

São Paulo, March 24, 2021: Locaweb Serviços de Internet S.A. (B3: LWSA3) announces to its shareholders and the market in general its results for 4Q20.

Highlights

Net Revenue of **R\$140.2** million in 4Q20, up by **33.3%** over 4Q19

Commerce reached **R\$46.5** million in Net Revenue, up by **108.2%** over 4Q19

In 4Q20, Commerce's EBITDA grew **105.4%** over 4Q19, totaling **R\$15.7** million and already represents **43.2%** of the group's EBITDA

GMV of the Commerce segment totaled **R\$2.1** billion, up by **83.8%** year on year in 4Q20

TPV of the Commerce segment grew by **158.7%** in 4Q20 vs. 4Q19, reaching **R\$582.0** million

Store owners base more than **doubled** between January and December 2020, a trend maintained in **January** and **February** 2021:

- Addition of new stores in January and February 2021: **+29.9% over 4Q20**
- Addition of new stores in March 2021: Highest daily new store addition in the operation history¹ (**+56%** vs 4Q20 daily average)
- Store owners base growth from December 2020 to February 2021: **+15%**

Increased marketing efforts in the Commerce segment with maintenance of the operation profitability

Adjusted EBITDA of **R\$36.4** million in 4Q20, up by **20.6%** over 4Q19

Operating cash generation² of **R\$79.0 million** in 2020, up **25.0%** over 2019

Adjusted Net Income of **R\$41.6** million in 2020, up by **47.7%** over 2019

Net Cash Position³ of **R\$274.7** million. Excluding the effects of IFRS 16, Net Cash Position was **R\$344.2** million

We moved forward with our acquisitions in a consistent way – making **9 acquisitions** since the IPO, **3** of which after the Follow-on, ensuring a contracted ARR of **R\$112 million** (an inorganic contracted growth of **22.9%**)

Conference Call (simultaneous translation): 03/26/2021

3:00 p.m. (Brasília time) +1 (412) 717-9627

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¹ Until the date of the present report

² Adjusted EBITDA less Capex.

³ Corresponds to loans and financing less the balance of derivatives (foreign exchange swap), less cash and cash equivalents.

// Comments from Management

We are once again pleased to present Locaweb's results for the fourth quarter of 2020, thus closing the cycle of four disclosures in 2020. The fourth quarter of 2020 was once again marked by consistent results in all our business lines (with emphasis on the substantial growth in the Commerce operation) and a robust movement in M&A.

We continue to expand our ecosystem, that already has more than 382 integrations, and improve the quality of our platform, which contributed to the increase in our customers' sales. We can observe that in the variation of the GMV below, where our growth has been consistently above the market and accelerating quarter by quarter. All of this makes us enter 2021 in a privileged situation to continue gaining market share.

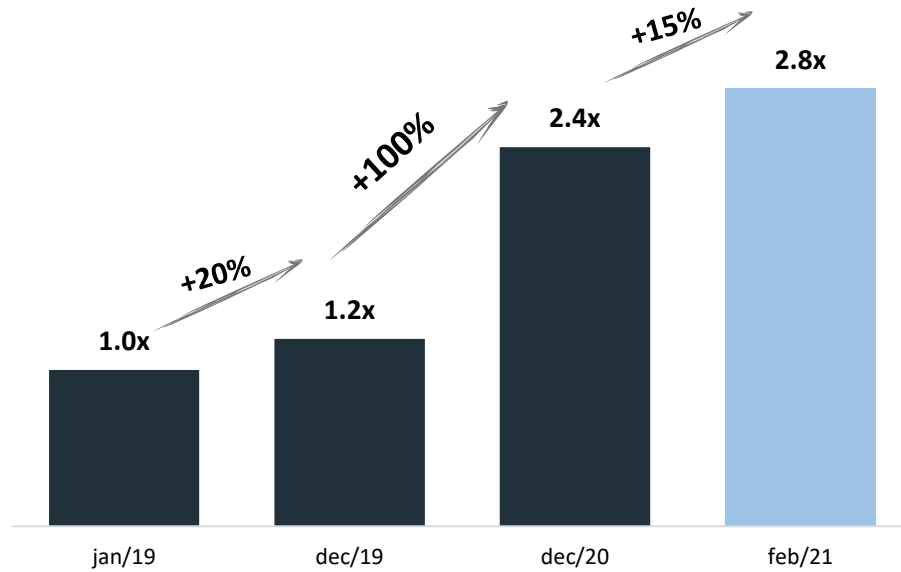
- Our GMV grew 74% vs. 47% of the market (according to Webshoppers 42) year on year in 1H20. In other words, our growth was **57%** higher than that of the market.
- Our GMV rose 90.4% vs. 43.5% of the market (according to EBIT) year on year in 3Q20. In other words, our growth was **108%** higher than that of the market.
- Our GMV increased 83.8% vs. 32.2% of the market (according to EBIT) year on year in 4Q20. In other words, our growth was **160%** higher than that of the market.

In terms of addition of new stores, we once again had a very good quarter when we consider the reopening of the economy. In 4Q20, the number of new stores increased by 237.0% against 4Q19, with a rapid growth in January and February 2021, when we observed an upturn above 29.9% vs. the average of 4Q20. In March 2021, we are observing the best historical daily average of bookings of new stores (+56% compared to the same metric as in 4Q20). With these volumes of new entrants, we strengthened our position as the largest, best and most efficient digitization tool for SMBs in Brazil, paving the way for a strong growth in revenue for coming quarters.

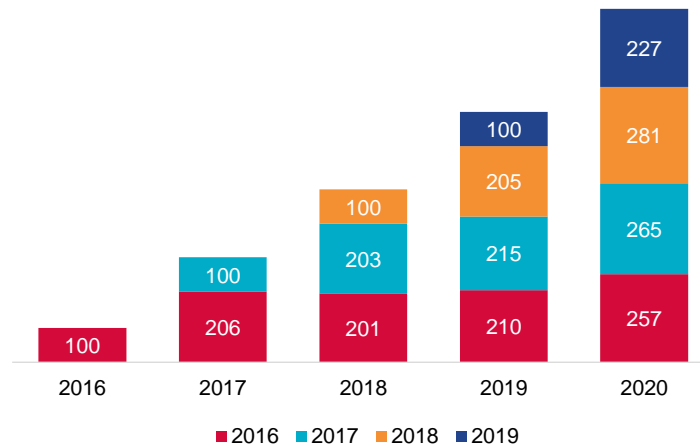
This uptick in the addition of new stores in 4Q20 and in early 2021 was due to four factors: (i) more integrations with the tool, maintaining its attractiveness in relation to the competition; (ii) increased marketing efforts to directly attract new customers; (iii) brand marketing efforts; and (iv) the attractiveness of our ecosystem with the acquired companies.

Through this increase in the number of new clients and churn trends similar to what was reported in the second quarter of 2019, we are paving the way for a great revenue growth in the coming years, since ARPU of new clients can be multiplied by 7x over the next three years, until it reaches the average expense of our base.

As a result of the solid entrance of new stores to the Tray platform, our customer base has increased significantly since January 2019, as shown in the chart below. It is important to mention that from December 2020 until February 2021, we were able to grow our clients base in 15%.

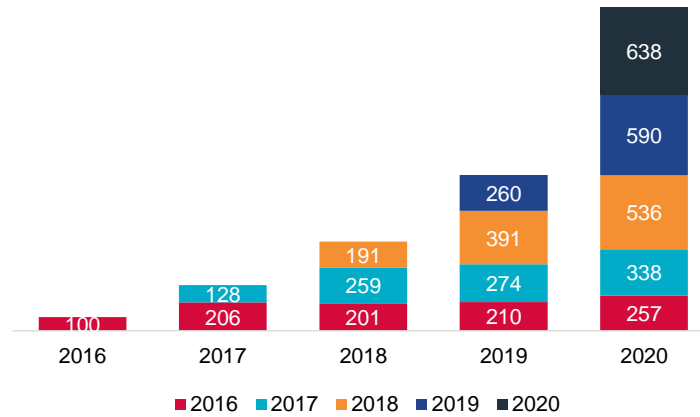


The year 2020 showed solid growth in all **revenue cohorts**, as can be seen in the chart below, which is indexed to base 100 in the customer's first year in our base.



The 2016, 2017, 2018 and 2019 cohorts showed growth of 22%, 23%, 37% and 127%, respectively, in 2020 compared to 2019, confirming that the ARPU growth exceeds churn in all revenue cohorts presented.

In addition to the growth in all cohorts shown in the chart above, we noticed that the 2020 customers are generating 6.38x more revenue than customers who entered in 2016 generated in their first year, as we can see in the chart below, when revenue was indexed to base 100 in 2016:

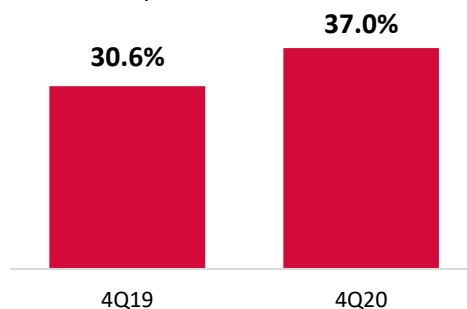


Sales volume for SMBs in the BeOnline/SaaS segment remains at a fast pace. The sales in the segment increased by 24.7% year on year in 2020 and by 20.9% year on year in 4Q20.

As for Delivery Direto, we continue to see a solid growth in the entry of new customers, even after the reopening of the economy. The customer base is currently 137.5% larger than the base of September 2019, when we acquired the company.

The sales performance of Nextios, cloud-based service for Locaweb’s corporate customers, rose 32% year on year in 4Q20.

Still on BeOnline/SaaS, we highlight the gradual change in the revenue mix of the segment, as SaaS products grow at a faster pace than the BeOnline segment. The chart below (on a managerial basis) shows the growth in SaaS revenue in the revenue mix between quarters:

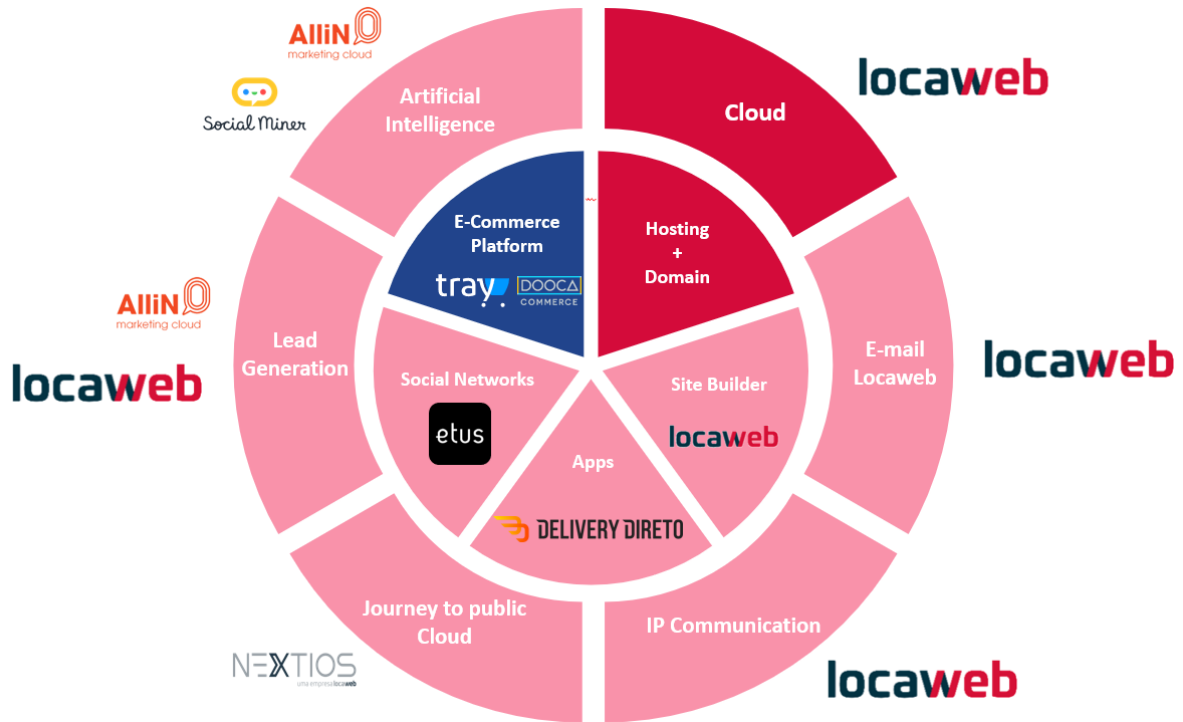


¹ Considering Etus in 4Q20

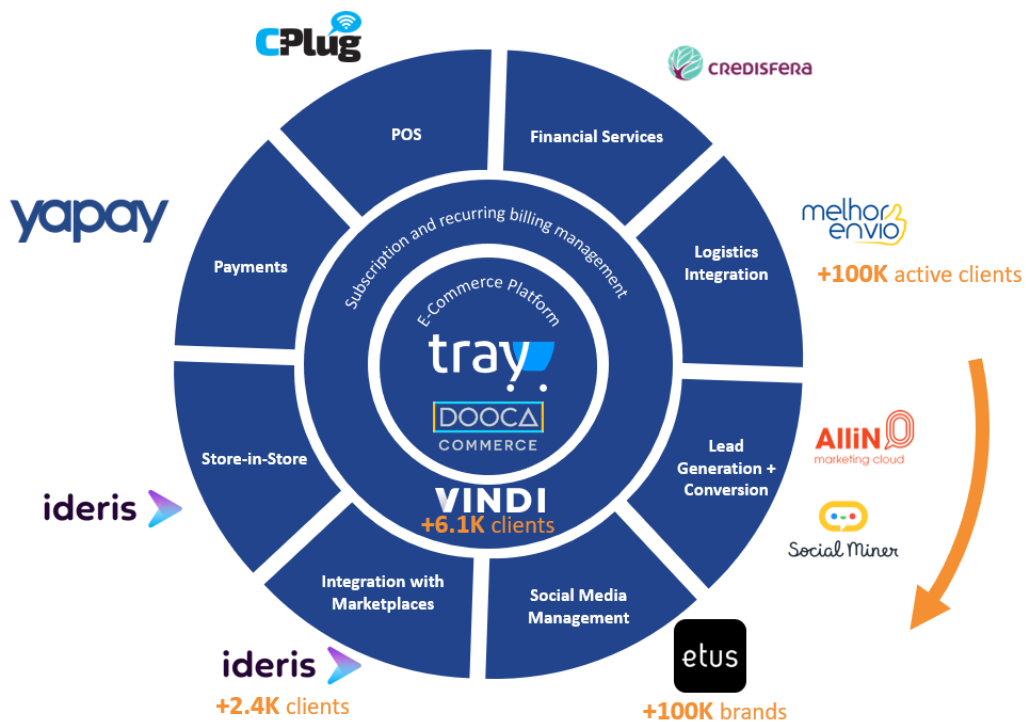
Since the end of 3Q20, we have had a strong M&A movement, involving the acquisition of 9 companies, 3 of which after the Follow-on, reinforcing our ecosystem of solutions with strong synergy with customers from all segments of the group (BeOnline, SaaS and Commerce), as can be seen below.

Our acquisition strategy is based on enriching the customer journey in the digital world, whether in the Commerce or the digitization process.

Locaweb provides all types of digitization solutions for its customers, including website hosting, social networks, applications or e-commerce.



With the recent acquisitions announced, the Company's commerce solutions ecosystem offers its customers, in addition to two robust e-commerce platform solutions (Tray and Dooca Commerce); subscription management and recurring billing with Vindi; lead generation and conversion with All In and Social Miner; social media management with Etus; marketplace and store-in-store integration with Ideris; payment solution with Yapay; points of sale (POS) with ConnectPlug; financial services with Credisfera; and logistics solutions with Melhor Envio, as can be seen below.



We expect that the ecosystem expansion through the new acquisitions will dramatically accelerate the growth pace of our Commerce segment, as (i) it increases customers' ARPU, (ii) reduces churn rates and (iii) speeds up the acquisition of new customers.

Another important benefit deriving from the recent acquisitions is our larger team of digital entrepreneurs. These entrepreneurs, who make up one of the most complete teams in Brazil, in addition to contributing to the Company's operational/strategic direction, encourage talent retention and attract new companies to our M&A pipeline.

We highlight that we have a clear and robust process for integrating all acquisitions with a dedicated team led by an executive with extensive experience in integrating acquisitions.

We divided our companies' integration process into three main pillars:

- (i) **Back-office integration**
 - a. Upon completion of the acquisition, the Company quickly absorbs all operating activities, such as finance, accounting, legal and HR, so as to generate scale gains for the acquired companies and ensure that the founder is exclusively focused on managing the business's core activities.
- (ii) **Business integration**
 - a. Retention of founders, who autonomously lead core operations, including sales, marketing and product development.
 - b. We support the company's entire governance and support structure, helping the founder improve business management.

- c. We use corporate programs (i.e., long-term incentives) to improve talent retention and attraction in the acquired companies.

(iii) Capturing synergies

- a. We connect all products in our ecosystem with the acquired companies through business plans that are highly detailed throughout the acquisition process.

Thanks to this process, since 2012 we have been able to maintain all entrepreneurs of the companies we have acquired; substantially accelerate the acquired companies by improving operating margin; integrate processes in a consistent way; and create value for the Company.

In February 2021, we concluded our Follow-on, and as a result, we continue to be capitalized and, as previously mentioned, funds will continue to be used to make new acquisitions. We maintain our search pace for new acquisitions, using the same principles that guided us in the past.

Finally, it is worth noting that the financial results include the acquisitions of Etus (full quarter), Ideris and Melhor Envio (as of December, 2020), while operating results of the quarter (addition of new stores, GMV and TPV) do not consider the impact of the acquisitions of Ideris and Melhor Envio.

Business highlights for the quarter

// Acquisitions

*“As promised in our IPO, we consistently allocated the funds raised through the IPO in order to create value for our shareholders: Acquisition of companies with high individual growth rates and great synergy with our operation. With the **9** acquisitions made after the IPO, we will generate a contracted ARR of **R\$112 million** for the group.”*

Fernando Cirne, CEO of Locaweb

// Etus

- **Acquisition rationale:** A company that offers the most complete and robust management and digital marketing solutions on social media.

Etus – which already presented substantial organic growth in recent years – will be able to further expand through immediate synergies and integrations with the customer base of all Locaweb operations – BeOnline/SaaS and Commerce. The acquisition of Etus is in line with the Company's strategy of offering the largest and most comprehensive ecosystem of solutions to support our customers in the digitization of their businesses.

- **Cross-selling:** with the entire customer base and at all Locaweb touchpoints, including product shopping carts; administration dashboards; upgrade events; and brand activation campaigns in the base.
- **Status:** All customers who purchase the Site Builder on the Locaweb website can acquire Etus with an exclusive discount. The same applies to customers of the Site Builder base, who through the product

dashboard, can acquire Etus and boost their content creation on their websites and social media. The next products to receive this integration include Hosting, Wordpress Hosting, Tray and KingHost.

// Social Miner

- **Acquisition rationale:** A company that offers e-commerce and retailers a SaaS platform so they can increase sales, engage customers, convert visitor flows into registration and/or purchases and reduce customer acquisition costs through increased use of proprietary big data technology and artificial intelligence.

With the solutions integration of Social Miner, which has a consolidated product in the market, and All In, a company acquired by Locaweb in 2013, we now offer a complete suite of services that monitors the entire consumer journey for e-commerce and retailers of all segments and sizes, which will be very important to boost customer sales in Tray, our e-commerce platform.

- **Cross-selling:** With Tray Corp to increase conversion rates and sales in large e-commerce platforms; and the creation of a new product focused on increasing small business' sales, which will be available in the Tray and SMBs bases.
- **Status:** Integrated teams and unified portfolio, with unique service for multi-platform accounts. Joint sales are already showing positive results, and the focus on technology integration continues. Innovative product dedicated to SMBs - with high cross-selling rates with e-commerce platforms - in an advanced stage of technical tests.

// Ideris

- **Acquisition rationale:** A company that offers a complete multi-channel integration platform for retail operations. It allows retailers to operate on several channels under the direct integration model in marketplaces or through the store-in-store concept, whereby customers publish their ads within the Ideris megastores without having to sign individual contracts.

Thanks to the acquisition of Ideris, Locaweb, which already has the most comprehensive ecosystem of e-commerce solutions, with an e-commerce platform, payment solutions, recurrence and more than 382 integrations, expands this portfolio and consolidates itself as the best option to digitize the retail industry in Brazil.

- **Cross-selling:** To offer new sales channels immediately (marketplace integrations went up from 22 to 24); to offer the store-in-store product to speed up sales and better position our customers' products; and to offer logistics integration with Melhor Envio.
- **Status:** The technological integration with Tray Corp is almost over, and the Corp customers will be fully migrated by the end of June. In parallel, the retail integration will start in the second quarter, and the retail base will be fully migrated by the end of 2021. As of June 2021, we will begin offering store-in-store

solutions to Tray customers, and subsequently, we will make the effort to improve the integration between Ideris and Melhor Envio, so as to expand logistics services supply for Ideris customers.

// Melhor Envio

- **Acquisition rationale:** To offer a platform that connects sellers with the main carriers and logistics companies in Brazil, without the need to negotiate individual contracts. Through the platform, it is possible to simultaneously quote shipping costs with several carriers, digitally contract shipping services and track goods wisely.

With the acquisition of Melhor Envio, Locaweb – which already has the most comprehensive ecosystem of e-commerce solutions, an e-commerce platform, payment solutions, marketplace integration, subscription management and more than 382 integrations – reinforces its performance in the logistics segment and continues to consolidate itself as the best option to digitize the retail industry in Brazil.

- **Cross-selling:** To expand Tray solutions currently available to our customers, bringing more carriers and more competitive prices; to become the preferred logistics option among all Ideris sellers; and to make Yapay the preferred payment method for the purchase of labels.
- **Status:** The integration with Yapay will be concluded in the first quarter. As of the second quarter, we will begin integrating Melhor Envio with Tray. Subsequently, the Frete Fácil customer base will be migrated to Melhor Envio throughout the year, with deadline foreseen in September 2021.

// Vindi

- **Acquisition rationale:** A fintech that offers subscription management and recurring billing solutions.
- **Cross-selling:** To migrate TPV to the Yapay solution; integrate Vindi's recurring payment APIs into Tray (e-commerce platform) and explore the full cross-selling potential with the other business segments of the Company (BeOnline, SaaS and Commerce).
- **Status:** TPV migration to Yapay is in progress with the conversion of part of the customers.

// ConnectPlug

- **Acquisition rationale:** SaaS platform with a point-of-sale (POS) and a comprehensive management system. With a large presence in the food services segments the platform provides important features, such as an ordering and delivery manager integrated with many marketplaces, a seamless self-service solution to support clients ordering in stores or restaurants and digital table menu for low-touch order process fully integrated with ConnectPlug's KDS (kitchen display system).

With the acquisition of ConnectPlug, Locaweb – which already has the most comprehensive ecosystem of technological solutions for SMBs and a strong presence in the food service market with Delivery Direto – reinforces its portfolio, enters the important market of technology solutions for physical stores and continues to consolidate itself as the best option to digitize companies in Brazil, expanding cross-selling opportunities with Tray store owners' base.

- **Cross-selling:** customer base crossover with Delivery Direto; payment integration with Yapay for CPlug customers; and the offering of CPlug, POS and other products to Tray customers owning physical stores.
- **Status:** Newly acquired company. The integration has already been planned.

// Credisfera

- **Acquisition rationale:** A fintech that offers credit solutions to SMBs. This acquisition will enable Locaweb to offer this service to its customer base in an integrated way.
- **Cross-selling:** To offer an integrated solution combining Credisfera's technological capacity and credit expertise, with a huge customer base that uses Locaweb's platforms to make sales and receive payments digitally.
- **Status:** Newly acquired company. The integration has already been planned.

// Dooça

- **Acquisition rationale:** A virtual store platform focused on SMBs, which helps storekeepers set up, arrange and manage their online stores and sell on the web. With the acquisition, the Company – which already has a leading position in the segment with Tray – consolidates itself in this market that grew exponentially in 2020.
- **Cross-selling:** To offer, to the entire Dooça customer base; the Yapay payment solution; marketplace and store-in-store integrations provided by Ideris; Melhor Envio's logistics solutions; Vindi's recurring payment APIs; and the entire digital marketing portfolio provided by a Social Miner and All In.
- **Status:** Newly acquired company. The integration has already been planned.

// Samurai

- **Acquisition Rationale:** A technology company that offers an application ecosystem compatible with several market platforms to optimize the results of virtual stores. Samurai will reinforce the group's strategy to serve medium- and large-sized e-commerce businesses, joining forces with Tray Corp and improving our ability to handle complex and customized projects.
- **Cross-selling:** To offer, to the entire Samurai customer base, the Yapay payment solution; marketplace and store-in-store integrations provided by Ideris; Melhor Envio's logistics solutions; Vindi's recurring payment APIs; and the entire digital marketing portfolio provided by Social Miner and All In.
- **Status:** Newly acquired company. The integration has already been planned.

// Annual recurring revenue of the acquired companies

- The acquired companies have a contracted ARR (Annual Recurring Revenue) of R\$112 million, representing a contracted inorganic growth of 22.9% for the group in 2021. Additionally, these companies as a whole showed organic growth above 50% in 2020.

// Summary Indicators

// Consolidated (R\$ million)

locaweb	4Q20	4Q19	vs 4Q19	2020	2019	vs 2019
Net Revenue	140.2	105.2	33.3%	488.2	385.7	26.6%
Gross Profit	60.5	45.5	33.0%	205.3	161.3	27.3%
Gross Margin (%)	43.2%	43.2%	-0.1 p.p.	42.1%	41.8%	0.2 p.p.
EBITDA	26.2	29.5	-11.2%	100.8	106.9	-5.7%
EBITDA Margin (%)	18.7%	28.1%	-9.4 p.p.	20.6%	27.7%	-7.1 p.p.
Adjusted EBITDA ¹	36.4	30.2	20.6%	129.4	110.9	16.7%
Adjusted EBITDA Margin (%)	26.0%	28.7%	-2.7 p.p.	26.5%	28.7%	-2.2 p.p.
Net Income	9.0	6.9	29.1%	19.7	18.1	9.2%
Adjusted Net Income ²	12.8	10.4	23.1%	41.6	28.2	47.7%
Adjusted Net Income Margin (%)	9.1%	9.9%	-0.8 p.p.	8.5%	7.3%	1.2 p.p.
Cash Generation ³	22.1	24.4	-9.6%	79.0	63.2	25.0%
Cash Conversion (%) ³	60.6%	80.8%	-20.2 p.p.	61.0%	57.0%	4.1 p.p.
Net debt (cash) ⁴	(344.2)	76.3	n/a	(344.2)	76.3	n/a

¹ Adjusted EBITDA refers to net income (loss) adjusted by the financial result, income tax and social contribution on profit, depreciation and amortization costs and expenses, stock option plan expenses, expenses related to mergers and acquisitions; non-recurring bonus expenses considered by the Company's management, financial income related to derivatives used as a hedge instrument against exchange variation on operating liabilities, write-off as a result of the sale of investments in the subsidiary Eventuals and extraordinary expenses related to the IPO.

² Adjusted Net Income is calculated from net income (loss), excluding: (i) stock option plan expenses; (ii) amortization expenses of intangibles due to the acquisition of companies; (iii) adjustments related to CPC 06 (refers to the sum of financial expenses with interest due to the updating of lease liabilities and the depreciation expense of right-of-use assets less lease liability payments made); (iv) mark-to-market of derivative financial instruments; and (v) extraordinary expenses related to the IPO.

³ Cash Generation consists of "Adjusted EBITDA – Capex", and Cash Conversion consists of dividing "Adjusted EBITDA – Capex" by "Adjusted EBITDA".

⁴ Corresponds to loans and financing less the balance of derivatives (foreign exchange swap), less cash and cash equivalents (does not consider lease liabilities related to IFRS 16).

// Commerce

(R\$ million)

Commerce	4Q20	4Q19	vs 4Q19	2020	2019	vs 2019
Total GMV ¹	2,052.9	1,117.2	83.8%	6,786.4	3,742.2	81.3%
TPV (Yapay)	582.0	225.0	158.7%	1,723.7	728.9	136.5%
Gross revenue, net of rebate	52.2	25.2	107.3%	160.3	90.4	77.4%
Commerce Take rate ²	2.5%	2.3%	0.3 p.p.	2.4%	2.4%	-0.1 p.p.
Net Revenue	46.5	22.3	108.2%	142.3	80.1	77.6%
Gross Profit	29.9	14.3	109.3%	95.7	52.8	81.3%
Gross Margin (%)	64.3%	64.0%	0.3 p.p.	67.3%	65.9%	1.4 p.p.
EBITDA	15.7	7.7	105.4%	56.6	30.0	88.8%
EBITDA Margin (%)	33.8%	34.3%	-0.5 p.p.	39.8%	37.4%	2.4 p.p.

¹ Total GMV includes GMV of stores plus GMV of other channels that we offer for integration to our customers and does not consider any GMV from Ideris and Melhor Envio.

² Take-rate: Gross revenue, net of rebate divided by the Total GMV.

// BeOnline / SaaS

(R\$ million)

BeOnline / SaaS	4Q20	4Q19	vs 4Q19	2020	2019	vs 2019
Clients EoP - BeOnline / SaaS ¹	394.0	364.9	8.0%	394.0	364.9	8.0%
Gross revenue, net of rebate	102.6	92.7	10.7%	379.3	342.4	10.8%
Net Revenue	93.7	82.9	13.1%	345.9	305.6	13.2%
Gross Profit	30.6	31.2	-1.9%	109.6	108.5	1.0%
Gross Margin (%)	32.7%	37.6%	-5.0 p.p.	31.7%	35.5%	-3.8 p.p.
EBITDA	10.5	21.9	-52.0%	44.2	76.9	-42.5%
EBITDA Margin (%)	11.2%	26.4%	-15.2 p.p.	12.8%	25.2%	-12.4 p.p.
Adjusted EBITDA ²	20.7	22.5	-8.2%	72.8	80.9	-10.0%
Adjusted EBITDA Margin (%)	22.1%	27.2%	-5.1 p.p.	21.1%	26.5%	-5.4 p.p.

¹ Considers the number of paying customers of Etus, which was acquired in September 2020.

² Adjusted EBITDA refers to net income (loss) adjusted by the financial result, income tax and social contribution on profit, depreciation and amortization costs and expenses, stock option plan expenses, merger and acquisition expenses; non-recurring bonus expenses considered by the Company's management, financial income related to derivatives used as a hedge instrument against exchange variation on operating liabilities, write-off as a result of the sale of investments in the subsidiary Eventuals and extraordinary expenses related to the IPO.

// Performance

// Net Operating Revenue

(R\$ million)

locaweb	4Q20	4Q19	vs 4Q19	2020	2019	vs 2019
Commerce	46.5	22.3	108.2%	142.3	80.1	77.6%
<i>Segment share in the consolidated</i>	<i>33.2%</i>	<i>21.2%</i>	<i>11.9 p.p.</i>	<i>29.2%</i>	<i>20.8%</i>	<i>8.4 p.p.</i>
BeOnline / SaaS	93.7	82.9	13.1%	345.9	305.6	13.2%
<i>Segment share in the consolidated</i>	<i>66.8%</i>	<i>78.8%</i>	<i>-11.9 p.p.</i>	<i>70.8%</i>	<i>79.2%</i>	<i>-8.4 p.p.</i>
Net Revenue - Consolidated	140.2	105.2	33.3%	488.2	385.7	26.6%

Locaweb's Net Revenue reached R\$140.2 million in 4Q20, up by 33.3% over 4Q19. It grew 26.6% year on year in 2020.

Organically (excluding Etus, Melhor Envio and Ideris revenues), net revenue increased by 26.6% year on year in 4Q20.

Commerce	4Q20	4Q19	vs 4Q19	2020	2019	vs 2019
Total GMV ¹	2,052.9	1,117.2	83.8%	6,786.4	3,742.2	81.3%
TPV (Yapay)	582.0	225.0	158.7%	1,723.7	728.9	136.5%
Gross revenue, net of rebate	52.2	25.2	107.3%	160.3	90.4	77.4%
Commerce Take rate ²	2.5%	2.3%	0.3 p.p.	2.4%	2.4%	-0.1 p.p.
Net Revenue	46.5	22.3	108.2%	142.3	80.1	77.6%

¹ Total GMV includes GMV of stores plus GMV of other channels that we offer for integration to our customers and does not consider any GMV from Ideris and Melhor Envio.

² Take-rate: Gross revenue, net of rebate divided by the Total GMV.

In the Commerce segment, Net Revenue in 4Q20 grew by 108.2%, from R\$22.3 million in 4Q19 to R\$46.5 million in 4Q20. In 2020, Net Operating Revenue was 77.6% higher than in 2019.

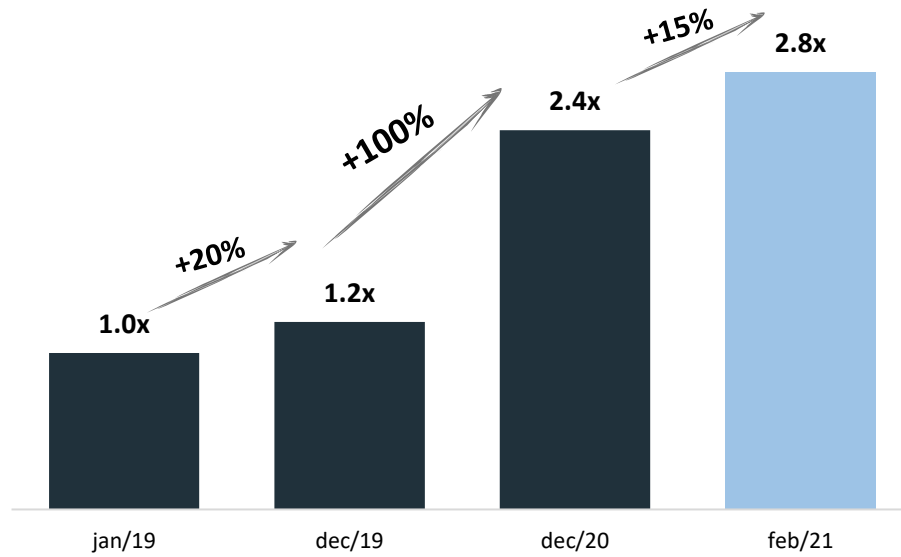
Excluding the inorganic effects related to the acquisitions of Ideris and Melhor Envio, which became part of the group in December 2020, respectively, the growth was 87.0%.

This strong growth was due to the 83.8% increase of our GMV in 4Q20, and an 81.3% growth in 2020, when compared to the same periods in 2019, reflecting the expansion of our customer base (which doubled in 2020) and their respective sales volumes against the same period in the previous year. This was driven by the entry of new customers and the strong sales growth of stores that already existed in our customer base in 2019 ("same-store sales").

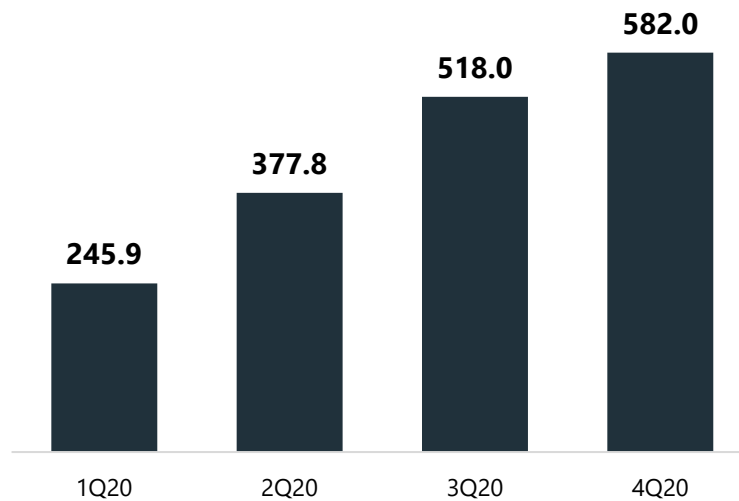
In 4Q20, the addition of new stores increased by 237.0% against 4Q19. With these volumes of new entrants, we strengthened our position as the largest, best and most efficient digitization tool for SMBs in Brazil.

The quarter's data reinforces that, even with business reopening in many cities, we did not see signs of a slowdown in new store additions.

As a result of the strong entry of new stores on the Tray platform, our customer base has increased exponentially since January 2019, as shown in the chart below, which also includes our customer base growth until February 2021:



It also contributed to the strong growth in net revenue of the segment in the quarter a 158.7% increase (vs. 4Q19) in total transactions (TPV) in Yapay, our payment platform. The chart below shows the growth of the transaction volume in our payment solution in the last four quarters (in R\$ million):



BeOnline / SaaS	4Q20	4Q19	vs 4Q19	2020	2019	vs 2019
Clients EoP - BeOnline / SaaS ¹	394.0	364.9	8.0%	394.0	364.9	8.0%
Gross revenue, net of rebate	102.6	92.7	10.7%	379.3	342.4	10.8%
Net Revenue	93.7	82.9	13.1%	345.9	305.6	13.2%

¹ Considers the number of paying customers of Etus, which was acquired in September 2020.

The number of clients in the BeOnline / SaaS segment (end of period) increased by 8.0% year on year in 4Q20. It is worth noting that Etus, a company acquired in September, brought new customers to the platform in this quarter.

The Net Revenue of the BeOnline / SaaS segment increased by 13.1%, from R\$82.9 million in 4Q19 to R\$93.7 million in 4Q20. In 2020, Net Revenue was 13.2% higher than in 2019, reaching R\$345.9 million.

Excluding the inorganic effects related to the acquisition of Etus, which became part of the group in the end of September 2020, the growth in the quarter was 10.4%.

In this quarter, we also highlight the sales growth in corporate solutions (which was affected by the pandemic), the growth in our entire suite of corporate email solutions, Site Builder and Delivery Direto, all of which had high growth rates compared to 2019.

// Operating Costs and Expenses

(R\$ million)

locaweb	4Q20	4Q19	vs 4Q19	2020	2019	vs 2019
Cost of Services	79.7	59.7	33.4%	282.9	224.4	26.1%
Selling Expenses	24.2	16.6	45.6%	82.2	70.2	17.0%
General and Administrative Expenses	25.2	15.0	68.5%	79.9	44.4	80.1%
Other Operating (Revenues) Expenses	(0.1)	(0.4)	-64.6%	(0.9)	(6.2)	-85.4%
Total Operating Cost and Expenses	128.9	90.8	41.9%	444.0	332.8	33.4%
% Net Revenue	92.0%	86.4%	5.6 p.p.	90.9%	86.3%	4.7 p.p.

Locaweb's total operating costs and expenses increased by 41.9% year on year in 4Q20. In 2020, the growth was 33.4% higher than in 2019.

Cost of Services

Cost of Services totaled R\$79.7 million in 4Q20 and R\$59.7 million in 4Q19, corresponding to a 33.4% increase in the year-on-year comparison and representing 56.8% of net revenue in 4Q20 and 4Q19, respectively.

The increase in the cost of services was in line with the Company's net revenue growth in the period, reflecting the mix of a solid growth seen in the Commerce segment, which also has margins higher than the Company's consolidated results, and the impact of the costs of services by the companies acquired (Etus, Ideris and Melhor Envio), which totaled R\$3.6 million in the period.

Selling Expenses

Selling expenses, which includes marketing and sales teams, as well as third-party services of the same nature and provisions for doubtful accounts totaled R\$24.2 million in 4Q20, increasing by 45.6% over 4Q19.

As presented in the previous quarter, the Company increased its Brand Marketing efforts on the Tray platform, aiming at solidifying the brand as the leader in the digitization segment of SMBs in Brazil, which accounted for a large part of the growth seen in selling expenses in the Commerce segment, as shown in the table below:

locaweb	4Q19	3Q20	4Q20	4Q20 vs 4Q19	4Q20 vs 3Q20
Commerce					
Selling Expenses	4.2	6.7	9.6	126.4%	42.8%
% Net Revenue	19.0%	16.7%	20.6%	1.7 p.p.	4.0 p.p.
BeOnline / SaaS					
Selling Expenses	12.4	13.7	14.6	17.9%	6.6%
% Net Revenue	14.9%	15.9%	15.6%	0.6 p.p.	-0.3 p.p.
Consolidated					
Selling Expenses	16.6	20.4	24.2	45.6%	18.5%
% Net Revenue	15.8%	16.2%	17.2%	1.5 p.p.	1.1 p.p.

General and Administrative Expenses

General and Administrative Expenses, which comprise administrative, finance, HR, accounting and tax teams, as well as third-party services related to these areas, and asset depreciation and amortization of IFRS 16 and PPA, totaled R\$25.2 million in 4Q20, compared to R\$15.0 million in 4Q19, a 68.5% increase.

The increase was mainly due to the factors described below, which totaled R\$11.2 million:

- (i) M&A expenses in the amount of R\$5.6 million;
- (ii) Increase in the non-cash fair value provisions for the Company's granted stock options, which were increased prior to the IPO, in order to retain its key executives for the next 4 years, resulting in provisioned amounts that were R\$4.0 million higher than in 4Q19;
- (iii) New corporate divisions created after the IPO (such as the Investor Relations, Internal Controls and Internal Audit departments and control and governance bodies), in the amount of R\$1.0 million;
- (iv) Inorganic effect related to the acquired companies (Etus, Ideris and Melhor Envio), in the amount of R\$0.6 million.

// Gross Profit

(R\$ million)

locaweb	4Q20	4Q19	vs 4Q19	2020	2019	vs 2019
Commerce	29.9	14.3	109.3%	95.7	52.8	81.3%
<i>Margin (%)</i>	<i>64.3%</i>	<i>64.0%</i>	<i>0.3 p.p.</i>	<i>67.3%</i>	<i>65.9%</i>	<i>1.4 p.p.</i>
BeOnline / SaaS	30.6	31.2	-1.9%	109.6	108.5	1.0%
<i>Margin (%)</i>	<i>32.7%</i>	<i>37.6%</i>	<i>-5.0 p.p.</i>	<i>31.7%</i>	<i>35.5%</i>	<i>-3.8 p.p.</i>
Gross Profit	60.5	45.5	33.0%	205.3	161.3	27.3%
<i>Gross Margin (%)</i>	<i>43.2%</i>	<i>43.2%</i>	<i>-0.1 p.p.</i>	<i>42.1%</i>	<i>41.8%</i>	<i>0.2 p.p.</i>

The BeOnline/SaaS segment was impacted by the currency depreciation in 2020, with a R\$2.2 million impact in the quarter related to currency depreciation on payments for software licenses priced in dollars.

Consolidated Gross Profit increased by 33.0% in 4Q20 versus 4Q19, reaching R\$60.5 million. In 2020, Gross Profit increased by 27.3%, reaching R\$205.3 million.

In 4Q20, Gross Margin was stable compared to 4Q19, at 43.2%.

// EBITDA and Adjusted EBITDA

(R\$ million)

locaweb	4Q20	4Q19	vs 4Q19	2020	2019	vs 2019
Net Income (Loss)	9.0	6.9	29.1%	19.7	18.1	9.2%
(+) Net Financial Income	5.3	7.4	-28.6%	14.5	28.7	-49.5%
(+) Current Income Tax and Social Contribution	(3.0)	0.0	-21314.3%	10.0	6.2	60.6%
(+) Depreciation and Amortization	15.0	15.2	-1.5%	56.6	53.9	5.0%
EBITDA	26.2	29.5	-11.2%	100.8	106.9	-5.7%
(+) Stock Options Plan	4.4	0.4	n/a	15.5	2.1	636.1%
(+) M&A Expenses	5.7	0.1	6169.6%	6.6	1.0	551.7%
(+) Non-recurring Bonus Expenses	0.0	0.1	-100.0%	0.0	0.8	-100.0%
(+) IPO Expenses	0.0	0.0	n/a	6.4	0.0	n/a
Adjusted EBITDA	36.4	30.2	20.6%	129.4	110.9	16.7%
<i>Adjusted EBITDA Margin (%)</i>	<i>26.0%</i>	<i>28.7%</i>	<i>-2.7 p.p.</i>	<i>26.5%</i>	<i>28.7%</i>	<i>-2.2 p.p.</i>

As presented in the figures above, Locaweb's adjusted EBITDA was R\$36.4 million in 4Q20, up 20.6% over 4Q19, with adjusted EBITDA margin down 2.7 p.p. in the same period, mainly due to the consolidation of results of the acquired companies, which had EBITDA margins lower than that presented by the group.

// EBITDA and Adjusted EBITDA by segment

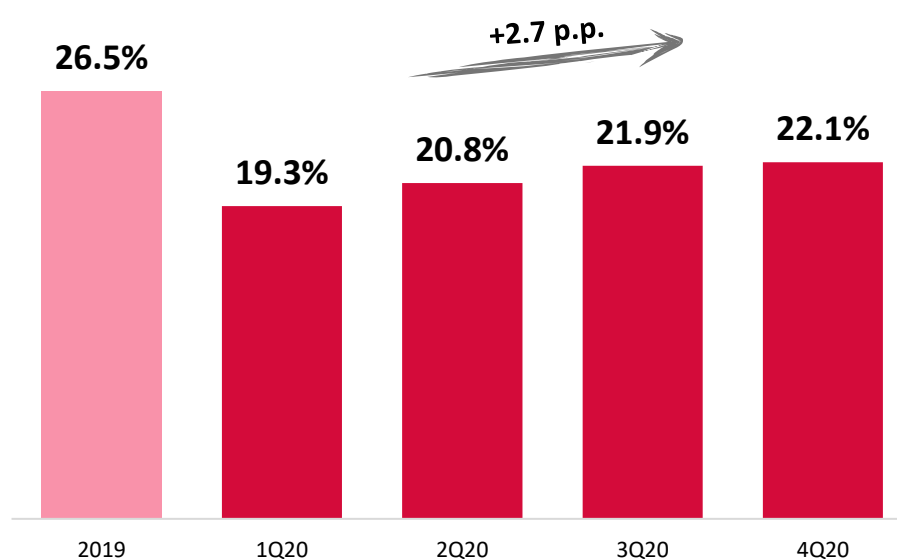
(R\$ million)

locaweb	4Q20	4Q19	vs 4Q19	2020	2019	vs 2019
Commerce						
EBITDA	15.7	7.7	105.4%	56.6	30.0	88.8%
EBITDA Margin (%)	33.8%	34.3%	-0.5 p.p.	39.8%	37.4%	2.4 p.p.
BeOnline / SaaS						
Adjusted EBITDA	20.7	22.5	-8.2%	72.8	80.9	-10.0%
Adjusted EBITDA Margin (%)	22.1%	27.2%	-5.1 p.p.	21.1%	26.5%	-5.4 p.p.
Consolidated						
Adjusted EBITDA	36.4	30.2	20.6%	129.4	110.9	16.7%
Adjusted EBITDA Margin (%)	26.0%	28.7%	-2.7 p.p.	26.5%	28.7%	-2.2 p.p.

The EBITDA of the Commerce segment increased by 105.4% in 4Q20, reaching R\$15.7 million, and EBITDA margin dropped by 0.5 p.p., reaching 33.8% in the quarter, mainly due to the consolidation of results of Melhor Envio and Ideris into the results of the segment.

The Commerce segment's share in the Company's consolidated adjusted EBITDA went up from 25.4% in 4Q19 to 43.2% in 4Q20.

Due to the impacts already mentioned, adjusted EBITDA of the BeOnline/SaaS segment reduced by 8.2% in 4Q20, and EBITDA margin of the segment shrank 5.1 p.p. compared to 4Q19. It is important to highlight that, since 1Q20, adjusted EBITDA margin of the segment has been gradually improving, moving up from 19.3% in 1Q20 to 22.1% in 4Q20, as shown in the chart below:



// Financial Result

(R\$ million)

locaweb	4Q20	4Q19	vs 4Q19	2020	2019	vs 2019
Financial expenses	(2.0)	(4.1)	-51.0%	(54.2)	(35.4)	52.9%
Financial revenues	(3.3)	(3.3)	0.9%	39.7	6.8	487.5%
Net financial income (expenses)	(5.3)	(7.4)	28.6%	(14.5)	(28.7)	49.5%

The net financial result in 4Q20 totaled a net expense of R\$5.3 million, up by 28.6% over 4Q19. In 2020, the net financial result came in as a net expense of R\$14.5 million, corresponding to a 49.5% improvement over 2019. It is worth noting that part of the improvement in the net financial result was due to the increase in the group's financial income, as a result of the higher cash balance.

Since the instruments used to raise the Company's debt (BACEN Circulars 3844 and 4131) are issued in dollars, with a 100% swap of the amount in Brazilian reais, the strong exchange rate depreciation of the real against the dollar in 4Q20 resulted in a negative impact on financial expenses (interest), which was offset by the financial income from the foreign exchange swap.

// Income Tax and Social Contribution

(R\$ million)

locaweb	2020	2019
Income (loss) before income taxes	29.7	24.3
Combined statutory rate of 34%	34%	34%
Income taxes at a combined statutory rate of 34%	(10.1)	(8.3)
Adjustments to the effective rate		
Interest on shareholders' equity	5.4	1.2
Effect of presumed profit method	(1.4)	(0.4)
Effect of stock options plan expenses	(5.3)	(0.7)
Tax losses carryforward not recognized (tax loss)	(1.1)	(1.0)
Tax benefit from Lei do Bem	2.5	2.6
Others	(0.1)	0.4
Income taxes in the statements of operations	(10.0)	(6.2)
Effective rate	33.6%	25.6%

In 2020, actual income tax and social contribution totaled R\$10.0 million, with an effective tax rate of 33.6%. The reduction in the effective income tax and social contribution rate in relation to its nominal value of 34% was due to the tax benefit related to (i) the payment of IoE; and (ii) Law 11.196/05 (*Lei do Bem*), which encourages companies to dedicate themselves to research, development and technological innovation.

It is important to point out that provision expenses arising from stock option plans had a negative impact of R\$5.3 million in 2020 on the effective accounting rate. To illustrate, excluding the impacts of the stock option plans, the effective tax rate would be 22%.

// Net Income and Adjusted Net Income

(R\$ million)

locaweb	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>

Based on the above-mentioned figures, Locaweb's adjusted net income reached R\$12.8 million in 4Q20, up by 23.1% over 4Q19, with a net margin of 9.1%.

In 2020, adjusted net income increased by 47.7% over 2019.

// Indebtedness / Cash Balance

(R\$ million)

locaweb	4Q20	3Q20	2Q20	1Q20	4Q19	3Q19
(+) Loan and financing	84.6	98.4	123.7	126.4	116.5	126.9
(-) Derivatives Result (FX swap) ¹	(19.4)	(27.3)	(32.1)	(29.1)	(4.9)	(8.6)
Bank Gross Debt	65.2	71.1	91.6	97.3	111.6	118.2
(-) Cash and cash equivalents ²	(409.4)	(520.4)	(535.7)	(530.7)	(35.3)	(35.8)
Net debt (cash) (ex lease liability)	(344.2)	(449.3)	(444.1)	(433.4)	76.3	82.4
(+) Lease liability ³	69.5	71.1	72.6	69.0	70.2	71.5
Net debt (cash)	(274.7)	(378.2)	(371.5)	(364.4)	146.5	153.9

¹ Balance of Derivative Financial Instruments in the Balance Sheet.

² Considers restricted short- and long-term cash used as guarantee in financial funding.

³ Interest on lease liabilities refers to the adoption of CPC 06(R2)/IFRS 16 as of January 1, 2019.

With the proceeds obtained in February from the IPO (R\$544.7 million, net of transaction costs), and the outflows resulting from the payment of part of the price of the acquisitions of companies in the period, the Company had a net cash balance of R\$274.7 million in 4Q20. Excluding the effects from the adoption of IFRS 16, the net cash balance was R\$344.2 million.

It is worth noting that the Company has no foreign exchange exposure on its debt, as the instruments used for funding (BACEN Circulars 3844 and 4131) are issued in dollars, with a 100% swap of the amount in reais. All the Company's financial derivatives have the purpose to hedge the Company's debts.

// Cash Flow

(R\$ million)

locaweb	4Q20	4Q19	vs 4Q19	2020	2019	vs 2019
Income (loss) before income taxes	6.0	7.0	-13.9%	29.7	24.3	22.4%
Items that do not affect cash	20.2	22.4	-10.1%	85.8	74.1	15.7%
Variations in working capital	(14.5)	(9.2)	-57.2%	(47.3)	(15.6)	203.4%
Net cash provided by operating activities (A)	11.7	20.2	-42.1%	68.2	82.8	-17.6%
Capex for permanent assets	(8.9)	(2.6)	235.8%	(31.4)	(34.6)	-9.3%
Capex for development	(5.4)	(3.1)	73.7%	(19.0)	(13.1)	45.6%
Free Cash Flow - After Capex	(2.7)	14.4	-118.5%	17.8	35.2	-49.3%
Acquisition	(88.0)	(1.0)	8696.2%	(116.3)	(27.1)	329.8%
Net cash provided by investment activities (B)	(102.3)	(6.8)	1408.8%	(166.7)	(74.7)	123.1%
Subscription of capital stock	7.3	0.0	n/a	554.1	0.1	n/a
Loan and financing	(6.0)	(7.8)	-23.7%	(48.9)	18.7	-361.4%
Commercial lease	(2.9)	(2.6)	11.7%	(11.2)	(10.1)	10.1%
Dividends and interest on equity	(16.0)	(2.4)	567.2%	(16.0)	(8.5)	87.6%
Others	(0.0)	(0.1)	-61.8%	(0.2)	(0.8)	-74.3%
Net cash provided by financing activities (C)	(17.6)	(12.9)	36.4%	477.8	(0.6)	-78498.4%
Net increase (decrease) in cash and cash equivalents (A + B + C)	(108.3)	0.4	-24333.9%	379.4	7.5	4962.9%

Net cash from operating activities totaled R\$11.7 million in 4Q20 versus R\$20.2 million in 4Q19. This decrease in operating cash in 4Q20 is related to the obligations of the acquired companies that were settled, as previously established in the purchase and sale agreement, after the acquisition.

The cash expense related to the acquisition, in the amount of R\$88.0 million, refers to the acquisitions of Melhor Envio and Ideris at the end of December 2020.

// Cash Generation (Adjusted EBITDA – Capex)

(R\$ million)

locaweb	4Q20	4Q19	vs 4Q19	2020	2019	vs 2019
Adjusted EBITDA	36.4	30.2	20.6%	129.4	110.9	16.7%
Capex	14.3	5.8	148.0%	50.4	47.7	5.8%
Cash Generation (R\$ M)	22.1	24.4	-9.6%	79.0	63.2	25.0%
Cash conversion (%)	60.6%	80.8%	-20 p.p.	61.0%	57.0%	4 p.p.

The Company's operating cash generation (measured by adjusted EBITDA less Capex) fell by 9.6% year on year in 4Q20.

It is worth noting that Capex for Fixed Assets in 2019, was concentrated in the first quarter, representing approximately 70% of the amount spent in that year. For this reason, Capex increased above 148% year on year in 4Q20. It is important to mention that the Capex distribution in 2020 was more linear.

In 2020, cash generation increased by 25.0% over 2019.

It should be noted that the growth in segments that do not require high investments in Capex (SaaS and Commerce) will contribute to the Company's operational leverage.

// APPENDIX I – INCOME STATEMENT

Income Statement (in R\$ million)	4Q19	4Q20	2019	2020
NET REVENUE	105.2	140.2	385.7	488.2
Cost of Services	(59.7)	(79.7)	(224.4)	(282.9)
GROSS PROFIT	45.5	60.5	161.3	205.3
Operating income (expenses)	(31.1)	(49.2)	(108.4)	(161.1)
Selling expenses	(16.6)	(24.2)	(70.2)	(82.2)
General and administrative expenses	(15.0)	(25.2)	(44.4)	(79.9)
Other operating income (expenses), net	0.4	0.1	6.2	0.9
Income before financial results and income taxes	14.3	11.3	52.9	44.2
FINANCIAL RESULT	(7.4)	(5.3)	(28.7)	(14.5)
Financial income	(3.3)	(3.3)	6.8	39.7
Financial expenses	(4.1)	(2.0)	(35.4)	(54.2)
Income (loss) before income taxes	7.0	6.0	24.3	29.7
Income Taxes	(0.0)	3.0	(6.2)	(10.0)
Current income taxes	(0.5)	(0.9)	(6.0)	(14.8)
Deferred income taxes	0.5	3.8	(0.2)	4.8
Net income (loss)	6.9	9.0	18.1	19.7

// APPENDIX II - Income Statement (BeOnline/SaaS)

Income Statement (in R\$ million)	4Q19	4Q20	2019	2020
GROSS REVENUE, net of rebate	92.7	102.6	342.4	379.3
Taxes and rebates	(9.8)	(8.9)	(36.8)	(33.4)
NET REVENUE	82.9	93.7	305.6	345.9
Cost of Services	(51.7)	(63.1)	(197.1)	(236.3)
GROSS PROFIT	31.2	30.6	108.5	109.6
Operating income (expenses)	(23.7)	(33.4)	(82.0)	(117.4)
Selling expenses	(12.4)	(14.6)	(53.3)	(57.9)
General and administrative expenses	(11.8)	(19.0)	(33.4)	(60.4)
Other operating income (expenses), net	0.4	0.1	4.7	0.9
Income before financial results and income taxes	7.5	(2.8)	26.5	(7.8)
Depreciation and amortization	14.4	13.3	50.4	52.0
EBITDA	21.9	10.5	76.9	44.2

// APPENDIX III – Income Statement (Commerce)

Income Statement (in R\$ million)	4Q19	4Q20	2019	2020
GROSS REVENUE, net of rebate	25.2	52.2	90.4	160.3
Taxes and rebates	(2.8)	(5.7)	(10.2)	(18.0)
NET REVENUE	22.3	46.5	80.1	142.3
Cost of Services	(8.0)	(16.6)	(27.3)	(46.6)
GROSS PROFIT	14.3	29.9	52.8	95.7
Operating income (expenses)	(7.4)	(15.8)	(26.3)	(43.8)
Selling expenses	(4.2)	(9.6)	(16.9)	(24.2)
General and administrative expenses	(3.2)	(6.2)	(10.9)	(19.5)
Other operating income (expenses), net	0.0	-	1.5	-
Income before financial results and income taxes	6.9	14.1	26.5	52.0
Depreciation and amortization	0.8	1.6	3.5	4.6
EBITDA	7.7	15.7	30.0	56.6

// APPENDIX IV – Consolidated Balance Sheet

Assets (R\$ million)	Dec, 2020	Dec, 2019	Liabilities and Equity (R\$ mln)	Dec, 2020	Dec, 2019
Current Assets			Current liabilities		
Cash and cash equivalents	404.6	25.3	Suppliers	20.5	12.8
Restricted cash	1.6	2.7	Loans and financing	56.9	48.7
Accounts receivable	358.6	125.3	Lease liability	5.8	5.4
Taxes recoverable	9.4	8.1	Salaries and related charges	36.0	28.8
Derivatives	19.4	4.9	Other taxes payable	5.8	4.0
Other assets	13.9	10.0	Deferred revenue	43.6	37.1
Total current assets	807.5	176.2	Payables to clients	271.7	82.2
			Interest on shareholders' equity and dividends payable	0.0	0.0
Non-current assets			Taxes in installments	2.8	2.8
Restricted cash	3.2	7.4	Accounts payable to former shareholders	3.4	14.7
Judicial deposits	0.5	0.8	Other liabilities	4.1	1.4
Other assets	1.2	1.3	Total current liabilities	450.6	237.9
Deferred income taxes	20.7	3.7			
Investments	76.3	74.6	Non-current liabilities		
Property and equipment	65.1	67.8	Loans and financing	27.7	67.8
Intangible assets	477.9	182.3	Provision for legal proceedings	1.1	1.0
Total non-current assets	644.9	337.8	Accounts payable to former shareholders	211.6	30.1
			Lease liability	63.7	64.8
			Taxes in installments	19.6	21.9
			Other liabilities	4.0	2.1
			Total non-current liabilities	327.8	187.7
			EQUITY		
			Capital Stock	643.7	53.6
			Capital reserves	10.1	18.3
			Earning reserves	20.2	16.4
			Earnings of the period	-	-
			Total EQUITY	674.0	88.3
Total assets	1,452.4	514.0	Total liabilities and equity	1,452.4	514.0

// APPENDIX V – Cash Flow Statement

Cash Flow (R\$ mln)	4Q20	4Q19	2020	2019
Net Cash provided by operating activities				
Income (loss) before income taxes	6.0	7.0	29.7	24.3
Items that do not affect cash	20.2	22.4	85.8	74.1
Variations in working capital	(14.5)	(9.2)	(47.3)	(15.6)
Net cash provided by operating activities	11.7	20.2	68.2	82.8
Net cash provided by investment activities				
Purchase of property and equipment	(8.9)	(2.6)	(31.4)	(34.6)
Accounts payable for acquisition of equity interest	(3.4)	(0.0)	(15.0)	(4.1)
Acquisition of subsidiaries, net of cash acquired	(84.6)	(1.0)	(101.3)	(22.9)
Acquisition and development of intangible assets	(5.4)	(3.1)	(19.0)	(13.1)
Net cash provided by investment activities	(102.3)	(6.8)	(166.7)	(74.7)
Net cash provided by financing activities	(17.6)	(12.9)	477.8	(0.6)
Net increase (decrease) in cash and cash equivalents	(108.3)	0.4	379.4	7.5
Cash and cash equivalents at beginning of the year	512.9	24.8	25.3	17.8
Cash and cash equivalents at end of the year	404.6	25.3	404.6	25.3
Net increase (decrease) in cash and cash equivalents	(108.3)	0.4	379.4	7.5

// APPENDIX VI – Operational Data

locaweb	1Q19	2Q19	3Q19	4Q19	2019	1Q20	2Q20	3Q20	4Q20	2020
GMV Commerce (R\$ million) ¹	833.5	807.3	984.2	1,117.2	3,742.2	1,203.6	1,656.4	1,873.5	2,052.9	6,786.4
TPV (R\$ million) ¹	153.0	152.3	198.6	225.0	728.9	245.9	377.8	518.0	582.0	1,723.7
Clients EoP - BeOnline / SaaS (in thousands)	290.4	361.2	364.4	364.9	364.9	365.5	369.3	372.7	394.0	394.0

¹ The difference between the figures disclosed in 4Q19 and 2019 refers to the methodology adjustment made as of 1Q20 (also for 1Q19, 2Q19 and 3Q19).

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