

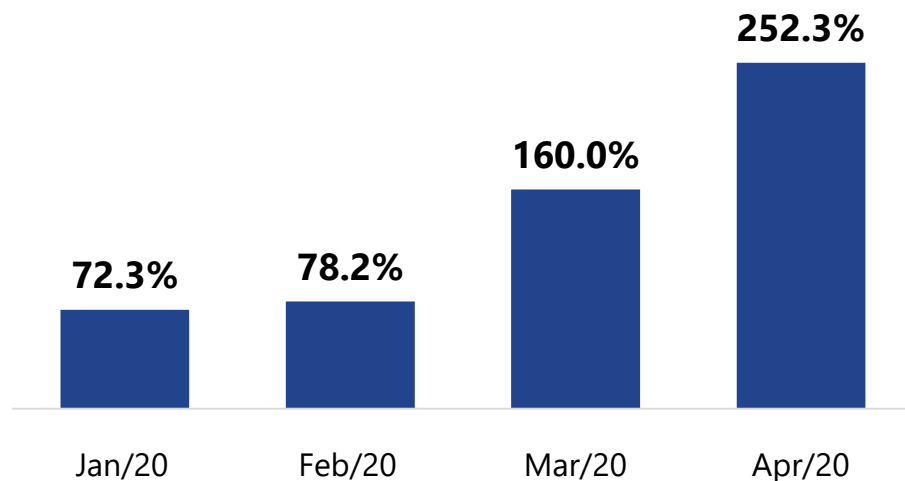


Results Presentation

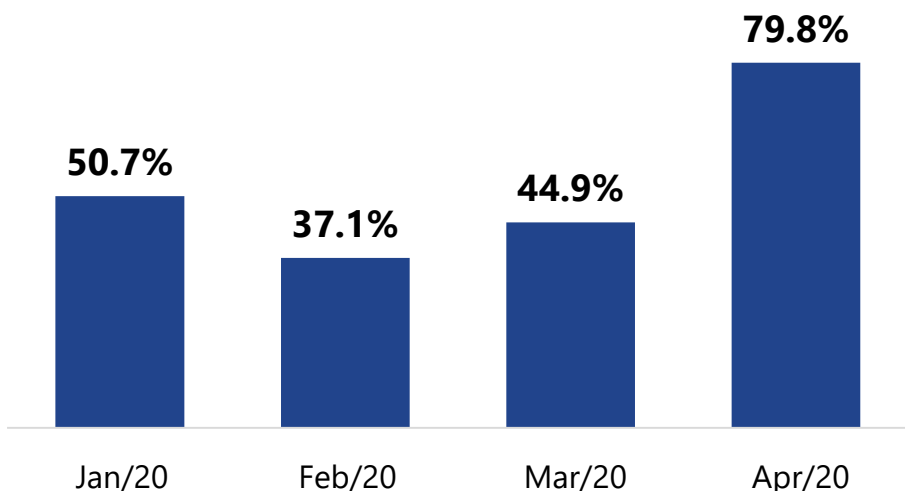
1Q20

- // The end of the quarter already showed clear signs of the **acceleration of companies' digitalization**
- // GMV of Commerce grew by **44.4%** in 1Q20 (vs 1Q19). As a reference, the GMV of the Commerce market in Brazil¹ in 2019 grew 16% (vs 2018)
- // In 1Q20, the addition of new stores on Commerce segment increased by **103%** over the fourth quarter of 2019 (**160%** in March)
- // BeOnline / SaaS new sales grew organically more than **20%** in 1Q20 (vs 1Q19)
- // **Expressive performance** of our Cloud VPS (the entry product for the Cloud portfolio), Site Builder ("Criador de Sites") and E-mail Portfolio
- // Delivery Direto: **4x** more sales
- // **Temporarily** impacts in the margins, caused by the Coronavirus, **do not compromise the trend of margin expansion that the Company has been demonstrating**
- // Even under home office regime, we have maintained the **quality of our customer service**
- // Maintenance in the **development of new products** and evolution of the **M&A** pipeline

New stores booking (vs 4Q19 monthly average)



GMV Growth (vs same period of 2019)



Consolidation as the largest and best E-Commerce platform for SMBs in Brazil

116 integration systems



GMV LTM April = R\$ 4.9 billions
% GMV 2019 Brazil E-Commerce = 6.2%

Sales growth above 20% organically

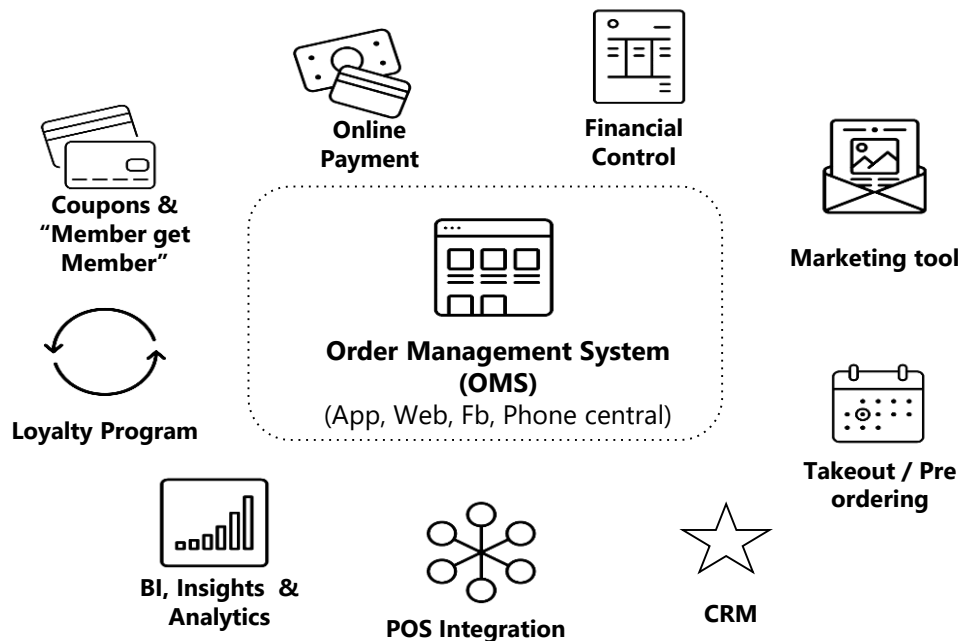
- ▶ Hosting portfolio
- ▶ Corporate E-mail portfolio
- ▶ Site Builder (“Criador de Sites”)
- ▶ Cloud VPS
- ▶ Delivery Direto

Delivery Direto: The most complete platform for restaurants

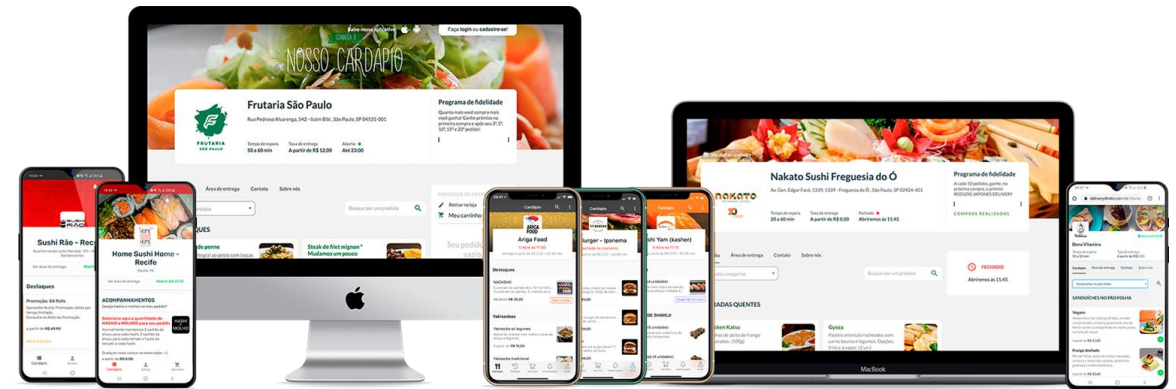
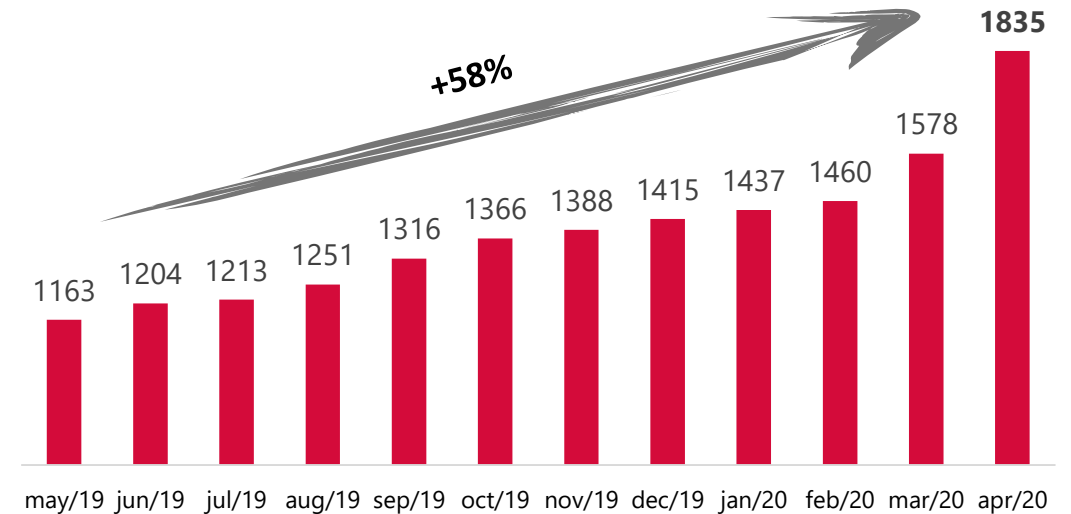
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Restaurants: more intelligence and revenue

- // Customer knowledge and behavior
- // Own loyalty program
- // Real-time ordering and menu management
- // Receiving payments online
- // Coupons and discounts
- // Marketing automation
- // Complete ecosystem:



Evolution of the active customer base



// New sales channels integration (Market-places)

We launched the Mobly marketplace integration, the largest furniture marketplace in Brazil

// New Administrative Panel

Administrative Panel containing a dashboard with the most relevant information for our customers, such as "Sales Quantity", "Average Ticket", "Sales Channels", "Most Viewed Products", "Best-selling Products", among others

// Mercado Livre new certification program for partner companies

Tray became a Platinum partner of this new certification program, being one of the few companies in Brazil to be among the program's highest rating level, and thus guarantees the excellence of its application

// Yapay app for Android and IOS systems

Through this application, our payment solution customers have access to a sales panel offering easy and quick financial management possibilities for accounts receivables and transaction statements at the palm of their hands

// Payment Link Generator

Payment Link Generator, by which our customers can quickly generate a link with pre-defined information on sales amount and product details, and send this link by email, social medias, and WhatsApp. By clicking on the link, buyers can pay through a Bank Bill or Credit Card by using Yapay's secure services

// Yapay's partnership with other Ecommerce platforms

Yapay launched four new e-commerce platform integrations: Convertize, Indecommerce, Ecommercenet and Tribbox. Broadening the Ecosystem of integrated partners, in addition to offering modules for the main opensource solutions in the market

// Site Builder (“Criador de Sites”) and virtual store of the Site Builder received great features

We continued to heavily invest in the Site Builder product and launched new features and reformulated existing checkout features.

// We have readjusted and grown in products for Developers

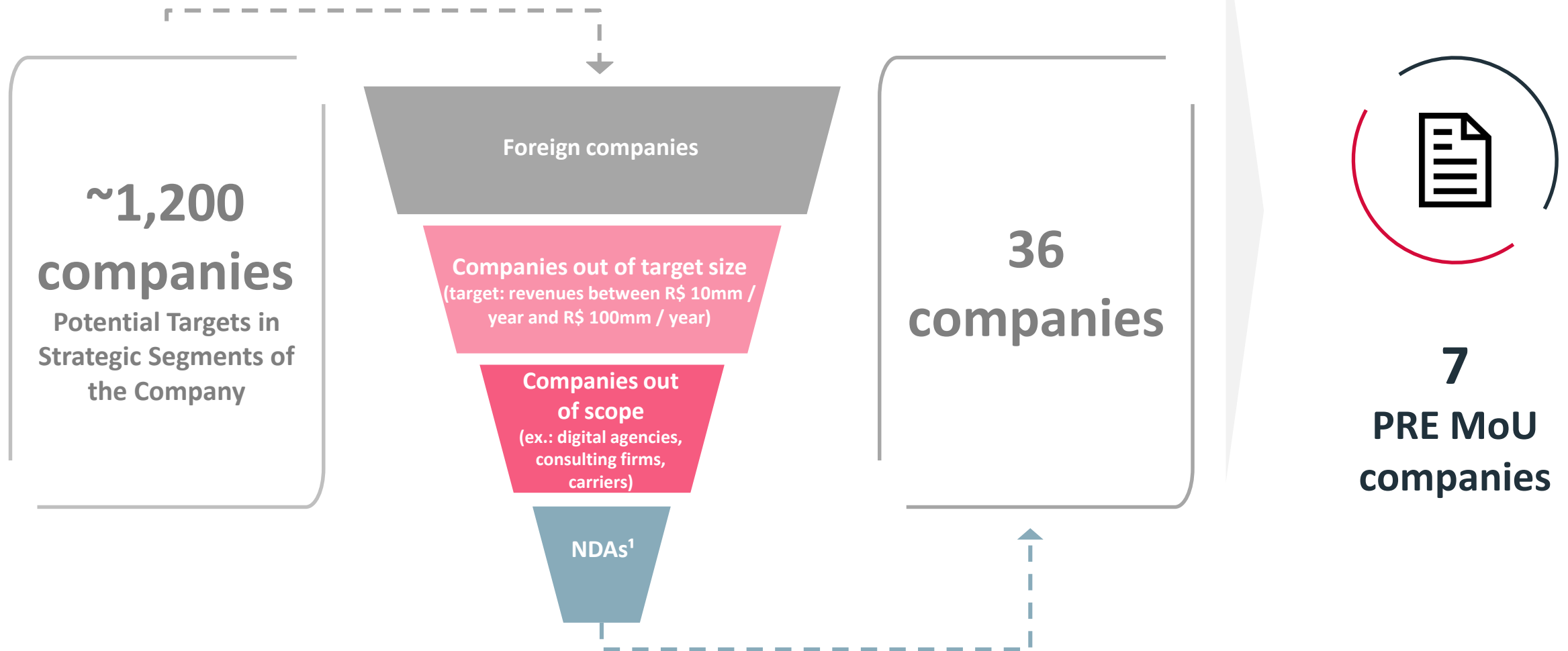
We launched a new VPS Hosting product as a more robust and performance enhancement option for customers who need superior processing capacity while maintaining Locaweb’s user-friendly management panel

// Strengthening the partnership with Amazon Web Services: Managed Service Provider Seal

With this seal, in addition to ratifying the Company's ability in providing technology management services in AWS cloud environments, Locaweb also differentiates itself as one of the most relevant AWS partners in this marketplace environment in Brazil

- // We set up a corporate crisis committee, comprised by the CEO and executives, which make daily assesses of the Covid-19 scenario
- // Over 97% of employees are in the home-office regime
- // Focus on employee health and continuity of operation. No impact on our service level to our clients
- // Allowance to support expenses such as electricity and internet and support to keep the staff mental care (“Conexão Saúde” Project)
- // We reinforced all hygiene measures. The office cleaning staff is making great effort in maintaining high risk areas safe and alcohol gel is widely available where there is higher people flow and risk for employees who remain in the office (only 3%)
- // We believe that, after this period, we will be able to contribute to the acceleration of companies' digitalization. Therefore, we have maintained the accelerated pace of development of new products and of our operation and we do not intend, until now, to present any cost reduction plan based on salary reductions or reduction of staff
- // Locaweb will be very cautious on deciding when employees should return to the office

The Company is capitalized and continues with its investment plan unchanged



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Results

+23.6%

Net Revenue in 1Q20 vs 1Q19
(R\$ 104,5 millions)

+3.5 p.p.

Commerce EBITDA margin
expansion in 1Q20

+21.5%

BeOnline / SaaS Net Revenue in
1Q20 vs 1Q19

+29.7%

Adjusted Net Income Growth in
1Q20 (R\$ 4.4 millions)

+31.8%

Commerce Net Revenue in
1Q20 vs 1Q19

**R\$ 15.8
millions**

Cash Generation¹ in 1Q20
(R\$ (3.2) millions in 1Q19)

+44.4%

GMV in 1Q20 vs 1Q19
(R\$ 1.2 billion)

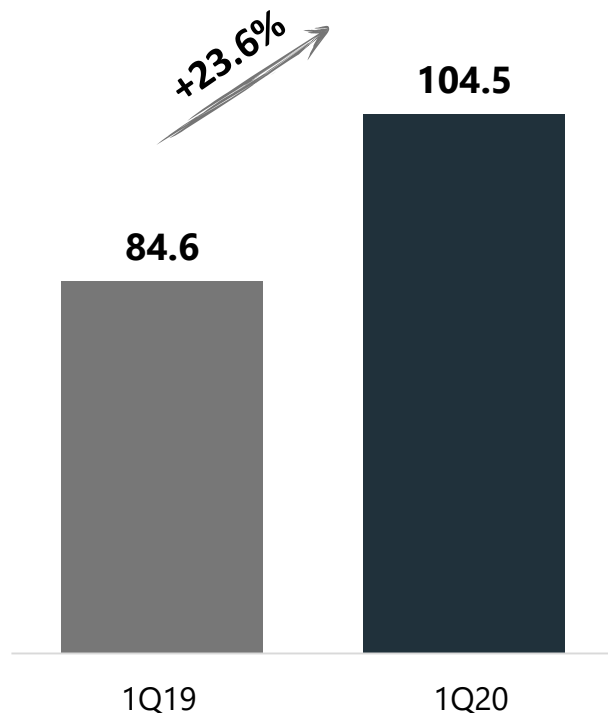
**R\$ 433.4
millions**

Net Cash Position²

Net Revenue: Strong growth in both segments

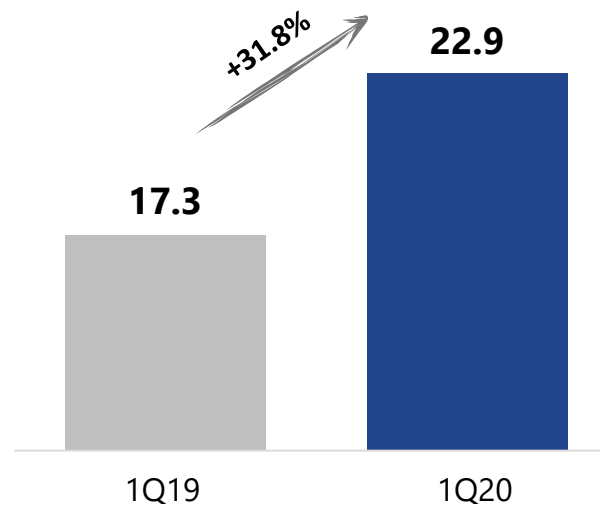
Consolidated

R\$ millions



Commerce

R\$ millions



GMV

R\$ 1.2 billion

+44.4% vs. 1Q19

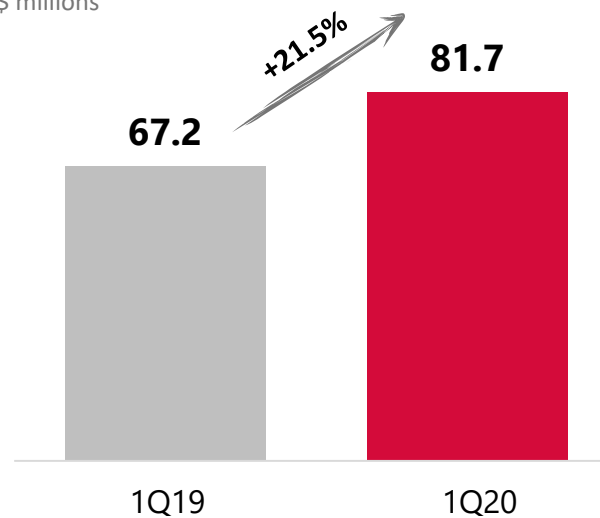
TPV

R\$ 245.9 mm

+60.7% vs. 1Q19

BeOnline / SaaS

R\$ millions



Clients

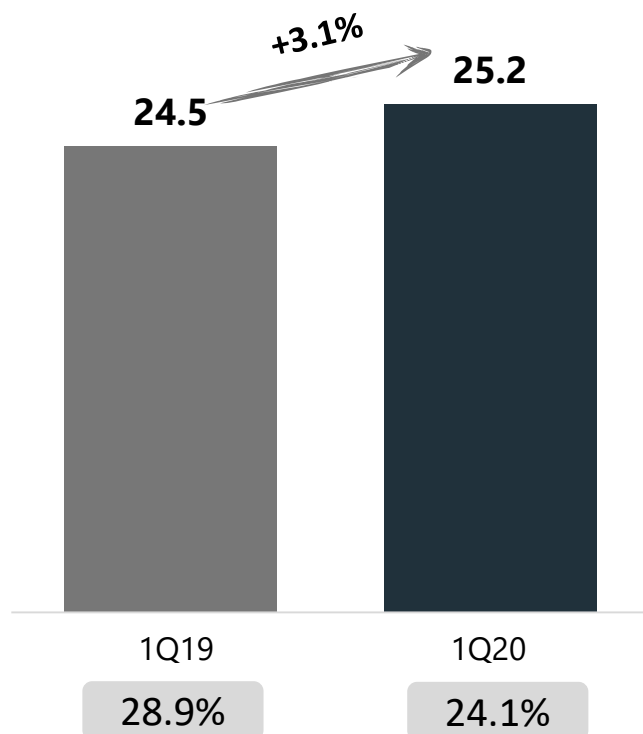
365.5 thousands

+25.8% vs. 1Q19

Temporary impacts on the EBITDA Margin related to Coronavirus, as well as the reinforcement on Cyber Security and post-IPO administrative structure (expenses that will be diluted with the Company's growth)

Adjusted EBITDA

R\$ millions ■ EBITDA Margin



Impacts (in p.p. on Adjusted EBITDA margin)

// Impacts related to the Coronavírus: R\$ 3.4 millions (-3.2 p.p.)

- Increase on the provision for expected credit loss: R\$ 1.5 million (-1.4 p.p.)
- Discounts for clients' retention: R\$ 0.5 million (-0.5 p.p.)
- Currency devaluation (software licenses): R\$ 1.4 million (-1.3 p.p.)

// Reinforcement of the Cyber Security structure: R\$ 1.8 million (-1.7 p.p.)

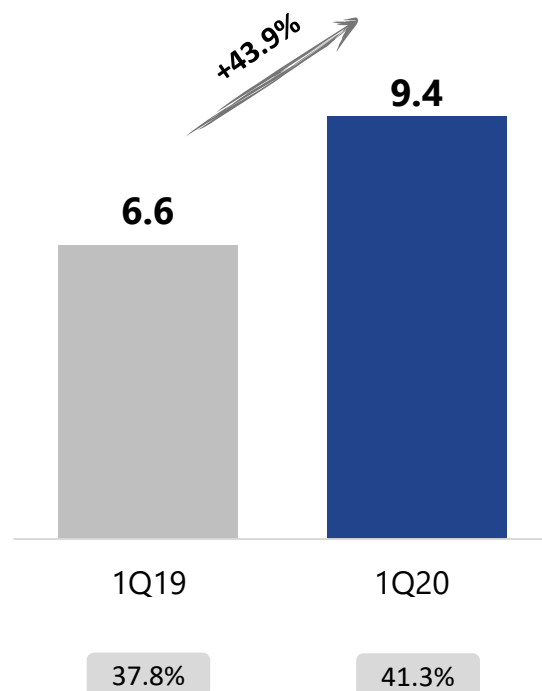
// Post-IPO new administrative structure: R\$ 0.7 million (-0.7 p.p.)

Adjusted EBITDA¹ by segment

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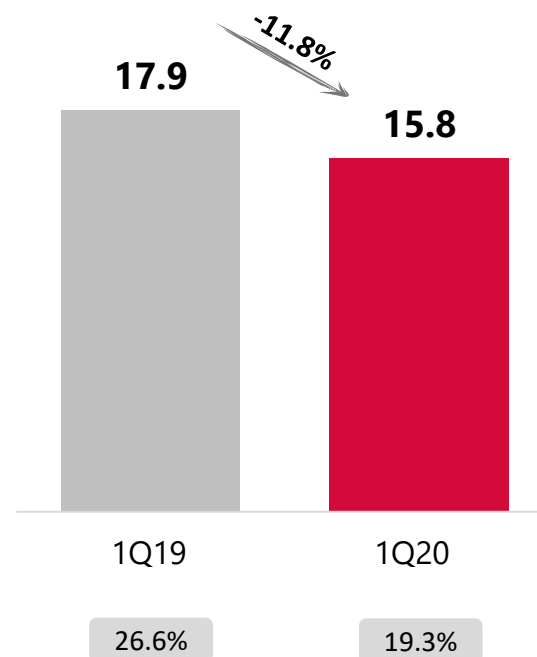
Commerce

R\$ millions



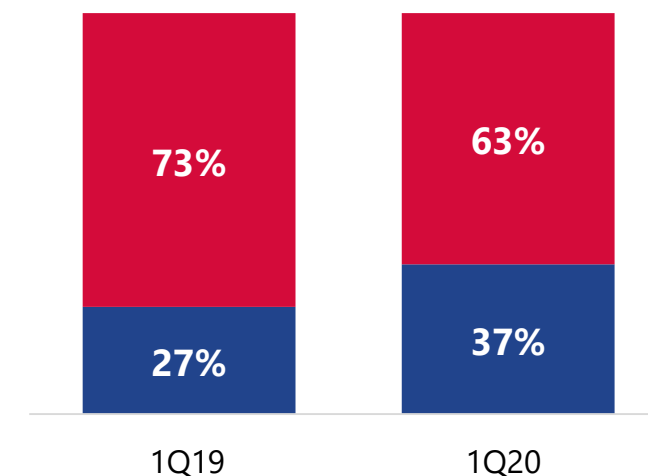
BeOnline / SaaS

R\$ millions



Segments Mix

■ Commerce ■ BeOnline / SaaS

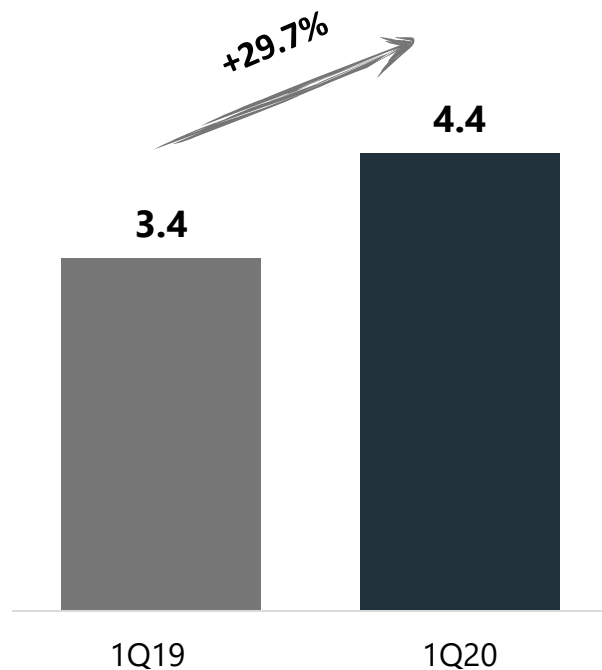


Temporarily impacts in the margins do not compromise the trend of margin expansion.
Commerce presenting high operational leverage

(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 Net Income

R\$ millions



Adjusted Net Income

R\$ millions

locaweb	1Q20	1Q19	vs 1Q19
Net income	(2.3)	1.4	-259.6%
(+) Stock option plan	3.7	0.6	559.2%
(+) Intangible amortization	1.2	0.3	337.0%
(+) Deferred income tax and social contribution	(1.4)	(0.4)	235.3%
(+) CPC 06 adjustment	0.6	0.7	-6.4%
(+) MtM	(1.7)	0.9	-292.3%
(+) IPO Expenses	4.3	0.0	n/a
Adjusted net income	4.4	3.4	29.7%
Adjusted net income margin (%)	4.2%	4.0%	0.2 p.p.

29.7% Adjusted Net Income growth in 1Q20, reaching R\$ 4.4 millions

Cash-generating and well-capitalized Company

Cash Flow

R\$ millions

locaweb	1Q20	1Q19	vs 1Q19
Income (loss) before income taxes	(0.6)	3.3	-119.3%
Items that do not affect cash	21.4	17.9	19.6%
Variations in working capital	(43.2)	8.5	-610.9%
Net cash provided by operating activities	(22.4)	29.7	-175.5%
Capex for permanent assets	(6.2)	(24.5)	-74.8%
Capex for development	(3.3)	(3.2)	1.0%
Free Cash Flow - After Capex	(31.8)	2.0	-1730.4%
Acquisition	0.0	0.0	n/a
Net cash provided by investment activities	(9.4)	(27.7)	-66.0%
Subscription of capital stock	544.7	0.0	n/a
Loan and financing	(14.9)	26.5	-156.3%
Commercial lease	(2.5)	(2.3)	9.5%
Dividends and interest on equity	0.0	(1.8)	-100.0%
Others	(0.1)	(0.2)	-75.3%
Net cash provided by financing activities	527.2	22.2	2270.0%
Net increase (decrease) in cash and cash equivalents	495.3	24.2	1947.1%

Cash Flow

// Variations in working capital

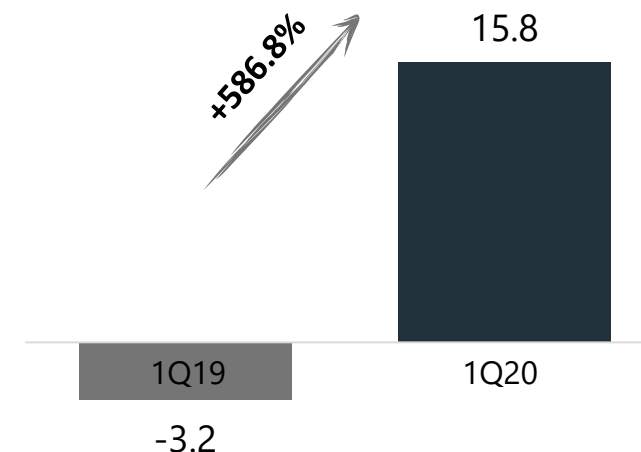
- Resources obtained in the IPO were used as a source of working capital for payment operations

// Capex

- Capex in 2019 was concentrated in the first quarter, representing approximately 70% of the amount spent during the year

Cash Generation (Adjusted EBITDA – Capex)

R\$ millions



Cash generation leveraged by low cash requirements in high growth segments

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2020

- // Well-positioned and relevant Company in high growth segments: **E-Commerce e SaaS**
- // **Most complete portfolio** in Brazil for digitalizing **SMBs**
- // **Well-capitalized** Company with the resources obtained from the IPO and with strong and consistent **cash generation**
- // Clear strategy and robust **M&A** pipeline
- // Ability to launch products that complement the ecosystem and increase the possibilities of **cross-sell** and **up-sell**
- // We have programs to **Develop, Retain and Attract** the best **people**
- // We are using our low CAC to **accelerate customer acquisition**, without compromising the Company's margin
- // We can contribute to the market digitalization post-Covid