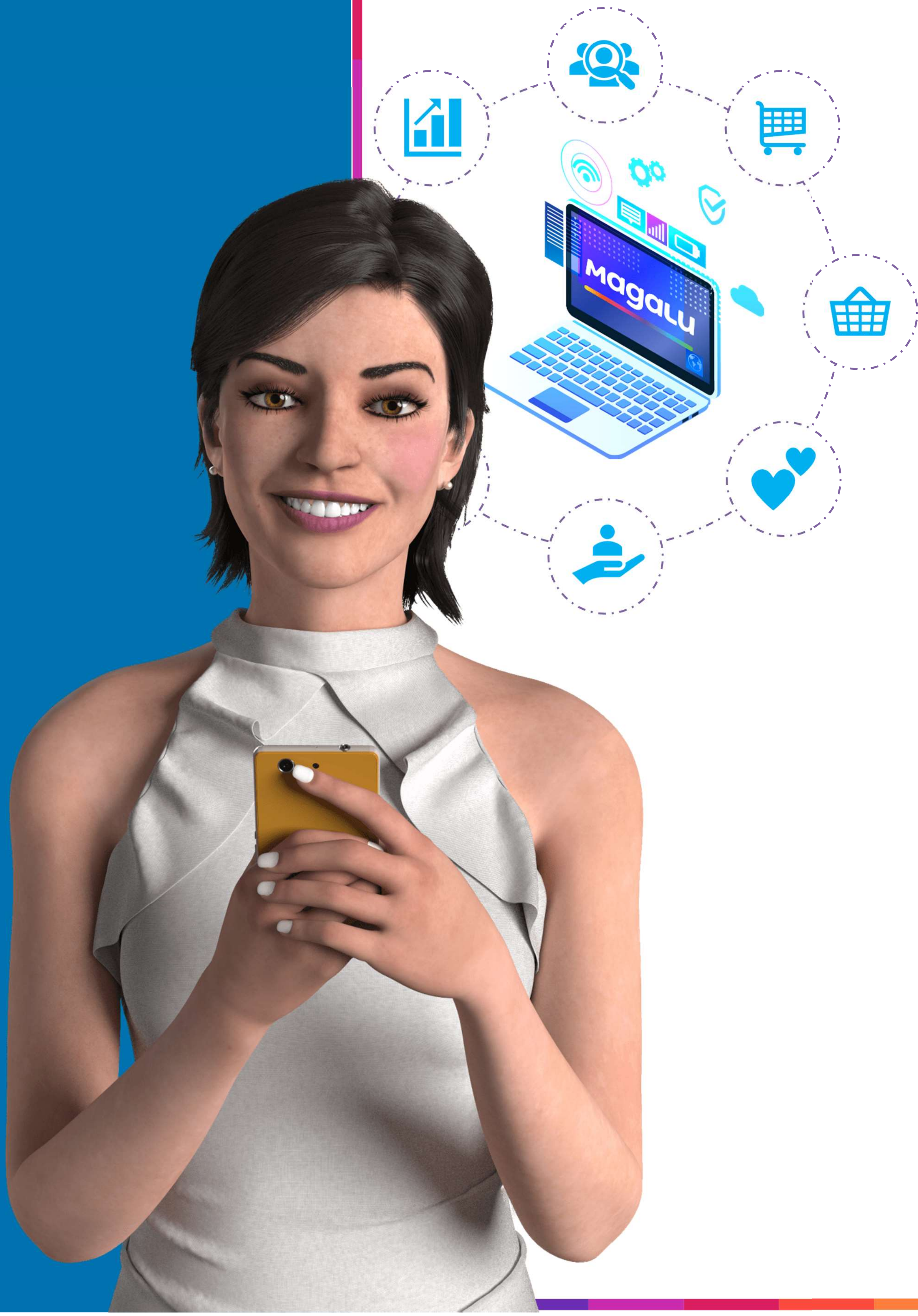
ITR - Quarterly Information
September 30, 2024



Magazine Luiza S.A. and Subsidiaries

Quarterly Information - ITR

September 30, 2024

Contents

A free translation from Portuguese into English of Independent Auditor's Review Report on quarterly information prepared in Brazilian currency in accordance with NBC TG 21 and IAS 34 - Interim Financial Reporting and the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR)

Independent auditor's review report on quarterly information

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

Introduction

We have reviewed the individual and consolidated interim financial information of Magazine Luiza S.A. ("Company") contained in the Quarterly Information Form (ITR) for the quarter ended September 30, 2024, which comprises the statement of financial position as at September 30, 2024 and the related statements of profit or loss, of comprehensive income, for the three and nine-month periods then ended and of changes in equity and cash flows for the nine-month period, and notes to the individual and consolidated interim financial information, including material accounting policies and other explanatory information.

Responsibility of the executive board for the interim financial information

The executive board is responsible for preparation of the individual and consolidated interim financial information in accordance with NBC TG 21 and IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Review Engagements (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the individual and consolidated interim financial information included in the quarterly information referred to above was not prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information (ITR) and presented consistently with the rules issued by the CVM.

Other matters

Statements of value added

The quarterly information referred to above includes the individual and consolidated statements of value added (SVA) for the nine-month period ended September 30, 2024, prepared under the responsibility of the Company's executive board, and presented as supplementary information for IAS 34 purposes. These statements were subject to review procedures conducted jointly with the review of the quarterly information for the purpose of concluding whether they are reconciled with the interim financial information and accounting records, as applicable, and whether their form and content are in accordance with the criteria defined in NBC TG 09 – Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that these statements of value added were not prepared, in all material respects, pursuant to such standard and consistently with the individual and consolidated interim financial information taken as a whole.

São Paulo, November 7, 2024.

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 Quarterly Information prepared in Brazilian currency in accordance with NBC TG 21 and IAS 34 - Interim Financial Reporting and the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR)

Magazine Luiza S.A.

Statements of financial position as at September 30, 2024 and December 31, 2023
(In thousands of reais - R$)

	Note	Individual		Consolidated	
		09/30/2024	12/31/2023	09/30/2024	12/31/2023
Assets					
Current assets					
Cash and cash equivalents	5	**734,805**	1,113,662	**1,538,158**	2,593,346
Marketable securities	6	**202,586**	578,311	**269,532**	779,072
Accounts receivable	7	**2,730,441**	3,919,547	**4,778,723**	5,885,450
Inventories	8	**6,208,030**	6,383,303	**7,385,346**	7,497,299
Accounts receivable from related parties	9	**1,802,367**	1,675,950	**1,656,187**	1,273,718
Taxes recoverable	10	**1,389,892**	1,475,359	**1,598,055**	1,680,511
Income and social contribution taxes recoverable	11	**72,228**	79,374	**191,773**	177,024
Other current assets		**128,482**	84,208	**327,438**	334,743
Total current assets		**13,268,831**	15,309,714	**17,745,212**	20,221,163
Noncurrent assets					
Accounts receivable	7	**32,567**	72,691	**32,567**	72,691
Taxes recoverable	10	**2,367,345**	2,409,362	**2,407,335**	2,464,245
Deferred income and social contribution taxes	11	**2,688,207**	2,513,695	**3,124,411**	2,836,852
Judicial deposits	23	**1,328,080**	1,260,289	**1,865,911**	1,734,546
Other noncurrent assets		**114,147**	104,365	**123,057**	113,671
Long-term receivables		**6,530,346**	6,360,402	**7,553,281**	7,222,005
Investments in subsidiaries	12	**4,838,556**	4,629,769	**-**	-
Investments in joint ventures	13	**898,733**	322,516	**898,733**	322,516
Right of use - lease	14	**3,137,233**	3,282,873	**3,256,942**	3,343,054
Property and equipment	15	**1,574,591**	1,650,996	**1,780,258**	1,841,522
Intangible assets	16	**1,122,638**	1,055,626	**4,469,442**	4,504,807
		11,571,751	10,941,780	**10,405,375**	10,011,899
Total noncurrent assets		**18,102,097**	17,302,182	**17,958,656**	17,233,904
Total assets		**31,370,928**	32,611,896	**35,703,868**	37,455,067

See accompanying notes.

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Statements of financial position as at September 30, 2024 and December 31, 2023
(In thousands of reais - R$)

	Note	Individual		Consolidated	
		09/30/2024	12/31/2023	09/30/2024	12/31/2023
Liabilities and equity					
Current liabilities					
Trade accounts payable	17	**5,623,871**	6,008,527	**6,447,072**	6,965,980
Trade accounts payable - agreement	18	**2,576,488**	2,312,134	**2,598,062**	2,358,092
Partners and other deposits	19	**-**	-	**1,490,560**	1,765,149
Loans and financing	20	**159,285**	2,928,459	**643,433**	2,954,347
Salaries, vacation pay and social charges		**294,746**	224,974	**527,399**	401,867
Taxes payable		**65,462**	229,494	**273,618**	359,971
Accounts payable to related parties	9	**201,728**	325,607	**102,962**	100,961
Lease	14	**439,046**	493,861	**467,208**	508,359
Deferred revenue	21	**122,407**	122,407	**145,714**	145,899
Other current liabilities	22	**1,071,156**	1,268,164	**1,613,910**	1,847,502
Total current liabilities		**10,554,189**	13,913,627	**14,309,938**	17,408,127
Noncurrent liabilities					
Loans and financing	20	**4,198,498**	4,000,278	**4,198,708**	4,400,508
Taxes payable		**1,346**	2,024	**4,159**	4,837
Accounts payable to related parties	9	**400,000**	-	**-**	-
Lease	14	**2,969,834**	3,020,488	**3,066,465**	3,069,796
Deferred income and social contribution taxes	11	**-**	-	**119,303**	105,122
Provision for tax, civil, and labor contingencies	23	**1,222,282**	996,505	**1,826,558**	1,619,166
Deferred revenue	21	**846,440**	938,246	**996,373**	1,102,758
Other noncurrent liabilities	22	**113,452**	130,194	**117,477**	134,219
Total noncurrent liabilities		**9,751,852**	9,087,735	**10,329,043**	10,436,406
Total liabilities		**20,306,041**	23,001,362	**24,638,981**	27,844,533
Equity	24				
Capital		**13,602,498**	12,352,498	**13,602,498**	12,352,498
Capital reserve		**(2,557,425)**	(2,087,258)	**(2,557,425)**	(2,087,258)
Treasury shares		**(509,939)**	(990,603)	**(509,939)**	(990,603)
Legal reserve		**137,442**	137,442	**137,442**	137,442
Income reserve		**319,837**	319,837	**319,837**	319,837
Equity adjustments		**(81,422)**	(121,382)	**(81,422)**	(121,382)
Net income for the period		**153,896**	-	**153,896**	-
Total equity		**11,064,887**	9,610,534	**11,064,887**	9,610,534
Total liabilities and equity		**31,370,928**	32,611,896	**35,703,868**	37,455,067

See accompanying notes.

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Statements of profit or loss
Nine-month period ended and quarters ended September 30, 2024 and 2023
(In thousands of reais - R$)

	Note	Nine-month periods ended:				Three-month periods ended:			
		Individual		Consolidated		Individual		Consolidated	
		09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023
Net sales revenue	25	**22,744,088**	21,551,977	**27,250,775**	26,218,408	**7,464,628**	6,972,257	**9,001,543**	8,578,818
Cost of goods resold and services rendered	26	**(16,115,307)**	(16,359,197)	**(18,867,547)**	(19,247,321)	**(5,210,817)**	(5,562,344)	**(6,163,990)**	(6,555,669)
Gross profit		**6,628,781**	5,192,780	**8,383,228**	6,971,087	**2,253,811**	1,409,913	**2,837,553**	2,023,149
Operating income (expenses)									
Selling expenses	27	**(4,179,953)**	(3,946,313)	**(5,086,176)**	(4,966,026)	**(1,433,679)**	(1,375,656)	**(1,732,503)**	(1,724,566)
General and administrative expenses	27	**(679,396)**	(686,567)	**(1,021,687)**	(993,108)	**(222,400)**	(250,045)	**(342,148)**	(358,893)
Expected credit losses		**(324,897)**	(267,766)	**(343,904)**	(281,496)	**(108,569)**	(84,389)	**(114,755)**	(77,469)
Depreciation and amortization	14|15|16	**(776,881)**	(752,064)	**(1,005,681)**	(937,275)	**(255,140)**	(248,385)	**(359,738)**	(309,674)
Equity pickup	12|13	**204,444**	8,018	**75,784**	(28,353)	**87,404**	34,250	**33,249**	5,558
Other operating income (expenses), net	27|28	**71,648**	(308,147)	**46,105**	(380,145)	**16,176**	(151,307)	**32,111**	(153,826)
		(5,685,035)	(5,952,839)	**(7,335,559)**	(7,586,403)	**(1,916,208)**	(2,075,532)	**(2,483,784)**	(2,618,870)
Operating income (loss) before finance income (costs)		**943,746**	(760,059)	**1,047,669**	(615,316)	**337,603**	(665,619)	**353,769**	(595,721)
Finance income		**484,825**	567,199	**551,134**	709,614	**200,609**	312,709	**223,930**	345,165
Finance costs		**(1,403,381)**	(1,876,091)	**(1,636,191)**	(2,174,673)	**(446,876)**	(578,575)	**(524,483)**	(645,769)
Finance income (costs)	29	**(918,556)**	(1,308,892)	**(1,085,057)**	(1,465,059)	**(246,267)**	(265,866)	**(300,553)**	(300,604)
Income (loss) before income and social contribution taxes		**25,190**	(2,068,951)	**(37,388)**	(2,080,375)	**91,336**	(931,485)	**53,216**	(896,325)
Current and deferred income and social contribution taxes	11	**128,706**	877,652	**191,284**	889,076	**11,027**	433,153	**49,147**	397,993
Income (loss) for the period		**153,896**	(1,191,299)	**153,896**	(1,191,299)	**102,363**	(498,332)	**102,363**	(498,332)
Income (loss) attributable to:									
Controlling shareholders		**153,896**	(1,191,299)	**153,896**	(1,191,299)	**102,363**	(498,332)	**102,363**	(498,332)
Earnings (loss) per share									
Basic (reais per share)	24	**0.209**	(1.780)	**0.209**	(1.780)	**0.139**	(0.745)	**0.139**	(0.745)
Diluted (reais per share)	24	**0.209**	(1.780)	**0.209**	(1.780)	**0.138**	(0.745)	**0.138**	(0.745)

See accompanying notes.

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Statements of comprehensive income
Nine-month period ended and quarters ended September 30, 2024 and 2023
(In thousands of reais - R$)

	Nine-month period ended: Individual and Consolidated		Three-month periods ended: Individual and Consolidated	
	09/30/2024	09/30/2023	09/30/2024	09/30/2023
Income (loss) for the period	**153,896**	(1,191,299)	**102,363**	(498,332)
Items that may be subsequently recycled to profit or loss:				
Investments valued under the equity method - share in other comprehensive income (OCI)	**(876)**	(6,153)	**221**	(661)
Tax effects	**298**	2,092	**(75)**	225
Total items that may be subsequently recycled to profit or loss	**(578)**	(4,061)	**146**	(436)
Financial assets measured at FVOCI	**(39,382)**	-	**25,713**	-
Total comprehensive income (loss) for the period, net of taxes	**113,936**	(1,195,360)	**128,222**	(498,768)
Attributable to:				
Controlling shareholders	**113,936**	(1,195,360)	**128,222**	(498,768)

See accompanying notes.

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Statements of changes in equity
Nine-month period ended and quarters ended September 30, 2024 and 2023
(In thousands of reais - R$)

	Note	Capital	Capital reserve	Treasury shares	Legal reserve	Income reserve			Income (loss) for the period	Equity adjustments	Total
						Reserve for working capital increase	Tax incentive reserve	Accumulated losses			
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	24	-	76,676	-	-	-	-	-		-	76,676
Treasury shares disposed of		-	(249,711)	244,227	-	-	-	-		-	(5,484)
Loss for the period	24	-	-	-	-	-	-	-	(1,191,299)	-	(1,191,299)
		-	(173,035)	244,227	-	-	-	-	(1,191,299)	-	(1,120,107)
Other comprehensive income:											
Equity adjustments		-	-	-	-	-	-	-	-	4,061	4,061
Balances at September 30, 2023		12,352,498	(2,069,418)	(1,001,582)	137,442	83,660	1,215,281	-	(1,191,299)	6,073	9,532,655
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	24	**1,250,000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,250,000**
Stock option plan	24	**-**	**22,679**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**22,679**
Treasury shares sold or delivered in stock option plans and business combinations	24	**-**	**(492,846)**	**480,664**	**-**	**-**	**-**	**-**	**-**	**-**	**(12,182)**
Net income for the period	24	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**153,896**	**-**	**153,896**
		1,250,000	**(470,167)**	**480,664**	**-**	**-**	**-**	**-**	**153,896**	**-**	**1,414,393**
Other comprehensive income:											
Equity adjustments		**-**	**-**	**-**	**-**	**-**	**-**	**-**		**39,960**	**39,960**
Balances at September 30, 2024		**13,602,498**	**(2,557,425)**	**(509,939)**	**137,442**	**-**	**1,215,281**	**(895,444)**	**153,896**	**(81,422)**	**11,064,887**

See accompanying notes.

Magazine Luiza S.A.
Statements of cash flows
Nine- and three-month periods ended September 30, 2024 and 2023
(In thousands of reais - R$)

	Note	Individual 09/30/2024	Individual 09/30/2023	Consolidated 09/30/2024	Consolidated 09/30/2023
Cash flows from operating activities					
Income (loss) for the period		**153,896**	(1,191,299)	**153,896**	(1,191,299)
Adjustments to reconcile net income (loss) for the period to cash flows from operating activities:					
Income and social contribution taxes recognized in P&L	11	**(128,706)**	(877,652)	**(191,284)**	(889,076)
Depreciation and amortization	14|15|16	**776,881**	752,064	**1,005,681**	937,275
Accrued interest on loans, financing and lease	14|20	**679,512**	941,911	**720,210**	988,794
Gain (loss) on marketable securities		**(15,150)**	(19,039)	**(15,150)**	(22,627)
Equity pickup	12|13	**(204,444)**	(8,018)	**(75,784)**	28,353
Changes in the provision for losses on assets		**502,640**	425,731	**516,425**	438,535
Provision for tax, civil, and labor contingencies	23	**251,844**	107,544	**289,208**	129,729
Gain on disposal of property and equipment		**641**	1,224	**(277)**	9,090
Appropriation of deferred revenue	28	**(91,806)**	(58,396)	**(108,802)**	(75,573)
Stock option plan expenses		**21,573**	60,084	**21,573**	78,297
Adjusted net income for the period		**1,946,881**	134,154	**2,315,696**	431,498
(Increase) decrease in operating assets:					
Accounts receivable		**867,859**	941,226	**783,077**	1,498,566
Marketable securities		**390,875**	24,543	**524,690**	(153,904)
Inventories		**60,759**	(129,523)	**(13,943)**	(146,454)
Accounts receivable from related parties		**(159,596)**	1,503,067	**(415,648)**	1,253,736
Taxes recoverable		**(142,804)**	(564,477)	**(152,817)**	(617,591)
Judicial deposits		**(67,791)**	(83,143)	**(131,365)**	(108,048)
Other assets		**(54,055)**	(75,472)	**(2,080)**	(198,407)
Changes in operating assets		**895,247**	1,616,221	**591,914**	1,527,898
Increase (decrease) in operating liabilities:					
Trade accounts payable		**(384,656)**	1,005,296	**(518,908)**	735,418
Partners and other deposits		**-**	-	**(274,589)**	(18,965)
Salaries, vacation pay and social charges		**69,772**	4,806	**125,532**	28,651
Taxes payable		**103,094**	12,558	**179,107**	20,347
Accounts payable to related parties		**276,121**	(20,440)	**2,001**	56,775
Other accounts payable		**(252,278)**	(285,523)	**(323,824)**	(223,237)
Changes in operating liabilities		**(187,947)**	716,697	**(810,681)**	598,989
Income and social contribution taxes paid		**(2,064)**	-	**(36,686)**	(27,746)
Dividends received		**-**	167,011	**-**	67,191
Cash flows from operating activities		**2,652,117**	2,634,083	**2,060,243**	2,597,830
Cash flows from investing activities					
Acquisition of property and equipment	14|15	**(100,101)**	(75,489)	**(146,144)**	(124,814)
Acquisition of intangible assets	16	**(253,809)**	(262,868)	**(333,133)**	(343,116)
Capital increase at subsidiary and joint venture	12	**(580,178)**	(159,206)	**(500,000)**	
Payment for acquisition of subsidiary		**-**	(507,901)	**(18,058)**	(524,663)
Sale of exclusivity agreement and right of operation		**-**	850,000	**-**	850,000
Cash flows used in investing activities		**(934,088)**	(155,464)	**(997,335)**	(142,593)
Cash flows from financing activities					
Loans and financing raised		**300,194**	-	**379,352**	-
Repayment of loans and financing	20	**(2,402,074)**	-	**(2,408,966)**	(4,583)
Payment of interest on loans and financing	20	**(918,318)**	(404,801)	**(968,965)**	(462,142)
Payment of lease	14	**(360,774)**	(368,064)	**(375,142)**	(388,493)
Payment of interest on lease	14	**(230,268)**	(240,588)	**(234,345)**	(244,251)
Increase (decrease) in trade accounts payable - agreement		**264,354**	(970,741)	**239,970**	(971,790)
Capital increase		**1,250,000**	-	**1,250,000**	-
Cash flows used in financing activities		**(2,096,886)**	(1,984,194)	**(2,118,096)**	(2,071,259)
Increase (decrease) in cash and cash equivalents		**(378,857)**	494,425	**(1,055,188)**	383,978
Cash and cash equivalents at beginning of period		**1,113,662**	808,764	**2,593,346**	2,420,045
Cash and cash equivalents at end of period		**734,805**	1,303,189	**1,538,158**	2,804,023
Increase (decrease) in cash and cash equivalents		**(378,857)**	494,425	**(1,055,188)**	383,978

See accompanying notes.

Magazine Luiza S.A.

Statements of value added
Nine- and three-month periods ended September 30, 2024 and 2023
(In thousands of reais - R$)

	Individual		Consolidated	
	09/30/2024	09/30/2023	09/30/2024	09/30/2023
Revenues				
Sales of goods, products and services	**27,096,168**	25,634,568	**33,091,666**	31,748,158
Allowance for doubtful accounts, net of reversals	**(324,897)**	(267,766)	**(343,904)**	(281,496)
Other operating income	**222,010**	(83,309)	**310,382**	(87,683)
	26,993,281	25,283,493	**33,058,144**	31,378,979
Bought-in inputs				
Cost of goods resold and services rendered	**(17,502,517)**	(17,137,961)	**(20,251,177)**	(20,018,208)
Materials, energy, third-party services and other expenses	**(3,413,467)**	(3,324,607)	**(4,215,307)**	(4,136,967)
Loss/recovery of receivables	**(121,952)**	(21,533)	**(122,706)**	(58,230)
	(21,037,936)	(20,484,101)	**(24,589,190)**	(24,213,405)
Gross value added	**5,955,345**	4,799,392	**8,468,954**	7,165,574
Depreciation and amortization	**(776,881)**	(752,064)	**(1,005,681)**	(937,275)
Net value added produced by the Company	**5,178,464**	4,047,328	**7,463,273**	6,228,299
Value added received in transfer				
Equity pickup	**204,444**	8,018	**75,784**	(28,353)
Finance income	**484,825**	567,199	**551,134**	709,614
Total value added to be distributed	**5,867,733**	4,622,545	**8,090,191**	6,909,560
Distribution of value added				
Personnel and charges:				
Salaries	**1,289,795**	1,191,215	**1,802,457**	1,743,890
Benefits	**185,774**	227,267	**287,620**	339,676
Unemployment Compensation Fund (FGTS)	**89,067**	93,049	**156,818**	162,762
	1,564,636	1,511,531	**2,246,895**	2,246,328
Taxes, charges and contributions:				
Federal	**299,423**	137,832	**864,974**	795,812
State	**2,336,451**	2,203,308	**2,959,891**	2,715,064
Local	**87,477**	78,356	**131,370**	122,745
	2,723,351	2,419,496	**3,956,235**	3,633,621
Debt remuneration:				
Interest	**1,253,646**	1,748,675	**1,337,191**	1,978,552
Rent	**56,222**	44,297	**62,033**	52,700
Other	**115,982**	89,845	**333,941**	189,658
	1,425,850	1,882,817	**1,733,165**	2,220,910
Equity remuneration:				
Income (loss) for the period	**153,896**	(1,191,299)	**153,896**	(1,191,299)
	153,896	(1,191,299)	**153,896**	(1,191,299)
	5,867,733	4,622,545	**8,090,191**	6,909,560

See accompanying notes.

Notes to quarterly information

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 entity Luizacred (Note 13) offers loans, financing and insurance services to its customers. Magazine Luiza's head office is located in the city of Franca, state of São Paulo. 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 September 30, 2024, the Company owned 1,245 physical stores and 21 distribution centers (1,287 stores and 21 distribution centers as at December 31, 2023) located in all regions of 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, www.estantevirtual.com.br;, and related *mobile* apps, as well as through the *food* delivery apps AiQfome, Tônolucro and Plus Delivery.

On November 07, 2024, the Board of Directors authorized the issue of this quarterly information.

2. Presentation and preparation of the quarterly information

2.. Accounting policies

The quarterly financial information is presented in thousands of reais ("R$'), which is the Company's functional and presentation currency.

The individual and consolidated quarterly information was prepared in accordance with accounting pronouncement CPC 21 (R1) and IAS 34 (Interim financial reporting), and is presented in a manner consistent with the standards issued by the Brazilian Securities and Exchange Commission (CVM).

The practices, policies and key accounting judgments and sources of uncertainty about estimates adopted in the preparation of the individual and consolidated quarterly information are consistent with those adopted and disclosed in the notes to the financial statements for the year ended December 31, 2023, which were disclosed on March 18, 2024 and should be read together.

The objective of the statement of value added (SVA) is to present information on the wealth created by the Company and its subsidiaries and its distribution over a given period. It is presented as required by the rules issued by the Brazilian Securities and Exchange Commission (CVM), as this statement is not provided for nor mandatory under the International Financial Reporting Standards (IFRS).

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.

3. New accounting standards, amendments and interpretations

The amended standards and interpretations effective for the year beginning January 1, 2024 did not affect this interim financial information. A number of other revised standards and interpretations are underway by the IASB and the Company will assess them in due course.

4. Notes to the financial statements as of December 31, 2023 that are not presented in this quarterly information

The quarterly information is presented in accordance with accounting pronouncements CPC 21 (R1) and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), in compliance with the provisions contained in CVM/SNC/SEP Memorandum Circular No. 003/2011 of April 28, 2011. The preparation of this quarterly information involves judgment by the Company's management in connection with the relevance and changes that should be disclosed in the explanatory notes. Accordingly, this quarterly information presents selected explanatory notes and does not include all explanatory notes disclosed in the financial statements for the year ended December 31, 2023. As permitted by Memorandum Circular No. 03/2011, issued by the Brazilian Securities and Exchange Commission (CVM), the following explanatory notes and their references to the financial statements as of December 31, 2023 are not presented:

- Significant accounting policies and practices (Note 3); and
- Significant accounting judgments and sources of uncertainties in estimates (Note 4).

5. Cash and cash equivalents

	Rate	Individual 09/30/2024	Individual 12/31/2023	Consolidated 09/30/2024	Consolidated 12/31/2023
Cash		**100,972**	77,723	**101,717**	78,780
Banks		**32,176**	72,988	**126,308**	104,866
Short-term deposits	From 88% to 103% of the CDI	**601,657**	962,951	**1,235,797**	2,359,144
Investment funds	From 97% to 100% of the CDI	**-**	-	**74,336**	50,556
		734,805	1,113,662	**1,538,158**	2,593,346

Credit risk and sensitivity analyses are described in Note 31.

6. Marketable securities

	Rate	Individual 09/30/2024	Individual 12/31/2023	Consolidated 09/30/2024	Consolidated 12/31/2023
Investment funds	100% to 105% of the CDI	**5,146**	4,809	**5,146**	4,809
Receivables investment funds		**48,451**	49,263	**4,615**	3,248
Federal government securities	(a)	**-**	-	**110,782**	156,737
Funds of one:	(b)				
Federal government securities		**148,989**	524,239	**148,989**	614,278
		202,586	578,311	**269,532**	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 September 30, 2024 and December 31, 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 the objective of returning to the average yield of 100% of the CDI for the Company.

Credit risk and sensitivity analyses are described in Note 31.

7. Accounts receivable

	Individual 09/30/2024	Individual 12/31/2023	Consolidated 09/30/2024	Consolidated 12/31/2023
Trade accounts receivable:				
Credit cards (a)	**1,392,394**	2,776,422	**3,253,071**	4,499,274
Debit cards (a)	**3,175**	11,739	**3,224**	11,788
Direct consumer credit (b)	**1,544,814**	1,321,089	**1,544,806**	1,321,089
Customer services (c)	**494,782**	377,909	**520,736**	403,952
Other receivables (d)	**8,283**	4,566	**143,960**	159,684
Total trade accounts receivable	**3,443,448**	4,491,725	**5,465,797**	6,395,787
From commercial agreements (e)	**133,987**	235,290	**167,139**	302,974
Allowance for expected credit losses	**(465,416)**	(366,096)	**(472,635)**	(371,939)
Present value adjustment	**(349,011)**	(368,681)	**(349,011)**	(368,681)
	2,763,008	3,992,238	**4,811,290**	5,958,141
Current assets	**2,730,441**	3,919,547	**4,778,723**	5,885,450
Noncurrent assets	**32,567**	72,691	**32,567**	72,691

7. Accounts receivable (Continued)

Days sales outstanding is of 38 and 47 days, individual and consolidated, respectively, as of September 30, 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 buyers transacted through Magalupay, to be transferred to the partners (sellers) as described in Note 19. As of September 30, 2024, the Company recorded credits assigned to certain buyers and financial institutions amounting to R$3,449,458 (R$2,678,944 as of December 31, 2023), individual, and R$5,457,320 (R$5,337,901 as of December 31, 2023), consolidated, on which a discount ranging from 103.1% to 111.9% 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 and by other financial institutions.

(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 subsidiaries Magalog and GFL Logística to third parties, as well as services rendered and additions to Magalupay's payment accounts.

(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$324,347, individual (R$574,333 as of December 31, 2023), and R$336,144, consolidated (R$602,197 as of December 31, 2023).

Changes in allowance for expected credit losses are as follows:

	Individual		Consolidated	
	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Opening balance	**(366,096)**	(266,709)	**(371,939)**	(270,761)
(+) Additions	**(388,126)**	(519,702)	**(390,529)**	(522,579)
(-) Write-offs	**288,806**	420,315	**289,833**	421,401
Closing balance	**(465,416)**	(366,096)	**(472,635)**	(371,939)

The credit risk analysis is detailed in Note 31.

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	
	09/30/2024	12/31/2023	09/30/2024	12/31/2023	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Falling due:								
Within 30 days	**301,976**	260,305	**504,907**	518,713	**18,083**	68,101	**30,706**	104,260
31 to 60 days	**183,211**	649,945	**207,330**	711,865	**19,477**	85,859	**28,515**	105,250
61 to 90 days	**230,854**	654,591	**560,099**	705,456	**46,395**	75,016	**50,916**	76,026
91 to 180 days	**1,167,581**	1,428,606	**2,137,067**	2,053,521	**47,490**	623	**49,999**	623
181 to 360 days	**1,161,457**	1,172,876	**1,637,224**	2,064,631	**69**	22	**69**	22
More than 361 days	**121,155**	99,618	**121,453**	99,618	**-**	-		-
	3,166,234	4,265,941	**5,168,080**	6,153,804	**131,514**	229,621	**160,205**	286,181
Overdue:								
Within 30 days	**68,357**	56,855	**88,860**	73,054	**849**	1,803	**1,077**	8,574
31 to 60 days	**47,681**	38,272	**47,681**	38,272	**249**	1,738	**1,533**	2,272
61 to 90 days	**43,257**	34,915	**43,257**	34,915	**474**	363	**1,443**	1,774
91 to 180 days	**117,919**	95,742	**117,919**	95,742	**901**	1,765	**2,881**	4,173
	277,214	225,784	**297,717**	241,983	**2,473**	5,669	**6,934**	16,793
	3,443,448	4,491,725	**5,465,797**	6,395,787	**133,987**	235,290	**167,139**	302,974

8. Inventories

	Individual		Consolidated	
	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Goods for resale	**6,410,383**	6,511,511	**7,612,706**	7,641,437
Consumption materials	**24,678**	23,088	**33,713**	35,423
Provisions for inventory losses	**(227,031)**	(151,296)	**(261,073)**	(179,561)
	6,208,030	6,383,303	**7,385,346**	7,497,299

As of September 30, 2024, the Company recorded inventories of goods for resale given in guarantee of legal proceedings, under enforcement, in the amount of R$10,588 (R$21,650 as of December 31, 2023).

Changes in the provision for inventory losses are shown below:

	Individual		Consolidated	
	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Opening balance	**(151,296)**	(162,468)	**(179,561)**	(184,484)
Set-up of provision	**(114,514)**	(47,928)	**(125,896)**	(62,269)
Inventories written off or sold	**38,779**	59,100	**44,384**	67,192
Closing balance	**(227,031)**	(151,296)	**(261,073)**	**(179,561)**

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9. Transactions with related parties

Company	Assets (Liabilities)				P&L for the nine-month period				P&L for the quarter			
	Individual		Consolidated		Individual		Consolidated		Individual		Consolidated	
	09/30/2024	12/31/2023	09/30/2024	12/31/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023
Luizacred (i)												
Commissions for services rendered	1,509	1,915	1,509	1,915	174,149	185,115	174,149	185,115	53,843	61,747	53,843	61,747
Credit card	1,304,519	1,125,171	1,579,324	1,222,793	(178,342)	(285,208)	(178,342)	(285,208)	(61,485)	(79,974)	(61,485)	(79,974)
Transfers of receivables	(69,286)	(84,061)	(69,286)	(84,061)	-	-	-	-	-	-	-	-
Reimbursement of shared expenses	50,640	45,523	50,640	45,523	82,947	104,127	82,947	104,127	29,253	29,261	29,253	29,261
	1,287,382	1,088,548	1,562,187	1,186,170	78,754	4,034	78,754	4,034	21,611	11,034	21,611	11,034
Luizaseg (ii)												
Commissions for services rendered	-	-	-	-	-	373,373	-	373,373	-	131,625	-	131,625
Total – joint ventures	1,287,382	1,088,548	1,562,187	1,186,170	78,754	377,407	78,754	377,407	21,611	142,659	21,611	142,659
Netshoes (iii)												
Commissions for services rendered	15,053	(71,090)	-	-	10,314	16,582	-	-	2,915	6,181	-	-
Promissory notes	(200,000)	-	-	-	-	-	-	-	-	-	-	-
	(184,947)	(71,090)	-	-	10,314	16,582	-	-	2,915	6,181	-	-
Época Cosméticos (iv)					-			-		-		-
Commissions for services rendered	620	690	-	-	3,541	3,114	-	-	1,151	974	-	-
Kabum (v)												
Commissions for services rendered	12,160	8,210	-	-	11,631	10,417	-	-	2,551	7,606	-	-
Promissory notes	(200,000)	-	-	-	-	-	-	-	-	-	-	-
	(187,840)	8,210	-	-	11,631	10,417	-	-	2,551	7,606	-	-
Luiza Administradora de Consórcio (vi)												-
Commissions for services rendered	-	1,210	-	-	11,834	12,360	-	-	4,225	3,744	-	-
Dividends receivable	-	6,454	-	-	-	-	-	-	-	-	-	-
Group of consortia	51	44	51	44	-	-	-	-	-	-	-	-
	51	7,708	51	44	11,834	12,360	-	-	4,225	3,744	-	-
Magalog (vii)												
Transfers of receivables	(117,397)	(106,178)	-	-	-				-	-	-	-
Freight	-	-	-	-	(1,357,218)	(1,317,759)	-		(431,202)	(455,144)	-	-
	(117,397)	(106,178)	-	-	(1,357,218)	(1,317,759)	-	-	(431,202)	(455,144)	-	-
Magalupay (viii)												
Transfers of receivables	411,860	450,686	-	-	(143,481)	(219,253)	-	-	(30,911)	(65,941)	-	-
Jovem Nerd (ix)												
Placement of advertisement	(77)	-	-	-	(77)	(977)	-	-	142	(596)	-	-
Luizalabs (x)												
System development	-	(14,774)	-	-	-	-	-	-	-	(12)	-	-
Total Subsidiaries	(77,730)	275,252	51	44	(1,463,456)	(1,495,516)	-	-	(451,129)	(503,188)	-	-
MTG Participações (xi)												
Rent and other transfers	(4,725)	(2,744)	(4,725)	(2,744)	(66,849)	(57,479)	(66,849)	(57,479)	(22,322)	(20,713)	(22,322)	(20,713)
PJD Agropastoril (xii)												
Rent, freight and other transfers	(30)	(56)	(30)	(56)	(597)	(709)	(597)	(709)	(130)	(221)	(130)	(221)
LH Participações (xiii)												
Rent	(223)	(216)	(223)	(216)	(2,004)	(1,943)	(2,004)	(1,943)	(668)	(648)	(668)	(648)
ASENOVE Administração (xiv)												
Rent	-	(15)	-	(15)	-	(132)	-	(132)	-	(45)	-	(45)
ETCO – SCP (xv)												
Agency fee	-	-	-	-	(4877)	(5,858)	(4,877)	(5,858)	(1,475)	(1,723)	(1,475)	(1,723)
Marketing expenses	(4,035)	(10,426)	(4,035)	(10,426)	(152,398)	(183,078)	(152,398)	(183,078)	(46,085)	(53,850)	(46,085)	(53,850)
	(4,035)	(10,426)	(4,035)	(10,426)	(157,275)	(188,936)	(157,275)	(188,936)	(47,560)	(55,573)	(47,560)	(55,573)
Total other related parties	(9,013)	(13,457)	(9,013)	(13,457)	(226,725)	(249,199)	(226,725)	(249,199)	(70,680)	(77,200)	(70,680)	(77,200)
Total related parties	1,200,639	1,350,343	1,553,225	1,172,757	(1,611,427)	(1,367,308)	(147,971)	128,208	(500,198)	(437,729)	(49,069)	65,459

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9. Transactions with related parties (Continued)

Other related parties – marketable securities	Assets (Liabilities)				P&L for the nine-month period				P&L for the quarter			
	Individual		Consolidated		Individual		Consolidated		Individual		Consolidated	
	09/30/2024	12/31/2023	09/30/2024	12/31/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2023	09/30/2023
Funds of one – classified as Marketable securities (xvi)	**148,989**	524,239	**148,989**	771,015	**14,807**	20,977	**14,807**	20,977	**4,341**	4,340	**4,341**	4,340

Reconciliation	Individual		Consolidated	
	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Accounts receivable from related parties	**1,802,367**	1,675,950	**1,656,187**	1,273,718
Accounts payable to related parties	**(601,728)**	(325,607)	**(102,962)**	(100,961)
	1,200,639	1,350,343	**1,553,225**	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 to promissory notes entered into with Magazine Luiza, settled on October 20, 2024.

(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, to be settled on December 1, 2025.

(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) Transactions with Jovem Nerd, a wholly-owned subsidiary, refer to advertising.

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

(xi) 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.

(xii) 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.

(xiii) 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.

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

(xv) 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.

(xvi) 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 6 – Marketable securities).

9. Transactions with related parties (Continued)

Management compensation

	09/30/2024		09/30/2023	
	Board of Directors	Statutory Board	Board of Directors	Statutory Board
Fixed and variable compensation	**4,141**	**6,425**	3,014	6,644
Stock option plan	**788**	**4,704**	4,430	11,658

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 24. 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.

10. Taxes recoverable

	Individual		Consolidated	
	09/30/2024	12/31/2023	09/30/2024	12/31/2023
ICMS recoverable (a)	**2,285,755**	2,460,626	**2,327,741**	2,506,638
PIS and COFINS recoverable (b)	**1,467,869**	1,420,482	**1,664,328**	1,618,975
Other	**3,613**	3,613	**13,321**	19,143
	3,757,237	3,884,721	**4,005,390**	4,144,756
Current assets	**1,389,892**	1,475,359	**1,598,055**	1,680,511
Noncurrent assets	**2,367,345**	2,409,362	**2,407,335**	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.

11. Income and social contribution taxes

a) Income and social contribution taxes recoverable

	Individual		Consolidated	
	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Corporate Income Tax (IRPJ) and Social Contribution Tax on Net Profit (CSLL) recoverable	**44,744**	17	**147,579**	73,301
Withholding Income Tax (IRRF) recoverable	**27,484**	79,357	**44,194**	103,723
	72,228	79,374	**191,773**	177,024

11. Income and social contribution taxes (Continued)

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

	Nine-month periods ended:				Three-month periods ended:			
	Individual		Consolidated		Individual		Consolidated	
	09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023
Income (loss) before income and social contribution taxes	**25,190**	(2,068,951)	**(37,388)**	(2,080,375)	**91,336**	(931,485)	**53,216**	(896,325)
Current statutory rate	**34%**	34%	**34%**	34%	**34%**	34%	**34%**	34%
Expected income and social contribution tax credit (debit) at current rates	**(8,565)**	703,443	**12,712**	707,328	**(31,054)**	316,705	**(18,093)**	304,751
Reconciliation to effective rate (effects of application of tax rates):								
Exclusion - equity pickup	**69,511**	2,726	**25,767**	(9,640)	**29,717**	11,645	**11,305**	1,890
Unrecognized deferred IR/CS - Netshoes/Kabum	**-**	-	**-**	29,834	**-**	-	**-**	11,570
Effect of government grant (1)	**46,510**	111,771	**105,376**	118,494	**16,137**	43,567	**37,564**	44,582
Interest of undue tax payments (2)	**26,427**	66,274	**30,094**	70,010	**248**	65,139	**1,762**	68,875
Goodwill amortization	**-**	-	**9,180**	-	**-**	-	**3,060**	-
Other permanent exclusions (additions), net	**(5,177)**	(6,562)	**8,155**	(26,950)	**(4,021)**	(3,903)	**13,549**	(33,675)
Income and social contribution tax debt	**128,706**	877,652	**191,284**	889,076	**11,027**	433,153	**49,147**	397,993
Current	**-**	-	**(36,288)**	(48,408)	**5,366**	-	**(2,998)**	(18,897)
Deferred	**128,706**	877,652	**227,572**	937,484	**5,661**	433,153	**52,145**	416,890
Total	**128,706**	877,652	**191,284**	889,076	**11,027**	433,153	**49,147**	397,993
Effective rate	**-510.9%**	42.4%	**511.6%**	42.7%	**-12.1%**	46.5%	**-92.4%**	44.4%

(1) 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.

(2) 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).

11. Income and social contribution taxes (Continued)

c) Deferred income and social contribution taxes

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

	Individual				Consolidated			
	Balance at 12/31/2023	P&L	Equity	Balance at 09/30/2024	Balance at 12/31/2023	P&L	Equity	Balance at 09/30/2024
Deferred income and social contribution taxes on:								
Income and social contribution tax loss	1,796,415	50,880		1,847,295	2,056,572	53,064	-	2,109,636
Allowance for expected credit losses	124,603	33,928	-	158,531	128,573	33,928	-	162,501
Provision for inventory losses	51,441	25,750	-	77,191	51,918	27,794	-	79,712
Provision for present value and fair value adjustments	95,037	(1,914)	45,806	138,929	95,037	(1,914)	45,806	138,929
Provision for tax, civil, and labor contingencies	338,811	76,765	-	415,576	494,557	108,719	-	603,276
Provision for stock option plan	134,637	(113,472)	-	21,165	134,637	(113,472)	-	21,165
Temporary differences on leases	125,996	10,551	-	136,547	125,996	10,551	-	136,547
Temporary differences on fair value in acquisitions	(41,679)	717	-	(40,962)	(230,040)	66,081	-	(163,959)
Judicial deposits	617	-	-	617	617	-	-	617
Deferred tax credits (1)	(102,149)	74,440	-	(27,709)	(131,605)	74,440	-	(57,165)
Other provisions	(10,034)	(28,939)	-	(38,973)	5,468	(31,619)	-	(26,151)
Deferred income and social contribution tax assets (liabilities)	2,513,695	128,706	45,806	2,688,207	2,731,730	227,572	45,806	3,005,108

	Individual			Consolidated		
	Balance at 12/31/2022	P&L	Balance at 09/30/2023	Balance at 12/31/2022	P&L	Balance at 09/30/2023
Deferred income and social contribution taxes on:						
Income and social contribution tax loss	1,033,410	825,104	1,858,514	1,096,109	869,027	1,965,136
Allowance for expected credit losses	90,681	24,733	115,414	90,681	28,703	119,384
Provision for inventory losses	55,239	(6,948)	48,291	55,542	(7,432)	48,110
Provision for present value adjustments	83,998	(8,299)	75,699	83,998	(8,299)	75,699
Provision for tax, civil, and labor contingencies	277,044	25,531	302,575	392,931	20,736	413,667
Provision for stock option plan	127,528	9,827	137,355	127,528	9,827	137,355
Temporary differences on leases	102,967	16,606	119,573	102,967	16,606	119,573
Temporary differences on fair value in acquisitions	(41,679)	-	(41,679)	(258,028)	20,808	(237,220)
Judicial deposits	617	(11)	606	617	(11)	606
Deferred tax credits (1)	(102,149)	-	(102,149)	(131,605)	-	(131,605)
Other provisions	(1,728)	(8,891)	(10,619)	16,798	(12,481)	4,317
Deferred income and social contribution tax assets (liabilities)	1,625,928	877,652	2,503,580	1,577,538	937,484	2,515,022

(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.

11. Income and social contribution taxes (Continued)

c) Deferred income and social contribution taxes (Continued)

Breakdown of deferred income and social contribution taxes by company

	Balance at 12/31/2023	Deferred tax assets	Deferred tax liabilities	Balance at 09/30/2024
Individual	2,513,695	**2,688,207**	**-**	**2,688,207**
Netshoes	194,230	**205,476**	**(9,251)**	**196,225**
KaBuM	(86,277)	**37,694**	**(71,475)**	**(33,781)**
Luiza Consortium	(1,625)	**33,442**	**(38,121)**	**(4,679)**
Época Cosméticos	40,150	**58,933**	**-**	**58,933**
Magalog	80,859	**81,960**	**(148)**	**81,812**
Softbox	7,918	**12,439**	**(308)**	**12,131**
Magalupay	(17,220)	**6,260**	**-**	**6,260**
Consolidated	2,731,730	**3,124,411**	**(119,303)**	**3,005,108**

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.

12. Investments in subsidiaries

a) Changes in investments in subsidiaries - Individual financial statements

Changes in investments in direct subsidiaries are as follows:

Position at 09/30/2024

Financial Information	Netshoes	Kabum	Época Cosméticos	Magalupay	Consórcio Luiza	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	**593,217**	**1,429,936**	**168,856**	**2,607,223**	**231,428**	**279,539**	**74,578**
Noncurrent assets	**951,430**	**353,516**	**324,183**	**486,172**	**48,897**	**367,477**	**387,427**
Current liabilities	**546,026**	**647,929**	**127,666**	**2,369,849**	**115,435**	**354,469**	**102,771**
Noncurrent liabilities	**306,719**	**544,279**	**141,171**	**152,748**	**40,074**	**36,803**	**74,214**
Capital	**636,636**	**250,882**	**145,955**	**490,489**	**50,050**	**364,346**	**211,543**
Equity	**691,902**	**591,244**	**224,202**	**570,798**	**124,816**	**255,744**	**285,020**
Net revenue	**1,222,752**	**2,206,367**	**412,639**	**589,244**	**107,721**	**1,526,320**	**15,873**
Net income (loss)	**40,587**	**56,106**	**(19,848)**	**106,635**	**29,307**	**(3,926)**	**(13,505)**

Changes	Netshoes	Kabum	Época Cosméticos	Magalupay	Consórcio Luiza	Magalog	Luizalabs	Total
Balance at December 31, 2023	1,287,661	1,980,246	285,829	457,526	95,508	237,526	285,473	4,629,769
Future capital contribution	**1,726**	**-**	**-**	**-**	**-**	**30,212**	**48,240**	**80,178**
Other comprehensive income	**261**	**-**	**-**	**(116)**	**-**	**-**	**-**	**145**
Action plan	**519**	**(2,460)**	**(227)**	**6,754**	**-**	**(1,359)**	**(3,423)**	**(196)**
Equity pickup	**24,708**	**16,936**	**(27,228)**	**106,635**	**29,307**	**(6,493)**	**(15,205)**	**128,660**
Balance at September 30, 2024	**1,314,875**	**1,994,722**	**258,374**	**570,799**	**124,815**	**259,886**	**315,085**	**4,838,556**

12. Investments in subsidiaries (Continued)

a) Changes in investments in subsidiaries (Continued)

Position at 12/31/2023

Financial Information	Netshoes	Kabum	Época Cosméticos	Magalupay	Consórcio Luiza	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	Consórcio Luiza	Magalog	Luizalabs	Total
Balance at December 31, 2022	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 paid out	-	-	-	(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

b) Reconciliation of the carrying amount

Subsidiary	Equity	Goodwill from acquisition	Revaluation surplus (1)	Balance at 09/30/2024
Netshoes	**691,902**	**486,719**	**136,254**	**1,314,875**
Kabum	**591,244**	**705,042**	**698,434**	**1,994,720**
Época Cosméticos	**224,201**	**34,173**	**-**	**258,374**
Magalupay	**570,798**	**-**	**-**	**570,798**
Consórcio Luiza	**124,815**	**-**	**-**	**124,815**
Magalog	**255,745**	**3,756**	**385**	**259,886**
Luizalabs	**285,019**	**25,418**	**4,651**	**315,088**
	2,743,724	**1,255,108**	**839,724**	**4,838,556**

(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 09/30/2023
Netshoes	486,345	486,718	198,337	1,171,400
Kabum	537,839	710,911	739,250	1,988,000
Época Cosméticos	275,563	36,826	4,728	317,117
Magalupay	388,756	-	-	388,756
Consórcio Luiza	97,994	-	-	97,994
Magalog	240,975	3,756	3,116	247,847
Luizalabs	241,266	25,421	6,537	273,224
	2,268,738	1,263,632	951,968	4,484,338

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

13. Investments in joint ventures

Position at 09/30/2024

Equity interest	Luizacred
Shares/units of interest	**31,056,244**
(%) Equity interest	**50%**
Current assets	**17,110,754**
Noncurrent assets	**1,661,399**
Current liabilities	**16,863,443**
Noncurrent liabilities	**101,573**
Capital	**1,596,000**
Equity	**1,807,137**
Net revenue	**3,297,195**
Net income	**150,189**

Changes	Luizacred
Balance at December 31, 2023	**322,516**
Capital increase (a)	**500,000**
Other comprehensive income	**433**
Unearned income/difference in practice	**689**
Equity pickup	**75,095**
Balance at September 30, 2024	**898,733**

(a) The Company, together with Itaú Unibanco Holding S.A., approved a capital increase in the amount of R$1 billion, which was fully paid in proportion to their equity interests held in the capital of Luizacred, 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)

Changes	Luizacred	Luizaseg	Total
Opening 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)
Unrealized income	920	(7,953)	(7,033)
Equity pickup	(48,904)	36,927	(11,977)
Closing balance at December 31, 2023	322,516	-	322,516

13. Investments in joint ventures (Continued)

Total investments in joint ventures

	09/30/2024	12/31/2023
Luizacred (a)	**903,568**	328,044
Luizacred - Difference in practice (b)	**(4,835)**	(5,528)
	898,733	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 financial 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 customers at the Company's chain of stores.

(b) Adjustment of difference in accounting practice related to recognition of revenue arising from the association agreement between the parties described in Note 21, item b.

14. Leases

The Company acts as a lessee in agreements mainly related to real estate (physical stores, distribution centers and administrative units). Since 2019, 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.

Changes in the right of use in the nine-month periods ended September 30, 2024 and 2023 were as follows:

	Individual		Consolidated	
	2024	2023	2024	2023
Balance at December 31	**3,282,873**	3,473,159	**3,343,054**	3,511,497
Additions/remeasurements	**336,913**	383,332	**425,019**	402,185
Direct costs	**-**	8,198	**-**	8,198
Write-offs	**(67,751)**	(83,355)	**(79,588)**	(83,355)
Depreciation	**(414,802)**	(436,123)	**(431,543)**	(457,638)
Balance at September 30	**3,137,233**	3,345,211	**3,256,942**	3,380,887
Breakdown at September 30				
Cost value	**5,859,890**	5,514,991	**6,039,897**	5,614,621
Accumulated depreciation	**(2,722,657)**	(2,169,780)	**(2,782,955)**	(2,233,734)
	3,137,233	3,345,211	**3,256,942**	3,380,887

14. Leases (Continued)

Changes in the lease liabilities in the nine-month periods ended September 30, 2024 and 2023 were as follows:

	Individual		Consolidated	
	2024	2023	2024	2023
Balance at December 31	**3,514,349**	3,651,663	**3,578,155**	3,693,516
Additions/remeasurements	**333,913**	383,332	**422,003**	402,184
Payment of principal	**(360,774)**	(368,064)	**(375,142)**	(388,493)
Payment of interest	**(230,268)**	(240,588)	**(234,345)**	(244,251)
Accrued interest	**230,268**	223,847	**234,345**	227,510
Write-offs	**(78,608)**	(90,882)	**(91,343)**	(90,882)
Balance at September 30	**3,408,880**	3,559,308	**3,533,673**	3,599,584
Balance at September 30				
Current liabilities	**439,046**	446,361	**467,208**	455,993
Noncurrent liabilities	**2,969,834**	3,112,947	**3,066,465**	3,143,591

15. Property and equipment

Changes in property and equipment in the nine-month periods ended September 30, 2024 and 2023 were as follows:

	Individual		Consolidated	
	2024	2023	2024	2023
Balance at December 31	**1,650,996**	1,769,292	**1,841,522**	1,955,479
Additions	**100,101**	67,291	**146,144**	116,616
Write-offs	**(1,224)**	(1,100)	**(1,444)**	(8,966)
Depreciation	**(175,282)**	(166,593)	**(205,964)**	(190,828)
Balance at September 30	**1,574,591**	1,668,890	**1,780,258**	1,872,301
Cost value	**2,839,227**	2,731,160	**3,236,922**	3,103,787
Accumulated depreciation	**(1,264,636)**	(1,062,270)	**(1,456,664)**	(1,231,486)
	1,574,591	1,668,890	**1,780,258**	1,872,301

No indication of impairment was identified in the nine-month period ended September 30, 2024.

16. Intangible assets

Changes in intangible assets in the nine-month periods ended September 30, 2024 and 2023 were as follows:

	Individual		Consolidated	
	2024	2023	**2024**	2023
Balance at December 31	**1,055,626**	896,749	**4,504,807**	4,427,510
Additions	**253,809**	262,868	**333,133**	343,116
Write-offs	**-**	(124)	**(324)**	(124)
Amortization	**(186,797)**	(149,348)	**(368,174)**	(288,809)
Balance at September 30	**1,122,638**	1,010,145	**4,469,442**	4,481,693
Breakdown at September 30				
Cost value	**1,974,446**	1,603,899	**6,128,942**	5,606,953
Accumulated amortization	**(851,808)**	(593,754)	**(1,659,500)**	(1,125,260)
	1,122,638	1,010,145	**4,469,442**	4,481,693

17. Trade accounts payable

	Individual		Consolidated	
	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Goods for resale	**5,599,377**	5,961,917	**6,382,491**	6,864,636
Other trade accounts payable	**137,402**	214,106	**187,030**	275,396
Present value adjustment	**(112,908)**	(167,496)	**(122,449)**	(174,052)
	5,623,871	6,008,527	**6,447,072**	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.

18. Trade accounts payable - agreement

	Individual		Consolidated	
	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Trade accounts payable - agreement	**2,576,488**	2,312,134	**2,598,062**	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 this transaction, suppliers transfer to the bank the right to receive the notes in exchange for early receipt. The bank then becomes the creditor, and the Company settles the note on the same date agreed upon with its supplier. In addition, 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 is entered into. The transactions outstanding at September 30, 2024 were contracted with an average term of 45 days (63 days as of December 31, 2023).

19. Partners and other deposits

	Consolidated 09/30/2024	Consolidated 12/31/2023
Transfers to sellers – marketplace (a)	**1,360,482**	1,547,508
Payment arrangements to be settled (b)	**199**	217
Digital accounts - customers and sellers (c)	**129,879**	217,424
	1,490,560	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) Refers substantially to amounts transacted by Magalupay customers using prepaid cards in accredited commercial facilities, to be settled with the corresponding buyers.

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

20. Loans and financing

Type	Charges	Guarantee	Final maturity	Individual 09/30/2024	Individual 12/31/2023	Consolidated 09/30/2024	Consolidated 12/31/2023
Promissory notes (a)	100% of CDI + 1.25% p.a.	Clean		-	2,041,610	-	2,041,610
Debentures – restricted offer (b)	100% of CDI + 1.25% p.a.	Clean	Dec/26	**4,357,618**	4,886,798	**4,766,828**	5,310,568
Other	113.5% of CDI p.a.	Clean	Oct/25	**165**	329	**75,313**	2,677
				4,357,783	6,928,737	**4,842,141**	7,354,855
Current liabilities				**159,285**	2,928,459	**643,433**	2,954,347
Noncurrent liabilities				**4,198,498**	4,000,278	**4,198,708**	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, 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 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, remunerated at 100% of 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 2024	Individual 2023	Consolidated 2024	Consolidated 2023
Balance at December 31	**6,928,737**	6,677,178	**7,354,855**	7,108,757
Funding	**300,194**	-	**379,352**	-
Payment of principal	**(2,402,074)**	-	**(2,408,966)**	(4,583)
Payment of interest	**(918,318)**	(404,801)	**(968,965)**	(462,142)
Accrued interest	**449,244**	718,064	**485,865**	761,284
Balance at September 30	**4,357,783**	6,990,441	**4,842,141**	7,403,316

20. Loans and financing (Continued)

Maturity schedule

The maturity schedule of loans and financing is as follows:

Maturity	Individual	Consolidated
2024	**159,285**	**233,439**
2025	**1,943,314**	**2,353,018**
2026	**2,255,184**	**2,255,184**
	4,357,783	**4,842,141**

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 September 30, 2024, the Company was in compliance with the covenants, which are measured quarterly.

21. Deferred revenue

	Individual		Consolidated	
	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Deferred revenue with third parties:				
Exclusivity agreement with Cardif (a)	**821,489**	888,096	**821,489**	888,096
Exclusivity agreement with Banco Itaúcard S.A. (b)	**60,375**	69,000	**60,375**	69,000
Exclusivity agreement for payment arrangements (c)	**-**	-	**161,613**	176,725
Other agreements	**38,556**	48,195	**50,183**	59,474
	920,420	1,005,291	**1,093,660**	**1,193,295**
Deferred revenue with related parties:				
Agreement with Luizacred (b)	**48,427**	55,362	**48,427**	55,362
Total deferred revenue	**968,847**	1,060,653	**1,142,087**	1,248,657
Current liabilities	**122,407**	122,407	**145,714**	145,899
Noncurrent liabilities	**846,440**	938,246	**996,373**	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 recognition of the Company's revenue resulting from this agreement is allocated to P&L over the term of the agreement, part of which is conditioned on the achievement of certain goals.

(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 RR250,000 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.

21. Deferred revenue (Continued)

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.

22. Other current and noncurrent liabilities

	Individual		Consolidated	
	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Sales pending delivery, net of returns	**364,063**	460,585	**565,282**	587,541
Amounts to be transferred to partners (a)	**197,742**	220,482	**211,770**	282,068
Specialized services	**10,171**	-	**21,944**	10,552
Freight payable	**126,643**	151,491	**283,761**	348,207
Marketing payable	**136,511**	142,921	**192,842**	202,177
Payables for acquisitions (b)	**226,476**	316,953	**267,255**	383,221
Other	**123,002**	105,926	**188,533**	167,955
	1,184,608	1,398,358	**1,731,387**	1,981,721
Current liabilities	**1,071,156**	1,268,164	**1,613,910**	1,847,502
Noncurrent liabilities	**113,452**	130,194	**117,477**	134,219

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

(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 (4.6 million shares before the reverse split), referring to the acquisition of other companies, subject to the achievement of goals agreed in the purchase contracts.

23. 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:

Individual

	Tax	Civil	Labor	Total
Balances at December 31, 2023:	891,046	22,339	83,120	996,505
Additions	**197,998**	**15,300**	**4,947**	**218,245**
Reversals	**(22,908)**	**(1,004)**	**(865)**	**(24,777)**
Payments	**-**	**(9,017)**	**(17,050)**	**(26,067)**
Restatement	**58,376**	**-**	**-**	**58,376**
Balances at September 30, 2024:	**1,124,512**	**27,618**	**70,152**	**1,222,282**

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

Consolidated

	Tax	Civil	Labor	Total
Balances at December 31, 2023:	1,507,384	24,673	87,109	1,619,166
Additions	**332,653**	**37,708**	**13,471**	**383,832**
Reversals	**(66,094)**	**(3,969)**	**(1,717)**	**(71,780)**
Payments	**(135,123)**	**(17,303)**	**(18,428)**	**(170,854)**
Restatement	**66,194**	**-**	**-**	**66,194**
Balances at September 30, 2024:	**1,705,014**	**41,109**	**80,435**	**1,826,558**

As of September 30, 2024, the nature of the Company's major proceedings classified by management, based on the opinion of its legal advisors, as probable risk of loss, as well as legal obligations for which amounts have been deposited in court, included in the provisions above, is as follows:

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	
	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Federal	**533,766**	486,731	**670,179**	890,913
State[1]	**590,720**	404,289	**1,034,809**	616,445
Local	**26**	26	**26**	26
	1,124,512	891,046	**1,705,014**	1,507,384

[1] - The amount reported herein includes a provision of R$311,358, individual, and R$606,016, 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) (ii) below.

b) Civil contingencies

The provision for civil contingencies of R$27,618, individual, and R$41,109, consolidated, as of September 30, 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.

c) Labor contingencies

The Company is a party to various labor claims, substantially involving incurred overtime. The provisioned amount of R$70,152, individual, and R$80,435, consolidated, as of September 30, 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.

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

d) Judicial deposits

To cover tax, civil and labor contingencies, the Company has judicial deposits in the amount of R$1,328,080, individual, and R$1,865,911, consolidated, at September 30, 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$818,878, individual, and R$1,035,450, consolidated, at September 30, 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	
	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Federal	**841,068**	2,050,131	**1,061,018**	2,262,858
State	**1,680,633**	1,750,891	**2,048,649**	2,179,401
Local	**5,348**	5,557	**5,350**	5,557
	2,527,049	3,806,579	**3,115,017**	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;

(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.

24. 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 common book-entry shares and 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.

Thus, considering the effects of the private capital increase and the reverse split carried out, as of September 30, 2024 and December 31, 2023, the Company's shareholding structure comprising common registered book-entry shares without par value is presented as follows:

	09/30/2024		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.

24. Equity (Continued)

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 this 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 (R$0.30 before 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 September 30, 2024 (284,928 options before the reverse split). In the nine-month period ended September 30, 2024, there were no changes in active stock options.

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.

24. Equity (Continued)

b) Capital reserve (Continued)

Share-based payment plan (Continued)

The following table shows the balance (number) of shares granted as of September 30, 2024:

Type of program	Grant date	Maximum vesting period	After the reverse split: Position of granted shares	After the reverse split: Fair value¹	Before the reverse split: Position of shares granted	Before the reverse split: 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	22,232	R$198.60	222,320	R$19.86
7th Restricted share	July 4, 2022	3 years	681,224	R$21.60	6,812,240	R$2.16
10th Restricted share	October 25, 2023	5 years	1,956,261	R$14.40	19,562,610	R$1.44
			2,724,143	**R$21.18**	**27,241,430**	**R$2.12**

(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 September 30, 2024 is 462,624, 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 common registered book-entry shares with no par value (50 million before the reverse split), subject to the fulfillment of certain goals.

c) Treasury shares

	After the reverse split: Number of shares	After the reverse split: Amount	Before the reverse split: Number of shares	Before the reverse split: Amount
At January 1, 2023	7,170,438	1,245,809	71,704,378	1,245,809
Disposed of in the period	(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 period	(2,766,537)	(480,664)	(27,665,366)	(480,664)
At September 30, 2024	**2,935,027**	**509,939**	**29,350,268**	**509,939**

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 from the disposal of treasury shares is recorded as capital reserve. The value of the MGLU3 share at September 30, 2024 was of R$9.70.

24. Equity (Continued)

d) Equity adjustments

In the period ended September 30, 2024, the Company recorded the amount of R$81,422 (R$121,382 as of December 31, 2023) under equity adjustments, related to the fair value adjustments of financial assets.

e) Earnings (loss) per share

Basic and diluted earnings (losses) per share already considering the effects of the reverse split are calculated as follows:

	Basic earnings		Diluted earnings	
In thousands	**09/30/2024**	**09/30/2023 (b)**	**09/30/2024**	**09/30/2023 (b)**
Total number of common shares	**738,995,248**	674,892,685	**738,995,248**	674,892,685
Effect of treasury shares	**(2,935,027)**	(5,764,714)	**(2,935,027)**	(5,764,714)
Effect of exercise of stock option plans (a)	-	-	**4,203,273**	6,862,581
Weighted average number of outstanding common shares	**736,060,221**	669,127,971	**740,263,494**	675,990,552
Income (loss) for the period ended:	**153,896**	(1,191,299)	**153,896**	(1,191,299)
Earnings (loss) per share (in reais):	**0.209**	(1.780)	**0.209**	(1.780)
Income (loss) for the quarter ended:	**102,363**	(498,332)	**102,363**	(498,332)
Earnings (loss) per share (in reais):	**0.139**	(0.745)	**0.138**	(0.745)

(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.

25. Net sales revenue

	Nine-month periods ended:				Three-month period ended:			
	Individual		Consolidated		Individual		Consolidated	
	09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023
Retail - resale of goods	**26,153,468**	24,882,231	**30,602,624**	29,470,808	**8,533,230**	7,917,629	**10,070,982**	9,476,284
Retail - provision of services	**1,898,986**	1,709,514	**2,786,732**	2,640,291	**665,833**	607,004	**934,415**	930,808
Other services	**-**	-	**483,592**	417,408	**-**	-	**160,150**	163,924
Gross revenue	**28,052,454**	26,591,745	**33,872,948**	32,528,507	**9,199,063**	8,524,633	**11,165,547**	10,571,016
Retail - resale of goods	**(5,137,891)**	(4,895,505)	**(6,043,058)**	(5,780,306)	**(1,676,149)**	(1,497,781)	**(1,971,787)**	(1,790,051)
Retail - provision of services	**(170,475)**	(144,263)	**(371,549)**	(248,484)	**(58,286)**	(54,595)	**(84,529)**	(101,955)
Other services	**-**	-	**(207,566)**	(281,309)	**-**	-	**(107,688)**	(100,192)
Taxes and returns	**(5,308,366)**	(5,039,768)	**(6,622,173)**	(6,310,099)	**(1,734,435)**	(1,552,376)	**(2,164,004)**	(1,992,198)
Net sales revenue	**22,744,088**	21,551,977	**27,250,775**	26,218,408	**7,464,628**	6,972,257	**9,001,543**	8,578,818

26. Cost of goods resold and services rendered

	Nine-month periods ended:				Three-month period ended:			
	Individual		Consolidated		Individual		Consolidated	
	09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023
Cost of goods resold	**(16,115,307)**	(16,359,197)	**(18,839,169)**	(19,211,639)	**(5,210,817)**	(5,562,344)	**(6,154,654)**	(6,532,422)
Cost of services rendered	**-**	-	**(28,378)**	(35,682)	**-**	-	**(9,336)**	(23,247)
Costs	**(16,115,307)**	(16,359,197)	**(18,867,547)**	(19,247,321)	**(5,210,817)**	(5,562,344)	**(6,163,990)**	(6,555,669)

27. 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:

	Nine-month periods ended:				Three-month period ended:			
	Individual		Consolidated		Individual		Consolidated	
	09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023
Personnel expenses (a)	**(1,826,847)**	(1,768,405)	**(2,285,001)**	(2,279,256)	**(618,260)**	(572,321)	**(770,545)**	(723,601)
Expenses with service providers	**(2,156,848)**	(2,345,043)	**(2,394,387)**	(2,467,161)	**(732,538)**	(795,717)	**(818,445)**	(831,039)
Depreciation and amortization - sales	**(347,268)**	(357,904)	**(516,846)**	(433,999)	**(108,060)**	(113,396)	**(191,489)**	(136,577)
Depreciation and amortization - administrative	**(429,612)**	(394,161)	**(488,835)**	(503,277)	**(147,079)**	(134,990)	**(168,249)**	(173,098)
Other	**(804,007)**	(1,413,840)	**(1,382,370)**	(2,179,123)	**(289,106)**	(995,231)	**(453,550)**	(1,268,906)
	(5,564,582)	(6,279,353)	**(7,067,439)**	(7,862,816)	**(1,895,043)**	(2,611,655)	**(2,402,278)**	(3,133,221)
Classified by function as:								
Selling expenses	**(4,179,953)**	(3,946,313)	**(5,086,176)**	(4,966,026)	**(1,433,679)**	(1,375,656)	**(1,732,503)**	(1,724,566)
General and administrative expenses	**(679,396)**	(686,567)	**(1,021,687)**	(993,108)	**(222,400)**	(250,045)	**(342,148)**	(358,893)
Depreciation and amortization	**(776,881)**	(752,064)	**(1,005,681)**	(937,275)	**(255,140)**	(248,385)	**(359,738)**	(309,674)
Other operating income, net (Note 28)	**71,648**	(894,409)	**46,105**	(966,407)	**16,176**	(737,569)	**32,111**	(740,088)
	(5,564,582)	(6,279,353)	**(7,067,439)**	(7,862,816)	**(1,895,043)**	(2,611,655)	**(2,402,278)**	(3,133,221)

(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 24.

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

28. Other operating income, net

	Nine-month periods ended:				Three-month period ended:			
	Individual		Consolidated		Individual		Consolidated	
	09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023
Appropriation of deferred revenue (a)	**91,806**	58,396	**108,802**	75,573	**30,602**	27,513	**36,215**	33,455
Tax credits (b)	**160,788**	524,947	**163,388**	524,429	**-**	524,947	**-**	523,816
Provision for tax, civil and labor contingencies (c)	**(164,676)**	(30,465)	**(212,969)**	10,840	**(13,710)**	(21,976)	**(8,033)**	(10,152)
Loss on disposal of property and equipment	**(1,233)**	(6,110)	**1,043**	(13,984)	**-**	(512)	**1,129**	(8,391)
Expert fees	**(6,769)**	(21,249)	**(10,220)**	(23,223)	**-**	(9,769)	**(988)**	(10,346)
Restructuring and integration expenses	**(2,110)**	(161,583)	**(2,618)**	(266,283)	**-**	-	**-**	-
Review of estimates (d)	**-**	(670,647)	**-**	(670,647)	**-**	(670,647)	**-**	(670,647)
Other	**(6,158)**	(1,436)	**(1,321)**	(16,850)	**(716)**	(863)	**3,788**	(11,561)
Total	**71,648**	(308,147)	**46,105**	(380,145)	**16,176**	(151,307)	**32,111**	(153,826)

(a) Refers to appropriation of deferred revenue for assignment of exclusivity of operation of financial services, as described in Note 21.
(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 10 b).
(c) This refers substantially to the provision recorded for tax contingencies related to the ICMS Rate Difference, as described in Note 23 a).
(d) Review of estimates of receivables from suppliers' bonuses, disclosed in explanatory notes for the nine-month period ended September 30, 2023.

29. Finance income (costs)

	Nine-month periods ended:				Three-month period ended:			
	Individual		Consolidated		Individual		Consolidated	
	09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023
Finance income								
Interest from sales of extended warranty	**163,692**	97,978	**163,689**	97,978	**60,063**	34,458	**60,063**	34,458
Yield from short-term investments and marketable securities	**43,904**	52,715	**79,235**	119,940	**8,071**	16,190	**20,882**	34,470
Late payment interest	**30,574**	26,815	**30,691**	26,922	**9,072**	9,481	**9,110**	9,519
Monetary restatement receivable	**240,173**	388,435	**264,517**	434,166	**117,087**	252,060	**124,418**	263,998
Other	**6,482**	1,256	**13,002**	30,608	**6,316**	520	**9,457**	2,720
	484,825	567,199	**551,134**	709,614	**200,609**	312,709	**223,930**	345,165
Finance costs								
Interest on loans and financing	**(443,906)**	(711,379)	**(480,689)**	(755,815)	**(125,053)**	(240,418)	**(137,999)**	(255,132)
Lease interest	**(230,269)**	(223,846)	**(234,484)**	(227,509)	**(76,932)**	(75,553)	**(78,261)**	(76,627)
Charges on credit card advances	**(501,497)**	(651,279)	**(678,465)**	(879,098)	**(158,981)**	(169,784)	**(215,024)**	(234,897)
Provision for loss on interest from extended warranty	**(74,726)**	(52,751)	**(74,726)**	(52,751)	**(25,255)**	(19,454)	**(25,255)**	(19,454)
Taxes on finance income	**(24,655)**	(26,666)	**(29,361)**	(31,479)	**(7,964)**	(16,383)	**(11,584)**	(17,691)
Monetary restatement payable	**(85,154)**	(72,285)	**(87,967)**	(78,020)	**(31,990)**	(23,992)	**(34,160)**	(24,237)
Other (a)	**(43,174)**	(137,885)	**(50,499)**	(150,001)	**(20,701)**	(32,991)	**(22,200)**	(17,731)
	(1,403,381)	(1,876,091)	**(1,636,191)**	(2,174,673)	**(446,876)**	(578,575)	**(524,483)**	(645,769)
	(918,556)	(1,308,892)	**(1,085,057)**	(1,465,059)	**(246,267)**	(265,866)	**(300,553)**	(300,604)

(a) 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.

30. Segment reporting

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) 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.

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.

30. Segment reporting (Continued)

Statements of profit or loss

	09/30/2024				
	Retail	Financial operations	Other services	Eliminations	Consolidated
Gross revenue	33,414,946	1,648,598	1,971,438	(3,136,444)	33,898,538
Present value adjustment of revenue (a)	(687,314)	-	-	-	(687,314)
Reversal of present value adjustment of revenue (a)	661,724	-	-	-	661,724
Deductions from revenue	(6,300,649)	-	(321,524)	-	(6,622,173)
Net revenue of the segment	27,088,707	1,648,598	1,649,914	(3,136,444)	27,250,775
Costs	(18,835,831)	(196,091)	(22,272)	196,091	(18,858,103)
Present value adjustment - trade accounts payable (a)	576,286	-	-	-	576,286
Reversal of present value adjustment - trade accounts payable (a)	(585,730)	-	-	-	(585,730)
Gross profit	8,243,432	1,452,507	1,627,642	(2,940,353)	8,383,228
Selling expenses	(5,042,809)	(381,367)	(1,531,213)	1,869,213	(5,086,176)
General and administrative expenses	(973,690)	(4,342)	(47,997)	4,342	(1,021,687)
Gains (losses) on allowance for expected credit losses	(343,884)	(890,945)	(20)	890,945	(343,904)
Depreciation and amortization	(967,721)	(4,444)	(37,960)	4,444	(1,005,681)
Equity pickup	83,393	-	-	(7,609)	75,784
Other operating income	33,080	(48,330)	13,025	48,330	46,105
Finance income	538,180	-	12,954	-	551,134
Finance costs	(1,620,328)	-	(15,863)	-	(1,636,191)
Income and social contribution taxes	204,243	(47,295)	(12,959)	47,295	191,284
Net income for the year	153,896	75,784	7,609	(83,393)	153,896

Reconciliation of equity pickup

Equity pickup - Other services (Note 12)	7,609
Equity pickup - Luizacred (Note 13)	75,784
(=) Equity pickup of the retail segment	83,393
(-) Effect of elimination - Other services	(7,609)
(=) Consolidated equity pickup	75,784

(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.

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.

	09/30/2023					
	Retail (a)	Financial operations	Insurance operations	Other services	Eliminations (b)	Consolidated
Gross revenue	32,111,895	1,667,169	239,147	1,855,280	(3,344,188)	32,529,303
Present value adjustment of revenue (a)	(517,633)	-	-	-	-	(517,633)
Reversal of present value adjustment of revenue (a)	469,222	-	-	-	-	469,222
Deductions from revenue	(6,028,790)	-	-	(281,309)	-	(6,310,099)
Net revenue of the segment	26,082,309	1,667,169	239,147	1,573,971	(3,344,188)	26,218,408
Costs	(19,226,763)	(287,291)	(32,911)	(19,948)	320,202	(19,246,711)
Present value adjustment - trade accounts payable (a)	633,155	-	-	-	-	633,155
Reversal of present value adjustment - trade accounts payable (a)	(633,765)	-	-	-	-	(633,765)
Gross profit	6,854,936	1,379,878	206,236	1,554,023	(3,023,986)	6,971,087
Selling expenses	(4,855,942)	(407,866)	(152,423)	(1,547,956)	1,998,161	(4,966,026)
General and administrative expenses	(941,365)	(6,236)	(28,530)	(51,743)	34,766	(993,108)
Gains (losses) on allowance for expected credit losses	(281,496)	(1,005,907)	-	-	1,005,907	(281,496)
Depreciation and amortization	(919,662)	(4,508)	(2,949)	(17,613)	7,457	(937,275)
Equity pickup	(124,911)	-	-	-	96,558	(28,353)
Other operating income	(326,808)	(50,310)	1,610	(53,337)	48,700	(380,145)
Finance income	697,683	-	27,827	11,931	(27,827)	709,614
Finance costs	(2,159,817)	-	(53)	(14,856)	53	(2,174,673)
Income and social contribution taxes	866,083	37,622	(22,744)	22,993	(14,878)	889,076
Net income (loss) for the period	(1,191,299)	(57,327)	28,974	(96,558)	124,911	(1,191,299)

Reconciliation of equity pickup

Equity pickup - Other services (Note 12)	(96,558)
Equity pickup - Luizacred (Note 13)	(57,327)
Equity pickup - Luizaseg (Note 13)	28,974
(=) Equity pickup of the retail segment	(124,911)
(-) Effect of elimination - Other services	96,558
(=) Consolidated equity pickup	(28,353)

(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.

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.

30. Segment reporting (Continued)

Statement of financial position

	09/30/2024		
	Retail	Financial operations	Other services
Assets			
Cash and cash equivalents	1,380,983	37,875	157,175
Marketable securities and other financial assets	269,532	13,307	-
Accounts receivable	4,760,225	8,768,937	51,065
Inventory of goods for resale	7,385,346	-	-
Investments	1,598,519	-	-
Property and equipment, right of use and intangible assets	8,803,922	25,708	702,720
Other	10,931,432	535,416	513,050
	35,129,959	9,381,243	1,424,010
Liabilities			
Trade accounts payable	6,428,794	-	18,278
Trade accounts payable - agreement	2,598,062	-	-
Transfers and other deposits	1,490,560	-	-
Loans and financing	4,841,655	-	486
Lease	3,453,674	-	79,999
Interbank deposits	-	1,939,197	-
Credit card operations	-	5,760,176	-
Insurance reserves	-	-	-
Provision for tax, civil, and labor contingencies	1,779,521	50,787	47,037
Deferred revenue	1,139,916	-	2,171
Other	2,332,890	732,350	576,253
	24,065,072	8,482,510	724,224
Equity	11,064,887	898,733	699,786

Investment reconciliation

Luiza Consortium (Nota 12)	124,815
Magalog (Note 12)	259,886
Luizalabs (Note 12)	315,085
Luizacred (Note 13)	898,733
Total investments in the retail segment	1,598,519
(-) Effect of elimination - Other services	(699,786)
(=) Consolidated investment balance	898,733

30. Segment reporting (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 and other financial assets	779,072	14,871	-
Accounts receivable	5,897,162	9,073,500	60,979
Inventory of goods for resale	7,497,299	-	-
Investments	941,023	-	-
Property and equipment, right of use and intangible assets	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 12)	
Luiza Consortium	95,508
Magalog	230,818
Luizalabs	253,708
Magalupay	457,526
	1,037,560
Joint ventures (Note 13)	
Luizacred	322,516
Total investments	1,360,076
(-) Effect of elimination	(1,037,560)
(=) Consolidated income (loss) on investments	322,516

31. 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:

31. Financial instruments (Continued)

Accounting policy (Continued)

Initial classification and subsequent measurement (Continued)

- 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 FVOCI. Upon derecognition, cumulative gains (losses) in OCI are recycled to profit or loss.

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.

31. Financial instruments (Continued)

Accounting policy (Continued)

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.

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.

31. Financial instruments (Continued)

Accounting policy (Continued)

Financial instruments by category

Financial instruments by category	Classification	Fair value measurement	Individual 09/30/2024 Book value	Individual 09/30/2024 Fair value	Individual 12/31/2023 Book value	Individual 12/31/2023 Fair value	Consolidated 09/30/2024 Book value	Consolidated 09/30/2024 Fair value	Consolidated 12/31/2023 Book value	Consolidated 12/31/2023 Fair value
Cash and banks	Amortized cost	Level 2	**133,148**	**133,148**	150,711	150,711	**228,025**	**228,025**	183,646	183,646
Accounts receivable - Credit and debit cards	FVOCI	Level 2	**1,395,569**	**1,395,569**	2,788,161	2,788,161	**3,256,295**	**3,256,295**	4,511,062	4,511,062
Accounts receivable - Other trade accounts receivable and receivables from commercial agreements	Amortized cost	Level 2	**1,367,439**	**1,367,439**	1,204,077	1,204,077	**1,554,995**	**1,554,995**	1,447,079	1,447,079
Accounts receivable from related parties	Amortized cost	Level 2	**497,848**	**497,848**	550,779	550,779	**76,863**	**76,863**	50,925	50,925
Accounts receivable from related parties - Credit card	FVOCI	Level 2	**1,304,519**	**1,304,519**	1,125,171	1,125,171	**1,579,324**	**1,579,324**	1,222,793	1,222,793
Cash equivalents - Bills	FVPL	Level 2	**31,599**	**31,599**	239,537	239,537	**31,599**	**31,599**	239,537	239,537
Cash equivalents - CDBs	Amortized cost	Level 2	**570,058**	**570,058**	723,414	723,414	**1,204,198**	**1,204,198**	2,119,607	2,119,607
Marketable securities	Amortized cost	Level 2	**5,146**	**5,146**	4,809	4,809	**5,146**	**5,146**	4,809	4,809
Marketable securities	FVPL	Level 2	**148,989**	**148,989**	524,239	524,239	**259,771**	**259,771**	771,015	771,015
Total financial assets			**5,454,315**	**5,454,315**	7,310,898	7,310,898	**8,196,216**	**8,196,216**	10,550,473	10,550,473

Financial instruments by category	Classification	Fair value measurement	Individual 09/30/2024 Book value	Individual 09/30/2024 Fair value	Individual 12/31/2023 Book value	Individual 12/31/2023 Fair value	Consolidated 09/30/2024 Book value	Consolidated 09/30/2024 Fair value	Consolidated 12/31/2023 Book value	Consolidated 12/31/2023 Fair value
Suppliers of goods and agreement	Amortized cost	Level 2	**8,200,359**	**8,200,359**	8,320,661	8,320,661	**9,045,134**	**9,045,134**	9,324,071	9,324,071
Transfers and other deposits	Amortized cost	Level 2	**-**	**-**	-	-	**1,765,149**	**1,765,149**	1,765,149	1,765,149
Loans and financing	Amortized cost	Level 2	**4,357,783**	**4,533,188**	6,928,737	6,998,865	**4,842,141**	**5,017,546**	7,354,855	7,424,983
Lease	Amortized cost	Level 2	**3,408,880**	**3,408,880**	3,514,349	3,514,349	**3,533,673**	**3,533,673**	3,578,155	3,578,155
Accounts payable to related parties	Amortized cost	Level 2	**601,728**	**601,728**	325,607	325,607	**102,962**	**102,962**	100,961	100,961
Other accounts payable - acquisition	Amortized cost	Level 2	**226,476**	**226,476**	316,953	316,953	**267,255**	**267,255**	383,221	383,221
Total financial liabilities			**16,795,226**	**16,970,631**	19,406,307	19,476,435	**19,556,314**	**19,731,719**	22,506,412	22,576,540

31. Financial instruments (Continued)

Accounting policy (Continued)

Fair value measurement

All assets and liabilities that are measured or disclosed at fair value in the financial statements are classified within the fair value hierarchy, as 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 purchase outstanding in relation to the average term of inventory turnover. Necessary actions are promptly taken in the event of significant imbalances.

31. Financial instruments (Continued)

Accounting policy (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 09/30/2024

Individual	Book balance	Up to 1 year	1 to 3 years	More than 3 years	Total
		(a)	(a)	(a)	
Suppliers of goods and agreement	8,200,359	8,200,359	-	-	8,200,359
Lease	3,408,880	731,600	1,206,795	3,210,652	5,149,047
Loans and financing	4,357,783	159,285	4,198,498	-	4,357,783
Transactions with related parties	601,728	601,728	-	-	601,728
Other accounts payable - acquisition	226,476	110,243	-	116,233	226,476

Consolidated	Book balance	Up to 1 year	1 to 3 years	More than 3 years	Total
		(a)	(a)	(a)	
Suppliers of goods and agreement	9,045,134	9,045,134	-	-	9,045,132
Lease	3,533,673	747,799	1,233,516	3,281,742	5,263,057
Loans and financing	4,842,141	643,643	4,198,498	-	4,842,141
Transactions with related parties	102,962	102,962	-	-	102,962
Other accounts payable - acquisition	267,255	132,619	20,766	122,105	275,490

(a) This considers the remaining contractual maturity of financial liabilities.

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 30, segment reporting. The main market risk factors that affect the Company's business are summarized below:

31. Financial instruments (Continued)

Accounting policy (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 September 30, 2024 was R$5,380,253 (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 September 30, 2024, the Company recorded accounts receivable balances that would be overdue or lost, whose terms were renegotiated, in the amount of R$110,035 (R$78,591 as of December 31, 2023), which are included in the analysis on the need to set up a provision for expected credit losses. Note 7 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 September 30, 2024, almost all of the investments held by the Company have such a rating level, reaching the amount of R$804,243 (R$1,541,262 as of December 31, 2023), individual, and R$1,579,665 (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: on the date of this quarterly information, 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.

31. Financial instruments (Continued)

Accounting policy (Continued)

Considerations about other financial risks (Continued)

As of September 30, 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 11.65% p.a.

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
	09/30/2024	09/30/2024
Bank Deposit Certificates - CDB (Note 5)	601,657	1,235,797
Investment funds (Note 5)	-	74,336
Cash equivalents	601,657	1,310,133
Marketable securities (Note 6)	202,586	269,532
Total cash equivalents and marketable securities	804,243	1,579,665
Loans and financing (Note 20)	(4,357,783)	(4,842,141)
Net exposure	(3,553,540)	(3,262,476)
Finance cost related to interest - exposure to CDI	11.65%	11.65%
Impact on finance income (costs), net of taxes:		
Base scenario - rate of 10.40% p.a.	(174,617)	(197,034)
Scenario of 25% increase - rate of 13.00% p.a.	(218,271)	(246,292)
Scenario of 50% increase - rate of 15.60% p.a.	(261,925)	(295,551)
Scenario of 25% decrease – rate of 7.80% p.a.	(130,963)	(147,775)
Scenario of 50% decrease - rate of 5.20% p.a.	(87,309)	(98,517)

32. 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	
	09/30/2024	09/30/2023	09/30/2024	09/30/2023
Changes in the fair values of financial assets	**(584)**	(4,061)	**(584)**	(4,061)
Additions - IFRS 16 - Right of use and lease	**336,913**	383,332	**351,892**	383,332
Stock option plan - subsidiaries	**-**	(18,213)	**-**	(18,213)

33. 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 September 30, 2024 and December 31, 2023 is as follows:

	Individual		Consolidated	
	09/30/2024	12/31/2023	09/30/2024	12/31/2023
Civil liability D&O	**110,000**	100,000	**110,000**	194,025
Sundry risks - inventories and P&E	**6,687,851**	6,646,341	**7,601,307**	7,398,581
Vehicles	**136,482**	20,695	**149,185**	32,741
	6,934,333	6,767,036	**7,860,492**	7,625,347