

São Paulo, August 13, 2024. LWSA S/A (B3: LWSA3) informs its shareholders and other market participants of the 2Q24 results

## Highlights

**GMV of Ecosystem** showed growth of **22.5%** vs 2Q23, while our clients' **Own Store GMV** and **TPV** grew by **17.8%** and **12.8%** vs 2Q23, respectively

Platform Subscriber Base grew **7.8%** in 2Q24 vs 2Q23, contributing to Net Revenue of Platform Subscriptions posting significant growth of **21.7%** vs 2Q23

Commerce reached **R\$ 230.5** million in Net Revenue, growth of **10.4%** vs 2Q23 and **6.3%** vs 1Q24. Excluding Squid, growth in the Commerce segment was **17.3%** in 2Q24 vs 2023

Net Revenue of **R\$ 336.0** million in 2Q24, growth of **7.1%** vs. 2Q23 and **4.8%** vs 1Q24. Excluding Squid, Net Revenue growth in 2Q24 was **11.2%** vs 2Q23

Gross Margin showed expansion of **1.5 p.p.** in 2Q24 vs 2Q23, reaching **47.6%**

Adjusted EBITDA grew by **22.0%** in 2Q24 compared to 2Q23, with an Adjusted EBITDA margin of **19.5%** (an expansion of **2.4 p.p.**)

Financial Expenses from the Advance of Receivables reduced **18.4%** vs 2Q23, going from 0.75% of TPV in 2Q23 to **0.54%** in 2Q24

Net Income reached **R\$ 18.3** million in 2Q24 with a net margin of **5.5%**. For the year-to-date, Net Income was **R\$ 42.8 million** with a net margin of **6.5%**. Adjusted Net Income was **R\$ 42.8** million in 2Q24 (**+30.1%** vs 2Q23)

Free Cash Flow after Capex of **R\$ 28.7 million** in 2Q24 vs R\$ 0.7 million in 2Q23

Approval of the 3rd Share Buyback Program of **30,940,000 shares**, with **65% executed** to date (08/13/24)

**Earnings Conference Call**  
(simultaneous translation)

**August 14, 2024 at 10:00 am (Brasília time)**

Link: [https://mzgroup.zoom.us/webinar/register/WN\\_CqV60WOSTCGGg570voTxkA#/registration](https://mzgroup.zoom.us/webinar/register/WN_CqV60WOSTCGGg570voTxkA#/registration)

## // Message from Management

The Company's fundamentals continue to post solid performance, even in a still challenging macroeconomic environment, and our growth avenues continue to be paved with product development and building stronger brands, in addition to productivity gains reflected in our Gross, EBITDA and Net margins and in Operating Cash Generation. This was the tone of 2Q24 at LWSA.

Operationally, our results continue to show an expansion trend, with the Ecosystem GMV growing by 22.5% vs 2Q23 (+6.2% vs 1Q24), and the GMV of our clients own stores also showing significant growth of 17.8%. These growth rates, which are above the market average (e.g., Cielo's ICVA grew by 2.5% in nominal terms in 2Q24), are a result of the quality of our ecosystem, which includes numerous integrations we offer to our clients, such as tools to accelerate their sales on their own e-commerces (e.g., integration with Google and live commerce in the control panel) and on marketplaces (e.g., integration with Shein delivered at the beginning of 2024).

The platform subscriber base, after the shutdown of Bagy App in 1Q24, once again showed growth of approximately 5,000 customers compared to the previous quarter and contributed to the Net Revenue from Platform Subscriptions showing solid growth of 21.7% compared to 2Q23.

Another highlight was the Company's profitability improvement. This quarter, Gross Margin reached 47.6%, an expansion of 1.5 p.p. compared to the same period last year, mainly due to scale gains and operational efficiency, as well as higher growth in the Commerce segment, which has a higher gross margin than the BeOnline/SaaS segment. We also achieved a 19.5% Adjusted EBITDA margin in 2Q24, 2.4 p.p. better than the second quarter of 2023. Thus, the Company remains strong in its strategy of operational profitability, closing the first half of the year with a 19.3% Adjusted EBITDA Margin (+2.3 p.p. vs 6M23).

We also highlight the Company's Net Income, which was R\$ 18.3 million (net margin of 5.5%) and R\$ 42.8 million in 6M24. Free Cash Flow after Capex, an important measure of the Company's cash generation, increased from R\$ 0.7 million in 2Q23 to R\$ 28.7 million in 2Q24, as a result of operational efficiency, dilution of Capex as a percentage of net revenue (from 8.3% in 2Q23 to 7.0% in 2Q24), and a reduction in financial expenses with prepayment of receivables in the payment operation.

We continue working on the restructuring of Squid's operations, as highlighted in our 1Q24 results, focusing on areas such as (i) profitability of commercial contracts, (ii) commercial compensation, (iii) organizational structure, and (iv) a review of the cost structure.

In relation to 1Q24, the quarter in which we began the restructuring, Squid's Net Revenue grew 11.9% with a significant reduction in its cost structure (for example: 30% reduction in the number of employees), especially in the month of June, and is now preparing for revenue expansion in a more sustainable manner.

Excluding the effects of Squid from the results, the Company's growth in the quarter was 11.2%, while the growth considering Squid in the account was 7.1% compared to 2Q23. For the Commerce operation, growth ex Squid was 17.3% compared to 2Q23.

Regarding Wake, in 2Q24, we celebrated the brand's first anniversary. It has been a year full of achievements and customer recognition. In such a short time, we have secured important brands/clients such as Inbrands,

Via Veneto, Ellus, Di Pollini, Democrata, Richards, Salinas, Canal, and the Icomm Group (notably launching the online stores [shop2gether.com.br](http://shop2gether.com.br) and [oqvestir.com.br](http://oqvestir.com.br)).

Financial Services, a fundamental growth avenue for the Company, made significant progress. At the end of June, the Central Bank of Brazil granted Pagcerto Instituição de Pagamento Ltda permission to operate as a Payment Institution ("IP"). This will bring various benefits to the ecosystem, including new revenue streams, faster product launches, and reduced internal costs. Additionally, the expected lock-in effect from increased engagement with the platform through the associated financial services offerings.

This approval is another important step in LWSA's strategy to offer its clients a fully integrated range of Financial Services, which can contribute to the success of their digital journey, supporting them in more effective financial management by integrating receipts, payments, and credit.

We have prioritized the strategy of *Embedded Finance*, with the aim of making financial processes more agile and accessible to all of the group's customers, within their own control panel.

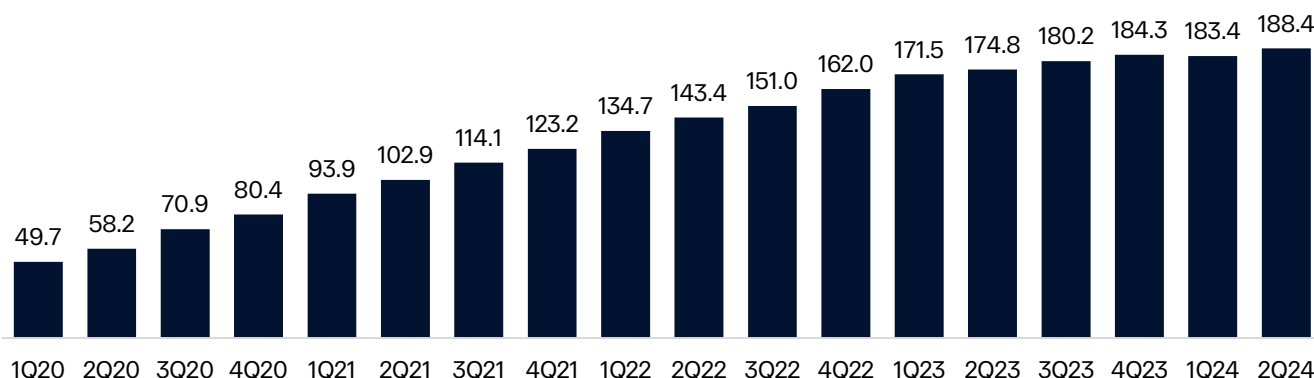
We focus our products on meeting our customers' needs to (i) **RECEIVE** payments from their customers, (ii) **PAY** suppliers, employees, and taxes, and (iii) **MANAGE** cash flow."

- (i) to RECEIVE payments, our customers (online and offline stores) have access to innovative payment methods whose receivables are credited and easily managed in a Digital Account;
- (ii) to PAY, our customers have access to functionalities through our Digital Account (bank domicile) or the Digital Account integrated with our ERP;
- (iii) Within the context of ERP, our clients can MANAGE their cash flow, and easily operate their day-to-day finances without having to "toggle screens" to access credit options in the event of a cash flow mismatch.

Finally, we highlight the topic of Capital Allocation. In early June, we launched a Share Buyback Program totaling 30,940,000 shares (representing 5.18% of the Company's total shares), aimed at maximizing shareholder value through an efficient capital structure. We believe this is the best use of capital, as we are generating positive operational cash flow as highlighted above. As of this report, we have already executed 65% of the total program and hold 4.7% of the Company's total shares in treasury.

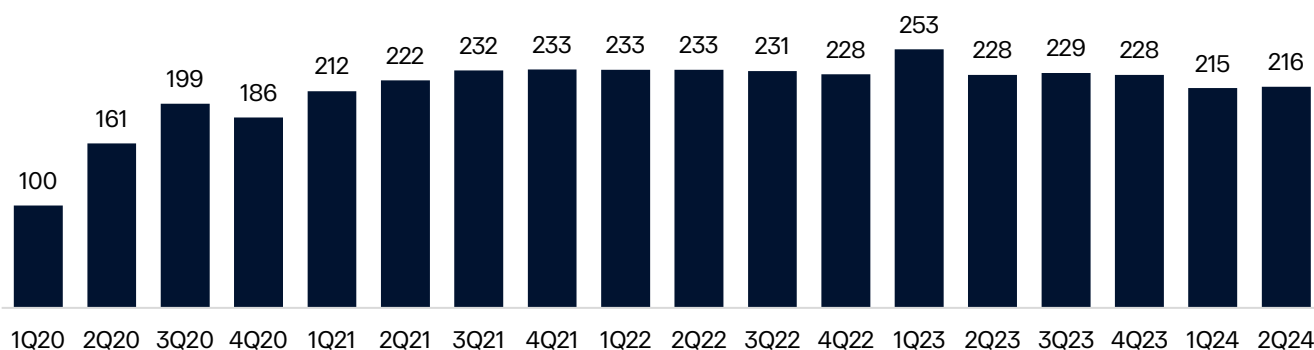
## // Operating Performance

We ended 2Q24 with a base of 188.4 thousand paying e-commerce subscribers, a growth of 7.8% in 2Q24 vs 2Q23.



As shown in the graph, after discontinuing the Bagy App product, the Company resumed its previous growth rate of approximately 5,000 customers per quarter.

On a pro forma basis consistent with 1Q20, we observed a sustained pace of new e-commerce subscriber additions during the quarter, when compared to the previous quarter. The chart below, on a 100 1Q20 basis, shows the evolution of customer additions by quarter.

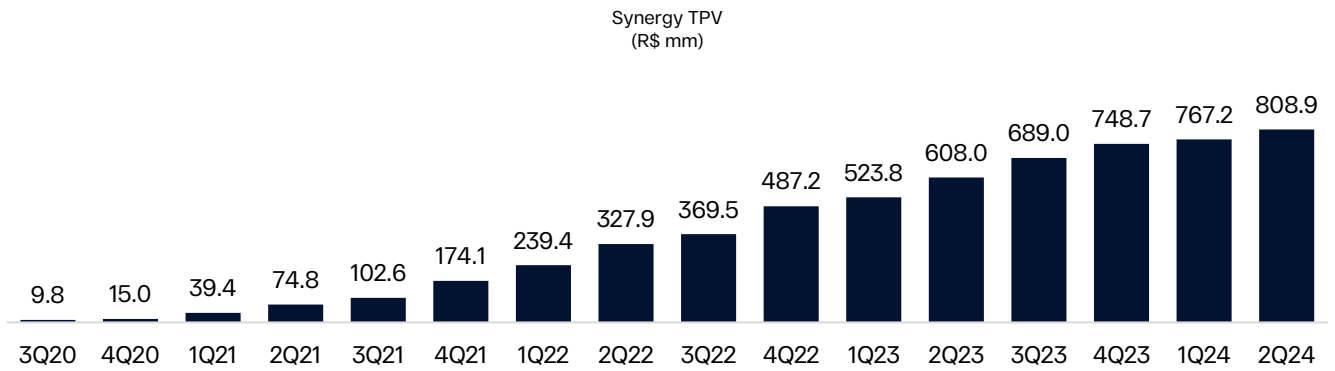


The GMV transacted through LWSA's ecosystem, that is, the clients' Own Stores GMV and the GMV traded on marketplaces via ERP operations and marketplace integrators reached a volume of R\$ **16.9 billion** in 2Q24, a volume **22.5%** higher than in 2Q23.

It is important to point out that in 2Q24 we noticed the growth of **17.8%** vs 2Q23 of sales in our clients' **own stores**, which is the most profitable channel for the Company. Growth this quarter continued the trend established in recent periods.

It is worth emphasizing that the growth in owned store sales is due to the LWSA ecosystem, which enables retailers to boost their sales across various media and channels independently through their control panel. This process is supported by our e-learning ecosystem, designed to empower retailers with greater control over their marketing efforts.

The payment operations TPV grew by **12.8%** in 2Q24 compared to 2Q23, reaching **R\$1.7 billion** in the period. This result was primarily driven by the accelerated capture of synergies between the acquired companies and our payment solution, as shown in the graph below.



## // Summary of Indicators

### // Consolidated

(R\$ million)

LWSA	2Q24	2Q23	vs 2Q23	1Q24	vs 1Q24	6M24	6M23	vs 6M23
Net Revenue	336.0	313.7	7.1%	320.6	4.8%	656.6	615.4	6.7%
Gross Profit	160.0	144.7	10.6%	152.5	4.9%	312.6	287.1	8.9%
Gross Margin (%)	47.6%	46.1%	1.5 p.p.	47.6%	0.1 p.p.	47.6%	46.7%	0.9 p.p.
EBITDA	57.8	48.4	19.4%	55.2	4.8%	113.0	97.4	15.9%
EBITDA Margin (%)	17.2%	15.4%	1.8 p.p.	17.2%	0.0 p.p.	17.2%	15.8%	1.4 p.p.
Adjusted EBITDA <sup>1</sup>	65.4	53.6	22.0%	61.0	7.2%	126.4	104.2	21.3%
Adjusted EBITDA Margin (%)	19.5%	17.1%	2.4 p.p.	19.0%	0.4 p.p.	19.3%	16.9%	2.3 p.p.
Net Income	18.3	(39.0)	147.0%	24.5	-25.1%	42.8	(32.5)	231.6%
Net Income Margin (%)	5.5%	-12.4%	17.9 p.p.	7.6%	-2.2 p.p.	6.5%	-5.3%	11.8 p.p.
Capex	23.6	25.9	-9.0%	26.5	-11.2%	50.1	50.8	-1.4%
Capex as a % of Net Revenue	7.0%	8.3%	-1.2 p.p.	8.3%	-1.3 p.p.	7.6%	8.3%	-0.6 p.p.
Free Cash Flow - After Capex	28.7	0.7	4110.9%	(41.4)	-169.3%	(12.7)	21.5	-159.1%
Net Debt (Cash)	(565.8)	(1,059.9)	-46.6%	(1,126.3)	-49.8%	(565.8)	(1,059.9)	-46.6%

<sup>1</sup> Adjusted EBITDA refers to net income (loss) adjusted by the financial result, income tax and social contribution on income, depreciation and amortization costs and expenses, stock option plan expenses. The EBITDA Margin is calculated by dividing EBITDA by Net Operating Revenue. The Adjusted EBITDA Margin is calculated by dividing Adjusted EBITDA by Net Operating Revenue.

## // Commerce

(R\$ million)

Commerce	2Q24	2Q23	vs 2Q23	1Q24	vs 1Q24	6M24	6M23	vs 6M23
Platform Subscribers (thousand)	188.4	174.8	7.8%	183.4	2.7%	188.4	174.8	7.8%
Ecosystem GMV	16,862.4	13,769.7	22.5%	15,882.2	6.2%	32,744.7	27,032.0	21.1%
Own Store GMV	1,348.1	1,144.2	17.8%	1,325.0	1.7%	2,673.1	2,269.0	17.8%
TPV	1,742.9	1,545.6	12.8%	1,748.4	-0.3%	3,491.3	3,036.2	15.0%
Labels issued on the logistic operation (thousand)	5,665	5,300	6.9%	5,292	7.0%	10,958	10,376	5.6%
Invoices GMV on the ERP (R\$ bi)	40.0	34.4	16.2%	36.7	9.2%	76.7	63.1	21.5%
Net Revenue	230.5	208.8	10.4%	216.8	6.3%	447.3	407.7	9.7%
Platform Subscription Net Revenue	110.8	91.0	21.7%	106.0	4.5%	216.7	178.1	21.7%
Ecosystem Net Revenue	119.7	117.7	1.7%	110.8	8.0%	230.5	229.6	0.4%
Gross Profit	120.4	108.1	11.4%	113.6	6.0%	234.0	214.1	9.3%
Gross Margin (%)	52.3%	51.8%	0.5 p.p.	52.4%	-0.2 p.p.	52.3%	52.5%	-0.2 p.p.
EBITDA	37.0	25.5	45.0%	31.7	16.9%	68.7	53.5	28.3%
EBITDA Margin (%)	16.1%	12.2%	3.8 p.p.	14.6%	1.5 p.p.	15.4%	13.1%	2.2 p.p.
Adjusted EBITDA <sup>1</sup>	41.0	26.7	53.6%	32.6	25.6%	73.6	55.2	33.5%
Adjusted EBITDA Margin (%)	17.8%	12.8%	5.0 p.p.	15.1%	2.7 p.p.	16.5%	13.5%	2.9 p.p.

<sup>1</sup> The concept of Adjusted EBITDA is described in the table of consolidated results

## // BeOnline / SaaS

(R\$ million)

BeOnline / SaaS	2Q24	2Q23	vs 2Q23	1Q24	vs 1Q24	6M24	6M23	vs 6M23
Clients EoP - BeOnline / SaaS	398.2	401.9	-0.9%	402.6	-1.1%	398.2	401.9	-0.9%
Net Revenue	105.5	104.9	0.5%	103.8	1.6%	209.3	207.6	0.8%
Gross Profit	39.6	36.6	8.3%	38.9	1.7%	78.5	73.0	7.6%
Gross Margin (%)	37.5%	34.9%	2.7 p.p.	37.5%	0.1 p.p.	37.5%	35.2%	2.4 p.p.
EBITDA	20.8	22.9	-9.1%	23.5	-11.6%	44.3	43.9	0.8%
EBITDA Margin (%)	19.7%	21.8%	-2.1 p.p.	22.6%	-2.9 p.p.	21.2%	21.2%	0.0 p.p.
Adjusted EBITDA <sup>1</sup>	24.4	26.9	-9.4%	28.4	-13.9%	52.8	49.0	7.7%
Adjusted EBITDA Margin (%)	23.1%	25.7%	-2.5 p.p.	27.3%	-4.2 p.p.	25.2%	23.6%	1.6 p.p.

<sup>1</sup> The concept of Adjusted EBITDA is described in the table of consolidated results

## // Financial Performance

As reported in the 3Q23 earnings release, there was a reclassification of Net Revenue related to the adjustment in revenue from annual plans that were recognized outside the accrual basis in the Commerce segment in 1Q23 and 2Q23.

The impact on net revenue in 2Q23 was R\$0.2 million, with no cash impact. The information below, as well as all tables in this material, already consider this reclassification, as contained in the Dynamic Spreadsheet available on the Company's IR website.

## // Net Operating Revenues

(R\$ million)

LWSA	2Q24	2Q23	vs 2Q23	1Q24	vs 1Q24	6M24	6M23	vs 6M23
Commerce	230.5	208.8	10.4%	216.8	6.3%	447.3	407.7	9.7%
<i>Segment share in the consolidated</i>	<i>68.6%</i>	<i>66.6%</i>	<i>2.0 p.p.</i>	<i>67.6%</i>	<i>1.0 p.p.</i>	<i>68.1%</i>	<i>66.3%</i>	<i>1.9 p.p.</i>
BeOnline / SaaS	105.5	104.9	0.5%	103.8	1.6%	209.3	207.6	0.8%
<i>Segment share in the consolidated</i>	<i>31.4%</i>	<i>33.4%</i>	<i>-2.0 p.p.</i>	<i>32.4%</i>	<i>-1.0 p.p.</i>	<i>31.9%</i>	<i>33.7%</i>	<i>-1.9 p.p.</i>
<b>Net Revenue - Consolidated</b>	<b>336.0</b>	<b>313.7</b>	<b>7.1%</b>	<b>320.6</b>	<b>4.8%</b>	<b>656.6</b>	<b>615.4</b>	<b>6.7%</b>

In the Commerce segment, Net Operating Revenue grew by 10.4% in 2Q24, from R\$208.8 million in 2Q23 to R\$230.5 million in 2Q24.

As mentioned in the last earnings report, Squid's operational and commercial restructuring impacted the annual growth of both the Commerce and Consolidated segments. Excluding the effects of Squid from the annual comparison, Net Revenue from the Commerce segment grew 17.3% vs 2Q23.

Platform Subscription Net Revenue grew 21.7% in 2Q24 vs 2Q23, while Ecosystem Net Revenue, impacted by Squid in the annual comparison, grew 1.7% vs 2Q23. Ex Squid, Ecosystem Net Revenue grew 13.0% vs 2Q23.

In comparison with the immediately previous quarter (1Q24), when Squid was already operating on the same comparable basis, growth in the Commerce segment stood at 6.3%.

The SMB Commerce Platform segment, which this quarter completed the transition of all shipping revenues to Melhor Envio, showed a growth of 16.3% in comparable terms, that is, excluding shipping revenue from 2Q23, compared to the same period of last year.

In the BeOnline/SaaS segment, we continue to discontinue some less profitable operations in the corporate Nextios operation, which naturally led to a YoY reduction in its Net Revenue (and consequently impacted the group's growth compared to the previous year), with a growth of 0.5% vs 2Q23 and 1.6% compared to the previous quarter (1Q24).

LWSA's Net Revenue totaled R\$336.0 million in 2Q24, an increase of 7.1% when compared to 2Q23 and 4.8% over 1Q24. Excluding the effects of Squid in the annual comparison, growth reached 11.2%.



## // Operating Costs and Expenses

(R\$ million)

LWSA	2Q24	2Q23	vs 2Q23	1Q24	vs 1Q24	6M24	6M23	vs 6M23
Cost of Services	175.9	169.0	4.1%	168.1	4.7%	344.0	328.2	4.8%
% Net Revenue	52.4%	53.9%	-1.5 p.p.	52.4%	-0.1 p.p.	52.4%	53.3%	-0.9 p.p.
Selling Expenses	75.6	69.2	9.2%	69.7	8.5%	145.3	133.8	8.6%
% Net Revenue	22.5%	22.1%	0.4 p.p.	21.7%	0.8 p.p.	22.1%	21.7%	0.4 p.p.
General and Administrative Expenses	63.2	64.7	-2.3%	59.9	5.5%	123.1	122.6	0.4%
% Net Revenue	18.8%	20.6%	-1.8 p.p.	18.7%	0.1 p.p.	18.7%	19.9%	-1.2 p.p.
Other Operating (Revenues) Expenses	(4.5)	(8.4)	-46.6%	(0.7)	574.5%	(5.2)	(8.6)	-40.1%
% Net Revenue	-1.3%	-2.7%	1.3 p.p.	-0.2%	-1.1 p.p.	-0.8%	-1.4%	0.6 p.p.
<b>Total Operating Cost and Expenses</b>	<b>310.2</b>	<b>294.4</b>	<b>5.4%</b>	<b>297.0</b>	<b>4.4%</b>	<b>607.2</b>	<b>576.0</b>	<b>5.4%</b>
% Net Revenue	92.3%	93.9%	-1.5 p.p.	92.6%	-0.3 p.p.	92.5%	93.6%	-1.1 p.p.

LWSA's total operating costs and expenses grew by 5.4 in 2Q24 when compared to the same period in the previous year.

### Cost of Services

The cost of services in 2Q24 was R\$175.9 million, an increase of 4.1% in the comparison between the two periods, which represented 52.4% of Net Revenue in 2Q24 and 53.9% in 2Q23. This reduction is directly linked to the Company's strategy of improving the profitability of its operations in both the Commerce and BeOnline/SaaS, with both segments showing expansion in their gross margins

### Selling Expenses

Selling expenses, which encompass the marketing and sales teams, as well as the contracted services of these same nature, in 2Q24 amounted to R\$75.6 million, an increase of 9.2% when compared to 2Q23.

The table below shows the share of selling expenses over the segments and consolidated revenue:

LWSA	2Q24	2Q23	vs 2Q23	1Q24	vs 1Q24
<b>Commerce</b>					
Selling Expenses	56.1	51.7	8.5%	53.3	5.2%
% Net Revenue	24.3%	24.8%	-0.4 p.p.	24.6%	-0.2 p.p.
<b>BeOnline / SaaS</b>					
Selling Expenses	19.5	17.5	11.4%	16.4	18.9%
% Net Revenue	18.5%	16.7%	1.8 p.p.	15.8%	2.7 p.p.
<b>Consolidated</b>					
Selling Expenses	75.6	69.2	9.2%	69.7	8.5%
% Net Revenue	22.5%	22.1%	0.4 p.p.	21.7%	0.8 p.p.

### General and Administrative Expenses

General and administrative expenses, encompassing finance, HR, accounting, and tax teams, along with related outsourced services, and depreciation and amortization of IFRS 16 assets and PPA, totaled R\$63.2 million in 2Q24, compared to R\$64.7 million in 2Q23, representing a 2.3% decrease. This reduction is attributed to headcount management, team optimization, synergies in service channels, and enhancements to the Shared Services Center (CSC).

## // Gross Profit

(R\$ million)

LWSA	2Q24	2Q23	vs 2Q23	1Q24	vs 1Q24	6M24	6M23	vs 6M23
Commerce	120.4	108.1	11.4%	113.6	6.0%	234.0	214.1	9.3%
Margin (%)	52.3%	51.8%	0.5 p.p.	52.4%	-0.2 p.p.	52.3%	52.5%	-0.2 p.p.
BeOnline / SaaS	39.6	36.6	8.3%	38.9	1.7%	78.5	73.0	7.6%
Margin (%)	37.5%	34.9%	2.7 p.p.	37.5%	0.1 p.p.	37.5%	35.2%	2.4 p.p.
<b>Gross Profit</b>	<b>160.0</b>	<b>144.7</b>	<b>10.6%</b>	<b>152.5</b>	<b>4.9%</b>	<b>312.6</b>	<b>287.1</b>	<b>8.9%</b>
Gross Margin (%)	47.6%	46.1%	1.5 p.p.	47.6%	0.1 p.p.	47.6%	46.7%	0.9 p.p.

Consolidated Gross Profit increased by 10.6% in 2Q24 compared to 2Q23, reaching R\$ 160.0 million with a 1.5 p.p. expansion in the Company's Gross Margin. In 6M24, growth was 8.9% with a 0.9 p.p. expansion in the Consolidated Gross Margin. This improvement in gross margin is primarily due to scale gains and operational efficiency, as well as higher growth in the Commerce segment, which has a higher gross margin than the BeOnline/SaaS segment.

## // EBITDA and Adjusted EBITDA

(R\$ million)

LWSA	2Q24	2Q23	vs 2Q23	1Q24	vs 1Q24	6M24	6M23	vs 6M23
<b>Net Income (Loss)</b>	<b>18.3</b>	<b>(39.0)</b>	<b>147.0%</b>	<b>24.5</b>	<b>-25.1%</b>	<b>42.8</b>	<b>(32.5)</b>	<b>231.6%</b>
(+) Net Financial Income	4.2	74.1	94.3%	(9.3)	145.6%	(5.0)	80.3	-106.3%
(+) Current Income Tax and Social Contribution	3.2	(15.9)	120.3%	8.4	-61.6%	11.6	(8.4)	-237.6%
(+) Depreciation and Amortization	32.0	29.1	10.0%	31.6	1.5%	63.6	58.1	9.4%
<b>EBITDA</b>	<b>57.8</b>	<b>48.4</b>	<b>19.4%</b>	<b>55.2</b>	<b>4.8%</b>	<b>113.0</b>	<b>97.4</b>	<b>15.9%</b>
(+) Stock Options Plan and Restricted Shares Plan	3.1	4.7	-33.9%	3.4	-8.4%	6.6	6.2	5.3%
(+) M&A Expenses	1.9	0.5	295.1%	0.9	119.5%	2.8	0.5	475.2%
(+) Non-Recurring Expenses / Restructuring	2.5	0.0	n/a	1.5	66.4%	4.1	0.0	n/a
<b>Adjusted EBITDA</b>	<b>65.4</b>	<b>53.6</b>	<b>22.0%</b>	<b>61.0</b>	<b>7.2%</b>	<b>126.4</b>	<b>104.2</b>	<b>21.3%</b>
Adjusted EBITDA Margin (%)	19.5%	17.1%	2.4 p.p.	19.0%	0.4 p.p.	19.3%	16.9%	2.3 p.p.

As a result of the figures presented above, LWSA's Adjusted EBITDA in 2Q24 was R\$65.4 million, 22.0% higher than in 2Q23, with Adjusted EBITDA Margin expanding by 2.4 p.p. in the same period.

In 2Q24 there was a significant reduction in the balances payable from Earnouts, which required non-recurring expenses (M&A) for lawyers and advisors to close these operations.

Non-recurring expenses stem primarily from restructuring the acquired company, particularly Squid. This included a 30% workforce reduction, resulting in substantial severance costs.

## // Adjusted EBITDA margin by segment

LWSA	2Q24	2Q23	vs 2Q23	1Q24	vs 1Q24	6M24	6M23	vs 6M23
<b>Commerce</b>								
Adjusted EBITDA	41.0	26.7	53.6%	32.6	25.6%	73.6	55.2	33.5%
Adjusted EBITDA Margin (%)	17.8%	12.8%	5.0 p.p.	15.1%	2.7 p.p.	16.5%	13.5%	2.9 p.p.
<b>BeOnline / SaaS</b>								
Adjusted EBITDA	24.4	26.9	-9.4%	28.4	-13.9%	52.8	49.0	7.7%
Adjusted EBITDA Margin (%)	23.1%	25.7%	-2.5 p.p.	27.3%	-4.2 p.p.	25.2%	23.6%	1.6 p.p.
<b>Consolidated</b>								
Adjusted EBITDA	<b>65.4</b>	<b>53.6</b>	<b>22.0%</b>	<b>61.0</b>	<b>7.2%</b>	<b>126.4</b>	<b>104.2</b>	<b>21.3%</b>
Adjusted EBITDA Margin (%)	19.5%	17.1%	2.4 p.p.	19.0%	0.4 p.p.	19.3%	16.9%	2.3 p.p.

The Adjusted EBITDA margin of the Commerce segment expanded by 5.0 p.p. compared to 2Q23 and 2.7 p.p. compared to 1Q24.

In the BeOnline / SaaS segment, in the first six months of 2024, the Adjusted EBITDA margin remained at 25%.

## // Financial Result

(R\$ million)

LWSA	2Q24	2Q23	vs 2Q23	1Q24	vs 1Q24	6M24	6M23	vs 6M23
Financial revenues	26.0	40.9	-36.3%	34.7	-24.9%	60.7	83.9	-27.6%
Financial expenses	(30.3)	(115.0)	-73.7%	(25.4)	19.0%	(55.7)	(164.2)	-66.1%
<b>Net financial income (expenses)</b>	<b>(4.2)</b>	<b>(74.1)</b>	<b>n/a</b>	<b>9.3</b>	<b>n/a</b>	<b>5.0</b>	<b>(80.3)</b>	<b>n/a</b>

The net financial result in 2Q24 was an expense of R\$4.2 million. In terms of financial expenses, we would like to highlight the following points:

- (i) Revaluation of the fair value of Earnouts, totaling R\$ 14.0 million in 2Q24, with R\$ 7.0 million related to the present value adjustment of the remaining balance to be paid in April 2025.
- (ii) The expense of R\$ 9.5 million resulting from the advance of receivables in the payment operations, the modality chosen by the Company to finance the working capital necessary for the payment operations. The mentioned value as a percentage of TPV went from 0.75% in 2Q23 to 0.54% in 2Q24.

## // Effective Tax Rate

(R\$ million)

LWSA	6M24	6M23
<b>Income (loss) before income taxes</b>	<b>54.4</b>	<b>(41.0)</b>
Combined statutory rate of 34%	34%	34%
<b>Income taxes at a combined statutory rate of 34%</b>	<b>(18.5)</b>	<b>13.9</b>
Adjustments to the effective rate		
Effect of stock options plan expenses	(1.1)	(0.6)
Deferred tax from previous years and not accounted for (tax loss)	(2.6)	(3.2)
Tax benefit from Lei do Bem	10.8	0.0
Goodwill	0.0	0.0
Others	(0.2)	(1.6)
<b>Income taxes in the statements of operations</b>	<b>(11.6)</b>	<b>8.4</b>
<b>Effective rate</b>	<b>21.3%</b>	<b>20.6%</b>

The effective income tax rate in 6M24, mainly favored by the 'Lei do Bem' (The R&D Incentive Law), was 21.3%.

## // Net Income

(R\$ million)

LWSA	2Q24	2Q23	vs 2Q23	1Q24	vs 1Q24	6M24	6M23	vs 6M23
<b>Net income</b>	<b>18.3</b>	<b>(39.0)</b>	<b>147.0%</b>	<b>24.5</b>	<b>-25.1%</b>	<b>42.8</b>	<b>(32.5)</b>	<b>231.6%</b>
(+) Stock Options Plan and Restricted Shares Plan	3.1	4.7	-33.9%	3.4	-8.4%	6.6	6.2	5.3%
(+) Intangible amortization	10.0	10.0	-0.5%	10.0	0.0%	20.0	20.0	0.0%
(+) Adjustment of Acquisition Earnout	14.0	94.8	-85.2%	7.1	97.7%	37.9	124.5	-69.6%
(+) Deferred Income Tax and Social Contribution	(2.6)	(37.7)	-93.0%	(17.8)	-85.2%	(20.5)	(53.1)	-61.5%
<b>Adjusted net income</b>	<b>42.8</b>	<b>32.9</b>	<b>30.1%</b>	<b>27.1</b>	<b>57.7%</b>	<b>86.8</b>	<b>65.1</b>	<b>33.2%</b>
<i>Adjusted net income margin (%)</i>	<i>12.7%</i>	<i>10.5%</i>	<i>2.3 p.p.</i>	<i>8.5%</i>	<i>4.3 p.p.</i>	<i>13.2%</i>	<i>10.6%</i>	<i>2.6 p.p.</i>

Based on the figures presented above, LWSA's Adjusted Net Income in 2Q24 was R\$18.3 million, reversing the accounting loss of R\$39.0 million in 2Q23. In 6M24, the Company's Net Income was R\$42.8 million.

Adjusting Net Income for the effects of Stock Options Plans, Amortization of PPA Intangibles and Acquisition Earnout Adjustments, in addition to Deferred Income Tax and Social Contribution, Adjusted Net Income for 2Q24 was R\$42.8 million, a 30.1% increase compared to 2Q23.

## // Indebtedness / Cash Position

(R\$ million)

LWSA	2Q24	1Q24	2Q23
<b>Bank Gross Debt</b>	<b>0.1</b>	<b>0.0</b>	<b>0.1</b>
(-) Cash and cash equivalents	(565.8)	(1,126.3)	(1,060.1)
<b>Net debt (cash) (ex lease liability)</b>	<b>(565.8)</b>	<b>(1,126.3)</b>	<b>(1,059.9)</b>
(+) Lease liability <sup>1</sup>	73.2	74.7	73.2
<b>Net debt (cash)</b>	<b>(492.6)</b>	<b>(1,051.6)</b>	<b>(986.7)</b>
(-) Earnouts	228.4	762.4	626.2
<b>Net debt (cash) of Earnouts</b>	<b>(264.2)</b>	<b>(289.2)</b>	<b>(360.6)</b>

<sup>1</sup> Lease liability refers to the adoption of CPC 06(R2)/IFRS 16 as of January 1, 2019

Due to the payment of part of the Earnouts in 2Q24, the Company's cash balance increased from R\$986.7 million in 2Q23 to R\$492.6 million in 2Q24. Excluding the remaining balance of Earnouts, the net cash balance is R\$264.2 million.

It is worth noting that in 2Q24, the Company bought back approximately R\$31.4 million in shares (LWSA3).

## // Cash Flow

(R\$ million)

LWSA	2Q24	2Q23	vs 2Q23	1Q24	vs 1Q24	6M24	6M23	vs 6M23
<b>Income (loss) before income taxes</b>	<b>21.5</b>	<b>(56.0)</b>	<b>138.4%</b>	<b>32.9</b>	<b>-34.4%</b>	<b>54.4</b>	<b>(41.0)</b>	<b>232.9%</b>
Items that do not affect cash	50.1	130.2	-61.6%	40.2	24.6%	90.2	193.1	-53.3%
Variations in working capital	(19.4)	(47.6)	59.3%	(87.9)	78.0%	(107.3)	(79.8)	-34.5%
<b>Net cash provided by operating activities (A)</b>	<b>52.2</b>	<b>26.6</b>	<b>96.6%</b>	<b>(14.9)</b>	<b>451.2%</b>	<b>37.4</b>	<b>72.4</b>	<b>-48.4%</b>
Capex for permanent assets	(3.5)	(6.0)	-41.4%	(10.2)	-65.6%	(13.7)	(16.3)	-16.2%
Capex for development	(20.1)	(19.9)	0.8%	(16.3)	22.8%	(36.4)	(34.5)	5.5%
<b>Free Cash Flow - After Capex</b>	<b>28.7</b>	<b>0.7</b>	<b>4110.9%</b>	<b>(41.4)</b>	<b>-169.3%</b>	<b>(12.7)</b>	<b>21.5</b>	<b>-159.1%</b>
Acquisition	(551.5)	(319.2)	72.8%	(5.9)	9297.1%	(557.4)	(353.7)	57.6%
Other Investments	(1.1)	0.2	-691.4%	0.0	n/a	(1.1)	(3.6)	-69.1%
<b>Net cash provided by investment activities (B)</b>	<b>(576.2)</b>	<b>(344.9)</b>	<b>67.1%</b>	<b>(32.4)</b>	<b>1678.5%</b>	<b>(608.6)</b>	<b>(408.1)</b>	<b>49.1%</b>
Loan and financing	(0.0)	(0.1)	-90.8%	(0.0)	-76.1%	(0.1)	(0.3)	-81.4%
Commercial lease	(4.9)	(4.6)	7.3%	(4.9)	-0.1%	(9.8)	(9.0)	8.8%
Share Buyback / Dividends / Others	(31.6)	(43.1)	-26.6%	(9.7)	225.6%	(41.4)	(43.1)	-4.1%
<b>Net cash provided by financing activities (C)</b>	<b>(36.5)</b>	<b>(47.8)</b>	<b>-23.6%</b>	<b>(14.7)</b>	<b>149.3%</b>	<b>(51.2)</b>	<b>(52.4)</b>	<b>-2.3%</b>
<b>Net increase (decrease) in cash and cash equivalents (A + B + C)</b>	<b>(560.5)</b>	<b>(366.1)</b>	<b>53.1%</b>	<b>(61.9)</b>	<b>805.1%</b>	<b>(622.4)</b>	<b>(388.2)</b>	<b>60.3%</b>

Net cash from operations totaled R\$52.2 million in 2Q24 compared to R\$26.6 million in 2Q23. Such an improvement in net cash from operating activities is related to the Company's better cash management in the quarter.

Free Cash Flow after capex significantly expanded during the quarter, increasing from R\$ 0.7 million in 2Q23 to R\$ 28.7 million in 2Q24, as a result of the Company's operational efficiency, the dilution of capex as a percentage of net revenue (from 8.3% in 2Q23 to 7.0% in 2Q24), and the reduction in financial expenses due to the prepayment of receivables in the payment operation.

It is important to note that employee bonus payments, which impact the line of working capital, were disbursed in 2Q24, affecting cash flow.

The “Other” line in Net Cash from Investment Activities is directly related to the share buyback program.

## // Cash Generation (Adjusted EBITDA - Capex)

(R\$ million)

LWSA	2Q24	2Q23	vs 2Q23	1Q24	vs 1Q24	6M24	6M23	vs 6M23
Adjusted EBITDA	65.4	53.6	22.0%	61.0	7.2%	126.4	104.2	21.3%
Capex	23.6	25.9	-9.0%	26.5	-11.2%	50.1	50.8	-1.4%
<b>Cash Generation (R\$ M)</b>	<b>41.8</b>	<b>27.7</b>	<b>50.8%</b>	<b>34.5</b>	<b>21.4%</b>	<b>76.3</b>	<b>53.3</b>	<b>43.0%</b>
Cash conversion (%)	64.0%	51.7%	12 p.p.	56.5%	7 p.p.	60.4%	51.2%	9 p.p.
Capex as a % of Net Revenue	7.0%	8.3%	-1 p.p.	8.3%	-1 p.p.	7.6%	8.3%	-1 p.p.

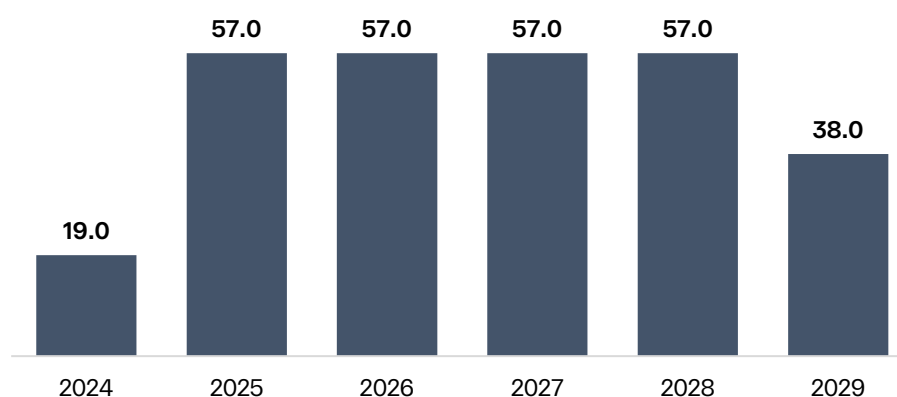
The Company's cash generation, measured by Adjusted EBITDA minus Capex, increased from R\$27.7 million in 2Q23 to R\$41.8 million in 2Q24, with growth of 50.8% in the quarter. Total Capex fell by 9.0% vs 2Q23 and represents 7.0% of Net Revenue.

## // Goodwill from Acquisitions

(R\$ million)

On July 31, the Company called a Special General Meeting for the incorporation of the Tray, Etus and Bling operations into LWSA.

We have initiated the process of streamlining our organizational structure. This will enable us to realize tax benefits associated with the goodwill arising from the three aforementioned acquisitions, totaling R\$838.0 million. As a result, a tax asset of R\$284.9 million has been generated, which will be amortized according to the following schedule (in R\$ million):



By the end of 2024, we intend to hold another Special General Meeting to incorporate the acquired companies, which will total approximately R\$380 million in goodwill (R\$129 million in tax assets).

## // ATTACHMENT I - INCOME STATEMENT

Income Statement (in R\$ million)	2Q23	2Q24	6M23	6M24
<b>NET REVENUE</b>	<b>313.7</b>	<b>336.0</b>	<b>615.4</b>	<b>656.6</b>
Cost of Services	(169.0)	(175.9)	(328.2)	(344.0)
<b>GROSS PROFIT</b>	<b>144.7</b>	<b>160.0</b>	<b>287.1</b>	<b>312.6</b>
<b>Operating income (expenses)</b>	<b>(125.4)</b>	<b>(134.3)</b>	<b>(247.8)</b>	<b>(263.2)</b>
Selling expenses	(69.2)	(75.6)	(133.8)	(145.3)
General and administrative expenses	(64.7)	(63.2)	(122.6)	(123.1)
Other operating income (expenses), net	8.4	4.5	8.6	5.2
<b>Income before financial results and income taxes</b>	<b>19.3</b>	<b>25.8</b>	<b>39.3</b>	<b>49.4</b>
<b>FINANCIAL RESULT</b>	<b>(74.1)</b>	<b>(4.2)</b>	<b>(80.3)</b>	<b>5.0</b>
Financial income	40.9	26.0	83.9	60.7
Financial expenses	(115.0)	(30.3)	(164.2)	(55.7)
<b>Income (loss) before income taxes</b>	<b>(54.9)</b>	<b>21.5</b>	<b>(41.0)</b>	<b>54.4</b>
<b>Income Taxes</b>	<b>15.9</b>	<b>(3.2)</b>	<b>8.4</b>	<b>(11.6)</b>
Current income taxes	(21.8)	(5.9)	(44.6)	(32.1)
Deferred income taxes	37.7	2.6	53.1	20.5
<b>Net income (loss)</b>	<b>(39.0)</b>	<b>18.3</b>	<b>(32.5)</b>	<b>42.8</b>

\* Selling Expenses also consider the amount of the "impairment loss", which is open in the Income Statement.

## // ATTACHMENT II - INCOME STATEMENT BeOnline/SaaS

Income Statement (in R\$ million)	2Q23	2Q24	6M23	6M24
<b>NET REVENUE</b>	<b>104.9</b>	<b>105.5</b>	<b>207.6</b>	<b>209.3</b>
Cost of Services	(68.3)	(65.9)	(134.6)	(130.8)
<b>GROSS PROFIT</b>	<b>36.6</b>	<b>39.6</b>	<b>73.0</b>	<b>78.5</b>
<b>Operating income (expenses)</b>	<b>(34.0)</b>	<b>(38.9)</b>	<b>(69.7)</b>	<b>(74.8)</b>
Selling expenses	(17.5)	(19.5)	(33.6)	(35.9)
General and administrative expenses	(22.4)	(19.5)	(42.3)	(39.1)
Other operating income (expenses), net	6.0	0.1	6.2	0.2
<b>Income before financial results and income taxes</b>	<b>2.6</b>	<b>0.7</b>	<b>3.3</b>	<b>3.7</b>
Depreciation and amortization	20.3	<b>20.1</b>	40.7	40.6
<b>EBITDA</b>	<b>22.9</b>	<b>20.8</b>	<b>43.9</b>	<b>44.3</b>

\* Selling Expenses also consider the amount of the "impairment loss", which is open in the Income Statement.



## // ATTACHMENT III - INCOME STATEMENT Commerce

Income Statement (in R\$ million)	2Q23	2Q24	6M23	6M24
<b>NET REVENUE</b>	<b>208.8</b>	<b>230.5</b>	<b>407.7</b>	<b>447.3</b>
Cost of Services	(100.6)	(110.0)	(193.6)	(213.2)
<b>GROSS PROFIT</b>	<b>108.1</b>	<b>120.4</b>	<b>214.1</b>	<b>234.0</b>
<b>Operating income (expenses)</b>	<b>(91.5)</b>	<b>(95.4)</b>	<b>(178.1)</b>	<b>(188.4)</b>
Selling expenses	(51.7)	(56.1)	(100.2)	(109.4)
General and administrative expenses	(42.2)	(43.7)	(80.3)	(84.0)
Other operating income (expenses), net	2.4	4.4	2.5	5.0
<b>Income before financial results and income taxes</b>	<b>16.7</b>	<b>25.0</b>	<b>36.1</b>	<b>45.6</b>
Depreciation and amortization	<b>8.9</b>	<b>12.0</b>	17.5	<b>23.0</b>
<b>EBITDA</b>	<b>25.5</b>	<b>37.0</b>	<b>53.5</b>	<b>68.7</b>

\* Selling Expenses also consider the amount of the "impairment loss", which is open in the Income Statement.

## // ATTACHMENT IV - Consolidated Balance Sheet

	4Q23	2Q24
<b><u>ASSETS</u></b>	<b>12/31/2023</b>	<b>06/30/2024</b>
<b>Current Assets</b>		
Cash and cash equivalents	1,188.2	565.8
Restricted cash	-	-
Accounts receivable	707.6	771.8
Taxes recoverable	4.0	3.7
Income tax and social contribution to be recovered	23.3	38.1
Derivatives	-	2.7
Other assets	27.3	39.4
<b>Total current assets</b>	<b>1,950.4</b>	<b>1,421.4</b>
<b>Non-current assets</b>		
Marketable Securities	16.6	18.8
Restricted cash		
Judicial deposits	0.5	0.5
Other assets	8.3	9.8
Deferred income taxes	182.8	203.2
Investments	-	-
Property and equipment	89.4	82.1
Right of Use Assets	68.2	63.5
Intangible assets	2,288.1	2,288.2
<b>Total non-current assets</b>	<b>2,654.0</b>	<b>2,666.0</b>
<b>Total assets</b>	<b>4,604.4</b>	<b>4,087.4</b>

## // ATTACHMENT IV - Consolidated Balance Sheet

	4Q23	2Q24
<u>Liabilities and Equity</u>	12/31/2023	06/30/2024
<b>Current liabilities</b>		
Suppliers	45.6	28.6
Loans and financing	0.1	0.0
Lease liability	13.7	12.8
Salaries and related charges	108.4	100.8
Income tax and social contribution payable	-	-
Other taxes payable	14.5	19.0
Deferred revenue	94.7	95.6
Payables to clients	559.7	594.5
Interest on shareholders' equity and dividends payable	0.0	0.0
Taxes in installments	3.1	3.4
	-	-
Accounts payable to former shareholders	575.1	189.4
Other liabilities	26.8	23.2
<b>Total current liabilities</b>	<b>1,441.6</b>	<b>1,067.2</b>
<b>Loans and financing</b>		
Deferred revenue	-	-
Deferred revenue	3.0	1.3
Provision for legal proceedings	6.2	6.1
Accounts payable to former shareholders	186.1	39.0
Lease liability	63.7	60.3
Taxes in installments	14.3	13.3
Deferred income tax and social contribution	6.0	6.8
Other liabilities	1.5	1.6
<b>Total non-current liabilities</b>	<b>280.7</b>	<b>128.5</b>
<b>EQUITY</b>		
Capital Stock	2,940.1	2,868.3
Shares held in Treasury	(63.2)	(104.6)
Capital reserves	77.1	83.4
Earning reserves	-	-
Asset valuation adjustment	-	1.8
Earnings of the period	(71.9)	42.8
<b>Total EQUITY</b>	<b>2,882.1</b>	<b>2,891.7</b>
<b>Total liabilities and equity</b>	<b>4,604.4</b>	<b>4,087.4</b>

## // ATTACHMENT V - Cash Flow

Cash Flow (R\$ mln)	2Q23	2Q24	6M23	6M24
<b>Net Cash provided by operating activities</b>				
Income (loss) before income taxes	(56,039)	21,546	(40,950)	54,405
Items that do not affect cash	130,246	50,056	193,091	90,242
Variations in working capital	(47,644)	(19,368)	(79,790)	(107,284)
<b>Net cash provided by operating activities</b>	<b>26,563</b>	<b>52,234</b>	<b>72,351</b>	<b>37,363</b>
<b>Net cash provided by investment activities</b>				
Purchase of property and equipment	(5,989)	(3,508)	(16,349)	(13,708)
Accounts payable for acquisition of equity interest	(319,194)	(551,459)	(353,724)	(557,328)
Restricted Financial Application	(1)	(1,100)	(3,750)	(1,100)
Acquisition of subsidiaries, net of cash acquired	-	(55)	-	(55)
Acquisition and development of intangible assets	(19,893)	(20,050)	(34,471)	(36,377)
<b>Net cash provided by investment activities</b>	<b>(344,890)</b>	<b>(576,172)</b>	<b>(408,107)</b>	<b>(608,568)</b>
<b>Net cash provided by investment activities</b>	<b>(47,793)</b>	<b>(36,532)</b>	<b>(52,414)</b>	<b>(51,187)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(366,120)</b>	<b>(560,470)</b>	<b>(388,170)</b>	<b>(622,392)</b>
Cash and cash equivalents at beginning of the year	1,426,181	1,126,301	1,448,231	1,188,223
Cash and cash equivalents at end of the year	1,060,061	565,831	1,060,061	565,831
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(366,120)</b>	<b>(560,470)</b>	<b>(388,170)</b>	<b>(622,392)</b>