

lwsa
Earnings Release

1Q25

May 08, 2025





Help businesses be born and thrive through technology

EARNINGS RESULTS CONFERENCE CALL

May 09, 2025 (Friday)

10:00 a.m. - Brasília time

09:00 a.m. - New York time

[Registration link](#)

Portuguese with simultaneous translation into
English

IR CONTACTS

André Kubota

CFO and IRO

Henrique Marquezi

IR Director

Henry Yuji Gomes

IR Coordinator

Ricardo Reis

IR Analyst

Phone Number // +55 11 3544-0479

E-mail // ri@lwsa.tech

Website // ri.lwsa.tech

About LWSA

LWSA is a benchmark in digital transformation in Brazil, providing essential digitalization services and reliable tools to create, manage and expand businesses of any size.

With a focus on innovation, integration and security, LWSA powers the digital ecosystem for companies, offering solutions for online presence, e-commerce, management and financial services. The Company serves +700 thousand clients in different sectors, including SMEs and large companies, connecting technology and business in an efficient and integrated manner.

LWSA

B3 LISTED NM

Disclaimer

LWSA S/A (“Company”) announces today its results for the first quarter of 2025 (1Q25).

The statements contained in this document related to business prospects, projections on operating and financial results and those related to LWSA S/A's growth perspectives are merely projections and, as such, are based exclusively on the expectations of the Board about the future of the business.

These expectations depend materially on market conditions, the performance of the Brazilian economy, the sector and international markets and, therefore, are subject to changes without notice.

All variations presented here are calculated based on numbers in millions of reais (unless otherwise stated), as well as rounding.

This performance report features accounting and non-accounting data such as operational, organic and pro-forma financial data and projections based on the expectations of the Company's Management.

The non-accounting data has not been reviewed by the Company's independent auditors.



São Paulo, May 08, 2025: LWSA S/A (B3: LWSA3 informs its shareholders and other market participants of the 1Q25 results

Quarter Highlights

Quarter marked by accelerated growth in key operational metrics, net revenue, margin expansion, and significant growth in operational cash generation.

Operational (1Q25 vs 1Q24):

+14.5% of Ecosystem GMV (R\$18.2 billion)

+15.7% of TPV (R\$2.0 billion)

+14.1% of Own Store GMV (R\$1.5 billion)

+6.8% in the Subscriber Base (195.9 thousand)

Financial (1Q25 vs 1Q24):

+8.8% of Consolidated Net Revenue (**R\$348.9 million**)

+12.6% of Net Revenue – Commerce (**R\$244.2 million**)

+15.5% of Platform Subscription Revenue in the Commerce segment

+15.1% of Adjusted EBITDA (**R\$70.2 million**)

+1.1 p.p. of Adjusted EBITDA Margin (**20.1%**)

+46.0% of Operational Cash Generation¹ (**R\$34.6 million**)

¹ Operational Cash Generation: Adjusted EBITDA minus Capex and Financial Expense with Receivables Advance

// Summary of Indicators

(R\$ million)

LWSA	1Q25	1Q24	vs 1Q24	4Q24	vs 4Q24
MAIN OPERATIONAL INDICATORS					
Platform Subscribers (thousand)	195.9	183.4	6.8%	193.2	1.4%
Ecosystem GMV	18,192.0	15,882.2	14.5%	19,542.1	-6.9%
TPV	2,022.4	1,748.4	15.7%	2,107.0	-4.0%
FINANCIAL INDICATORS					
Commerce Net Revenue	244.2	216.8	12.6%	259.7	-6.0%
Platform Subscription Net Revenue	122.4	106.0	15.5%	124.9	-2.0%
Ecosystem Net Revenue	121.7	110.8	9.9%	134.8	-9.7%
Beonline / SaaS Net Revenue	104.7	103.8	0.9%	104.4	0.3%
Consolidated Net Revenue	348.9	320.6	8.8%	364.1	-4.2%
Commerce Gross Profit	129.4	113.6	13.9%	129.4	0.0%
Commerce Gross Margin (%)	53.0%	52.4%	0.6 p.p	49.8%	3.2 p.p
BeOnline / SaaS Gross Profit	33.1	38.9	-14.9%	38.6	-14.2%
BeOnline / SaaS Gross Margin (%)	31.6%	37.5%	-5.8 p.p	37.0%	-5.3 p.p
Consolidated Gross Profit	162.5	152.5	6.5%	168.0	-3.3%
Consolidated Gross Margin (%)	46.6%	47.6%	-1.0 p.p	46.1%	0.4 p.p
Commerce Adjusted EBITDA	42.1	32.6	29.0%	56.6	-25.6%
Commerce Adjusted EBITDA Margin (%)	17.2%	15.1%	2.2 p.p	21.8%	-4.5 p.p
BeOnline / SaaS Adjusted EBITDA	28.1	28.4	-0.9%	24.7	13.6%
BeOnline / SaaS Adjusted EBITDA Margin (%)	26.8%	27.3%	-0.5 p.p	23.7%	3.1 p.p
Consolidated Adjusted EBITDA	70.2	61.0	15.1%	81.3	-13.5%
Consolidated Adjusted EBITDA Margin (%)	20.1%	19.0%	1.1 p.p	22.3%	-2.2 p.p
Net Income	14.8	24.5	-39.5%	(17.5)	-184.7%
Net Margin (%)	4.2%	7.6%	-3.4 p.p	-4.8%	9.0 p.p
Adjusted Net Income	34.8	27.1	28.4%	42.9	-18.7%
Net Margin (%)	10.0%	8.5%	1.5 p.p	11.8%	-1.8 p.p
Net debt (cash) of Earnouts	(45.6)	(289.2)	n/a	(100.0)	n/a
OTHER OPERATIONAL INDICATORS					
Own Store GMV	1,511.3	1,325.0	14.1%	1,662.6	-9.1%
Labels issued on the logistic operation (thousand)	5,736.6	5,292.4	8.4%	6,090.7	-5.8%
Clients EoP - BeOnline / SaaS (thousand)	390.4	402.6	-3.0%	390.6	-0.1%

// Message from Management

We closed the first quarter of 2025 with our operating indicators demonstrating resilience, maintaining solid performance with no signs of deceleration compared to 2024 figures, despite a softer December for the entire retail and e-commerce segment. In addition to the positive signals on the operational front, LWSA continued to deliver productivity gains, reflected in both EBITDA margin and Operational Cash Generation, measured by Adjusted EBITDA minus Capex and Financial Expenses from Receivables Anticipation, which showed significant expansion compared to the same period of the previous year.

On the operational side, our e-commerce subscriber base grew by 6.8% compared to 1Q24, accelerating relative to the growth seen in 4Q24 and contributing to the 15.5% increase in net subscription revenue from platforms in the Commerce segment.

The Ecosystem GMV grew by 14.5%, while TPV recorded a 15.7% increase, both outperforming the growth of Brazil's e-commerce market in the first quarter of the year. Own Store GMV rose by 14.1%, surpassing the previous quarter's growth of 12%.

After a year in which our growth was impacted by the restructuring of Squid, we observed a recovery in the Company's growth pace in 1Q25, with an 8.8% increase compared to the same period last year. LWSA's Adjusted EBITDA in 1Q25 expanded by 15.1%, despite the impact of the reinstatement of payroll taxes during the quarter, and Operational Cash Generation rose by 46% versus 1Q24, as a result of the operational efficiency initiatives implemented within the Company.

As mentioned in our last earnings presentation, in 2024 we carried out a comprehensive strategic planning process in partnership with a renowned external consultancy, which supported us in defining clear guidelines for our growth over the next five years. As part of this process, we developed a detailed tactical plan aimed at enhancing our operational performance and accelerating business growth. Our goal is to build a solid foundation for sustainable growth in the coming years, balancing revenue expansion with operational efficiency.

In parallel, we are implementing strategic organizational and structural changes aimed at delivering increasingly customer-centric solutions, prioritizing user experience and internal process efficiency. These initiatives include, for example, the creation of Chapters, the optimization and consolidation of customer service and support areas, and greater integration across different business channels, all with the goal of providing a more seamless and high-quality experience for our clients.

Two years ago, we launched Wake, our e-commerce operation focused on Enterprise clients. Throughout this period, we have worked to increase brand visibility, expand customer acquisition channels, and the operation has been gaining relevance while building new and important success stories, a prime example being Inbrands, one of the largest house of brands in Brazil.

After a year of working with Wake, the positive impacts on Inbrands' operations were immediate:

- +40% sales growth for Salinas in just the second month after migrating to Wake Commerce.

- +18.4% YoY increase in Black Friday sales on the Ellus website following the migration to Wake Commerce.
- Performance gains due to better search engine indexing. Search algorithms prioritize websites based on speed and load time, directly improving SEO. Previously, Ellus' site performance on Google Lighthouse, using the old platform, scored 20 for Performance, 77 for Accessibility, 52 for Best Practices, and 92 for SEO. After migrating to Wake Commerce, the scores improved to 94 for Performance, 86 for Accessibility, 96 for Best Practices, and 100 for SEO.
- Improved conversion and user experience through a faster and more intuitive website.
- Increased operational efficiency with automated inventory and order management via Wake OMS.
- Smoother internal processes for both e-commerce and physical store teams.

We remain attentive to market changes and trends, always committed to innovation, operational excellence, and the sustainability of our business. Our focus remains on placing the customer at the center of all our actions, continuously striving to improve the user experience, expand our service offerings, increase our addressable market, and strengthen our competitive position. With a dedicated team, well-planned strategies, and a long-term vision, we are confident that we are on the path to consolidating our growth, generating value for our shareholders, and making a significant contribution to the development of the e-commerce and digital retail sector.

// Performance

// Net Operating Revenue

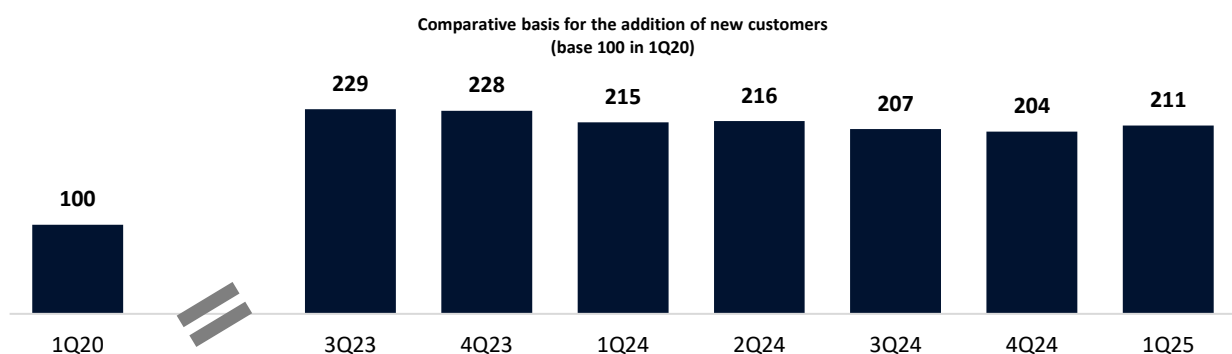
(R\$ million)

LWSA	1Q25	1Q24	vs 1Q24	4Q24	vs 4Q24
Commerce					
Net Revenue	244.2	216.8	12.6%	259.7	-6.0%
Segment share in the consolidated	70.0%	67.6%	2.4 p.p.	71.3%	-1.3 p.p.
BeOnline / SaaS					
Net Revenue	104.7	103.8	0.9%	104.4	0.3%
Segment share in the consolidated	30.0%	32.4%	-2.4 p.p.	28.7%	1.3 p.p.
Consolidated					
Net Revenue - Consolidated	348.9	320.6	8.8%	364.1	-4.2%

In the Commerce segment, Net Operating Revenue grew by 12.6% in 1Q25, increasing from R\$ 216.8 million in 1Q24 to R\$ 244.2 million in 1Q25.

Net Subscription Revenue from the Platform grew by 15.5% in 1Q25 compared to 1Q24, driven by a 6.8% increase in the number of paying subscribers, which reached 195.9 thousand customers in 1Q25, and the expansion of ARPU from the existing base.

We observed a slight recovery in the pace of gross addition of new e-commerce subscribers in the quarter compared to the previous quarter. This recovery occurred primarily in the e-commerce platform operation for SMEs, which contributed to both the expansion of the number of paying subscribers and the growth of platform subscription revenue. The chart below, with a base of 100 in 1Q20, shows the evolution of customer additions by quarter:



On the other hand, Ecosystem Net Revenue grew by 9.9% in 1Q25 compared to the same period last year.

The GMV processed through the LWSA ecosystem, that is, the GMV from Owned Stores and the GMV transacted in marketplaces by our ERP operations and marketplace integrators, reached R\$ 18.2 billion in 1Q25, a volume 14.5% higher than in 1Q24. We also observed a 14.1% growth compared to 1Q24 in sales from our clients' owned stores, accelerating the growth rate compared to what was presented in 4Q24.

It is worth emphasizing that the growth in sales from owned stores in 1Q25, above the market average, is due to the solid value proposition of the LWSA ecosystem, which enables the retailer to boost their sales across various media and channels on their own through their control panel. This process is supported by our e-learning ecosystem, which aims to give retailers greater control over their marketing efforts.

The TPV from the payments operation, another important driver for Ecosystem Revenue, grew by 15.7% in 1Q25 compared to 1Q24, reaching R\$ 2.0 billion in the period. This result was mainly driven by the growth of GMV from Owned Stores and the capture of synergies between the acquired companies through our payments solution.

In the BeOnline / SaaS segment, we continued with the discontinuation of some less profitable operations in the Nextios corporate operation, which naturally led to the stabilization of its Net Revenue in the YoY comparison (and consequently affected the group's growth when compared to the previous year). The growth was 0.9% compared to 1Q24.

LWSA's Net Revenue totaled R\$ 348.9 million in 1Q25, an increase of 8.8% compared to 1Q24.

// Operating Costs and Expenses

(R\$ million)

LWSA	1Q25	1Q24	vs 1Q24	4Q24	vs 4Q24
Cost of Services	186.4	168.1	10.9%	196.1	-5.0%
% Net Revenue	53.4%	52.4%	1.0 p.p.	53.9%	-0.4 p.p.
Selling Expenses	67.6	69.7	-2.9%	71.2	-5.1%
% Net Revenue	19.4%	21.7%	-2.4 p.p.	19.6%	-0.2 p.p.
General and Administrative Expenses	62.3	59.9	4.0%	69.6	-10.5%
% Net Revenue	17.9%	18.7%	-0.8 p.p.	19.1%	-1.3 p.p.
Other Operating (Revenues) Expenses	0.6	(0.7)	-187.6%	(2.9)	-120.0%
% Net Revenue	0.2%	-0.2%	0.4 p.p.	-0.8%	1.0 p.p.
Total Operating Cost and Expenses	316.9	297.0	6.7%	334.1	-5.1%
% Net Revenue	90.8%	92.6%	-1.8 p.p.	91.8%	-0.9 p.p.

LWSA's total operating costs and expenses increased by 6.7% in 1Q25 compared to the same period last year.

Cost of Services

The cost of services in 1Q25 was R\$ 186.4 million, an increase of 10.9% compared to the same period in the previous year, representing 53.4% of net revenue in 1Q25 and 52.4% in 1Q24. This increase is directly related to the cloud environment migration process in some of the group companies, which temporarily raised the costs in this category during the period.

Selling Expenses

Sales expenses, which include marketing and sales teams as well as contracted services of the same nature, amounted to R\$ 67.6 million in 1Q25, showing a reduction of 2.9% compared to 1Q24. This result is due to restructuring efforts of the go-to-market strategies focused on the customer journey within the ecosystem and operational leverage.

General and Administrative Expenses

General and administrative expenses, which cover administrative areas such as finance, HR, accounting, and tax teams, as well as expenses and outsourced services related to these areas, including depreciation and amortization of assets under IFRS 16 and PPA, amounted to R\$ 62.3 million in 1Q25 and R\$ 59.9 million in the same period of 2024, reflecting a 4.0% increase, lower than the growth of the Company's Net Revenue, as a result of the Company's initiatives to consolidate structures and capture operational synergies within the group.

// Gross Profit

(R\$ million)

LWSA	1Q25	1Q24	vs 1Q24	4Q24	vs 4Q24
Commerce					
Gross Profit	129.4	113.6	13.9%	129.4	0.0%
Gross Margin (%)	53.0%	52.4%	0.6 p.p.	49.8%	3.2 p.p.
BeOnline / SaaS					
Gross Profit	33.1	38.9	-14.9%	38.6	-14.2%
Gross Margin (%)	31.6%	37.5%	-5.8 p.p.	37.0%	-5.3 p.p.
Consolidated					
Gross Profit	162.5	152.5	6.5%	168.0	-3.3%
Gross Margin (%)	46.6%	47.6%	-1.0 p.p.	46.1%	0.4 p.p.

Consolidated Gross Profit increased by 6.5% in 1Q25 compared to 1Q24, reaching R\$ 162.5 million. The Gross Margin showed a decrease of -1.0 percentage point, impacted by the cloud environment migration process in some of the group companies, which temporarily raised the costs in this category during the period.

In the Commerce segment, the Gross Margin expanded by 0.6 percentage points in 1Q25 compared to 1Q24.

// EBITDA and Adjusted EBITDA

(R\$ million)

LWSA	1Q25	1Q24	vs 1Q24	4Q24	vs 4Q24
Net Income (Loss)	14.8	24.5	-39.5%	(17.5)	-184.7%
(+) Net Financial Income	8.2	(9.3)	-189.1%	45.4	-81.8%
(+) Current Income Tax and Social Contribution	8.9	8.4	6.0%	2.1	324.4%
(+) Depreciation and Amortization	34.4	31.6	9.0%	33.6	2.5%
EBITDA	66.3	55.2	20.3%	63.6	4.4%
(+) Stock Options Plan and Restricted Shares Plan	1.8	3.4	-46.3%	3.8	-51.5%
(+) M&A Expenses	0.3	0.9	-67.9%	0.3	-14.7%
(+) Non-Recurring Expenses / Restructuring	1.7	1.5	n/a	13.6	n/a
Adjusted EBITDA	70.2	61.0	15.1%	81.3	-13.7%
<i>Adjusted EBITDA Margin (%)</i>	<i>20.1%</i>	<i>19.0%</i>	<i>1.1 p.p.</i>	<i>22.3%</i>	<i>-2.2 p.p.</i>

LWSA's Adjusted EBITDA in 1Q25 was R\$ 70.2 million, an amount 15.1% higher than in 1Q24, with the Adjusted EBITDA Margin expanding by 1.1 percentage points during the same period.

Non-recurring expenses are related to severance costs associated with staff reductions in corporate restructurings.

It is worth noting that in this quarter, we had an impact of approximately R\$ 3.5 million related to payroll tax exemption, which also impacted the Adjusted EBITDA Margin by 1.0 percentage point.

// Adjusted EBITDA margin by segment

LWSA	1Q25	1Q24	vs 1Q24	4Q24	vs 4Q24
Commerce					
Adjusted EBITDA	42.1	32.6	29.0%	56.6	-25.6%
<i>Adjusted EBITDA Margin (%)</i>	<i>17.2%</i>	<i>15.1%</i>	<i>2.2 p.p.</i>	<i>21.8%</i>	<i>-4.5 p.p.</i>
BeOnline / SaaS					
Adjusted EBITDA	28.1	28.4	-0.9%	24.7	13.6%
<i>Adjusted EBITDA Margin (%)</i>	<i>26.8%</i>	<i>27.3%</i>	<i>-0.5 p.p.</i>	<i>23.7%</i>	<i>3.1 p.p.</i>
Consolidated					
Adjusted EBITDA	70.2	61.0	15.1%	81.3	-13.5%
<i>Adjusted EBITDA Margin (%)</i>	<i>20.1%</i>	<i>19.0%</i>	<i>1.1 p.p.</i>	<i>22.3%</i>	<i>-2.2 p.p.</i>

The Adjusted EBITDA margin in the Commerce segment expanded by 2.2 percentage points compared to 1Q24, primarily due to the Company's initiatives for consolidating structures and capturing operational synergies within the group.

In the BeOnline / SaaS segment, the Adjusted EBITDA margin in 1Q25 was 26.8%, nearly in line with the results from 1Q24.

// Financial Result

(R\$ million)

LWSA	1Q25	1Q24	vs 1Q24	4Q24	vs 4Q24
Financial revenues	16.9	34.7	-51.4%	14.9	13.5%
Financial expenses	(25.1)	(25.4)	-1.3%	(60.3)	-58.3%
Net financial income (expenses)	(8.2)	9.3	-189.1%	(45.4)	-81.8%

The net financial result in 1Q25 was an expense of R\$ 8.2 million. Regarding financial expenses, we would like to highlight the following points:

- (i) Fair value remeasurement of Earnouts, related to the AVP of the remaining balance to be paid in 2Q25, totaling R\$ 7.4 million in 1Q25;
- (ii) Expense of R\$ 10.6 million due to the early payment of receivables in the payments operation, a modality chosen by the Company to finance the working capital required for payment operations. This amount, as a percentage of TPV, was 0.52% in 1Q25 compared to 0.62% in 1Q24;
- (iii) Lower financial income related to the Company's cash investments, mainly due to the reduction in cash balance resulting from the payment of Earnouts (R\$ 561 million in 2024), the share buyback program carried out throughout 2024 and early 2025, and the payment of dividends amounting to R\$ 40.0 million in November 2024. This reduction in cash balance resulted in a decrease of R\$ 17.8 million in the Company's financial income in 1Q25.

// Effective Tax Rate

(R\$ million)

LWSA	1Q25	1Q24
Income (loss) before income taxes	23.7	32.9
Combined statutory rate of 34%	34%	34%
Income taxes at a combined statutory rate of 34%	(8.1)	(11.2)
Adjustments to the effective rate		
Effect of stock options plan expenses	0.3	(0.6)
Deferred tax not accounted for tax loss	(1.9)	(1.3)
Tax benefit from Lei do Bem	1.7	4.5
Others	(0.9)	0.2
Income taxes in the statements of operations	(8.9)	(8.4)
Effective rate	37.4%	25.4%

The effective income tax rate in 1Q25 was 37.4%, mainly impacted by the deferred tax not recognized on tax losses in acquired companies.

// Net Income

(R\$ million)

LWSA	1Q25	1Q24	vs 1Q24	4Q24	vs 4Q24
Net income	14.8	24.5	-39.5%	(17.5)	-184.7%
(+) Stock Options Plan and Restricted Shares Plan	1.8	3.4	-46.3%	3.8	-51.5%
(+) Intangible amortization	9.4	10.0	-5.7%	9.4	0.3%
(+) Adjustment of Acquisition Earnout	7.4	7.1	4.0%	40.5	-81.8%
(+) Deferred Income Tax and Social Contribution	0.3	(17.8)	-101.6%	(2.3)	-112.5%
(+) Non-Recurring Expenses / Restructuring ¹	1.2	0.0	n/a	9.0	-87.2%
Adjusted net income	34.8	27.1	28.4%	42.9	-18.7%
<i>Adjusted net income margin (%)</i>	<i>10.0%</i>	<i>8.5%</i>	<i>1.5 p.p.</i>	<i>11.8%</i>	<i>-1.8 p.p.</i>

¹ Net of Income Tax and Social Contribution

The Net Income for 1Q25 was R\$ 14.8 million. After adjusting for the effects of Stock Option Plans, PPA Intangible Amortization, the non-recurring provision related to a dispute with a supplier, and the Earnout Adjustments from Acquisitions, as well as Deferred Income Tax and Social Contribution, the Adjusted Net Income for the period was R\$ 34.8 million, an amount 28.4% better than the result recorded in 1Q24.

// Indebtedness / Cash Position

(R\$ million)

LWSA	1Q25	4Q24	1Q24
Bank Gross Debt	0.0	0.0	0.0
(-) Cash and cash equivalents	(399.3)	(447.4)	(1,126.3)
Net debt (cash) (ex lease liability)	(399.3)	(447.4)	(1,126.3)
(+) Lease liability ¹	78.2	74.4	74.7
Net debt (cash)	(321.0)	(373.0)	(1,051.6)
(-) Earnouts	275.5	273.0	762.4
Net debt (cash) of Earnouts	(45.6)	(100.0)	(289.2)

¹ Leasing liability refers to the adoption of CPC 06(R2)/IFRS 16 as of January 1, 2019

Due mainly to the share buybacks carried out in 3Q24, 4Q24, and 1Q25, the Company's cash balance reached R\$ 399.3 million in 1Q25. Excluding the remaining Earnouts balance, the net cash balance is R\$ 45.6 million.

It is important to note that (i) the Leasing Liability has a 60-month amortization period and (ii) R\$ 41.9 million of the Earnouts payable balance will be settled by 2Q27. The Net Cash in the Short Term is R\$ 145.2 million.

// Cash Flow

(R\$ million)

LWSA	1Q25	1Q24	vs 1Q24	4Q24	vs 4Q24
Income (loss) before income taxes	23.7	32.9	-27.9%	(15.4)	-254.0%
Items that do not affect cash	46.7	40.2	16.2%	84.4	-44.7%
Variations in working capital ¹	(57.4)	(87.9)	-34.7%	1.1	-5184.5%
Δ (Accounts Receivable - Receivables to be Remitted)	(50.6)	(53.4)	-5.2%	1.5	-3379.4%
Cash Income Tax	(10.0)	(21.9)	-54.2%	(11.8)	-15.0%
Others	3.2	(12.7)	-125.0%	11.4	-72.0%
Net cash provided by operating activities (A)	13.0	(14.9)	-187.4%	70.2	-81.5%
Capex for permanent assets	(4.3)	(10.2)	-57.8%	(8.9)	-51.6%
Capex for development	(20.7)	(16.3)	27.0%	(25.5)	-18.5%
Free Cash Flow - After Capex	(12.1)	(41.4)	-70.9%	35.8	-133.7%
Acquisition	(4.9)	(5.9)	-15.8%	-3.4	44.8%
Other Investments	(0.3)	0.0	n/a	-0.1	240.0%
Net cash provided by investment activities (B)	(30.2)	(32.4)	-6.7%	(37.8)	-20.1%
Loan and financing	(0.0)	(0.0)	-95.7%	(0.0)	-60.0%
Commercial lease	(5.6)	(4.9)	14.9%	(5.3)	5.3%
Share Buyback / Dividends / Others	(25.2)	(9.7)	159.7%	(39.9)	-36.8%
Net cash provided by financing activities (C)	(30.9)	(14.7)	110.6%	(45.3)	-31.8%
Net increase (decrease) in cash and cash equivalents (A + B + C)	(48.1)	(61.9)	-22.3%	(13.0)	271.4%

¹ Calculated from Accounts Receivable minus Receivables to be Remitted and Restricted Cash

The net cash from operating activities totaled R\$ 13.0 million in 1Q25, an amount 187.4% higher than that recorded in 1Q24.

It is important to highlight that, in the working capital line, in 1Q25, we had an outflow of R\$ 10.0 million for income tax and social contribution. We emphasize that, starting in August 2024, we began the process of simplifying the organizational structure with the mergers of Tray, Bling, and Etus in August 2024, and KingHost, Melhor Envio, and Ideris in February 2025. These mergers will allow us to capture tax benefits related to the goodwill of these acquisitions, which will be amortized over the coming years, leading to a significant reduction in the income tax and social contribution paid.

Of the total income tax and social contribution paid in 1Q25, just over 50% refer to the companies whose mergers were approved at the General Shareholders' Meeting on February 28, 2025, and will provide benefits starting in April 2025.

// Cash Generation (Adjusted EBITDA – Capex and Financial Expenses on Receivables)
(R\$ million)

LWSA	1Q25	1Q24	vs 1Q24	4Q24	vs 4Q24
Adjusted EBITDA	70.2	61.0	15.1%	81.3	-13.7%
Capex	25.0	26.5	-5.6%	34.4	-27.1%
Financial Expenses - Receivables Anticipation	10.6	10.8	-1.8%	10.2	3.9%
Cash Generation (R\$ M)	34.6	23.7	46.0%	36.8	-6.0%
<i>Margin (%)</i>	<i>9.9%</i>	<i>7.4%</i>	<i>2.5 p.p</i>	<i>10.1%</i>	<i>-0.2 p.p</i>

The Company's cash generation, measured by Adjusted EBITDA minus Capex and Financial Expense with Early Receivables, increased from R\$ 23.7 million in 1Q24 to R\$ 34.6 million in 1Q25, a growth of 46.0% over the period. This result was driven by the growth in EBITDA (already explained in this report), the dilution of Capex as a percentage of revenue, and the lower financial expense with early receivables.

// ATTACHMENT I - INCOME STATEMENT

INCOME STATEMENT - CONSOLIDATED (in R\$ million)	1Q24	1Q25
NET REVENUE	320.6	348.9
Cost of Services	(168.1)	(186.4)
GROSS PROFIT	152.5	162.5
OPERATING INCOME (EXPENSES)	(128.9)	(130.5)
Selling expenses	(69.7)	(67.6)
General and administrative expenses	(59.9)	(62.3)
Other operating income (expenses), net	0.7	(0.6)
INCOME (LOSS) BEFORE INCOME TAXES	23.6	31.9
FINANCIAL RESULT	9.3	(8.2)
Financial income	34.7	16.9
Financial expenses	(25.4)	(25.1)
INCOME (LOSS) BEFORE INCOME TAXES	32.9	23.7
INCOME TAXES	(8.4)	(8.9)
Current income taxes	(26.2)	(8.6)
Deferred income taxes	17.8	(0.3)
NET INCOME (LOSS)	24.5	14.8

* Sales expenses also include the value of "loss due to impairment," which is disclosed in the Income Statement.

// ATTACHMENT II - BeOnline/SaaS Income Statement

INCOME STATEMENT - BEONLINE / SAAS (in R\$ million)	1Q24	1Q25
GROSS REVENUE, net of rebate	112.1	113.1
Taxes and rebates	(8.2)	(8.4)
NET REVENUE	103.8	104.7
Cost of Services	(64.9)	(71.6)
GROSS PROFIT	38.9	33.1
OPERATING INCOME (EXPENSES)	(35.9)	(29.2)
Selling expenses	(16.4)	(18.9)
General and administrative expenses	(19.6)	(10.4)
Other operating income (expenses), net	0.1	0.1
INCOME BEFORE FINANCIAL RESULTS AND INCOME TAXES	3.0	4.0
DEPRECIATION AND AMORTIZATION	20.5	21.1
EBITDA	23.5	25.1

* Sales expenses also include the value of "loss due to impairment," which is disclosed in the Income Statement.

// ATTACHMENT III - Commerce Income Statement

INCOME STATEMENT - COMMERCE (in R\$ million)	1Q24	1Q25
GROSS REVENUE, net of rebate	237.7	267.9
Taxes and rebates	(20.9)	(23.8)
NET REVENUE	216.8	244.2
Cost of Services	(103.2)	(114.8)
GROSS PROFIT	113.6	129.4
OPERATING INCOME (EXPENSES)	(93.0)	(101.4)
Selling expenses	(53.3)	(48.7)
General and administrative expenses	(40.3)	(51.9)
Other operating income (expenses), net	0.6	(0.7)
INCOME BEFORE FINANCIAL RESULTS AND INCOME TAXES	20.6	28.0
DEPRECIATION AND AMORTIZATION	11.1	13.3
EBITDA	31.7	41.3

* Sales expenses also include the value of "loss due to impairment," which is disclosed in the Income Statement.

// ATTACHMENT IV - Consolidated Balance Sheet

Balance Sheet (R\$ millions)	1Q24	4Q24	1Q25
	03/31/2024	12/31/2024	03/31/2025
ASSETS			
Current Assets			
Cash and cash equivalents	1,126.3	447.4	399.3
Restricted cash	0.0	96.6	74.5
Accounts receivable	802.6	712.4	769.1
Taxes recoverable	8.3	2.4	3.7
Income tax and social contribution to be recovered	19.3	39.7	44.6
Derivatives	0.0	0.0	0.0
Other assets	41.2	36.0	38.4
Total current assets	1,997.6	1,334.5	1,329.5
Non-current assets			
Marketable Securities	17.6	15.0	13.3
Restricted cash	0.0	0.0	0.0
Judicial deposits	0.6	0.5	1.9
Other assets	9.0	11.4	5.4
Deferred income taxes	200.4	211.2	207.3
Investments	0.0	0.0	0.0
Property and equipment	85.0	80.7	78.9
Right of Use Assets	65.4	64.4	67.9
Intangible assets	2,284.8	2,292.9	2,291.5
Total non-current assets	2,662.8	2,676.1	2,666.2
TOTAL ASSETS	4,660.5	4,010.6	3,995.6

// ATTACHMENT IV - Consolidated Balance Sheet

Balance Sheet (R\$ millions)	1Q24	4Q24	1Q25
	03/31/2024	12/31/2024	03/31/2025
LIABILITIES AND EQUITY			
Current liabilities			
Suppliers	34.1	40.5	39.7
Loans and financing	0.0	0.0	0.0
Lease liability	12.8	14.5	16.4
Salaries and related charges	120.6	84.6	95.5
Income tax and social contribution payable	0.0	0.0	0.0
Other taxes payable	13.9	16.1	14.5
Deferred revenue	95.3	99.3	101.2
Payables to clients	601.3	614.7	598.8
Interest on shareholders' equity and dividends payable	0.0	0.0	0.0
Taxes in installments	3.1	3.3	3.3
Derivative financial instruments	0.2	0.0	0.0
Accounts payable to former shareholders	574.9	231.1	237.7
Other liabilities	23.0	25.8	28.3
Total current liabilities	1,479.2	1,129.8	1,135.4
Non Current Liabilities			
Loans and financing	0.0	0.0	0.0
Deferred revenue	5.1	0.8	0.9
Provision for legal proceedings	5.9	8.2	3.3
Accounts payable to former shareholders	187.5	41.9	37.7
Lease liability	61.9	59.9	61.9
Taxes in installments	13.8	12.1	11.5
Deferred income tax and social contribution	5.7	10.0	6.4
Other liabilities	1.5	2.0	2.1
Total non-current liabilities	281.4	135.0	123.8
EQUITY			
Capital Stock	2,940.1	2,868.3	2,868.3
Shares held in Treasury	(72.9)	(25.4)	(50.6)
Canceled Shares held in Treasury		(189.7)	(189.7)
Capital reserves	80.1	90.4	91.4
Earning reserves	0.0	2.2	2.2
Asset valuation adjustment	(0.1)	0.0	0.0
Earnings of the period	(47.4)	0.0	14.8
Total EQUITY	2,899.8	2,745.8	2,736.5
Total liabilities and equity	4,660.5	4,010.6	3,995.6

// ATTACHMENT V - Cash Flow

Cash Flow	1Q24	1Q25
Net Cash provided by operating activities		
Income (loss) before income taxes	32,859.0	23,703.0
Items that do not affect cash	40,186.0	46,692.0
Variations in working capital	(87,916.0)	(57,404.0)
Net cash provided by operating activities	(14,871.0)	12,991.0
Net cash provided by investment activities		
Purchase of property and equipment	(10,200.0)	(4,308.0)
Accounts payable for acquisition of equity interest	(5,869.0)	(4,939.0)
Restricted Financial Application	0.0	(255.0)
Acquisition and development of intangible assets	(16,327.0)	(20,739.0)
Net cash provided by investment activities	(32,396.0)	(30,241.0)
Net cash provided by investment activities		
Capital Contribution / Proceed from the Exercise of SOP	0.0	772.0
Lease Liabilities	(4,892.0)	(5,621.0)
Loans and Financing Paid	(42.0)	(2.0)
Interest and Foreign Exchange Variation Paid	(4.0)	0.0
Dividends and IOC	0.0	0.0
Treasury Shares	(9,717.0)	(26,008.0)
Net cash provided by investment activities	(14,655.0)	(30,859.0)
Net increase (decrease) in cash and cash equivalents	(61,922.0)	(48,109.0)
Cash and cash equivalents at beginning of the year	1,188,223.0	447,378.0
Cash and cash equivalents at end of the year	1,126,301.0	399,269.0
Net increase (decrease) in cash and cash equivalents	(61,922.0)	(48,109.0)

// Glossary

Adjusted EBITDA – A metric that results from EBITDA after excluding non-recurring items.

AI (Artificial Intelligence) – Acronym for Artificial Intelligence.

AVP (Present Value Adjustment) – Acronym for Present Value Adjustment.

Average Revenue Per User (ARPU) – A metric used by subscription-based companies to measure their revenue per user.

Bacen (Central Bank of Brazil) – Acronym for Central Bank of Brazil.

Bookings – Addition of new customers.

CAC (Customer Acquisition Cost) – Determines how much the company is spending to acquire a new customer.

CAPEX (Capital Expenditure) – Resources invested in the development, expansion, or acquisition of an asset.

Churn – Metric used to determine loss of revenue or customers.

Cross-Selling – A technique used to sell multiple complementary services to the same customer.

Earnout – A contractual clause in mergers and acquisitions that provides for additional payments based on future business performance.

Ecosystem GMV – All GMV transacted within the company by e-commerce platform subscribers, whether in their own stores or marketplaces.

EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) – A financial metric measuring a company's operating performance.

EOP (End of Period) – A term referring to the end of a given period.

ERP (Enterprise Resource Planning) – A system developed to unify the control of different departments and processes.

Free Float – The portion of a company's shares that are freely available for trading on the market, meaning they are not held by majority shareholders or controllers.

GMV (Gross Merchandise Volume) – The total value of goods transacted.

Goodwill – The premium paid for acquiring a company above its market value.

Headcount – The total number of employees in an organization.

Inside Sales – A sales structure that relies on an internal team of employees.

Live Shop – A sales format that takes place through live-streaming events. Offers are presented while products are showcased along with their features and functionalities.

LTV (Lifetime Value) – A business metric that estimates the contribution margin generated by each customer over their lifecycle with the company.

LTV/CAC (Lifetime Value/Customer Acquisition Cost) – Metrics used to measure overall business performance.

Market Share – The portion of a market controlled by a particular company.

Marketplaces – Platforms managed by a company that aggregate products and services from various brands.

Omnichannel / Omnicanal – A retail trend that integrates all of a company's sales channels, ensuring a seamless experience between online and offline environments. Omnichannel strategies unify physical stores, online platforms, and customer interactions.

OMS (Order Management System) – A system that supports all stages of the sales process, from customer order placement to final delivery.

POS (Point of Sale) – The physical or digital location where transactions occur.

PPA (Purchase Price Allocation) – A process that determines the value of a company's acquired assets and liabilities, typically conducted after a merger, acquisition, or other business combination.

R&D (Research and Development) – Acronym for Research and Development.

TPV (Total Payment Volume) – KPI used to measure the total volume of money transacted through payment methods.

Up-Selling – A strategy aimed at encouraging customers to purchase a more premium or advanced version of a product or service.

White Label – A business model in which a product can be resold by other companies under their own brand, without disclosing the original manufacturer.

YoY (Year over Year) – An acronym used to compare performance on an annual basis.

lwsa

(B3: LWSA3)

**Check out the other 1Q25 documents
on the website:** <https://ri.lwsa.tech/>

Further information:

[Click here](#) to contact the Investor Relations team

[Click here](#) to join the LWSA Mailing List

Thank you.

LWSA Team.