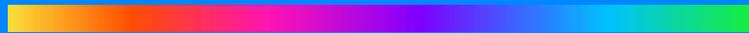


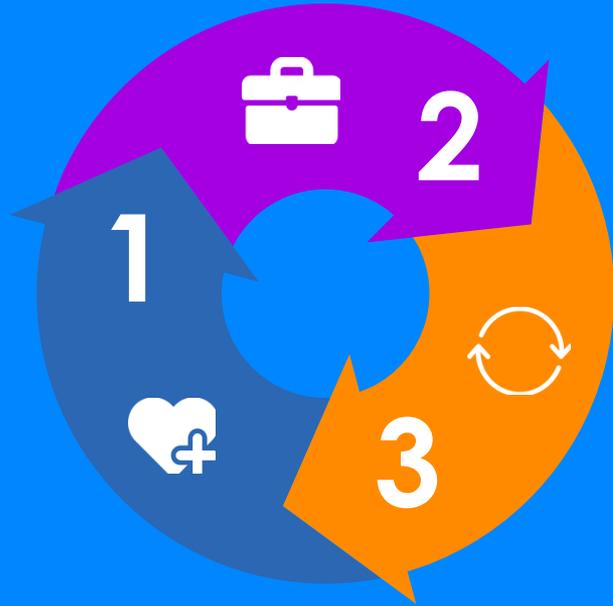
MAGALU



Conference Call 2Q20

August 18, 2020

Covid-19: 3 Missions for the current scenario



1 Health and Safety

Take care of our **employees' and customers' health**. Not in rhetoric, but **in practice**

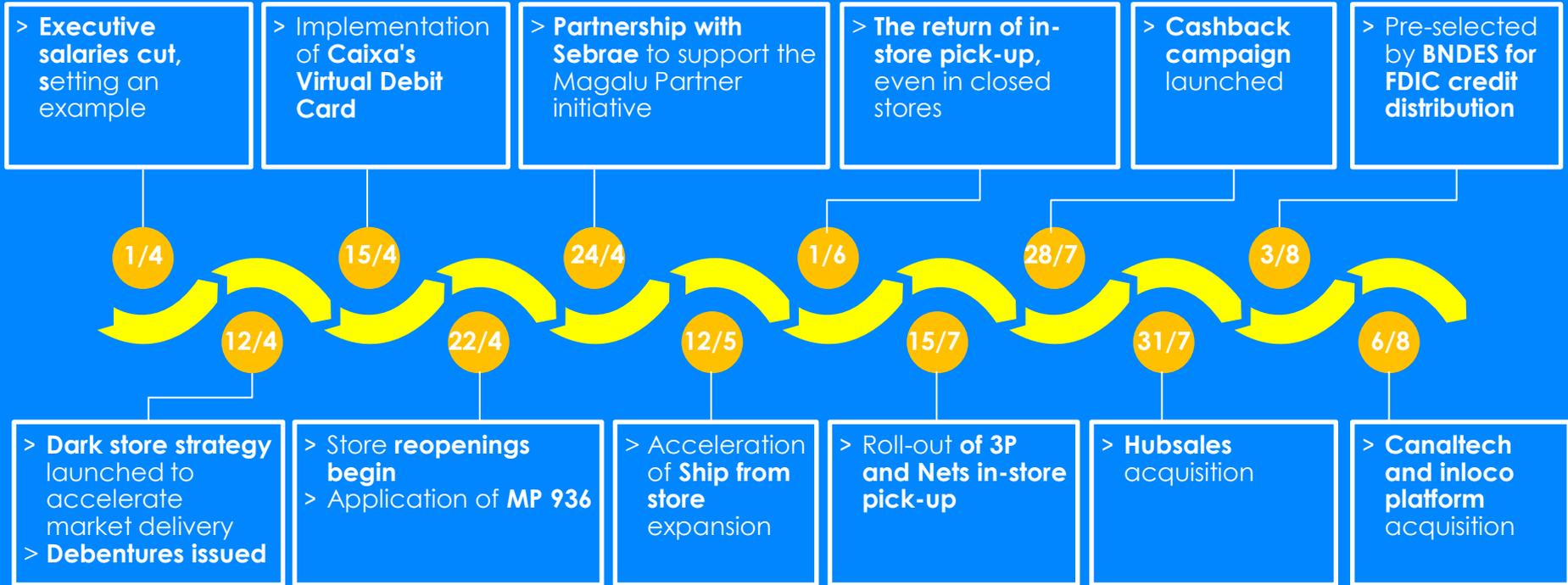
2 Preserve Cash and Jobs

Preserve Cash, reduce expenses and save as **many jobs as possible**

3 Operational continuity / Laser focus

Ensure the operational **continuity of our business** and continue with our mission to **digitize Brazil**

Accelerated pace



Exponential and sustainable growth

magalu



R\$ 8.6 Billion
Total Sales in 2Q20



+49%
Total sales growth in 2Q20 vs 2Q19

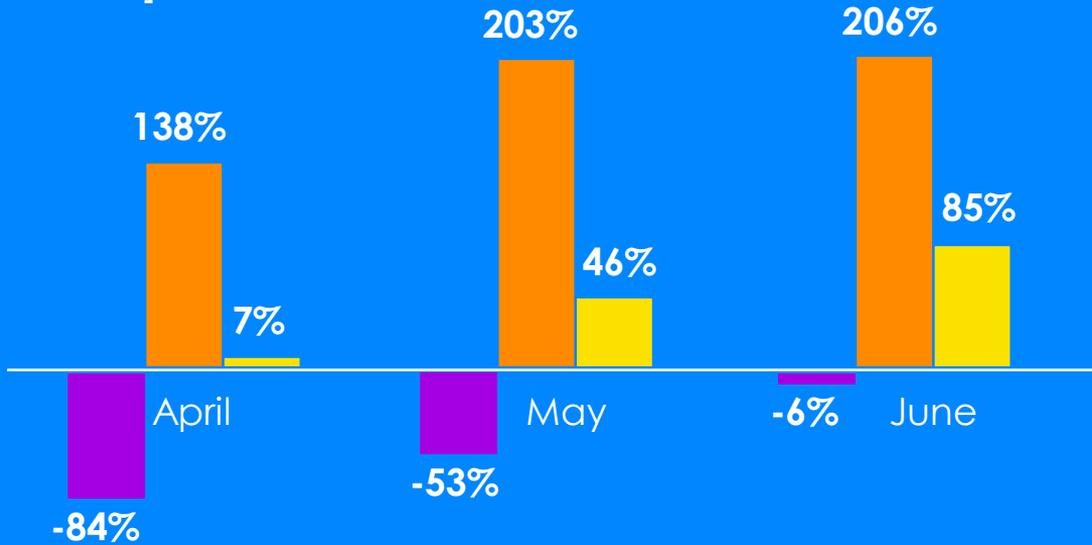


R\$ 2.2 Billion
Generation of operating cash in 2Q20

Monthly sales by channel

Magalu sales growth

[% YoY]



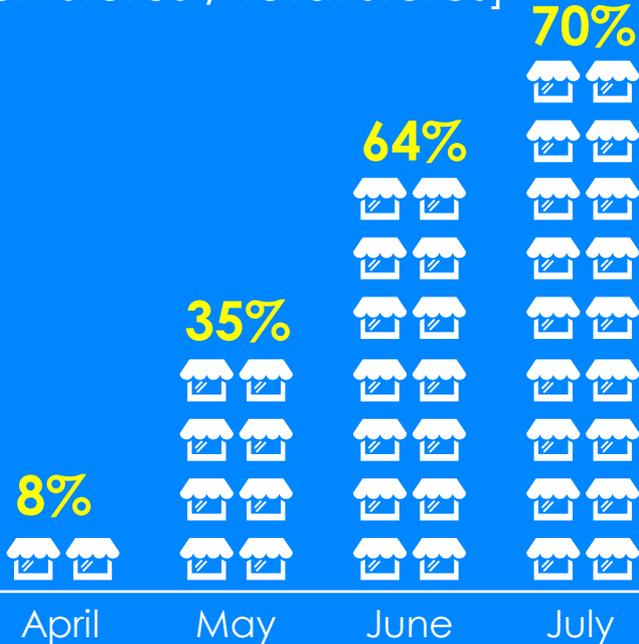
In June, with a greater number of stores opened and e-commerce accelerating, **total sales grew by 85%.**

■ Total Sales Physical Store
 ■ Total Sales Online
 ■ Total Sales Magalu

Physical stores

Percentage of stores open

[% open stores / total stores]



36%

Average **stores open** during 2Q20

25%

Same **store sales** growth
(2Q20 vs 2Q19)



E-commerce growth

Evolution of Online GMV

[R\$ Million; %]



2.6X

The growth rate of the formal e-commerce market (E-bit)

214%

Marketplace growth

78%

E-commerce as a percentage of total sales in 2Q20

Monthly Income Statement

Monthly results – 2Q20

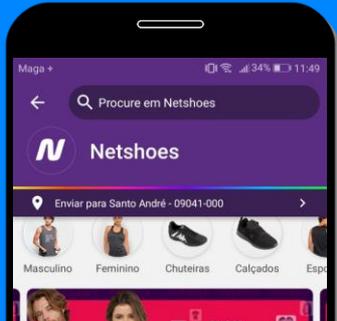
	April	May	June	2Q20
Total Sales [R\$ Million]	1,883	3,022	3,661	8,567
Sales growth [%]	7%	46%	85%	49%
Gross margin [%]	22.9%	24.6%	28.0%	25.8%
EBITDA margin [%]	-10.0%	3.2%	7.8%	2.6%
Net income/ Net Loss [R\$Million]	(148)	(9)	93	(65)
Net margin [%]	-13.1%	-0.5%	3.7%	-1.2%

New categories

NETSHOES

Champion sporting goods and fashion **sales**

Net income for the first time in its history (June)



MAGALU

+3 million grocery items sold

Doubled # of brands in the grocery category



ÉPOCA
COSMÉTICOS · PERFUMARIA

167% sales growth

1M active customers



Faster delivery

Logbee and Ship from Store Expansion



2018



2019



2020



+700

Stores with Ship from Store

35%

Deliveries within 24 hours



4,000

Micro-transport companies and Logbee Drivers

SuperApp – cashback



Make a purchase
and **part of the
money comes
back to you** via the
SuperApp
MAGALU

MAGALU pay

1 Million

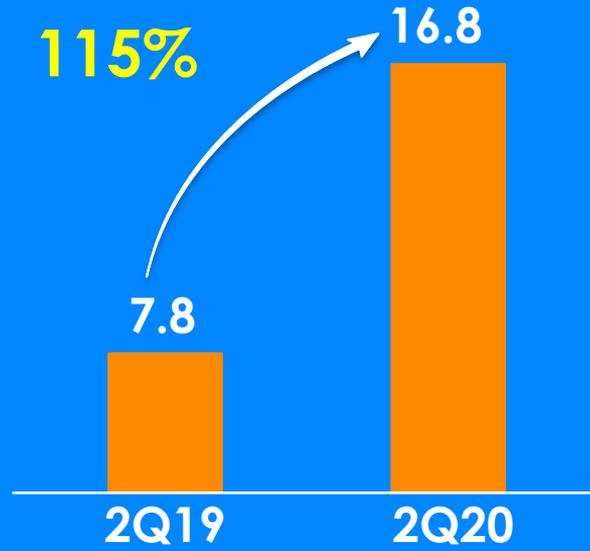
Accounts created in the app

Money can be used for **bill
payment, transfers or new
purchases** on Magalu's
SuperApp

Exponential growth (3P)

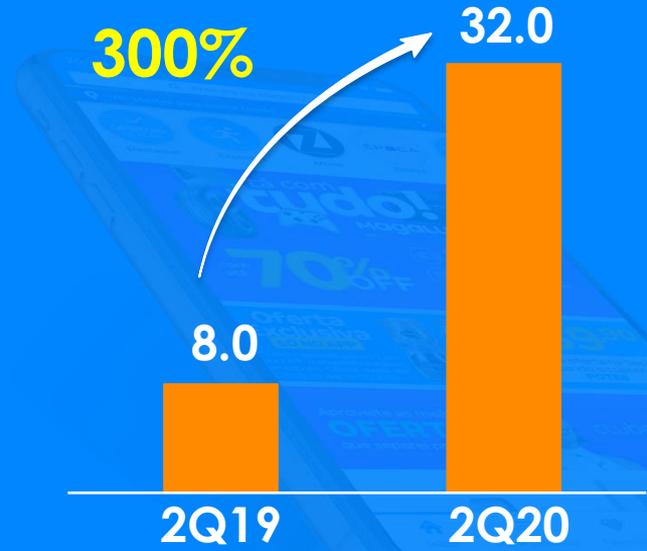
Marketplace SKUs

[MM SKUs]



Marketplace Sellers

['000]



Magalu-as-a-Service



R\$ 3 Billion of Total Payment Volume (TPV) since launch



Automatic factoring of receivables for sellers and small businesses



BNDES finalist for FIDC to provide credit to micro, small and medium-sized companies

Magalu-as-a-Service



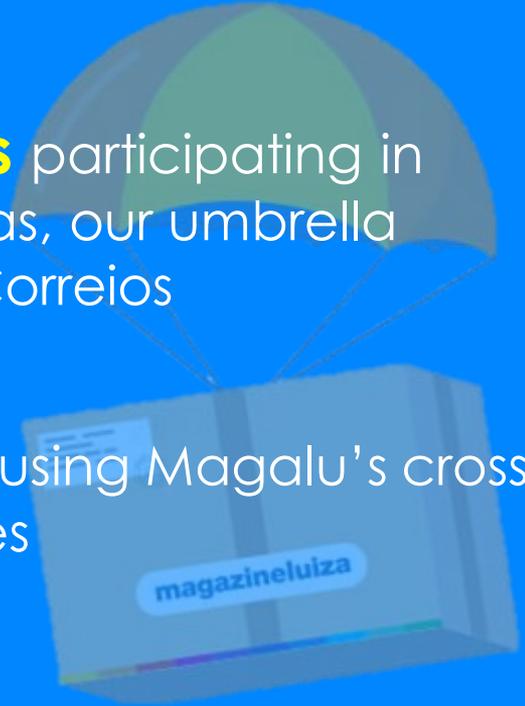
Magalu
Entregas



85% of sellers participating in Magalu Entregas, our umbrella contract with Correios



800 partners using Magalu's cross-docking services



Magalu-as-a-Service



Retailers



Parceiro
Magalu



Freelancers



Selling to own customers and Magalu's customers **even with the doors closed**



Extra income without leaving home selling products of the entire Magalu assortment



Magalu and SEBRAE join forces



+350k Individuals

Make Brazil digital

Strategic Acquisitions



Online stores

700 Thousand orders processed on the platform annually



Industries



100 R\$ Million GMV processed annually



Customers

Hubsales connects factories to consumers, eliminating intermediaries and **reducing costs and prices**

Strategic Acquisitions

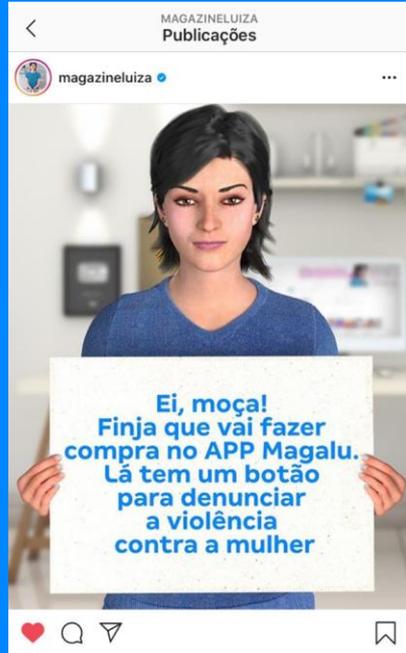
The logo for Magaluads features a colorful target icon with an arrow hitting the bullseye, followed by the text "Magaluads" in a white, sans-serif font.The logo for Canaltech consists of a white speech bubble icon with a blue 'T' inside, followed by the text "Canaltech" in a white, sans-serif font.The logo for Inloco media features a white location pin icon with a blue hexagon inside, followed by the text "inloco media" in a white, sans-serif font.

24 Million unique visitors to the Canaltech website

80 Million unique visitors across all platforms

Acquisition of Canaltech (content generation and audience) combined with the **acquisition of the Inloco media platform** (ad platform)

Magalu's social contribution



Magalu panic button

 **Leading by example:** At the outset of the crisis, we were vocal and public about our commitment to avoid layoffs

 **Supporting small suppliers:** During the crisis, we were one of the only companies that paid small suppliers in full, on time, keeping them solvent.

 **Donating +R\$ 50 Million:** Resources to combat the spread of Covid-19 and help those affected

 **Hiring 2,000 people:** We plan to hire more than 2,000 new employees

 **Fighting domestic violence:** To combat the rise of Covid-19 related domestic violence, we improved the panic button in our SuperApp

 **214 stores transitioning to solar energy by the end of the year:** By early 2021, another 300 stores will also adopt the system

Growth in July

Sales increasing

[%; Jul/20 vs Jul/19]

+10%

Physical Stores

+162%

E-commerce

+82%

Total Sales

Magalu Ecosystem



MAGALU



Financial Highlights

Financial Highlights

49%

Total Sales Growth
(2Q20)

R\$ 8.6 Bi

Total Sales
(2Q20)

182%

E-commerce Growth
(2Q20)

R\$ 2.2 Bi

Cash Generation
(2Q20)

85%

Total Sales Growth
(Jun-20)

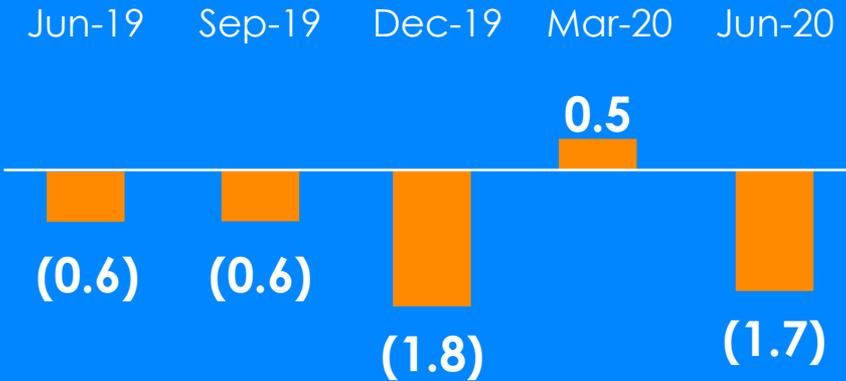
R\$ 5.8 Bi

Net Cash
(Jun-20)

Solid capital structure

Reduction of financial expenses from 3.4% to 1.7% of net revenue

Adjusted Working Capital (R\$ Billion)



Adjusted Net Cash (R\$ Billion)



Strong Cash Generation

Exponential growth coupled with strong cash generation

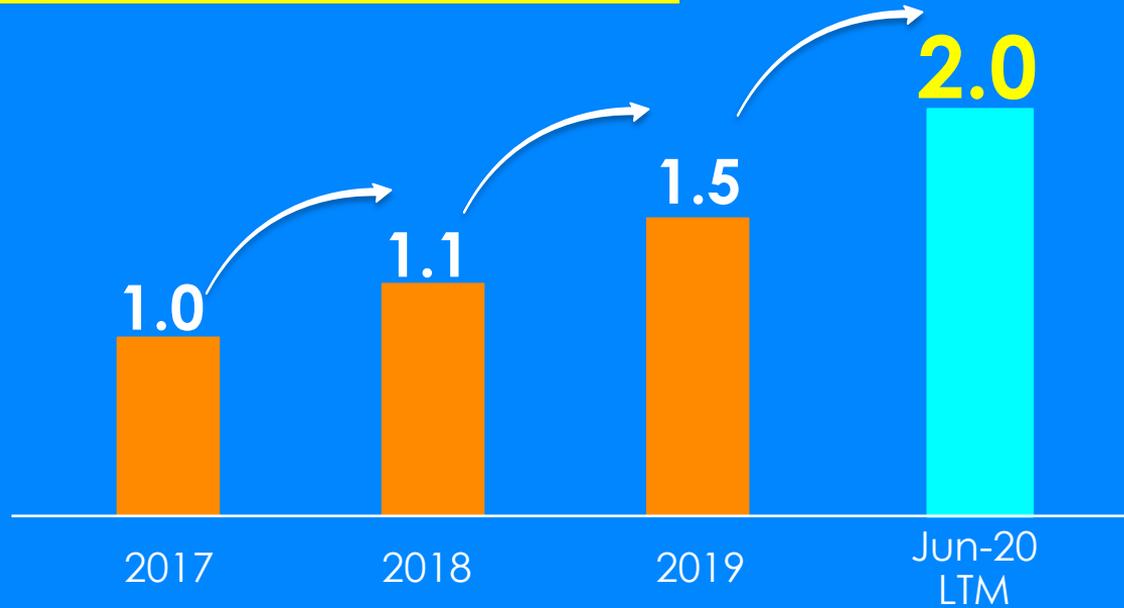
Cash flow (R\$ Billion)

- Receivables
- Cash



Strong Consistent Cash Generation

Cash Flow from Operation (R\$ Billion)

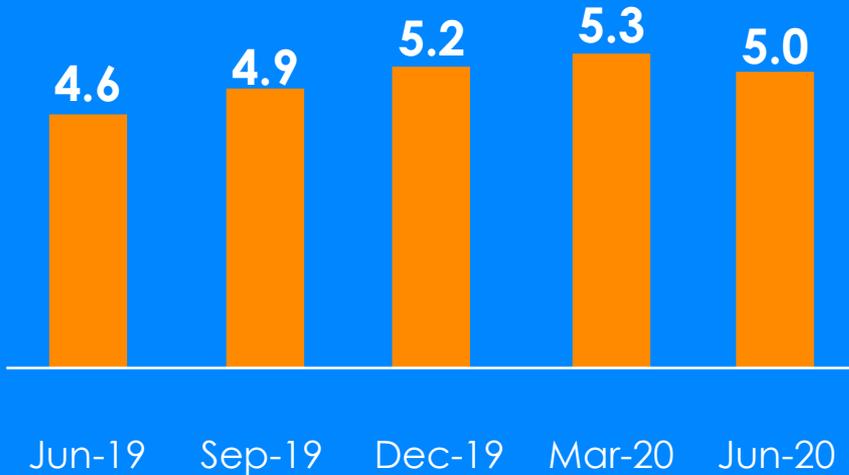


Luizacred

5 million cards issued

Evolution of the Luiza Card Base

[Billion]



Revenues (R\$ Billion)

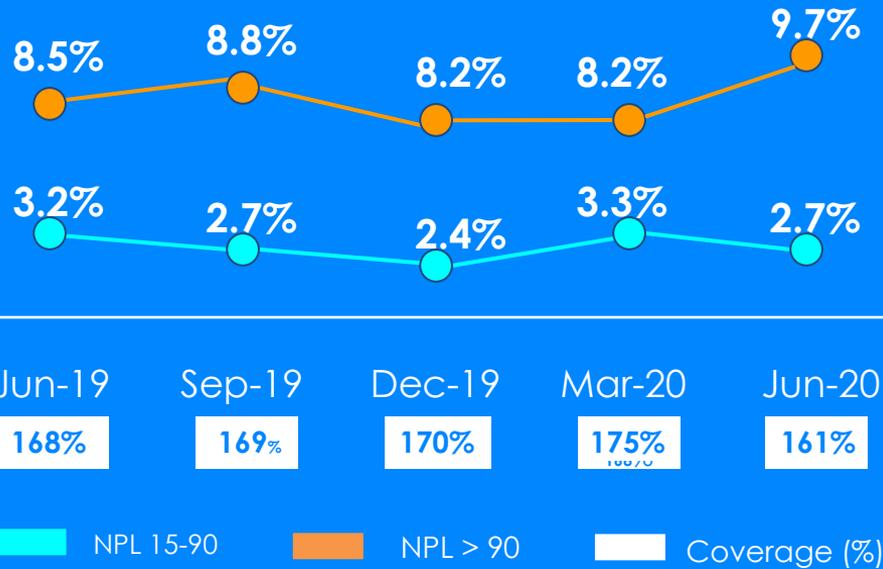


- Card - Outside Magalu
- Card - Inside Magalu

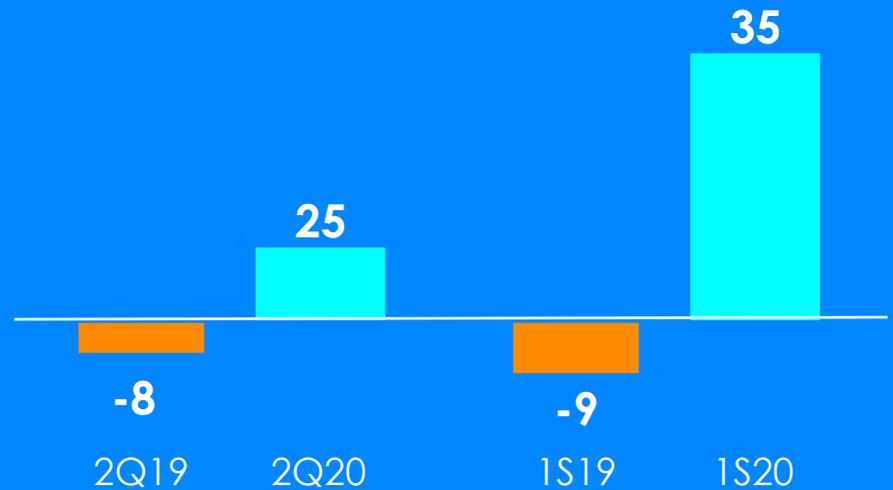
Luizacred

Throughout the quarter, payments surpassed pre-pandemic levels: lower short-term defaults and better results

Percent of the portfolio overdue



Net Income (R\$ million)



MAGALU



INVESTOR RELATIONS

RI@MAGAZINELUIZA.COM.BR
MAGAZINELUIZA.COM.BR/RI

The statements in this document related to business perspectives, projections on operating and financial results and those related to Magazine Luiza's growth prospects are merely projections e. as such, they are based exclusively on the board's expectations about the future of the business. These expectations depend, substantially, approvals and licenses required for project approval, market conditions, performance of the Brazilian economy, of the sector and international markets e. therefore, subject to change without notice. This document may include accounting and non-accounting data such as, operational, pro forma financial statements and projections based on the expectations of the Company's management. The non-accounting data has not been subject to review by the Company's independent auditors.