locawebcompany

Results Presentation
3Q22

11/11/2022

Disclaimer

The statements contained in this document related to business prospects, projections on operating and financial results and those related to Locaweb'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 thousands of reais (unless otherwise stated), as well as rounding. This performance report includes 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 have not been reviewed by the Company's independent auditors

Highlights

Fernando Cirne
CEO

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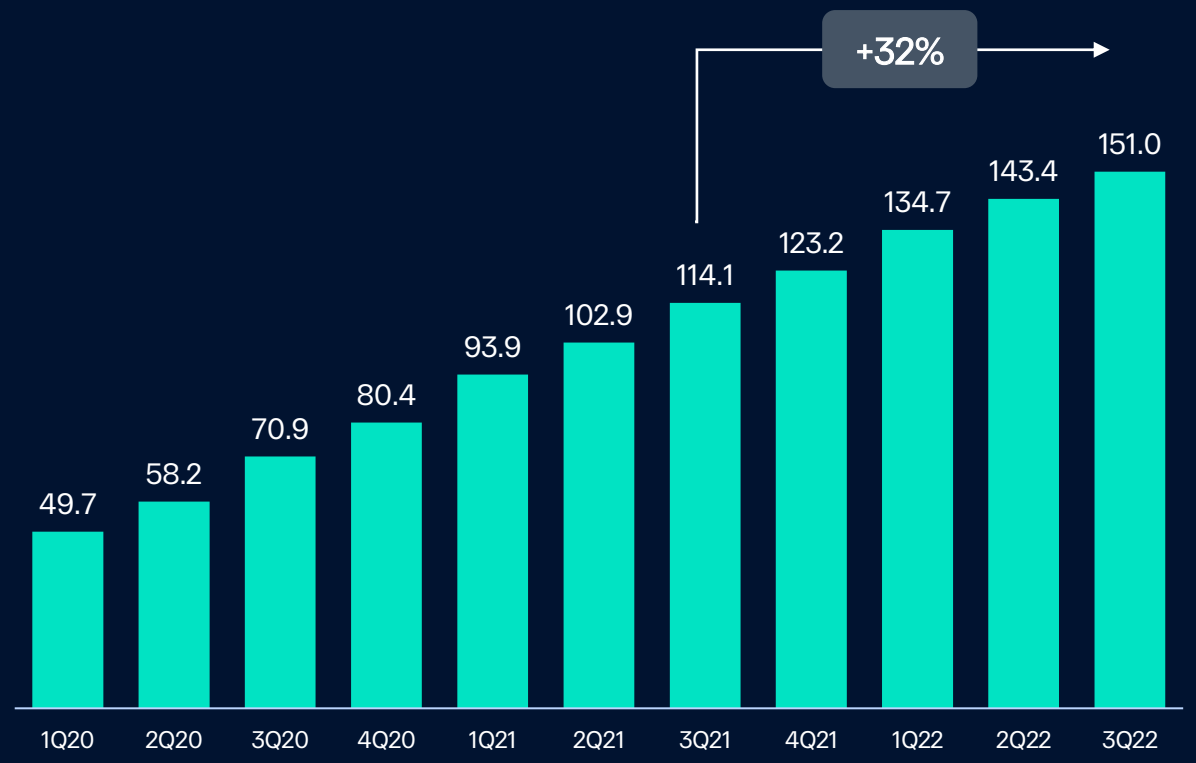
Quarter Highlights

- 3Q22 Results aligned with the Company's budget plan
- Recurring e-commerce customer base (Tray, Bagy, Dooca, and Bling) continued to show consistent growth in 3Q22 and reached 151.0 thousand subscriptions
- We kept up the pace of adding customers in the Commerce segment for the 5th consecutive quarter
- Net Revenue showed growth of 45.5% in 3Q22 vs 3Q21
- Increase in Net Revenue in the Commerce segment in 3Q22 vs 3Q21 was 87% and vs 2Q22 was 14%
- Revenue model with low dependence on the GMV growth
- Commerce segment already accounts for 65% of the Group's Net Revenue
- Improved organic EBITDA margins
- Evolution of EBITDA margin of the acquired companies compared to 4Q21, 1Q22, and 2Q22
- The ecosystem generated R$ 13 billion in GMV

Consistent Evolution of the e-commerce paying subscriber base

E-commerce subscribers

Thousands

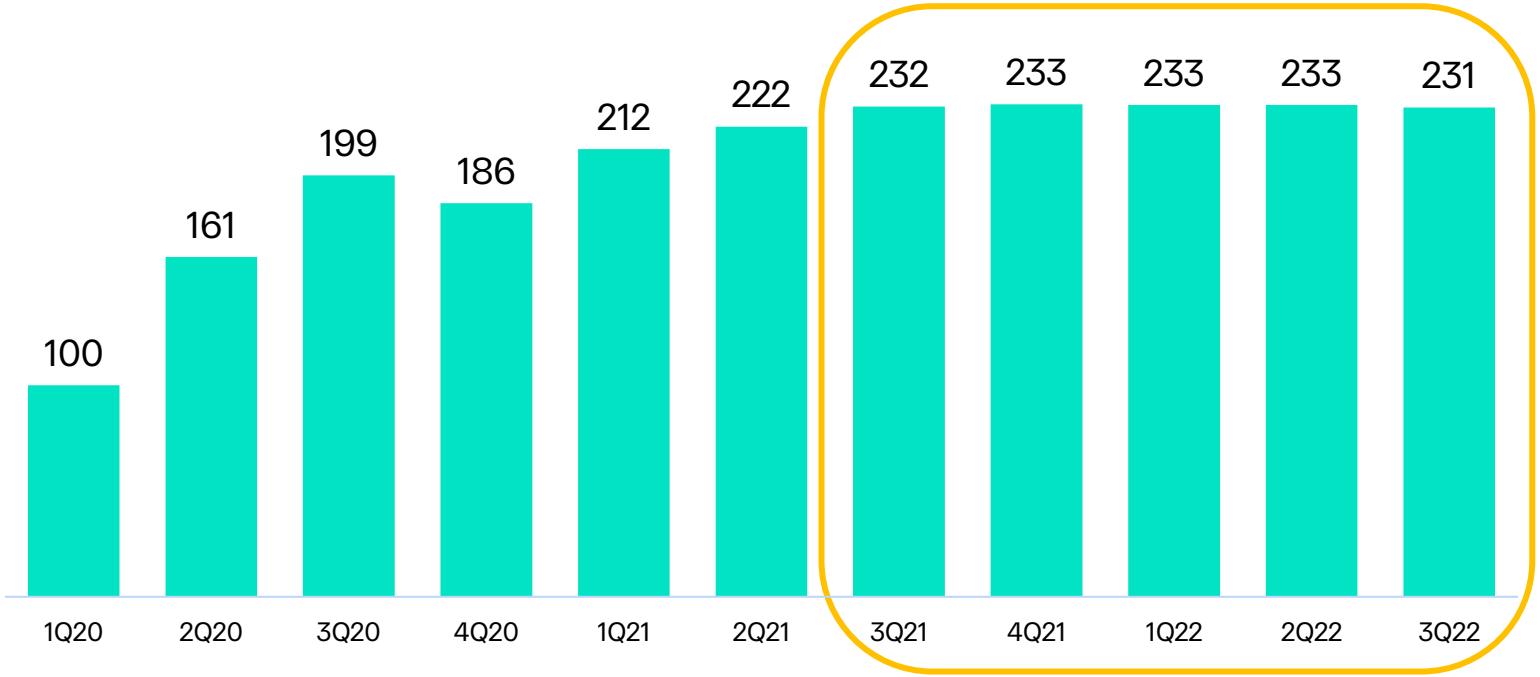


Total customer volume of the Commerce operation during the 3Q was 401 thousand unique customers

Maintaining the pace of adding new e-commerce subscribers

Addition of stores

Base 100 in 1Q20



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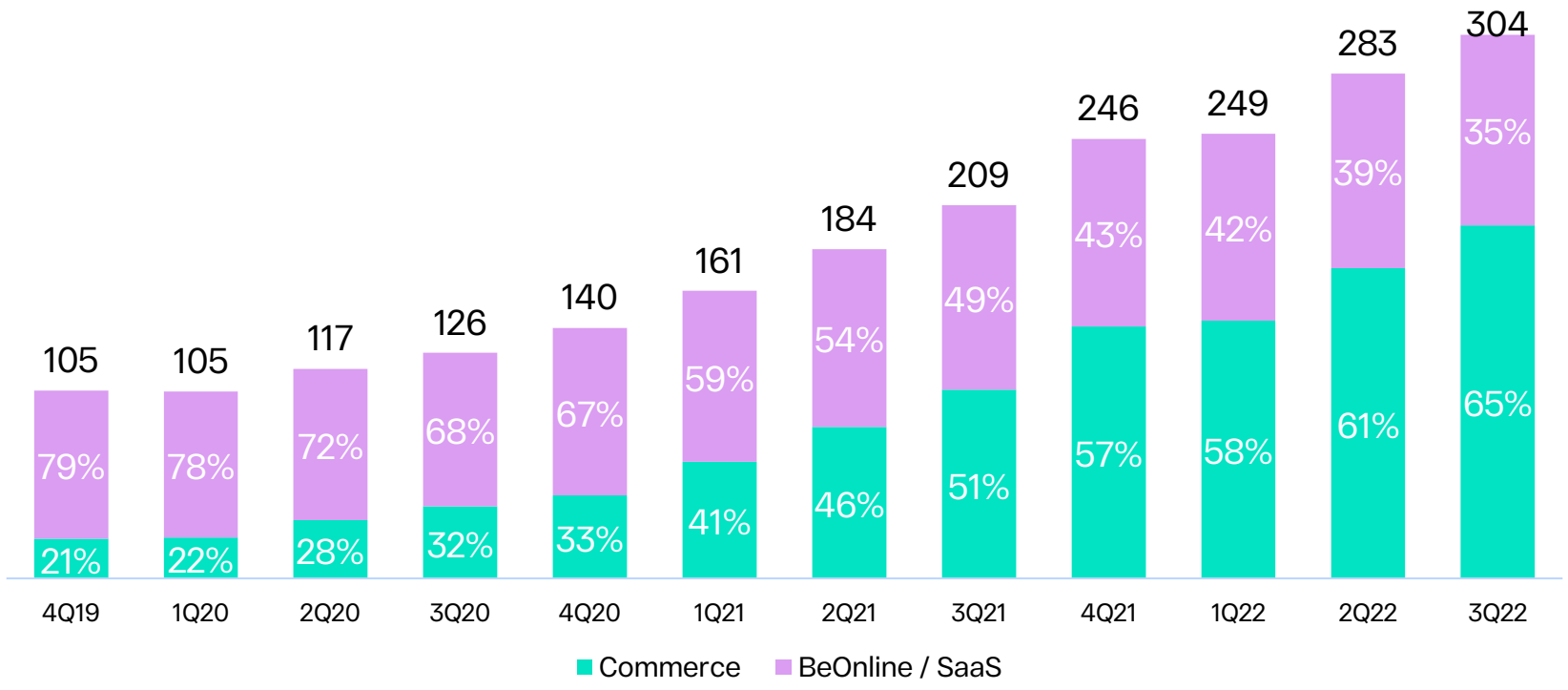
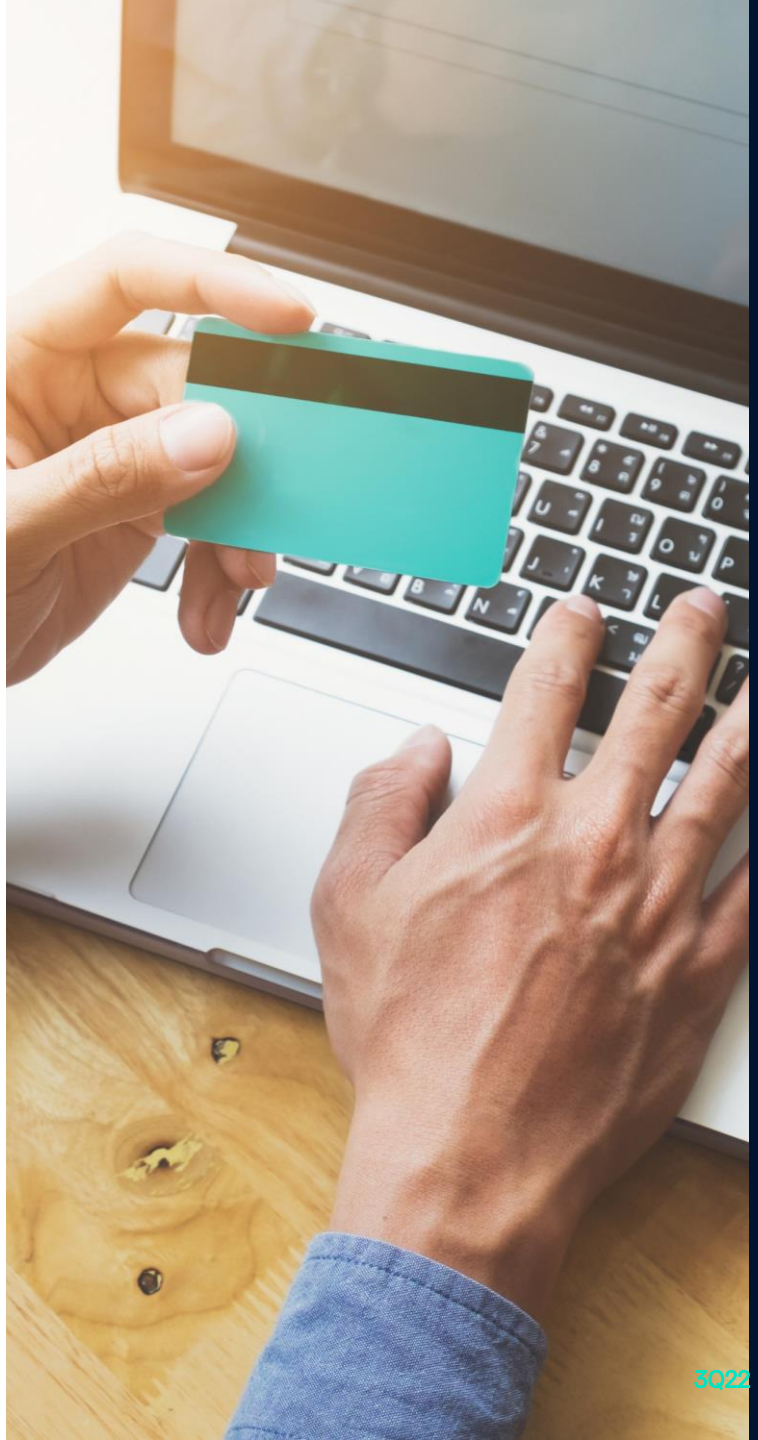
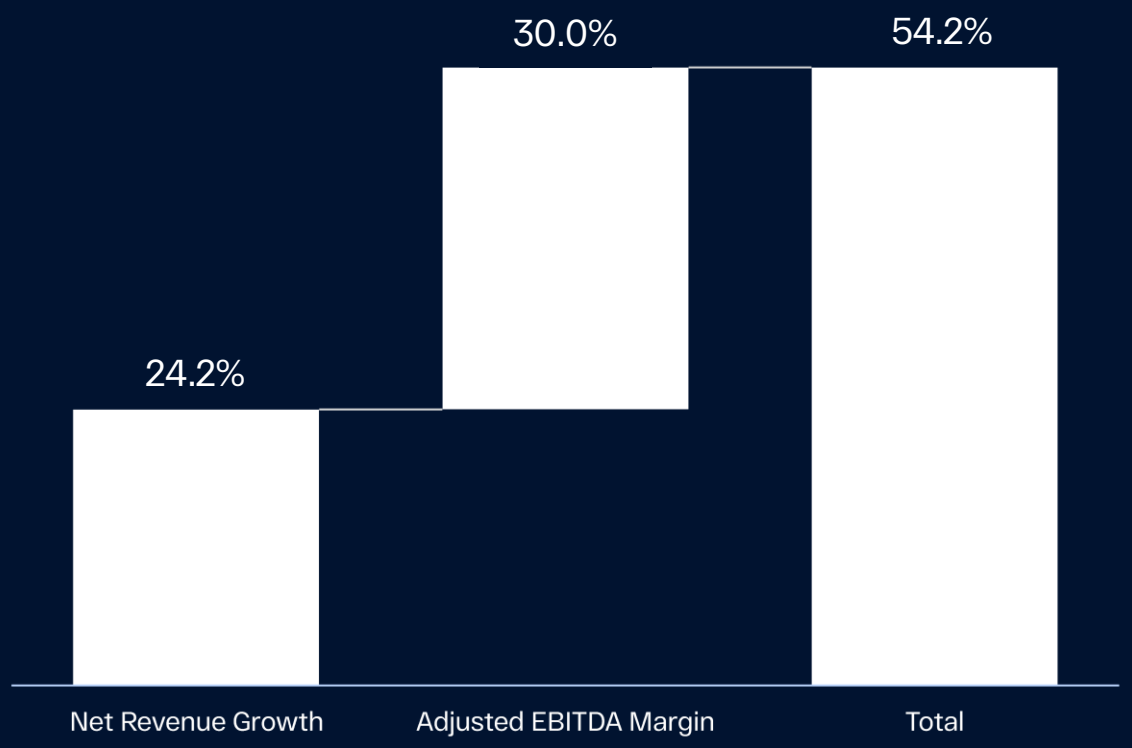
Commerce already accounts for 65% of the group's Revenue

Consolidated Net Revenue



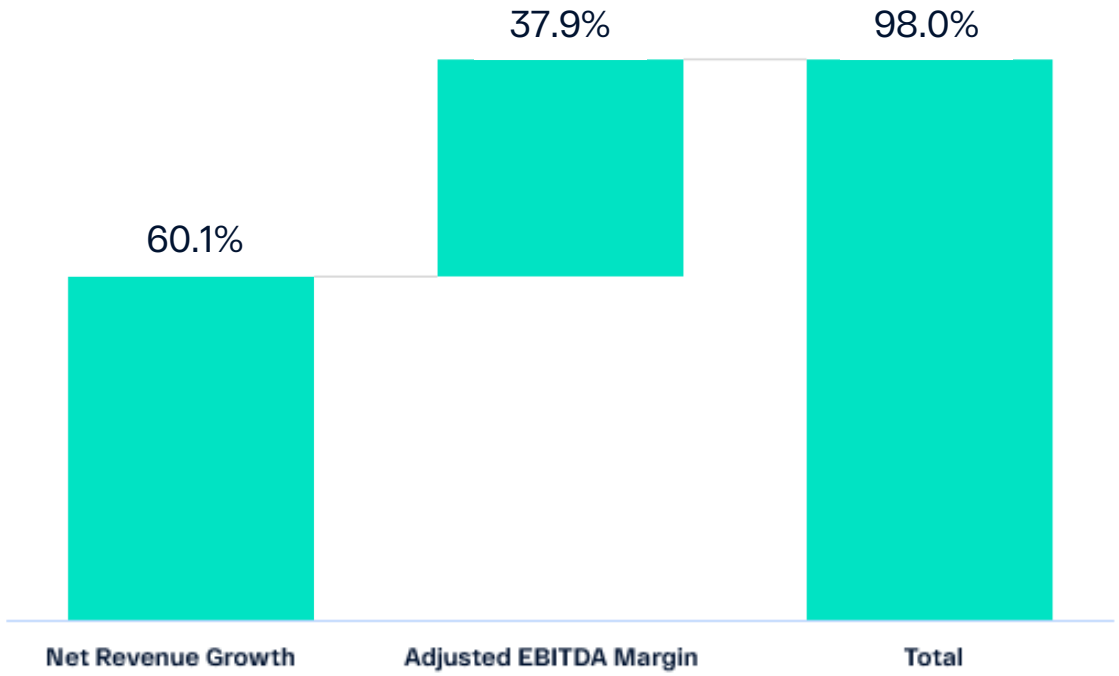


Rule of 40 – Consolidated Organic Operation (BeOnline / SaaS and Commerce)



Rule of 40
Consolidated organic operation reached 54.2% in 3Q22

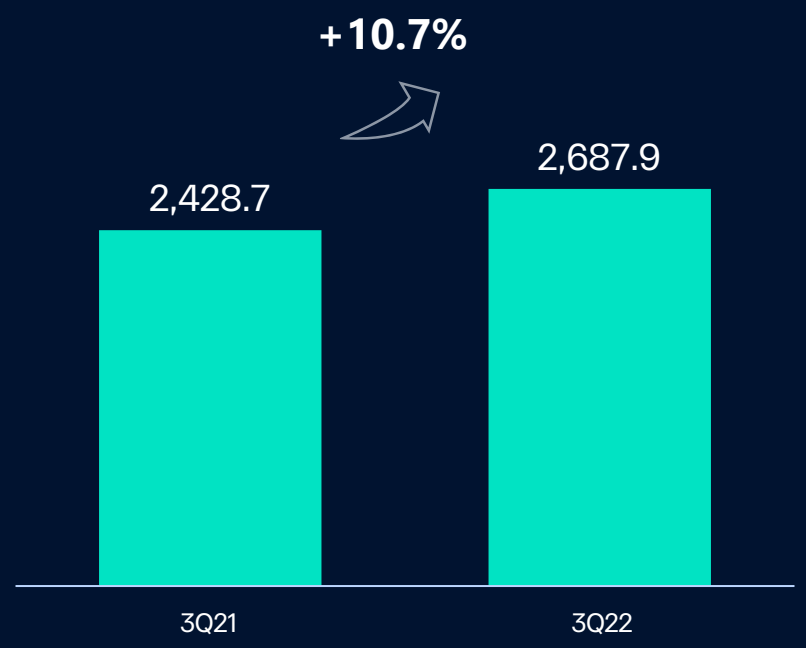
Rule of 40 – Organic Operation of the Commerce segment



Rule of 40 – **Commerce** organic operation reached **98.0%** in 3Q22

GMV of e-commerce Platform

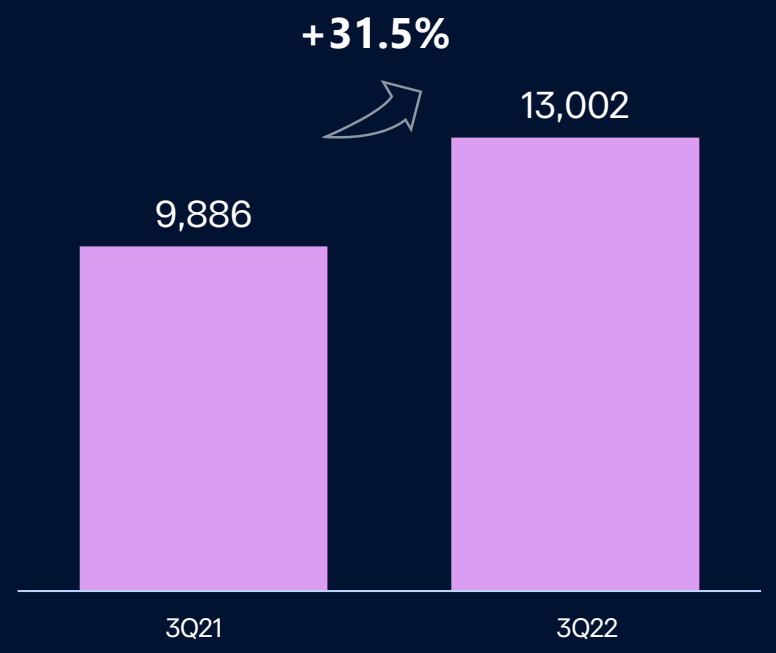
R$ million



GMV on e-commerce Platforms. GMV on our clients' own stores grew 15.3% YoY

Ecosystem GMV

R$ million

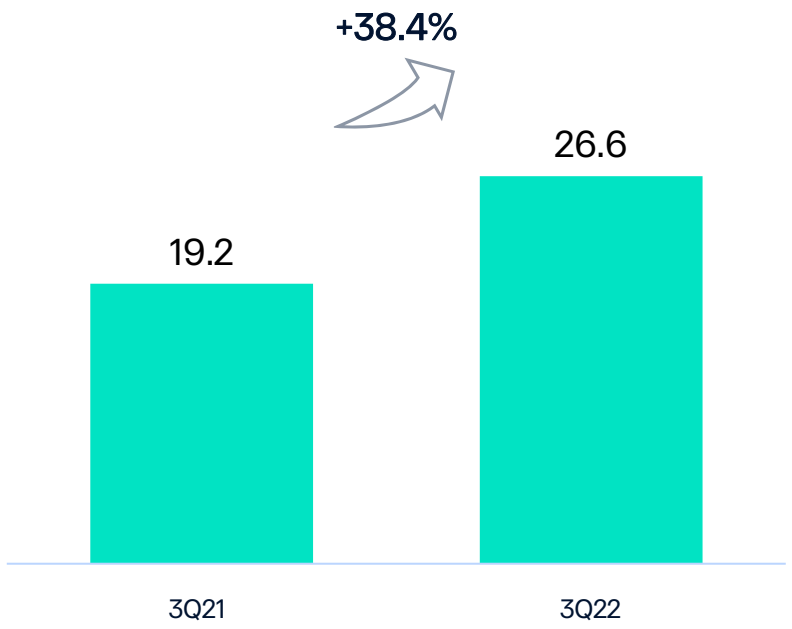


GMV on e-commerce platforms plus GMV traded on marketplaces via ERP operations and marketplace integrators

Performance of Acquired Companies

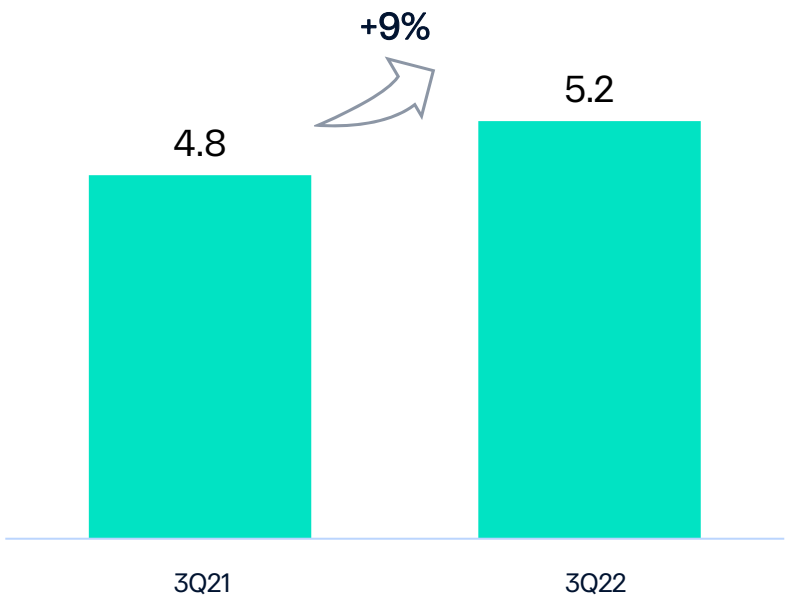
GMV of Bling Invoices (on and offline)

R$ billion



Number of tags generated in Melhor Envio

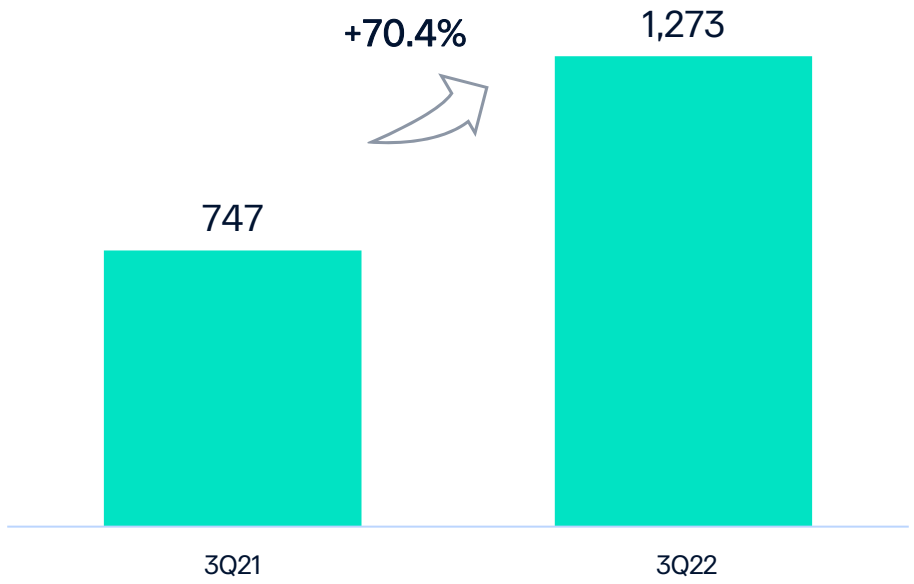
In million



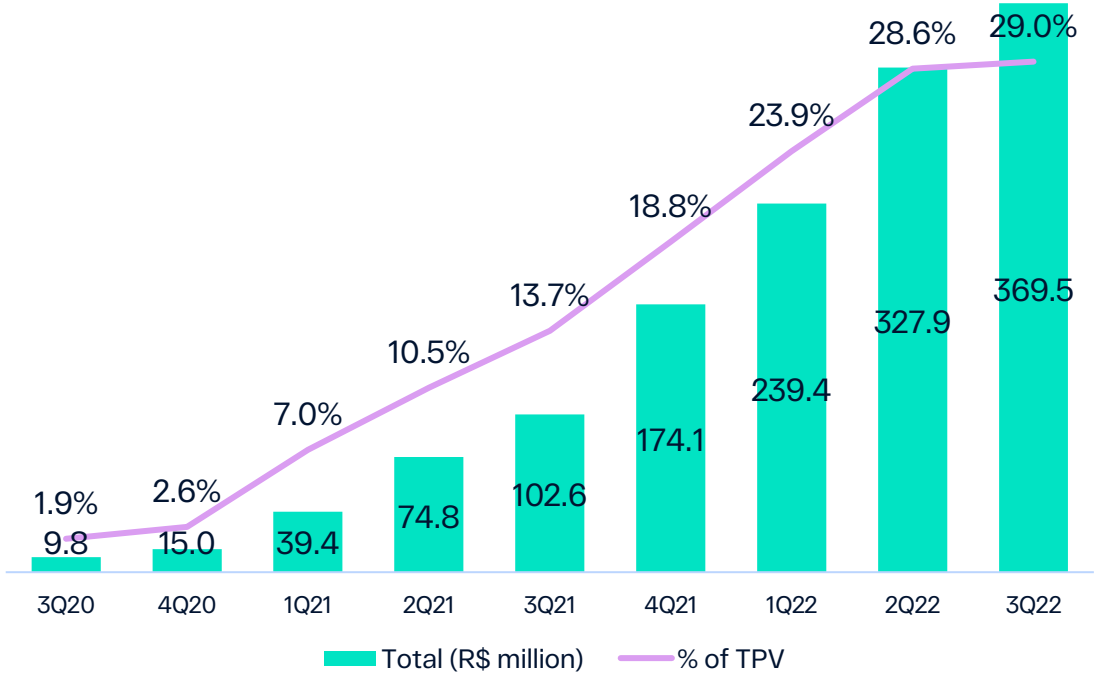
Net Revenue grew above 70% driven by the change in the business model

Methods of Payment – Vindi

TPV
R$ million



TPV generated from the synergies



Margin evolution of acquired companies

- The largest operations (Bling, Melhor Envio, Squid, Vindi, and Octadesk) will see margin growth driven by operational leverage
- Bagy and Dooca platforms are in the process of merging so they can share their structures
- Ideris and Samurai are being incorporated within the Tray Corp platform, also sharing their structures
- Commerce Enterprise will soon launch a new brand and all its operations will make use of a structure of marketing and channels

Integration of operations

- Advanced stage of integrations in a short time
- We have a structure in place dedicated to the development of these integrations
- We have KPIs to monitor the evolution of each of the integrations
- There are already several examples of integrations and journeys within our Ecosystem. That is why...

On October 18 we held our 1st INVESTOR DAY when we showed the integrations in practice and some clients' cases.

ESG at Locaweb Company

- We have been a GPTW-certified company since 2014
- We have been certified and recognized as an Amazing Place to Work by the FIA since 2021
- We were recognized by Você S/A the Best companies to work for 6 years
- Locaweb's Mission has a social nature: **Help businesses to be born and prosper through technology**
- 3rd place in the Institutional Investor ESG Ranking in 2022 in the Tech, Media and Telecom (TMT) ranking across Latin America (+100 companies)
- To reinforce our commitment to sustainable development, we launched our Social and Environmental Responsibility Policy
- In 2021 we started the consolidation of ESG indicators for the entire Locaweb Company and

On October 18, 2022, we launched our 1st ESG Report

Results

Rafael Chamas
CFO and IRO

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3Q22 Results Highlights

+45%

Net Revenue in 3Q22 *vs* 3Q21 (R$304.3 million)

+87%

Commerce Net Revenue in 3Q22 vs 3Q21

+14%

Commerce Net Revenue in 3Q22 vs 2Q22

+32%

Platform Subscriber Base (151.0 thousand subscribers)

+70%

TPV in 3Q22 vs 3Q21 R$ 1.3 bi

16.6%

Adjusted EBITDA Margin +2.3 p.p. vs 2Q22

R$ 33 mm

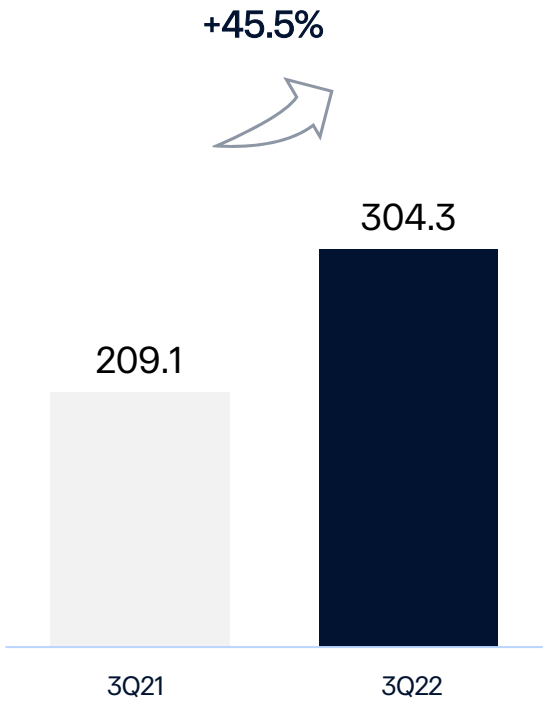
Adjusted Net Income in 3Q22

R$ 1.4 bi

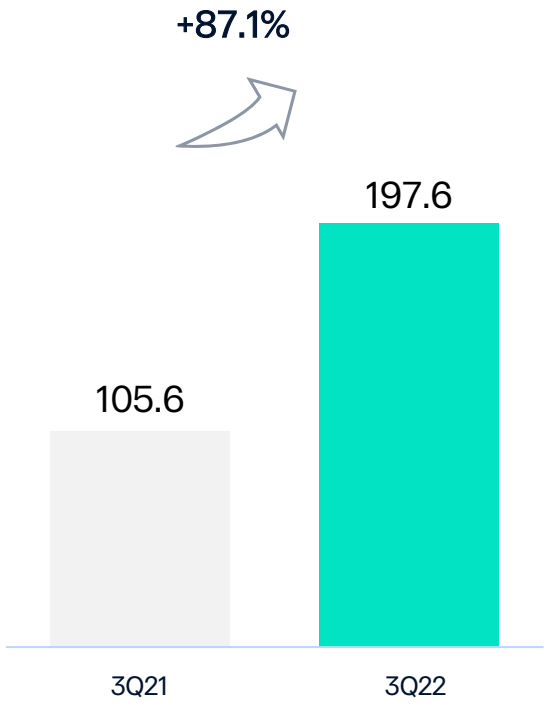
Net cash position

Net Revenue 3Q22

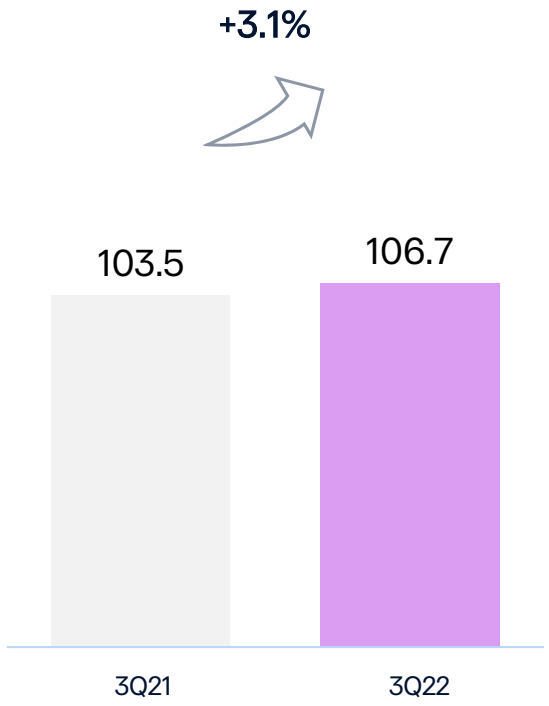
Consolidated
R$ mi



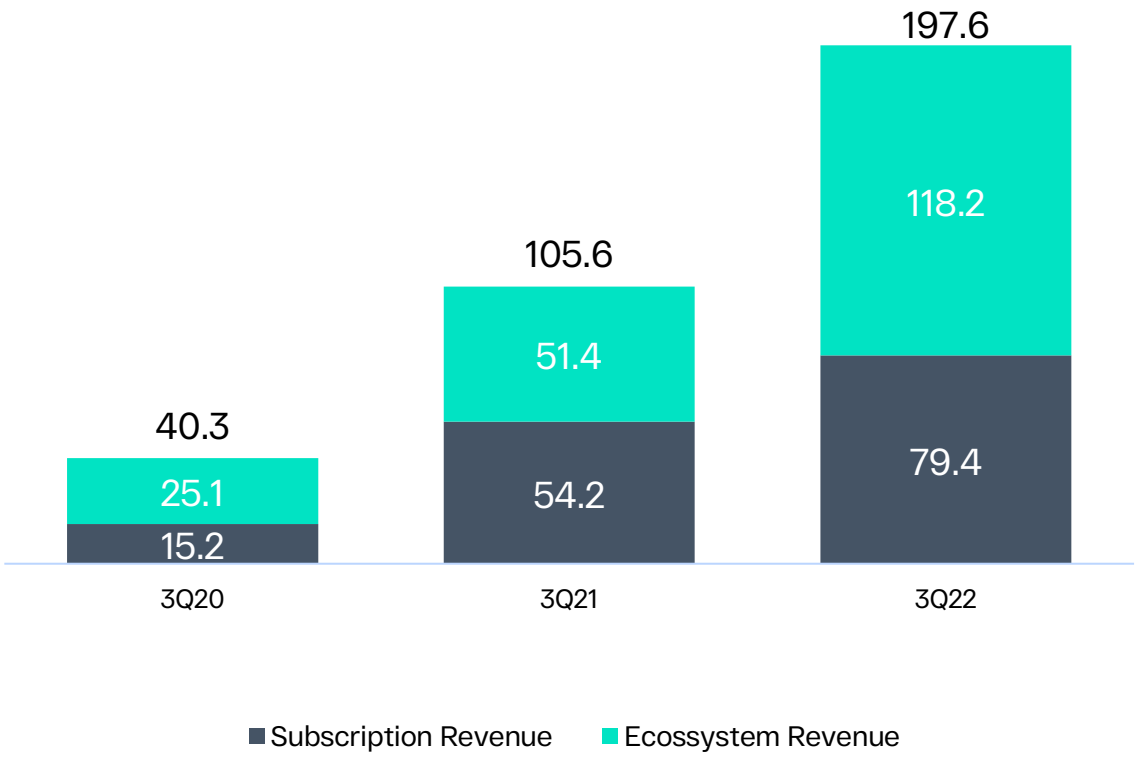
Commerce
R$ mi



BeOnline / SaaS
R$ mi



Commerce Net Revenue
R$ mi



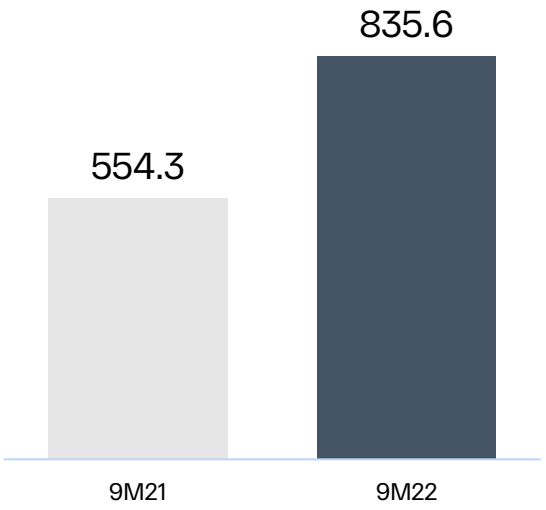
Accelerated growth in the Commerce segment

- Platform Subscription Revenue (+46%)
- Ecosystem Revenue (+130%)

Net Revenue 9M22

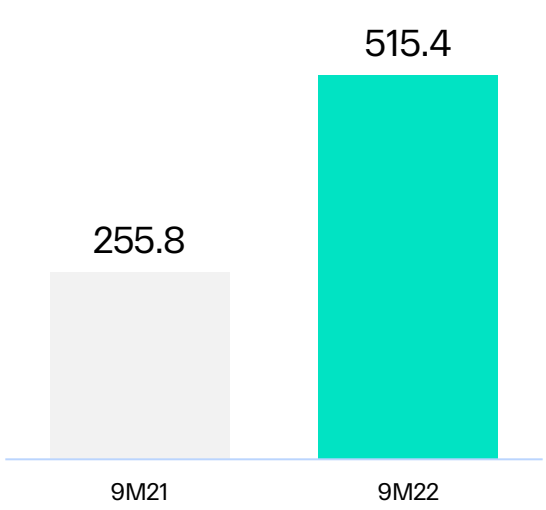
Consolidated
R$ mi

+50.7%



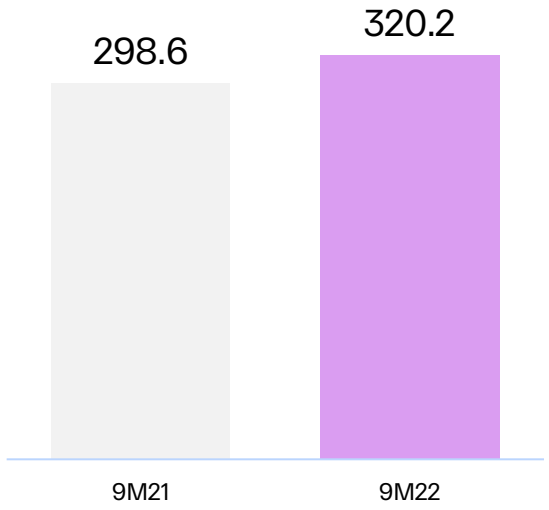
Commerce
R$ mi

+101.5%



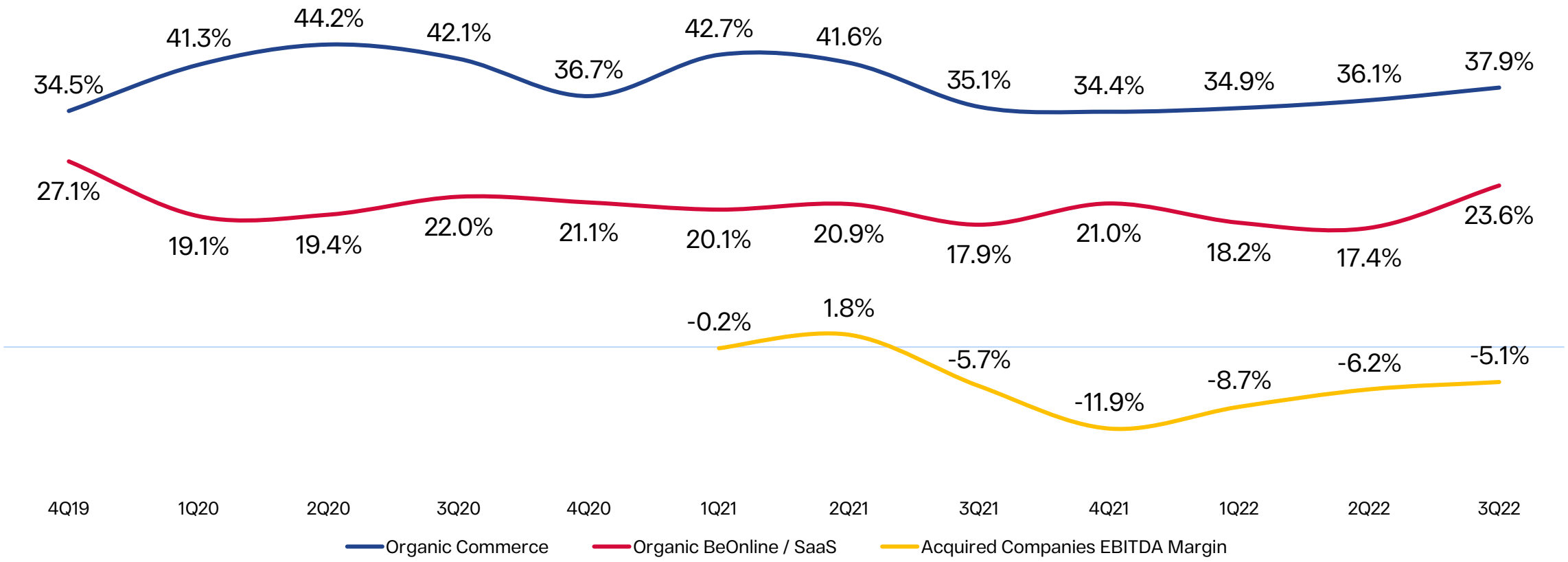
BeOnline / SaaS
R$ mi

+7.2%



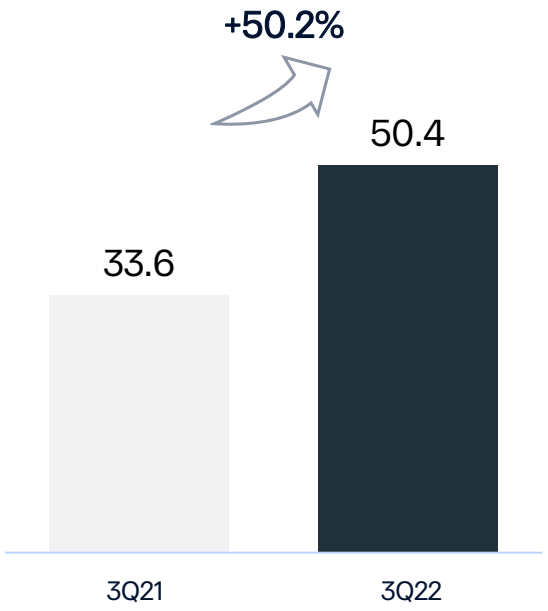
Margin dynamics

Adjusted EBITDA Margin

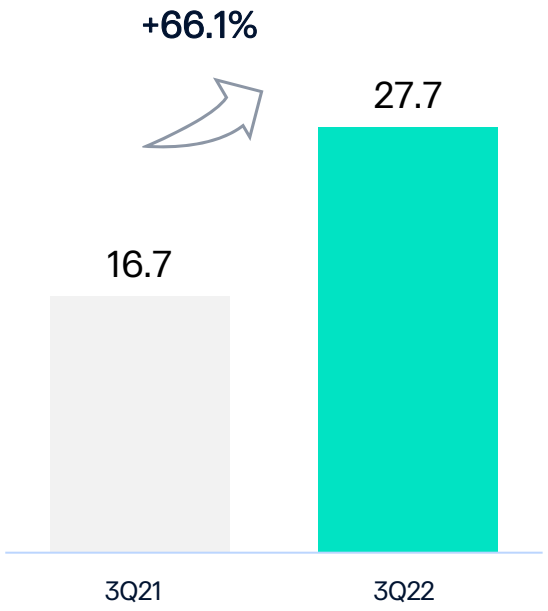


Adjusted EBITDA

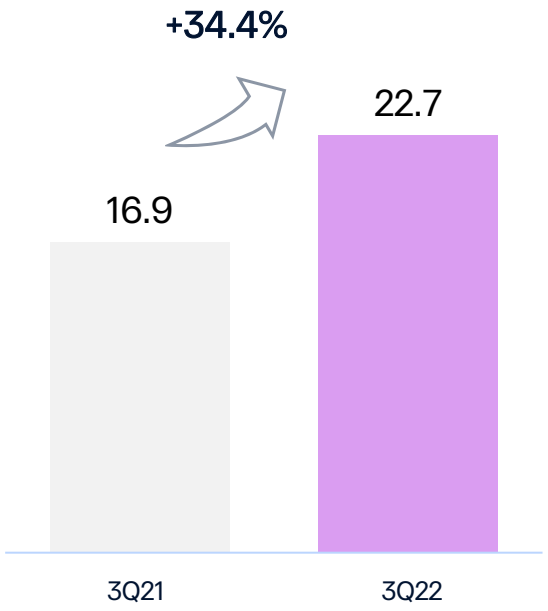
Consolidated
R$ mi



Commerce
R$ mi



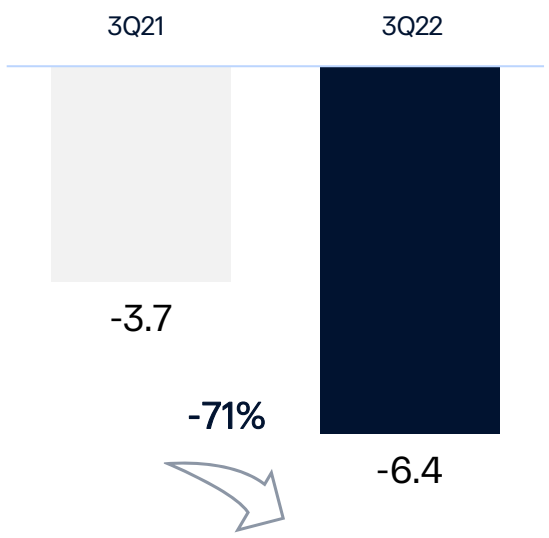
BeOnline / SaaS
R$ mi

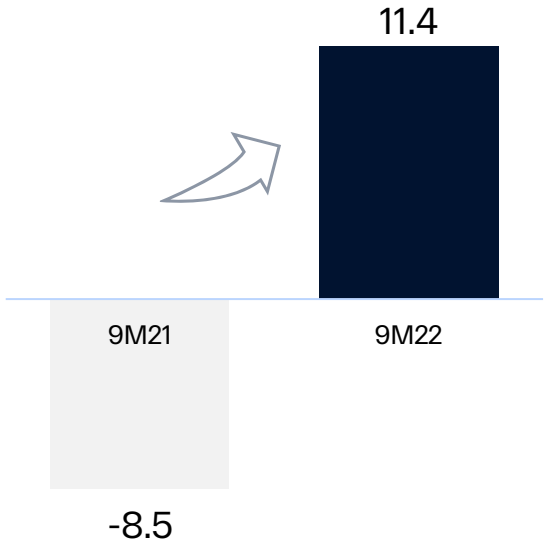


	3Q21	3Q22
Margin	16.0%	16.6%
	15.8%	14.0%
	16.3%	21.2%

Net Income

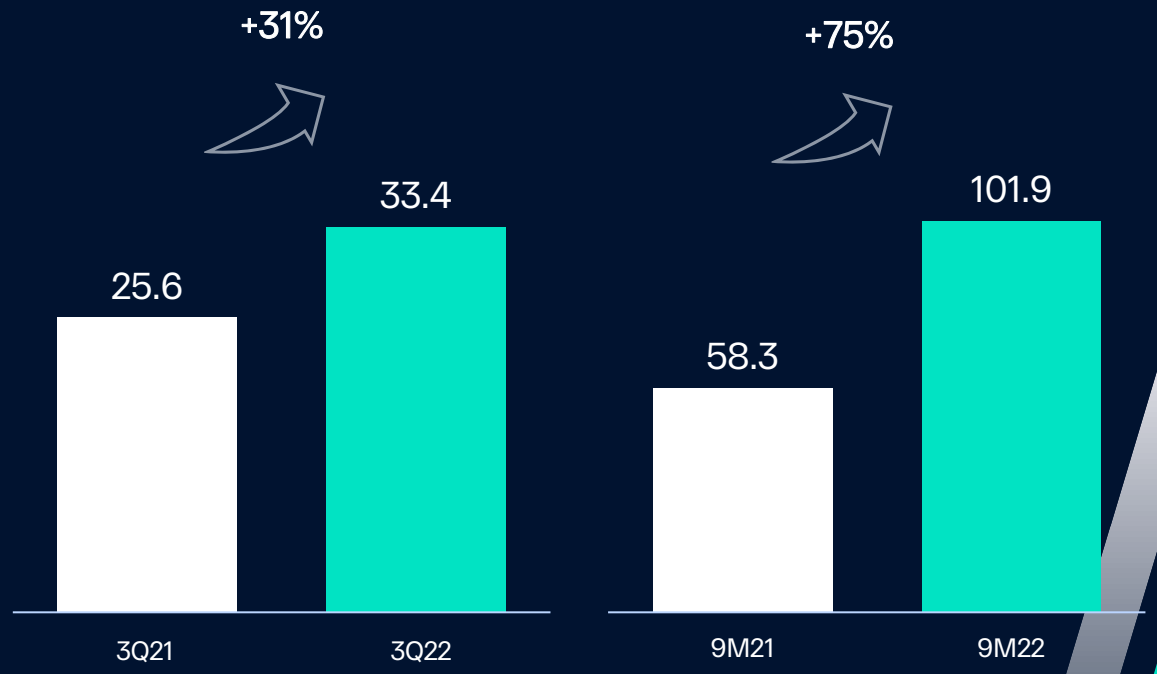
R$ mi



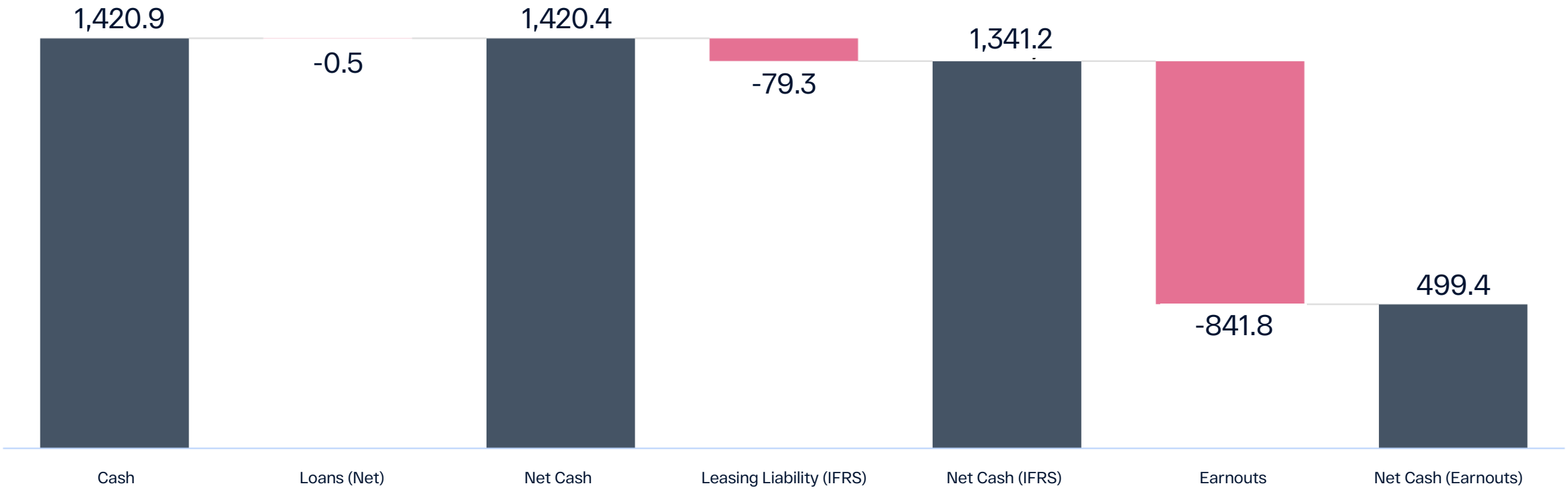


Adjusted Net Income

R$ mi



Net Cash Position



Q&A

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