marisa

RESULTS 3Q24

Conference Call:
november 13th at 2 p.m (BRT)/ 1 p.m (EST)
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Webinar ID: 882 1746 6059

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São Paulo, November 12th, 2024 – Marisa Lojas SA ("Marisa" or "Company") – (B3: AMAR3; Bloomberg: AMAR3:BZ), announces its results for the third quarter of 2024 (3Q24) compared to the restated results for 3Q23. Restatement presented due to the segregation of the indirect subsidiary M Pagamentos. The information, except where indicated, is based on consolidated figures, in thousands of reais, which follow the International Financial Reporting Standards (IFRS) and were reviewed by BDO rcs auditores informativos sociedade simples limitada.

3Q24 HIGHLIGHTS

Marisa remains strong in the turnaround process, with a growth in gross revenue of 55% and gross margin evolution in 4.3 percentage points.

+55%

Net Revenue growth vs. 3Q23 that hit R$ 350Mi

+71%

Growth in Gross Profit vs. 3Q23 Delta of +4.3 percentage points in gross margin

-15.6%

SG&A reduction and dilution of 30 percentage points over Net Revenue vs. 3Q23

+163%

EBITDA growth increase of R$ 91Mi vs. 3Q23

R$ 125Mi

Improvement in Net Result above 3Q23

R$ 623Mi

Private capital increase in Jul/24

R$' Million	3Q24	3Q23	Var (%)	Var
Gross revenue	480.4	318.5	50.9%	162.0
Net income	349.8	225.9	54.8%	123.8
CPV/CSV	(187.0)	(130.6)	43.2%	(56.4)
Gross profit	162.8	95.3	70.7%	67.4
Gross margin	46.5%	42.2%	*4.3 p.p.*	
SG&A	(127.7)	(151.2)	-15.6%	23.5
SG&A Margin	36.5%	66.9%	*(30.4 p.p.)*	
EBITDA	35.1	(55.9)	162.7%	91.0
Ebitda margin	10.0%	-24.7%	*34.8 p.p.*	
M Pagamentos	(4.8)	(36.7)	86.9%	31.9
Net income	(71.2)	(196.4)	63.7%	125.2
Net margin	-20.4%	-86.9%	*66.6 p.p.*	

MESSAGE FROM MANAGEMENT

Marisa's goal is to strengthen women's self-esteem by giving them and their families access to fashion at the best cost-benefit in Brazil.

The work in progress is already beginning to show positive results. Our brand, which has repositioned itself to appeal to women from class C, brings strength to attributes such as cost-benefit, quality pieces, affordable prices and versatility, presenting products that can be used on different occasions. In addition, it reinforces that we have collections to serve not only women, but also their families, which includes children's clothing, men's clothing and accessories.

In terms of operational performance, we highlight (i) significant capital contribution from shareholders; (ii) renewed confidence in the supply chain and the opening of new suppliers; (iii) replenishment of inventories as planned with an adequate assortment, in addition to better turnover; (iv) growth in net revenue of 55%, accompanied by an even better gross profit performance of +71% versus 3Q23; (v) 163% increase in EBITDA; (vi) significant evolution of *tickets* , demonstrating the assertiveness of the collection and the trust of our customers; (vii) significant increase in the Marisa card customer base, providing credit expansion, increased average *ticket* and revenue, in addition to loyalty; (viii) a new avenue of growth for sectors that were less explored in the past, such as children's and men's, with even more significant growth, which will bring, in the near future, an increase in sales per m^2 and greater profitability for the operation.

This quarter, we evolved with the new demand and supply forecasting model, which allowed for a more appropriate design in the repositioning strategy and construction of collections, resulting in greater acceptance by our customers, with greater speed in sales and margins.

Also, this quarter, the Company's private capital increase was approved, with the inflow of R$623 million, distributed among 444,887,461 shares, at a price of R$1.40 each. This move was an important step in the execution of Marisa's repositioning strategy, as it helped to replenish inventories, in line with the new business plan. The contribution is a clear demonstration of the shareholders' confidence in the Company's management and administration, and that the new strategic direction is being well executed.

We continue to work on the challenges of (i) consistency and governance of the continuity of our commercial planning, and construction of collections, valuing cost-benefit and versatility – bringing even greater satisfaction to our customers; (ii) strengthening the communication and marketing strategy, aligned with our positioning, with the objective of attracting even more traffic to our stores; (iii) expanding the Marisa card customer base; (iv) expanding the supply chain, and maintaining a close relationship with current partners.

We are prepared for the last quarter, the hottest in retail, with important events such as Children's Day, *Black Friday* and Christmas.

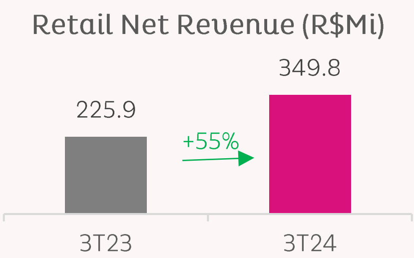
Finally, we are very pleased with the results achieved in 3Q24 and the discipline of our financial management. The trust of our shareholders and the positive results that are already clearly visible ensure that we can advance in the execution of our strategy in a consistent and sustainable manner. We are immensely grateful for the commitment and dedication of our employees, as well as the support of our business partners and shareholders.

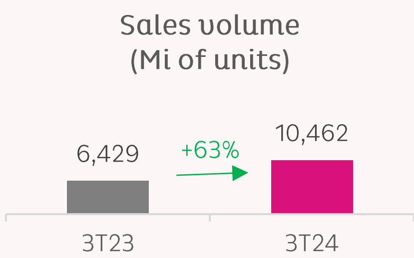
Edson Salles Abuchaim Garcia
CEO and IRO

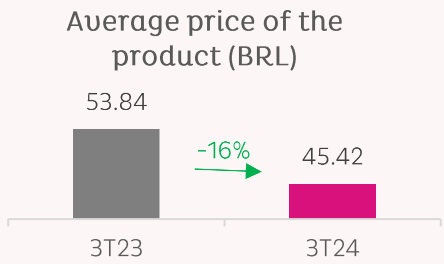
Adilvo Alves de Souza Jr
CFO

How was the operational performance in the quarter

Sales in 3Q24 increased by 55%, driven by the repositioning of the business, assertiveness of collections and densification of store inventories, resulting in an increase in sales volume.

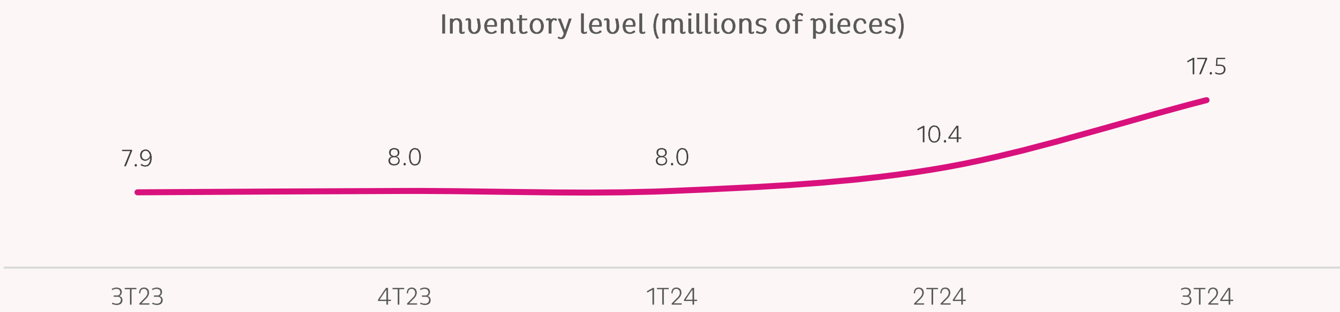




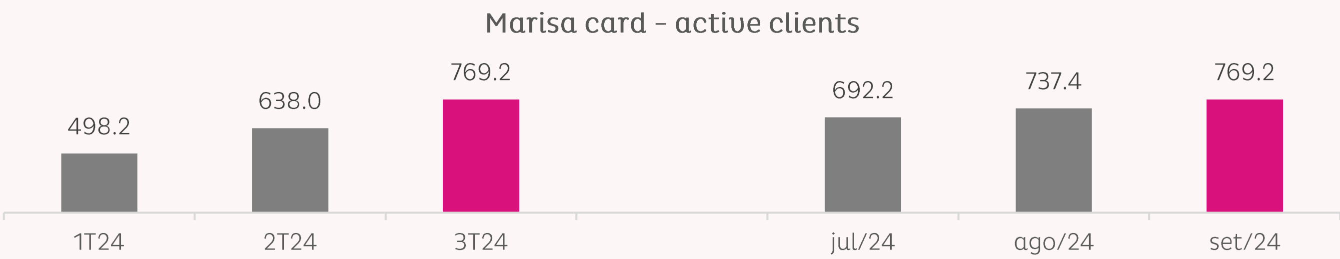


In this last quarter, in line with the business repositioning, we made adjustments to the price pyramid, reinforcing the base of the pyramid (P1, P2 and P3), which show, in the graph above, a drop in the average price. This resulted in a significant increase in revenue and volume compared to the same quarter in the previous year. The digital channel strategy is aimed at reinforcing and positioning the brand, providing a multichannel experience to customers and increasing store traffic, without sacrificing profitability.

We continue to replenish and normalize our inventory levels.



We are investing our efforts in increasing the Marisa card base, where we have a higher average ticket and a higher frequency of purchases from our customers (loyalty).



RESULTS | CONSOLIDATED

P&L (R$ MM)	3Q24	3Q23	Var (%)
Gross Revenue	480.4	318.5	50.9%
Taxes on sales	(130.7)	(92.5)	41.2%
%Taxes on gross revenue	(27.2%)	(29.1%)	1.9 p.p.
Net Revenue	349.8	225.9	54.8%
Cost of Product Sold	(187.0)	(130.6)	43.2%
Gross Profit	162.8	95.3	70.7%
Gross Margin	46.5%	42.2%	4.3 p.p.
Operating Expenses	(127.7)	(151.2)	(15.6%)
EBITDA	35.1	(55.9)	162.7%
Net income	(71.2)	(196.4)	(63.7%)

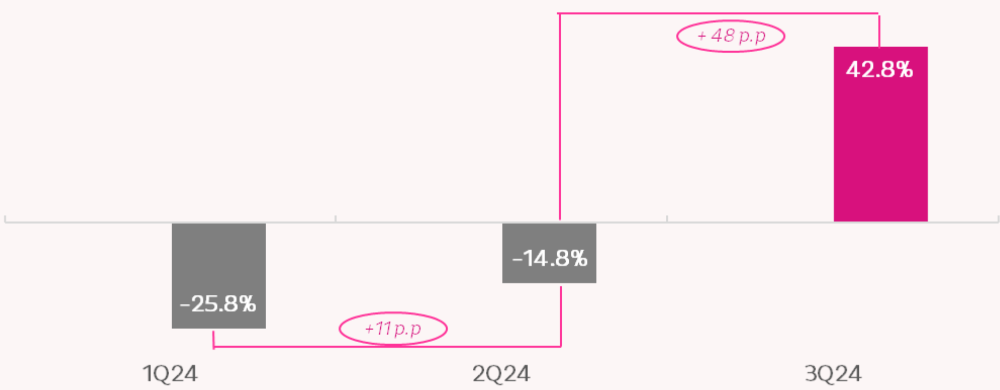
Net Revenue

R$' Million	3Q24	3Q23	Var (%)
GROSS REVENUE	480.4	318.5	50.9%
Goods	476.7	315.6	51.1%
Financial services	3.8	2.9	29.8%
Taxes on sales	(130.7)	(92.5)	41.2%
Goods	(130.3)	(91.7)	42.1%
Financial services	(0.4)	(0.9)	-56.3%
NET REVENUE	349.8	225.9	54.8%
Goods	346.4	223.9	54.7%
Financial services	3.4	2.0	66.9%

Consolidated gross revenue increased by +50.9%, and net revenue was 54.8% better when comparing quarters, reflecting the increase in sales volume, combined with the realignment of product prices.

We continue to see an evolution in quarterly SSS, as reported last quarter. We reached the milestone of +42.8% evolution of gross revenue in same-store sales, for the quarter.

Same Store Sales Evolution



The increase in sales volume was driven by the adjustment in strategy, better commercial planning, assertiveness in the collections, aligned with the repositioning of prices and expansion of other segments such as children's and men's, in line with the needs of our customers. The increase in sales was higher in stores where we tested a new arrangement of products and sectors, regardless of geographic location - and we intend to roll out this model to other stores in the coming months. We noted that the collection was well received by customers, and the three marketing actions done in this quarter were successful ('liquida de banana', 'Father's Day' and 'lingerie').

JULY – "Liquida de Banana"

This campaign revived an icon of Marisa's big promotions. Customers always commented on social media and proprietary channels that they identified a lot with the "Liquida de Banana" and, with that, we did a new interpretation, bringing in a personality that speaks to the public, and who was once a clothes saleswoman: 'Bia do Brás'.

The campaign proved to be a success, both due to the significant increase in searches and engagement with the Marisa brand and the positive impact on sales. The slogan "preço de banana" (brazilian popular expression that means 'cheap'), which Marisa has used in campaigns in the past, continues to have great recall among our customers.

AUGUST – Father's Day

This was a surprise campaign for Marisa, after all, the most feminine store in Brazil did not advertise its men's collection with such emphasis. Once again, listening to the customer and reading the research, we identified the opportunity to explore the wardrobes of these women's husbands, fathers, sons, brothers-in-law and uncles.

This time we brought men to the forefront, associating Marisa as a brand that caters to women in all their roles, and has products for the whole family, putting men in the spotlight. It was successful, contributing to the increase in sales in this category during the period.

SEPTEMBER – Lingerie

The Top of Mind lingerie brand could not have a bigger homegrown strength. An already consolidated quality of the brand, intimate fashion was once again the central focus of our September campaign. Featuring the slogan "A Lingerie Preferida das Mulheres Brasileiras" ('Brazilian women's favorite lingerie'), the campaign was a success, contributing to the increase in sales for the company and, especially, in this category during the period.

The realignment of product prices this year follows the brand's repositioning to meet the demand, mainly, of Brazilian women and their families in class C. The evolution of our inventories and assortment has supported better turnover and contributed decisively to the evolution of sales. Due to the new strategy, where we strengthened the base of the pyramid of our prices, we understand that we will have a lower need for *markdowns*, and, consequently, an improvement in our margins and profitability of operations. The variation in net revenue in 9M24 vs. 9M23 still reflects the effect of sales in early 2023, when Marisa had a different business strategy.

The Company's new approach to financial services - focusing on the partnership with Credsystem - is already showing positive initial results, with a growing increase in the card base and significant growth in revenue recorded in the quarter.

Gross Profit and Margin

R$' Million	3Q24	3Q23	Var (%)
Goods Gross Profit	160.4	91.2	76.0%
Gross margin	46.3%	40.7%	5.6 p.p.
Financial Services Gross Profit	2.3	4.2	-43.8%
Gross margin	68.8%	204.3%	-135.6 p.p.
Consolidated Gross Profit	**162.8**	**95.3**	**70.7%**
Gross margin	46.5%	42.2%	4.3 p.p.

We had significant margin growth compared to 3Q23, of +4.3 percentage points. This was due to better acceptance by our customers of our products, more controlled markdowns during sales, and better negotiation by our sales team with the supply chain.

Operating Expenses

R$' Million	3Q24	3Q23	Var (%)
Sales expenses	(104.0)	(110.9)	-6.3%
G&A Expenses	(42.2)	(51.3)	-17.6%
Other operations	18.6	11.0	69.1%
SG&A Expenses	(127.7)	(151.2)	-15.6%
SG&A / Net revenue	-36.5%	-66.9%	30.4 p.p.

The Company's SG&A expenses improved 15.6% quarter-on-quarter. The SG&A margin improved significantly, a reduction of 30 percentage points on net revenue. However, it is still above the level we consider adequate. We will work hard to further improve our revenues and renegotiate all contracts, in order to achieve an even more efficient SG&A than we have already achieved.

The most significant savings compared to last year occurred in the items 'personnel and services', 'public utilities' and in the reduction of provisions for losses in litigation and legal claims.

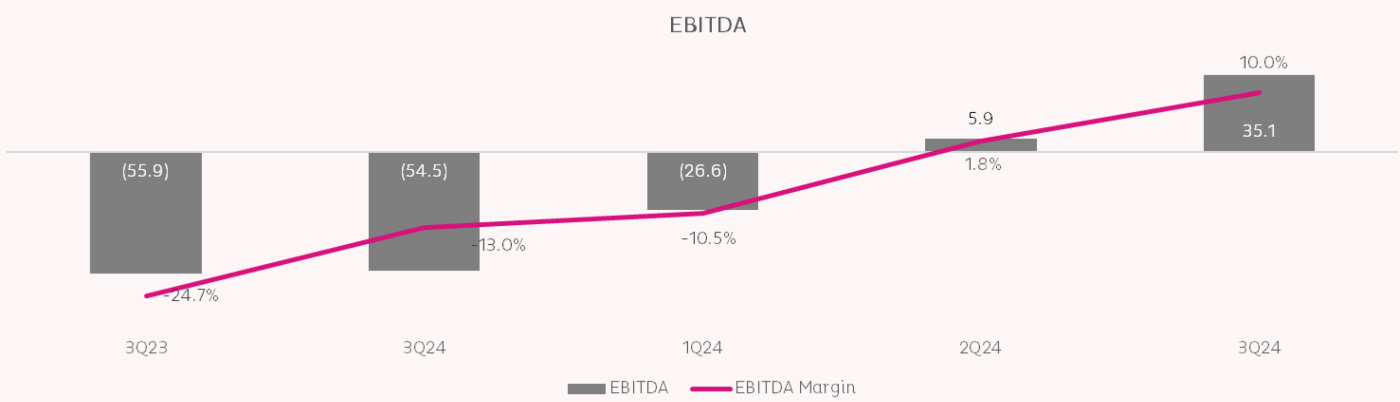
EBITDA

Post-IFRS16

R$' Million	3Q24	3Q23	Var (%)
NET INCOME	(71.2)	(196.4)	63.7%
(+) Income Tax	0.5	0.0	n.a
(+) Financial Expenses, net	60.0	58.2	3.1%
(+) Depreciation and amortization	41.0	45.7	-10.2%
(+) M Pagamentos	4.8	36.7	-86.9%
TOTAL EBITDA	35.1	(55.9)	162.8%

* The EBITDA announced in the Company's 3Q23 earnings release contained an adjustment for expenses incurred with the *stock option plan* (R$1.0 million in 3Q23). For better comparability, we decided to eliminate this adjustment in last year's figures.

We highlight the significant improvement in the Company's EBITDA, approximately R$91 million in the quarterly comparison, which reinforces our confidence in the brand repositioning and the operational and administrative management, a work currently in progress.



Financial Result

R$' Million	3Q24	3Q23	Var (%)
Financial income	18.1	9.9	83.0%
Financial expenses	(78.1)	(68.0)	14.7%
Financial result	(60.0)	(58.2)	3.1%
financial / Net revenue	-17.2%	-25.7%	8.6 p.p.

The Company's financial result remained practically stable, in absolute terms, when comparing quarters, but improved significantly as a proportion of net revenue, to 17.2% in 3Q24.

For analysis purposes, removing the effect of interest on leases (IFRS16) from the 'Financial expenses' line, the Financial result would have improved 34.8% in the quarterly comparison.

Net income

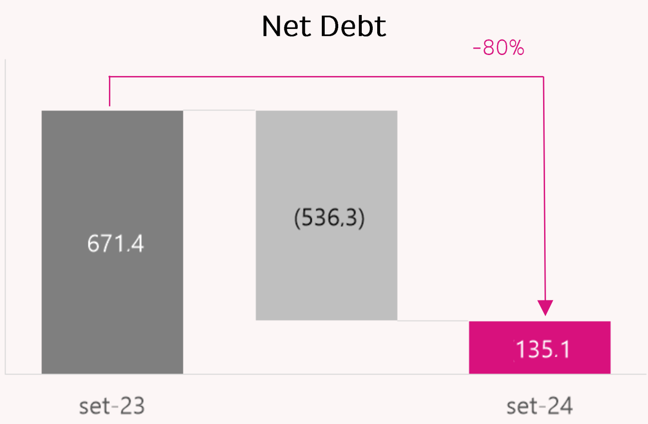
R$' Million	3Q24	3Q23	Var (%)
NET INCOME	(71.2)	(196.4)	63.7%
margin	-20.4%	-86.9%	66.6 p.p.

We highlight the significant improvement in the Company's Net Result – approximately R$ 145 million – which reinforces our confidence in the brand repositioning and operational and administrative management, a work currently in progress.

Net Debt

The Company's debt showed a relevant reduction year on year.

Once the private capital increase operation and settlement of certain debts were concluded in Jul/24, the Company's gross debt reached the level of R$ 135 million, an extremely relevant reduction of R$ 536 million compared to the same period last year .



Net debt also reduced: from R$448M to R$83M, a drop of 81%.

M Pagamentos

The operation of M PAGAMENTOS SA - Crédito, Financiamento e Investimento is being discontinued as of December 31st, 2023.

This company, parto f the Marisa group, was responsible for the operations of promoting and offering Marisa private label card and Personal Loans to customers, among other products in the credit, financing and investment market in the retail segment. As of December 1st, 2023, these activities were transferred - exclusively - to Credsystem Instituição de Pagamentos Ltda., as announced by the Company in a “Notice to the Market” dated September 18th, 2023.

The conclusion of this process essentially depends on the certification of the Discontinuity Plan already defined with BACEN - Central Bank of Brazil, which may take a few more months.

While this process is not finalized, in compliance with accounting regulation NBC TG 31 / IFRS 5 – Non-Current Assets, since December 31, 2023, the Company started to present the results of M Pagamentos segregated exclusively in the 'Equity Income' line of the consolidated Income Statement.

We present more details about M Pagamentos and the Discontinuation Plan in note 35 of the Financial Statements as of September 30th, 2024.

CONSOLIDATED RESULTS – R$ MILLION

(R$' Million)	3Q23	3Q24
Gross Operating Revenue	**318.5**	**480.4**
Sale of Goods	315.6	476.7
Services	2.9	3.8
Taxes on Sales	**(92.5)**	**(130.7)**
Sale of Goods	(91.7)	(130.3)
Services	(0.9)	(0.4)
Net Operating Revenue	**225.9**	**349.8**
Sale of Goods	223.9	346.4
Services	2.0	3.4
Cost of Goods/Services	**(130.6)**	**(187.0)**
Cost of Goods Sold	(132.7)	(185.9)
Cost of Services	2.1	(1.1)
Gross Profit	**95.3**	**162.8**
Retail gross profit	91.2	160.4
Gross profit from financial services	4.2	2.3
Operating Expenses	**(151.2)**	**(127.7)**
Sales	(110.9)	(104.0)
General and Administrative	(51.3)	(42.2)
Other Operating Results	11.0	18.6
Depreciation and Amortization	(45.7)	(41.0)
Results M Pagamentos (equivalence)	(36.7)	(4.8)
Operating Profit before Financial Result	**(138.2)**	**(10.7)**
Financial Expenses, Net	(58.2)	(60.0)
Income Tax and Social Contribution	(0.0)	(0.5)
Net Result for the Period	**(196.4)**	**(71.2)**

BALANCE SHEET – R $ MILLION

Balance Sheet

ASSETS (R$ million)	dec/23	sep/24	Chg. (%)
CURRENT ASSETS	961.7	569.4	(40.8%)
Cash and cash equivalents	92.3	31.4	(66.0%)
Securities	4.7	-	(100.0%)
Accounts receivables	67.5	22.6	(66.6%)
Inventories	145.6	288.4	98.1%
Related Parts	4.8	-	(100.0%)
Recoverable Taxes	114.8	126.4	10.0%
Other Credits	31.1	32.5	4.3%
Assets from discontinued operations	500.8	68.3	(86.4%)
NONCURRENT ASSETS	1,492.2	1,440.6	(3.5%)
Accounts receivables	-	-	n.m.
Def. Income and social c. taxes	75.2	60.3	(19.9%)
Recoverable taxes	634.1	634.1	(0.0%)
Other Credits	10.8	10.7	(1.6%)
Judicial deposits	148.2	166.7	12.5%
Securities	2.6	2.1	(18.9%)
PP&E	68.5	58.8	(14.2%)
Intangible assets	55.9	41.8	(25.2%)
Right of Use	496.7	466.1	(6.2%)
TOTAL ASSETS	2,453.9	2,010.0	(18.1%)

LIABILITIES (R$ million)	dec/23	sep/24	Chg. (%)
CURRENT LIABILITIES	1,626.5	907.4	(44.2%)
Accounts payable	507.6	389.9	(23.2%)
Accounts payable Forfait	-	-	n.m.
Loans and Financing	116.8	135.1	n.m.
Finance Lease	183.2	111.5	(39.1%)
Accrued payroll and related changes	49.3	45.2	(8.2%)
Taxes payables	80.8	94.3	16.7%
Related Parts	25.5	-	(100.0%)
Financial Instruments	-	-	n.m.
Rentals payable	23.6	12.7	(46.2%)
Income Tax & Social Contribution	4.6	4.6	0.5%
Deferred revenues	6.3	6.3	0.0%
Dividend and interests payables	-	-	n.m.
Other payables	173.5	43.5	(74.9%)
Liabilities of discontinued operations	455.5	64.3	(85.9%)
NONCURRENT LIABILITIES	826.9	824.1	(0.3%)
Loans and financing	100.3	-	(100.0%)
Finance Lease	373.0	427.3	14.5%
Financial Intruments	-	-	n.m.
Deferred income	68.1	116.5	71.0%
Provisions for judicial contingencies	270.2	257.8	(4.6%)
Taxes to be Collected and Installments	-	21.6	
Other payables	15.3	0.9	(94.0%)
SHAREHOLDER EQUITY	0.5	278.5	n.m.
Paid in Capital	1,694.9	2,312.1	36.4%
Advance for future capital increase	-	-	n.m.
Treasury Stocks	(1.2)	(1.2)	(0.0%)
Stock Option reserve	23.8	6.3	(73.7%)
Other comprehensive income	-	-	n.m.
Accrued profits	(1,717.0)	(2,038.6)	18.7%
TOTAL LIABILITIES	2,453.9	2,010.0	(18.1%)

n.m. - non-meaningful

INDIRECT CASH FLOW – R$ MILLION

(R$' Million)	3Q23	3Q24
Loss/net profit for the period	**(196.4)**	**(71.2)**
Reconciliation with cash generated by operating activities	(152.1)	(59.5)
Cash Generated by Operating Activities	**44.3**	**11.7**
Acquisition of fixed assets	(0.4)	(2.1)
Acquisition of intangible assets	4.5	(0.4)
Increase in share capital in subsidiaries	0.0	0.0
Securities	18.7	3.7
Cash Consumed by Investment Activities	**22.8**	**1.2**
Obtaining loans and financing	23.1	1.4
Amortization of loans and financing	(131.7)	(650.6)
Amortization of lease financing	(88.1)	(44.0)
Amortization of obligations with drawn risk	0.0	0.0
Treasury shares	(0.1)	0.0
Increase in Share Capital	0.0	617.2
Cash Consumed by Financing Activities	**(196.8)**	**(76.1)**
Increase (Decrease) in Cash and Equivalents	**(129.6)**	**(63.2)**
At the beginning of the exercise	339.7	121.9
At the end of the exercise	210.1	58.7

ANNEX: EX-IFRS 16

(R$' Million)	3Q23 Pro Forma	3Q24 Pro Forma
Gross Operating Revenue	**318.5**	**480.4**
Sale of Goods	315.6	476.7
Services	2.9	3.8
Taxes on Revenue	**(92.5)**	**(130.7)**
Sale of Goods	(91.7)	(130.3)
Services	(0.9)	(0.4)
Net Operating Revenue	**225.9**	**349.8**
Sale of Goods	223.9	346.4
Services	2.0	3.4
Cost of Goods/Services	**(130.6)**	**(187.0)**
Cost of Goods Sold	(132.7)	(185.9)
Cost of Services	2.1	(1.1)
Gross Profit	**95.3**	**162.8**
Retail gross profit	91.2	160.4
Gross profit from financial services	4.2	2.3
Operating Expenses	**(216.3)**	**(173.6)**
Sales	(176.8)	(150.2)
General and Administrative	(50.5)	(41.9)
Other Operating Results	11.0	18.6
Depreciation and Amortization	(4.9)	(9.4)
Result MPayments (equivalence)	(36.7)	(4.8)
Operating Result before Financial Result	**(162.5)**	**(25.0)**
Financial Result, Net	(33.9)	(45.7)
Income Tax and Social Contribution	(0.0)	(0.5)
Net Result for the Period	**(196.4)**	**(71.2)**

Marisa Lojas

Marisa is one of the largest fashion retail chains in the country. The Company sells a wide variety of clothing and accessories under its own brand, characterized by attractive prices, quality, and financial products to support customer loyalty, in its network of 235 stores distributed throughout the country.

With over 75 years in the market, Marisa has built a strong relationship with Brazilian women, following the evolution of their needs and desires. The brand's proposal is to be intimate and complicit with its customers, offering them and their families democratic and quality fashion that is versatile, modern, diverse and at prices accessible to the C class. The Marisa brand is nationally recognized for the slogan “De Mulher Para Mulher” (‘From women to women).

Marisa made its IPO in 2007 on the B3 stock exchange, where its shares are traded in the 'Novo Mercado' segment with the ticker 'AMAR3'.

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DISCLAIMER: The statements contained in this presentation related to business perspectives, projections on operational and financial results and those related to growth prospects of MARISA LOJAS S.A. are merely projections and, as such, are based exclusively on the Management's expectations regarding the future of business. These expectations depend substantially on market conditions, the performance of the Brazilian economy, the sector and international markets and, therefore, are subject to change without prior notice.