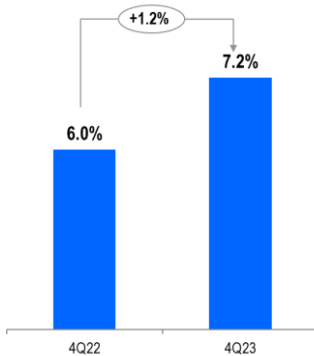


MESSAGE FROM THE EXECUTIVE DIRECTORS

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)

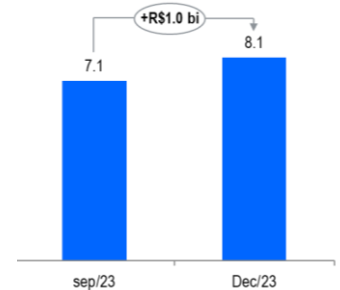


This number was accompanied by other figures that show how solid our results are. The EBITDA margin increased 1.2 percentage points year over year. We improved our operating result in all sales channels, while reducing financial expenses by 20%. In the fourth quarter, they corresponded to 4% of total 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

2023: R\$63 billion of total sales, with strong expansion of operational margins. Total cash position of R\$9.1 billion

Magalu's total sales reached **R\$63 billion in 2023**, 5% higher than 2022. **Over the last four years, the average annual sales growth rate was 23%.**

E-commerce reached more than R\$46 billion in sales during the year, increasing by 5% in 2023, while the Brazilian e-commerce market shrank by 12% during the same period (Neotrust). **Magalu's average annual e-commerce growth rate over the last four years was 39%.**

Over the last four years, **Magalu's Marketplace has experienced an average annual growth rate of 56%**. In 2023, **Marketplace sales totaled R\$18 billion in 2023, growing 17%** compared to 2022 and consolidating its position as the second largest sales channel, **reaching almost 30% of magalu's total sales.**

Magalu's Marketplace offers many opportunities for sales expansion, introduction of new services, and margin improvement. **Revenues from marketplace services grew 35% during the year.**

Magalu marketplace reached the mark of **340,000 sellers**, an increase of 80,000 new sellers during 2023. **Now, we have more than 128 million offers** available for sale, compared to 91 million offers in 2022.

We are expanding our logistics and multichannel model to our marketplace sellers. Currently, **15% of 3P orders are being delivered via Magalu's fulfillment operation**, compared to just 2% at the beginning of 2023. **More than 2,800 sellers** are benefiting from the unparalleled scale and efficiency of the multichannel model.

In 2023, physical store sales were R\$17 billion, a growth of 4% compared to 2022. Additionally, there was a **0.9 p.p. gain in market share** during the year.

There was a significant evolution of operational margins in the year. Adjusted gross margin reached 29.2% in 2023, an increase of 1.2 percentage points due to the DIFAL pass-through, profitability-focused strategy, and revenue growth from services. In the same period, **adjusted EBITDA margin was 5.8%**, with total EBITDA amounting to R\$2.1 billion.

In 2023, **operating cash flow reached R\$223 million**, mainly reflecting the evolution of EBITDA and an improvement in working capital. Magalu ended the year with a **total cash position of R\$9.1 billion and an adjusted net cash position of R\$1.7 billion.**

At **MagaluAds, revenue from sponsored products more than doubled in 2023** compared to 2022. We will enhance the visibility of assortments from suppliers and sellers through investments in display, special projects, and sponsored products, strengthening direct contact with customers through our sales channels.

Magalu's Fintech grew 10% in the year to R\$99 billion in TPV. One highlight was the 15% growth in payment volume for sellers and MagaluPay digital accounts. In credit cards, TPV growth was 7%, reaching R\$ 58 billion in 2023 -- there are more than 7 million issued credit cards and the credit portfolio is R\$20 billion. **The reduction in default rates was also noteworthy with a 0.2 p.p. reduction in short-term rates and a 0.4 p.p. reduction in long-term rates, compared to 2022.**

2023 in numbers

Consolidated principal numbers from the Magalu Ecosystem

R\$63 billion

Total Sales

+5% compared to 2022

+23% four-year CAGR

R\$46 billion

E-commerce sales

+5% compared to 2022

+39% four-year CAGR

6.7 million

Credit Cards

Luiza Card and Magalu Card

+36 million

Active Customers

478 million

Total Online Audience

(Website and app accesses in Dec/23)

R\$99 billion

in TPV

+10% compared to 2022

+50 million

MAU (Monthly Active Users)

1,286 Physical Stores

Physical Stores

in 20 Brazilian states

168 DCs and Cross-Docking Stations

Magalu's Marketplace: the channel with the highest growth. 35% increase in revenue from the Marketplace

R\$18 billion

3P sales

+17% compared to 2022

+56% four-year CAGR

+340 k

Sellers

+80 k new sellers since Dec/22

+198 k new sellers since Dec/21

80% of 3P orders pass through Magalu Entregas

51% delivered in up to 48 hours

40% of total online sales

More Sellers, greater assortment, Faster delivery



In December 2023, Magalu launched Magalu Cloud, a public cloud service for Brazilian companies wishing to go digital at an affordable cost – especially small and midsize companies. Magalu Cloud offers accessibility, reliability, fees in reais, and support in Portuguese; it is especially suitable for small and medium-sized companies.

| 2023 Financial Highlights



Sales growth across all channels. In 2023, total sales - including physical stores, e-commerce first-party inventory (1P) and marketplace (3P) - increased 4.8% to R\$63.1 billion, reflecting growth of 5.1% in e-commerce (38.6% four-year CAGR) and a 4.0% increase in physical stores (4.0% four-year CAGR).



E-commerce grew at an above market rate. In 2023, the Brazilian e-commerce market shrank by 11.6% according to Neotrust, while Magalu again outperformed the market. During the period, Magalu's e-commerce sales increased by 5.1%, reaching R\$45.6 billion. Magalu's 1P e-commerce sales decreased by 1.3% (average annual growth of 31.1% over the last four years). In the marketplace, sales reached R\$18.0 billion, with 16.8% growth, (average annual growth of 56.2% over the last three years). The gain in market share was driven by the performance of the SuperApp, which reached 50.0 million monthly active users (MAU). Other contributing factors include faster delivery speeds for 1P and 3P, the growth of new categories and evolution of the seller base.



Gross margin expansion driven by service margin growth the pass-through of DIFAL. In 2023, gross margin was 29.2%, increasing 120 bps. compared to a gross margin of 28.0% in 2022. This increase reflects a 26.0% growth in service revenues, driven in large part by marketplace commissions. Additionally, the completed DIFAL pass-through and a profitability-focused strategy contributed to the increase in gross merchandise margin.



Operating expenses. The percentage of adjusted operating expenses in relation to net revenues was 23.4% in 2023. Adjusted operating expenses increased 120 bps. compared to 2022. With the increase in the marketplace, it's important to analyze expenses in relation to total sales. In this regard, expenses were diluted by 0.1 p.p.



EBITDA and net result. Sales growth, together with an increase in gross margin, contributed to adjusted EBITDA margin that was 5.8% in 2023, rising 10 bps compared to 2022. In 2023, net income was negative in R\$550.1 million, influenced primarily by a rise in interest rates during the period.



Cash generation and capital structure. In 2023, cash flow from operations was R\$223.1 million, driven by better by an improvement in working capital, particularly a strong reduction in inventory levels. Magalu ended the year with an adjusted net cash position of R\$1.7 billion. 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\$99.2 billion in 2023, growing 9.5%. In Dec/23, the cardholder base reached 6.7 million credit cards. Credit card billing grew 6.5% in 2023, reaching R\$57.5 billion during the period. The credit card portfolio reached R\$20.2 billion at the end of 2023. In December 2022, MagaluPay reached 11.9 million open digital accounts.

Magalu is the largest multichannel retailer in Brazil, offering a wide range of products and services to Brazilians of all classes. Among other things, Magalu offers the fastest delivery and the best shopping experience – whether in physical stores, on the website or on its SuperApp, which has over 50 million monthly active users. The Company has a strong geographic presence, with 21 distribution centers and 147 strategically located cross-docking stations, and 1,286 stores in 20 Brazilian states. As of December 31, 2023, the Company had more than 35.8 million active customers.

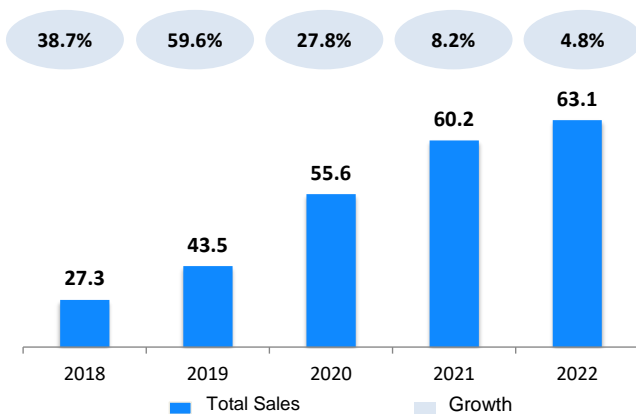
CONSOLIDATED FINANCIAL PERFORMANCE

The table below represents the consolidated income statements for the fiscal years ended December 31, 2023 and December 31, 2022.

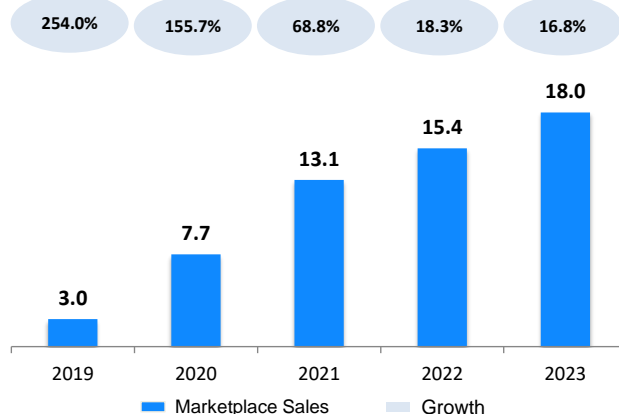
CONSOLIDATED INCOME STATEMENT (R\$ million)	12M23	12M23 Adjusted	V.A.	12M22 Adjusted	V.A.	% Chg
Gross Revenue	45,591.0	45,591.0	124.0%	45,189.0	121.2%	0.9%
Taxes and Deductions	(8,822.8)	(8,822.8)	-24.0%	(7,890.0)	-21.2%	11.8%
Net Revenue	36,768.1	36,768.1	100.0%	37,299.0	100.0%	-1.4%
Total Costs	(26,604.3)	(26,018.0)	-70.8%	(26,860.1)	-72.0%	-3.1%
Gross Income	10,163.9	10,750.1	29.2%	10,438.9	28.0%	3.0%
Selling Expenses	(7,002.1)	(7,002.1)	-19.0%	(6,741.1)	-18.1%	3.9%
General and Administrative Expenses	(1,335.2)	(1,335.2)	-3.6%	(1,370.2)	-3.7%	-2.6%
Provisions for Loan Losses	(386.2)	(386.2)	-1.1%	(239.7)	-0.6%	61.1%
Other Operating Revenues, Net	(550.9)	124.1	0.3%	75.3	0.2%	64.9%
Equity in Subsidiaries	(19.0)	(19.0)	-0.1%	(35.7)	-0.1%	-46.8%
Total Operating Expenses	(9,293.3)	(8,618.3)	-23.4%	(8,311.4)	-22.3%	3.7%
EBITDA	870.5	2,131.8	5.8%	2,127.5	5.7%	0.2%
Depreciation and Amortization	(1,242.7)	(1,242.7)	-3.4%	(1,163.6)	-3.1%	6.8%
EBIT	(372.1)	889.1	2.4%	963.9	2.6%	-7.8%
Financial Results	(1,692.2)	(2,058.3)	-5.6%	(2,041.0)	-5.5%	0.8%
Operating Income	(2,064.4)	(1,169.2)	-3.2%	(1,077.2)	-2.9%	8.5%
Income Tax and Social Contribution	1,085.3	619.1	1.7%	705.1	1.9%	-12.2%
Net Income	(979.1)	(550.1)	-1.5%	(372.1)	-1.0%	47.8%
Retail Total Sales ¹	63,056.3	63,056.3	-	60,160.7	-	4.8%
Same Physical Store Sales Growth	4.7%	4.7%	-	0.1%	-	-
Total Physical Store Sales Growth	4.0%	4.0%	-	5.8%	-	-
E-commerce Sales Growth (1P)	-1.3%	-1.3%	-	4.7%	-	-
Marketplace Sales Growth (3P)	16.8%	16.8%	-	18.3%	-	-
Total E-commerce Sales Growth	5.1%	5.1%	-	9.2%	-	-
E-commerce Share of Total Sale	72.3%	72.3%	-	72.1%	-	0.2 pp
Number of Stores - End of Period	1,286	1,286	-	1,339	-	-53 stores
Sales Area - End of Period (M ²)	716,298	716,298	-	716,707	-	-0.1%

⁽¹⁾ Total sales include physical store sales, traditional e-commerce (1P) and marketplace (3P).

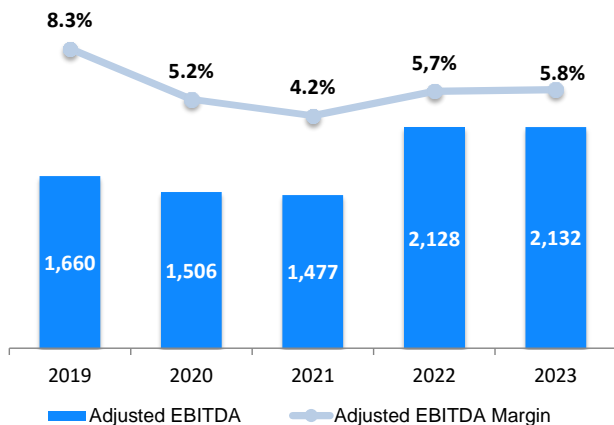
Total Sales (R\$ billion)



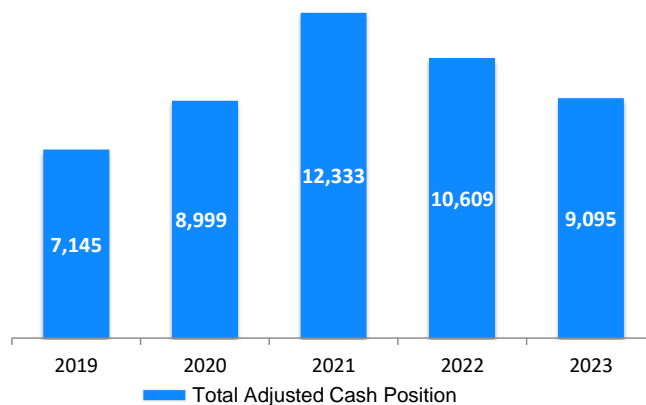
Marketplace Sales (R\$ billion)



Adjusted EBITDA (R\$ million)



Total Adjusted Cash Position (R\$ million)



| MANAGEMENT STATEMENT

In compliance with the provisions of Article 25 of the Brazilian Securities and Exchange Commission (CVM) Instruction 480, the Board of Executive Officers declares that it has reviewed, discussed and agreed with the opinion rendered in the Independent Auditor's Report issued by Ernest & Young Auditores Independentes on March 18, 2024, along with the Financial Statements for the fiscal year ended on December 31, 2023.

| RELATIONSHIP WITH EXTERNAL AUDITORS

We hereby inform that the Company and its subsidiaries and jointly-owned subsidiaries adopt as a formal procedure to consult with the independent auditors Ernest & Young Auditores Independentes (EY), in order to assure that the rendering of other services do not affect their independence and the objectivity required to perform independent audit services. The Company's policy when engaging independent auditor's services assures that there is no conflict of interests, loss of independence or objectivity.

| ACKNOWLEDGEMENTS

We would like to take this opportunity to thank all of our clients, employees, shareholders, suppliers, partners, and the community in general, for their continued trust and partnership throughout 2023.

São Paulo, March 18, 2024.

Management Team