

LOCAWEB SERVIÇOS DE INTERNET S.A.

Publicly held Company
CNPJ 02.351.877/0001-52
NIRE 35.300.349.482

NOTICE TO THE MARKET

São Paulo, July 12th, 2021 – **Locaweb Serviços de Internet S.A.** ("Company") hereby informs the market that, on the date hereof, it was signed a Quota Purchase and Sale and Other Covenants Agreement between the Company's wholly-owned subsidiary **Tray Tecnologia em Ecommerce Ltda.** ("Tray") and the quotaholders of **Bagy Soluções de Comércio Digital Ltda.** ("Bagy"), with the Company as an intervening and consenting party, to regulate the acquisition of the totality of the capital stock of Bagy by Tray ("Transaction").

About the Acquisition

Founded in 2017 in Belo Horizonte, Bagy is an e-commerce platform focused on social commerce, with over 13,500 active clients and 127,000 followers in the social networks. Its purpose is to provide support for SMBs, individuals, and influencers to set up their virtual stores in a simple and fast way. After downloading the Bagy app, the user manages to create a store in a few minutes, using the mobile phone to include products, take photos, determine prices, and offer native integration with the main social networks, particularly Instagram and Facebook, in addition to the Mercado Livre marketplace.

In view of its strong engagement with social media and relevant e-commerce content production, Bagy has a fully innovative matrix for capturing clients, in strong acceleration, scalable with low reliance on the traditional media format.

With this acquisition, Bagy joins the e-commerce platforms for SMBs, Tray and Dooca, and Locaweb consolidates itself as the most complete ecosystem for digitalization for this public in Brazil.

Bagy will enhance the Company's social commerce initiatives, a segment which has been recording strong growth in markets with higher e-commerce penetration and will fit into our clients' journey as an important tool to capture and convert leads to LocaWeb's entire ecosystem. In addition, by including Bagy in this ecosystem, we will offer, in a simple way, several solutions such as Yapay, Melhor Envio and Bling to all Bagy's client base.

Following the Company's operation model of the previous acquisitions, Messrs. Pedro Rabelo, Tiago Amaral and Marcelo Alves, the Company's partners, will remain in Bagy's operation.

Transaction

The acquisition of Bagy was concluded on the date hereof by Tray, a wholly-owned subsidiary of the Company, therefore the Transaction is not subject to the procedures set forth in article 256 of the Corporations Law.

The Company will keep the market and its shareholders timely and adequately informed about the subsequent facts to the closing of the Transaction, in accordance with the applicable legislation.

Rafael Chamas Alves
CFO and IRO