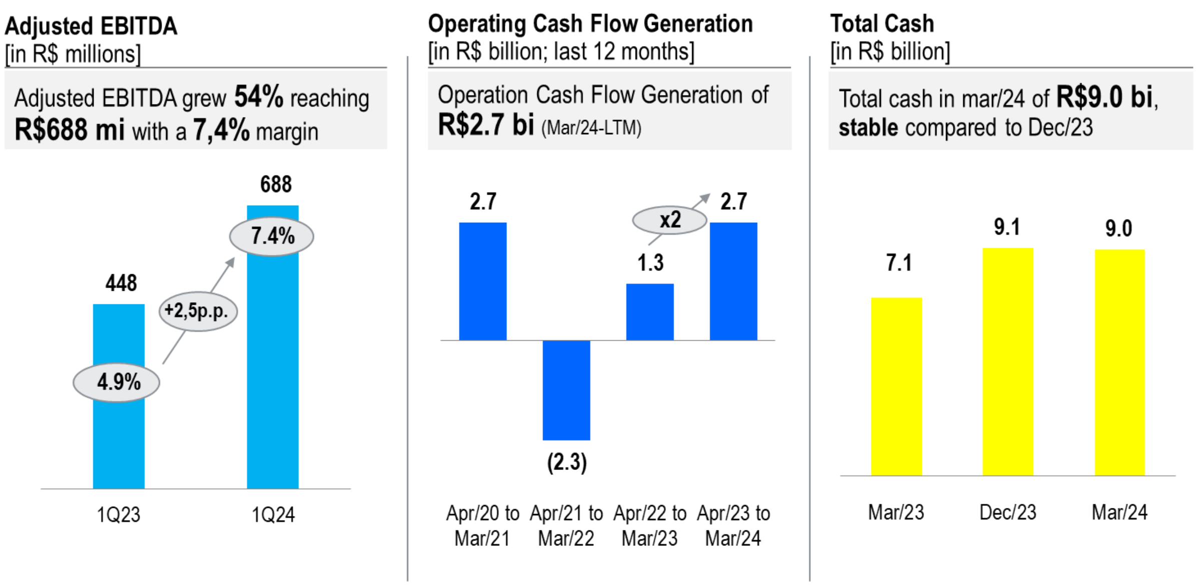
Numbers speak for themselves. The results achieved in the first quarter of 2024 reflect Magalu's consistent strategy and execution. Once again, profitability increased. We saw a significant improvement in financial indicators we consider to be crucial for sustainable success: margins, net income, and operating cash flow.

The EBITDA margin reached 7.4% in 1Q24, an increase of 2.5 percentage points compared to the first quarter of 2023. In nominal terms, adjusted EBITDA rose 54%, to R$ 688 million, reflecting our tireless pursuit of improving the operating result. In 1Q24, the EBITDA margin was higher than in the fourth quarter of 2023 — a period that usually benefits from retail seasonality. We are finally reaching historical margin levels after an extremely successful process of adjustments to our operation — caused by macroeconomic factors.

Another important highlight was a 40% decline in financial expenses compared to the same period in 2023. The substantial improvement in working capital and cash flow was essential for this evolution.

As a result, Magalu recorded net income of R$ 30 million between January and March 2024, following a trajectory of recovery in profitability, which began in late 2023. Compared to the first quarter of 2023, operating income before taxes rose by a substantial R$ 595 million.

In the last 12 months, operating cash flow generation more than doubled, reaching R$ 2.7 billion, a direct consequence of the improvement in the operating result and in working capital. As a result, we accomplished an unprecedented feat: at the end of March 2024, the company's total cash position — R$ 9 billion — matched the figure recorded in the last quarter of 2023.



In 2024, Magalu reduced its debt by R$ 3 billion, bringing short-term debt to zero. In January, the company paid around R$ 900 million in debentures, considering amortization plus interest. In late April, Magalu paid R$ 2.1 billion in promissory notes — also considering amortization plus interest.

The first quarter was also marked by a private capital increase of R$1.25 billion, reflecting the confidence of the controlling families and other investors in the company's strategy and execution capacity.

In the first quarter of 2024, the massive improvement in Magalu's operating results was accompanied by sales growth. Total sales came to R$ 16 billion in 1Q24, 3% higher than in 1Q23.

Physical store sales totaled R$ 4.6 billion. Same-store sales (SSS) grew 9% in the period. We reiterate that we are talking about growth with margin gains. Similarly to what happened on Black Friday last November, this year's Liquidação Fantástica (Fantastic Sale), a traditional proprietary event that occurs on the first days of January every year, was one of the most profitable in our history. Magalu is an undisputed leader in the durable goods market and has been consistently increasing its market share in these categories, especially in physical stores.

Digital sales totaled R$11.5 billion, 41% of which from the marketplace. In 1P e-commerce, Magalu has been expanding its market share based on a combination of a more rational competitive environment and a unique business model, boosted by a multichannel approach. It is worth noting that the company gradually passed through the DIFAL throughout 2023, which makes the first-quarter comparison base more challenging.

We are rapidly building a marketplace model that reproduces all our 1P advantages. A cornerstone of growth, our marketplace already is and will be increasingly more multichannel. Our sellers must offer the same levels of service, agility, reliability, and quality that have made Magalu the second largest e-commerce in Brazil.

Together, the more than 353 000 sellers connected to our platform account for more than 138 million offerings and generated R$ 4.6 billion in sales in the first quarter. Our ambition and hard work are linking the best-selling items in the market to our multichannel fulfillment, one of the period highlights. In March, fulfillment penetration in the number of marketplace orders reached 19%, 5 percentage points more than at the end of 2023.

Expanding fulfillment means growing with a high level of service. This initiative is combined with many others that make up the Encanta Magalu (Magalu Enchants) year, designed to make our customers' shopping journey more fluid, intuitive, and pleasant. During 2024, we plan to enhance the search functionality — showing each customer the best offering considering price, time, and freight — and introduce a new payment experience at check-out, as well as self-service aftersales tools, among other initiatives.

Thus, Magalu expects to improve its NPS across all channels and increase its sales conversion rate, especially in the marketplace, by the end of 2024. To make this happen, investments in technology in 2024 will be focused on user experience (UX). We will also invest in expanding MagaluAds, financial services for customers and sellers, and Magalu Cloud.

At MagaluAds, the platform - including sponsored search and showcase products - experienced a growth of over 70% in revenue compared to the first quarter of 2023, gaining an increased share versus other formats (display and special projects). This growth is primarily a result of attracting new advertisers (brands/agencies). Our strategy is to increasingly attract the long tail of sellers, with exclusive communication tailored to the relationship already established with our marketplace, in addition to focused efforts on agencies and brands.

In the first quarter, MagaluBank completed important improvements in financial products and services offered to sellers on our marketplace. We improved the experience in the seller relationship portal, which now includes loans and the activation of digital accounts. The digital corporate account will soon be completely integrated into the portal, enabling sellers to fully manage their account and financial services. Sellers can now use their schedule of credit card receivables from other institutions as collateral for loans, enabling more advantageous interest rates and increased lines of credit in our product.

In consumer financing, Luizacred continues to improve its results significantly. In the first quarter, Luizacred's net income was R$ 13 million. The credit portfolio totaled R$ 20 billion, with declining default rates: short- and long-term default represented only 3.4% and 9.4% of the portfolio, respectively. Overall, default indicators improved by 1.4 p.p. over the first quarter of 2023.

Magalu Cloud — Magalu's public cloud

Magalu Cloud is already a reality. In April, the company participated in Web Summit Rio 2024, where it launched its first three products: Object Storage (data storage and backup service), Turia IAM (identity and access management service), and ID Magalu (single sign on platform).

The products are available in two Brazilian regions (Southeast and Northeast), and we are expanding the capacity of these operations to support new products that will be launched later this year. We are also investing in the development of strategic partnerships with large companies to offer integrated solutions to the market. We have already entered into and announced partnerships with Dell, IBM, and Microsoft, and we are currently developing more than 30 new partnerships.

Excellent start to the year in the new categories too

Netshoes — the country's most visited sports e-commerce — continues to expand its market share, with positive results. In the first quarter of 2024, net income was R$ 13 million. In addition to higher profitability, working capital improved, with a reduction of 13 days in inventory turnover compared to the first quarter of 2023.

The performance of the Netshoes marketplace was outstanding: it already accounts for 44% of the platform's sales and has been growing with great attention to reputation and curation of products and sellers. In 1P e-commerce, Netshoes continues to expand its assortment of consolidated brands, while also adding new brands to the platform, including HOKA, CROCS, Ellesse, and Baw.

Kabum continues to increase sales with profitability. In 1Q24, it is worth noting the significant marketplace growth of 33%. In the first three months of the year, Kabum's net income totaled R$ 31 million. In April, we opened Kabum's first physical store, in São Paulo. Dedicated to the sale of OpenBox products, the unit is located in São Paulo and has 1,200 repackaged or used products of major brands in perfect working order, with a full guarantee for up to three months. The store offers an experience full of novelties and offers on products such as hardware, gaming chairs, earbuds, headsets, monitors, gaming mice, notebooks, PCs, smartphones, video cards, and more.

Closing Remarks

On June 9, 2004, was a celebration for Magalu. On that day, the company inaugurated 52 stores in Rio Grande do Sul, marking its arrival in the state. Over 20 years, Magalu and the people of Rio Grande do Sul have strengthened their bonds, and today, there are 107 stores and a distribution center there. Because of this close relationship, we shared the suffering of the climatic tragedy in the state with the people of Rio Grande do Sul, and we were also able to respond promptly to the event. The first measure was to support the employees directly impacted by the tragedy: nearly 2,000 Magalu employees, with 161 currently sheltered in a safe location, receiving support from the company through donations of essential items such as food, water, clothing, and medicine.

The second step was to help Rio Grande do Sul. In the first 72 hours, Magalu donated more than 1,800 mattresses to NGOs, schools, churches, and municipalities in eight cities, and this community support operation is ongoing. The delivery of the mattresses is being carried out voluntarily by the company's own employees from the stores and distribution center, using the company's trucks. Meanwhile, the company began the process of normalizing its operations, reopening stores and adjusting product delivery times for customers in the crisis context. At this moment, only six company stores remain closed due to the tragedy. The reconstruction of Rio Grande do Sul will be of vital importance to Brazil. And Magalu, a company proud of its origins and presence throughout the country, will be an active participant in this process.

We are convinced that we are on the right track. A path that combines growth and profitability, innovation and sustainability, day-to-day execution and a long-term strategy, guaranteeing the longevity of the business. We believe in our unique model, based on complementarity between sales channels and the resulting synergies and efficiency. We will continue to build on our strengths and offer Brazilians everything they want and deserve, with easy access and delight. We have begun the second quarter buoyed up by the positive trends we can see in our operation. In April, Magalu combined the focus on profitability with accelerated total sales growth, which has already reached the high single-digit level*.

Once again, we thank our customers, sellers, employees, shareholders, and suppliers for their partnership and company in this journey.

* Preliminary and unaudited information

EXECUTIVE MANAGEMENT TEAM

1Q24 Financial Highlights

Total sales with icreased profitability. In 1Q24, total sales -- including physical stores, e-commerce first-party inventory (1P) and marketplace (3P) grew 3.1% compared to the same period of the previous year and totaled R$16.0 billion (four-year-CAGR of 20.3%). This was a result of a 1.3% increase in total e-commerce (four-year-CAGR of 29.4%) and growth of 8.0% in physical stores (four-year-CAGR of 6.4%).

Marketplace reaches 41% of total online sales. During 1Q24, e-commerce sales increased 1.3% and totaled R$11.5 billion. Magalu's 1P e-commerce sales, reduced 2.0% (four-year-CAGR of 24.3%). Marketplace sales reached R$4.6 billion during the quarter, with a 6.4% growth (four-year-CAGR of 39.3%). This growth was driven by the performance of the SuperApp, with 48.5 million monthly active users (MAU). Other contributing factors include faster delivery speeds for 1P and 3P, the growth of new categories and an increase in the seller base.

Gross margin expansion driven by growth in service revenue and DIFAL pass-through. In 1Q24, the gross margin was 29.9%, a growth of 260 bps from the same period in 2023. After completing the pass-through of DIFAL and with a strategy focused on profitability, the product margin increased by 250 bps. Additionally, service revenue grew 10.5% and contributed to the evolution of the total gross margin, resulting in the highest gross margin in a first quarter in the last seven years.

Operating expenses. The percentage of adjusted operating expenses in relation to net revenues was 22.5% in 1Q24, an increase of 20 bps compared to 1Q23 and a decrease of 70 bps compared to 4Q23. With the increase in the marketplace, it is important to analyze expenses in relation to total sales (GMV). Along these lines, expenses remained stable.

Strong EBITDA growth and net profit. The increase in the contribution margin across all sales channel, including physical stores, e-commerce first-party investory (1P) and the marketplace, contributed to the 53.5% growth in adjusted EBITDA, which reached R$687.8 million in 1Q24 with a margin of 7.4%, an increase of 250 bps. in relation to last year. During the same period, the adjusted net income was R$29.8 million, reversing the negative net result in 1Q23. Considering non-recurring net expenses, net profit was R$27.9 million.

Cash generation and capital struture. Cash flow from operations in the last 12 months was R$2.7 billion, driven by the significant evolution in the operational result and in working capital. In 1Q24, working capital was R$2.1 billion better than the same period of the previous year. In Mar/24, Magalu´s adjusted net cash position was R$ 2.4 billion, an increase of R$2.5 billion compared to last year, and the total adjusted cash position was R$ 9.0 billion, in line with 4Q23 despite the retail seasonality in the first quarter of the year.

MagaluBank. Total payment volume (TPV) reached R$24.9 bilion in 1Q24, growing 6.0%. In mar/24, the cardholder base reached 6.6 million credit cards. Credit card billing grew 3.3% in 1Q24, reaching R$14.1 billion during the period. The credit card portfolio reached R$19.6 billion at the end of the quarter.

R$ million (except when otherwise indicated)	1Q24	1Q23	% Chg
Total Sales[1] (including marketplace)	16,028.3	15,548.2	3.1%
Gross Revenue	11,530.1	11,311.5	1.9%
Net Revenue	9,239.3	9,067.3	1.9%
Gross Income	2,763.4	2,479.3	11.5%
Gross Margin	29.9%	27.3%	260 bps
EBITDA	684.9	324.1	111.3%
EBITDA Margin	7.4%	3.6%	380 bps
Net Income	27.9	(391.2)	-
Net Margin	0.3%	-4.3%	460 bps
Adjusted - EBITDA	687.8	448.0	53.5%
Adjusted - EBITDA Margin	7.4%	4.9%	250 bps
Adjusted - Net Income	29.8	(309.4)	-
Adjusted - Net Margin	0.3%	-3.4%	370 bps
Same Physical Store Sales Growth	9.0%	6.7%	-
Total Physical Store Sales Growth	8.0%	7.5%	-
E-commerce Sales Growth (1P)	-2.0%	6.4%	-
Marketplace Sales Growth (3P)	6.4%	19.4%	-
Total E-commerce Sales Growth	1.3%	11.1%	-
E-commerce Share of Total Sale	71.5%	72.8%	-1.3 pp
Number of Stores - End of Period	1,263	1,302	-39 stores
Sales Area - End of Period (M^2)	701,439	716,221	-2.1%

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

| NON-RECURRING EVENTS

For ease of comparability with 1Q23, 1Q24 results are also being presented in an adjusted view, without the effects of non-recurring provisions and expenses.

CONCILIATION ADJUSTED INCOME STATEMENT (R$ million)	1Q24 Adjusted	V.A.	Non-recurring	1Q24	V.A.
Gross Revenue	11,530.1	124.8%	-	11,530.1	124.8%
Taxes and Deductions	(2,290.8)	-24.8%	-	(2,290.8)	-24.8%
Net Revenue	9,239.3	100.0%	-	9,239.3	100.0%
Total Costs	(6,475.9)	-70.1%	-	(6,475.9)	-70.1%
Gross Income	2,763.4	29.9%	-	2,763.4	29.9%
Selling Expenses	(1,659.9)	-18.0%	-	(1,659.9)	-18.0%
General and Administrative Expenses	(339.6)	-3.7%	-	(339.6)	-3.7%
Provisions for Loan Losses	(119.2)	-1.3%	-	(119.2)	-1.3%
Other Operating Revenues, Net	36.2	0.4%	(2.9)	33.3	0.4%
Equity in Subsidiaries	6.9	0.1%	-	6.9	0.1%
Total Operating Expenses	(2,075.6)	-22.5%	(2.9)	(2,078.5)	-22.5%
EBITDA	687.8	7.4%	(2.9)	684.9	7.4%
Depreciation and Amortization	(322.7)	-3.5%	-	(322.7)	-3.5%
EBIT	365.1	4.0%	(2.9)	362.2	3.9%
Financial Results	(383.4)	-4.1%	-	(383.4)	-4.1%
Operating Income	(18.3)	-0.2%	(2.9)	(21.2)	-0.2%
Income Tax and Social Contribution	48.2	0.5%	1.0	49.2	0.5%
Net Income	29.8	0.3%	(1.9)	27.9	0.3%

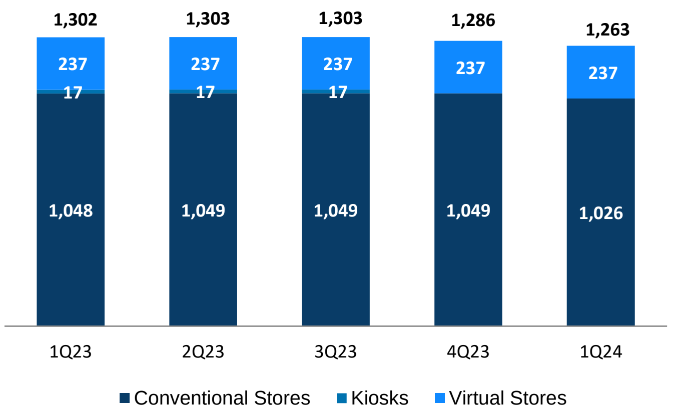
| Adjustments – Non – Recurring Events

Adjustments	1Q24
Tax Credits	(0.4)
Gain on Sale of Assets	0.3
Tax Provisions	(0.8)
Expert Fees	(1.1)
Other Expenses	(0.9)
EBITDA Adjustments	**(2.9)**
Income Tax and Social Contribution	1.0
Net Income Adjustments	**(1.9)**

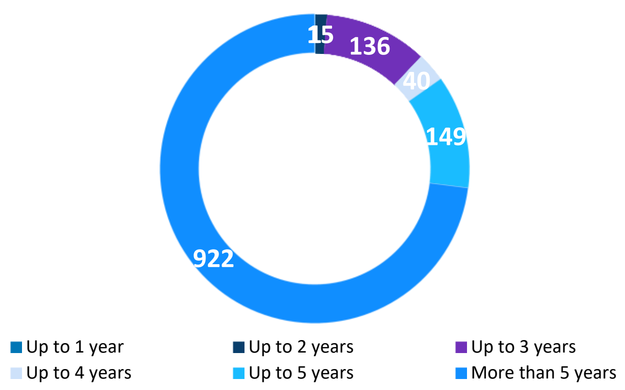
| OPERATING AND FINANCIAL PERFORMANCE

Magalu ended 1Q24 with 1,263 physical stores, (1,026 conventional, 237 virtual). During 1Q24, the company closed 23 conventional stores. Over the last 12 months, the Company opened 1 new store in the Southeast. Twenty-seven percent of our total number of stores are in the process of maturation.

Number of Stores

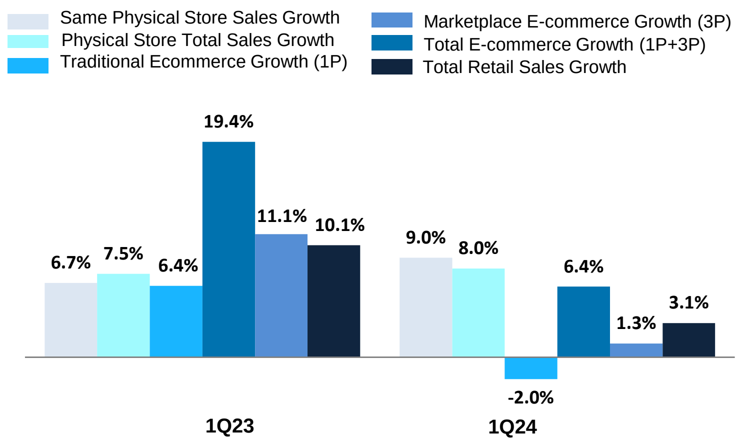


Average Age of Stores (number of stores)

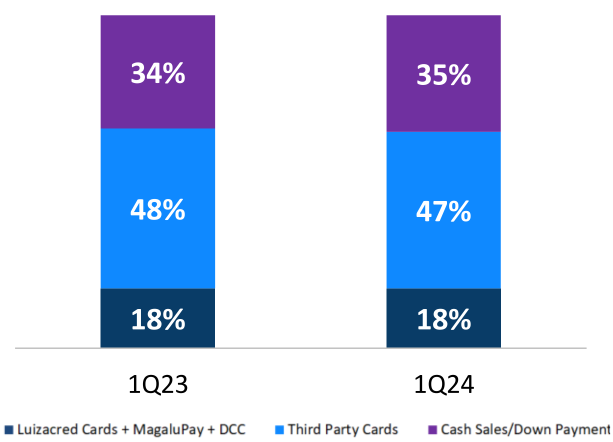


In 1Q24, Magalu´s total sales grew 3.1% (20.3% four-year CAGR), as a result of an 1.3% increase in e-commerce sales (29.4% four-year CAGR) and a 8.0% increase in physical store sales (6.4% four-year CAGR). It is worth mentioning the performance of the marketplace, which grew 6.4% in 1Q24 (39.3% four-year CAGR).

Total Sales Growth (%)



Financed Sales Mix (% of total sales)



In 1Q24, the share of cash (non-installment) sales increased from 34% to 35% compared to the same period in 2022. The increase in cash sales was driven by widespread PIX adoption, especially at Kabum, Netshoes and Magalu, which contributed to mitigate the effect of high interest rates.

| Gross Revenues

(in R$ million)	1Q24	1Q23	% Chg
Merchandise Sales	10,448.6	10,332.9	1.1%
Services	1,081.5	978.7	10.5%
Gross Revenue - Total	**11,530.1**	**11,311.5**	**1.9%**

In 1Q24, total gross revenue was R$11.5 billion, a 1.9% increase compared to the same period in 2022. The performance of physical stores and the growth of e-commerce during the quarter contributed to the evolution of gross revenue. It's worth highlighting the 10.5% increase in service revenue, particularly the growth in marketplace revenues and the insurance sold in stores.

| Net Revenues

(in R$ million)	1Q24	1Q23	% Chg
Merchandise Sales	8,360.5	8,248.2	1.4%
Services	878.8	819.1	7.3%
Net Revenue - Total	**9,239.3**	**9,067.3**	**1.9%**

In 1Q24, total net revenue was R$9.2 billion, a 1.9% increase compared to 1Q23, in line with the variation in total gross revenue. It is worth noting that the DIFAL payment (the difference in the ICMS rate on interstate sales) was reintroduced in 2023, so the deductions on gross revenue for the quarter become comparable again.

| Gross Profit

(in R$ million)	1Q24	1Q23	% Chg
Merchandise Sales	1,894.4	1,666.1	13.7%
Services	869.0	813.2	6.9%
Gross Profit - Total	**2,763.4**	**2,479.3**	**11.5%**
Gross Margin - Total	**29.9%**	**27.3%**	**260 bps**

In 1Q24, gross margin was 29.9%, an increase of 2.6 p.p. compared to the same period last. With the completion of the DIFAL pass-through, and with a profitability-focused strategy, the product margin increased by 2.5 p.p. compared to last year and 0.1 p.p. compared to the first quarter of 2022 when the DIFAL charge was not in effect. Additionally, service revenue contributed to the addition to the total gross margin, resulting in the highest gross margin in a first quarter in the last seven years.

| Operating Expenses

(in R$ million)	1Q24 Adjusted	% NR	1Q23 Adjusted	% NR	% Chg
Selling Expenses	(1,659.9)	-18.0%	(1,644.4)	-18.1%	0.9%
General and Administrative Expenses	(339.6)	-3.7%	(308.4)	-3.4%	10.1%
General and Administrative Expenses	**(1,999.6)**	**-21.6%**	**(1,952.8)**	**-21.5%**	**2.4%**
Provisions for Loan Losses	(119.2)	-1.3%	(99.0)	-1.1%	20.4%
Other Operating Revenues, Net	36.2	0.4%	32.7	0.4%	10.9%
Total Operating Expenses	**(2,082.5)**	**-22.5%**	**(2,019.1)**	**-22.3%**	**3.1%**
Operaing Expenses / Total Sales	**-13.0%**		**-13.0%**		**0.0 bps**

| Selling Expenses

In 1Q24, selling expenses totaled R$1.7 billion, equivalent to 18.0% of net revenue, a decrease of 0.1 p.p.when compared to the same period in 2023. With the growth of the marketplace, it is important to also analyze expenses in relation to total sales. Along these lines, selling expenses represented 10.4%, a decrease of 0.2 p.p.

| General and Administrative Expenses

In 1Q24, general and administrative expenses totaled R$339.6 million, equivalent to 3.7% of net revenue, 0.3 p.p. higher than the same period in 2023. In terms of total sales, administrative expenses remained practically stable.

| Provisions for Loan Losses

Provisions for loan losses totaled R$119.2 million in 1Q24.

| Other Operating Revenues and Expenses, Net

(in R$ million)	1Q24	% NR	1Q23	% NR	% Chg
Deferred Revenue Recorded	36.2	0.4%	21.3	0.2%	70.2%
Subtotal - Adjusted	**36.2**	**0.4%**	**21.3**	**0.2%**	**70.2%**
Tax Credits	(0.4)	0.0%	0.6	0.0%	-
Provisions for tax, civil and labor risks	(0.8)	0.0%	(5.2)	-0.1%	-85.6%
Expert fees	(1.1)	0.0%	(0.6)	0.0%	96.1%
Restructuring and integration expenses	-	0.0%	(106.2)	-1.2%	-
Gain on Sale of Assets	0.3	0.0%	(0.9)	0.0%	-
Other Expenses	(0.9)	0.0%	(0.2)	0.0%	255.7%
Subtotal - Non Recurring	**(2.9)**	**0.0%**	**(112.5)**	**-1.2%**	**-97.4%**
Total	**33.3**	**0.4%**	**(91.3)**	**-1.0%**	**-**

In 1Q24, other adjusted net operating revenues totaled R$36.2 million, impacted by the recognition of deferred revenues.

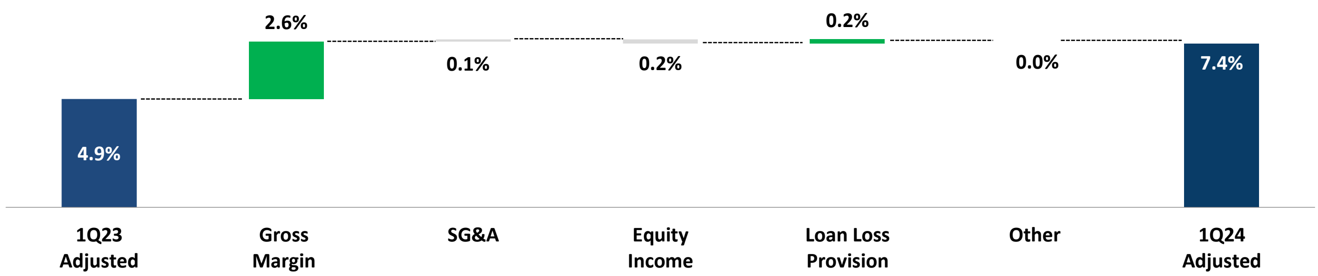
| Equity Income

In 1Q24, equity income was R$6.9 million, comprised of R$6.7 million in equity attributable to the performance of Luizacred; and practice adjustments in the amount of R$0.2 million.

| EBITDA

In 1Q24, adjusted EBITDA grew 53.5% compared to the same period last year, reaching R$687.8 million. This significant increase was due to the increase in gross merchandise margin and the contribution of the service revenue, including the marketplace. During this quarter, the expansion of the gross margin was 2.6 p.p., significantly above the variation in operating expenses. The adjusted EBITDA margin increased 2.5 p.p. from 4.9% in 1Q23 to 7.4% in 1Q24.

EBITDA performance LTM (% of net revenue)



| Financial Results

In 1Q24, net financial expenses totaled R$383.4 million, equivalent to 4.1% of net revenue. Expenses fell 2.9 p.p., in relation to the same period last year, due to the evolution of cash flow from operations, improvement in capital structure, and reduction in the interest rate, in addition to the proportional increase in sales in the marketplace, as this channel presents lower related financial expenses. In nominal terms, the financial result in 1Q24 was 39.4% lower than in 1Q23.

Setting aside the effects of interest on leasing, net financial expenses were R$305.7 million in 1Q24, equivalent to 3.3% of net revenue.

R$ million	1Q24	% NR	1Q23	% NR	% Chg
Financial Expenses	(462.8)	-5.0%	(750.3)	-8.3%	-38.3%
Interest on loans and financing	(195.1)	-2.1%	(252.8)	-2.8%	-22.9%
Interest on prepayment of receivables – third party card	(159.3)	-1.7%	(274.1)	-3.0%	-41.9%
Interest on prepayment of receivables – Luiza Card	(38.7)	-0.4%	(125.8)	-1.4%	-69.2%
Other expenses	(69.7)	-0.8%	(97.6)	-1.1%	-28.6%
Financial Revenues	157.1	1.7%	193.3	2.1%	-18.7%
Gains on marketable securities	34.6	0.4%	44.3	0.5%	-21.9%
Other financial revenues	122.5	1.3%	148.9	1.6%	-17.7%
Subtotal: Net Financial Results - Adjusted	(305.7)	-3.3%	(557.0)	-6.1%	-45.1%
Interest on lease	(77.7)	-0.8%	(75.3)	-0.8%	3.2%
Total Net Financial Results - Adjusted	(383.4)	-4.1%	(632.4)	-7.0%	-39.4%

| Net Income

In 1Q23, the Company experienced a net income of R$27.9 million, showing a significant improvement compared to previous quarters due to operational efficiency and substantial reduction in financial expenses. Considering non-recurring income tax credits and other non-recurring items, adjusted net income was R$29.8 million.

| Adjusted Working Capital

CONSOLIDATED (R$ million)	LTM	Mar-24	Dec-23	Sep-23	Jun-23	Mar-23
(+) Accounts Receivables (without Credit Card)	117.7	1,348.1	1,386.2	1,220.5	1,212.6	1,230.4
(+) Inventories	(248.9)	7,315.2	7,497.3	7,899.4	7,570.2	7,564.1
(+) Related Parties (without Luiza Card)	(14.8)	47.4	50.9	149.0	49.2	62.3
(+) Recoverable Taxes	182.1	1,691.2	1,680.5	1,513.2	1,421.0	1,509.1
(+) Income Tax and Recoverable Social Contribution	(131.4)	197.3	177.0	230.1	263.0	328.7
(+) Other Assets	60.4	416.0	334.7	402.9	422.7	355.6
(+) Current Operating Assets	(34.9)	11,015.2	11,126.7	11,415.2	10,938.7	11,050.1
(-) Suppliers (including agreement)	1,602.5	8,598.0	9,324.1	9,306.9	7,874.0	6,995.4
(-) Transfers and Other Deposits	196.8	1,724.5	1,765.1	1,533.7	1,473.8	1,527.7
(-) Payroll, Vacation and Related Charges	(3.9)	409.8	401.9	449.1	411.6	413.7
(-) Taxes Payable	19.6	281.4	360.0	280.4	296.6	261.8
(-) Related Parties	(35.1)	90.6	101.0	209.3	93.8	125.6
(-) Deferred Revenue	71.6	145.5	145.9	146.3	146.7	73.9
(-) Other Accounts Payable	173.7	1,875.8	1,847.5	1,741.9	1,657.3	1,702.0
(-) Current Operating Liabilities	2,025.2	13,125.5	13,945.4	13,667.6	11,953.8	11,100.3
(=) Working Capital Adjusted	(2,060.1)	(2,110.3)	(2,818.7)	(2,252.4)	(1,015.2)	(50.2)
% of Gross Revenue (LTM)	-4.5%	-4.6%	-6.2%	-4.9%	-2.2%	-0.1%

In Mar/24, the adjusted working capital need was negative in R$2.1 billion, a variation of only R$708.4 million in 1Q24, even considering the usual seasonality of retail in the first three months of the year. It is worth noting that the Company reduced the level of inventories by R$182.1 million in the quarter and by R$248.9 million in the last 12 months, contributing to the improvement in working capital.

It is important to highlight that, in the last 12 months, the variation of the adjusted working capital contributed R$2.1 billion to the generation of operational cash flow.

| Capex

CAPEX (in R$ million)	1Q24	%	1Q23	%	%Chg
New Stores	-	0%	0.4	0%	-100%
Remodeling	8.0	4%	10.2	6%	-22%
Technology	162.5	89%	149.4	84%	9%
Logistics	8.6	5%	7.7	4%	12%
Other	3.8	2%	10.4	6%	-63%
Total	182.9	100%	178.1	100%	3%

In 1Q24, investments totaled R$182.9 million, highlighting investments in technology, which represented 89% of the total investment for the quarter.

| Capital Structure

CONSOLIDATED (R$ million)	LTM	Mar-24	Dec-23	Sep-23	Jun-23	Mar-23
(-) Current Loans and Financing	(1,222.9)	(2,269.4)	(2,954.3)	(3,002.7)	(2,831.4)	(1,046.5)
(-) Non-current Loans and Financing	1,824.2	(4,400.4)	(4,400.5)	(4,400.6)	(4,400.4)	(6,224.6)
(=) Gross Debt	601.3	(6,669.8)	(7,354.9)	(7,403.3)	(7,231.7)	(7,271.1)
(+) Cash and Cash Equivalents	193.4	1,978.3	2,593.3	2,804.0	2,100.6	1,784.9
(+) Current Securities	(95.8)	352.1	779.1	480.8	386.2	447.9
(+) Total Cash	97.5	2,330.3	3,372.4	3,284.9	2,486.8	2,232.8
(=) Net Cash	698.8	(4,339.5)	(3,982.4)	(4,118.5)	(4,744.9)	(5,038.3)
(+) Credit Card - Third Party Card	1,207.8	4,697.8	4,499.3	3,618.4	4,320.3	3,490.0
(+) Credit Card - Luiza Card	606.3	2,009.3	1,222.8	1,157.4	1,339.8	1,403.0
(+) Total Credit Card	1,814.1	6,707.1	5,722.1	4,775.8	5,660.1	4,893.0
(=) Adjusted Net Cash	2,513.0	2,367.6	1,739.6	657.3	915.1	(145.3)
Short Term Debt / Total	20%	34%	40%	41%	39%	14%
Long Term Debt / Total	-20%	66%	60%	59%	61%	86%
Adjusted EBITDA (LTM)	230.3	2,371.6	2,131.8	2,049.0	2,089.0	2,141.3
Adjusted Net Cash / Adjusted EBITDA	1.1 x	1.0 x	0.8 x	0.3 x	0.4 x	-0.1 x
Cash, Securities and Credit Cards	1,911.7	9,037.5	9,094.5	8,060.7	8,146.9	7,125.8

The Company ended the quarter with a total cash position of R$9.0 billion, considering cash and financial instruments of R$2.3 billion and available credit card receivables of R$6.7 billion. The total cash position remained stable in the quarter and increased by R$1.9 billion compared to 1Q23. The net cash position increased from R$1.7 billion in Dec/23 to R$2.4 billion in Mar/24.

It is worth highlighting the Private Capital Increase, concluded in Mar/24, by our Board of Directors, in the amount of R$1.25 billion. The raised funds will be essential for accelerating investments in technology, including the expansion of Luizalabs, and the evolution of the marketplace platform, user experience (UX), and services such as Ads, Fintech, Fulfillment, and Magalu Cloud. In addition to supporting these investments, part of the raised capital will contribute to optimizing the company's capital structure, accelerating the reduction of financial expenses.

Additionally, it is worth noting that, in Jan/24, Magalu made the payment of the 9th issuance of simple debentures in the amount of approximately R$900 million, including interest. Furthermore, in Apr/24, Magalu made the payment of promissory notes totaling around R$2.1 billion, including interest. Thus, the Company has already paid R$3.0 billion in debts this year, eliminating its short-term debt. The remaining debts mature at the end of 2025 and the end of 2026.

ANNEX I
FINANCIAL STATEMENTS – CONSOLIDATED INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT (R$ million)	1Q24	V.A.	1Q23	V.A.	% Chg
Gross Revenue	11,530.1	124.8%	11,311.5	124.8%	1.9%
Taxes and Deductions	(2,290.8)	-24.8%	(2,244.2)	-24.8%	2.1%
Net Revenue	9,239.3	100.0%	9,067.3	100.0%	1.9%
Total Costs	(6,475.9)	-70.1%	(6,588.0)	-72.7%	-1.7%
Gross Income	2,763.4	29.9%	2,479.3	27.3%	11.5%
Selling Expenses	(1,659.9)	-18.0%	(1,644.4)	-18.1%	0.9%
General and Administrative Expenses	(339.6)	-3.7%	(308.4)	-3.4%	10.1%
Provisions for Loan Losses	(119.2)	-1.3%	(99.0)	-1.1%	20.4%
Other Operating Revenues, Net	33.3	0.4%	(91.3)	-1.0%	-
Equity in Subsidiaries	6.9	0.1%	(12.1)	-0.1%	-
Total Operating Expenses	(2,078.5)	-22.5%	(2,155.2)	-23.8%	-3.6%
EBITDA	684.9	7.4%	324.1	3.6%	111.3%
Depreciation and Amortization	(322.7)	-3.5%	(307.8)	-3.4%	4.8%
EBIT	362.2	3.9%	16.3	0.2%	2118.2%
Financial Results	(383.4)	-4.1%	(632.4)	-7.0%	-39.4%
Operating Income	(21.2)	-0.2%	(616.0)	-6.8%	-96.6%
Income Tax and Social Contribution	49.2	0.5%	224.8	2.5%	-78.1%
Net Income	27.9	0.3%	(391.2)	-4.3%	-

Calculation of EBITDA

Net Income	27.9	0.3%	(391.2)	-4.3%	-
(+/-) Income Tax and Social Contribution	(49.2)	-0.5%	(224.8)	-2.5%	-78.1%
(+/-) Financial Results	383.4	4.1%	632.4	7.0%	-39.4%
(+) Depreciation and Amortization	322.7	3.5%	307.8	3.4%	4.8%
EBITDA	684.9	7.4%	324.1	3.6%	111.3%

Reconciliation of EBITDA for non-recurring expenses

EBITDA	684.9	7.4%	324.1	3.6%	111.3%
Non-recurring Result	2.9	0.0%	123.9	1.4%	-97.7%
Adjusted EBITDA	687.8	7.4%	448.0	4.9%	53.5%

Net Income	27.9	0.3%	(391.2)	-4.3%	-
Non-recurring Result	1.9	0.0%	81.8	0.9%	-97.7%
Adjusted Net Income	29.8	0.3%	(309.4)	-3.4%	-

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

ANNEX II – ADJUSTED
FINANCIAL STATEMENTS – CONSOLIDATED INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT (R$ million)	1Q24 Adjusted	V.A.	1Q23 Adjusted	V.A.	% Chg
Gross Revenue	11,530.1	124.8%	11,311.5	124.8%	1.9%
Taxes and Deductions	(2,290.8)	-24.8%	(2,244.2)	-24.8%	2.1%
Net Revenue	9,239.3	100.0%	9,067.3	100.0%	1.9%
Total Costs	(6,475.9)	-70.1%	(6,588.0)	-72.7%	-1.7%
Gross Income	2,763.4	29.9%	2,479.3	27.3%	11.5%
Selling Expenses	(1,659.9)	-18.0%	(1,644.4)	-18.1%	0.9%
General and Administrative Expenses	(339.6)	-3.7%	(308.4)	-3.4%	10.1%
Provisions for Loan Losses	(119.2)	-1.3%	(99.0)	-1.1%	20.4%
Other Operating Revenues, Net	36.2	0.4%	32.7	0.4%	10.9%
Equity in Subsidiaries	6.9	0.1%	(12.1)	-0.1%	-
Total Operating Expenses	(2,075.6)	-22.5%	(2,031.3)	-22.4%	2.2%
EBITDA	687.8	7.4%	448.0	4.9%	53.5%
Depreciation and Amortization	(322.7)	-3.5%	(307.8)	-3.4%	4.8%
EBIT	365.1	4.0%	140.2	1.5%	160.4%
Financial Results	(383.4)	-4.1%	(632.4)	-7.0%	-39.4%
Operating Income	(18.3)	-0.2%	(492.1)	-5.4%	-96.3%
Income Tax and Social Contribution	48.2	0.5%	182.7	2.0%	-73.6%
Net Income	29.8	0.3%	(309.4)	-3.4%	-

ANNEX III
FINANCIAL STATEMENTS – CONSOLIDATED BALANCE SHEET
ASSETS

	Mar-24	Dec-23	Sep-23	Jun-23	Mar-23
CURRENT ASSETS					
Cash and Cash Equivalents	1,978.3	2,593.3	2,804.0	2,100.6	1,784.9
Securities	352.1	779.1	480.8	386.2	447.9
Accounts Receivable - Credit Card	4,698.0	4,499.3	3,618.4	4,320.3	3,490.0
Accounts Receivable - Other	1,348.1	1,386.2	1,220.5	1,212.6	1,230.4
Inventories	7,315.2	7,497.3	7,899.4	7,570.2	7,564.1
Related Parties - Credit Card	2,009.0	1,222.8	1,157.4	1,339.8	1,403.0
Related Parties - Other	47.4	50.9	149.0	49.2	62.3
Taxes Recoverable	1,691.2	1,680.5	1,513.2	1,421.0	1,509.1
Income Tax and Recoverable Social Contribution	197.3	177.0	230.1	263.0	328.7
Other Assets	416.0	334.7	402.9	422.7	355.6
Total Current Assets	20,052.5	20,221.2	19,475.8	19,085.5	18,175.9
NON-CURRENT ASSETS					
Accounts Receivable	106.5	72.7	38.6	19.6	11.8
Recoverable Taxes	2,267.8	2,464.2	2,876.7	2,314.1	2,144.9
Deferred Income Tax and Social Contribution	2,959.8	2,836.9	2,650.1	2,188.9	1,917.1
Judicial Deposits	1,779.3	1,734.5	1,758.3	1,700.4	1,722.2
Other Assets	129.3	113.7	120.5	117.8	112.9
Investments in Subsidiaries	329.8	322.5	264.0	282.3	301.7
Right of use	3,243.8	3,343.1	3,380.9	3,509.0	3,427.6
Fixed Assets	1,823.6	1,841.5	1,872.3	1,910.7	1,951.1
Intangible Assets	4,526.5	4,504.8	4,481.7	4,470.6	4,451.3
Total Non-Current Assets	17,166.4	17,233.9	17,443.1	16,513.3	16,040.7
TOTAL ASSETS	37,218.9	37,455.1	36,919.0	35,598.9	34,216.6

ANNEX III
FINANCIAL STATEMENTS – CONSOLIDATED BALANCE SHEET
LIABILITIES

LIABILITIES (R$ million)	Mar-24	Dec-23	Sep-23	Jun-23	Mar-23
CURRENT LIABILITIES					
Suppliers	8,598.0	9,324.1	9,306.9	7,874.0	6,995.4
Suppliers	*6,367.0*	*6,966.0*	*6,476.4*	*5,112.7*	*4,823.2*
Suppliers - agreement	*2,230.9*	*2,358.1*	*2,830.4*	*2,761.3*	*2,172.3*
Transfers and other deposits	1,724.5	1,765.1	1,533.7	1,473.8	1,527.7
Loans and Financing	2,269.4	2,954.3	3,002.7	2,831.4	1,046.5
Payroll, Vacation and Related Charges	409.8	401.9	449.1	411.6	413.7
Taxes Payable	281.4	360.0	280.4	296.6	261.8
Related Parties	90.6	101.0	209.3	93.8	125.6
Lease	506.0	508.4	456.0	467.1	633.9
Deferred Revenue	145.5	145.9	146.3	146.7	73.9
Other Accounts Payable	1,875.8	1,847.5	1,741.9	1,657.3	1,702.0
Total Current Liabilities	15,900.9	17,408.1	17,126.3	15,252.3	12,780.7
NON-CURRENT LIABILITIES					
Loans and Financing	4,400.4	4,400.5	4,400.6	4,400.4	6,224.6
Taxes to be collected	4.7	4.8	7.8	7.8	7.8
Lease	2,986.7	3,069.8	3,143.6	3,246.0	2,992.3
Deferred Income Tax and Social Contribution	163.9	105.1	135.1	90.8	102.5
Provision for Tax, Civil and Labor Risks	1,661.0	1,619.2	1,289.9	1,274.3	1,250.5
Deferred Revenue	1,067.1	1,102.8	1,139.4	1,172.1	405.2
Other Accounts Payable	134.2	134.2	143.6	143.8	162.3
Total Non-Current Liabilities	10,418.1	10,436.4	10,260.0	10,335.1	11,145.2
TOTAL LIABILITIES	26,318.9	27,844.5	27,386.3	25,587.4	23,925.9
SHAREHOLDERS' EQUITY					
Capital Stock	13,602.5	12,352.5	12,352.5	12,352.5	12,352.5
Capital Reserve	(2,102.7)	(2,087.3)	(2,069.4)	(2,061.0)	(1,867.7)
Treasury Shares	(951.9)	(990.6)	(1,001.6)	(1,029.1)	(1,242.8)
Legal Reserve	137.4	137.4	137.4	137.4	137.4
Profit Retention Reserve	319.8	319.8	1,298.9	1,298.9	1,298.9
Other Comprehensive Income	(133.2)	(121.4)	6.1	5.6	3.6
Retained Profits (Losses)	27.9	-	(1,191.3)	(693.0)	(391.2)
Total Shareholders' Equity	10,899.9	9,610.5	9,532.7	10,011.5	10,290.7
TOTAL	37,218.9	37,455.1	36,919.0	35,598.9	34,216.6

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ANNEX IV
FINANCIAL STATEMENTS – ADJUSTED CONSOLIDATED STATEMENT OF CASH FLOWS

ADJUSTED CASH FLOW STATEMENTS (R$ million)	1Q24	1Q23	LTM	LTM
Net Income	**27.9**	**(391.2)**	**(560.0)**	**(728.9)**
Effect of Income Tax and Social Contribution Net of Payment	(61.0)	(232.1)	(953.0)	(862.7)
Depreciation and Amortization	322.7	307.8	1,257.6	1,206.4
Interest Accrued on Loans and Lease	274.6	329.8	1,245.7	1,286.7
Equity Income	(6.9)	12.1	(0.0)	39.9
Dividends Received	-	43.1	23.9	43.4
Provision for Losses on Inventories and Receivables	181.0	99.9	665.9	524.3
Provision for Tax, Civil and Labor Contingencies	45.4	58.5	521.6	99.4
Gain on Sale of Fixed Assets	(0.3)	0.9	(201.3)	1.3
Recognition of Deferred Income	(36.2)	(21.5)	(127.4)	(83.6)
Stock Option Expenses	9.6	32.5	45.4	137.0
Adjusted Net Income	**756.8**	**239.8**	**1,918.4**	**1,663.3**
Trade Accounts Receivable	(134.2)	39.2	(888.8)	(488.3)
Inventories	127.5	238.3	119.7	373.7
Taxes Recoverable	36.6	19.8	(302.4)	(736.1)
Deposit in Court	(44.8)	(72.0)	(57.1)	(445.1)
Other Receivables	(93.4)	(146.0)	(52.6)	(181.7)
Changes in Operating Assets	**(108.3)**	**79.3**	**(1,181.2)**	**(1,477.4)**
Trade Accounts Payable	(726.1)	(2,547.8)	1,602.5	747.0
Other Payables	37.2	(250.1)	321.8	335.0
Change in Operating Liabilities	**(688.9)**	**(2,797.9)**	**1,924.3**	**1,081.9**
Cash Flow from Operating Activities	**(40.4)**	**(2,478.8)**	**2,661.5**	**1,267.8**
Additions of Fixed and Intangible Assets	(182.9)	(178.1)	(645.6)	(699.0)
Investment in Subsidiaries	-	(519.0)	(10.0)	(640.9)
Sale of equity interest in jointly controlled entity	-	-	166.8	-
Sale of Exclusive Dealing and Exploration Right Contract	-	-	854.6	272.0
Cash Flow from Investing Activities	**(182.9)**	**(697.1)**	**365.8**	**(1,067.8)**
Loans and Financing	-	-	-	400.0
Repayment of Loans and Financing	(801.6)	(4.3)	(802.0)	(356.9)
Payment of Interest on Loans and Financing	(80.3)	(87.7)	(735.3)	(665.3)
Payment of Lease	(124.2)	(138.9)	(498.1)	(514.2)
Payment of Interest on Lease	(77.7)	(75.8)	(330.5)	(324.2)
Payment of Dividends	-	-	-	(100.0)
Private Capital Increase	1,250.0	-	1,250.0	-
Cash Flow from Financing Activities	**166.1**	**(306.8)**	**(1,115.8)**	**(1,560.6)**
Cash, Cash Equivalents and Securities at Beginning of Period	9,094.5	10,608.5	7,125.8	8,486.5
Cash, Cash Equivalents and Securities at end of Period	9,037.3	7,125.8	9,037.3	7,125.8
Change in Cash and Cash equivalents	**(57.2)**	**(3,482.7)**	**1,911.5**	**(1,360.7)**

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

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

INVESTED CAPITAL (R$ million)	mar/24	dec/23	sep/23	jun/23	mar/23
Working Capital	4,090.7	2,395.0	2,067.4	4,177.8	4,208.9
(+) Accounts Receivable	106.5	72.7	38.6	19.6	11.8
(+) Income Tax and Social Contribution deferred	2,959.8	2,836.9	2,650.1	2,188.9	1,917.1
(+) Taxes Recoverable	2,267.8	2,464.2	2,876.7	2,314.1	2,144.9
(+) Judicial Deposits	1,779.3	1,734.5	1,758.3	1,700.4	1,722.2
(+) Other Assets	129.3	113.7	120.5	117.8	112.9
(+) Investment In Joint Subsidiaries	329.8	322.5	264.0	282.3	301.7
(+) Right of use	3,243.8	3,343.1	3,380.9	3,509.0	3,427.6
(+) Fixed Assets	1,823.6	1,841.5	1,872.3	1,910.7	1,951.1
(+) Intangible Assets	4,526.5	4,504.8	4,481.7	4,470.6	4,451.3
(+) Non Current Assets	17,166.4	17,233.9	17,443.1	16,513.3	16,040.7
(-) Provision for Contingencies	1,661.0	1,619.2	1,289.9	1,274.3	1,250.5
(-) Lease	2,986.7	3,069.8	3,143.6	3,246.0	2,992.3
(-) Deferred Revenue	1,067.1	1,102.8	1,139.4	1,172.1	405.2
(-) Taxes to be Collected	4.7	4.8	7.8	7.8	7.8
(-) Income Tax and Social Contribution deferred	163.9	105.1	135.1	90.8	102.5
(-) Other Accounts Payable	134.2	134.2	143.6	143.8	162.3
(-) Non-Current operating liabilities	6,017.7	6,035.9	5,859.4	5,934.7	4,920.6
(=) Fixed Capital	11,148.7	11,198.0	11,583.7	10,578.6	11,120.1
(=) Total Invested Capital	15,239.4	13,593.0	13,651.1	14,756.4	15,329.0
(+) Net Debt	4,339.5	3,982.4	4,118.5	4,744.9	5,038.3
(+) Shareholders Equity	10,899.9	9,610.5	9,532.7	10,011.5	10,290.7
(=) Total Financing	15,239.4	13,593.0	13,651.1	14,756.4	15,329.0

FINANCIAL EXPENSES RECONCILIATION (R$MM)	1Q24	4Q23	3Q23	2Q23	1Q23
Financial Income	157.1	396.5	345.2	171.2	193.3
Financial Expenses	(540.5)	(623.6)	(645.8)	(703.3)	(825.6)
Net Financial Expenses	(383.4)	(227.2)	(300.6)	(532.1)	(632.4)
Interest on prepayment of receivables: Luiza Card and third-party card	198.1	241.1	234.9	244.3	399.9
Adjusted Financial Expenses	(185.4)	13.9	(65.7)	(287.8)	(232.5)
Taxes on Adjusted Financial Expenses	63.0	(4.7)	22.3	97.8	79.0
Net Adjusted Financial Expenses	(122.3)	9.2	(43.4)	(189.9)	(153.4)

NOPLAT AND ROIC/ROE RECONCILIATION(R$MM)	1Q24	4Q23	3Q23	2Q23	1Q23
EBITDA	684.9	548.6	(286.0)	283.9	324.1
Interest on prepayment of receivables: Luiza Card and third-party card	(198.1)	(241.1)	(234.9)	(244.3)	(399.9)
Depreciation	(322.7)	(305.4)	(309.7)	(319.8)	(307.8)
Current and deferred taxes	49.2	196.2	398.0	266.3	224.8
Taxes on Adjusted Financial Expenses	(63.0)	4.7	(22.3)	(97.8)	(79.0)
Net Operating Income (NOPLAT)	150.3	203.0	(455.0)	(111.8)	(237.8)
Invested Capital	15,239.4	13,593.0	13,651.1	14,756.4	15,329.0
ROIC Annualized	4%	6%	-13%	-3%	-6%
Net Income	27.9	212.2	(498.3)	(301.7)	(391.2)
Shareholders Equity	10,899.9	9,610.5	9,532.7	10,011.5	10,290.7
ROE Annualized	1%	9%	-21%	-12%	-15%

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

Breakdown of Total Sales (R$ million)	1Q24	V.A.	1Q23	V.A.	Growth Total
Virtual Stores	284.2	1.8%	289.0	1.9%	-1.7%
Conventional Stores	4,290.7	26.8%	3,947.2	25.4%	8.7%
Subtotal - Physical Stores	4,574.9	28.5%	4,236.2	27.2%	8.0%
Traditional E-commerce (1P)	6,812.5	42.5%	6,948.6	44.7%	-2.0%
Marketplace (3P)	4,640.9	29.0%	4,363.3	28.1%	6.4%
Subtotal - Total E-commerce	11,453.4	71.5%	11,312.0	72.8%	1.3%
Total Sales	16,028.3	100.0%	15,548.2	100.0%	3.1%

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

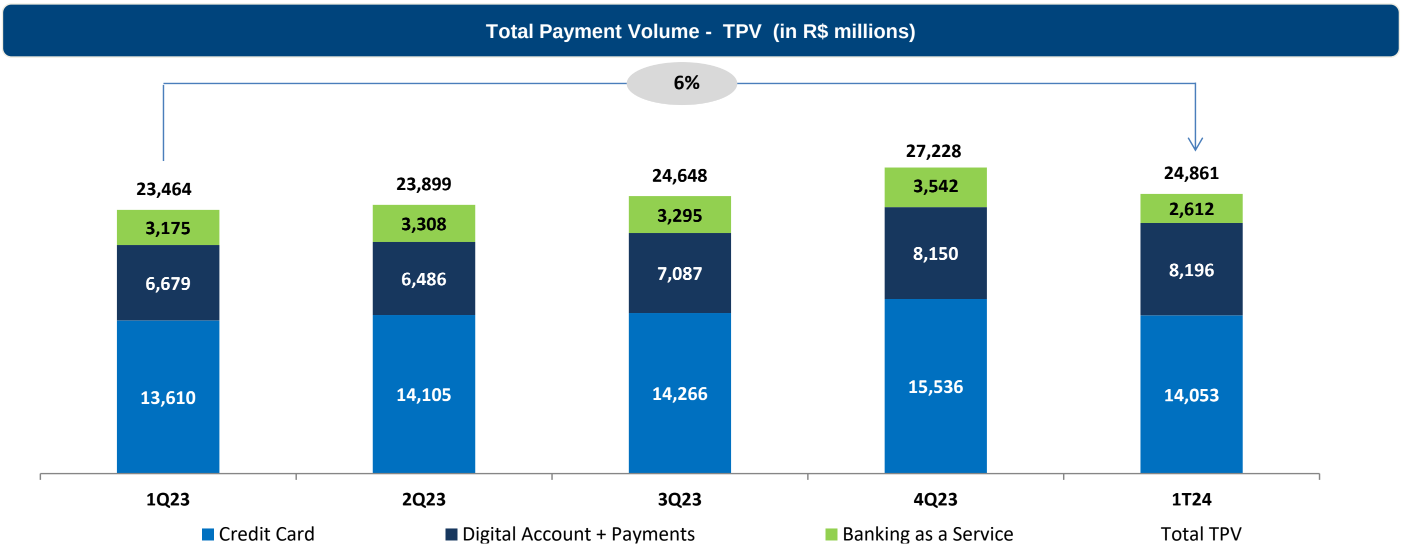
Number of stores per channel – End of the period	mar/23	Part(%)	mar/22	Part(%)	Growth Total
Virtual Stores	237	18.8%	237	18.2%	-
Conventional Stores	1,026	81.2%	1,048	80.5%	(22)
Kiosks	-	0.0%	17	1.3%	(17)
Subtotal - Physical Stores	1,263	100.0%	1,302	100.0%	(39)
Total Sales Area (m²)	701,439	100.0%	716,221	100.0%	-2.1%

ANNEX VII
MAGALUBANK

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

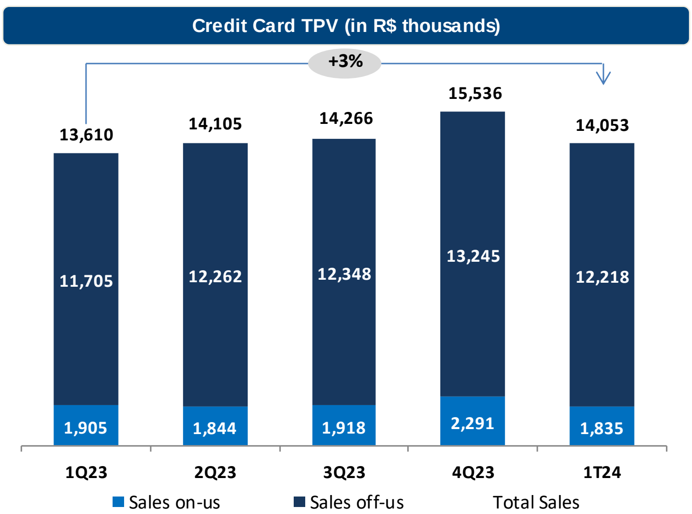
| Operating Indicators

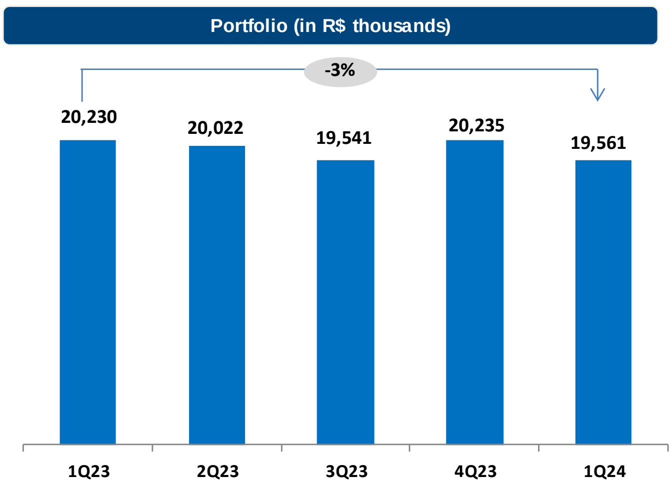
- Magalu's total payment volume (TPV) reached R$ 24.9 billion in 1Q24, growing 6,0% compared to 1Q23.



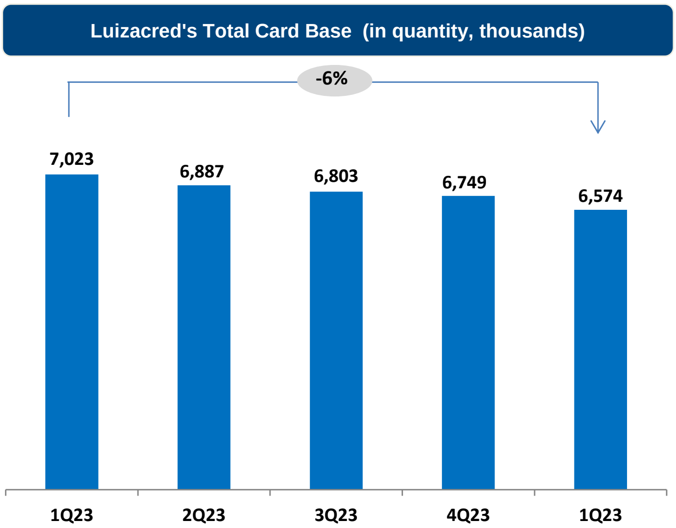
| Credit Card

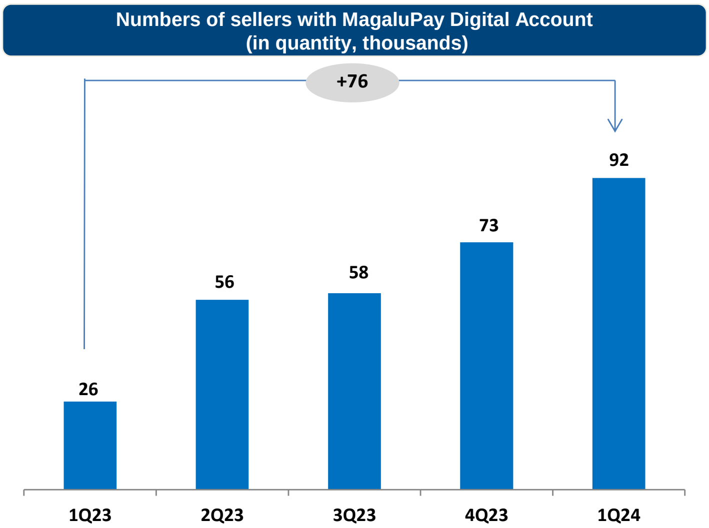
- Credit Card TPV grew 3.3% in 1Q24, reaching R$14.1 billion during the period. In-store sales to Luiza and Magalu Card customers, distinguished by their loyalty and higher purchase frequency, reached R$1.8 billion in 1Q24. Sales outside Magalu grew 4.46% in 1Q24, reaching R$12.2 billion in the quarter.
- Luizacred's credit portfolio reached R$19.6 billion at the end of 1Q24, a decrease of 3.3% over 1Q23.





- In March 2024, Luizacred's total card base reached 6.6 million cards (-6.0% versus March 2023). This includes Luiza Card and the Magalu Card.





Digital Account and Payments

- The total payment volume (TPV) of sub-acquiring, digital accounts and loans to sellers reached R$8,2 billion in 1Q24, growing 22.7% during the period.
- In March 2024, Magalu's digital banking initiative, MagaluPay, reached 12.4 million accounts, representing an increase of 518 thousand new accounts opened during the quarter and 2.4 million new accounts over the last twelve months.
- MagaluPay Empresas reached the milestone of 91.5 thousand accounts and a TPV of R$856.3 million in 1Q24. Our customer digital account now integrates various financial services of the ecosystem in one place.
- MagaluBank expanded its financial services to marketplace sellers, enhancing the relationship portal by including digital account activation and loans. Soon, the business digital account will be fully integrated into the portal, enabling comprehensive account management and financial services. Sellers can now use their receivables schedule from cards of other institutions as collateral for loans, resulting in more competitive interest rates and higher credit lines.

Banking as a Service (BaaS)

- Total payment volume (TPV) in the Banking as a Service segment reached R$2.6 billion in 1Q24.

ANNEX VIII
LUIZACRED

Income Statement in IFRS

LUIZACRED – Income (R$ million)	1Q24	V.A.	1Q23	V.A.	% Chg
Financial Intermediation Revenue	599.0	100.0%	728.8	100.0%	-17.8%
Financial Intermediation Expenses	(687.7)	-114.8%	(841.4)	-115.4%	-18.3%
Market Funding Operations	(142.4)	-23.8%	(196.5)	-27.0%	-27.5%
Provision for Loan Losses	(545.3)	-91.0%	(644.9)	-88.5%	-15.4%
Gross Financial Intermediation Income	**(88.7)**	**-14.8%**	**(112.6)**	**-15.4%**	**-21.2%**
Service Revenue	403.4	67.4%	379.4	52.1%	6.3%
Other Operating Revenues (Expenses)	(292.1)	-48.8%	(324.6)	-44.5%	-10.0%
Personnel Expenses	(2.4)	-0.4%	(4.2)	-0.6%	-44.0%
Other Administrative Expenses	(203.1)	-33.9%	(226.0)	-31.0%	-10.1%
Depreciation and Amortization	(3.0)	-0.5%	(3.0)	-0.4%	-0.1%
Tax Expenses	(54.7)	-9.1%	(59.3)	-8.1%	-7.8%
Other Operating Revenues (Expenses)	(28.9)	-4.8%	(32.0)	-4.4%	-9.8%
Income Before Tax	**22.6**	**3.8%**	**(57.8)**	**-7.9%**	**-**
Income Tax and Social Contribution	(9.2)	-1.5%	22.7	3.1%	-
Net Income	**13.4**	**2.2%**	**(35.1)**	**-4.8%**	**-**

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

LUIZACRED – Income (R$ million)	1Q24	V.A.	1Q23	V.A.	% Chg
Financial Intermediation Revenue	599.0	100.0%	729.0	100.0%	-17.8%
Financial Intermediation Expenses	(707.4)	-118.1%	(896.7)	-123.0%	-21.1%
Market Funding Operations	(142.4)	-23.8%	(196.5)	-27.0%	-27.5%
Provision for Loan Losses	(565.0)	-94.3%	(700.2)	-96.1%	-19.3%
Gross Financial Intermediation Income	**(108.4)**	**-18.1%**	**(167.8)**	**-23.0%**	**-35.4%**
Service Revenue	403.4	67.3%	379.4	52.0%	6.3%
Other Operating Revenues (Expenses)	(292.1)	-48.8%	(324.6)	-44.5%	-10.0%
Personnel Expenses	(2.4)	-0.4%	(4.2)	-0.6%	-44.0%
Other Administrative Expenses	(203.1)	-33.9%	(226.0)	-31.0%	-10.1%
Depreciation and Amortization	(3.0)	-0.5%	(3.0)	-0.4%	-0.1%
Tax Expenses	(54.7)	-9.1%	(59.3)	-8.1%	-7.8%
Other Operating Revenues (Expenses)	(28.9)	-4.8%	(32.0)	-4.4%	-9.8%
Income Before Tax	**3.0**	**0.5%**	**(113.0)**	**-15.5%**	**-**
Income Tax and Social Contribution	(1.4)	-0.2%	44.8	6.1%	-
Net Income	**1.6**	**0.3%**	**(68.2)**	**-9.4%**	**-**

| Revenue from Financial Intermediation

In 1Q24, revenues from financial intermediation were R$599.0 million, down 17.8%, the decrease was driven by a reduction in revenues generated by overdue customers, as well as the decrease in the volume of receivables anticipated by Magalu itself.

| Provision for Loan Losses

The portfolio of loans overdue from 15 to 90 days (NPL 15) accounted for only 3.4% of the total portfolio in Mar/24, a variation of 0.3 p.p. compared to Dec/23 and an improvement of 0.3 p.p. compared to Mar/23. The portfolio past due over 90 days (NPL 90) reached 9.4% in Mar/24, a reduction of 0.4 p.p. in relation to Dec/23 and 1.2 p.p. compared to Mar/23.

Luizacred's conservative credit policy and the collection efforts carried out by the digital channels, stores and collection centers were, and continue to be, fundamental in minimizing the impact of recent macroeconomic conditions on the portfolio, already represented in the reduction of recent defaults. The total overdue portfolio decreased by R$107.6 million in 1Q24, dropping from R$2,615.9 million in Dec/23 to R$2,508.2 million in Mar/24. This total overdue portfolio continues to improve in line with our more conservative credit risk management strategy.

Provisions for bad debt expenses, net of recovery, represented 2.8% of the total portfolio in 1Q24. We observed a positive trend in the reduction of default indicators in recent months, signaling a favorable contribution of new cohorts to Luizacred's performance. The overdue portfolio coverage ratio was 148% in Mar/24, up 580 bps compared to Dez/24.

PORTFOLIO - OVERDUE	Mar-24		Dec-23		Sep-23		Jun-23		Mar-23	
000 to 014 days	17,055	87.2%	17,620	87.1%	16,862	86.3%	17,137	85.6%	17,343	85.7%
015 to 030 days	158	0.8%	135	0.7%	136	0.7%	127	0.6%	161	0.8%
031 to 060 days	224	1.1%	210	1.0%	215	1.1%	223	1.1%	249	1.2%
061 to 090 days	290	1.5%	290	1.4%	284	1.5%	352	1.8%	338	1.7%
091 to 120 days	232	1.2%	289	1.4%	275	1.4%	308	1.5%	285	1.4%
121 to 150 days	239	1.2%	251	1.2%	261	1.3%	310	1.5%	274	1.4%
151 to 180 days	228	1.2%	219	1.1%	266	1.4%	269	1.3%	258	1.3%
180 to 360 days	1,138	5.8%	1,222	6.0%	1,241	6.4%	1,296	6.5%	1,321	6.5%
Portfolio (R$ million)	**19,563**	**100.0%**	**20,235**	**100.0%**	**19,541**	**100.0%**	**20,022**	**100.0%**	**20,230**	**100.0%**
Receipt expectation of loan portfolio overdue above 360 days	402		367		335		302		262	
Total Portfolio in IFRS 9 (R$ million)	**19,966**		**20,602**		**19,877**		**20,324**		**20,492**	
Overdue 15-90 days	672	3.4%	635	3.1%	635	3.3%	702	3.5%	749	3.7%
Overdue Above 90 days	1,836	9.4%	1,981	9.8%	2,043	10.5%	2,183	10.9%	2,138	10.6%
Total Overdue	**2,508**	12.8%	**2,616**	12.9%	**2,679**	13.7%	**2,885**	14.4%	**2,887**	14.3%
Provisions for loan losses on Portfolio	2,361	12.1%	2,482	12.3%	2,518	12.9%	2,691	13.4%	2,678	13.2%
Provisions for loan losses on available limit	355	1.8%	332	1.6%	348	1.8%	332	1.7%	344	1.7%
Total Provisions for loan losses in IFRS 9	**2,715**	13.9%	**2,814**	13.9%	**2,867**	14.7%	**3,023**	15.1%	**3,022**	14.9%
Coverage of Portfolio (%)	129%		125%		123%		123%		125%	
Coverage of Total Portfolio (%)	148%		142%		140%		138%		141%	

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

| Financial Intermediation Gross Results

Financial intermediation gross results were negative R$88.7 million in 1Q24, driven in large part by conservative provisioning and by the increase in interest rates.

| Service Revenue and Other Operating Revenues (Expenses)

Service revenues grew 6.3% in 1Q24, reaching R$403.4 million, this was largely attributable to an increase in factoring and insurance penetration. During the same period, operating expenses decreased 10.0% to R$292.1 million.

| Operating Income and Net Income

In 1Q24, Luizacred recorded a net income of R$13.4 million under IFRS. Using the accounting practices established by the Brazilian Central Bank, the net income was R$1.6 million during the period.

| Shareholders´ Equity

In compliance with the same practices, Luizacred posted shareholders' equity of R$802.9 million in March 2024. As a result of adjustments required under IFRS, specifically additional provisions for expected losses, net of taxes, Luizacred's shareholders' equity for the purposes of Magazine Luiza's financial statements came to R$670.1 million.

On May 24th, Magalu and Itaú Unibanco approved a capital increase in Luizacred amounting to R$400 million, proportionate to their stakes in the company's equity. On the same date, each party individually contributed R$200 million through the issuance of new shares. Additionally, the parties agreed to deliberate on a second capital increase in Luizacred totaling R$600 million, with each party expected to individually contribute R$300 million, to be completed after the parties finalize the structuring of a financing instrument from Itaú Unibanco for the Company.

These capital increases come after two consecutive quarters of positive net income and aim to support the business's growth recovery while reducing funding costs and improving the company's profitability.

CONFERENCE CALL DETAILS

Conference Call in Portuguese with simultaneous translation to English

Friday, May 10th, 2024
9:00 – Brasilia time
08:00 – New York time (EST)

Conference Call Access

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About Magazine Luiza

Magazine Luiza, or Magalu, is a technology and logistics company focused on the retail sector. From its humble origins as a traditional retailer providing electronics and home appliances to Brazil's rising middle class, the company has since transformed into a technology powerhouse providing a wide array of products to Brazilians of all classes. Magalu has one of the largest geographic footprints with 21 distribution centers serving a network of 1,263 stores in 20 states. At the heart of the company's success is an omnichannel retail platform capable of reaching customers via mobile app, web and physical stores. A large part of the company's success is attributable to its in-house development team, Luizalabs, which consists of more than 2,000 engineers and product development specialists. Among other things, engineers from Luizalabs use technologies such as big data and machine learning to create logistics, fintech and inventory apps which remove friction from the retail process, improving margins, delivery times and customer experience. The company has been at the forefront of e-commerce adoption in Latin America and its profitable e-commerce operation currently accounts for over 71% of total sales. Magazine Luiza has also been a logistics pioneer. The company's integrated online and offline logistics operations enable it to leverage its physical presence to radically reduce delivery times and costs in a sustainable way. The result is the fastest, lowest cost logistics network in Brazil.

EBITDA, Adjusted EBITDA and Adjusted Net Income

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

Disclaimer

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