



Results Presentation

4Q20

- // We have consistently advanced in our **M&A** agenda: **9** since the IPO
 - // Contracted ARR of **R\$ 112 million** (+22.9% of inorganic growth)
- // **Strong** expansion in the **acquisition of new clients** throughout the year and in 2021, for both segments (BeOnline / SaaS and Commerce)
- // Our GMV is growing **faster** than the market growth¹ and remain accelerating:
 - // 4Q: **+160%** vs market growth¹
 - // **R\$ 2.1 bi** (annualizing: **R\$ 8.4 bi**)
- // Strong TPV organic growth (**+158.7%** vs 4Q19)
- // We intensified our **Brand Marketing** efforts for Tray in 2020
- // Quality of the product + scalability + market dominance = **Margin gain**
- // We are capitalized with the Follow-On resources and with a structured pipeline for new acquisitions

Investments: Consistent M&A Strategy

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Recent acquisitions have further strengthened our portfolio

R\$ 112 mm => 22.9%

Company	Recurring Revenue	Cross-Sell and Up-Sell Potential	Founders Retention	Consolidated Product	ARR	# People
	✓	✓	✓	✓	R\$ 12 mm	40
 Social Miner	✓	✓	✓	✓	R\$ 10 mm	60
	✓	✓	✓	✓	R\$ 34 mm	150
	✓	✓	✓	✓	R\$ 7 mm	120
	✓	✓	✓	✓	R\$ 40 mm	170
	✓	✓	✓	✓	R\$ 4 mm	40
 CREDISFERA	✓	✓	✓	✓	n/a	28
	✓	✓	✓	✓	R\$ 5 mm	28
	✓	✓	✓	✓	n/a	40

Unique ecosystem of digital entrepreneurs in Brazil

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locaweb

tray

Allin
marketing cloud

DELIVERY DIRETO

Social Miner



Gilberto Mautner



Willians Marques



Victor Popper



Allan Kajimoto



Ricardo Rodrigues

Entrepreneurs help by:

Providing Strategic
Operational Guidance

Stimulating
Talent Retention

Attracting
New Companies

etus

VINDI

ideris

melhor
envio

CPlug



André Patrocínio



Rodrigo Dantas



Alessandro Silveira



Éder Medeiros



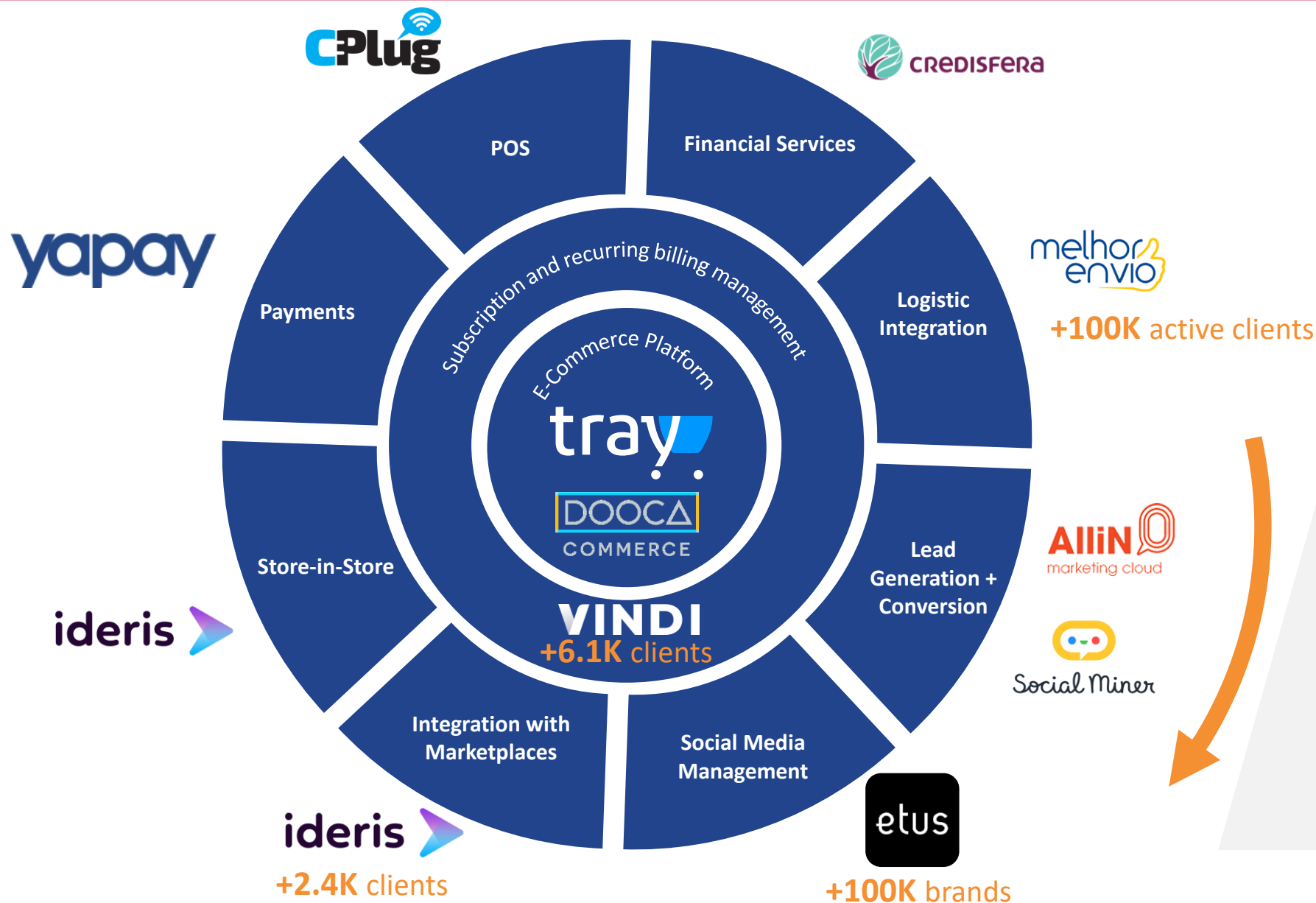
Rafael Hasson

- **Hosting**
- **Social Networks**
- **Application**
- **E-commerce**



Complete ecosystem to help our clients on the E-commerce journey

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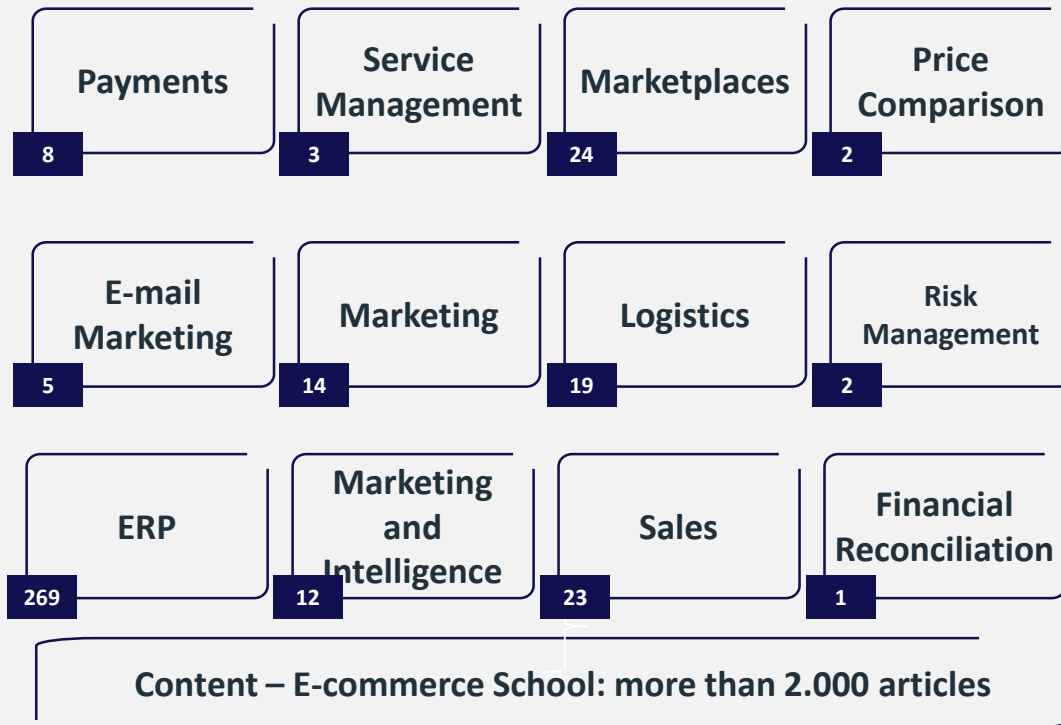


Enhancing the ecosystem with new acquisitions will **dramatically accelerate** commerce growth:

- **ARPU** increase
- **Churn** reduction (client lock-in)
- **Client Acquisition** Acceleration

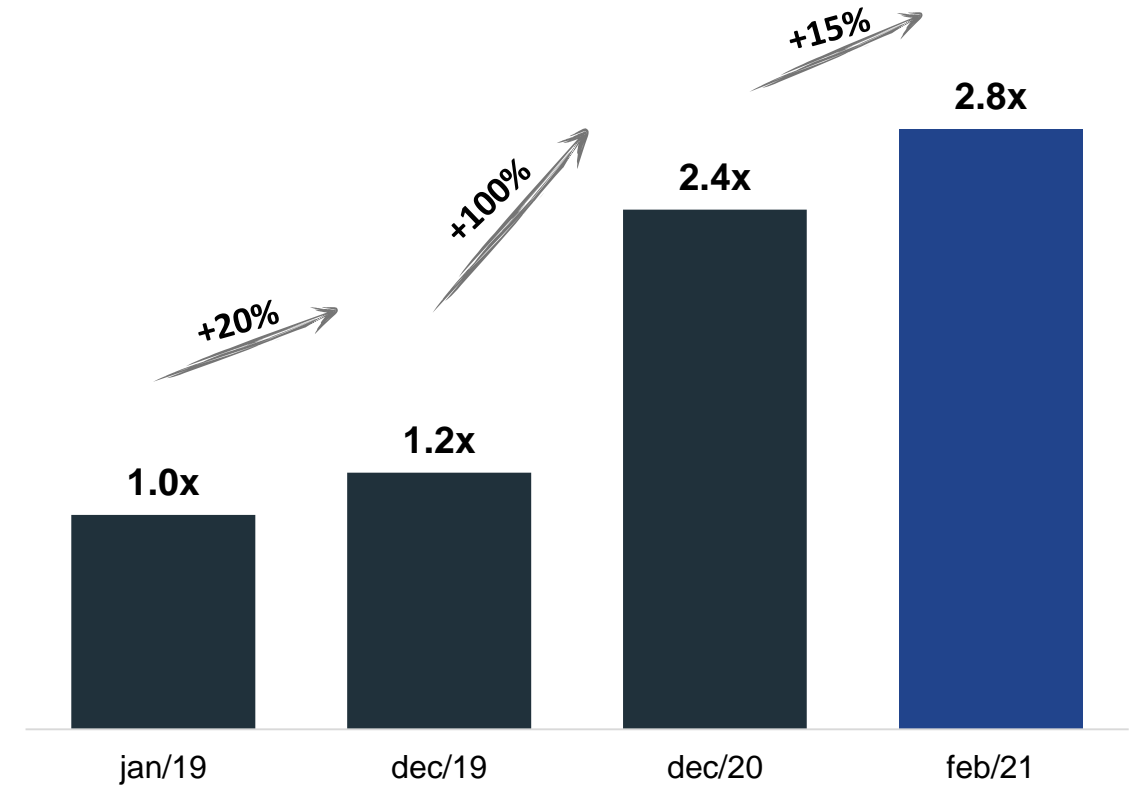
Consolidated as the Most Complete
e-Commerce Platform for SMBs in Brazil...

Platform with **382** integrations



7x increase in ARPU in 3 years

... Resulting in a strong client base growth



// Booking of new stores continues at an extremely fast pace

// 4Q20: **+237.0%** vs 4Q19

// January and February 2021: **+29.9%** vs 4Q20 average

// March 2021: Daily average¹ at highest levels in the history (**+56%** vs 4Q20)

// GMV growing faster than the market and remain accelerating

// 1H20 vs 1H19: 74% vs 47% of the market² (**+57%**)

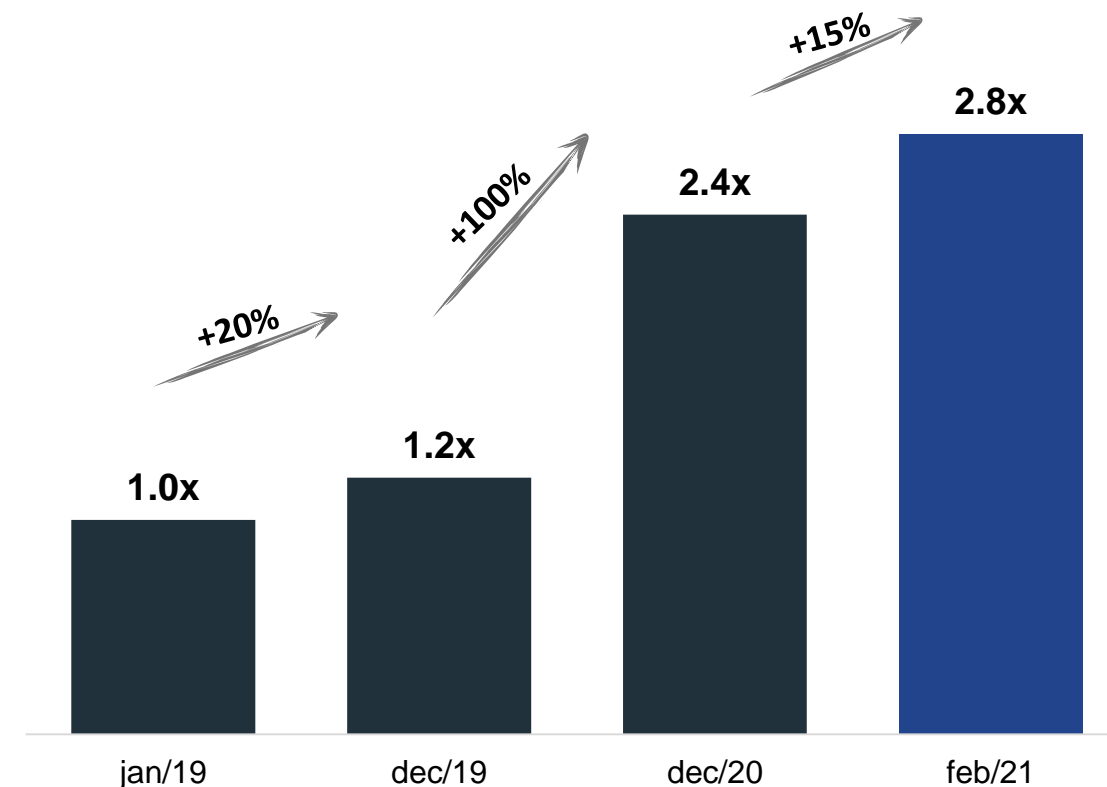
// 3Q20 vs 3Q19: 90.4% vs 43.5% of the market² (**+108%**)

// 4Q20 vs 4Q19: 83.8% vs 32.2% of the market² (**+160%**)

// 2020 vs 2019: 81.3% vs 41.0% of the market² (**+98%**)

The GMV of Locaweb's Commerce segment already represents **7.8%** of the Brazilian² Market's GMV

... Resulting in a strong client base growth



¹ Until the date of the present report

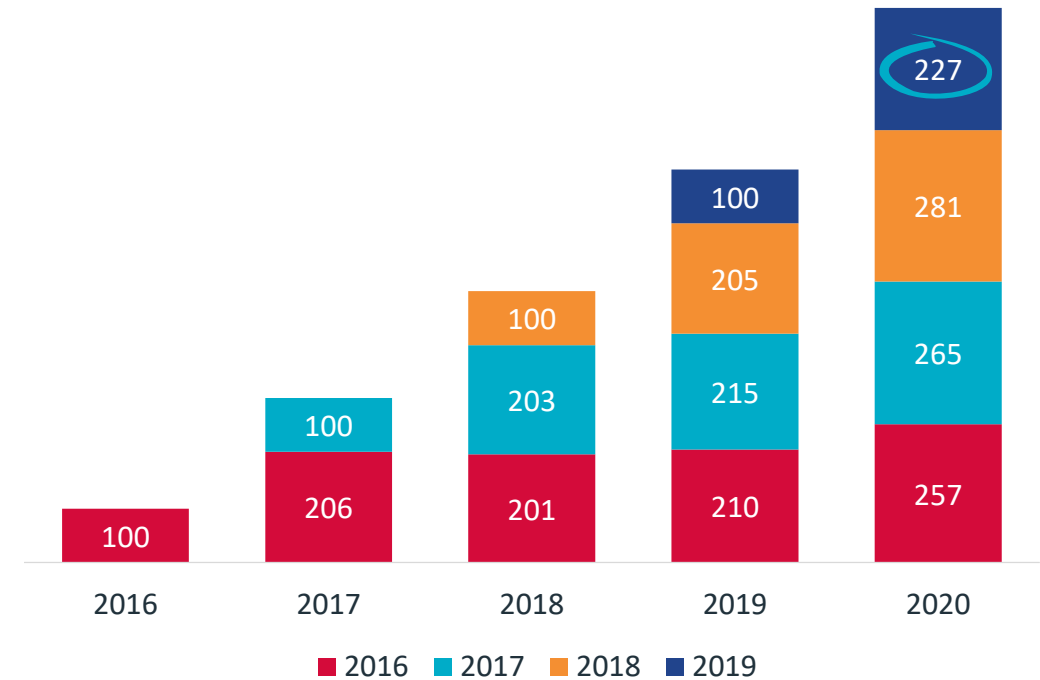
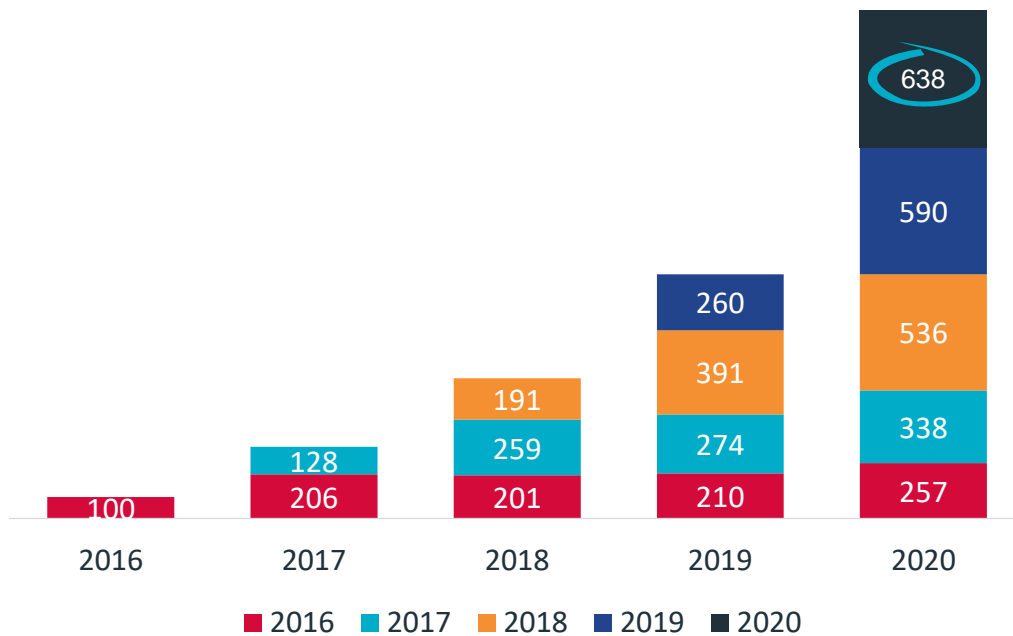
² Source: Ebit and Webshoppers 43

Significant growth in new subscribers, especially in 2020...

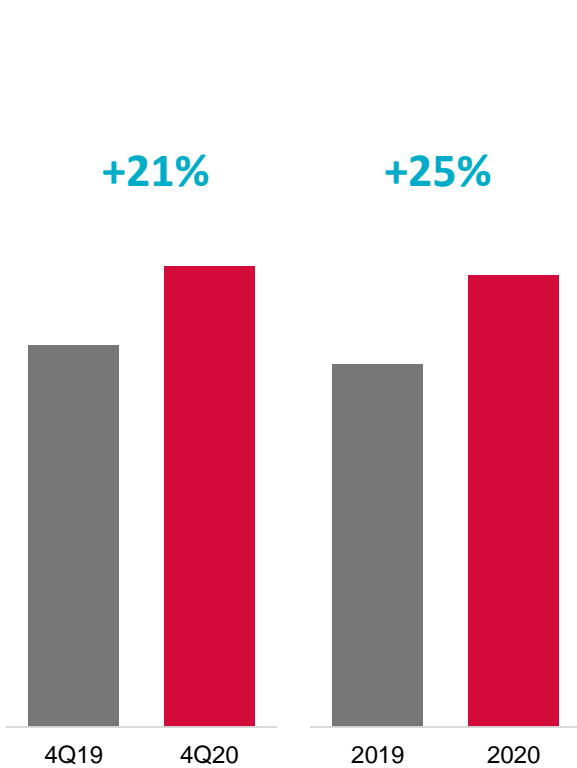
...with consistent growth

Cohorts Revenue Indexed to 2016 Revenue | Indexed to 100

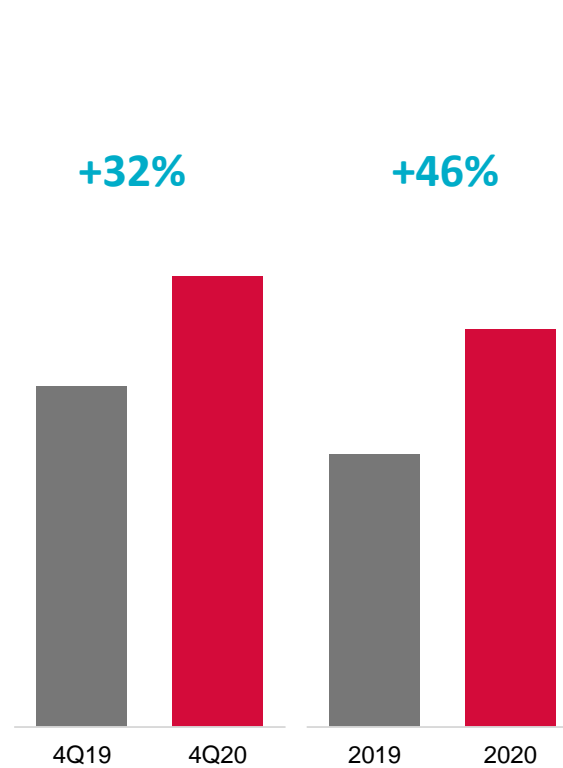
Cohorts Revenue Growth | Indexed to 100 (y.o.y)



Retail Booking

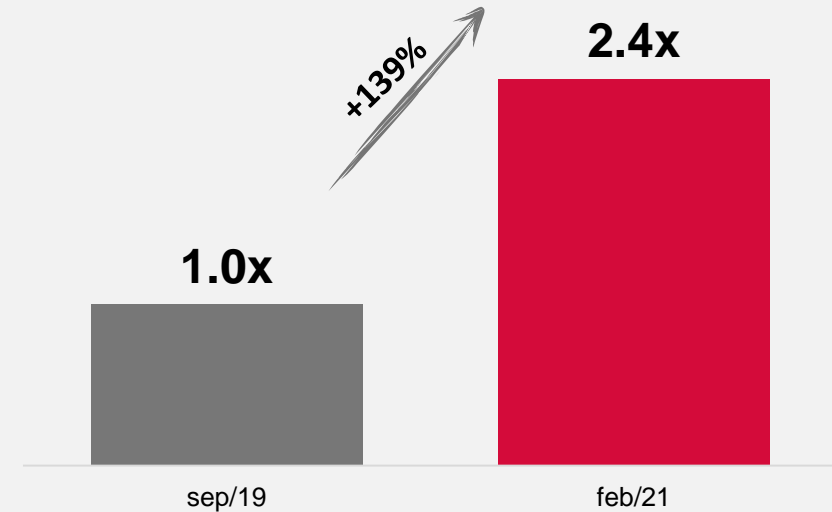


Corporate Booking



DELIVERY DIRETO

// Delivery Direto's customer base has more than **doubled** since the acquisition in Sep 2019



SaaS revenue increased from 30.6% in 4Q19 to 37.0% in 4Q20 within the BeOnline / SaaS segment

We have a clearly defined pipeline of potential future M&A opportunities

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Common features we look for in our acquisitions:



Recurring revenue



Consolidated Product



Cross-Sell and Up-Sell Potential / Synergies with the ecosystem



Talent Retention



Continuously nurtured
pipeline of acquisitions

Mapped Companies
1,700+

Target Companies
176

Under Analysis
42

**+10 MoUs Signed or
Under Negotiation**





Back-Office

- Locaweb quickly **absorbs all operating activities** from the acquired companies
- **Gain of scale**
- Ensure that the **founder** is **exclusively focused** on managing the business's core activities



Business

- **Retention of founders:** who autonomously lead core operations, including sales, marketing and product development
- We support the company's entire **governance and support structure**
- We use **corporate programs** to improve talent retention



Synergies

- Mapping and planning of **cross-sell** opportunities is done before the acquisition
- Better use of the ecosystem to **accelerate Companies by cross-selling**

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Two thick, red, diagonal bars with rounded ends, positioned on the left side of the slide. They are slightly offset from each other, with the second bar to the right and slightly behind the first one.

Results

Highlights for 4Q20 Results

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+33.3%

4Q20 vs 4Q19 Net Revenue
(R\$ 140.2 million)

+105.4%

Increase in the Commerce EBITDA in
4Q20

+108.2%

Commerce's Net Revenue in 4Q20
vs 4Q19

+20.6%

Increase in the Adjusted EBITDA in
4Q20 (R\$ 36.4 million)

+83.8%

4Q20 vs 4Q19 GMV
(R\$ 2.1 billion)

**R\$ 22.1
million**

Cash Generation¹ in 4Q20. in 2020, cash
generation reached **R\$ 79.0 million (+25.0%**
vs 2019)

+158.7%

4Q20 vs 4Q19 TPV
(R\$ 582.0 million)

**R\$ 344.2
million**

Net Cash Position²

(1) Adjusted EBITDA less Capex

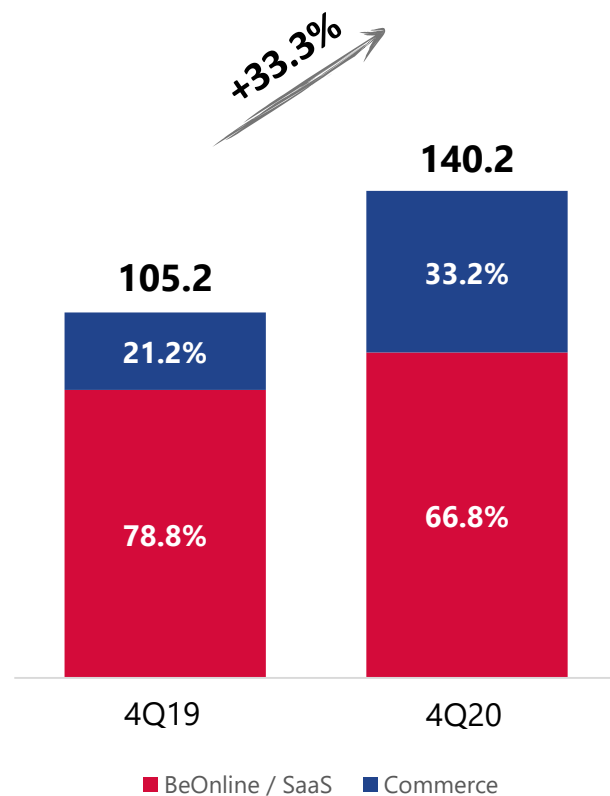
(2) Cash plus derivative income less loans and financing (does not include lease liabilities (IFRS 16))

Net Revenue

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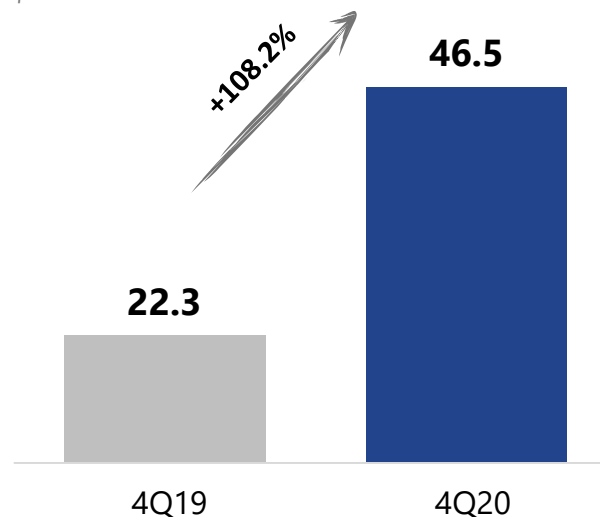
Consolidated

R\$ mi



Commerce

R\$ mi



GMV

R\$ 2.1 bi

+83.8% vs. 4Q19

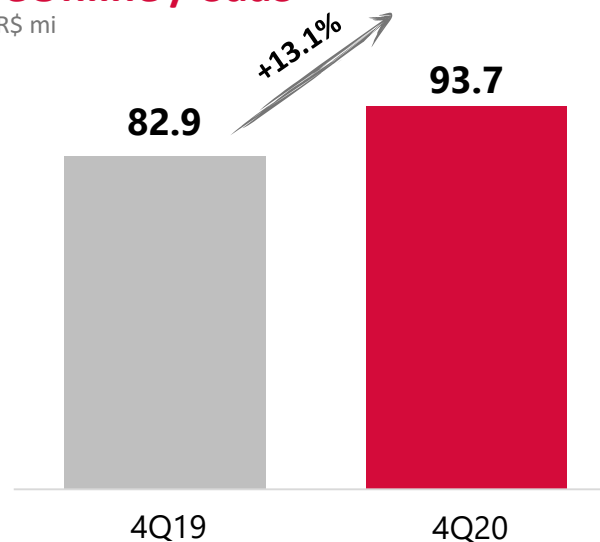
TPV

R\$ 582.0 mm

+158.7% vs. 4Q19

BeOnline / SaaS

R\$ mi



Clients

394 thousands

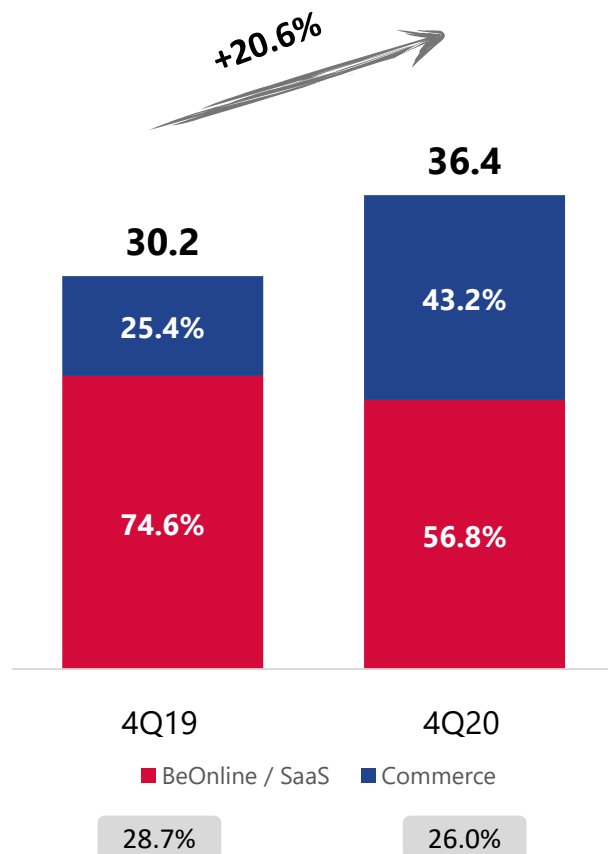
+8.0% vs. 4Q19

Adjusted EBITDA¹

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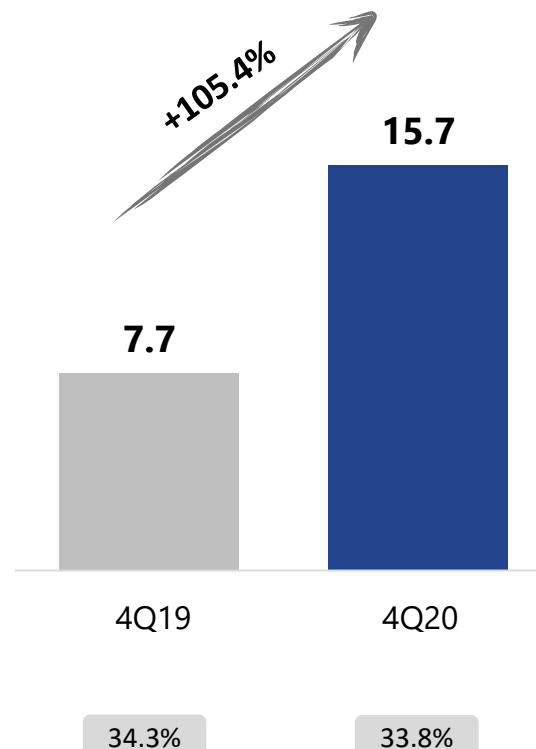
Consolidated

R\$ million
EBITDA margin



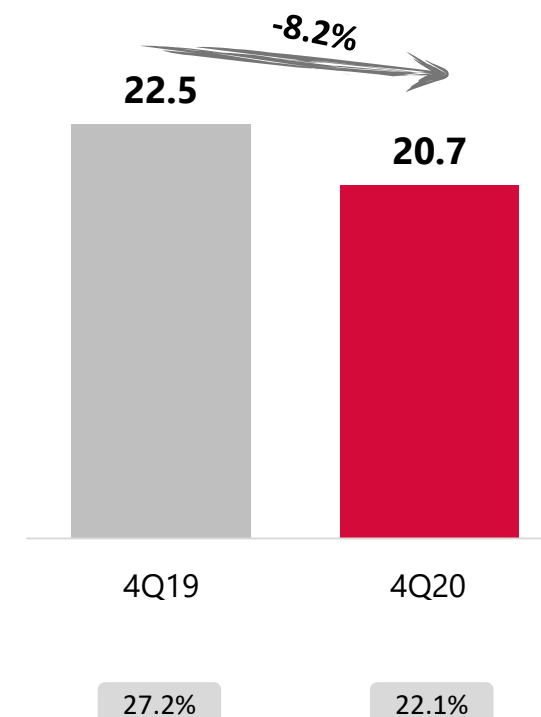
Commerce

R\$ million
EBITDA margin



BeOnline / SaaS

R\$ million
EBITDA margin



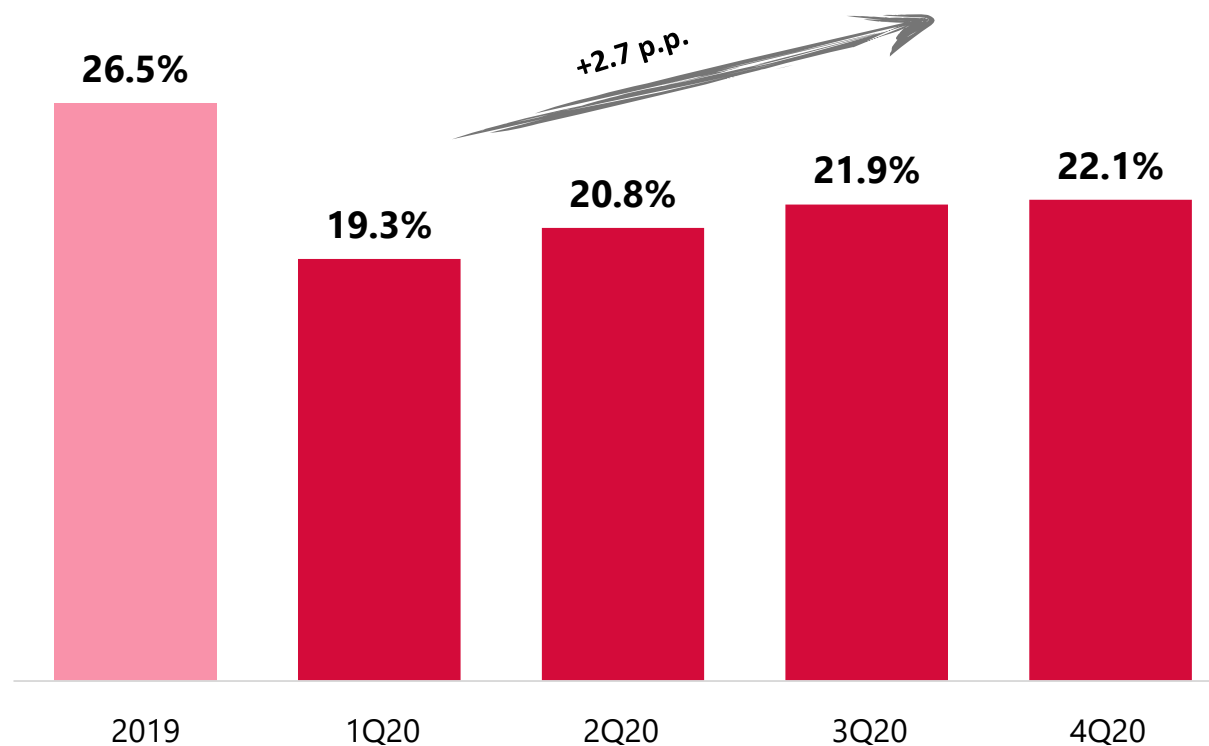
■ BeOnline / SaaS ■ Commerce

(1) Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP financial metrics. For more information on our use of non-GAAP metrics, please refer to item 3.2. of the Company's Reference Form

Adjusted EBITDA Margin¹ - BeOnline / SaaS

BeOnline / SaaS

Adjusted EBITDA Margin



Adjusted EBITDA margin of the BeOnline / SaaS segment has been gradually improving since the 1Q20

Adjusted Net Income

Recomposition of Adjusted Net Income Margin

R\$ million

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	4Q20	4Q19	vs 4Q19	2020	2019	vs 2019
Net income	9.0	6.9	29.1%	19.7	18.1	9.2%
(+) Stock option plan	4.4	0.4	938.6%	15.5	2.1	636.1%
(+) Intangible amortization	2.8	2.9	-1.6%	6.3	3.7	70.1%
(+) Deferred income tax and social contribution	(3.9)	(0.5)	664.3%	(4.8)	0.2	-2775.7%
(+) CPC 06 adjustment	1.0	0.6	78.2%	2.0	2.4	-15.7%
(+) MtM	(0.6)	0.0	-1325.6%	(1.4)	1.7	-180.6%
(+) IPO Expenses	0.0	0.0	n/a	4.3	0.0	n/a
Adjusted net income	12.8	10.4	23.1%	41.6	28.2	47.7%
<i>Adjusted net income margin (%)</i>	<i>9.1%</i>	<i>9.9%</i>	<i>-0.8 p.p.</i>	<i>8.5%</i>	<i>7.3%</i>	<i>1.2 p.p.</i>

In 2020, the Adjusted Net Income grew 47.7%, with a 1.2 p.p. expansion in the Adjusted net income margin

Cash-generating and well-capitalized Company

Cash Flow

R\$ million

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Income (loss) before income taxes	6.0	7.0	-13.9%
Items that do not affect cash	20.2	22.4	-10.1%
Variations in working capital	(14.5)	(9.2)	-57.2%
Net cash provided by operating activities (A)	11.7	20.2	-42.1%
Capex for permanent assets	(8.9)	(2.6)	235.8%
Capex for development	(5.4)	(3.1)	73.7%
Free Cash Flow - After Capex	(2.7)	14.4	-118.5%
Acquisition	(88.0)	(1.0)	8696.2%
Net cash provided by investment activities (B)	(102.3)	(6.8)	1408.8%
Subscription of capital stock	7.3	0.0	n/a
Loan and financing	(6.0)	(7.8)	-23.7%
Commercial lease	(2.9)	(2.6)	11.7%
Dividends and interest on equity	(16.0)	(2.4)	567.2%
Others	(0.0)	(0.1)	-61.8%
Net cash provided by financing activities (C)	(17.6)	(12.9)	36.4%
Net increase (decrease) in cash and cash equivalents (A + B + C)	(108.3)	0.4	-24333.9%

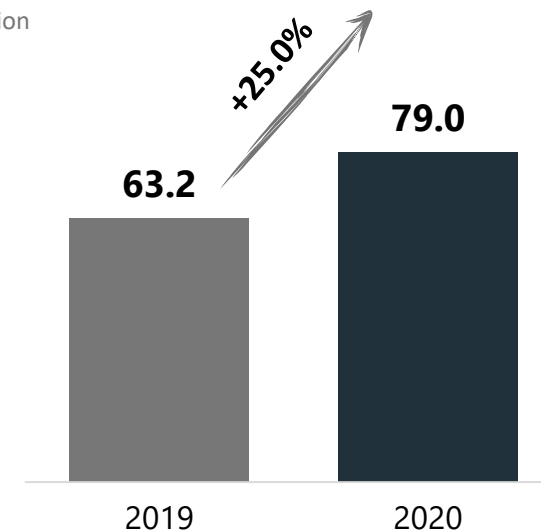
Cash Flow

// Capex

- 2019: In 2019, 70% of Capex in PP&E was concentrated in the first quarter, therefore the amounts in 4Q20 increased by more than 148% when compared to 4Q19
- Commerce and SaaS scalability: Revenue grew by 26.6%% in 2020, with capex decrease
 - Capex 2020: R\$50 million
 - Capex 2019: R\$48 million

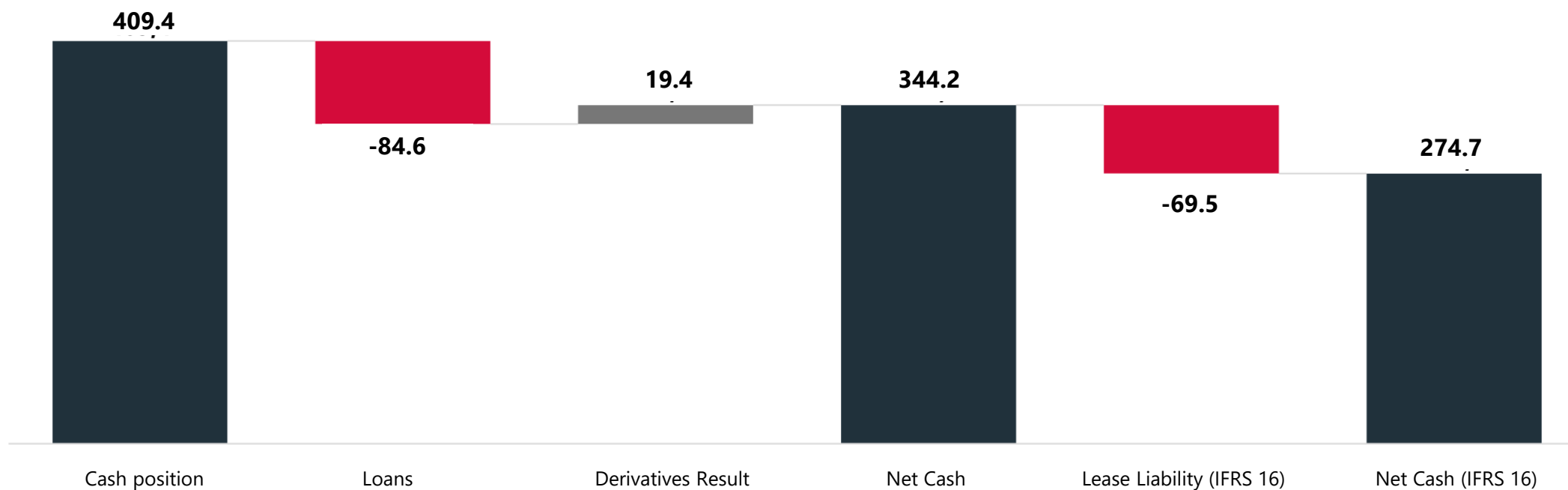
Cash Generation (Adjusted EBITDA – Capex)

R\$ million



Cash Position

R\$ million



Cash will be used mainly for acquisitions

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Q&A