

4Q23: adjusted net income of R\$102 million with the highest EBITDA margin in the last three years. Operating cash generation of R\$1.5 billion and total cash position of R\$9.1 billion.

MGLU
B3 LISTED NM

4Q23 was a turning point for Magalu. Gross Margin reached 30.3%, a growth of 2.5 p.p. compared to 4Q22, driven by DIFAL pass-through (completed in 3Q23), by the success of commercial campaigns, including most profitable Black Friday in our history and by the growth of servisse revenue. **EBITDA margin reached 7.2%**, a growth of 1.5 p.p. compared to last year. Magalu achieved operational improvements in all sales channels, while financial expenses were 20% lower, representing 4% of net revenue. As a result, **Magalu recorded recurring net income of R\$102 million in the quarter.**

In **4Q23**, Magalu's total sales reached **R\$18 billion**, stable compared to 4Q22. Over the last four years, the average annual sales growth rate was 19%. In **2023**, total sales were **R\$63 billions**, a growth of 5% compared to 2021.

Physical stores sales reached R\$5 billion during the quarter, increasing by 4% compared to 4Q22, despite a Strong comparison base, of the world cup in 2022. In addition to delivering na increase in sales, **Magalu expanded its Market share in 1.2p.p. during the quarter. In 2023, sales totaled more than R\$17 billion**, with a 4% growth compared to 2022.

E-commerce sales reached R\$13 billion during the quarter, stable compared to 4Q22, while the Brazilian e-commerce market shrank by 10% during the same period (*Neotrust*). Magalu's average annual e-commerce growth rate over the last four years was 31%. **In 2023, e-commerce sales were R\$46 billion**, a growth of 5% compared to 2022.

Marketplace sales surpassed R\$5 billion during one quarter, growing 10% compared to the same period last year. Over the last four years, Magalu's marketplace has experienced an average annual growth rate of 45%. **In 2023, marketplace sales reached R\$18 billion**, increasing by 17% compared to 2022 and consolitading as the second largest sales channel, **reaching almost 30% of total Magalu sales.**

The revenues generated by the marketplace services increased by 26% in the quarter. Our marketplace is already profitable, and the more it grows, the more it contributes to the profitability of the ecosystem.

Magalu's marketplace reached a total of 340,000 sellers, an increase of 80,000 during 2023. Currently, **we have a catalog that includes over 128 million offers available for sale**, compared to 91 million offers available a year ago.

We have been continuously expanding our logistics and multichannel integration for our marketplace sellers. Currently, **15% of marketplace orders are being delivered via Magalu's fulfillment operation**, compared to 2% in the beginning of 2023. **More than 2,800 sellers** are benefiting from the unparalleled scale and efficiency of the company's multichannel model.

At MagaluAds, revenue from sponsored products grew 70% in 4Q23 compared to 4Q22. Through advertising services such as display, special products, and sponsored products, we will enhance the visibility of the assortments of suppliers and sellers in our sales channels.

Operating cash generation was R\$1.5 billion during the quarter. Magalu ended the quarter with a **total cash position of R\$9 billion**, increading by R\$1 billion compared to sep/23. Magalu ended the year with a total net cash position of **R\$1.7 billion.**

Magalu's Fintech operation grew 6% during the quarter to R\$27 billion in TPV. One of the highlights was the 17% growth in the volume of payments made to sellers and MagaluPay digital accounts. In the credit card operation, billing reached more than R\$15 billion in 4Q23. There are now 7 million issued credit cards and the credit portfolio is R\$20 billion. **Highlighting the sequential drop in default rates and the recovery in Luizacred's net profit as well.**



MGLU3: R\$ 2.10 per share
Total Shares: 6,748,926,848
Market Cap: R\$ 14.2 billion



Conference Call

Mar 19, 2024 (Tuesday)
08:00 AM in US (EST)/ 09:00 AM in Brazil
[Conference Call Access](#)



Investor Relations

+55 11 3504-2727
www.magazineluiza.com.br/ri
ri@magazineluiza.com.br

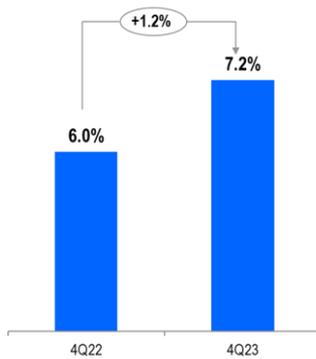
LETTER TO SHAREHOLDERS

The fourth quarter of 2023 was a turning point for Magalu. Over the last two years, the entire company worked hard to ensure that margins increased and our bottom line returned to positive territory. During this period, we always focused on the bottom line, because, at the end of the day, profit is the oxygen that guarantees the longevity and long-term success of any business. We have adapted our operations to an environment of persistent high interest rates, with detrimental effects on retail — especially the discretionary goods segment. We promised to return to our normal: a growing company that grows with margin and cash generation. And we have kept

that promise. In the fourth quarter of 2023, we recorded our highest EBITDA margin – 7.2% – since 2019, with net income.

Adjusted EBITDA Margin

Adjusted EBITDA margin of 7.2% in 4Q23
(+1.2 p.p vs 4Q22)



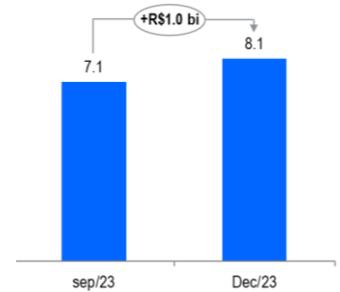
This number was accompanied by other figures that show how solid our results are. The EBITDA margin increased 1.2 percentage points year over year. We improved our operating result in all sales channels, while reducing financial expenses by 20%. In the fourth quarter, they corresponded to 4% of total net revenue. Thanks to the combination of these factors, Magalu recorded recurring net income of 102 million reais in the last quarter of the year.

In the period, the operation generated 1.5 billion reais in cash. We closed the year with a total cash position of 9.1 billion reais and further reinforced our capital structure. At the end of 2023,

Magalu's net cash, i.e., less debt, reached 1.7 billion reais.

Total cash position (adjusted)
[in R\$ Billion]

Strong Cash Flow Generation:
R\$1.0 billion increase in total cash position during the quarter



63 billion reais in sales in 2023. 18 billion reais in 4Q23

Magalu is now Brazil's second-largest e-commerce company. It is also the undisputed leader in durable goods retail, with continuing market share gains. In 2023, the gain reached 1.7 percentage points. The company recorded 63 billion reais in total sales in 2023, up 5% over 2022. The company grew in all channels although, as mentioned earlier, its main focus was profitability.

In physical stores, already operating under a concept that combines revenue generation, a service agency, and a logistics hub, sales amounted to 17 billion reais in 2023, up 4% over 2022. In the fourth quarter, sales from Magalu's 1,286 physical stores totaled 5 billion reais, an increase of 4% compared to the same period last year, when there was a FIFA World Cup, an event that traditionally boosts the electronics market.

Meanwhile, online sales reached 46 billion reais in 2023, up 5% over 2022. Our e-commerce first party inventory (1P) contributed 28 billion reais to this total and recorded a significant margin increase during the year, as a result of the DIFAL (a tax on inter-state commerce) pass-through (completed in the third quarter) and targeted sales campaigns, which, for example, led to the most profitable Black Friday in the company's history. It is worth noting that, in 2023, there was an increase of more than 1 billion reais in taxes paid related to DIFAL.

The marketplace continues to be Magalu's main growth driver. Sales of sellers' products (3P) exceeded 18 billion reais in 2023, 17% more than in 2022. In only six years, the marketplace has become the company's second-largest sales channel, coming before physical stores. Currently, around 30% of everything that is sold by Magalu comes from sellers. What is even better is that the marketplace is the channel which has the best opportunities for expanding GMV, margins, and service revenue generated by our platform.

In 2023, 80,000 retailers from all over Brazil joined Magalu's marketplace. This community currently includes 340,000 entrepreneurs. Together, they help us reach customers with 128 million offerings, compared to 91 million a year ago. In 2023, there was substantial growth in categories such as tires, parts, and accessories for vehicles; headsets and headphones; bicycles; baggage; tools; home and garden; and food supplements. These products have verified origin, guaranteed quality, and brand names in various categories.

Expansion of new services and new categories: diversification of revenue sources

Expanding the marketplace and the value-added services we already offer — and will offer in the future — is essential for our long-term strategy. In 2024, Magalu will accelerate its investments in technology, supporting the evolution of our platform. These investments will be focused on logistics, especially the expansion of fulfillment; MagaluAds; Fintech Magalu; and user experience on the platform, in addition to the development of Magalu Cloud.

Fulfillment already accounts for 15% of orders on the platform, with more than 2,800 engaged sellers. It is worth noting that this represents outstanding growth: in early 2023, the penetration of the service was a mere 2%. Boosting fulfillment means expanding all the advantages of the multichannel model — a trademark of Magalu — to the marketplace. It means taking full advantage of our distribution and logistics infrastructure and the multifunctionality of our physical stores. It also means bringing our 1P service standard to 3P. Thus, we worked towards reducing costs, improving the user experience, and consequently increasing the sales conversion rate.

We see MagaluAds, our digital advertising platform, as a major opportunity for monetizing the audience of the Magalu ecosystem, with around 500 million monthly visits to the websites and apps of all our brands. Through our sales channels, we put suppliers and sellers in touch with customers. Now, we will help them give even more visibility to their assortment, in a targeted way, through investments in display, special projects, and sponsored search. The number of advertisers on our platform grew 120% in 2023. In the fourth quarter, the number of active campaigns increased 140%, while revenue from sponsored products grew 70%.

Fintech Magalu has been rapidly becoming a powerhouse. Magalu Pagamentos processed 28.4 billion reais in total payment volume (TPV) in 2023, 8.1 billion reais of which in the last three months of the year — a quarterly record. In the fourth quarter, the company processed 18.3 million transactions using PIX (instant bank transfer), bank payment slips, credit and debit cards, and MagaluPay balances in the Magalu ecosystem. TPV of MagaluPay Empresas, the digital account used by sellers, MagaluPay Empresas, reached 827 million reais in the same period.

In the consumer financing strategy, Luizacred experienced its own turning point. In the last three months of the year, its net income totaled 18.2 million reais. This improvement was driven by a significantly better credit performance. In the quarter, the short- and long-term default indicators dropped to 3.1% and 9.7%, respectively.

There are clear opportunities in financial service digitalization. We have been working to boost online sales of services such as credit, insurance, and consortium plans, which are already strong in physical stores. This is yet another front for expanding revenue and profitability.

Magalu Cloud - The first Brazilian hyperscale cloud

We launched Magalu Cloud, our public cloud service, in December 2023. Magalu Cloud was developed to serve the needs of Brazilian companies — especially small and medium-sized companies, which often face cost barriers to going digital. The idea is to offer reliability and affordable costs, with fees in reais and support in portuguese. Magalu Cloud is already available for dozens of partners, offering a wide range of cloud services, including computing, storage, network, database, and artificial intelligence.

The service operates in two regions: in the Southeast and in the Northeast. Currently, 30% of Magalu's digital operation is on its own cloud — and this percentage will continue to grow in the coming years.

Our legacy

On January 28th, our Board of Directors approved a private capital increase of 1.25 billion reais, 100% guaranteed by Magalu's controlling family and Banco BTG. The proceeds will be instrumental to accelerate our investments in technology, with the expansion of Luizalabs. We currently have 2,000 developers working to ensure that we will be one of the best digital retail platforms in Brazil. Soon, this number will increase to 3,000. In addition to supporting these investments, part of the amount raised will be used to optimize the company's capital structure, accelerating the reduction in financial expenses. The transaction demonstrates the controlling shareholders' confidence in Magalu's business model, team and strategy for the future. This confidence was shared by many minority shareholders. The adhesion of the base has already reached 86% in the first stage of preemptive rights, while the demand for remaining shares was several times higher.

We are optimistic. We have a well-adjusted company and a promising macroeconomic environment, with rising income and falling interest rates, which should especially benefit the durable goods market. The trend of positive results that we experienced at the end of 2023 continued in early 2024. Our focus remains on operational profit growth, net profit growth, and increasing cash generation. We will continue to build an organization that consistently delivers results, enchants customers, and contributes to inclusion.

We will never give that up. That is the main legacy of Luiza Trajano Donato, or simply Aunt Luiza, Magalu's founder, who has recently left us. An entrepreneur at a time when it was daring for a woman to engage in business, Aunt Luiza always made a point of welcoming and serving those who went into her store, in Franca. She used to say, "Treat everyone the same, regardless of whether they're wearing chintz or silk," and, "It is much more important to respond to a complaint than to make a sale," always full of common sense and simple wisdom.

This is our essence. To honor Aunt Luiza, 2024 will be especially dedicated to enchanting our more than 36 million customers. We will make a leap in the digital experience, driving 3P shopping satisfaction to the same levels seen in 1P. With the help of technology, we will treat each customer as if they were the only one. This is our legacy.

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

EXECUTIVE MANAGEMENT TEAM

4Q23 Financial Highlights



Total sales with increased profitability. In 4Q23, total sales -- including physical stores, e-commerce first-party inventory (1P) and marketplace (3P) remained stable compared to the same period of the previous year and totaled R\$17.9 billion (four-year-CAGR of 18.9%). This was a result of a 1.5% decrease in total e-commerce (four-year-CAGR of 31.0%) and growth of 3.5% in physical stores (four-year-CAGR of 2.9%). In 2023, total sales grew 4.8% reaching R\$63.1 billion.



Marketplace reaches 40% of total online sales.

During 4Q23, the Brazilian e-commerce Market shrank by 10.5% according to Neotrust, while Magalu again outperformed the market. During the quarter, e-commerce sales reduced 1.5% and totaled R\$12.7 billion. In 4Q23, we held the most profitable Black Friday in history. Magalu's 1P e-commerce sales, reduced 7.8% (four-year-CAGR of 24.7%). Marketplace sales reached R\$5.1 billion during the quarter, with a 9.9% growth (four-year-CAGR of 44.6%). The gain in e-commerce market share was driven by the performance of the SuperApp, with 50.0 million monthly active users (MAU). Other contributing factors include faster delivery speeds for 1P and 3P, the growth of new categories and an increase in the seller base.



Gross margin expansion driven by service margin growth the pass-through of DIFAL.

In 4Q23, the gross margin was 30.3%, a growth of 250 bps from the same period in 2022. It's worth to mention that, compared to 3Q23, the gross margin in 4Q23 remained practically stable, despite it being a more promotional period. After completing the pass-through of DIFAL and with a strategy focused on profitability in 1P e-commerce, the product margin increased by 110 bps. compared to last year. Additionally, service revenue contributed to adding 1.4 p.p. to the total gross margin.



Operating expenses. The percentage of adjusted operating expenses in relation to net revenues was 23.2% in 4Q23, an increase of 150 bps compared to 4Q22. With the increase in the marketplace, it is important to analyze expenses in relation to total sales (GMV). Along these lines, expenses remained stable.



EBITDA and net result. The increase in the contribution margin from the sales channel, especially marketplace, contributed to the growth in adjusted EBITDA, which reached R\$756.5 million in 4Q23 with a margin of 7.2%, an increase of 120 bps. in relation to last year. During the same period, the adjusted net result was R\$101.5 million, reversing the negative results of the last two years. Considering non-recurring net gains, net profit was R\$212.2 million.



Strong cash generation. During the quarter, cash flow from operations was R\$1.5 billion, driven by the evolution in the operational result and the variation in working capital, with emphasis on the reduction in inventory levels. In Dec/23, Magalu's adjusted net cash position was R\$ 1.7 billion and the total adjusted cash position was R\$ 9.1 billion, including cash and financial instruments of R\$3.4 billion and available credit card receivables of R\$5.7 billion.



Fintech. Total payment volume (TPV) reached R\$27.2 billion in 4Q23, growing 5.8%. In 2023, the total TPV amounted to R\$99.2 billion. In dec/23, the cardholder base reached 6.7 million credit cards. Credit card billing grew 6.8% in 4Q23, reaching R\$15.5 billion during the period. In 2023, credit card billing was R\$57.5 billion. The credit card portfolio reached R\$20.2 billion at the end of the quarter. In dec/23, MagaluPay reached 11.9 million open digital accounts. CDC (direct to consumer credit) surpassed the 10 p.p. of penetration in Magalu's physical stores sales, helping the channel's profitability and accelerating sales.

R\$ million (except when otherwise indicated)	4Q23	4Q22	% Chg	12M23	12M22	% Chg
Total Sales ¹ (including marketplace)	17,947.4	17,959.7	-0.1%	63,056.3	60,160.7	4.8%
Gross Revenue	13,062.5	13,515.8	-3.4%	45,591.0	45,189.0	0.9%
Net Revenue	10,549.7	11,167.4	-5.5%	36,768.1	37,299.0	-1.4%
Gross Income	3,192.8	3,099.7	3.0%	10,163.9	10,438.9	-2.6%
Gross Margin	30.3%	27.8%	250 bps	27.6%	28.0%	-40 bps
EBITDA	548.6	642.3	-14.6%	870.5	1,935.3	-55.0%
EBITDA Margin	5.2%	5.8%	-60 bps	2.4%	5.2%	-280 bps
Net Income	212.2	(35.9)	-	(979.1)	(499.0)	96.2%
Net Margin	2.0%	-0.3%	230 bps	-2.7%	-1.3%	-140 bps
Adjusted - Gross Income	3,192.8	3,099.7	3.0%	10,750.1	10,438.9	3.0%
Adjusted - Gross Margin	30.3%	27.8%	250 bps	29.2%	28.0%	120 bps
Adjusted - EBITDA	756.5	673.7	12.3%	2,131.8	2,127.5	0.2%
Adjusted - EBITDA Margin	7.2%	6.0%	120 bps	5.8%	5.7%	10 bps
Adjusted - Net Income	101.5	(15.2)	-	(550.1)	(372.1)	47.8%
Adjusted - Net Margin	1.0%	-0.1%	110 bps	-1.5%	-1.0%	-50 bps
Same Physical Store Sales Growth	3.7%	13.3%	-	4.7%	0.1%	-
Total Physical Store Sales Growth	3.5%	14.7%	-	4.0%	5.8%	-
E-commerce Sales Growth (1P)	-7.8%	18.4%	-	-1.3%	4.7%	-
Marketplace Sales Growth (3P)	9.9%	11.6%	-	16.8%	18.3%	-
Total E-commerce Sales Growth	-1.5%	15.9%	-	5.1%	9.2%	-
E-commerce Share of Total Sale	70.8%	71.9%	-1.0 pp	72.3%	72.1%	0.2 pp
Number of Stores - End of Period	1,286	1,339	-53 stores	1,286	1,339	-53 stores
Sales Area - End of Period (M ²)	716,298	716,707	-0.1%	716,298	716,707	-0.1%

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

| NON-RECURRING EVENTS

For ease of comparability with 4Q22, 4Q23 results are also being presented in an adjusted view, without the effects of non-recurring provisions and expenses.

CONCILIATION ADJUSTED INCOME STATEMENT (R\$ million)	4Q23 Adjusted	V.A.	Non-recurring	4Q23	V.A.
Gross Revenue	13,062.5	123.8%	-	13,062.5	123.8%
Taxes and Deductions	(2,512.7)	-23.8%	-	(2,512.7)	-23.8%
Net Revenue	10,549.7	100.0%	-	10,549.7	100.0%
Total Costs	(7,356.9)	-69.7%	-	(7,356.9)	-69.7%
Gross Income	3,192.8	30.3%	-	3,192.8	30.3%
Selling Expenses	(2,036.0)	-19.3%	-	(2,036.0)	-19.3%
General and Administrative Expenses	(342.1)	-3.2%	-	(342.1)	-3.2%
Provisions for Loan Losses	(104.7)	-1.0%	-	(104.7)	-1.0%
Other Operating Revenues, Net	37.1	0.4%	(207.9)	(170.8)	-1.6%
Equity in Subsidiaries	9.3	0.1%	-	9.3	0.1%
Total Operating Expenses	(2,436.3)	-23.1%	(207.9)	(2,644.2)	-25.1%
EBITDA	756.5	7.2%	(207.9)	548.6	5.2%
Depreciation and Amortization	(305.4)	-2.9%	-	(305.4)	-2.9%
EBIT	451.1	4.3%	(207.9)	243.2	2.3%
Financial Results	(437.7)	-4.1%	210.5	(227.2)	-2.2%
Operating Income	13.4	0.1%	2.6	16.0	0.2%
Income Tax and Social Contribution	88.1	0.8%	108.1	196.2	1.9%
Net Income	101.5	1.0%	110.6	212.2	2.0%

| Adjustments – Non – Recurring Events

Adjustments	4Q23
Tax Credits	1.3
Gain on Sale of Assets	(6.5)
Sale of equity stake	201.9
Tax Provisions ¹	(373.9)
Expert Fees	(4.4)
Non Recurring Expenses ²	(33.7)
Other Expenses	7.4
EBITDA Adjustments	(207.9)
Fair value of acquisition-related liabilities ³	210.5
Financial Result Adjustments	210.5
Deferred income tax and social contribution – Netshoes ⁴	108.9
Income Tax and Social Contribution	(0.9)
Net Income Adjustments	110.6

¹ It mainly refers to the provision for ICMS - DIFAL in the amount of R\$369.3 million, in which the Company believes that the chances of loss are higher than those of gain, although the publication of the judgment's ruling by the STF is still pending.

² Primarily including provisions regarding the closure of 23 stores in early 2024 and relocation of a distribution center

³ Adjustment of the value to be paid in shares for the acquisition of companies.

⁴ Accounting for deferred income tax (IR/CS) on accumulated losses from previous years, due to positive results in recent periods.

| Resubmission of the 3Q23 results

On March 6, 2023, Management became aware of an anonymous complaint regarding alleged practices inconsistent with the Company's Code of Conduct and Ethics. Consequently, the Board of Directors instructed the Audit, Risk, and Compliance Committee to investigate the allegations in the anonymous complaint, with the assistance of independent external experts. The investigation concluded that the anonymous complaint was unfounded.

Based on the analyses conducted by management up to that point, and subject to further audit procedures, adjustments were made in the quarterly information as of September 30, 2023, concerning the recognition of bonuses with the restatement of balance sheets from previous periods.

During the last quarter, after completing the analysis of documentation and formalizations, no incorrect accounting entries were identified in the initial recognition of supplier bonuses. Considering recent publications on best practices in the accounting recognition of supplier bonuses, the Company reviewed the estimates of bonus balances to be received and made the necessary accounting adjustments entirely in the quarterly information as of September 30, 2023, without restating balance sheets from previous periods, maintaining the same adjustment value disclosed in the Relevant Fact on November 13, 2023. There were no changes to the equity and other balance sheet balances presented as of September 30, 2023.

It is worth noting that the Company enhanced its internal controls and implemented a new fully automated system (tradelinks) for managing campaigns with suppliers to improve accuracy in its estimates and accounting recognition in the appropriate period.

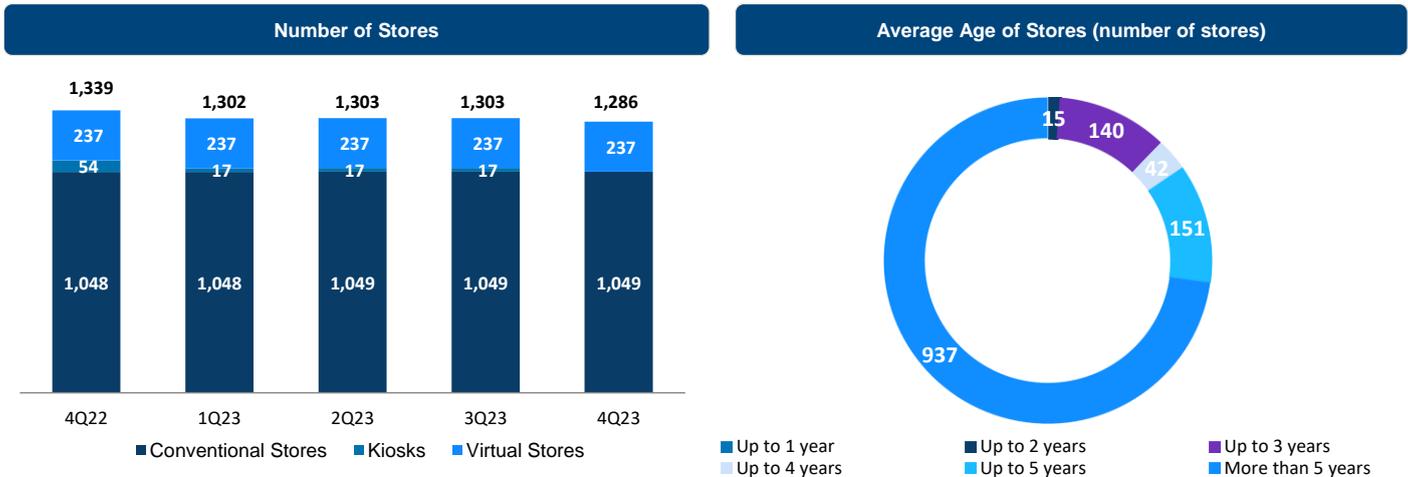
CONCILIATION ADJUSTED INCOME STATEMENT (R\$ million)	3Q23 Adjusted	V.A.	Non-recurring	3Q23	V.A.
Gross Revenue	10,571.0	123.2%	-	10,571.0	123.2%
Taxes and Deductions	(1,992.2)	-23.2%	-	(1,992.2)	-23.2%
Net Revenue	8,578.8	100.0%	-	8,578.8	100.0%
Total Costs	(5,969.4)	-69.6%	(586.3)	(6,555.7)	-76.4%
Gross Income	2,609.4	30.4%	(586.3)	2,023.1	23.6%
Selling Expenses	(1,724.6)	-20.1%	-	(1,724.6)	-20.1%
General and Administrative Expenses	(358.9)	-4.2%	-	(358.9)	-4.2%
Provisions for Loan Losses	(77.5)	-0.9%	-	(77.5)	-0.9%
Other Operating Revenues, Net	33.5	0.4%	(187.3)	(153.8)	-1.8%
Equity in Subsidiaries	5.6	0.1%	-	5.6	0.1%
Total Operating Expenses	(2,121.9)	-24.7%	(187.3)	(2,309.2)	-26.9%
EBITDA	487.5	5.7%	(773.6)	(286.0)	-3.3%
Depreciation and Amortization	(309.7)	-3.6%	-	(309.7)	-3.6%
EBIT	177.8	2.1%	(773.6)	(595.7)	-6.9%
Financial Results	(456.2)	-5.3%	155.6	(300.6)	-3.5%
Operating Income	(278.3)	-3.2%	(618.0)	(896.3)	-10.4%
Income Tax and Social Contribution	135.0	1.6%	263.0	398.0	4.6%
Net Income	(143.4)	-1.7%	(355.0)	(498.3)	-5.8%

Adjustments	3Q23
Accrual adjustment ¹	(586.3)
Gross Profit Adjustments	(586.3)
Tax Credits	523.8
Gain on Sale of Assets	(8.4)
Tax Provisions	(10.2)
Expert Fees	(10.3)
Estimates review	(670.7)
Other Expenses	(11.6)
EBITDA Adjustments	(773.6)
Update - Tax Credits	155.6
Financial Result Adjustments	155.6
Income Tax and Social Contribution	263.0
Net Income Adjustments	(355.0)

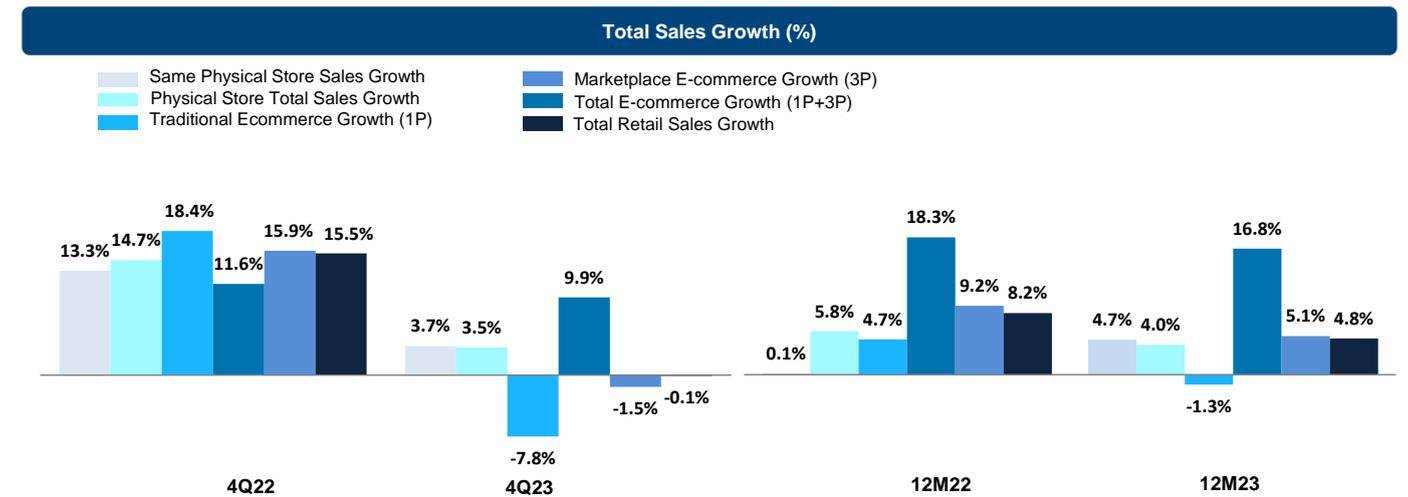
¹ The accrual adjustment combined with the estimates review amount to R\$829.5 million net of taxes as per the relevant fact disclosed on November 13, 2023.

| OPERATING AND FINANCIAL PERFORMANCE

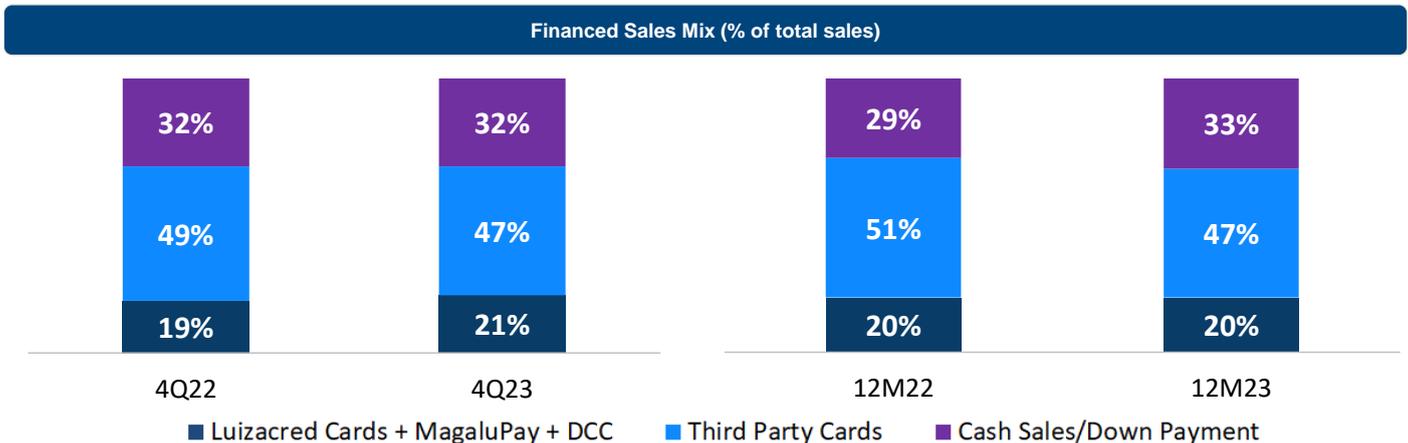
Magalu ended 4Q23 with 1,286 physical stores, (1,049 conventional, 237 virtual). During 4Q23, the company closed 17 kiosks. Over the last 12 months, the Company opened 1 new store in the Southeast. Twenty-seven percent of our total number of stores are in the process of maturation.



In 4Q23, Magalu’s total sales remained stable (18.9% four-year CAGR), as a result of a 1.5% decrease in e-commerce sales (31.0% four-year CAGR) and a 3.5% increase in physical store sales (2.9% four-year CAGR). It is worth highlighting the performance of the marketplace, which grew 9.9% in 4Q23 (44.6% four-year CAGR). Total retail sales were up 4.8% in 12M23, as a result of a 5.1% growth in e-commerce sales and a 4.0% growth in physical stores sales.



In 4Q23, the share of cash (non-installment) sales remained stable at 32% compared to the same period in 2022. During 12M23, the share of cash (non-installment) sales increased from 29% to 33%. The increase in cash sales was driven by widespread PIX adoption, especially at Kabum, Netshoes and Magalu, which contributed to the mitigation of financial expenses.



| Gross Revenues

(in R\$ million)	4Q23	4Q22	% Chg	12M23	12M22	% Chg
Merchandise Sales	11,810.8	12,430.7	-5.0%	41,281.6	41,746.6	-1.1%
Services	1,251.6	1,085.1	15.3%	4,309.3	3,442.4	25.2%
Gross Revenue - Total	13,062.5	13,515.8	-3.4%	45,591.0	45,189.0	0.9%

In 4Q23, total gross revenue was R\$13.1 billion, a 3.4% decrease compared to the same period in 2022, due to lower sales volume in the durable goods categories. Service revenue increased by a significant 15.3% during the period, driven in large part by growth in marketplace revenue, which grew 26.2%. In 12M23, total gross revenue was R\$45.6 billion, rising 0.9% during the period.

| Net Revenues

(in R\$ million)	4Q23	4Q22	% Chg	12M23	12M22	% Chg
Merchandise Sales	9,497.0	10,264.9	-7.5%	33,187.5	34,457.8	-3.7%
Services	1,052.8	902.5	16.7%	3,580.7	2,841.2	26.0%
Net Revenue - Total	10,549.7	11,167.4	-5.5%	36,768.1	37,299.0	-1.4%

In 4Q23, total net revenue was R\$10.5 billion, a 5.5% decrease compared to 4Q22. It is worth noting that, due to the return of DIFAL (the difference in the ICMS rate on interstate sales), deductions on gross revenue in the quarter went from 17.4% to 19.6%, impacting net revenue from goods. During the year, the tax increase was approximately R\$1.0 billion. On the other hand, net revenue from services grew 16.7%. In 12M23, net revenue fell 1.4% to R\$36.8 billion.

| Gross Profit

(in R\$ million)	4Q23	4Q22	% Chg	12M23 Adjusted	12M22	% Chg
Merchandise Sales	2,156.4	2,213.5	-2.6%	7,221.5	7,671.2	-5.9%
Services	1,036.4	886.2	16.9%	3,528.6	2,767.7	27.5%
Gross Profit - Total	3,192.8	3,099.7	3.0%	10,750.1	10,438.9	3.0%
Gross Margin - Total	30.3%	27.8%	250 bps	29.2%	28.0%	120 bps

In 4Q23, gross margin was 30.3%, an increase of 2.5 p.p. compared to the same period last year and remained stable compared to the third quarter of this year. With the completion of the DIFAL pass-through, and with a profitability-focused strategy, the product margin increased by 1.1 p.p. compared to last year. Additionally, service revenue contributed to the addition of 1.4 p.p. to the total gross margin, resulting in the highest gross margin in a fourth quarter in the last ten years. In 12M23, gross profit grew 3.0% to R\$10.8 billion, equivalent to a gross margin of 29.2%.

| Operating Expenses

(in R\$ million)	4Q23			4Q22			4M23			4M22		
	Adjusted	% NR	% Chg	Adjusted	% NR	% Chg	Adjusted	% NR	% Chg	Adjusted	% NR	% Chg
Selling Expenses	(2,036.0)	-19.3%	0.1%	(2,033.9)	-18.2%	0.1%	(7,002.1)	-19.0%	3.9%	(6,741.1)	-18.1%	3.9%
General and Administrative Expenses	(342.1)	-3.2%	-1.1%	(345.8)	-3.1%	-1.1%	(1,335.2)	-3.6%	-2.6%	(1,370.2)	-3.7%	-2.6%
General and Administrative Expenses	(2,378.1)	-22.5%	-0.1%	(2,379.7)	-21.3%	-0.1%	(8,337.3)	-22.7%	2.8%	(8,111.3)	-21.7%	2.8%
Provisions for Loan Losses	(104.7)	-1.0%	72.3%	(60.7)	-0.5%	72.3%	(386.2)	-1.1%	61.1%	(239.7)	-0.6%	61.1%
Other Operating Revenues, Net	37.1	0.4%	53.6%	24.2	0.2%	53.6%	112.7	0.3%	49.8%	75.3	0.2%	49.8%
Total Operating Expenses	(2,445.7)	-23.2%	1.2%	(2,416.2)	-21.6%	1.2%	(8,610.7)	-23.4%	4.0%	(8,275.7)	-22.2%	4.0%
Operating Expenses / Total Sales	-13.6%		-13.5%		-20.0 bps		-13.7%		-13.8%		10.0 bps	

| Selling Expenses

In 4Q23, selling expenses totaled R\$2.0 billion, equivalent to 19.3% of net revenue, an increase of 110 bps when compared to the same period in 2022. With the growth of the marketplace, it is important to also analyze expenses in relation to total sales. Along these lines, selling expenses remained at the level of 11.3%. In 12M23, sales expenses totaled R\$7.0 billion, equivalent to 19.0% of net revenue.

| General and Administrative Expenses

In 4Q23, general and administrative expenses totaled R\$342.1 million, equivalent to 3.2% of net revenue, 10 bps higher than the same period in 2022. In terms of total sales, administrative expenses remained stable. In 12M23, general and administrative expenses totaled R\$1.3 billion, equivalent to 3.6% of net revenue.

| Provisions for Loan Losses

Provisions for loan losses totaled R\$104.7 million in 4Q23 and R\$386.2 million in 12M23.

| Other Operating Revenues and Expenses, Net

(in R\$ million)	4Q23			4Q22			12M23			12M22		
	Adjusted	% NR	% Chg	Adjusted	% NR	% Chg	Adjusted	% NR	% Chg	Adjusted	% NR	% Chg
Deferred Revenue Recorded	37.1	0.4%	48.8%	25.0	0.2%	48.8%	112.7	0.3%	48.4%	76.0	0.2%	48.4%
Subtotal - Adjusted	37.1	0.4%	48.8%	25.0	0.2%	48.8%	112.7	0.3%	48.4%	76.0	0.2%	48.4%
Tax Credits	1.3	0.0%	-5.8%	1.4	0.0%	-5.8%	525.7	1.4%	1765.8%	28.2	0.1%	1765.8%
Provisions for tax, civil and labor risks	(373.9)	-3.5%	4722.0%	(7.8)	-0.1%	4722.0%	(363.0)	-1.0%	947.3%	(34.7)	-0.1%	947.3%
Expert fees	(4.4)	0.0%	454.0%	(0.8)	0.0%	454.0%	(27.7)	-0.1%	-9.1%	(30.4)	-0.1%	-9.1%
Restructuring and integration expenses	(33.7)	-0.3%	214.7%	(10.7)	-0.1%	214.7%	(299.9)	-0.8%	120.2%	(136.2)	-0.4%	120.2%
Non Recurring Expenses	201.9	1.9%	-	-	0.0%	-	201.9	0.5%	-	-	0.0%	-
Estimates revision	-	0.0%	-	-	0.0%	-	(670.6)	-1.8%	-	-	0.0%	-
Gain on Sale of Assets	(6.5)	-0.1%	738.0%	(0.8)	0.0%	738.0%	(20.5)	-0.1%	2851.4%	(0.7)	0.0%	2851.4%
Other Expenses	7.4	0.1%	-	(13.5)	-0.1%	-	(9.5)	0.0%	-50.2%	(19.1)	-0.1%	-50.2%
Subtotal - Non Recurring	(207.9)	-2.0%	546.1%	(32.2)	-0.3%	546.1%	(663.6)	-1.8%	244%	(192.9)	-0.5%	244%
Total	(170.8)	-1.6%	2265.7%	(7.2)	-0.1%	2265.7%	(550.9)	-1.5%	371.1%	(116.9)	-0.3%	371.1%

In 4Q23, other adjusted net operating revenues totaled R\$37.1 million, mainly impacted by the recognition of deferred revenues. In 12M23, other adjusted net operating revenues totaled R\$112.7 million.

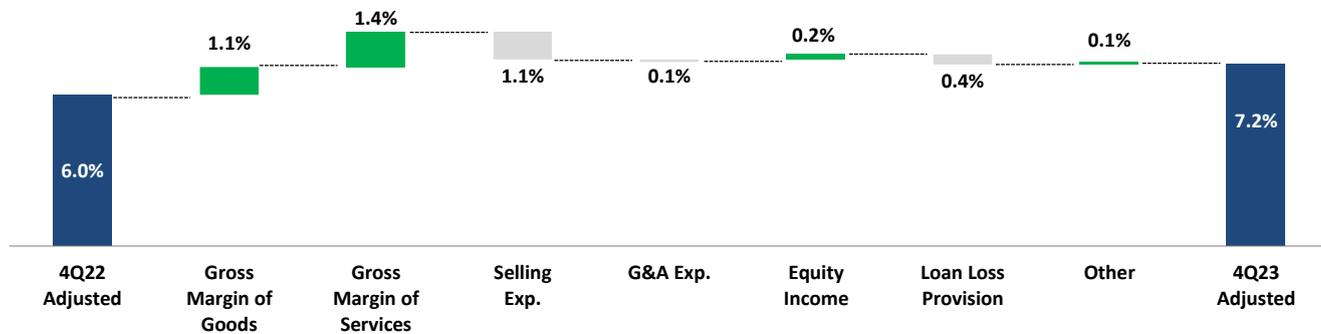
| Equity Income

In 4Q23, equity income was R\$9.3 million, comprised of R\$9.1 million in equity attributable to the performance of Luizacred; and practice adjustments in the amount of R\$0.2 million. In 12M23, equity income was negative R\$19.0 million.

| EBITDA

In 4Q23, adjusted EBITDA reached R\$756.5 million, due to the increase in gross margin and the contribution of the marketplace. During this quarter, the expansion of the gross margin was 2.5 p.p., significantly above the variation in operating expenses. The adjusted EBITDA margin increased 1,2 p.p. from 6.0% in 4Q22 to 7.2% in 4Q23. In 12M23, adjusted EBITDA reached R\$2,131.8 million, equivalent to a margin of 5.8%.

EBITDA performance LTM (% of net revenue)



| Financial Results

R\$ million	4Q23	% NR	4Q22	% NR	% Chg	12M23	% NR	12M22	% NR	% Chg
Financial Expenses	(541.2)	-5.1%	(628.1)	-5.6%	-13.8%	(2,488.4)	-6.8%	(2,438.6)	-6.5%	2.0%
Interest on loans and financing	(229.9)	-2.2%	(247.8)	-2.2%	-7.2%	(985.7)	-2.7%	(897.8)	-2.4%	9.8%
Interest on prepayment of receivables – third party card	(152.5)	-1.4%	(137.6)	-1.2%	10.8%	(746.4)	-2.0%	(668.1)	-1.8%	11.7%
Interest on prepayment of receivables – Luiza Card	(88.6)	-0.8%	(75.4)	-0.7%	17.5%	(373.8)	-1.0%	(333.6)	-0.9%	12.1%
Other expenses	(70.2)	-0.7%	(167.3)	-1.5%	-58.0%	(382.5)	-1.0%	(539.1)	-1.4%	-29.1%
Financial Revenues	186.0	1.8%	153.1	1.4%	21.5%	740.0	2.0%	695.4	1.9%	6.4%
Gains on marketable securities	32.2	0.3%	22.2	0.2%	45.2%	152.1	0.4%	134.9	0.4%	12.7%
Other financial revenues	153.8	1.5%	130.9	1.2%	17.5%	587.9	1.6%	560.5	1.5%	4.9%
Subtotal: Net Financial Results - Adjusted	(355.3)	-3.4%	(475.0)	-4.3%	-25.2%	(1,748.4)	-4.8%	(1,743.2)	-4.7%	0.3%
Interest on lease	(82.4)	-0.8%	(93.8)	-0.8%	-12.1%	(309.9)	-0.8%	(297.8)	-0.8%	4.1%
Total Net Financial Results - Adjusted	(437.7)	-4.1%	(568.8)	-5.1%	-23.1%	(2,058.3)	-5.6%	(2,041.0)	-5.5%	0.8%

In 4Q23, net financial expenses totaled R\$437.7 million, equivalent to 4.1% of net revenue. Expenses fell 1.0 p.p., in relation to the same period last year, due to the reduction in the interest rate, improvement in working capital and the proportional increase in sales in the marketplace, as this channel presents lower related financial expenses.

Setting aside the effects of interest on leasing, net financial expenses were R\$355.3 million in 4Q23, equivalent to 3.4% of net revenue.

In 12M23, net financial expenses totaled R\$2.1 billion, equivalent to 5.6% of net revenue.

| Net Income

In 4Q23, the Company experienced a adjusted net income of R\$101.5 million, showing a significant improvement compared to previous quarters due to operational efficiency and substantial reduction in financial expenses. In addition to the adjusted result, the sale of Luizaseg's equity stake, adjustments to fair value of acquired companies, accounting for deferred taxes, and provision for DIFAL also influenced the total net income, reaching R\$212.2 million. For 12M23, adjusted net income was a net loss of R\$550.1 million.

| Adjusted Working Capital

CONSOLIDATED (R\$ million)	LTM	Dec-23	Sep-23	Jun-23	Mar-23	Dec-22
(+) Accounts Receivables (without Credit Card)	9.7	1,386.2	1,220.5	1,212.6	1,230.4	1,376.4
(+) Inventories	(292.8)	7,497.3	7,899.4	7,570.2	7,564.1	7,790.1
(+) Related Parties (without Luiza Card)	(25.3)	50.9	149.0	49.2	62.3	76.2
(+) Recoverable Taxes	116.3	1,680.5	1,513.2	1,421.0	1,509.1	1,564.2
(+) Income Tax and Recoverable Social Contribution	(137.4)	177.0	230.1	263.0	328.7	314.5
(+) Other Assets	126.5	334.7	402.9	422.7	355.6	208.2
(+) Current Operating Assets	(202.9)	11,126.7	11,415.2	10,938.7	11,050.1	11,329.6
(-) Suppliers (including agreement)	(219.2)	9,324.1	9,306.9	7,874.0	6,995.4	9,543.3
(-) Transfers and Other Deposits	212.5	1,765.1	1,533.7	1,473.8	1,527.7	1,552.6
(-) Payroll, Vacation and Related Charges	(18.6)	401.9	449.1	411.6	413.7	420.5
(-) Taxes Payable	135.1	360.0	280.4	296.6	261.8	224.9
(-) Related Parties	(51.6)	101.0	209.3	93.8	125.6	152.5
(-) Deferred Revenue	69.0	145.9	146.3	146.7	73.9	76.9
(-) Other Accounts Payable	229.4	1,847.5	1,741.9	1,657.3	1,702.0	1,618.1
(-) Current Operating Liabilities	356.6	13,945.4	13,667.6	11,953.8	11,100.3	13,588.8
(=) Working Capital Adjusted	(559.5)	(2,818.7)	(2,252.4)	(1,015.2)	(50.2)	(2,259.2)
% of Gross Revenue (LTM)	-1.2%	-6.2%	-4.9%	-2.2%	-0.1%	-5.0%

In Dec/23, the adjusted working capital need was negative in R\$2.8 billion, improving R\$0.6 billion in 4Q23 and contributing significantly to operating cash generation, highlighting reduction in inventory levels by R\$402.1 million during the quarter and R\$292.8 million during the year.

| Capex

CAPEX (in R\$ million)	4Q23	%	4Q22	%	%Chg	12M23	%	12M22	%	%Chg
New Stores	0.7	0%	0.7	0%	-3%	2.7	0%	36.2	5%	-93%
Remodeling	12.0	7%	17.2	12%	-30%	39.5	6%	36.8	5%	7%
Technology	130.5	75%	108.1	72%	21%	511.2	80%	441.4	63%	16%
Logistics	17.5	10%	19.7	13%	-11%	46.0	7%	123.0	18%	-63%
Other	12.2	7%	3.6	2%	239%	41.5	6%	58.6	8%	-29%
Total	172.9	100%	149.3	100%	16%	640.8	100%	696.1	100%	-8%

In 4Q23, investments totaled R\$172.9 million, highlighting investments in technology, which represented 80% of the total investment for the year.

| Capital Structure

CONSOLIDATED (R\$ million)	LTM	Dec-23	Sep-23	Jun-23	Mar-23	Dec-22
(-) Current Loans and Financing	(2,830.1)	(2,954.3)	(3,002.7)	(2,831.4)	(1,046.5)	(124.3)
(-) Non-current Loans and Financing	2,584.0	(4,400.5)	(4,400.6)	(4,400.4)	(6,224.6)	(6,984.5)
(=) Gross Debt	(246.1)	(7,354.9)	(7,403.3)	(7,231.7)	(7,271.1)	(7,108.8)
(+) Cash and Cash Equivalents	173.3	2,593.3	2,804.0	2,100.6	1,784.9	2,420.0
(+) Current Securities	474.8	779.1	480.8	386.2	447.9	304.3
(+) Total Cash	648.1	3,372.4	3,284.9	2,486.8	2,232.8	2,724.3
(=) Net Cash	402.0	(3,982.4)	(4,118.5)	(4,744.9)	(5,038.3)	(4,384.4)
(+) Credit Card - Third Party Card	(884.6)	4,499.3	3,618.4	4,320.3	3,490.0	5,383.8
(+) Credit Card - Luiza Card	(1,277.6)	1,222.8	1,157.4	1,339.8	1,403.0	2,500.4
(+) Total Credit Card	(2,162.1)	5,722.1	4,775.8	5,660.1	4,893.0	7,884.2
(=) Adjusted Net Cash	(1,760.1)	1,739.6	657.3	915.1	(145.3)	3,499.8
Short Term Debt / Total	37%	40%	41%	39%	14%	2%
Long Term Debt / Total	-37%	60%	59%	61%	86%	98%
Adjusted EBITDA (LTM)	351.7	2,131.8	2,049.0	2,089.0	2,141.3	2,127.5
Adjusted Net Cash / Adjusted EBITDA	-0.8 x	0.8 x	0.3 x	0.4 x	-0.1 x	1.6 x
Cash, Securities and Credit Cards	(913.2)	9,094.5	8,060.7	8,146.9	7,125.8	10,608.5

The Company's net cash position increased from R\$0.7 billion in Sep/23 to R\$1.7 billion in Dec/23, due to strong cash generation during the quarter. The Company ended the quarter with a total cash position of R\$9.1 billion, considering cash and financial instruments of R\$3.4 billion and available credit card receivables of R\$5.7 billion

The variation in the total cash balance over the last 12 months is entirely associated with investments in the amount of R\$640.8 million and the payment of acquisitions, principally the payment of the last installment to Kabum in the amount of R\$500.0 million.

It is worth highlighting the Private Capital Increase, approved on January 28, 2024, by our Board of Directors, in the amount of R\$1.25 billion. The raised funds will be essential for accelerating investments in technology, including the expansion of Luizalabs, and the evolution of the marketplace platform, user experience (UX), and services such as Ads, Fintech, Fulfillment, and Magalu Cloud. In addition to supporting these investments, part of the raised capital will contribute to optimizing the company's capital structure, accelerating the reduction of financial expenses.

It is worth noting that in Jan/24, the Company made a payment of approximately R\$800 million plus interest referring to the 9th issuance of simple debentures.

ANNEX I
FINANCIAL STATEMENTS – CONSOLIDATED INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT (R\$ million)	4Q23	V.A.	4Q22	V.A.	% Chg	12M23	V.A.	12M22	V.A.	% Chg
Gross Revenue	13,062.5	123.8%	13,515.8	121.0%	-3.4%	45,591.0	124.0%	45,189.0	121.2%	0.9%
Taxes and Deductions	(2,512.7)	-23.8%	(2,348.4)	-21.0%	7.0%	(8,822.8)	-24.0%	(7,890.0)	-21.2%	11.8%
Net Revenue	10,549.7	100.0%	11,167.4	100.0%	-5.5%	36,768.1	100.0%	37,299.0	100.0%	-1.4%
Total Costs	(7,356.9)	-69.7%	(8,067.7)	-72.2%	-8.8%	(26,604.3)	-72.4%	(26,860.1)	-72.0%	-1.0%
Gross Income	3,192.8	30.3%	3,099.7	27.8%	3.0%	10,163.9	27.6%	10,438.9	28.0%	-2.6%
Selling Expenses	(2,036.0)	-19.3%	(2,033.9)	-18.2%	0.1%	(7,002.1)	-19.0%	(6,741.1)	-18.1%	3.9%
General and Administrative Expenses	(342.1)	-3.2%	(345.8)	-3.1%	-1.1%	(1,335.2)	-3.6%	(1,370.2)	-3.7%	-2.6%
Provisions for Loan Losses	(104.7)	-1.0%	(60.7)	-0.5%	72.3%	(386.2)	-1.1%	(239.7)	-0.6%	61.1%
Other Operating Revenues, Net	(170.8)	-1.6%	(7.2)	-0.1%	2265.7%	(550.9)	-1.5%	(116.9)	-0.3%	371.1%
Equity in Subsidiaries	9.3	0.1%	(9.8)	-0.1%	-	(19.0)	-0.1%	(35.7)	-0.1%	-46.8%
Total Operating Expenses	(2,644.2)	-25.1%	(2,457.4)	-22.0%	7.6%	(9,293.3)	-25.3%	(8,503.6)	-22.8%	9.3%
EBITDA	548.6	5.2%	642.3	5.8%	-14.6%	870.5	2.4%	1,935.3	5.2%	-55.0%
Depreciation and Amortization	(305.4)	-2.9%	(354.5)	-3.2%	-13.8%	(1,242.7)	-3.4%	(1,163.6)	-3.1%	6.8%
EBIT	243.2	2.3%	287.8	2.6%	-15.5%	(372.1)	-1.0%	771.6	2.1%	-
Financial Results	(227.2)	-2.2%	(568.8)	-5.1%	-60.1%	(1,692.2)	-4.6%	(2,041.0)	-5.5%	-17.1%
Operating Income	16.0	0.2%	(281.0)	-2.5%	-	(2,064.4)	-5.6%	(1,269.4)	-3.4%	62.6%
Income Tax and Social Contribution	196.2	1.9%	245.1	2.2%	-20.0%	1,085.3	3.0%	770.4	2.1%	40.9%
Net Income	212.2	2.0%	(35.9)	-0.3%	-	(979.1)	-2.7%	(499.0)	-1.3%	96.2%

Calculation of EBITDA

Net Income	212.2	2.0%	(35.9)	-0.3%	-	(979.1)	-2.7%	(499.0)	-1.3%	96.2%
(+/-) Income Tax and Social Contribution	(196.2)	-1.9%	(245.1)	-2.2%	-20.0%	(1,085.3)	-3.0%	(770.4)	-2.1%	40.9%
(+/-) Financial Results	227.2	2.2%	568.8	5.1%	-60.1%	1,692.2	4.6%	2,041.0	5.5%	-17.1%
(+) Depreciation and Amortization	305.4	2.9%	354.5	3.2%	-13.8%	1,242.7	3.4%	1,163.6	3.1%	6.8%
EBITDA	548.6	5.2%	642.3	5.8%	-14.6%	870.5	2.4%	1,935.3	5.2%	-55.0%

Reconciliation of EBITDA for non-recurring expenses

EBITDA	548.6	5.2%	642.3	5.8%	-14.6%	870.5	2.4%	1,935.3	5.2%	-55.0%
Non-recurring Result	207.9	2.0%	31.4	0.3%	562.2%	1,261.3	3.4%	192.2	0.5%	556.2%
Adjusted EBITDA	756.5	7.2%	673.7	6.0%	12.3%	2,131.8	5.8%	2,127.5	5.7%	0.2%

Net Income	212.2	2.0%	(35.9)	-0.3%	-	(979.1)	-2.7%	(499.0)	-1.3%	96.2%
Non-recurring Result	(110.6)	0.0%	20.7	0.2%	-	429.0	1.2%	126.8	0.3%	238.2%
Adjusted Net Income	101.5	1.0%	(15.2)	-0.1%	-	(550.1)	-1.5%	(372.1)	-1.0%	47.8%

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

**ANNEX II – ADJUSTED
FINANCIAL STATEMENTS – CONSOLIDATED INCOME STATEMENT**

CONSOLIDATED INCOME STATEMENT (R\$ million)	4Q23 Adjusted	V.A.	4Q22 Adjusted	V.A.	% Chg	12M23 Adjusted	V.A.	12M22 Adjusted	V.A.	% Chg
Gross Revenue	13,062.5	123.8%	13,515.8	121.0%	-3.4%	45,591.0	124.0%	45,189.0	121.2%	0.9%
Taxes and Deductions	(2,512.7)	-23.8%	(2,348.4)	-21.0%	7.0%	(8,822.8)	-24.0%	(7,890.0)	-21.2%	11.8%
Net Revenue	10,549.7	100.0%	11,167.4	100.0%	-5.5%	36,768.1	100.0%	37,299.0	100.0%	-1.4%
Total Costs	(7,356.9)	-69.7%	(8,067.7)	-72.2%	-8.8%	(26,018.0)	-70.8%	(26,860.1)	-72.0%	-3.1%
Gross Income	3,192.8	30.3%	3,099.7	27.8%	3.0%	10,750.1	29.2%	10,438.9	28.0%	3.0%
Selling Expenses	(2,036.0)	-19.3%	(2,033.9)	-18.2%	0.1%	(7,002.1)	-19.0%	(6,741.1)	-18.1%	3.9%
General and Administrative Expenses	(342.1)	-3.2%	(345.8)	-3.1%	-1.1%	(1,335.2)	-3.6%	(1,370.2)	-3.7%	-2.6%
Provisions for Loan Losses	(104.7)	-1.0%	(60.7)	-0.5%	72.3%	(386.2)	-1.1%	(239.7)	-0.6%	61.1%
Other Operating Revenues, Net	37.1	0.4%	24.2	0.2%	53.6%	124.1	0.3%	75.3	0.2%	64.9%
Equity in Subsidiaries	9.3	0.1%	(9.8)	-0.1%	-	(19.0)	-0.1%	(35.7)	-0.1%	-46.8%
Total Operating Expenses	(2,436.3)	-23.1%	(2,426.0)	-21.7%	0.4%	(8,618.3)	-23.4%	(8,311.4)	-22.3%	3.7%
EBITDA	756.5	7.2%	673.7	6.0%	12.3%	2,131.8	5.8%	2,127.5	5.7%	0.2%
Depreciation and Amortization	(305.4)	-2.9%	(354.5)	-3.2%	-13.8%	(1,242.7)	-3.4%	(1,163.6)	-3.1%	6.8%
EBIT	451.1	4.3%	319.2	2.9%	41.3%	889.1	2.4%	963.8	2.6%	-7.8%
Financial Results	(437.7)	-4.1%	(568.8)	-5.1%	-23.1%	(2,058.3)	-5.6%	(2,041.0)	-5.5%	0.8%
Operating Income	13.4	0.1%	(249.6)	-2.2%	-	(1,169.2)	-3.2%	(1,077.2)	-2.9%	8.5%
Income Tax and Social Contribution	88.1	0.8%	234.4	2.1%	-62.4%	619.1	1.7%	705.1	1.9%	-12.2%
Net Income	101.5	1.0%	(15.2)	-0.1%	-	(550.1)	-1.5%	(372.1)	-1.0%	47.8%

ANNEX III
FINANCIAL STATEMENTS – CONSOLIDATED BALANCE SHEET
ASSETS

	Dec-23	Sep-23	Jun-23	Mar-23	Dec-22
CURRENT ASSETS					
Cash and Cash Equivalents	2,593.3	2,804.0	2,100.6	1,784.9	2,420.0
Securities	779.1	480.8	386.2	447.9	304.3
Accounts Receivable - Credit Card	4,499.3	3,618.4	4,320.3	3,490.0	5,383.8
Accounts Receivable - Other	1,386.2	1,220.5	1,212.6	1,230.4	1,376.4
Inventories	7,497.3	7,899.4	7,570.2	7,564.1	7,790.1
Related Parties - Credit Card	1,222.8	1,157.4	1,339.8	1,403.0	2,500.4
Related Parties - Other	50.9	149.0	49.2	62.3	76.2
Taxes Recoverable	1,680.5	1,513.2	1,421.0	1,509.1	1,564.2
Income Tax and Recoverable Social Contribution	177.0	230.1	263.0	328.7	314.5
Other Assets	334.7	402.9	422.7	355.6	208.2
Total Current Assets	20,221.2	19,475.8	19,085.5	18,175.9	21,938.1
NON-CURRENT ASSETS					
Accounts Receivable	72.7	38.6	19.6	11.8	17.2
Recoverable Taxes	2,464.2	2,876.7	2,314.1	2,144.9	2,123.9
Deferred Income Tax and Social Contribution	2,836.9	2,650.1	2,188.9	1,917.1	1,686.4
Judicial Deposits	1,734.5	1,758.3	1,700.4	1,722.2	1,650.2
Other Assets	113.7	120.5	117.8	112.9	116.8
Investments in Subsidiaries	322.5	264.0	282.3	301.7	338.8
Right of use	3,343.1	3,380.9	3,509.0	3,427.6	3,511.5
Fixed Assets	1,841.5	1,872.3	1,910.7	1,951.1	1,955.5
Intangible Assets	4,504.8	4,481.7	4,470.6	4,451.3	4,427.5
Total Non-Current Assets	17,233.9	17,443.1	16,513.3	16,040.7	15,827.7
TOTAL ASSETS	37,455.1	36,919.0	35,598.9	34,216.6	37,765.8

ANNEX III
FINANCIAL STATEMENTS – CONSOLIDATED BALANCE SHEET
LIABILITIES

LIABILITIES (R\$ million)	Dec-23	Sep-23	Jun-23	Mar-23	Dec-22
CURRENT LIABILITIES					
Suppliers	9,324.1	9,306.9	7,874.0	6,995.4	9,543.3
Suppliers	6,966.0	6,476.4	5,112.7	4,823.2	5,741.0
Suppliers - agreement	2,358.1	2,830.4	2,761.3	2,172.3	3,802.2
Transfers and other deposits	1,765.1	1,533.7	1,473.8	1,527.7	1,552.6
Loans and Financing	2,954.3	3,002.7	2,831.4	1,046.5	124.3
Payroll, Vacation and Related Charges	401.9	449.1	411.6	413.7	420.5
Taxes Payable	360.0	280.4	296.6	261.8	224.9
Related Parties	101.0	209.3	93.8	125.6	152.5
Lease	508.4	456.0	467.1	633.9	619.8
Deferred Revenue	145.9	146.3	146.7	73.9	76.9
Other Accounts Payable	1,847.5	1,741.9	1,657.3	1,702.0	2,118.1
Total Current Liabilities	17,408.1	17,126.3	15,252.3	12,780.7	14,832.9
NON-CURRENT LIABILITIES					
Loans and Financing	4,400.5	4,400.6	4,400.4	6,224.6	6,984.5
Taxes to be collected	4.8	7.8	7.8	7.8	7.8
Lease	3,069.8	3,143.6	3,246.0	2,992.3	3,073.7
Deferred Income Tax and Social Contribution	105.1	135.1	90.8	102.5	108.8
Provision for Tax, Civil and Labor Risks	1,619.2	1,289.9	1,274.3	1,250.5	1,193.8
Deferred Revenue	1,102.8	1,139.4	1,172.1	405.2	423.5
Other Accounts Payable	134.2	143.6	143.8	162.3	492.1
Total Non-Current Liabilities	10,436.4	10,260.0	10,335.1	11,145.2	12,284.2
TOTAL LIABILITIES	27,844.5	27,386.3	25,587.4	23,925.9	27,117.1
SHAREHOLDERS' EQUITY					
Capital Stock	12,352.5	12,352.5	12,352.5	12,352.5	12,352.5
Capital Reserve	(2,087.3)	(2,069.4)	(2,061.0)	(1,867.7)	(1,896.4)
Treasury Shares	(990.6)	(1,001.6)	(1,029.1)	(1,242.8)	(1,245.8)
Legal Reserve	137.4	137.4	137.4	137.4	137.4
Profit Retention Reserve	319.8	1,298.9	1,298.9	1,298.9	1,298.9
Other Comprehensive Income	(121.4)	6.1	5.6	3.6	2.0
Retained Losses	-	(1,191.3)	(693.0)	(391.2)	-
Total Shareholders' Equity	9,610.5	9,532.7	10,011.5	10,290.7	10,648.7
TOTAL	37,455.1	36,919.0	35,598.9	34,216.6	37,765.8

ANNEX IV
FINANCIAL STATEMENTS – ADJUSTED CONSOLIDATED STATEMENT OF CASH FLOWS

ADJUSTED CASH FLOW STATEMENTS (R\$ million)	4Q23	4Q22	LTM	LTM
Net Income	212.2	(35.9)	(979.1)	(499.0)
Effect of Income Tax and Social Contribution Net of Payment	(207.3)	(256.1)	(1,124.1)	(830.2)
Depreciation and Amortization	305.4	354.5	1,242.7	1,163.6
Interest Accrued on Loans and Lease	312.1	343.7	1,300.9	1,213.4
Equity Income	(9.3)	9.8	19.0	35.7
Dividends Received	(0.2)	0.3	67.0	70.5
Provision for Losses on Inventories and Receivables	146.3	155.5	584.8	512.7
Provision for Tax, Civil and Labor Contingencies	405.0	(3.7)	534.7	66.7
Gain on Sale of Fixed Assets	(209.2)	0.8	(200.1)	0.7
Recognition of Deferred Income	(37.1)	(25.0)	(112.7)	(76.0)
Stock Option Expenses	(10.0)	58.0	68.3	116.7
Adjusted Net Income	907.8	601.8	1,401.4	1,774.8
Trade Accounts Receivable	(448.5)	(442.2)	(715.4)	(686.1)
Inventories	377.0	653.4	230.5	1,152.0
Taxes Recoverable	298.3	(243.8)	(319.3)	(936.8)
Deposit in Court	23.7	(138.6)	(84.3)	(460.3)
Other Receivables	182.5	145.7	(105.2)	161.0
Changes in Operating Assets	432.9	(25.5)	(993.6)	(770.1)
Trade Accounts Payable	17.2	936.5	(219.2)	(555.7)
Other Payables	171.0	697.1	34.6	378.4
Change in Operating Liabilities	188.2	1,633.6	(184.6)	(177.3)
Cash Flow from Operating Activities	1,528.9	2,209.9	223.1	827.5
Additions of Fixed and Intangible Assets	(172.9)	(148.6)	(640.8)	(695.4)
Investment in Subsidiaries	(4.3)	(76.5)	(528.9)	(620.1)
Sale of equity interest in jointly controlled entity	166.8	-	166.8	-
Sale of Exclusive Dealing and Exploration Right Contract	4.6	200.0	854.6	272.0
Cash Flow from Investing Activities	(5.8)	(25.1)	(148.4)	(1,043.6)
Loans and Financing	-	-	-	400.0
Repayment of Loans and Financing	(0.1)	(3.1)	(4.7)	(383.3)
Payment of Interest on Loans and Financing	(280.6)	(286.0)	(742.7)	(616.5)
Payment of Lease	(124.3)	(159.2)	(512.8)	(487.2)
Payment of Interest on Lease	(84.3)	(101.8)	(328.6)	(321.5)
Payment of Dividends	-	-	-	(100.0)
Cash Flow from Financing Activities	(489.3)	(550.2)	(1,588.8)	(1,508.4)
Cash, Cash Equivalents and Securities at Beginning of Period	8,060.7	8,973.9	10,608.5	12,333.0
Cash, Cash Equivalents and Securities at end of Period	9,094.5	10,608.5	9,094.5	10,608.5
Change in Cash and Cash equivalents	1,033.8	1,634.7	(1,514.0)	(1,724.5)

Note: The difference between the Statement of Cash Flows and the Adjusted Statement of Cash Flows derives from:

- (i) the accounting treatment of marketable securities as cash and cash equivalents
- (ii) the accounting treatment of credit card receivables as cash and cash equivalents
- (iii) the accounting treatment of suppliers' agreements as suppliers

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

INVESTED CAPITAL (R\$ million)	dec/23	sep/23	jun/23	mar/23	dec-22
Working Capital	2,395.0	2,067.4	4,177.8	4,208.9	4,505.2
(+) Accounts Receivable	72.7	38.6	19.6	11.8	17.2
(+) Income Tax and Social Contribution deferred	2,836.9	2,650.1	2,188.9	1,917.1	1,686.4
(+) Taxes Recoverable	2,464.2	2,876.7	2,314.1	2,144.9	2,123.9
(+) Judicial Deposits	1,734.5	1,758.3	1,700.4	1,722.2	1,650.2
(+) Other Assets	113.7	120.5	117.8	112.9	116.8
(+) Investment In Joint Subsidiaries	322.5	264.0	282.3	301.7	338.8
(+) Right of use	3,343.1	3,380.9	3,509.0	3,427.6	3,511.5
(+) Fixed Assets	1,841.5	1,872.3	1,910.7	1,951.1	1,955.5
(+) Intangible Assets	4,504.8	4,481.7	4,470.6	4,451.3	4,427.5
(+) Non Current Assets	17,233.9	17,443.1	16,513.3	16,040.7	15,827.7
(-) Provision for Contingencies	1,619.2	1,289.9	1,274.3	1,250.5	1,193.8
(-) Lease	3,069.8	3,143.6	3,246.0	2,992.3	3,073.7
(-) Deferred Revenue	1,102.8	1,139.4	1,172.1	405.2	423.5
(-) Taxes to be Collected	4.8	7.8	7.8	7.8	7.8
(-) Income Tax and Social Contribution deferred	105.1	135.1	90.8	102.5	108.8
(-) Other Accounts Payable	134.2	143.6	143.8	162.3	492.1
(-) Non-Current operating liabilities	6,035.9	5,859.4	5,934.7	4,920.6	5,299.8
(=) Fixed Capital	11,198.0	11,583.7	10,578.6	11,120.1	10,528.0
(=) Total Invested Capital	13,593.0	13,651.1	14,756.4	15,329.0	15,033.1
(+) Net Debt	3,982.4	4,118.5	4,744.9	5,038.3	4,384.4
(+) Shareholders Equity	9,610.5	9,532.7	10,011.5	10,290.7	10,648.7
(=) Total Financing	13,593.0	13,651.1	14,756.4	15,329.0	15,033.1
FINANCIAL EXPENSES RECONCILIATION (R\$MM)	4Q23	3Q23	2Q23	1Q23	4Q22
Financial Income	396.5	345.2	171.2	193.3	153.1
Financial Expenses	(623.6)	(645.8)	(703.3)	(825.6)	(721.9)
Net Financial Expenses	(227.2)	(300.6)	(532.1)	(632.4)	(568.8)
Interest on prepayment of receivables: Luiza Card and third-party card	241.1	234.9	244.3	399.9	213.0
Adjusted Financial Expenses	13.9	(65.7)	(287.8)	(232.5)	(355.8)
Taxes on Adjusted Financial Expenses	(4.7)	22.3	97.8	79.0	121.0
Net Adjusted Financial Expenses	9.2	(43.4)	(189.9)	(153.4)	(234.8)
NOPLAT AND ROIC/ROE RECONCILIATION(R\$MM)	4Q23	3Q23	2Q23	1Q23	4Q22
EBITDA	548.6	(286.0)	283.9	324.1	642.3
Interest on prepayment of receivables: Luiza Card and third-party card	(241.1)	(234.9)	(244.3)	(399.9)	(213.0)
Depreciation	(305.4)	(309.7)	(319.8)	(307.8)	(354.5)
Current and deferred taxes	196.2	398.0	266.3	224.8	245.1
Taxes on Adjusted Financial Expenses	4.7	(22.3)	(97.8)	(79.0)	(121.0)
Net Operating Income (NOPLAT)	203.0	(455.0)	(111.8)	(237.8)	198.9
Invested Capital	13,593.0	13,651.1	14,756.4	15,329.0	15,033.1
ROIC Annualized	6%	-13%	-3%	-6%	5%

Net Income	212.2	(498.3)	(301.7)	(391.2)	(35.9)
Shareholders Equity	9,610.5	9,532.7	10,011.5	10,290.7	10,648.7
ROE Annualized	9%	-21%	-12%	-15%	-1%

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

Breakdown of Total Sales (R\$ million)	4Q23		4Q22		Growth
		V.A.		V.A.	Total
Virtual Stores	336.9	1.9%	350.3	2.0%	-3.8%
Conventional Stores	4,895.9	27.3%	4,703.9	26.2%	4.1%
Subtotal - Physical Stores	5,232.8	29.2%	5,054.3	28.1%	3.5%
Traditional E-commerce (1P)	7,646.0	42.6%	8,294.4	46.2%	-7.8%
Marketplace (3P)	5,068.6	28.2%	4,611.1	25.7%	9.9%
Subtotal - Total E-commerce	12,714.7	70.8%	12,905.5	71.9%	-1.5%
Total Sales	17,947.4	100.0%	17,959.7	100.0%	-0.1%

Breakdown of Total Sales (R\$ million)	12M23		12M22		Growth
		V.A.		V.A.	Total
Virtual Stores	1,159.7	1.8%	1,160.1	1.9%	0.0%
Conventional Stores	16,280.0	25.8%	15,611.4	25.9%	4.3%
Subtotal - Physical Stores	17,439.7	27.7%	16,771.5	27.9%	4.0%
Traditional E-commerce (1P)	27,575.4	43.7%	27,940.1	46.4%	-1.3%
Marketplace (3P)	18,041.1	28.6%	15,449.2	25.7%	16.8%
Subtotal - Total E-commerce	45,616.5	72.3%	43,389.3	72.1%	5.1%
Total Sales	63,056.3	100.0%	60,160.7	100.0%	4.8%

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

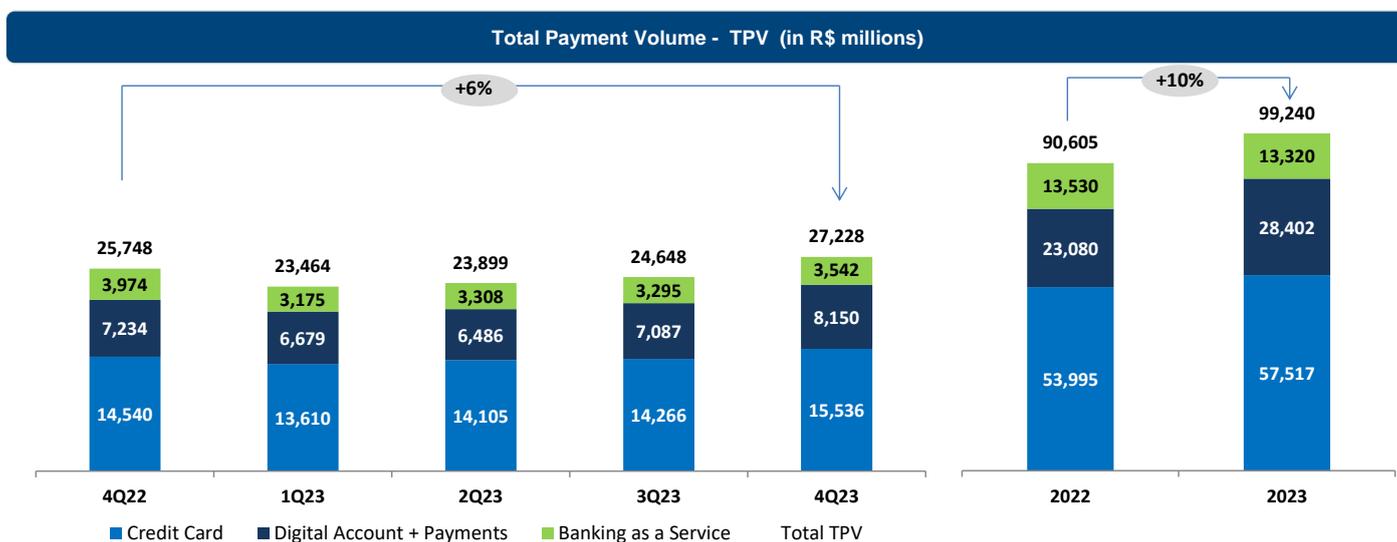
Number of stores per channel – End of the period	dec/23		dec/22		Growth
		Part(%)		Part(%)	Total
Virtual Stores	237	18.4%	237	17.7%	-
Conventional Stores	1,049	81.6%	1,048	78.3%	1
Kiosks	-	0.0%	54	4.0%	(54)
Subtotal - Physical Stores	1,286	100.0%	1,339	100.0%	(53)
Total Sales Area (m²)	716,298	100.0%	716,707	100.0%	-0.1%

ANNEX VII FINTECH MAGALU

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

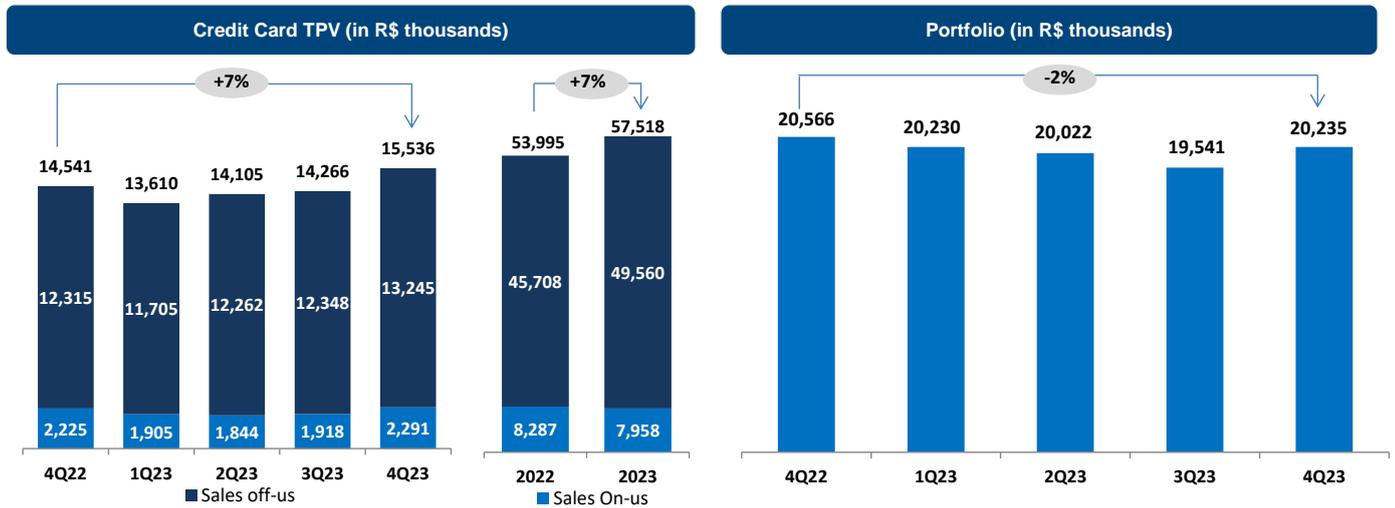
| Operating Indicators

- Magalu's total payment volume (TPV) reached R\$ 27.2 billion in 4Q23, growing 5.8% compared to 4Q22. In 12M23, TPV reached R\$99.2 billion, growing 9.5% compared to the previous year.

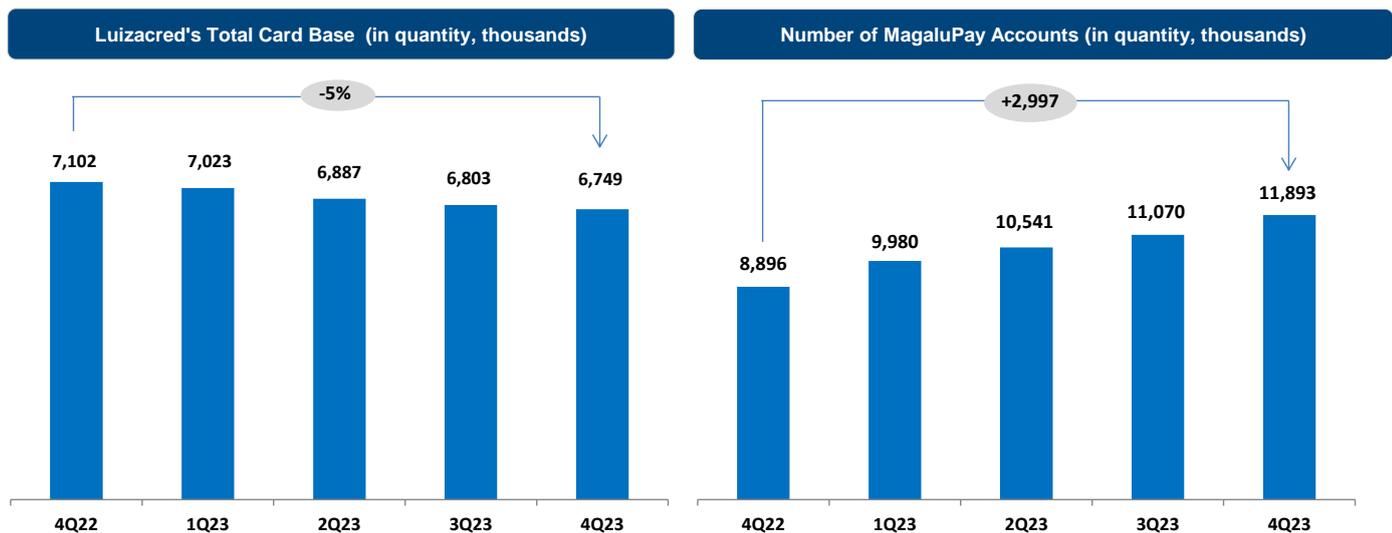


| Credit Card

- Credit Card TPV grew 6.9% in 4Q23, reaching R\$15.5 billion during the period. In 12M23, this TPV reached 57.5 billion. In-store sales to Luiza and Magalu Card customers, distinguished by their loyalty and higher purchase frequency, reached R\$8.0 billion in 2023, R\$2.2 billion of which occurred in 4Q23. Sales outside Magalu grew 7.6% in 4Q23, reaching R\$49.6 billion in 2023.
- Luizacred's credit portfolio reached R\$20.2 billion at the end of 4Q23, a decrease of 1.6% over 4Q22.



- In December 2023, Luizacred's total card base reached 6.7 million cards (-5.0% versus December 2022). This includes Luiza Card and the Magalu Card.



| Digital Account and Payments

- The total payment volume (TPV) of sub-acquiring, digital accounts and loans to sellers reached R\$8.2 billion in 4Q23, growing 12.7% during the period, reaching R\$28.4 billion in 2023.
- In December 2023, Magalu's digital banking initiative, MagaluPay, reached 11.8 million accounts, representing an increase of 823 thousand new accounts opened during the quarter and 3.0 million new accounts over the last twelve months.
- MagaluPay Empresas reached the milestone of 73.3 thousand accounts and a TPV of R\$827.2 million in 4Q23. Our customer digital account now integrates various financial services of the ecosystem in one place.
- During 4Q23, we launched new functionalities, accelerated the new health assistance product launched in September, enabled the management of installment contracts in stores, in addition to promotional campaigns such as the 'Gift from Lu,' with adhesion through the MagaluPay home. These are the first steps to transform the MagaluPay digital account into the hub of products, services, and payments of the Magalu ecosystem.

| Banking as a Service (BaaS)

- Total payment volume (TPV) in the Banking as a Service segment reached R\$3.5 billion in 4Q23, and R\$13.3 billion in 2023.

ANNEX VIII LUIZACRED

| Income Statement in IFRS

LUIZACRED – Income (R\$ million)	4Q23	V.A.	4Q22	V.A.	% Chg	12M23	V.A.	12M22	V.A.	% Chg
Financial Intermediation Revenue	642.9	100.0%	677.8	100.0%	-5.1%	2,657.0	100.0%	2,577.7	100.0%	3.1%
Financial Intermediation Expenses	(705.4)	-109.7%	(771.3)	-113.8%	-8.5%	(3,119.3)	-117.4%	(2,930.4)	-113.7%	6.4%
Market Funding Operations	(158.6)	-24.7%	(182.7)	-27.0%	-13.2%	(733.2)	-27.6%	(632.7)	-24.5%	15.9%
Provision for Loan Losses	(546.7)	-85.0%	(588.6)	-86.8%	-7.1%	(2,386.1)	-89.8%	(2,297.7)	-89.1%	3.8%
Gross Financial Intermediation Income	(62.5)	-9.7%	(93.5)	-13.8%	-33.2%	(462.3)	-17.4%	(352.7)	-13.7%	31.1%
Service Revenue	412.7	64.2%	383.4	56.6%	7.7%	1,560.6	58.7%	1,439.2	55.8%	8.4%
Other Operating Revenues (Expenses)	(318.2)	-49.5%	(310.4)	-45.8%	2.5%	(1,257.4)	-47.3%	(1,254.6)	-48.7%	0.2%
Personnel Expenses	(4.9)	-0.8%	(4.2)	-0.6%	17.3%	(17.4)	-0.7%	(22.6)	-0.9%	-23.0%
Other Administrative Expenses	(203.5)	-31.6%	(228.1)	-33.7%	-10.8%	(849.2)	-32.0%	(875.7)	-34.0%	-3.0%
Depreciation and Amortization	(3.0)	-0.5%	(3.0)	-0.4%	-0.1%	(12.0)	-0.5%	(12.0)	-0.5%	0.3%
Tax Expenses	(57.7)	-9.0%	(49.8)	-7.4%	15.8%	(229.0)	-8.6%	(210.5)	-8.2%	8.8%
Other Operating Revenues (Expenses)	(49.1)	-7.6%	(25.2)	-3.7%	94.6%	(149.7)	-5.6%	(133.8)	-5.2%	11.9%
Income Before Tax	32.1	5.0%	(20.5)	-3.0%	-	(159.2)	-6.0%	(168.1)	-6.5%	-5.3%
Income Tax and Social Contribution	(13.9)	-2.2%	7.3	1.1%	-	61.4	2.3%	68.9	2.7%	-10.9%
Net Income	18.2	2.8%	(13.2)	-1.9%	-	(97.8)	-3.7%	(99.2)	-3.8%	-1.4%

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

LUIZACRED – Income (R\$ million)	4Q23	V.A.	4Q22	V.A.	% Chg	12M23	V.A.	12M22	V.A.	% Chg
Financial Intermediation Revenue	643.0	100.0%	677.9	100.0%	-5.1%	2,657.7	100.0%	2,577.9	100.0%	3.1%
Financial Intermediation Expenses	(753.6)	-117.2%	(871.4)	-128.6%	-13.5%	(3,393.8)	-127.7%	(2,994.6)	-116.2%	13.3%
Market Funding Operations	(158.6)	-24.7%	(182.7)	-27.0%	-13.2%	(733.2)	-27.6%	(632.7)	-24.5%	15.9%
Provision for Loan Losses	(594.9)	-92.5%	(688.7)	-101.6%	-13.6%	(2,660.5)	-100.1%	(2,361.9)	-91.6%	12.6%

Gross Financial Intermediation Income	(110.5)	-17.2%	(193.6)	-28.6%	-42.9%	(736.1)	-27.7%	(416.7)	-16.2%	76.6%
Service Revenue	412.7	64.2%	383.4	56.6%	7.7%	1,560.6	58.7%	1,439.2	55.8%	8.4%
Other Operating Revenues (Expenses)	(318.2)	-49.5%	(310.4)	-45.8%	2.5%	(1,257.4)	-47.3%	(1,254.6)	-48.7%	0.2%
Personnel Expenses	(4.9)	-0.8%	(4.2)	-0.6%	17.3%	(17.4)	-0.7%	(22.6)	-0.9%	-23.0%
Other Administrative Expenses	(203.5)	-31.6%	(228.1)	-33.6%	-10.8%	(849.2)	-32.0%	(875.7)	-34.0%	-3.0%
Depreciation and Amortization	(3.0)	-0.5%	(3.0)	-0.4%	-0.1%	(12.0)	-0.5%	(12.0)	-0.5%	0.3%
Tax Expenses	(57.7)	-9.0%	(49.8)	-7.4%	15.8%	(229.0)	-8.6%	(210.5)	-8.2%	8.8%
Other Operating Revenues (Expenses)	(49.1)	-7.6%	(25.2)	-3.7%	94.6%	(149.7)	-5.6%	(133.8)	-5.2%	11.9%
Income Before Tax	(16.0)	-2.5%	(120.6)	-17.8%	-86.8%	(432.9)	-16.3%	(232.1)	-9.0%	86.5%
Income Tax and Social Contribution	5.4	0.8%	47.3	7.0%	-88.7%	170.9	6.4%	94.5	3.7%	80.8%
Net Income	(10.6)	-1.7%	(73.2)	-10.8%	-85.5%	(262.1)	-9.9%	(137.6)	-5.3%	90.4%

| Revenue from Financial Intermediation

In 4Q23, revenues from financial intermediation were R\$642.9 million, down 5.1%, the decrease was driven by a reduction in the credit card portfolio, especially in arrears. In 12M23, revenues from financial intermediation reached R\$2.7 billion, growing 3.1%.

| Provision for Loan Losses

The portfolio of loans overdue from 15 to 90 days (NPL 15), which has a significant impact on the volume of provisions, continues to improve in line with our more conservative credit risk management strategy. In 4Q23, the short-term default rate was 3.1%, an improvement of 20 bps compared to Sep/23 and 20 bps compared to Dec/22. The portfolio past due over 90 days (NPL 90) also improved to 9.8% in Dec/23, a reduction of 70 bps in relation to Sep/23 and 40 bps compared to Dec/22.

Luizacred's conservative credit policy and the collection efforts carried out by the digital channels, stores and collection centers were, and continue to be, fundamental in minimizing the impact of recent macroeconomic conditions on the portfolio, already represented in the reduction of recent defaults. The total overdue portfolio decreased by R\$62.8 million in 4Q23, dropping from R\$2,678.7 million in Sep/23 to R\$2,615.9 million in Dec/23.

Provisions for bad debt expenses, net of recovery, represented 2.7% of the total portfolio in 4Q23. We observed a positive trend in the reduction of default indicators in recent months, signaling a favorable contribution of new cohorts to Luizacred's performance. The overdue portfolio coverage ratio was 142% in Dec/23, up 170 bps compared to Sep/23.

PORTFOLIO - OVERDUE	Dec-23		Sep-23		Jun-23		Mar-23		Dec-22	
000 to 014 days	17,620	87.1%	16,862	86.3%	17,137	85.6%	17,343	85.7%	17,786	86.5%
015 to 030 days	135	0.7%	136	0.7%	127	0.6%	161	0.8%	146	0.7%
031 to 060 days	210	1.0%	215	1.1%	223	1.1%	249	1.2%	215	1.0%
061 to 090 days	290	1.4%	284	1.5%	352	1.8%	338	1.7%	325	1.6%
091 to 120 days	289	1.4%	275	1.4%	308	1.5%	285	1.4%	324	1.6%
121 to 150 days	251	1.2%	261	1.3%	310	1.5%	274	1.4%	287	1.4%
151 to 180 days	219	1.1%	266	1.4%	269	1.3%	258	1.3%	274	1.3%
180 to 360 days	1,222	6.0%	1,241	6.4%	1,296	6.5%	1,321	6.5%	1,209	5.9%
Portfolio (R\$ million)	20,235	100.0%	19,541	100.0%	20,022	100.0%	20,230	100.0%	20,566	100.0%

Receipt expectation of loan portfolio overdue above 360 days	367	335	302	262	230
--	-----	-----	-----	-----	-----

Total Portfolio in IFRS 9 (R\$ million)	20,602		19,877		20,324		20,492		20,797	
Overdue 15-90 days	635	3.1%	635	3.3%	702	3.5%	749	3.7%	686	3.3%
Overdue Above 90 days	1,981	9.8%	2,043	10.5%	2,183	10.9%	2,138	10.6%	2,095	10.2%
Total Overdue	2,616	12.9%	2,679	13.7%	2,885	14.4%	2,887	14.3%	2,780	13.5%
Provisions for loan losses on Portfolio	2,482	12.3%	2,518	12.9%	2,691	13.4%	2,678	13.2%	2,602	12.7%
Provisions for loan losses on available limit	332	1.6%	348	1.8%	332	1.7%	344	1.7%	320	1.6%
Total Provisions for loan losses in IFRS 9	2,814	13.9%	2,867	14.7%	3,023	15.1%	3,022	14.9%	2,922	14.2%
Coverage of Portfolio (%)	125%		123%		123%		125%		124%	
Coverage of Total Portfolio (%)	142%		140%		138%		141%		140%	

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

| Financial Intermediation Gross Results

Financial intermediation gross results were negative R\$62.5 million in 4Q23 and R\$462.3 million in 2023, driven in large part by conservative provisioning and by the increase in interest rates.

| Service Revenue and Other Operating Revenues (Expenses)

Service revenues grew 7.7% in 4Q23, reaching R\$412.7 million, this was largely attributable to an increase in factoring. During the same period, operating expenses increased 2.5% to R\$318.2 million. During 12M23, service revenues were R\$1.6 billion, up 8.4%, compared to operating expenses, which grew 0.2% and total R\$1.3 billion in 2023.

| Operating Income and Net Income

In 4Q23, Luizacred recorded a net income of R\$18.2 million under IFRS. Using the accounting practices established by the Brazilian Central Bank, the net loss was R\$10.6 million during the period. In 12M23 Luizacred had a net loss of R\$97.8 million under IFRS, and a net loss of R\$262.1 million according to the practices established by the Brazilian Central Bank.

| Shareholders' Equity

In compliance with the same practices, Luizacred posted shareholders' equity of R\$800.6 million in December 2023. As a result of adjustments required under IFRS, specifically additional provisions for expected losses, net of taxes, Luizacred's shareholders' equity for the purposes of Magazine Luiza's financial statements came to R\$656.1 million.

ANNEX IX OPERATIONAL GUIDANCE

| Quarterly update

In order to facilitate analysis of the evolution of the Company's logistics infrastructure, Magalu is sharing key indicators such as the number of distribution centers, dedicated cross-docking stations, total storage area and the number of physical stores. Since Magalu's physical stores and e-commerce operations are completely integrated, the total storage area metric also includes the area of the physical stores that is dedicated to handling and stocking goods.

In a material fact published on July 15, 2021, the Company published projections for the period ended in December 31, 2021 and in December 31, 2022 and the period ending in December 31, 2023:

Magalu ended 4Q23 with 21 distribution centers, 147 cross-docking stations and 1,286 physical stores.

	Accomplished 4Q23	Guidance 2023
Total Logistics Units	168	450
Number of Distribution Centers	21	33
Number of Cross-docking Hubs	147	417
Number of Stores	1,286	1,680
Total Storage Area	1,131	2,000

The ability to achieve 2023 guidance was materially impacted by changes in the macroeconomic environment, with significant increase in interest rates. These changes significantly impacted retail sales, both in the physical world and in ecommerce.

To adapt to this new scenario, Magalu significantly reduced inventory levels – which reduced the need to expand the storage area. Additionally, investments in new stores were also revised due to high interest rates.

As a result, we ended the year with a smaller number of stores and distribution centers than initially proposed, but with a much more efficient structure adapted to the current market environment.

It is worth mentioning that these adjustments played a fundamental role in achieving the results obtained throughout 2023, including the strong expansion of operating margins and improvements in operating cash generation.

CONFERENCE CALL DETAILS

Conference Call in Portuguese with simultaneous translation to English

Tuesday, Mar 19th, 2024

9:00 – Brasilia time

08:00 – New York time (EST)

[Conference Call Access](#)

Twitter:

@ri_magalu

Investor Relations

Roberto Bellissimo
CFO and IR Director

Vanessa Rossini
Director IR

Lucas Ozorio
IR Manager

Natassia Lima
IR Analyst

Marina Ramalho
IR Analyst

Tel: +55 11 3504-2727
ri@magazineluiza.com.br

About Magazine Luiza

Magazine Luiza, or Magalu, is a technology and logistics company focused on the retail sector. From its humble origins as a traditional retailer providing electronics and home appliances to Brazil's rising middle class, the company has since transformed into a technology powerhouse providing a wide array of products to

Brazilians of all classes. Magalu has one of the largest geographic footprints with 21 distribution centers serving a network of 1,286 stores in 20 states. At the heart of the company's success is an omnichannel retail platform capable of reaching customers via mobile app, web and physical stores. A large part of the company's success is attributable to its in-house development team, Luizalabs, which consists of more than 2,000 engineers and product development specialists. Among other things, engineers from Luizalabs use technologies such as big data and machine learning to create logistics, fintech and inventory apps which remove friction from the retail process, improving margins, delivery times and customer experience. The company has been at the forefront of e-commerce adoption in Latin America and its profitable e-commerce operation currently accounts for over 71% of total sales. Magazine Luiza has also been a logistics pioneer. The company's integrated online and offline logistics operations enable it to leverage its physical presence to radically reduce delivery times and costs in a sustainable way. The result is the fastest, lowest cost logistics network in Brazil.

EBITDA, Adjusted EBITDA and Adjusted Net Income

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

Disclaimer

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