LWSA S.A.

(previously called Locaweb Serviços de Internet S.A.)

Financial statements on december 31, 2024

(A free translation of the original report in Portuguese containing financial statements prepared in accordance with accounting practices adopted in Brazil and the International Accounting Standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB).)

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lwsa

Message from Management

4Q24

March 2025

Summary of Indicators

(R$ million)

LWSA	4Q24	4Q23	vs 4Q23	3Q24	vs 3Q24	2024	2023	vs 2023
MAIN OPERATIONAL INDICATORS								
Platform Subscribers (thousand)	193.2	184.3	4.8%	191.2	1.0%	193.2	184.3	4.8%
Ecosystem GMV	19,542.1	16,805.8	16.3%	17,377.2	12.5%	69,664.0	58,827.0	18.4%
TPV	2,107.0	1,828.1	15.3%	1,983.4	6.2%	7,581.7	6,578.6	15.2%
FINANCIAL INDICATORS								
Commerce Net Revenue	259.7	243.4	6.7%	243.0	6.9%	950.0	875.2	8.5%
Platform Subscription Net Revenue	124.9	104.0	20.1%	116.8	7.0%	458.5	375.0	22.3%
Ecosystem Net Revenue	134.8	139.4	-3.3%	126.3	6.7%	491.6	500.2	-1.7%
Beonline / SaaS Net Revenue	104.4	103.9	0.5%	106.3	-1.8%	420.0	417.5	0.6%
Consolidated Net Revenue	**364.1**	**347.3**	**4.8%**	**349.3**	**4.2%**	**1370.0**	**1292.8**	**6.0%**
Commerce Gross Profit	129.4	130.7	-1.0%	132.5	-2.3%	495.9	455.4	8.9%
Commerce Gross Margin (%) [1]	49.8%	53.7%	*-3.9 p.p*	54.5%	*-4.7 p.p*	52.2%	52.0%	*0.2 p.p*
BeOnline / Saas Gross Profit	38.6	35.1	10.0%	42.0	-8.0%	159.1	142.5	11.7%
BeOnline / SaaS Gross Margin (%)	37.0%	33.8%	*3.2 p.p*	39.5%	*-2.5 p.p*	37.9%	34.1%	*3.8 p.p*
Consolidated Gross Profit	**168.0**	**165.8**	**1.3%**	**174.5**	**-3.7%**	**655.0**	**597.9**	**9.6%**
Consolidated Gross Margin (%)	46.1%	47.7%	*-1.6 p.p*	49.9%	*-3.8 p.p*	47.8%	46.3%	*1.6 p.p*
Commerce Adjusted EBITDA	56.6	48.2	17.4%	47.6	18.7%	177.8	138.1	28.7%
Commerce Adjusted EBITDA Margin (%)	21.8%	19.8%	*2.0 p.p*	19.6%	*2.2 p.p*	18.7%	15.8%	*2.9 p.p*
BeOnline / SaaS Adjusted EBITDA	24.7	20.1	22.8%	26.0	-4.9%	103.6	88.4	17.1%
BeOnline / SaaS Adjusted EBITDA Margin (%)	23.7%	19.4%	*4.3 p.p*	24.5%	*-0.8 p.p*	24.7%	21.2%	*3.5 p.p*
Consolidated Adjusted EBITDA	**81.3**	**68.3**	**19.0%**	**73.7**	**10.5%**	**281.4**	**226.6**	**24.2%**
Consolidated Adjusted EBITDA Margin (%)	22.3%	19.7%	*2.7 p.p*	21.1%	*1.2 p.p*	20.5%	17.5%	*3.0 p.p*
Net Income	**(17.5)**	**(45.1)**	**-61.2%**	**16.9**	**-203.5%**	**42.2**	**(73.7)**	**157.2%**
Net Margin (%)	-4.8%	-13.0%	*8.2 p.p*	4.8%	*-9.6 p.p*	3.1%	-5.7%	*8.8 p.p*
Adjusted Net Income	**42.9**	**53.0**	**-19.1%**	**37.0**	**15.8%**	**149.9**	**142.4**	**5.3%**
Net Margin (%)	11.8%	15.3%	*-3.5 p.p*	10.6%	*1.2 p.p*	10.9%	11.0%	*-0.1 p.p*
Net debt (cash) of Earnouts	**(100.0)**	**(349.6)**	**n/a**	**(153.7)**	**n/a**	**(100.0)**	**(349.6)**	**n/a**
OTHER OPERATIONAL INDICATORS								
Own Store GMV	1,662.6	1,478.5	12.4%	1,488.5	11.7%	5,824.3	5,008.9	16.3%
Labels issued on the logistic operation (thousand)	6,090.7	5,760.1	5.7%	5,797.9	5.1%	22,846.5	21,471.2	6.4%
Clients EoP - BeOnline / SaaS (thousand)	390.6	404.0	-3.3%	393.9	-0.9%	390.6	404.0	-3.3%

[1] Details of Margin and Operating Costs and Expenses on page 10

// Financial Performance

// Net Operating Revenue
(R$ million)

LWSA	4Q24	4Q23	vs 4Q23	3Q24	vs 3Q24	2024	2023	vs 2023
Commerce	259.7	243.4	6.7%	243.0	6.9%	950.0	875.2	8.5%
Segment share in the consolidated	*71.3%*	*70.1%*	*1.2 p.p.*	*69.6%*	*1.8 p.p.*	*69.3%*	*67.7%*	*1.6 p.p.*
BeOnline / SaaS	104.4	103.9	0.5%	106.3	-1.8%	420.0	417.5	0.6%
Segment share in the consolidated	*28.7%*	*29.9%*	*-1.2 p.p.*	*30.4%*	*-1.8 p.p.*	*30.7%*	*32.3%*	*-1.6 p.p.*
Net Revenue - Consolidated	**364.1**	**347.3**	**4.8%**	**349.3**	**4.2%**	**1,370.0**	**1,292.8**	**6.0%**

In the Commerce segment, Net Operating Revenue increased by 6.7% in 4Q24, from R$ 243.4 million in 4Q23 to R$ 259.7 million in 4Q24. In 2024, the growth was 8.5%, reaching R$ 950.0 million.

Platform Subscription Net Revenue showed a growth of 20.1% in Q4 2024 vs Q4 2023 and 22.3% in 2024, resulting from the growth of the customer base and the ARPU expansion of the existing base.

Ecosystem Net Revenue, impacted by Squid, fell 3.3% vs 4Q23. Ex Squid, Ecosystem Net Revenue grew 4.1% vs 4Q23.

As mentioned in previous earnings reports, the operational and commercial restructuring of Squid has impacted the annual growth of both the Commerce segment and the Consolidated results. Excluding the effects of Squid from the annual comparison, Net Revenue from the Commerce segment grew 11.8% in 4Q24 vs 4Q23 and 15.8% in 2024 compared to 2023.

In this specific quarter, the Financial Services operation showed a growth lower than the expected potential in monetizing the flows that go through the operation (lower volume of one-time receivables anticipation). This trend was partially offset by a 25.8% decrease in financial expenses related to the anticipation of receivables. We have already observed a normalization in the monetization of these financial flows in the first months of 2025.

In the BeOnline/SaaS segment, we remained focused on discontinuing some less profitable operations within the Nextios corporate operation, which naturally led to the stabilization of its Net Revenue in the YoY comparison (and consequently affected the group's growth when compared to the previous year). Growth was 0.5% compared to 4Q23 and 0.6% compared to 2023.

LWSA's Net Revenue totaled R$ 364.1 million in 4Q24, representing a 4.8% increase over 4Q23 and up 4.2% compared to 3Q24. Excluding the effects of Squid in the annual comparison, growth was 8.1%.

Operating Costs and Expenses
(R$ million)

LWSA	4Q24	4Q23	vs 4Q23	3Q24	vs 3Q24	2024	2023	vs 2023
Cost of Services	196.1	181.5	8.0%	174.9	12.2%	715.0	694.8	2.9%
% Net Revenue	*53.9%*	*52.3%*	*1.6 p.p.*	*50.1%*	*3.8 p.p.*	*52.2%*	*53.7%*	*-1.6 p.p.*
Selling Expenses	71.2	70.1	1.7%	75.9	-6.2%	292.5	272.5	7.3%
% Net Revenue	*19.6%*	*20.2%*	*-0.6 p.p.*	*21.7%*	*-2.2 p.p.*	*21.3%*	*21.1%*	*0.3 p.p.*
General and Administrative Expenses	69.6	68.0	2.4%	64.7	7.6%	257.4	252.6	1.9%
% Net Revenue	*19.1%*	*19.6%*	*-0.5 p.p.*	*18.5%*	*0.6 p.p.*	*18.8%*	*19.5%*	*-0.7 p.p.*
Other Operating (Revenues) Expenses	(2.9)	(4.7)	-37.4%	(0.6)	372.5%	(8.7)	(13.6)	-36.1%
% Net Revenue	*-0.8%*	*-1.3%*	*0.5 p.p.*	*-0.2%*	*-0.6 p.p.*	*-0.6%*	*-1.1%*	*0.4 p.p.*
Total Operating Cost and Expenses	**334.1**	**314.9**	**6.1%**	**314.9**	**6.1%**	**1,256.2**	**1,206.3**	**4.1%**
% Net Revenue	*91.8%*	*90.7%*	*1.1 p.p.*	*90.1%*	*1.6 p.p.*	*91.7%*	*93.3%*	*-1.6 p.p.*

LWSA's total operating costs and expenses increased by 6.1% in 4Q24 when compared to the same period of the previous year. In 2024, the growth in total costs and expenses was 4.1% vs 2023.

Cost of Services

The cost of services in 4Q24 was R$ 196.1 million, an increase of 8.0% in comparison between the two periods, which represented 53.9% of Net Revenue in 4Q24 and 52.3% in 4Q23. This increase is directly related to an active provision of R$ 9.6 million concerning a commercial litigation arising from a 2023 contract with a logistics supplier that failed to fulfill the contractual terms. The Company has already filed a lawsuit and is awaiting the legal proceedings. As this is a non-recurring event related to 2023, we have adjusted the aforementioned amount in the calculation of EBITDA for 2024.

Excluding this impact in 4Q24 and 2024, costs of services provided would represent 51.2% and 51.5% of net revenue, respectively.

In 2024, growth in costs and services provided was 2.9% compared to 2023.

Selling Expenses

Selling expenses, which encompass the marketing and sales teams, as well as the contracted services of these same nature, in 4Q24 amounted to R$ 71.2 million, an increase of 1.7% when compared to 4Q23.

In 2024, selling expense growth was 7.3% versus 2023.

General and Administrative Expenses

General and administrative expenses, which include the teams in the administrative areas such as finance, HR, accounting and fiscal, expenses and outsourced services related to these areas, as well as depreciation and amortization of IFRS 16 and PPA assets, in 4Q24 was R$ 69.6 million and R$ 68.0 million in the same period of 2023, which represented a growth of 2.4%, lower than the Company's net revenue growth, resulting from the Company's initiatives to consolidate structures and capture operational synergies within the group.

In 2024, the growth in general and administrative expenses was 1.9% when compared to 2023.

Gross Profit
(R$ million)

LWSA	4Q24	4Q23	vs 4Q23	3Q24	vs 3Q24	2024	2023	vs 2023
Commerce	129.4	130.7	-1.0%	132.5	-2.3%	495.9	455.4	8.9%
Margin (%)	*49.8%*	*53.7%*	*-3.9 p.p.*	*54.5%*	*-4.7 p.p.*	*52.2%*	*52.0%*	*0.2 p.p.*
BeOnline / SaaS	38.6	35.1	10.0%	42.0	-8.0%	159.1	142.5	11.7%
Margin (%)	*37.0%*	*33.8%*	*3.2 p.p.*	*39.5%*	*-2.5 p.p.*	*37.9%*	*34.1%*	*3.8 p.p.*
Gross Profit	**168.0**	**165.8**	**1.3%**	**174.5**	**-3.7%**	**655.0**	**597.9**	**9.6%**
Gross Margin (%)	*46.1%*	*47.7%*	*-1.6 p.p.*	*49.9%*	*-3.8 p.p.*	*47.8%*	*46.3%*	*1.6 p.p.*

Consolidated Gross Profit increased by 1.3% in 4Q24 when compared to 4Q23, reaching R$ 168.0 million, with -1.6 p.p. in the Company's Gross Margin. In 2024, growth was 9.6% with an expansion of 1.6 p.p. in the Consolidated Gross Margin.

The Gross Margin was impacted by the provisions related to the litigation with the aforementioned logistics supplier. Excluding the effects of this provision, the consolidated Gross Profit for Q4 2024 would show a growth of 7.1%, and the Consolidated Gross Margin would be 48.8%, representing an expansion of 1.0 percentage point compared to Q4 2023. Specifically, in the Commerce segment, the Gross Margin for Q4 2024 would be 54.0%, indicating an expansion of 0.3 percentage points.

EBITDA and Adjusted EBITDA
(R$ million)

LWSA	4Q24	4Q23	vs 4Q23	3Q24	vs 3Q24	2024	2023	vs 2023
Net Income (Loss)	**(17.5)**	**(45.1)**	**-61.2%**	**16.9**	**-203.5%**	**42.2**	**(73.7)**	**157.2%**
(+) Net Financial Income	45.4	111.6	-59.3%	8.5	432.2%	48.9	196.1	-75.1%
(+) Current Income Tax and Social Contribution	2.1	(34.1)	-106.1%	9.0	-76.7%	22.7	(35.9)	163.3%
(+) Depreciation and Amortization	33.6	29.9	12.4%	33.3	0.9%	130.4	118.1	10.4%
EBITDA	**63.6**	**62.2**	**2.1%**	**67.7**	**-6.1%**	**244.2**	**204.6**	**19.4%**
(+) Stock Options Plan and Restricted Shares Plan	3.8	3.7	1.3%	4.6	-17.9%	15.0	15.7	-4.7%
(+) M&A Expenses	0.3	2.3	-85.8%	1.4	-75.8%	4.5	6.2	-28.0%
(+) Non-Recurring Expenses / Restructuring	13.6	0.0	n/a	0.0	n/a	17.7	0.0	n/a
Adjusted EBITDA	**81.3**	**68.3**	**19.0%**	**73.7**	**10.4%**	**281.4**	**226.6**	**24.2%**
Adjusted EBITDA Margin (%)	*22.3%*	*19.7%*	*2.7 p.p.*	*21.1%*	*1.2 p.p.*	*20.5%*	*17.5%*	*3.0 p.p.*

LWSA's Adjusted EBITDA in 4Q24 was R$ 81.3 million, 19.0% higher than in 4Q23, with Adjusted EBITDA Margin expanding by 2.7 p.p. in the same period. In 2024, Adjusted EBITDA was R$ 281.4 million with an Adjusted EBITDA margin of 20.5%, representing an expansion of 3.0 p.p. over 2023.

Non-recurring expenses are related to (i) the provision related to the commercial litigation that occurred in 2023 in the amount of R$ 9.6 million and (ii) severance costs related to headcount reduction and corporate restructurings, which totaled R$ 4.0 million in the quarter.

Adjusted EBITDA margin by segment

LWSA	4Q24	4Q23	vs 4Q23	3Q24	vs 3Q24	2024	2023	vs 2023
Commerce								
Adjusted EBITDA	56.6	48.2	17.4%	47.6	18.7%	177.8	138.1	28.7%
Adjusted EBITDA Margin (%)	*21.8%*	*19.8%*	*2.0 p.p.*	*19.6%*	*2.2 p.p.*	*18.7%*	*15.8%*	*2.9 p.p.*
BeOnline / SaaS								
Adjusted EBITDA	24.7	20.1	22.8%	26.0	-4.9%	103.6	88.4	17.1%
Adjusted EBITDA Margin (%)	*23.7%*	*19.4%*	*4.3 p.p.*	*24.5%*	*-0.8 p.p.*	*24.7%*	*21.2%*	*3.5 p.p.*
Consolidated								
Adjusted EBITDA	**81.3**	**68.3**	**19.0%**	**73.7**	**10.5%**	**281.4**	**226.6**	**24.2%**
Adjusted EBITDA Margin (%)	*22.3%*	*19.7%*	*2.7 p.p.*	*21.1%*	*1.2 p.p.*	*20.5%*	*17.5%*	*3.0 p.p.*

The Adjusted EBITDA margin of the Commerce segment expanded by 2.0 p.p. compared to 4Q23 and 2.2 p.p. compared to 3Q24. For the year, the expansion was 2.9 p.p., primarily resulting from the Company's initiatives to consolidate structures and capture operational synergies within the group

In the BeOnline / SaaS segment, the Adjusted EBITDA margin in 2024 was 24.7%, in line with the percentage expected and commented by the Company in recent quarters.

// Financial Result
(R$ million)

LWSA	4Q24	4Q23	vs 4Q23	3Q24	vs 3Q24	2024	2023	vs 2023
Financial revenues	14.9	37.0	-59.9%	15.4	-3.4%	91.0	161.7	-43.7%
Financial expenses	(60.3)	(148.6)	-59.5%	(23.9)	152.0%	(139.9)	(357.8)	-60.9%
Net financial income (expenses)	**(45.4)**	**(111.6)**	**-59.3%**	**(8.5)**	**432.2%**	**(48.9)**	**(196.1)**	**-75.1%**

Net financial result in 4Q24 was an expense of R$ 45.4 million. In terms of financial expenses, we would like to highlight the following points:

(i) Recalculation of the fair value of Earnouts, which totaled R$ 40.5 million in 4Q24, related to (i) the AVP of the remaining balance to be paid in April/25 and (ii) to the semi-annual process of reviewing the Earnout balances payable, amounting to R$ 34.0 million;

(ii) The expense of R$ 10.2 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 value mentioned as a percentage of TPV decreased from 0.75% in 4Q23 to 0.48% in 4Q24;

(iii) Lower financial income related to the allocation of the Company's cash, mainly due to the reduction in the cash balance resulting from the payment of earnouts (R$ 561 million in 2024), the share buyback program that consumed R$ 152.6 million in the last twelve months and the dividend payment in the amount of R$ 40.0 million. This drop in the cash balance reduced the Company's Financial Revenue by R$ 22.9 million in 4Q24 and R$ 73.0 million in 2024.

In 2024, the net financial result represented an expense of R$ 48.9 million, an amount 75% lower than the result in 2023.

Effective Tax Rate
(R$ million)

LWSA	2024	2023
Income (loss) before income taxes	**64.9**	**(109.7)**
Combined statutory rate of 34%	34%	34%
Income taxes at a combined statutory rate of 34%	**(22.1)**	**37.3**
Adjustments to the effective rate		
Effect of stock options plan expenses	(2.4)	(2.3)
Deferred tax not accounted for tax loss	(5.6)	(4.5)
Tax benefit from Lei do Bem	9.7	11.8
Others	(2.3)	(6.4)
Income taxes in the statements of operations	**(22.7)**	**35.9**
Effective rate	**35.0%**	**32.8%**

The effective income tax rate in 2024 was 35.0%.

Net Income
(R$ million)

LWSA	4Q24	4Q23	vs 4Q23	3Q24	vs 3Q24	2024	2023	vs 2023
Net income	**(17.5)**	**(45.1)**	**-61.2%**	**16.9**	**-203.5%**	**42.2**	**(73.7)**	**157.2%**
(+) Stock Options Plan and Restricted Shares Plan	3.8	3.7	1.3%	4.6	-17.9%	15.0	15.7	-4.7%
(+) Intangible amortization	9.4	10.0	-5.9%	9.7	-3.0%	39.0	39.9	-2.1%
(+) Adjustment of Acquisition Earnout	40.5	126.3	-68.0%	7.5	439.6%	69.0	273.0	-74.7%
(+) Deferred Income Tax and Social Contribution	(2.3)	(42.0)	-94.6%	(1.6)	37.4%	(24.4)	(112.5)	-78.3%
(+) Non-Recurring Expenses / Restructuring[1]	9.0	0.0	n/a	0.0	n/a	9.0	0.0	n/a
Adjusted net income	**42.9**	**53.0**	**-19.1%**	**37.0**	**15.8%**	**149.9**	**142.4**	**5.3%**
Adjusted net income margin (%)	*11.8%*	*15.3%*	*-3.5 p.p.*	*10.6%*	*1.2 p.p.*	*10.9%*	*11.0%*	*-0.1 p.p.*

[1] Net of Income Tax and Social Contribution

4Q24 resulted in a net loss of R$ 17.5 million for the Company, an amount 61.2% lower than that posted in 4Q23. The net loss in the period was mainly due to the review of Earnouts, as already described in this report. In 2024, the Company reported a Net Profit of R$ 42.2 million, reversing a loss of R$ 73.7 million in 2023.

Adjusting the Net Profit for the effects of Stock Option Plans, PPA Intangible Amortization, the non-recurring provision related to the litigation with a supplier, and the Acquisition Earnout Adjustments, in addition to Deferred Income Tax and Social Contribution, the Adjusted Net Profit for Q4 2024 was R$ 42.9 million, an amount 19.1% lower than that recorded in Q4 2023, impacted by lower financial revenue in the period (explained in the Financial Expenses chapter), as the Company distributed part of its cash as dividends and by repurchasing shares.

Indebtedness / Cash Position
(R$ million)

LWSA	4Q24	3Q24	4Q23
Bank Gross Debt	**0.0**	**0.0**	**0.0**
(-) Cash and cash equivalents	(447.4)	(460.3)	(1,188.2)
Net debt (cash) (ex lease liability)	**(447.4)**	**(460.3)**	**(1,188.2)**
(+) Lease liability [1]	74.4	70.7	77.4
Net debt (cash)	**(373.0)**	**(389.6)**	**(1,110.8)**
(-) Earnouts	273.0	235.9	761.2
Net debt (cash) of Earnouts	**(100.0)**	**(153.7)**	**(349.6)**

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

Mainly due to the share buyback carried out in 3Q24 and 4Q24, which totaled R$ 112 million, the Company's cash balance decreased to R$ 447.4 million in 4Q24. Excluding the remaining balance of Earnouts, the net cash balance is R$ 100.0 million.

Cash Flow
(R$ million)

LWSA	4Q24	4Q23	vs 4Q23	3Q24	vs 3Q24	2024	2023	vs 2023
Income (loss) before income taxes	**(15.4)**	**(79.2)**	**-80.6%**	**25.9**	**-159.4%**	**64.9**	**(109.7)**	**159.2%**
Items that do not affect cash	84.4	166.2	-49.2%	47.6	77.5%	222.2	417.4	-46.8%
Variations in working capital[1]	1.1	23.5	-95.2%	(35.0)	-103.2%	(141.1)	(35.7)	295.5%
Net cash provided by operating activities (A)	**70.2**	**110.4**	**-36.5%**	**38.5**	**82.4%**	**146.0**	**272.1**	**-46.3%**
Capex for permanent assets	(8.9)	(5.5)	62.5%	(6.5)	37.8%	(29.1)	(25.7)	13.2%
Capex for development	(25.5)	(20.6)	23.5%	(22.1)	15.4%	(83.9)	(75.3)	11.5%
Free Cash Flow - After Capex	**35.8**	**84.3**	**-57.5%**	**10.0**	**259.4%**	**33.1**	**171.2**	**-80.7%**
Acquisition	(3.4)	(0.6)	487.9%	0.0	n/a	(560.8)	(367.2)	52.7%
Other Investments	(0.1)	(0.3)	-70.2%	0.0	n/a	(1.2)	(4.8)	-75.3%
Net cash provided by investment activities (B)	**(37.8)**	**(26.9)**	**40.5%**	**(28.5)**	**32.7%**	**(674.9)**	**(472.9)**	**42.7%**
Loan and financing	(0.0)	(0.0)	-89.4%	(0.0)	-16.7%	(0.1)	(0.4)	-83.2%
Commercial lease	(5.3)	(4.7)	12.9%	(4.9)	8.2%	(20.1)	(18.2)	10.2%
Share Buyback / Dividends / Others	(39.9)	2.5	-1712.8%	(110.5)	-63.9%	(191.8)	(40.6)	371.9%
Net cash provided by financing activities (C)	**(45.3)**	**(2.3)**	**1868.6%**	**(115.5)**	**-60.8%**	**(211.9)**	**(59.2)**	**257.8%**
Net increase (decrease) in cash and cash equivalents (A + B + C)	**(13.0)**	**81.2**	**-116.0%**	**(105.5)**	**-87.7%**	**(740.8)**	**(260.0)**	**184.9%**

[1] In the Working Capital variation, we recorded the payment of R$11.8 million related to income tax and social contribution paid in 4Q24 and R$74.3 million in 2024.

Net cash from operations totaled R$ 70.2 million in 4Q24, while Free Cash Flow after Capex stood at R$ 35.8 in the quarter.

It is important to highlight that, in the working capital line, in 4Q24 we had a disbursement of R$ 11.8 million for income tax and social security contributions amounting to R$ 74.3 million in 2024. We emphasize that we began in August 2024 the stage of simplifying the organizational structure with the incorporation of Tray, Bling, and Etus in August 2024, and KingHost, Melhor Envio, and Ideris in February 2025. This will enable us to capture tax benefits related to the goodwill of these acquisitions, which will be amortized over the coming years, resulting in a significant reduction in the line item of income tax and social contribution paid.

Of the total income tax and social contributions paid in 4Q24, just over 60% refer to companies whose incorporation were approved at the General Shareholders' Meeting on February 28 and will bring benefits as of April/2025.

// Cash Generation (Adjusted EBITDA - Capex)
(R$ million)

LWSA	4Q24	4Q23	vs 4Q23	3Q24	vs 3Q24	2024	2023	vs 2023
Adjusted EBITDA	81.3	68.3	19.0%	73.7	10.4%	281.4	226.6	24.2%
Capex	34.4	26.1	31.6%	28.5	20.5%	113.0	100.9	11.9%
Cash Generation (R$ M)	**47.0**	**42.2**	**11.3%**	**45.2**	**4.0%**	**168.4**	**125.6**	**34.1%**
Cash conversion (%)	57.8%	61.8%	-4.0 p.p.	61.3%	-3.5 p.p.	59.9%	55.5%	4.4 p.p.
Capex as a % of Net Revenue	9.4%	7.5%	1.9 p.p.	8.2%	1.3 p.p.	8.2%	7.8%	0.4 p.p.

The Company's cash generation, measured by Adjusted EBITDA minus Capex, increased from R$ 42.2 million in 4Q23 to R$ 47.0 million in 4Q24, with growth of 11.3% in the period.

The increase in R&D capex in the quarter is directly related to the internal updates described in the Message from the Management which aim at the continuous improvement of our product and, consequently, the acceleration of the Company's growth.

In 2024, the growth of this metric was 34.1% versus 2023.

lwsa
(B3: LWSA3)

Check out the other 4Q24 documents on the website: https://ri.lwsa.tech/

Further information:
Click here contact Investor Relations
Click here to join the LWSA Mailing List

Thank you.
LWSA Team.

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Independent auditors' report on the individual and consolidated financial statements

To the Shareholders and Administrators of
LWSA S.A.
São Paulo - SP

Opinion

We have audited the individual and consolidated financial statements of LWSAS.A. ("Company"), identifying as individual and consolidated financial statements, respectively, which comprise the balance sheet as of December 31, 2024, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended. as well as related notes, including material accounting policies and other explanatory information.

Opinion on the individual financial statements

In our opinion, the accompanying individual financial statements present fairly, in all material respects, the financial position of LWSA S.A. as of December 31, 2024, and its financial performance and its cash flows for the year then ended, in accordance with Brazilian accounting policies.

Opinion on the consolidated financial statements

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of LWSA S.A. as of December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with Brazilian accounting policies and the International Accounting Standards (IFRS Accounting Standards) issued by the *International Accounting Standards Board* (IASB).

Basis for opinion

We conducted our audit in accordance with International and Brazilian standards on auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of individual and consolidated financial statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the ethical requirements that are relevant to our audit of the financial statements and are set forth on the Accountant´s Code of Professional Ethics and on the professional standards issued by the Federal Accounting Council, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Liabilities from acquisition of investments

See note 10.1 to the individual and consolidated financial statements

Key audit matters	How the audit addressed this matter
The Company has contingent consideration payable arising from the acquisitions of investments in 2021 and 2022. The measurement of contingent consideration considers the increase in the investees' net revenues subject to the investment dynamics and the expenses set forth on the business plan agreed by the parties. Under CPC 15 (R1), contingent consideration, subsequent to the date of acquisition, must be measured at fair value at each reporting date and changes in fair value must be recognized in profit or loss until the contingency is settled. The main assumptions used for this measurement are the estimated net operating revenues reported by investees and the discount rate, which is determined considering the yield on the Company's financial investments and the interbank deposit rate. Due to the complexity and judgment involved in determining the assumptions, as well as the impacts that any change in assumptions could have on the	Our audit procedures in this area included, but were not limited to: (i) Analyzing the agreements entered into by the parties; (ii) With the help of our experts in measuring financial instruments, we evaluated: a) whether the calculation method set forth by the contract was applied for projection purposes; b) whether annual growth rates, for net operating revenue forecasts, are grounded in historical and/or market data; c) whether mathematical calculations are adequate; and d) the accuracy of the discount rate used for the projection compared with market data;

individual and consolidated financial statements, we considered this to be a key audit matter.	(iii) If base data such as: (i) reference price; (ii) *ratings*; and (iii) risk-free interest curves originate from reliable sources; (iv) Inspecting the financial settlement of contingent consideration installments; (v) Checking whether disclosures in the financial statements are in accordance with applicable accounting standards and whether they consider significant information. According to the evidence obtained by applying the procedures summarized above, we considered that the measurement of the fair value of contingent consideration and the related disclosures are acceptable in the context of the individual and consolidated financial statements for the year ended December 31, 2024 taken as a whole.

Other matters - Statements of added value

The individual and consolidated statements of value added for the year ended December 31, 2024, prepared under the responsibility of the Company's management, and presented as supplementary information for IFRS Accounting Standard purposes, were submitted to the same audit procedures followed together with the audit of the Company's financial statements. In order to form our opinion, we evaluated whether these statements are reconciled to the Company's financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria set on Technical Pronouncement CPC 09 - Statement of Added Value. In our opinion, these statements of value added have been adequately prepared, in all material respects, according to the criteria set on this Technical Pronouncement and are consistent with the individual and consolidated financial statements taken as a whole.

Other information accompanying individual and consolidated financial statements and the auditors' report

Management is responsible for the other information. The other information comprises the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work performed, we conclude that there is material misstatement of the Management Report, we are required to report on such fact. We have nothing to report on this.

Responsibilities of management and those charged with governance for the individual and consolidated financial statements

Management is responsible for the preparation and fair presentation of these individual financial statements in accordance with accounting policies adopted in Brazil and the consolidated financial statements in accordance with Brazilian accounting policies and international accounting standards (IFRS Accounting Standards), issued by the *International Accounting Standards Board* . (IASB), and for such internal control as IASB determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and its subsidiaries' financial reporting process.

Auditors' responsibilities for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 'Reasonable assurance' is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and international standards on auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and international standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. In addition:

- Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the collusion, misrepresentation of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its subsidiaries' internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and its subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditors' report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the corresponding transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the individual and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit, and therefore for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical and independence requirements, and communicate with them all relationships or issues that could substantially affect our independence, including, when applicable, the actions taken to eliminate the threats or safeguards applied by the Company.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters.

We describe these matters in our auditors' report unless law or regulation prohibits public disclosure of the matter, or when, in extremely rare circumstances, we determine that the matter should not be communicated in our report because the adverse consequences of doing so may reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, March 12, 2025.

KPMG Auditores Independentes Ltda.
Member of the CRC under No. 2SP014428/O-6
Original report in Portuguese signed by
João Paulo A. Pacheco Neves
Accountant CRC 1SP222303/O-4

LWSA S.A.

Statements of financial position in December 31, 2024 and 2023

(In thousands of Reais)

		Parent company		Consolidated	
	Note:	2024	2023	2024	2023
Assets					
Cash and cash equivalents	6.1	248,368	949,283	447,378	1,188,223
Restricted securities	6.2	-	-	96,550	-
Accounts receivable	7.1	35,414	21,817	712,420	707,556
Taxes recoverable		924	2,944	2,440	4,049
Income tax and social contribution recoverable		29,966	11,237	39,713	23,250
Other assets	8	35,886	17,750	36,038	27,315
Total current assets		**350,558**	**1,003,031**	**1,334,539**	**1,950,393**
Financial assets	6.3	-	-	15,015	16,617
Court deposits	17	403	402	529	498
Other assets	8	5,652	5,396	11,417	8,284
Deferred income tax and social contribution	24	141,846	130,213	211,166	182,807
Total long-term assets		**147,901**	**136,011**	**238,127**	**208,206**
Investments	10	1,811,335	2,250,061	-	-
Property, plant, and equipment	11	61,801	59,388	80,672	89,431
Intangible assets	12	825,435	147,118	2,292,918	2,288,148
Right-of-use asset	13	59,283	58,784	64,366	68,210
Total non-current assets		**2,905,755**	**2,651,362**	**2,676,083**	**2,653,995**
Total assets		**3,256,313**	**3,654,393**	**4,010,622**	**4,604,388**

Notes are an integral part of the financial statements.

LWSA S.A.

Statements of financial position in December 31, 2024 and 2023

(In thousands of Reais)

		Parent company		Consolidated	
	Note	2024	2023	2024	2023
Liabilities					
Suppliers		33,319	25,207	40,483	45,575
Loans and financing	15.1	-	-	2	60
Lease liabilities	15.2	12,130	8,772	14,510	13,694
Salaries, charges, and social benefits	16	46,689	37,495	84,604	108,366
Other taxes payable		7,136	4,281	16,065	14,546
Services to be provided	7.2	74,080	48,867	99,341	94,717
Receivables to be transferred	7.3	-	-	614,723	559,662
Interest on equity and dividends payable		4	5	4	5
Taxes in installments	14	276	256	3,262	3,065
Obligation with investment acquisitions	10.1	229,343	440,218	231,064	575,093
Other liabilities		9,053	5,491	25,753	26,770
Total current liabilities		**412,030**	**570,592**	**1,129,811**	**1,441,553**
Lease liabilities	15.2	56,953	58,667	59,915	63,675
Services to be provided	7.2	848	2,971	848	2,971
Taxes in installments	14	1,009	1,196	12,070	14,270
Obligation with investment acquisitions	10.1	34,954	132,446	41,899	186,111
Provision for contingencies	17	1,616	3,071	8,194	6,168
Provision for investment losses	10	1,024	3,304	-	-
Deferred income tax and social contribution	24	-	-	10,006	6,002
Other liabilities		2,036	-	2,036	1,492
Total non-current liabilities		**98,440**	**201,655**	**134,968**	**280,689**
Net equity					
Share capital	18	2,868,290	2,940,141	2,868,290	2,940,141
Treasury shares	18	(25,375)	(63,218)	(25,375)	(63,218)
Treasury shares canceled	18	(189,650)	-	(189,650)	-
Capital reserves	18	90,384	77,074	90,384	77,074
Profit reserves		2,194	-	2,194	-
Accumulated losses		-	(71,851)	-	(71,851)
Total net equity		**2,745,843**	**2,882,146**	**2,745,843**	**2,882,146**
Total liabilities and net equity		**3,256,313**	**3,654,393**	**4,010,622**	**4,604,388**

Notes are an integral part of the financial statements.

LWSA S.A.

Statements of result

Years ended December 31, 2024 and 2023

(*In thousands of Reais*)

	Notes	Parent company 2024	Parent company 2023	Consolidated 2024	Consolidated 2023
Net operating revenue	21	**431,305**	**363,879**	**1,370,032**	**1,292,756**
Cost of services provided	22	(277,298)	(268,139)	(715,020)	(694,846)
Gross profit		**154,007**	**95,740**	**655,012**	**597,910**
Operating revenues (expenses)					
Sales expenses	22	(80,355)	(49,828)	(283,852)	(263,661)
General and administrative expenses	22	(62,189)	(40,997)	(257,444)	(252,598)
Loss due to impairment	22	(2,507)	(1,834)	(8,619)	(8,817)
Equity income	10	34,419	(85,121)	-	-
Other operating revenues (expenses)	22	497	6,461	8,710	13,629
		(110,135)	**(171,319)**	**(541,205)**	**(511,447)**
Income before net financial revenues (expenses)		**43,872**	**(75,579)**	**113,807**	**86,463**
Financial revenues	23	62,791	139,268	90,974	161,707
Financial expenses	23	(73,144)	(185,305)	(139,865)	(357,823)
(Expenses) net financial income		**(10,353)**	**(46,037)**	**(48,891)**	**(196,116)**
Income before income tax and social contribution		**33,519**	**(121,616)**	**64,916**	**(109,653)**
Current income tax and social contribution	24	-	(36,050)	(47,077)	(76,532)
Deferred income tax and social contribution taxes	24	8,675	83,931	24,355	112,450
		8,675	**47,881**	**(22,722)**	**35,918**
Net profit (loss) for the year		**42,194**	**(73,735)**	**42,194**	**(73,735)**
Earnings per share					
(expressed in BRL per share)					
Basic profit (loss) per share	20			0.0733	(0.13)
Diluted profit (loss) per share	20			0.0730	(0.13)

Notes are an integral part of the financial statements.

LWSA S.A.

Other comprehensive income

Years ended December 31, 2024 and 2023

(*In thousands of Reais*)

	Parent company		Consolidated	
	2024	**2023**	**2024**	**2023**
Net profit (loss) for the year	42,194	(73,735)	42,194	(73,735)
Comprehensive income for the year	**42,194**	**(73,735)**	**42,194**	**(73,735)**

Notes are an integral part of the financial statements.

LWSA S.A.

Statements of changes in shareholders' equity

Years ended December 31, 2024 and 2023

(*In thousands of Reais*)

	Share capital					Capital Reserves			Profit Reserves			
	Paid up capital stock	**Capital stock yet to be paid in**	**Expenses with the issuance of shares**	**Treasury shares**	**Treasury shares to be canceled**	**Goodwill on capital transactions**	**Stock option plan reserve**	**Goodwill on the issuance of shares**	**Legal reserve**	**Profit retention reserve**	**Accumulated (Losses) profits**	**Total net equity**
Balances on December 31, 2022	**3,006,937**	**3,495**	**(76,201)**	**(47,481)**	**-**	**(22,344)**	**73,771**	**11,895**	**3,892**	**21,615**	**-**	**2,975,579**
Net income for the year	-	-	-	-	-	-	-	-	-	-	(73,735)	(73,735)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(73,735)**	**(73,735)**
Capital increase (Note 18.a)	6,929	(6,929)	-	-	-	-	-	-	-	-	-	-
Repurchase of own shares	-	-	-	(15,771)	-	-	-	-	-	-	-	(15,771)
Share options exercised	-	5,910	-	34	-	-	-	-	-	-	-	5,944
Share-based payments	-	-	-	-	-	-	13,752	-	-	-	-	13,752
Loss absorption	-	-	-	-	-	-	-	-	(3,892)	-	3,892	-
Transfer	-	-	-	-	-	-	-	-	-	2,008	(2,008)	-
Dividends distributed	-	-	-	-	-	-	-	-	-	(23,623)	-	(23,623)
Balances on December 31, 2023	**3,013,866**	**2,476**	**(76,201)**	**(63,218)**	**-**	**(22,344)**	**87,523**	**11,895**	**-**	**-**	**(71,851)**	**2,882,146**
Net income for the year	-	-	-	-	-	-	-	-	-	-	42,194	42,194
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**42,194**	**42,194**
Capital increase (Note 18.a)	2,476	(2,476)	-	-	-	-	-	-	-	-	-	-
Repurchase of own shares	-	-	-	(153,064)	-	-	-	-	-	-	-	(153,064)
Treasury shares canceled	-	-	-	189,650	(189,650)	-	-	-	-	-	-	-
Share options exercised	-	-	-	1,257	-	-	(1,117)	-	-	-	-	140
Share-based payments	-	-	-	-	-	-	14,427	-	-	-	-	14,427
Capital reduction (Note 18.a)	(71,851)	-	-	-	-	-	-	-	-	-	71,851	-
Profit destination												
Legal reserve	-	-	-	-	-	-	-	-	2,110	-	(2,110)	-
Dividends	-	-	-	-	-	-	-	-	-	-	(40,000)	(40,000)
Profit retention reserve	-	-	-	-	-	-	-	-	-	84	84	-
Balances on December 31, 2024	**2,944,491**	**-**	**(76,201)**	**(25,375)**	**(189,650)**	**(22,344)**	**100,833**	**11,895**	**2,110**	**84**	**-**	**2,745,843**

Notes are an integral part of the financial statements.

LWSA S.A.

Statements of cash flows

Years ended December 31, 2024 and 2023

(*In thousands of Reais*)

	Note	Parent company		Consolidated	
		2024	2023	2024	2023
Cash flows from operating activities					
Profit (loss) before income tax and social contribution		**33,519**	**(121,616)**	**64,916**	**(109,653)**
Adjustments to reconcile profit (loss) before income tax and social contribution with net cash flow from operating activities:					
Depreciation and amortization	11;12;13	57,801	46,939	130,413	118,147
Equity income	10	(34,419)	85,121	-	-
Passive lease interest, derivatives, exchange and monetary variations		4,360	3,577	4,193	3,351
Remeasurement fair value of contingent consideration	10.1	60,311	169,688	69,042	272,982
Share-based payments	19	15,473	11,574	14,966	15,702
Provisions and other adjustments		(553)	2,284	3,607	7,260
Changes in assets and liabilities					
Accounts receivable from customers		(7,508)	1,256	(3,985)	(37,380)
Taxes recoverable		(4,608)	16,598	(10,865)	15,680
Other assets and restricted securities		(9,323)	(1,670)	(108,406)	279
Court deposits		(1)	45	(31)	565
Suppliers		9,333	3,668	(1,319)	(8,445)
Salaries, charges, and social benefits		7,998	5,381	(24,312)	16,086
Other taxes payable		15,452	(11,776)	25,003	(3,636)
Services to provide		(1,454)	5,401	2,501	10,542
Receipts to be passed on		-	-	55,061	22,565
Other liabilities		(2,209)	1,163	(473)	19,031
Income tax and social contribution paid		(17,744)	(23,511)	(74,309)	(70,975)
Net cash from operating activities		**126,428**	**194,122**	**146,002**	**272,101**
Cash flows from investing activities					
Acquisitions of property, plant and equipment		(22,127)	(17,541)	(29,053)	(25,660)
Obligation with the acquisition of investments	10.1	(434,976)	(233,408)	(560,835)	(367,205)
Capital increase in subsidiary	10	(322,050)	(224,400)	-	-
Cash received in incorporation		86,927	-	-	-
Acquisition of a subsidiary, net of cash acquired		-	-	42	-
Financial Assets		-	-	(1,175)	(4,950)
Acquisition and development of intangible assets	12	(39,937)	(25,784)	(83,897)	(75,255)
Receipt for the sale of assets		-	78	-	199
Net cash used in investing activities		**(732,163)**	**(501,055)**	**(674,918)**	**(472,871)**
Cash flows from financing activities					
Resources from the exercise of stock options		1,257	5,944	1,257	5,944
Payment of lease liabilities	15.2	(15,085)	(12,503)	(20,053)	(18,191)
Loans and financing paid	26.h	-	-	(59)	(370)
Interest and exchange variation paid	26.h	-	-	(9)	(35)
Dividends and interest on equity paid		(40,001)	(30,815)	(40,001)	(30,815)
Repurchase of own shares		(41,351)	(15,771)	(153,064)	(15,771)
Net cash (used in) generated by financing activities		**(95,180)**	**(53,145)**	**(211,929)**	**(59,238)**
Net reduction in cash and cash equivalents		**(700,915)**	**(360,078)**	**(740,845)**	**(260,008)**
Cash and cash equivalents at the start of the year		949,283	1,309,361	1,188,223	1,448,231
Cash and cash equivalents at the end of the year		248,368	949,283	447,378	1,188,223
Net reduction in cash and cash equivalents		**(700,915)**	**(360,078)**	**(740,845)**	**(260,008)**

Notes are an integral part of the financial statements.

LWSA S.A.

Statements of added value

Years ended December 31, 2024 and 2023

(*In thousands of Reais*)

	Notes	Parent company		Consolidated	
		2024	2023	2024	2023
Revenue		**465,095**	**403,463**	**1,505,102**	**1,425,909**
Service revenue	21	469,183	402,522	1,504,355	1,423,875
Discounts and rebates	21	(3,578)	(6,515)	(8,866)	(9,565)
Other operating revenues		(510)	7,456	9,613	11,599
Inputs purchased from third parties (includes ICMS, PIS and Cofins)		**(179,368)**	**(186,739)**	**(595,007)**	**(554,539)**
Cost of services provided		(93,973)	(127,108)	(350,167)	(335,566)
Materials, energy, third-party services and other services		(85,395)	(59,631)	(244,840)	(218,973)
Gross added value		**285,727**	**216,724**	**910,095**	**871,370**
Retention		**(57,801)**	**(46,939)**	**(130,413)**	**(118,147)**
Depreciation and amortization	11;12;13	(57,801)	(46,939)	(130,413)	(118,147)
Net added value generated		**227,926**	**169,785**	**779,682**	**753,223**
Added value received in transfers		**97,210**	**54,147**	**90,974**	**161,707**
Equity income	10	34,419	(85,121)	-	-
Financial revenues	23	62,791	139,268	90,974	161,707
Total added value to be distributed		**325,136**	**223,932**	**870,656**	**914,930**
Added value distribution		**325,136**	**223,932**	**870,656**	**914,930**
Personnel and charges		**154,054**	**105,997**	**476,819**	**478,748**
Direct compensation		111,964	76,485	379,741	390,536
Benefits		26,947	19,852	62,183	57,222
Severance Pay Indemnity Fund (FGTS)		15,143	9,660	34,895	30,990
Taxes, fees and contributions		**55,370**	**6,369**	**210,342**	**151,655**
Federal		40,602	(6,709)	167,631	110,470
State		-	-	54	104
Municipal		14,768	13,078	42,657	41,081
Interest and rent		**73,518**	**185,301**	**141,301**	**358,262**
Equity remuneration		**42,194**	**(73,735)**	**42,194**	**(73,735)**
Dividend distribution		40,000	(30,815)	40,000	(30,815)
Retained profit (loss)		2,194	(42,920)	2,194	(42,920)

Notes are an integral part of the financial statements.

Notes to individual and consolidated financial statements

(In thousands of Reais, unless otherwise stated)

1 Operational context

Operations
LWSA S.A., previously called Locaweb Serviços de Internet S.A. (hereinafter referred to as "Company", also referred to as "Group" or "LWSA"), headquartered at Rua Itapaiúna, 2434 - São Paulo/SP, with operations starting in 1998, is one of the pioneer companies in Business to Business (B2B) solutions for digital business transformation in Brazil. The Company offers a varied portfolio of integrated solutions, with the purpose of helping its clients' businesses to grow and prosper through the use of technology.

The Company has two operating segments: (i) Be Online and Software as a Service (SaaS) & Solutions ("Be Online & SaaS"), which are offered to its customers through the brands: Locaweb, Allin, Nextios, Kinghost, Delivery Direto and Connectplug; and (ii) Commerce, offered to its customers through the brands: Tray, Wake, Yapay, Melhor Envio, Credisfera, Vindi, Bagy Sul, Bling, PagCerto, Bagy, Octadesk, Wake Creators and Síntese. These business segments are extremely complementary, generate great operational synergies for the Company and its customers and together form an ecosystem that allows for strong cross-selling and up-selling within its extensive and diversified customer base of approximately 695,000 active customers, from multiple sectors of the economy, with greater concentration in small and medium-sized companies.

<u>Pagcerto – Payment Institution</u>

On June 26, 2024, through Official Letter 15336/2024-BCB/Deodf/Difin, the Central Bank of Brazil ("Bacen") granted the request of Pagcerto Instituição de Pagamento Ltda ("Pagcerto"), a company in the LWSA Financial Services, to act as a Payment Institution ("IP").

This approval is another important step in LWSA's strategy of offering, in a fully integrated manner, to its Ecommerce Platform (SMEs and Enterprise) and ERP customers a wide range of Financial Services, which can contribute to the success of their customers' digital journey, supporting them in more effective financial management by integrating receipts, payments and credit.

2 Preparation basis

2.1 Declaration of Conformity (Regarding IFRS and CPC Standards)

The consolidated financial statements were prepared in accordance with the International Accounting Standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB) and accounting practices adopted in Brazil ("BR GAAP"), which comprise the practices included in Brazilian corporate law and technical pronouncements, guidelines and technical interpretations issued by the Accounting Pronouncements Committee ("CPC"), approved by the Federal Accounting Council ("CFC") and by the Brazilian Securities and Exchange Commission ("CVM").

The parent company's individual financial statements were prepared in accordance with BR GAAP.

The financial statements for the year ended December 31, 2024 were approved by the Board of Directors on March 12, 2025.

2.2 Measurement basis

The individual and consolidated financial statements were prepared based on the historical cost, except for the valuation of certain assets and liabilities such as those arising from business combinations and financial instruments, which are measured at their fair values.

2.3 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries. The Company's management controls an entity when it is exposed to, or is entitled to, the variable returns arising from its involvement with the entity and has the ability to affect those returns by exercising its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which the Group obtains control until the date on which control ceases to exist.

In the parent company's individual financial statements, the financial information of subsidiaries is recognized using the equity method.

The income of subsidiaries acquired or disposed of during the year is included in the consolidated income statements from the effective acquisition date until the effective disposal date, as applicable.

The income of subsidiaries acquired during the years ended December 31, 2024 and 2023 are included in the income statements as of the date of their acquisition.

The fiscal years of the subsidiaries included in the consolidation coincide with those of the parent company and the accounting practices and policies were applied uniformly in the consolidated companies. All intercompany balances and transactions were eliminated on consolidation.

The consolidated financial statements includes the operations of the Company and its subsidiaries, as follows:

		Interest %	
Subsidiaries	**Interest**	**2024**	**2023**
Locaweb Telecom	Direct	100%	100%
Yapay	Direct	100%	100%
Tray Tecnologia (c)	Direct	-	100%
Wake (b)	Direct	100%	100%
LWK Hosting	Direct	100%	100%
Cyberweb	Indirect	100%	100%
IT Capital (Delivery Direto)	Direct	100%	100%
Locaweb Commerce	Direct	100%	100%
Etus (c)	Direct	-	100%
Ideris	Indirect	100%	100%
Melhor Envio	Indirect	100%	100%
Vindi Tecnologia	Direct	100%	100%

		Interest %	
Subsidiaries	**Interest**	**2024**	**2023**
Vindi Pagamentos	Indirect	100%	100%
Connectplug	Direct	100%	100%
Bagy Sul (a)	Direct	100%	100%
Credisfera	Direct	100%	100%
Samurai Holding	Direct	100%	100%
Samurai Desenvolvimento	Indirect	100%	100%
Bling (c)	Direct	-	100%
Organisys Payments Holding	Indirect	100%	100%
Pagcerto	Indirect	100%	100%
Bagy	Direct	100%	100%
Octadesk	Direct	100%	100%
Wake Creators (d)	Direct	100%	100%
LW Ventures FIP	Direct	100%	100%
Síntese	Direct	100%	100%

(a) In April 2023, the name of Dooca Tecnologia da Informação Ltda. was changed to Bagy Sul Soluções de Comércio Digital Ltda.

(b) In September 2023, the name of Fbits Desenvolvimento de Software Ltda. was changed to Wake Commerce Ltda.

(c) In August 2024, companies were incorporated into the parent company.

(d) In September 2024, the name of Squid Digital Media Channel Ltda. was changed to Wake Creators Digital Media Channel Ltda.

1 - Locaweb Telecom Telecomunicações Ltda ("Locaweb Telecom")

Locaweb Telecom is a provider of data, voice, image and sound transmission services via Internet protocol, duly authorized by Anatel to act as a SCM (Multimedia Communication Service) and STFC (Switched Landline Telephone Service) operator. The subsidiary became a wholly-owned subsidiary of the Company on September 28, 2007.

2 - Yapay Pagamentos Online Ltda. ("Yapay")

Company located in Marília, acquired on November 26, 2012, when the Company acquired Tray. Through Yapay, we offer the following services: (i) Electronic payment gateway (independent e-commerce system that allows the contracting and integration of different payment methods in any type of virtual store); and (ii) Sub Acquirer that provides solutions for receiving online payments for small and large companies, with solutions for e-commerce, startups, SaaS companies and other sectors.

3 - Tray Tecnologia em Ecommerce Ltda. ("Tray")

Company located in Marília, acquired on November 26, 2012 by LWSA, whose corporate purpose is the development, planning and maintenance of a website provider.

On August 30, 2024, the incorporation of Tray Tecnologia em Ecommerce Ltda. was approved by LWSA S/A.

4 - Wake Commerce Ltda. ("Wake")

Company located in Curitiba/PR, acquired on September 1, 2016 by Tray, its main activity is offering solutions based on the SaaS model (Software as a Service) for virtual stores. Among the main features of the solution platform offered, we can highlight: Customized layout, B2C, B2B, marketplace module, intelligent search, responsive layout, email, gateway and reports.

5 - Lwk Hosting Participações Ltda. (“Kinghost”)

Company located in Porto Alegre, acquired on May 3, 2019, by LWSA. Founded in 2002, it has the following main social activities: provider of internet services such as corporate email solutions, domain registration, among others and website hosting for the general public (retail profile).

6 - IT Capital Serviços de Tecnologia Ltda (“Delivery Direto”)

Company located in São Paulo, acquired on September 9, 2019, by LWSA. Founded in 2009, its main activity is offering a SaaS solution for delivery and complete management for restaurants that already have more than 1,200 customers. The platform works as an economical alternative to marketplace applications, offering full control of customer relationships.

7 - Etus Social Network Brasil Ltda.(“Etus”)

Company located in Ribeirão Preto in the interior of the state of São Paulo, acquired on September 29, 2020, by LWSA. Founded in 2015, it is a company that offers the most complete and robust solution for digital management and marketing on social networks, such as Facebook, Instagram, LinkedIn, Pinterest and Twitter, among others, and already has more than 100 thousand brands being served.

On August 30, 2024, at an Extraordinary General Meeting, the incorporation of Etus Social Network Brasil Ltda was approved. by LWSA S/A.

8 - Locaweb Commerce Holding Ltda. (“Locaweb Commerce”)

Locaweb Commerce's corporate purpose is to participate in other companies, as a partner or shareholder.

9 - Ideris Tecnologia da Informação Ltda. (“Ideris”)

Company located in Curitiba, acquired on December 10, 2020, by LWSA. Founded in 2017, it offers a complete multichannel integration platform for retail operations, allowing retailers to operate across multiple channels using a direct integration model in marketplaces or through Store in Store.

10 - Melhor Envio Ltda. (“Melhor Envio”)

Company located in Pelotas, acquired on December 14, 2020, by LWSA. Founded in 2015, it offers a logistics platform that connects small and medium-sized sellers to the main transport companies and logistics companies in Brazil.

11 - Vindi Tecnologia e Marketing Ltda. (“Vindi Tecnologia”)

Company located in São Paulo, acquired on January 12, 2021 by LWSA. Vindi offers subscription model solutions (plans and monthly fees) and combines recurring billing software with a payment platform. Among the more than 6,000 customers that Vindi serves today, there are important brands and the biggest subscription cases in Brazil. The acquisition plans include integrating Vindi's recurring payment APIs into Tray (e-commerce platform) and exploring the full cross-sell potential with the Company's other business segments (BeOnline, SaaS and Commerce).

12 - Connectplug Desenvolvimento de Softwares Ltda. (“Connectplug”)

Company located in Curitiba, acquired on January 26, 2021 by LWSA. ConnectPlug offers a SaaS platform with a point of sale (POS) system and a complete management system, with a broad presence in the food services segment.

13 - Bagy Sul Soluções de Comércio Digital Ltda. (“Bagy Sul”)

Company located in Novo Hamburgo/RS, acquired on February 18, 2021 by Tray. Bagy Sul offers a virtual store platform focused on SMEs, which helps retailers create, set up and manage their virtual store and sell online.

14 - Credisfera Serviços Financeiros Ltda. (“Credisfera”)

Company located in São Paulo, acquired on February 26, 2021, by Tray. Credisfera is a Fintech that offers credit solutions for SMEs offered in an integrated manner to LWSA's customer base.

15 - Samurai Experts Holding Ltda. (“Samurai”)

Company located in São Paulo, acquired on March 2, 2021 by Tray. Samurai is a technology company that offers an ecosystem of applications compatible with various platforms on the market to optimize the results of virtual stores to serve medium and large e-commerce businesses. In parallel, Samurai will be able to offer Yapay's payments solution, integrations with more than 30 marketplaces and Store-in-Store offered by Ideris, Melhor Envio logistics solutions, Vindi's recurring payment APIs and the entire digital marketing portfolio with Social Miner and All In for its entire customer base.

16 - Organisys Software Ltda. (“Bling”)

Company located in São Paulo, acquired on April 21, 2021, by LWSA. Launched in 2009, Bling is an online management system for the e-commerce segment for micro and small businesses, with more than 200 integrations, which offers SaaS model solutions for physical, virtual or hybrid businesses.

On August 30, 2024, at an Extraordinary General Meeting, the incorporation of Organisys Software Ltda. was approved. by LWSA S/A.

17 - Pagcerto Instituição de Pagamento Ltda. (“Pagcerto”)

Company located in Aracajú, acquired on April 21, 2021, by LWSA. Pagcerto operates through a white label sub-acquiring and BaaS (banking as a service) platform, services that will be integrated and leveraged by Bling.

18 - Bagy Soluções de Comércio Digital Ltda. (“Bagy”)

Company located in Belo Horizonte, acquired on July 12, 2021, by Tray. Founded in 2017, Bagy is an e-commerce platform focused on social commerce, with more than 13.5 thousand active customers and 127 thousand followers on social media. Its objective is to help small and medium-sized companies, individuals and influencers set up an online store quickly and simply.

19 - Octadesk Desenvolvimento de Software Ltda. (“Octadesk”)

Company located in São Paulo, acquired on August 2, 2021, by LWSA. Founded in 2015, Octadesk is a platform aimed at small and medium-sized companies to better relate to their customers at all stages of their journey (marketing, sales and service), in real time and across multiple channels such as WhatsApp, chat, Instagram, email, among others, organizing their interactions in a single place.

20 - Wake Creators Digital Media Channel Ltda. (“Wake Creators”)

Company located in São Paulo, acquired on October 5, 2021, by LWSA. Founded in 2014, Wake Creators is the most relevant company in the Creators Economy segment in Brazil and has the best solutions and platforms to connect influencers and content creators with brands.

21 - LW Ventures Fundo de Investimento em Participações Multiestratégia Investimento no Exterior (“LW Ventures”)

On December 10, 2021, an investment program in Corporate Venture Capital ("CVC") was structured through which the company intends to invest up to BRL 100,000, which will be carried out by means of a private equity investiment fund ("PE Fund") constituted under the terms of the applicable regulation in up to four years. PE Funds resources will be managed by Valetec Capital Investimentos Ltda. ("Valetec"), an asset management company duly authorized by the Brazilian Securities and Exchange Commission ("CVM"), through an exclusive structure.

22 - Organisys Payments Holding Financeira Ltda. (”Organisys Payments Holding”)

Organisys Payments Holding's corporate purpose is to participate in other companies as a partner or shareholder.

23 - Síntese Soluções Produtizadas Ltda. (”Síntese”)

Company located in São Paulo, acquired on August 4, 2022, by Tray. Founded in 2013, Síntese is a platform specialized in omnicanality solutions for retail, with a broad presence in the fashion segment.

2.4 Merger of subsidiaries

2.4.1 Merger of Qint

At the Extraordinary General Meeting held on June 30, 2024, the Company's shareholders approved the merger of Qint Intelligence Serviços de Internet Ltda (“Qint”) into Bling. The transaction was carried out considering that the companies are part of the same economic group and that the transfer of the activities will enable greater financial, operational, and administrative efficiency, as well as better control by the shareholders of the different areas in which the companies operate.

The merged amounts are summarized below:

Assets	**144**
Current assets	**144**
Cash and cash equivalents	69
Accounts receivable	75
Liabilities	**25**
Current liabilities	**25**
Suppliers	11
Labor and social obligations	3
Tax obligations	10
Others accounts payable	1
Net merged amounts	**119**

2.4.2 *Merger of Tray*

At the Extraordinary General Meeting held on August 30, 2024, the Company's shareholders approved the merger of Tray Tecnologia em Ecommerce Ltda. into LWSA. The transaction was carried out considering that the companies are part of the same economic group and that the transfer of the activities will enable greater financial, operational, and administrative efficiency, as well as better control by the shareholders of the different areas in which the companies operate.

The merged amounts are summarized below:

Assets	**366,521**
Current assets	**36,929**
Cash and cash equivalents	16,407
Accounts receivable	6,759
Taxes recoverable	9,891
Other assets	3,872
Non-current assets	**329,592**
Deferred income tax and social contribution	525
Investments	271,843
Property, plant, and equipment	4,061
Right-of-use asset	3,117
Intangible assets	50,046
Liabilities	**84,173**
Current liabilities	**75,276**
Suppliers	441
Lease liabilities	868
Labor and social obligations	65
Other taxes payable	1,144
Services to be provided	13,862
Obligation with investment acquisitions	58,304
Other liabilities	592
Non-current liabilities	**8,897**
Provision for lawsuits	13
Obligation with investment acquisitions	6,435
Lease liabilities	2,449

Net merged amounts	**282,348**

2.4.3 Merger of Etus

At the Extraordinary General Meeting held on August 30, 2024, the Company's shareholders approved the merger of Etus Social Network Brasil Ltda. into LWSA. The transaction was carried out considering that the companies are part of the same economic group and that the transfer of the activities will enable greater financial, operational, and administrative efficiency, as well as better control by the shareholders of the different areas in which the companies operate.

The merged amounts are summarized below:

Assets	**974**
Current assets	**812**
Cash and cash equivalents	647
Accounts receivable	103
Other assets	62
Non-current assets	**162**
Deferred income tax and social contribution	6
Property, plant, and equipment	156
Liabilities	**122**
Current liabilities	**122**
Suppliers	41
Other taxes payable	81
Net merged amounts	**852**

2.4.4 Merger of Bling

At the Extraordinary General Meeting held on August 30, 2024, the Company's shareholders approved the merger of Organisys Software Ltda. into LWSA S/A. The transaction was carried out considering that the companies are part of the same economic group and that the transfer of the activities will enable greater financial, operational, and administrative efficiency, as well as better control by the shareholders of the different areas in which the companies operate.

The merged amounts are summarized below:

Assets	**96,299**
Current assets	**75,903**
Cash and cash equivalents	69,873
Accounts receivable	257
Taxes recoverable	1,079
Other assets	4,694
Non-current assets	**20,396**
Deferred income tax and social contribution	2,427
Investments	13,216
Property, plant, and equipment	1,753
Right-of-use asset	29
Intangible assets	2,971
Liabilities	**24,858**
Current liabilities	**21,482**

Suppliers	1,988
Lease liabilities	31
Labor and social obligations	147
Other taxes payable	3,755
Services to be provided	10,682
Other liabilities	4,879
Non-current liabilities	**3,376**
Provision for lawsuits	40
Obligation with investment acquisitions	1,441
Other liabilities	1,895
Net merged amounts	**71,441**

3 Functional currency and presentation currency

These financial statements are presented in Reais, which is the Company's and its subsidiaries' functional currency. All balances have been rounded to the nearest thousand, unless otherwise indicated.

4 Use of estimates and judgments

In preparing these financial statements, Management used judgments and estimates that affect the application of the Company's and its subsidiaries' accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and assumptions are continually reviewed. Revisions to estimates are recognized prospectively.

Accounting estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are considered reasonable under the circumstances. Based on assumptions, the Company and its subsidiaries make estimates regarding the future. By definition, the resulting accounting estimates will seldom be the same as the actual income. The estimates and assumptions that present a significant risk, likely to cause a material adjustment in the carrying amounts of assets and liabilities for the next fiscal year, are contemplated below:

a. Impairment test of non-financial assets - Note 12

Management annually reviews the net book value of assets in order to assess events or changes in economic, operational or technological circumstances that may indicate deterioration or loss of their recoverable value. Once such evidence is identified and the net book value exceeds the recoverable value, an estimated impairment loss is established, adjusting the net book value to the recoverable value.

The recoverable value of an asset or a specific cash-generating unit (CGU) is defined as the higher between its value in use and its net sales value. Management considers each of its segments to be a cash-generating unit (CGU).

In estimating the asset's value in use, estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects the weighted average cost of capital for the industry in which the cash-generating unit operates.

The net sale value is determined, whenever possible, on the basis of a concrete sale agreement in an arm's length transaction between knowledgeable and interested parties, adjusted for expenses attributable to the sale of the asset, or, when there is no firm sale agreement and, based on the market price of an active market, the price of the most recent transaction with similar assets.

i) Impairment test of fixed assets and intangible assets with a finite useful life

Fixed assets and intangible assets with a finite useful life are tested whenever signs of devaluation are identified.

ii) Impairment test of goodwill paid for expected future profitability

The test for goodwill impairment is performed annually (on October 31) or when circumstances indicate impairment of the bookkeeping amount.

iii) Impairment test of intangible assets with indefinite useful lives

Intangible assets with indefinite useful lives are tested for impairment annually (on October 31) or when circumstances indicate impairment of the bookkeeping amount. The test is performed individually or at the cash-generating unit level, as appropriate.

b. Provision for contingencies – Note 17

The Company and its subsidiaries are parties to several tax, labor and civil legal and administrative proceedings, and provisions for legal claims are recorded for all proceedings with a probable probability of loss. This probability analysis is performed by the Company with the help of external legal advisors and duly corroborated by the Legal Department. The assessment of the probability of loss includes the assessment of available evidence, the hierarchy of laws, existing case law, the most recent decisions in the courts and their legal relevance, the history of occurrences and the amounts involved.

c. Transactions with share-based payments – Note 19

The Company measures the cost of share-settled transactions with employees based on the fair value of equity instruments on the grant date. Estimating the fair value of share-based payments requires determining the most appropriate valuation model for the grant of equity instruments, which depends on the terms and conditions of the concession. This also requires the determination of certain variables such as the option's expected useful life, share volatility, dividend yield, among others.

d. Fair value of financial instruments - Note 26

When the fair value of financial assets and liabilities presented in the balance sheet cannot be obtained from active markets, it is determined using valuation techniques. Whenever possible, data for these methods are based on market practices. The judgment includes considerations about the data used, such as liquidity risk, credit risk, and volatility. Changes in assumptions about these factors could affect the presented fair value of financial instruments.

e. Fair value measurement of transferred consideration (including contingent consideration) – Note 10

The consideration transferred, the assets acquired, the liabilities assumed and the contingent consideration arising from a business arrangement are measured at fair value on the acquisition date as part of the business arrangement.

Contingent consideration must be subsequently measured at fair value with changes recognized in the profit or loss statement.

f. Income and social contribution taxes – Note 24

The recognition of tax credits arising from deferred social contribution income tax is subject to the availability of future taxable income against which deductible temporary differences and tax losses can be used. Significant judgment on the part of management is required to determine the amount of deferred tax assets that can be recognized, based on the probable timing and level of future taxable income, together with future tax planning strategies.

5 Materials accounting policies

The materials accounting policies adopted by the Company are described in the respective explanatory notes. These accounting policies have been applied consistently in all the years presented, unless otherwise stated. It should be noted that accounting policies for intangible transactions were not included in the financial statements.

5.1 New accounting standards and interpretations not yet effective

A number of new accounting standards will be effective for fiscal years beginning after January 1, 2024. The Company has not adopted the following accounting standards in the preparation of these financial statements.

A. IFRS 18 Presentation and Disclosure of Financial Statements

IFRS 18 will replace CPC 26/IAS 1 Presentation of Financial Statements and applies to annual reporting periods beginning on or after January 1, 2027. The new standard introduces the following new main requirements.

- Entities are required to classify all income and expenses into five categories in the profit and loss statement, namely the operating, investment, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal. The entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in financial statements.

Additionally, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows using the indirect method.

The Company is still in the process of evaluating the impact of the new standard, particularly with respect to the structure of the Company's profit and loss statement, the statement of cash flows and the additional disclosures required for MPMs. The Company is also evaluating the impact on how information is grouped in the financial statements, including items currently labeled as 'other'.

B. Other accounting standards

The following new and amended standards are not expected to have a significant impact on the Company's consolidated financial statements:

- Lack of convertibility (changes to CPC 02/IAS 21);
- Classification and measurement of financial instruments (changes to IFRS 9 and IFRS 7).
- *Annual Improvements to IFRS Accounting Standards – Volume 11*.
- Non-publicly liable subsidiaries: disclosures (IFRS 19).
- Sale or contribution of assets between an investor and its associate or joint venture (Changes to IFRS 10 and IAS 28).

6 Cash and cash equivalents and financial assets

6.1 Cash and cash equivalents

Accounting policy
Amounts held for the purpose of meeting short-term cash commitments and not for investment or other purposes are classified under cash and cash equivalents. They include cash, positive balances in current accounts, financial investments redeemable within 90 days of the transaction dates and with an insignificant risk of change in their market value. Most financial investments included in cash equivalents are classified under the "financial assets at fair value through profit or loss" category. Cash equivalents are highly liquid and readily convertible.

	Parent company		Consolidated	
	2024	**2023**	**2024**	**2023**
Cash and banks	25,783	153	48,786	6,817
CDB (a)	18,538	7,377	75,212	158,628
Funds (b)	204,047	941,753	323,380	1,022,778
	248,368	**949,283**	**447,378**	**1,188,223**

(a) The consolidated financial investments, Bank Deposit Certificates (CDB), were remunerated at an average rate of 107.2% for the year ending December 31, 2024 (103.04% of the CDI for the year ending December 31, 2023), with daily liquidity redeemable with the issuer, subject to an insignificant risk of change in value.

(b) Exclusive fund, composed of quotas of an investment fund whose portfolio is formed by fixed income assets with immediate liquidity. The eligible assets in the portfolio composition structure are almost entirely investment grade, which corresponds to the highest rating classification, representing low credit risk and volatility.

Below we present the opening of the exclusive investment fund portfolio:

	2024	**2023**
Post fixed Interest rate	**100.00%**	**99.95%**
Cash and CPR	33.28%	45.23%
Private credit	49.35%	45.56%
FIDC	0.19%	0.17%

Public bonds	15.10%	8.28%
Derivatives	2.08%	0.71%
Pre fixed interest	**0.01%**	**0.05%**
Private credit	2.08%	0.76%
Derivatives	-2.07%	-0.71%
Inflation	**-0.01%**	-
Derivatives	-0.02%	-
Private credit	0.01%	-
Total	**100.00%**	**100.00%**

6.2 Restricted securities

The balances of restricted securities are resources invested in financial investments on behalf of the subsidiary Pagcerto, which aims to guarantee resources to cover the balances of customers' "Prepaid Payment Accounts".

The subsidiary Pagcerto invested in federal public securities, registered in the Special Settlement and Custody System (Selic), as required in BCB Resolution nº 80, of March 25, 2021.

	Parent company		Consolidated	
	2024	**2023**	**2024**	**2023**
CDB	-	-	1,727	-
National Treasury Bills	-	-	51,622	-
Treasury Financial Bills	-	-	43,201	-
	-	**-**	**96,550**	**-**
Current	-	-	96,550	-

6.3 Financial assets

On December 10, 2021, the LW Ventures Fundo de Investimento em Participações Multiestratégia Investimento no Exterior ("LW Ventures"), a Corporate Venture Capital (CVC), was established, whose objective is to invest in startups with high growth and innovation potential. The Company is the majority shareholder of the Fund, which is managed by an independent manager. The investments are made substantially through loan agreements with an option to convert into equity interest on a certain date. The medium to long term strategy of the assets is to generate synergy with the Company's business, or a planned exit for the moment when the financial returns are favorable, thus they are recognized as a financial instrument (level 2).

Financial assets are valued at fair value through profit or loss, and because they are represented by privately-held startups and do not have prices quoted on an active market, the fair value for these investments is measured using a valuation technique based on multiples of revenue and NAV (Net Asset Value), considering the reasonableness of the range of values indicated by them, the fair value measurement being the point within that range that best represents the fair value in the circumstances, or through observable market transactions, such as new rounds of investments, with the Valuation Post Money being considered as the new fair value reference for that asset. The Company used this reference for the investments active on December 31, 2024 and December 31, 2023.

The value of these investments at December 31, 2024 was BRL 15,015 (BRL 16,617 at December 31, 2023).

7 Accounts receivable and services to be provided

7.1 Accounts receivable

Accounting policy
Accounts receivable include receivables from credit card companies and end customers.

The Company estimates the expected losses for credits based on the simplified model, as required by CPC 48/IFRS 9, considering the aging of its receivables and the expectation of future losses. The Company does not have a significant history of losses on accounts receivable.

The balance of accounts receivable is composed of:

	Parent company		Consolidated	
	2024	**2023**	**2024**	**2023**
Credit card administrators	19,700	5,885	672,500	649,103
Accounts receivable from customers	18,186	16,467	44,445	63,766
Total accounts receivable	**37,886**	**22,352**	**716,945**	**712,869**
Expected credit loss	(2,472)	(535)	(4,525)	(5,313)
Total net accounts receivable	**35,414**	**21,817**	**712,420**	**707,556**

The balance of accounts receivable by maturity is shown below:

	Parent company		Consolidated	
	2024	**2023**	**2024**	**2023**
Amounts to become due	**31,376**	**15,617**	**704,730**	**689,871**
Overdue amounts				
Up to 30 days	1,832	4,042	3,791	11,929
From 31 to 180 days	2,206	2,158	3,899	5,756
Over 180 days	2,472	535	4,525	5,313
Total accounts receivable	**37,886**	**22,352**	**716,945**	**712,869**

The movement in the Company's and its subsidiaries' expected credit losses for the year ended December 31, 2024 and 2023 is shown below:

	Parent company		Consolidated	
	2024	**2023**	**2024**	**2023**
Opening balance	**(535)**	**(879)**	**(5,313)**	**(2,322)**
Additions	(1,801)	(1,155)	(8,619)	(8,812)
Reversals	771	1,499	9,407	5,821
Incorporation (i)	(907)	-	-	-
Final balance	**(2,472)**	**(535)**	**(4,525)**	**(5,313)**

(i) The amount refers to a proportion of the incorporated receivables balance, presented in explanatory note 2.4.

Expected losses are calculated based on historical analysis and on amounts considered sufficient by Management to cover possible losses in the realization of trade accounts receivable.

Management believes that the risk related to accounts receivable is minimized by the fact that the composition of the Company's end customers is highly dispersed and the majority have paid in advance. The Company has more than 695 thousand active end customers in the portfolio and no customer represents 5% or more of revenue as of December 31, 2024.

7.2 Services to be provided

Accounting policy

The services payable account is characterized as a customer advance account. Therefore, it refers to amounts received in advance, at the time of entering into the contract with the customer, for the provision of services by the Company.

The amounts recorded in this account are recognized in profit or loss for the year according to the provision of services and compliance with the performance obligations provided for in the contracts, in accordance with the Company's revenue accounting policy.

	Parent company		Consolidated	
	2024	**2023**	**2024**	**2023**
Services to be provided	74,928	51,838	100,189	97,688
Current	74,080	48,867	99,341	94,717
Non-current	848	2,971	848	2,971

7.3 Receivables to be transferred

Accounting policy

In the receivables transferable account, classified under current liabilities since the debt will be settled within the next 12 months, the amounts received are recorded as a result of the intermediation of payments, in which the Company considers itself as an agent, which will be transferred to the Company's customers.

As of December 31, 2024, BRL 614,723 (BRL 559,662 as of December 31, 2023) of receivables transferable are recorded.

As of December 31, 2024, BRL 86,883 is recorded, corresponding to balances in electronic currency that are maintained in prepaid payment accounts. They are demonstrated by the amounts of the liabilities and can be redeemed at any time by the Pagcerto user.

8 Other assets

	Parent company		Consolidated	
	2024	**2023**	**2024**	**2023**
Advance to suppliers	1,333	715	3,165	4,252

Advances to employees and benefits	4,352	745	6,978	2,153
Software license to be appropriated	12,853	11,400	15,644	14,223
Shared services receivable from related parties (note 9a.)	8,507	6,198	-	-
PHENOM 100 program membership	2,718	2,718	2,718	2,718
Business combination indemnification asset (note 17.1)	-	-	5,380	2,259
Digital certificates	6,452	-	6,452	4,228
Other assets	5,323	1,370	7,118	5,766
	41,538	**23,146**	**47,455**	**35,599**
Current	35,886	17,750	36,038	27,315
Non-current	5,652	5,396	11,417	8,284

9 Transactions with related parties

Transactions with related parties basically refer to transactions with subsidiaries and companies whose quotaholders are the individuals that make up the controlling group or the Board of Directors of the Company's subsidiaries.

a. Transactions and balances

The Company and its subsidiaries operate and are managed on an integrated basis, thus having common expenses (back office), which are apportioned based on technical criteria periodically reviewed by Management. Transactions are carried out under conditions agreed between the parties.

The Company entered into a private instrument for sharing expenses, reimbursements, transfers, retentions and apportionments within the same economic group. The purpose of this agreement is to objectively adjust the conditions and characteristics of the sharing of these expenses.

The main balances and transactions with related parties are as follows:

	Parent company			
	Current assets		**Current liabilities**	
	2024	**2023**	**2024**	**2023**
LW Commerce	10	-	-	-
Cyberweb	562	442	-	-
Wake	297	240	-	-
Yapay	2,784	1,662	-	-
Locaweb Telecom	47	156	-	-
Síntese	441	108	-	-
IT Capital (Delivery Direto)	224	92	-	-
Tray Tecnologia	-	740	-	-
Melhor Envio	1,590	939	-	-
Ideris	86	73	-	-
Bling	-	937	-	-
Organisys Payments Holding	-	-	(441)	-
Octadesk	458	250	-	-
Wake Creators	299	258	-	-
Credisfera	141	62	-	-
Samurai	1	2	-	-
Cplug	262	1	-	-
Pagcerto	86	-	-	-
Etus	-	1	-	-
Vindi Tecnologia	589	235	-	-

Bagy Sul	279	-	-	-
Bagy	351	-	-	-
	8,507	**6,198**	**(441)**	**-**

	Parent company					
	Revenue		Costs		Expenses	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**
Tray Tecnologia (a)	761	4,272	-	-	-	-
Yapay (a) (b)	12	4,621	-	-	(133)	(207)
Locaweb Telecom (c)	-	-	(90)	(159)	-	-
MG4 (e)	-	-	(9,685)	(9,474)	(2,816)	(2,755)
Wake (a)	330	3,644	-	-	-	-
Cyberweb (a)	1,016	1,020	(64)	-	-	-
IT Capital (Delivery Direto) (a)	64	342	-	-	-	-
Connectplug (a)	82	382	-	-	-	-
Etus (a) (d)	-	723	-	-	-	-
Melhor envio (a)	-	3,713	-	-	-	-
Bling (a) (b)	20	12,665	-	-	-	-
Octadesk (b)	173	2	(47)	(17)	(158)	(16)
Credisfera (a)	-	570	-	-	-	-
Bagy Sul (a)	106	1,588	-	-	-	-
Pagcerto (a)	-	360	(250)	-	(21)	-
Vindi (a)	149	1,856	-	-	(15)	(18)
Bagy (a)	92	100	-	-	(41)	-
Ideris (a)	-	1,095	-	-	-	-
Síntese (a)	140	576	-	-	-	-
Wake Creators (b)	-	365	-	-	(93)	-
Samurai (b)	-	1	-	-	-	-
	2,945	**37,895**	**(10,136)**	**(9,650)**	**(3,277)**	**(2,996)**

(a) Provision of services with hosting, software licensing and technical support.
(b) Software licensing expense.
(c) Telephone costs and expenses.
(d) Expenses with advertising and media placement.
(e) Costs and expenses with property rentals (cash disbursement)

	Consolidated			
	Costs		Expenses	
	2024	**2023**	**2024**	**2023**
MG4	(9,685)	(9,474)	(2,816)	(2,755)
WW Marques	-	-	(1,111)	(1,061)
	(9,685)	**(9,474)**	**(3,927)**	**(3,816)**

MG4 and WW Marques own real estate occupied by the Company and its Subsidiaries. In all these companies, the owners are related parties.

The Company has a lease agreement for its head office with MG4, a company whose shareholders are the individuals that make up the Company's controlling group, for a monthly amount of approximately BRL 1,049. The total amount of rent paid in the year ended December 31, 2024 was BRL 12,501 (BRL 12,229 in the same period in 2023).

The contract is effective for 120 months and is adjusted by the IGP-M index every 12 months. Due to the expense-sharing agreement, expenses are shared between the Parent Company and the subsidiaries that use the same headquarters. This agreement was recorded as a lease agreement included in note 13 and 15.2.

Subsidiary Tray Tecnologia has a lease agreement for its head office with WW Marques, a company that has one of the Company's shareholders among its quotaholders. The updated monthly value of these contracts is approximately BRL 94. The total amount of rent paid for the year ended December 31, 2024 was BRL 1.111 (BRL 1,061 in the same period in 2023). The contract is effective for 60 months and is adjusted by the IGP-M index every 12 months. This agreement was recorded as a lease agreement included in note 13 and 15.2.

The Company's management believes that there are no present or future effects on the equity and financial situation of the companies due to the discontinuation of operations carried out with the aforementioned related party, in view of the preemptive rights agreed on both the property and MG4.

b. Management compensation

Management compensation expenses for the years ended December 31, 2024 and 2023 are shown below:

	2024	2023
Remuneration	12,895	10,572
Charges and Benefits	4,531	3,645
Expenses with stock purchase plan (i)	8,639	6,939
Total	**26,065**	**21,156**

(i) Stock option plans, stock grants and performance plan (Explanatory note 19).

10 Investments

Accounting policy

The Company's investments in its subsidiaries are valued based on the equity method, in accordance with CPC 18/IAS 28, for the purposes of the Parent Company's financial statements.

The investments are made up as follows on December 31, 2024 and 2023:

	Parent company	
	2024	**2023**
Investments in subsidiaries	1,811,335	2,250,061
Provision for investment losses	(1,024)	(3,304)
Total investments	**1,810,311**	**2,246,757**
Investment reconciliation		
Investments in subsidiaries and affiliates	662,633	679,394
Goodwill on the acquisition of investments	1,147,678	1,567,363

Total net investments	**1,810,311**	**2,246,757**

The composition with goodwill on investments made by the Company is shown below:

	Parent company			
Investee	**Balance on 12/31/2023**	**Incorporation**	**Transfer (i)**	**Balance on 12/31/2024**
Direct				
LWK Kinghost	38,905	-	-	38,905
IT Capital (Delivery Direto)	26,685	-	-	26,685
Etus	25,956	-	(25,956)	-
Vindi Tecnologia	181,606	-	-	181,606
Connectplug	26,301	-	-	26,301
Bling	626,692	-	(626,692)	-
Octadesk	172,260	-	-	172,260
Wake Creators	468,958	-	-	468,958
Credisfera	-	77,630	-	77,630
Síntese	-	47,583	-	47,583
Bagy	-	43,839	-	43,839
Bagy Sul (Dooca)	-	41,054	-	41,054
Wake	-	2,895	-	2,895
Samurai Holding	-	19,962	-	19,962
Total goodwill on the acquisition of investments	**1,567,363**	**232,963**	**(652,648)**	**1,147,678**

(i) Transfer to intangible assets originating from the merger (Explanatory note 12).

We shall now show the main financial information of the subsidiaries:

		Balance on 12/31/2024							
Name	**% Interest**	**Assets**	**Liabilities**	**Equity Net**				**Revenue Net**	**Income year**
				Share Capital	**Capital Reserves**	**Profit Reserves (Accumulated losses)**	**Total Equity Net**		
Direct interest									
Locaweb Telecom	100%	114	171	3,979	-	(4,036)	(57)	342	(464)
Yapay	100%	755,683	559,475	59,419	112,678	24,111	196,208	238,646	26,250
Tray Tecnologia (i)	100%	-	-	-	-	-	-	75,007	(10,433)
LWK Kinghost	100%	40,539	-	1,990	578	37,971	40,539	-	11,510
IT Capital (Delivery Direto)	100%	4,394	2,145	13,542	503	(11,796)	2,249	12,729	1,262
Locaweb Commerce	100%	367,953	7,091	407,353	303	(46,794)	360,862	-	28,354
Etus (i)	100%	-	-	-	-	-	-	2,759	837
Vindi Tecnologia	100%	42,469	13,910	65,257	7,936	(44,634)	28,559	38,474	(10,601)
Connectplug	100%	1,947	2,914	9,985	248	(11,200)	(967)	25,971	(2,136)
Bling (i)	100%	-	-	-	-	-	-	118,142	29,283
Octadesk	100%	8,978	8,328	7,184	118	(6,652)	650	55,896	3,277
Wake Creators	100%	32,267	15,446	35,620	164	(18,963)	16,821	68,384	(8,958)
Wake	100%	54,565	8,297	64,194	1,936	(19,862)	46,268	24,538	(19,900)
Bagy Sul	100%	2,471	2,081	12,987	128	(12,725)	390	6,457	(5,041)
Credisfera	100%	4,407	2,162	41,237	282	(39,274)	2,245	9,566	(9,187)
Samurai Holding	100%	1,143	737	5,930	-	(5,524)	406	-	(517)
Bagy	100%	10,909	2,115	29,244	66	(20,516)	8,794	25,683	493
Síntese	100%	15,092	4,294	806	-	9,992	10,798	27,664	5,915
LW Ventures	100%	15,015	-	21,525	-	(6,510)	15,015	-	(2,777)
Indirect interest									
Cyberweb	100%	44,670	30,265	2,679	579	11,147	14,405	56,341	11,510
Melhor Envio	100%	106,699	59,050	3,144	267	44,238	47,649	148,621	28,535
Ideris	100%	10,549	2,863	20,078	36	(12,428)	7,686	13,111	2,030
Vindi Pagamentos	100%	793	-	1,033	-	(240)	793	-	(48)
Samurai Desenvolvimento	100%	1,168	25	6,728	-	(5,585)	1,143	723	(514)
Organisys Payments Holding	100%	22,467	2,245	20,708	(860)	374	20,222	-	(1,074)
PagCerto	100%	143,041	131,195	20,708	1,608	(10,470)	11,846	4,048	(578)
Qint	100%	-	-	-	-	-	-	135	40

(i) Tray, Etus and Bing were incorporated in August, net revenue and results refers only to this year (Explanatory Note 2.4).

		Balance on 12/31/2023							
Name	**% Interest**	**Assets**	**Liabilities**	**Equity Net**				**Revenue Net**	**Income year**
				Share Capital	**Capital Reserves**	**Profit Reserves (Accumulated losses)**	**Total Equity Net**		
Direct interest									
Locaweb Telecom	100%	199	378	3,393	-	(3,572)	(179)	410	(339)
Yapay	100%	670,714	509,157	51,419	564	109,574	161,557	226,826	30,673
Tray Tecnologia	100%	355,668	128,155	216,672	3,094	7,747	227,513	107,874	(63,870)
LWK Kinghost	100%	28,881	-	1,990	430	26,461	28,881	-	7,390
IT Capital (Delivery Direto)	100%	2,230	1,359	13,542	387	(13,058)	871	15,286	803
Locaweb Commerce	100%	335,872	88,442	322,409	169	(75,148)	247,430	-	(23,095)
Etus	100%	1,328	1,279	4,475	49	(4,475)	49	4,500	(439)
Vindi Tecnologia	100%	32,982	9,303	50,135	7,576	(34,032)	23,679	36,359	(10,219)
Connectplug	100%	3,308	2,709	9,549	114	(9,064)	599	17,139	(112)
Bling	100%	79,976	37,175	12,431	551	29,819	42,801	144,584	14,725
Octadesk	100%	4,548	7,673	6,733	71	(9,929)	(3,125)	40,808	(812)
Wake Creators	100%	45,886	26,050	29,726	115	(10,005)	19,836	113,556	(8,484)
LW Ventures	100%	16,617	-	20,350	-	(3,733)	16,617	-	(1,714)
Indirect interest									
Wake	100%	33,582	11,008	21,504	1,032	38	22,574	22,221	(11,227)
Cyberweb	100%	37,685	34,938	2,679	430	(362)	2,747	55,758	7,390
Melhor Envio	100%	82,110	63,135	3,144	128	15,703	18,975	117,328	10,023
Ideris	100%	9,375	6,343	17,449	41	(14,458)	3,032	15,844	(224)
Vindi Pagamentos	100%	818	-	1,010	-	(192)	818	4	(319)
Bagy Sul	100%	2,108	1,374	8,374	45	(7,685)	734	7,669	(2,347)
Credisfera	100%	4,744	3,310	31,242	278	(30,086)	1,434	13,255	(5,227)
Samurai Holding	100%	1,441	738	5,710	-	(5,007)	703	-	(266)
Samurai Desenvolvimento	100%	1,677	236	6,512	-	(5,071)	1,441	2,171	(263)
Organisys Payments Holding	100%	13,223	1,585	11,053	(864)	1,449	11,638	-	(4,709)
PagCerto	100%	40,382	37,622	11,053	1,600	(9,893)	2,760	3,786	(945)
Bagy	100%	5,423	971	25,438	23	(21,009)	4,452	12,185	(4,935)
Síntese	100%	7,648	2,765	805	-	4,078	4,883	18,506	2,979

The transactions with investments in subsidiaries are shown below:

				Equity					
Investee	**Balance on 12/31/2023**	**Incorporation**	**Capital advance/ increase**	**Equity**	**Amortization added value**	**Total**	**Action based compensation plan**	**Others (i)**	**Saldo em 12/31/2024**
Locaweb Telecom	(179)	-	586	(464)	-	(464)	-	-	(57)
Yapay	161,557	-	120,000	26,250	-	26,250	114	(111,713)	196,208
Tray Tecnologia	227,513	-	66,174	(10,433)	-	(10,433)	(3,094)	(280,160)	-
LWK Kinghost	13,710	-	-	11,510	(2,100)	9,410	148	-	23,268
IT Capital (Delivery Direto)	(5,000)	-	-	1,262	(966)	296	117	-	(4,587)
Locaweb Commerce	247,430	-	84,944	28,354	-	28,354	134	-	360,862
Etus	(4,601)	-	-	837	(954)	(117)	(49)	4,767	-
Vindi Tecnologia	8,316	-	15,122	(10,601)	(5,121)	(15,722)	359	-	8,075
Connectplug	(2,131)	-	436	(2,136)	(936)	(3,072)	134	-	(4,633)
Bling	14,441	-	-	29,283	(7,319)	21,964	(551)	(35,854)	-
Octadesk	(6,593)	-	450	3,277	(1,435)	1,842	48	-	(4,253)
Wake Creators	8,314	-	5,894	(8,958)	(5,121)	(14,079)	49	-	178
Wake	-	34,921	16,202	(5,104)	-	(5,104)	250	-	46,269
Bagy Sul	-	(4,441)	1,922	(1,888)	(454)	(2,342)	31	-	(4,830)
Credisfera	-	(2,191)	1,948	(784)	(319)	(1,103)	(72)	-	(1,418)
Samurai Holding	-	(1,375)	97	(202)	(180)	(382)	-	-	(1,660)
Organisys Payments Holding	-	13,216	7,100	(94)	-	(94)	-	-	20,222
Bagy	-	7,169	-	534	(113)	421	16	-	7,606
Síntese	-	4,797	-	2,181	(610)	1,571	-	-	6,368
LW Ventures	16,617	-	1,175	(2,777)	-	(2,777)	-	-	15,015
	679,394	**52,096**	**322,050**	**60,047**	**(25,628)**	**34,419**	**(2,366)**	**(422,960)**	**662,633**

(i) Tray, Etus and Bling refers to the incorporation (Explanatory note 2.4) and Yapay refers to repurchase of own shares.

Investee	Balance on 12/31/2022	Capital advance/ increase	Equity			Action based compensation plan	Saldo em 12/31/2023
			Equity	Amortization added value	Total		
Locaweb Telecom	(390)	550	(339)	-	(339)	-	(179)
Yapay	130,611	-	30,673	-	30,673	273	161,557
Tray Tecnologia	247,756	42,052	(63,870)	-	(63,870)	1,575	227,513
LWK Kinghost	9,360	-	7,390	(3,251)	4,139	211	13,710
IT Capital (Delivery Direto)	(4,584)	-	803	(1,355)	(552)	136	(5,000)
Locaweb Commerce	143,058	127,417	(23,095)	-	(23,095)	50	247,430
Etus	(3,214)	460	(439)	(1,431)	(1,870)	23	(4,601)
Vindi Tecnologia	(707)	24,050	(10,219)	(5,121)	(15,340)	313	8,316
Connectplug	(2,313)	1,170	(112)	(936)	(1,048)	60	(2,131)
Bling	10,353	-	14,725	(10,978)	3,747	341	14,441
Octadesk	(7,217)	2,800	(812)	(1,435)	(2,247)	71	(6,593)
Wake Creators	854	20,951	(8,484)	(5,121)	(13,605)	114	8,314
LW Ventures	13,381	4,950	(1,714)	-	(1,714)	-	16,617
	536,948	**224,400**	**(55,493)**	**(29,628)**	**(85,121)**	**3,167**	**679,394**

On August 30, 2024, it was approved the incorporations of Tray Tecnologia em Ecommerce Ltda., Etus Social Network Brasil Ltda. e, Organisys Software Ltda. by LWSA S/A. (Explanatory note 2.4).

10.1 Obligation with investment acquisitions

Accounting policy

The Company has an obligation to purchase investments referring to the balance payable on the acquisition of investees or subsidiaries, which substantially represent contingent consideration, to be paid as a result of the growth of the company's net revenues conditioned to the dynamics of investments and expenses established in the business agreed between the parties.

The remeasurement of the fair value of the contingent consideration is mainly comprised of adjustments to the present value and updates of the projections of payment of the contingent consideration installments (earnout).

The adjustments to present value correct the estimated future amounts payable based on the time difference between the base period of the financial statements and the expected date of actual payment of each installment. The discount rate used is related to the remuneration of financial investments and the DI index.

With relationship to the updates of the expected earnout amounts, the Company makes recurring revisions to these projections in order to keep the estimates of payables for acquisitions more in line with the operating context of each of the new businesses. In the year, there were resulting adjustments that increased the amount payable due to the better performance of the main acquisitions in relation to the business plans agreed upon at the time of the acquisitions.

Contingent consideration is subsequently measured at fair value with changes recognized in the profit or loss statement.

The balance of obligation with acquisition of investments is composed of:

	Parent company		Consolidated	
	2024	**2023**	**2024**	**2023**
Nextios	-	1,124	-	1,124
IT Capital (Delivery Direto)	-	542	-	542
Etus	1,424	1,606	1,424	1,606
Melhor Envio	-	-	7,081	88,444
ConnectPlug	-	33,269	-	33,269
Social Miner	2,664	2,403	2,664	2,403
Vindi Tecnologia	-	12,364	-	12,364
Bagy Sul	589	-	589	22,707
Credisfera	6,755	-	6,755	14,149
Samurai	1,646	-	1,646	1,615
Bling	16,626	344,432	16,626	344,432
Pagcerto	-	-	1,585	1,585
Bagy	30,128	-	30,128	38,849
Octadesk	72,461	47,151	72,461	47,151
Wake Creators	88,565	129,773	88,565	129,773
Qint	1,448	-	1,448	-
Síntese	41,991	-	41,991	21,191
Total investment obligations	**264,297**	**572,664**	**272,963**	**761,204**
Current	229,343	440,218	231,064	575,093
Non-current	34,954	132,446	41,899	186,111

The movement of obligations with the acquisition of investments is presented below:

	Parent company	Consolidated
Balance on 12/31/2023	**572,664**	**761,204**
Contingent consideration Qint acquisitions (Explanatory note 10.2)	-	3,434
Qint acquisition payments	-	(2,000)
Payments withheld installments and contingent consideration	(434,976)	(558,835)
Remeasurement fair value of contingent consideration	60,311	69,042
Incorporation (Explanatory note 2.4)	66,180	-
Other credits	118	118
Balance on 12/31/2024	**264,297**	**272,963**

10.2 Business arrangements

Accounting policy

Business arrangements are accounted for using the acquisition method based on CPC 15(R1)/IFRS 3. The acquisition cost considers the purchase price and includes the fair value of assets and liabilities assumed, including any cost related to the contingent or deferred additional payment. Transaction-related costs are recognized under profit or loss when incurred.

The purchase price is allocated to the assets acquired, liabilities and contingent liabilities assumed based on their respective fair values, including assets and liabilities that were not previously recognized in the balance sheet of the acquired entity. Goodwill is generated when the acquisition cost exceeds the value of identifiable net assets measured at fair value.

Acquisition of Qint

On May 13, 2024, the Share Purchase and Sale Agreement and Other Covenants were signed between the wholly-owned subsidiary Organisys Software Ltda. ("Bling") and the partners of Qint Intelligence Serviços de Internet Ltda. ("Qint") with the intervention and consent of the Company (which is also guarantor of Bling in relation to its payment obligations), to regulate the acquisition of the entire share capital of Qint, on a fully diluted basis, by Bling. Founded in 2022, Qint is a business intelligence platform integrated with customers' ERPs. It offers data visualization solutions and control panels to help entrepreneurs (Bling customers). The closing price for the acquisition of all of Qint's shares, on a fully diluted basis, is approximately BRL 2 million and is also subject to certain net debt and working capital adjustments, usual in this type of transaction. Additionally, sellers will have the right to receive an eventual earnout, depending on the achievement of certain financial targets determined based on Qint's Net Revenue, as defined in the contract.

The accounting for net assets acquired in the financial statements as of June 30, 2024 was based on an assessment of fair value.

The assessed balances are shown below:

	Fair value recognized in the acquisition
Assets	**3,450**
Cash and cash equivalents	42
Accounts receivable	91
Intangible assets	3,317
Liabilities	**38**
Suppliers	14
Labor obligations	11
Tax obligations	12
Other liabilities	1
Total net identifiable assets	**3,412**
Goodwill generated in the acquisition	22
Total consideration	**3,434**
Cash flow on acquisition	
Cash paid, net of cash acquired	1,958
Purchase cost	1,685
Cash paid on acquisition	**3,643**

The total consideration can be presented as follows:

Cash payment on closing date	2,000
Obligation with investment acquisition (a)	1,434

Total consideration	**3,434**

(a) The Company agreed to pay the selling shareholders an additional amount of BRL 1,490. The Company recorded BRL 1,434 as contingent consideration related to the additional payment, which represents its fair value on the acquisition date. On December 31, 2024, the fair value of the contingent consideration was BRL 1,448.

The goodwill determined on the acquisition date was BRL 22 and comprises the value of future economic benefits arising from synergies resulting from the acquisition. The goodwill was allocated to the Commerce segment. The Company understands that the goodwill will be deductible for tax purposes.

Acquisition-related expenses of BRL 1,685 were recognized in the income statement in administrative expenses, and in operating activities in the cash flow statements.

In 2024, since its acquisition date, Qint contributed a total of net revenue of BRL 135 and profit of BRL 40 in the period ended June 30, 2024. Had the acquisition occurred in early 2024, Qint would have contributed to the Company with net revenue of BRL 409 and profit of BRL 183.

On June 30, 2024, the Company's shareholders approved the merger of Qint (Note 2.4.1).

11 Property, plant, and equipment

Accounting policy

(i) Recognition and measurement

Fixed assets are recorded at acquisition, formation or construction cost, minus accumulated depreciation and any accumulated impairment losses. Fixed assets are written off when sold or when no future economic benefit is expected from their use or sale. Any gain or loss resulting from the derecognition of the asset (calculated as the difference between the net sale value and the carrying amount of the asset) is included in the income statement in the year in which the asset is derecognized.
Expenses incurred with maintenance and repair of fixed assets are capitalized only if the economic benefits associated with these items are probable and the amounts are reliably measured, while other expenses are recorded directly under profit or loss when incurred. When significant parts of a fixed asset have different useful lives, they are recorded as separate items (main components) of the fixed assets.

(ii) Subsequent costs

Subsequent costs are capitalized only when it is probable that future economic benefits associated with the costs will accrue to the Group.

(iii) Depreciation

Depreciation is calculated to amortize the cost of fixed asset items, net of their estimated residual values, using the straight-line method based on the estimated useful lives of the items. Depreciation is recognized under profit or loss. Land is not depreciated.

The estimated useful lives of fixed assets are as follows:

	Estimated useful life
Computers and Peripherals	Between 2.5 and 5 years
Improvements	20 years
Furniture and utensils	10 years
Machines and equipment	Between 2.5 and 10 years
Other fixed assets	5 years

The transactions in the parent company are shown below:

	Parent company						
	Computers and Peripherals	**Improvements**	**Furniture and utensils**	**Machines and equipment**	**Components for assembly**	**Other fixed assets**	**Total fixed assets**
Cost							
Balances on December 31, 2022	**11,768**	**34,596**	**2,935**	**304,391**	**213**	**1,469**	**355,372**
Year additions	1,787	726	67	17,066	395	146	20,187
Write-offs	(127)	-	-	(7,238)	-	(63)	(7,428)
Transfers	48	-	(46)	437	(437)	(2)	-
Balances on December 31, 2023	**13,476**	**35,322**	**2,956**	**314,656**	**171**	**1,550**	**368,131**
Incorporation (Explanatory note 2.4)	7,000	5,596	1,795	14,483	-	147	29,021
Year additions	1,364	263	9	15,712	-	1,088	18,436
Write-offs	(69)	-	(2)	-	(171)	(553)	(795)
Balances on December 31, 2024	**21,771**	**41,181**	**4,758**	**344,851**	**-**	**2,232**	**414,793**
Depreciation							
Balances on December 31, 2022	**(7,296)**	**(18,809)**	**(1,444)**	**(265,330)**	**-**	**(692)**	**(293,571)**
Depreciation for the year	(1,432)	(2,217)	(205)	(18,487)	-	(255)	(22,596)
Write-offs	124	-	-	7,238	-	62	7,424
Transfers	(1)	-	-	-	-	1	-
Balances on December 31, 2023	**(8,605)**	**(21,026)**	**(1,649)**	**(276,579)**	**-**	**(884)**	**(308,743)**
Incorporation (Explanatory note 2.3)	(4,902)	(5,099)	(739)	(12,176)	-	(135)	(23,051)
Depreciation for the year	(1,906)	(2,382)	(254)	(16,799)	-	(283)	(21,624)
Write-offs	49	-	-	-	-	377	426
Balances on December 31, 2024	**(15,364)**	**(28,507)**	**(2,642)**	**(305,554)**	**-**	**(925)**	**(352,992)**
Residual value							
Balances on December 31, 2023	4,871	14,296	1,307	38,077	171	666	59,388
Balances on December 31, 2024	6,407	12,674	2,116	39,297	-	1,307	61,801

The transactions in the consolidated report are presented below:

	Consolidated						
	Computers and Peripherals	**Improvements**	**Furniture and utensils**	**Machines and equipment**	**Components for assembly**	**Other fixed assets**	**Other fixed assets**
Cost							
Balances on December 31, 2022	**45,220**	**41,153**	**6,484**	**324,999**	**257**	**1,982**	**420,095**
Year additions	6,669	2,769	345	17,745	395	254	28,177
Write-offs	(7,731)	(105)	(364)	(7,629)	-	(255)	(16,084)
Transfers	60	(109)	40	448	(437)	(2)	-
Balances on December 31, 2023	**44,218**	**43,708**	**6,505**	**335,563**	**215**	**1,979**	**432,188**
Year additions	3,021	3,228	490	17,439	-	1,088	25,266
Write-offs	(204)	-	(86)	(49)	(172)	(553)	(1,064)
Transfers	32	-	-	-	(43)	11	-
Balances on December 31, 2024	**47,067**	**46,936**	**6,909**	**352,953**	**-**	**2,525**	**456,390**
Depreciation							
Balances on December 31, 2022	**(20,307)**	**(24,105)**	**(2,792)**	**(275,441)**	**-**	**(934)**	**(323,579)**
Depreciation for the year	(8,557)	(3,414)	(549)	(22,307)	-	(273)	(35,100)
Write-offs	7,675	170	298	7,622	-	157	15,922
Transfers	(1)	6	7	(17)	-	5	-
Balances on December 31, 2023	**(21,190)**	**(27,343)**	**(3,036)**	**(290,143)**	**-**	**(1,045)**	**(342,757)**
Depreciation for the year	(8,565)	(4,521)	(559)	(19,637)	-	(306)	(33,588)
Write-offs	146	-	71	34	-	376	627
Balances on December 31, 2024	**(29,609)**	**(31,864)**	**(3,524)**	**(309,746)**	**-**	**(975)**	**(375,718)**
Residual value							
Balances on December 31, 2023	23,028	16,365	3,469	45,420	215	934	89,431
Balances on December 31, 2024	17,458	15,072	3,385	43,207	-	1,550	80,672

(*) There were no impairment indicators in the years ended December 31, 2024 and 2023.

12 Intangible assets

Accounting policy

Intangible assets acquired separately are measured at cost at the time of their initial recognition, in line with the provisions of CPC 04/IAS 38. After initial recognition, intangible assets are stated at cost, minus accumulated amortization (for assets with a finite useful life) and accumulated impairment losses, when applicable.

Intangible assets with a finite useful life are amortized over the economic useful life and evaluated in relation to the impairment loss whenever there is an indication of loss of economic value of the asset. The amortization of intangible assets with a finite useful life is recognized in the income statement in the expense category consistent with the use of the intangible asset. The amortization of intangible assets can be presented as follows:

	Software	Brands and patents	Internal development	Goodwill	Customer portfolio
Useful life	Defined	Defined	Defined	Undefined	Defined
Weighted average amortization exercise	5 years or as per report	5 years or as per report	5 years	-	5 years or as per report
Amortization method used	Linear amortization	Linear amortization	Linear amortization	Not amortized	Linear amortization
Internally generated or acquired	Internally generated and acquired (Business arrangement)	Internally generated and acquired (Business arrangement)	Internally generated	Acquired (Business arrangement)	Acquired (Business arrangement)

The Company estimates the useful life of intangible assets based on the period for generating future economic benefits from these assets.

Intangible assets with indefinite useful lives are not amortized, but are tested annually for impairment, individually or at the cash-generating unit level. The indefinite useful life assessment is reviewed annually to determine whether this assessment continues to be justified. Otherwise, the change in useful life, from indefinite to defined, is made prospectively.

Gains and losses resulting from the derecognition of an intangible asset are measured as the difference between the net amount obtained from the sale and the carrying amount of the asset, being recognized in the income statement at the time of derecognition of the asset.

a. Research and development cost

Research expenses are recorded as expenses when incurred. The costs of developing a specific project, more specifically software, are recognized as an intangible asset whenever it is probable that future economic benefits will be generated and the Company demonstrates the requirements set out in CPC 04/IAS 38: (i) the technical feasibility of completing the intangible asset as it will be available for use or sale; (ii) the intention to complete the asset and the ability to use or sell the asset; (iii) how the asset will generate future economic benefits; (iv) the availability of funds to complete the asset; (v) the ability to reliably assess expenditures incurred during the development phase.

After initial recognition, the asset is stated at cost minus accumulated amortization and impairment losses. Amortization begins when the development is completed and the asset is available for use, through the exercise of future economic benefits. During the development period, the asset's recoverable amount is tested annually. Once the project is completed, the asset is tested whenever signs of impairment are identified.

b. Goodwill for expected future profitability

Goodwill derived from a business combination is recorded in accordance with the requirements set out in CPC 15/IFRS 3, resulting from the difference between the consideration paid and the fair value of the acquiree's net assets. Goodwill is not amortized, but is tested for impairment at least annually.

For the purposes of the Parent Company's financial statements, goodwill is presented as an investment and for the purposes of the Consolidated report, goodwill is presented as an intangible asset.

c. Recoverability test

There were no impairment losses recorded in the years ended December 31, 2024 and 2023 in the Parent Company and Consolidated.

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use cash flow projections, based on financial budgets approved by Management.

The goodwill acquired through a business combination is allocated to each of the cash generating units (CGU) for impairment testing, as follows:

CGU	***Be online & SaaS***		***Commerce***		***Consolidated***	
	2024	***2023***	***2024***	***2023***	***2024***	***2023***
Book value of goodwill	*163,794*	*163,794*	*1,733,342*	*1,733,295*	*1,897,136*	*1,897,089*

The Company carried out the recoverable value test on December 31, 2024 and 2023 and considering, among other factors, the country's economic momentum and the historical results of the CGUs, the Company made a calculation to determine the recoverable value of the intangible assets with no defined useful life. The projected cash flow for each of the CGUs considered a discount rate of 14.6% (pre-tax) in 2024 (13.1% (pre-tax) in 2023). The projections were made for a 10-year horizon, a period which the Company believes is adequate to stabilize its current rate of growth. After this period, a perpetual growth rate of 3,6% p.a. was used (3,0% in 2023). As a result of this analysis, there was no impairment loss.

<u>Assumptions with relevant impact used in the calculation of value in use</u>

The value-in-use calculation for both Be Online & SaaS and Commerce CGUs is more sensitive to the following assumptions:

• Discount rate
• Growth in perpetuity
• Revenue growth

Discount rate

The discount rate represents the risk assessment in the current market. The calculation of the discount rate is based on the specific circumstances of the Company, being derived from the weighted average of capital costs.

Growth in perpetuity

The estimate was mainly based in the broad consumer price index (IPCA), which is the main measure of inflation in Brazil.

Revenue growth

Revenue forecasts are based on the number of customers and average ticket. The number of clients is forecast based on market research related to the Company and its sector of activity and the average ticket is forecast based on the expectation of inflation.

The changes in the parent company are shown below:

	Parent company						
	Software	**Brands and Patents**	**Internal development (a)**	**Others**	**Goodwill**	**Client Portfolio**	**Total intangible assets**
Cost							
Balances on December 31, 2022	**15,761**	**5,007**	**68,919**	**872**	**75,983**	**3,775**	**170,317**
Year additions	4,892	-	20,892	-	-	-	25,784
Balances on December 31, 2023	**20,653**	**5,007**	**89,811**	**872**	**75,983**	**3,775**	**196,101**
Incorporation (Explanatory note 2.4)	5,984	21	59,055	-	6,833	386	72,279
Year additions	10,756	-	29,181	-	-	-	39,937
Write-offs	-	(1,573)	-	-	-	-	(1,573)
Transfers (i)	38,522	58,826	-	-	521,873	33,427	652,648
Balances on December 31, 2024	**75,915**	**62,281**	**178,047**	**872**	**604,689**	**37,588**	**959,392**
Amortization							
Balances on December 31, 2022	**(7,305)**	**(1,044)**	**(20,439)**	**(632)**	**-**	**(3,775)**	**(33,195)**
Amortization for the year	(1,782)	(400)	(13,519)	(87)	-	-	(15,788)
Transfers	(455)	-	455	-	-	-	-
Balances on December 31, 2023	**(9,542)**	**(1,444)**	**(33,503)**	**(719)**	**-**	**(3,775)**	**(48,983)**
Incorporation (Explanatory note 2.4)	(2,641)	(5)	(16,230)	-	-	(386)	(19,262)
Amortization for the year	(6,107)	(454)	(17,523)	(87)	-	(1,469)	(25,640)
Write-offs	-	1,212	-	-	-	-	1,212
Transfers (i)	(25,796)	(1,162)	-	-	-	(14,326)	(41,284)
Balances on December 31, 2024	**(44,086)**	**(1,853)**	**(67,256)**	**(806)**	**-**	**(19,956)**	**(133,957)**
Residual value							
Balances on December 31, 2023	11,111	3,563	56,308	153	75,983	-	147,118
Balances on December 31, 2024	31,829	60,428	110,791	66	604,689	17,632	825,435

(ii) Transfer of investment to intangible originated from the merger of the subsidiary Etus Social Network Brasil Ltda. e, Organisys Software Ltda. (Explanatory note 10).

(a) Refers to expenses with internal development linked to technological innovations of existing products, which were recorded as intangible assets as they meet the criteria specified in CPC 04 (R1)/IAS 38, with an average amortization period of 5 years.

The changes in the consolidated are presented below:

	Consolidated						
	Software	**Brands and Patents**	**Internal development (a)**	**Others**	**Goodwill**	**Client Portfolio**	**Total intangible assets**
Cost							
Balances on December 31, 2022	**153,597**	**160,184**	**145,345**	**872**	**1,897,089**	**55,305**	**2,412,392**
Year additions	6,315	2,625	66,315	-	25	-	75,280
Write-offs	(309)	-	(5)	-	-	-	(314)
Balances on December 31, 2023	**159,603**	**162,809**	**211,655**	**872**	**1,897,114**	**55,305**	**2,487,358**
Year additions	14,140	14	73,059	-	22	-	87,235
Write-offs	-	(1,573)	-	-	-	-	(1,573)
Balances on December 31, 2024	**173,743**	**161,250**	**284,714**	**872**	**1,897,136**	**55,305**	**2,573,020**
Amortization							
Balances on December 31, 2022	**(63,246)**	**(15,833)**	**(32,617)**	**(632)**	**-**	**(17,607)**	**(129,935)**
Amortization for the year	(27,564)	(8,656)	(26,693)	(87)	-	(6,584)	(69,584)
Write-offs	309	-	-	-	-	-	309
Transfers	(1,078)	-	1,078	-	-	-	-
Balances on December 31, 2023	**(91,579)**	**(24,489)**	**(58,232)**	**(719)**	**-**	**(24,191)**	**(199,210)**
Amortization for the year	(28,788)	(8,596)	(38,049)	(87)	-	(6,584)	(82,104)
Write-offs	-	1,212	-	-	-	-	1,212
Transfers	(659)	-	659	-	-	-	-
Balances on December 31, 2024	**(121,026)**	**(31,873)**	**(95,622)**	**(806)**	**-**	**(30,775)**	**(280,102)**
Residual value							
Balances on December 31, 2023	68,024	138,320	153,423	153	1,897,114	31,114	2,288,148
Balances on December 31, 2024	52,717	129,377	189,092	66	1,897,136	24,530	2,292,918

(a) Refers to expenses with internal development linked to technological innovations of existing products, which were recorded as intangible assets as they meet the criteria specified in CPC 04 (R1)/IAS 38.
There were no impairment indicators in the years ended December 31, 2024 and 2023.

13 Right-of-use asset

Accounting policy

At the inception of an agreement, the Group assesses whether an agreement constitutes or contains a lease.

A agreement constitutes or contains a lease if the agreement transfers the right to control the use of an identified asset for a period of time in exchange for consideration.

The right-of-use asset is measured initially at cost and subsequently at cost minus any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability. Depreciation is calculated using the straight-line method over the remaining term of the agreements. The Company used fixed lease payments as a cost component. Specifically variable payment amounts are recognized on a monthly basis as operating expenses.

Right-of-use assets mainly represent real estate and are depreciated on a straight-line basis over a period of 10 and 5 years, the shorter period between the lease term and the estimated useful life of the assets.

The changes are shown below:

	Parent company			
	Real estate	Equipment	Vehicle	Total
Balance at 12/31/2022	**61,166**	**-**	**-**	**61,166**
Addition	115	6,058	-	6,173
Amortization	(8,353)	(202)	-	(8,555)
Balance at 12/31/2023	**52,928**	**5,856**	**-**	**58,784**
Incorporation (Explanatory note 2.4)	3,146	-	-	3,146
Addition	2,117	4,285	1,488	7,890
Amortization	(9,000)	(1,426)	(111)	(10,537)
Balance at 12/31/2024	**49,191**	**8,715**	**1,377**	**59,283**

	Consolidated			
	Real estate	Equipment	Vehicle	Total
Balance at 12/31/2022	**68,830**	**-**	**-**	**68,830**
Addition	7,396	6,058	-	13,454
Write-offs	(611)	-	-	(611)
Amortization	(13,261)	(202)	-	(13,463)
Balance at 12/31/2023	**62,354**	**5,856**	**-**	**68,210**
Addition	6,234	4,285	1,727	12,246
Write-offs	(1,369)	-	-	(1,369)
Amortization	(13,102)	(1,426)	(193)	(14,721)
Balance at 12/31/2024	**54,117**	**8,715**	**1,534**	**64,366**

14 Taxes in installments

Refers to taxes paid in installments upon adhesion to the special tax regularization program (PERT):

	Parent company		Consolidated	
	2024	**2023**	**2024**	**2023**
Social Integration Program - PIS and Contribution to Social Security Financing - COFINS	195	219	1,585	1,809
Social Security Contribution on Gross Revenue - CPRB	3	3	811	918
Corporate Income Tax - IRPJ and Social Contribution on Net Income - CSLL	521	586	11,558	13,032
National Institute of Social Security contribution - INSS	82	99	419	493
Others	484	545	959	1,083
Total tax installments	**1,285**	**1,452**	**15,332**	**17,335**
Current	276	256	3,262	3,065
Non-current	1,009	1,196	12,070	14,270

15 Loans, financing and lease liabilities

15.1 Loans and financing

Accounting policy

The company can raise funds in both reais and foreign currency. To mitigate the risk of exchange rate fluctuations, the company can enter into derivative financial instruments (swaps). However, there were no debts denominated in foreign currency and no swaps at December 31, 2024. Further details on the Company's risk management policy and the use of derivatives for hedging purposes are described in Note 26 - Financial Instruments.

Composition of Loans and Financing

	Parent company		Consolidated	
	2024	**2023**	**2024**	**2023**
Others	-	-	2	60
	-	**-**	**2**	**60**
Current	-	-	2	60
Total loans and financing	**-**	**-**	**2**	**60**

15.2 Lease liabilities

Accounting policy

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of the lease payments to be made over the lease term. Lease payments include fixed payments (including fixed payments in substance) minus any lease incentives receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under residual value guarantees. Lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of fines for terminating the lease, if the lease term reflects the Group exercising the option to terminate the lease.

Variable lease payments that do not depend on an index or rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition giving rise to those payments occurs.

When calculating the present value of lease payments, the Group uses its incremental borrowing rate at the commencement date because the interest rate implicit in the lease is not easily determinable. After the commencement date, the amount of the lease liability is increased to reflect accrued interest and reduced for lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (for example, changes in future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the valuation of an option to purchase the underlying asset.

The weighted average nominal interest rate for leases for the right to use property is 8.65% p.a., for leases for the right to use equipment it is 13.24% and 12.28% p.a. for leasing the right to use vehicles.

The move is shown below:

	Parent company			
	Real estate	**Equipment**	**Vehicle**	**Total**
Balance at 12/31/2022	**68,663**	**-**	**-**	**68,663**
Addition	116	6,057	-	6,173
Interest incurred	4,976	130	-	5,106
Interest payments	(4,976)	(130)	-	(5,106)
Payment of principal	(7,253)	(144)	-	(7,397)
Balance at 12/31/2023	**61,526**	**5,913**	**-**	**67,439**
Incorporation (Explanatory note 2.4)	3,348	-	-	3,348
Addition	2,116	4,285	1,489	7,890
Interest incurred	4,628	828	35	5,491
Interest payments	(4,628)	(828)	(35)	(5,491)
Payment of principal	(8,403)	(1,096)	(95)	(9,594)
Balance at 12/31/2024	**58,587**	**9,102**	**1,394**	**69,083**
Current	9,884	1,759	487	12,130
Non-current	48,703	7,343	907	56,953

	Consolidated			
	Real estate	**Equipment**	**Vehicle**	**Total**
Balance at 12/31/2022	**76,870**	**-**	**-**	**76,870**
Addition	7,397	6,057	-	13,454
Write-offs	(663)	-	-	(663)
Interest incurred	5,770	129	-	5,899
Interest payments	(5,770)	(129)	-	(5,899)
Payment of principal	(12,148)	(144)	-	(12,292)
Balance at 12/31/2023	**71,456**	**5,913**	**-**	**77,369**
Addition	6,234	4,285	1,727	12,246
Write-offs	(1,576)	-	-	(1,576)
Interest incurred	5,560	828	51	6,439
Interest payments	(5,560)	(828)	(51)	(6,439)
Payment of principal	(12,348)	(1,096)	(170)	(13,614)
Balance at 12/31/2024	**63,766**	**9,102**	**1,557**	**74,425**
Current	12,141	1,758	611	14,510
Non-current	51,625	7,344	946	59,915

A) Short-term and low-value asset leases

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. leases with a lease term equal to or inferior than 12 months from the commencement date and which do not contain a purchase option).

It also applies the low-value asset recognition exemption grant to leases of office equipment deemed to be low-value. Short-term lease payments and lease payments for low-value assets are recognized as an expense on a straight-line basis over the lease term.

The non-current installments due have the following lease maturity schedule:

	Parent company	Consolidated
From 13 to 24 months	12,849	14,208
From 25 to 36 months	13,421	14,126
From 37 to 42 months	13,867	14,494
From 43 to 60 months	12,659	12,930
Over 61 months	4,157	4,157
	56,953	**59,915**

16 Salaries, charges, and social benefits

Accounting policy

Salaries and benefits granted to the Company's employees and managers include, in addition to fixed compensation (salaries and social security contributions (INSS), vacation, 13th salary bonus), variable compensation such as profit sharing and share-based compensation. These benefits are recorded in income for the year as they are incurred.

	Parent company		Consolidated	
	2024	**2023**	**2024**	**2023**
Salaries and charges	8,283	11,048	16,112	30,021
Provision of vacations and charges	25,120	15,572	47,394	47,832
Profit Sharing Plan (PPR)	13,286	10,875	21,098	30,513
	46,689	**37,495**	**84,604**	**108,366**

17 Provision for contingencies

Accounting policy

Provisions are recognized, in accordance with the requirements of CPC 25/IAS 37, when the Company has a present obligation as a result of a past event, it is probable that economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be done. The assessment of the probability of loss includes the assessment of available evidence, the hierarchy of laws, existing case law, the most recent decisions in the courts and their relevance in the legal system, as well as the assessment of external lawyers.

The composition and changes of the provision for lawsuits, constituted for cases classified as "Probable" risk, is shown below:

	Parent company			
	Civil claims	**Labor claims**	**Tax claims**	**Total**
Balances on 12/31/2022	**370**	**77**	**-**	**447**
Reversals / Additions	(203)	2,068	759	2,624

Balances on 12/31/2023	**167**	**2,145**	**759**	**3,071**
Reversals / Additions	(36)	(713)	(759)	(1,508)
Incorporation (Explanatory note 2.4)	37	16	-	53
Balances on 12/31/2024	**168**	**1,448**	**-**	**1,616**

	Consolidated			
	Civil claims	**Labor claims**	**Tax claims**	**Total**
Balances on 12/31/2022	**3,555**	**173**	**-**	**3,728**
Reversals / Additions	(385)	2,004	821	2,440
Balances on 12/31/2023	**3,170**	**2,177**	**821**	**6,168**
Reversals / Additions	3,350	(503)	(821)	2,026
Balances on 12/31/2024	**6,520**	**1,674**	**-**	**8,194**

Civil lawsuits are mainly represented by requests for damages for possible problems caused in the provision of services, while labor claims refer to requests of different characteristics and in different stages of the proceedings, with no relevant case that deserves to be highlighted.

Possible losses

The Company and its subsidiaries are party to civil and tax lawsuits, involving risks of loss classified by Management as possible, based on the assessment of its legal advisors, for which there is no provision constituted, according to the composition and estimate below:

	Parent company		**Consolidated**	
	2024	**2023**	**2024**	**2023**
Civil	4,912	3,406	8,216	5,024
Labor	128	-	1,198	90
Tax	21,176	16,794	21,176	17,482
	26,216	**20,200**	**30,590**	**22,596**

Civil lawsuits are mainly represented by requests for damages for possible problems caused in the provision of services, with no relevant case that deserves to be highlighted.

The tax proceedings refer substantially to discussions about information on ancillary obligations and the basis for calculating payroll taxes for specific activities.

Our main tax proceeding refers to the tax assessment notice issued by the Finance Department of the State of São Paulo on December 31, 2015 to LWSA, in order to claim alleged ICMS debt on operations with software and electronic files and accusation that LWSA failed to make its ICMS taxpayer registration in the condition of communication service provider. The updated amount of the lawsuit consists of BRL 12,300 with the possibility of loss classified as “Possible”. In addition, in terms of procedural progress, the final judgment of the case is awaited by at São Paulo Tax and Fees Court.

For the provisioned lawsuits, there is a balance of judicial deposits as of December 31, 2024 in the amount of BRL 403 in the Parent Company (BRL 402 as of December 31, 2023) and of BRL 529 Consolidated (BRL 498 as of December 31, 2023).

The tax and contribution statements of the Company and its subsidiaries submitted to the federal, state and municipal levels are subject to review and final acceptance by the tax authorities for a period of five years.

17.1 Business Combination Indemnity Assets

In the business combination process of the direct subsidiary, Vindi Tecnologia, it was agreed that each shareholder would be responsible for any claims arising from acts, facts or omissions occurring before the transaction. Therefore, part of the lawsuits presented in the consolidated financial statements, corresponding to the amount of BRL 5,380 (BRL 2,259 on December 31, 2023), are the responsibility of the former shareholders and will be reimbursed to the Company in case of loss (see note 8).

18 Net equity

a. Share capital

LWSA's authorized share capital is BRL 5,000,000. As of December 31, 2024, the subscribed and paid-in capital of LWSA is BRL 2,944,491 (BRL 2,868,290 net of the cost of issuing shares), represented by 596,886,478 common shares (595,764,158 as of December 31, 2023), all registered, in book-entry form and without par value.

On December 31, 2024, the balance of treasury shares corresponds to 4,550,829 common shares, in the amount of BRL 25,375 (6,228,472 common shares, in the amount of BRL 63,218 on December 31, 2023).

Changes in share capital in the year ended December 31, 2024 refer to: (a) issue of 1,122,320 common shares with no par value, paid up in the period, in the amount of BRL 2,476 arising from the exercise of stock option plans, as approved on January 02, 2024. (b) On April 30, 2024, in the minutes of the Ordinary and Extraordinary General Meeting, the reduction of the Company's share capital was approved to absorb accumulated losses and losses relating to the fiscal year ended on December 31, 2023 in the total amount of BRL 71,851.

The distribution of shares as of December 31, 2024 is shown below:

	2024		2023	
	Interest %	**Quantity of shares**	**Interest %**	**Quantity of shares**
Claudio Gora	6.44%	36,227,821	6.08%	36,227,821
Gilberto Mautner	6.49%	36,541,221	6.13%	36,541,221
Michel Gora	6.28%	35,344,424	5.93%	35,344,424
Ricardo Gora	6.41%	36,083,221	6.06%	36,083,221
Andrea Gora Cohen	2.86%	16,086,065	2.70%	16,086,065
Treasury Share	0.81%	4,550,829	1.05%	6,228,472
General Atlantic	15.93%	89,695,100	15.06%	89,695,100
Nuveen	6.06%	34,084,500	5.72%	34,084,500
Moneda	5.68%	31,988,447	5.37%	31,988,447
Other shareholders	43.04%	242,284,850	45.90%	273,484,887
	100%	**562,886,478**	**100.00%**	**595,764,158**

The Company may, by resolution of the Board of Directors, acquire its own shares to be held in treasury and subsequently sold or canceled, up to the amount of the balance of profit and reserves, except for the legal reserve, without decreasing the capital stock, in compliance with the provisions of applicable laws and regulations.

The Company may, by resolution of the Board of Directors and in accordance with the plan approved by the General Meeting, grant stock purchase or subscription options, without preemptive rights for shareholders, in favor of its managers, employees or individuals who provide services to the Company, and this option may be extended to managers and employees of the Company's subsidiaries, directly or indirectly (Note 19).

Transaction costs incurred in raising own funds are recorded in a specific account reducing shareholders' equity, deducting any tax effects.

b. Legal reserve

The Company allocates 5% of annual net income to the legal reserve, before the allocation of dividends, limiting this reserve to 20% of the total amount of capital stock. The purpose of the legal reserve is to ensure the integrity of the share capital and it can only be used to offset losses and increase capital.

On December 31, 2023, the loss was absorbed.

c. Interest on equity and dividends

In accordance with the option provided for in Law No. 9,249/95 and based on the resolutions of the Board of Directors, the Company calculates interest on equity on shareholders' equity, limited to the daily *pro rata* variation of the Long-Term Interest Rate - TJLP, who are subject to withholding income tax of 15%, except for legal entities that are proven to be immune or exempt from this withholding. Interest on equity is part of the calculation basis for dividends, which, for purposes of Brazilian tax legislation, are deductible.

The company's management did not propose any allocation in 2023, due to the loss for the year.

Dividends and interest on equity are calculated as defined by the Company's management. The calculation of dividends and interest on equity for the year 2024, is shown as follows:

	2024
Net profit for the year of the parent company	42,194
Base profit for the establishment of the legal reserve - 5%	42,194
Establishment of legal reserve- 5%	(2,110)
Net income after offsetting accumulated losses and appropriation of the legal reserve	40,084
Mandatory minimum statutory dividend – 25%	(10,021)
Number of shares as of December 31 (thousands of shares)	**558,336**
Dividend and interest on equity per share – in reais	**0.02**

The company's management has proposed the payment of dividends and interest on equity of BRL0.02 per share in 2024.

The Board of Directors meeting held on Nov 7, 2024, was approved the distribution of dividends in the amount of BRL 40,000, and paid on Nov 21, 2024.

d. Capital reserves

Capital reserves are made up of amounts referring to goodwill on the issuance of shares, goodwill on capital transitions and amounts arising from stock option plans that are recorded directly in shareholders' equity.

e. Profit reserves

The profit retention reserve refers to the retention of the remaining balance of retained earnings, in order to meet the business growth project established in its investment plan, according to the capital budget approved and proposed by the Company's managers, to be deliberated at the Shareholders' General Meeting, in compliance with article 196 of the Brazilian Corporation Law.

f. Treasury Shares canceled

The Company recognizes in this item the values of treasury shares cancelled.

At a meeting of the board of directors held on October 24, 2024, the cancellation of treasury shares was deliberated and approved, without reducing the value of the Company's share capital.

Pursuant to articles 9 and 20, item xi, of the Bylaws, and as provided for in CVM Resolution No. 77, cancellation of 34,000,000 (thirty-four million) shares, of which (a) 23,761,300 (twenty-three million , seven hundred and sixty-one thousand and three hundred) common shares issued by the Company, acquired by its subsidiary Yapay Pagamentos Online S/A; and (b) 10,238,700 (ten million, two hundred and thirty-eight thousand and seven hundred) common shares issued by the Company, all held in treasury, without reducing the share capital. Due to the cancellation of shares, the Company's Share Capital will be divided into 562,886,478 (five hundred and sixty-two million, eight hundred and eighty-six thousand, four hundred and seventy-eight shares) common shares, all nominative, book-entry and with no nominal value, and article 5 of the Bylaws must be adjusted at an extraordinary general meeting to be convened in due course.

19 Stock option plans, stock granting, and performance plan.

Accounting policy

Since 2009, the Company has been granting stock options in order to allow managers and employees of the Company or other companies that are directly or indirectly controlled by the Company, subject to certain conditions, to acquire shares of the Company, with the goal of: (a) reinforcing the Company's ability to attract and retain talent; (b) aligning the interests of the Company's managers and employees or of other companies that are directly or indirectly controlled by the Company with the interests of the Company's shareholders; (c) sharing risks and gains with the Company's managers; and (d) balancing short-term and long-term forms of compensation.

The cost of transactions with employees settled with equity instruments, and with awards granted, is measured based on the fair value on the date they were granted, as provided for in CPC 10/IFRS 2. The fair value of the options is determined using the Black and Scholes option pricing methodology.

The expense record is recognized, together with a corresponding increase in equity, over the year in which the performance and/or service condition is fulfilled, ending on the date on which the employee acquires full entitlement to the award (date of acquisition).

The expense in the income statement for the year is recorded under “Personnel expenses” and represents the movement in accumulated expense recognized at the beginning and end of that year. No expense is recognized for options that do not complete their vesting exercise, except for options in which the acquisition is conditional on a market condition (condition linked to the Company's share price), which is treated as acquired, regardless of whether the market conditions are met or not, provided that all other vesting conditions are met.

a. Stock option plans

From the Date of Grant defined in each Option Agreement ("Date of Grant"), exercises will be determined to decide on the options granted under each Plan ("Vesting Exercises").

In relation to the plans in force on December 31, 2024, the following periods will be calculated for exercising the options granted under the terms of the plans:

Plan 13 to Plan 17:
(i) up to 25% of the shares that may be acquired through the exercise of the option may be acquired on the Exercise Dates, after 1 year from the Grant Date; (ii) up to 25% of the shares that may be acquired through the exercise of the option, plus any leftovers not exercised on the previous Exercise Dates, may be acquired on the Exercise Dates, after 2 years from the Grant Date; (iii) up to 25% of the shares that may be acquired with the exercise of the option, plus any leftovers not exercised on the previous Exercise Dates, may be acquired on the Exercise Dates, after 3 years from the Grant Date; and (iv) up to 25% of the shares that may be acquired with the exercise of the option, plus any leftovers not exercised on the previous Exercise Dates, may be acquired on the Exercise Dates, after 4 years from the Grant Date.

18th Plan:
(i) 20% of the shares that may be acquired with the exercise of the option may be acquired on the Exercise Dates, after 1 year from the Grant Date; (ii) up to 40% of the shares that may be acquired with the exercise of the option, plus any leftovers not exercised on the previous Exercise Dates, may be acquired on the Exercise Dates, after 2 years from the Grant Date; and (iii) up to 40% of the shares that may be acquired with the exercise of the option, plus any leftovers not exercised on the previous Exercise Dates, may be acquired on the Exercise Dates, after 3 years from the Grant Date.

In any case, the amount of shares that may be acquired after each Vesting Exercise shall remain in force until the Maximum Exercise Period, and the portion of the shares not exercised within this period and under the stipulated conditions shall be considered automatically extinguished, without the right to compensation.

Information regarding the Company's stock option plans is summarized below:

December 31, 2024							Number of shares			
Series	**Grant date**	**Base date**	**1st vesting date**	**Expiration date**	**Vesting price**	**Fair value**	**Granted**	**Vested**	**Expired**	**Total in force**
A series	7/15/2009	1/1/2008	1/1/2010	1/1/2017	1.08	1.95	9,681,164	(7,344,117)	(2,337,047)	-
B series	7/15/2009	7/1/2009	7/1/2010	7/1/2018	1.08	1.82	667,728	(667,728)	-	-
C series	9/3/2010	1/1/2010	1/1/2011	1/1/2019	1.08	2.03	3,980,000	(332,560)	(3,647,440)	-
D series	7/1/2011	7/1/2011	1/1/2012	7/1/2019	1.31	1.64	1,720,000	(1,130,000)	(590,000)	-
E series	1/1/2012	1/1/2012	1/1/2013	1/1/2020	1.31	2.07	3,720,000	(1,990,000)	(1,730,000)	-
F series	7/1/2012	7/1/2012	1/1/2013	7/1/2020	2.74	4.06	512,000	(166,000)	(346,000)	-
G series	1/1/2013	1/1/2013	1/1/2014	1/1/2021	2.32	4.44	5,568,000	-	(5,568,000)	-
H series	4/1/2013	4/1/2013	1/1/2014	4/1/2021	2.74	4.61	1,320,000	(35,000)	(1,285,000)	-
I series	1/1/2014	1/1/2014	1/1/2015	1/1/2022	2.74	4.24	2,740,000	(110,000)	(2,630,000)	-
J series	7/1/2015	7/1/2015	7/1/2016	7/1/2022	2.26	4.07	1,540,000	(580,000)	(960,000)	-

K series	3/1/2016	3/1/2016	3/1/2017	4/1/2022	2.50	3.51	2,800,000	(1,400,000)	(1,400,000)	-
L series	4/1/2016	4/1/2016	4/1/2017	4/1/2022	2.50	3.51	3,120,000	(2,220,000)	(900,000)	-
M series	4/1/2017	4/1/2017	4/1/2018	7/1/2023	2.50	3.19	1,880,000	(1,245,000)	(635,000)	-
N series	7/1/2018	7/1/2018	7/1/2019	7/1/2024	1.75	2.26	4,360,000	(3,720,000)	(640,000)	-
O series	5/14/2019	5/14/2019	5/13/2020	5/14/2025	1.75	3.89	1,800,000	(1,800,000)	-	-
P series	5/14/2019	5/14/2019	5/13/2020	5/14/2025	1.75	3.89	1,320,000	(1,050,000)	(60,000)	210,000
Q series	12/4/2019	12/4/2019	8/1/2020	1/1/2026	1.75	2.12	10,175,880	(3,098,688)	(601,160)	6,476,032
R series	12/4/2019	12/4/2019	8/1/2020	1/1/2026	4.31	1.09	1,200,000	(1,000,000)	(200,000)	-
S series	8/11/2020	8/11/2020	8/11/2021	8/11/2026	4.31	1.67	900,000	(372,500)	(30,000)	497,500
T series	8/11/2020	8/11/2020	8/11/2021	8/11/2026	6.37	9.85	1,982,132	(236,346)	(814,232)	931,554
U series	5/2/2023	5/2/2023	5/2/2024	11/2/2026	5.16	2.40	4,100,000	-	-	4,100,000
V series	8/14/2023	8/14/2023	8/14/2024	2/14/2027	5.16	3.75	600,000	-	-	600,000
W series	2/19/2024	2/19/2024	2/19/2025	8/19/2027	5.67	2.24	800,000	-	-	800,000
X series	8/14/2024	8/14/2024	8/14/2025	2/14/2028	4.49	2.05	300,000	-	-	300,000
Y series	10/10/2024	10/10/2024	10/10/2025	04/10/2028	4.33	1.67	1,700,000	-	-	1,700,000
							68,486,904	**(28,497,939)**	**(24,373,879)**	**15,615,086**

The table below shows the changes in the Company's options:

	Options	Average vesting price
Pending balance on 12/31/2023	**14,623,106**	**3.40**
Granted during year	2,800,000	4.73
Expired during year	(450,700)	6.37
Vested during year	(1,357,320)	2.13
Pending balance on 12/31/2024	**15,615,086**	**3.67**

As of December 31, 2024, the number of stock options that could be vested was 9,037,886 (6,839,216 as of December 31, 2023). The table below shows the assumptions used to determine the fair value of the option on the grant date for the options granted in the year ended December 31, 2024:

	Plan 13 P series	Plan 14 Q series	Plan 15 R series	Plan 16 S series	Plan 17 T series	Plan 18 U series	Plan 18 V series	Plan 18 W series	Plan 18 X series	Plan 18 Y series
Dividend earnings	1.00%	1.00%	1.00%	1.00%	1.00%	0.40%	0.40%	0.40%	0.40%	0.40%
Expected volatility	43.2%	43.2%	43.2%	43.2%	43.2%	70.96%	70.38%	65.19%	58.96%	58.35%
Risk-free rate of return (per year)	4.50%	4.50%	4.50%	2.00%	2.00%	12.01%	10.29%	9.95%	11.37%	12.66%
Expected life of options	4 years	4 years	4 years	4 years	4 years	3.5 years	3.5 years	3.5 years	3.5 years	3.5 years
Weighted average share price (BRL)	1.75	1.75	4.31	4.31	6.37	5.16	5.16	5.42	4.75	4.15
Model used	**Black-Scholes**	**Black-Scholes**	**Black-Scholes**	**Black-Scholes**	**Black-Scholes**	**Black-Scholes**	**Black-Scholes**	**Black-Scholes**	**Black-Scholes**	**Black-Scholes**

Technical pronouncement CPC 10/IFRS 2 - Share-Based Payment determines that the effects of share-based payment transactions are reflected in the Company's income. The expense recorded in the Parent Company's results and in the Consolidated on December 31, 2024 was BRL 7,127 (BRL 6,807 on December 31, 2023).

b. Restricted shares granting plan

On April 30, 2021, the Company's Restricted Shares Granting Plan was approved at a meeting, which establishes the respective general conditions for granting rights to acquire up to one million, seven hundred thousand 1,700,000 common shares, with no par value, issued by the Company, to its beneficiaries, who will be nominated annually among the Company's employees and/or other companies of the Company's economic group. The first grant of the plan took place in July 2021 and on December 31, 2024, the expense recorded in income was BRL 4,979 in the Parent Company and BRL 4,991 in the Consolidated (BRL 2,233 in the Parent Company and BRL 5,198 in the Consolidated on December 31, 2023).

The table below shows the assumptions used for determining the fair value of the option on the grant date for the options granted in the year ended December 31, 2024:

	07/16/2021	10/04/2021	10/01/2022	04/03/2023	04/24/2023	05/02/2023	07/03/2023	01/09/2024	06/03/2024	07/15/2024	10/10/2024
Expected life of the options	3 years	3 years	3 years	3 years	3 years	3 years	3 years	3 years	3 years	3 years	3 years
Share price on the grant date (BRL)	25.96	23.36	9.00	4.79	5.29	5.26	8.58	5.80	4.33	4.59	4.15

The table below shows the movement of the company's options:

	Options
Balances on 12/31/2023	**1,914,329**
Granted during year	2,436,639
Expired during year	(408,162)
Vested during year	(223,014)
Balances on 12/31/2024	**3,719,792**

c. Performance plan

On April 30, 2021, the Share Grant Plan Subject to the Company's Performance (“Performance Plan”) was approved at a meeting, establishing the respective general conditions for granting acquisition rights over up to one million and three hundred thousand 1,300,000 common shares, without par value, issued by the Company, to its beneficiaries, who will be nominated annually among the statutory directors and statutory directors/managers of the Company and other companies of the Company's economic group (not including members of the Board of Directors of the Company and its subsidiaries, as applicable). The first grant of the plan was on July, 2021 and on December 31, 2024, the expense recorded in the result was BRL 3,367 in the Parent Company and BRL 2,848 in Consolidated (BRL 2,534 in the Parent Company and BRL 3,697 in Consolidated on December 31, 2023).

The company's Performance Share Program (PSU) is a program in which the beneficiary will be entitled to receive the shares granted after 3 (three) years from the date the plan is granted. The amount of shares may vary between 70% (seventy percent) and 130% (one hundred and thirty percent) of the number of shares granted in accordance with the indicator established in the plan, which is the “Relative TSR”. The calculation of this indicator is done by comparing LWSA's shares against the “IBRX-100”, as a way of reducing exogenous factors in the evaluation of these Performance Targets. The variation of this indicator will determine the number of Shares that the Beneficiary will effectively receive.

The table below shows the assumptions used for determining the fair value of the option on the grant date for the options granted in the period ended December 31, 2024:

	07/16/2021	01/07/2022	05/18/2022	05/02/2023
Dividend income	0.00%	0.00%	0.00%	0.00%
Expected volatility	63.75%	70.06%	69.48%	65.78%
Risk-free rate of return (per year)	8.02%	11.43%	12.37%	13.03%
Expected life of the options	3 years	3 years	3 years	3 years
Weighted average share price (BRL)	26.00	9.91	6.70	5.17
Model used	**Monte Carlo**	**Monte Carlo**	**Monte Carlo**	**Monte Carlo**

The table below shows the changes in the Company's options:

	Options
Balances on 12/31/2023	**1,296,543**
Expired during year	(174,208)
Vested during year	(18,409)
Balances on 12/31/2024	**1,103,926**

20 Earnings per share

a. Basic earnings (loss) per share

Basic earnings (loss) per share are calculated by dividing the profit attributable to the Company's shareholders by the weighted average number of common shares outstanding during the year:

	2024	**2023**
Earnings (loss) attributable to the Company's shareholders	42,194	(73,735)
Weighted average number of common shares outstanding – in thousands	575,292	589,501
Basic earnings (loss) per share – BRL	**0.0733**	**(0.13)**

b. Diluted earnings (loss) per share

Diluted earnings (loss) per share are calculated by adjusting the weighted average number of common shares outstanding, to assume the conversion of all potential diluted common shares, referring to stock options, and the dilutive potential of these options is represented for 3,088 thousand shares on December 31, 2024 (5,785 thousand shares in 2023).

	2024	**2023**
Earnings (loss) attributable to the Company shareholders	42,194	(73,735)
Weighted average number of shares including potential dilution – in thousands	578,380	589,501
Diluted profit (loss) per share – BRL	**0.0730**	**(0.13)**

21 Net operating revenue

Accounting policy

(i) Revenue Recognition Criteria

The Company and its subsidiaries earn revenue from hosting, data center, telecommunications, software licensing, intermediation and collection services, among others. Revenues are recognized when performance obligations are met, in accordance with CPC 47/IFRS 15.
Revenues from the provision of services are recognized over the time the service is provided, while revenues from product resales, software installation, e-commerce facilitation or payments and intermediation with marketplaces are recognized at a specific moment.

(ii) Taxation of Revenue

Revenues from the provision of services are subject to the following taxes and contributions and basic rates:

Tax	Rates
Social Integration Program ("PIS") - non-cumulative regime	1.65%
Social Integration Program ("PIS") - cumulative regime	0.65%
Contribution to Social Security ("COFINS") - non-cumulative regime	7.6%
Contribution to Social Security ("COFINS") - cumulative regime	3%
Service Tax of Any Nature ("ISS")	From 2% to 5%
Fund for Universalization of Telecommunications Services ("FUST")	1%
Fund for the Technological Development of Telecommunications ("FUNTTEL")	0.5%
Tax on the Circulation of Goods and Services ("ICMS")	25%
National Institute of Social Security ("INSS")	4.5%

These charges are shown as sales deductions. The credits arising from the non-cumulativeness of PIS/COFINS are presented deductively from the cost of services provided in the income statement. The reconciliation between Gross Revenue and Net Revenue is presented below.

A) Reconciliation between Gross Revenue and Net Revenue

	Parent company		Consolidated	
	2024	**2023**	**2024**	**2023**
Gross operating revenue	**469,183**	**402,522**	**1,504,355**	**1,423,875**
BeOnline & SaaS	469,183	402,522	457,134	462,240
Commerce	-	-	1,047,221	961,635
Discounts and rebates	**(3,578)**	**(6,515)**	**(8,866)**	**(9,565)**
BeOnline & SaaS	(3,578)	(6,515)	(3,678)	(6,640)
Commerce	-	-	(5,188)	(2,925)
Income taxes	**(34,300)**	**(32,128)**	**(125,457)**	**(121,554)**
BeOnline & SaaS	(34,300)	(32,128)	(33,434)	(38,067)
Commerce	-	-	(92,023)	(83,487)
Net operating revenue	**431,305**	**363,879**	**1,370,032**	**1,292,756**
BeOnline & SaaS	431,305	363,879	420,022	417,533
Commerce	-	-	950,010	875,223

22 Costs and expenses by nature

Accounting policy

Operating costs and expenses are recorded in the income statement for the year when incurred. The cost related to revenue from the provision of services includes salaries and personnel charges for the development and provision of services, costs with inputs, mainly internet links, domain registration and rental of software licenses, operating costs with installations and maintenance, in addition to the depreciation and amortization of assets, mainly servers and data center equipment.

	Parent company		Consolidated	
	2024	**2023**	**2024**	**2023**
Salaries, charges, and benefits	(149,448)	(108,529)	(501,738)	(514,337)

Advisory and consultancy services	(31,165)	(25,350)	(48,873)	(43,022)
Depreciation and amortization	(52,017)	(45,674)	(91,370)	(78,259)
Added value amortization	(5,784)	(1,265)	(39,043)	(39,888)
Installations	(12,376)	(11,627)	(16,309)	(15,634)
Communication and telecommunications	(2,146)	(2,791)	(3,097)	(4,061)
Collection services	(1)	-	(88,216)	(66,202)
Domains and website hosting	(18,871)	(52,438)	(55,791)	(65,151)
Maintenance of servers and equipment	(2,980)	(3,093)	(3,023)	(3,356)
Software license rental	(57,849)	(43,722)	(94,956)	(76,633)
Other operating costs	(123)	(9,042)	(74,363)	(89,966)
Provision for loss due to impairment	(2,507)	(1,834)	(8,619)	(8,817)
Marketing	(42,338)	(20,980)	(169,368)	(139,939)
Stock option plan	(15,473)	(11,574)	(14,966)	(15,702)
Tax expenses	(21,226)	(12,944)	(38,766)	(29,882)
Other general and administrative expenses	(8,045)	(9,935)	(16,437)	(29,073)
Total	**(422,349)**	**(360,798)**	**(1,264,935)**	**(1,219,922)**
Cost of services provided	(277,298)	(268,139)	(715,020)	(694,846)
Sales expenses	(80,355)	(49,828)	(283,852)	(263,661)
Loss due to impairment	(2,507)	(1,834)	(8,619)	(8,817)
General and administrative expenses	(62,189)	(40,997)	(257,444)	(252,598)
Total	**(422,349)**	**(360,798)**	**(1,264,935)**	**(1,219,922)**

Below, we show the balances related to other operating income (expenses) incurred in the year:

	Parent company		**Consolidated**	
	2024	**2023**	**2024**	**2023**
Income from unrealized liabilities	-	-	7,404	3,926
Fixed asset disposals	270	78	289	199
Other income (expense), net of tax (i)	227	6,383	1,017	9,504
Total	**497**	**6,461**	**8,710**	**13,629**

(i) In 2023, eventual revenue from suppliers and partners based on performance achieved.

23 Net financial income (expenses)

Accounting policy

The Group's financial income and expenses comprise:

- interest income;
- interest expense;
- net gains/losses on financial assets measured at fair value through the profit or loss statement;
- net exchange rate gains/losses on financial assets and liabilities;
- gains on remeasurement to fair value of the pre-existing interest in an entity acquired in a business combination;
- fair value losses on contingent consideration classified as a financial liability;

Interest income and expense are recognized under the profit and loss statement using the effective interest method.

	Parent company	**Consolidated**

	2024	2023	2024	2023
Financial revenues				
Income from financial investments	59,274	135,567	81,453	154,423
Interest	1,532	1,448	1,985	1,771
Other financial revenues	1,985	2,253	7,536	5,513
	62,791	**139,268**	**90,974**	**161,707**
Financial expenses				
Debt cost	-	-	(10)	(44)
Banking service fees (i)	(3,334)	(2,722)	(10,754)	(12,095)
Exchange variation	(86)	(114)	(670)	(671)
Lease interest	(5,491)	(5,106)	(6,439)	(5,899)
IOF	(3,205)	(6,705)	(5,070)	(8,512)
Receivables management fees	(107)	(1)	(40,928)	(52,765)
Remeasurement of contingent consideration	(60,311)	(169,688)	(69,042)	(272,982)
Other financial expenses	(610)	(969)	(6,952)	(4,855)
	(73,144)	**(185,305)**	**(139,865)**	**(357,823)**
Net financial income	**(10,353)**	**(46,037)**	**(48,891)**	**(196,116)**

(i) Banking service fees include fees, services and issuance of payment slips.

24 Income tax and social contribution

Accounting policy

i) Current Taxes

Income taxation comprises income tax and social contribution, and in the companies LWSA, Locaweb Telecom, Yapay, Wake (Fbits), Cyberweb, IT Capital (Delivery Direto), Ideris, Melhor Envio, Vindi Tecnologia, Vindi Pagamentos, Connectplug, Credisfera, Samurai Experts, Pagcerto, Bagy, Wake Creators and Octadesk are taxed by Real Income, income tax is calculated on taxable income at the rate of 15%, plus an additional 10% for profits that exceed BRL 240 in the 12-month period, while social contribution is calculated at the rate of 9% on taxable income, recognized on the accrual basis.

The income tax and social contribution expense comprises current and deferred income and social contribution taxes. Current tax and deferred tax are recognized in profit or loss unless they are related to the business combination or items recognized directly in equity or other comprehensive income.

The Group determined that interest and penalties related to income tax and social contribution, including uncertain tax treatments, do not meet the definition of income tax and therefore were accounted for in accordance with CPC 25/IAS 37 Provisions, Contingent Liabilities and Assets Contingents.

Advances or amounts subject to offset, such as income tax and social contribution withheld at source, are shown in current or non-current assets, according to their expected realization.

ii) Deferred taxes

Deferred tax assets and liabilities are recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and those used for tax purposes. Changes in deferred tax assets and liabilities in the year are recognized as deferred income tax and social contribution expense. Deferred tax is not recognized for:

– temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither taxable profit or loss nor the accounting result;
– temporary differences related to investments in subsidiaries, associates and joint ventures, to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future; and
– taxable temporary differences arising from the initial recognition of goodwill.

For a specific lease, the temporary differences of a right-of-use asset and a lease liability are taken on a net basis (the lease) for the purpose of recognizing deferred tax.

A deferred tax asset is recognized in respect of unused tax losses and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they will be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to fully recognize a deferred tax asset, future taxable income will be considered, adjusted for reversals of existing temporary differences, based on the business plans of the parent company and its subsidiaries individually.

The measurement of deferred tax assets and liabilities reflects the tax consequences arising from the manner in which the Group expects to recover or settle its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

Deferred income tax and social contribution are generated by temporary differences, at the balance sheet dates, between the tax bases of assets and liabilities and their book values.

The breakdown of deferred taxes is shown below:

	Parent company		**Consolidated**	
	2024	**2023**	**2024**	**2023**
Assets				
Provision for profit sharing	4,517	3,698	7,174	10,375
Lease (CPC 06)	23,488	22,929	25,304	26,305
Provision for lawsuits	549	1,044	957	1,317
Other provisions	7,899	4,447	17,211	16,839
Remeasurement fair value of contingent consideration	126,862	109,758	150,673	134,305
Intangible assets identified in a business arrangement	41,833	29,626	45,956	36,551
Tax loss	-	-	31,492	12,072
Liabilities				
Asset law	(13,380)	(7,918)	(20,504)	(20,000)
Goodwill	(29,766)	(13,334)	(29,766)	(13,798)
Right of use (CPC 06)	(20,156)	(19,987)	(21,885)	(23,191)
Provision of services to be rendered	-	(50)	(5,452)	(3,970)
Total deferred income tax and social contribution	**141,846**	**130,213**	**201,160**	**176,805**

The segregation of deferred income tax and social contribution between assets and liabilities by company is presented below:

	Consolidated			
	2024			
	Assets	**Liabilities**	**Net assets**	**Net liabilities**

LWSA S.A.	141,846	-	141,846	-
Yapay Pagamentos Online S.A.	-	7,498	-	7,498
Wake Commerce Ltda.	14,931	-	14,931	-
IT Capital Serviços de Tecnologia Ltda. (Delivery Direto)	211	-	211	-
Cyberweb Networks Ltda.	338	-	338	-
Melhor Envio Ltda.	1,433	-	1,433	-
Ideris Tecnologia da Informação Ltda.	-	1,287	-	1,287
Locaweb Commerce Holding Ltda.	28,589	-	28,589	-
Credisfera Serviços Financeiros Ltda.	-	566	-	566
Octadesk Desenvolvimento de Software Ltda.	596	-	596	-
Pagcerto Instituição de Pagamento Ltda.	66	-	66	-
Samurai Experts Desenvolvimento de Software Ltda.	13	-	13	-
Wake Creators Digital Media Channel Ltda.	11,141	-	11,141	-
Vindi Tecnologia e Marketing Ltda.	11,034	-	11,034	-
Connectplug Desenvolvimento de Software Ltda.	208	-	208	-
Bagy Sul Soluções de Comércio Digital Ltda.	142	-	142	-
Bagy Soluções de Comércio Digital Ltda.	52	-	52	-
Organisys Payments Holding Financeira Ltda.	-	655	-	655
Síntese Soluções Produtizadas Ltda.	566	-	566	-
Total	**211,166**	**10,006**	**211,166**	**10,006**

The Company has tax credits arising from tax losses and negative basis of social contribution on net income, whose balances do not expire, but are limited to offsetting 30% of taxable income for the year.

According to the estimates of the Company and its subsidiaries, future taxable income allows the realization of the deferred tax asset existing on December 31, 2024.

The breakdown of deferred taxes is shown below:

Parent company	**Balance**		**Income**	**Balance**
Nature	**12/31/2023**	**Incorporation (i)**	**Gains/(losses)**	**12/31/2024**
Tax benefit on goodwill	(13,334)	-	(16,432)	(29,766)
Temporary differences	143,547	2,958	25,107	171,612
Total	**130,213**	**2,958**	**8,675**	**141,846**

(i) Explanatory note 2.3.

Consolidated	**Balance**	**Income**	**Balance**
Nature	**12/31/2023**	**Gains/(losses)**	**12/31/2024**
Tax benefit on tax loss and negative basis	12,072	19,420	31,492
Tax benefit on goodwill	(13,798)	(15,968)	(29,766)
Temporary differences	178,531	20,903	199,434
Total	**176,805**	**24,355**	**201,160**

The reconciliation of the expense calculated by applying the combined nominal tax rates and the income tax and social contribution expense recorded in income is shown below:

	Parent company		**Consolidated**	
	2024	**2023**	**2024**	**2023**
Income before income tax and social contribution	33,519	(121,616)	64,916	(109,653)
Income tax and social contribution at the combined rate of 34%	(11,396)	41,349	(22,071)	37,282

Adjustments for effective rate demonstration

Equity income method effect	20,416	(18,285)	-	-
Stock option plan calculation effect	(2,423)	(2,315)	(2,423)	(2,315)
Effect of depreciation of officers' vehicles and other expenses with officers	(128)	(267)	(139)	(280)
Unrecorded deferred tax on tax loss	-	-	(5,612)	(4,456)
Deferred tax from previous years	-	23,557	527	(339)
Asset law	3,969	4,341	9,725	11,807
Gifts	(261)	(239)	(711)	(777)
Loss on investments	(1,396)	10	(1,396)	10
Others	(106)	(270)	(622)	(5,014)
Income tax and social contribution recorded in income for the year	8,675	47,881	(22,722)	35,918
	(25.88%)	**39.37%**	**35.00%**	**32.76%**

25 Segments

Accounting policy

The operations of the Company and its subsidiaries are divided into two operating segments: Be Online & SaaS and Commerce.

The Be Online & SaaS segment includes hosting and cloud services, as well as those called SaaS (email, marketing intelligence software and site builder). The companies of the Locaweb group that are part of this segment are: (i) Parent company, (ii) Locaweb Telecom Telecomunicações Ltda. (“Locaweb Telecom”), (iii) Etus Social Network Brasil Ltda. (“Etus”), (iv) Lwk Hosting Participações Ltda. (“Kinghost”), (v) IT Capital Serviços de Tecnologia Ltda (“Delivery Direto”) and (vi) Connectplug Desenvolvimento de Softwares Ltda. (“Connectplug”).

The Commerce segment includes e-commerce solutions, platform, marketplace integration and sub-acquiring business services. The group companies that are part of this segment are: (i) Tray Tecnologia em Ecommerce Ltda. (“Tray”); (ii) Yapay Pagamentos Online Ltda. (“Yapay”); (iii) Wake Commerce Ltda. (“Wake”), (iv) Ideris Tecnologia da Informação Ltda.(“Ideris”), (v) Melhor Envio Ltda. (“Melhor Envio”), (vi) Vindi Tecnologia e Marketing Ltda. (“Vindi”), (vii) Bagy Sul Soluções de Comércio Digital Ltda. (“Bagy Sul”), (viii) Credisfera Serviços Financeiros Ltda. (“Credisfera”), (ix) Samurai Experts Desenvolvimento de Software Ltda. (“Samurai”), (x) Organisys Software Ltda. (“Bling”), (xi) Pagcerto Soluções em Pagamento Ltda. (“Pagcerto”), (xii) Bagy Soluções de Comércio Digital Ltda. (“Bagy”), (xiii) Octadesk Desenvolvimento de Software Ltda. (“Octadesk”), (xiv) Wake Creators Digital Media Channel Ltda (“Wake Creators”), (xv) Síntese Soluções Produtizadas Ltda (“Síntese”) and (xvi) Qint Intelligence Serviços de Internet Ltda. (“Qint”).

Information regarding the income of each reportable segment is presented below. Performance is evaluated based on the segment's results before income tax and social contribution, as Management understands that such information is the most relevant in the evaluation of the income of the respective segments.

a. Income statement by segments

	2024			**2023**		
	BeOnline & SaaS	**Commerce**	**Consolidated**	**BeOnline & SaaS**	**Commerce**	**Consolidated**
Gross operating revenue, net of rebates	**453,456**	**1,042,033**	**1,495,489**	**455,600**	**958,710**	**1,414,310**
Levied taxes	(33,434)	(92,023)	(125,457)	(38,067)	(83,487)	(121,554)

	2024			2023		
	BeOnline & SaaS	Commerce	Consolidated	BeOnline & SaaS	Commerce	Consolidated
Net operating revenue	**420,022**	**950,010**	**1,370,032**	**417,533**	**875,223**	**1,292,756**
Transfer of operating costs	6,626	(6,626)	-	-	-	-
Cost of services provided	(267,507)	(447,513)	(715,020)	(275,067)	(419,779)	(694,846)
Gross profit	**159,141**	**495,871**	**655,012**	**142,466**	**455,444**	**597,910**
Sales expenses	(71,807)	(212,045)	(283,852)	(66,783)	(196,878)	(263,661)
General and administrative expenses	(90,753)	(166,691)	(257,444)	(91,860)	(160,738)	(252,598)
Transfer of administrative expenses	8,327	(8,327)	-	-	-	-
Gain/Loss due to impairment	(1,441)	(7,178)	(8,619)	(1,884)	(6,933)	(8,817)
Other operating revenues	705	8,005	8,710	6,820	6,809	13,629
Income before financial expenses and income	**4,172**	**109,635**	**113,807**	**(11,241)**	**97,704**	**86,463**
Operating expenses included in Costs and Expenses:						
Depreciation and amortization expenses	81,296	49,117	130,413	81,312	36,835	118,147
Stock option plan	11,342	3,624	14,966	12,120	3,583	15,703

b. Main assets and liabilities of the segments

	2024			2023		
	BeOnline & SaaS	Commerce	Consolidated	BeOnline & SaaS	Commerce	Consolidated
Accounts receivable	19,649	692,771	712,420	25,399	682,157	707,556
Property, plant, and equipment	61,793	18,879	80,672	67,835	21,596	89,431
Intangible assets	258,205	2,034,713	2,292,918	265,686	2,022,462	2,288,148
Total main assets	**339,647**	**2,746,363**	**3,086,010**	**358,920**	**2,726,215**	**3,085,135**
Loans and financing	-	2	2	-	60	60
Services to be provided	62,139	38,050	100,189	62,902	34,786	97,688
Receivables transferable	74	614,649	614,723	87	559,575	559,662
Total main liabilities	**62,213**	**652,701**	**714,914**	**62,989**	**594,421**	**657,410**

26 Financial instruments

Accounting policy

a. Financial assets

The financial assets of the Company and its subsidiaries comprise cash and cash equivalents, restricted financial investments, accounts receivable, and accounts receivable from related parties.

The classification of financial assets on initial recognition, in line with the forecasts set out in CPC 48/IFRS 9, depends on the characteristics of the financial asset and the group's business model for managing these financial assets. Cash and short-term investments are measured at fair value through the profit or loss statement. Accounts receivable from customers and those related to related parties are measured at amortized cost.

Financial assets measured at fair value through profit or loss are initially recognized at fair value, and gains and losses arising from the subsequent measurement at fair value are presented in the financial income item.

Assets measured at amortized cost are accounted for at cost, so that interest income calculated based on the application of the effective interest rate, for the elapsed term, on the principal amount, being included in the financial income item, in the statement of income.

The Company evaluates monthly the estimates for loss due to the non-receipt of financial assets. A loss estimate is recognized when there is objective evidence that the Company will not be able to collect all amounts due or to become due. Subsequent recoveries are recognized, when incurred, in the profit or loss statement for the year.

b. Financial Liabilities

The financial liabilities of the Company and its subsidiaries include suppliers, loans and financing, obligation to acquire investments, receivables to be transferred and accounts payable to related parties.

All these financial liabilities are initially measured at fair value and subsequently measured at amortized cost at the effective interest rate. The Company has not designated any financial liability at fair value through the profit or loss statement.

c. Classification of financial instruments

CPC 46 (IFRS 13) defines fair value as the exchange price that would be received for an asset or the price paid to transfer a liability (exit price) in the main market, or the most advantageous market for the asset or liability, in a normal transaction between market players on the measurement date, as well as establishing a three-level hierarchy to be used for fair value measurement, namely:

Level 1 - Quoted (unadjusted) prices in active markets for identical assets and liabilities.

Level 2 - Other techniques for which all data that have a significant effect on the fair value recorded are observable, directly or indirectly; and

Level 3 - Information that is not available due to little or no market activity and that is significant for defining the fair value of assets and liabilities (unobservable).

The table below presents the valuation technique used in measuring the fair value of Level 3 for financial instruments on the balance sheet:

Type	**Evaluation technique**	**Unobservable significant inputs**	**Relationship between significant unobservable inputs and fair value measurement**
Contingent consideration	Operating multiples: the valuation model considers the present value of an earn-out estimate, based on operating revenue projections and discounted by a rate adjusted to the cost of capital.	• Projections based on operating income multiples of acquired companies (December 31, 2024: BRL 232,864). • Discount rate adjusted to cost of capital (December 31, 2024: 12.93%).	The estimated fair value could increase (decrease) if: • Operating results were better (worse); or • The discount rate adjusted to the cost of capital were lower (higher).

The classification of financial instruments is shown in the table below, and there are no instruments classified in categories other than those reported.

	Parent company		
	2024		
	Book value	**Fair value**	**Fair value hierarchy**
Financial assets			
Amortized cost			
Accounts receivable	35,414	35,414	-
Fair value through profit or loss			
Cash and cash equivalents	222,585	222,585	Level 2
Total	**257,999**	**257,999**	
Financial liabilities			
Other financial liabilities			
Suppliers	33,319	33,319	
Lease liabilities	69,083	69,083	Level 2
Fair value through profit or loss			
Obligation with investment acquisitions	264,297	264,297	Level 3
Total	**366,699**	**366,699**	

	Consolidated		
	2024		
	Book value	**Fair value**	**Fair value hierarchy**
Financial assets			
Amortized cost			
Accounts receivable	712,420	712,420	-
Fair value through profit or loss			
Cash and cash equivalents	398,592	398,592	Level 2
Restricted securities	96,550	96,550	Level 2
Financial asset	15,015	15,015	Level 2
Total	**1,222,577**	**1,222,577**	
Financial liabilities			
Other financial liabilities			
Loans and financing	2	2	Level 2
Suppliers	40,483	40,483	Level 2
Lease liabilities	74,425	74,425	-
Receivables transferable	614,723	614,723	Level 2
Fair value through profit or loss			
Obligation with investment acquisitions	272,963	272,963	Level 3
Total	**1,002,596**	**1,002,596**	

	Parent company
	2023

	Book value	Fair value	Fair value hierarchy
Financial assets			
Amortized cost			
Accounts receivable	21,817	21,817	-
Fair value through profit or loss			
Cash and cash equivalents	949,130	949,130	Level 2
Total	**970,947**	**970,947**	
Financial liabilities			
Other financial liabilities			
Suppliers	25,207	25,207	
Lease liabilities	67,439	67,439	Level 2
Fair value through profit or loss			
Obligation with investment acquisitions	572,664	572,664	Level 3
Total	**665,310**	**665,310**	

	Consolidated		
	2023		
	Book value	**Fair value**	**Fair value hierarchy**
Financial assets			
Amortized cost			
Accounts receivable	707,556	707,556	-
Fair value through profit or loss			
Cash and cash equivalents	1,181,406	1,181,406	Level 2
Financial asset	16,617	16,617	Level 2
Total	**1,905,579**	**1,905,579**	
Financial liabilities			
Other financial liabilities			
Loans and financing	60	60	Level 2
Suppliers	45,575	45,575	-
Lease liabilities	77,369	77,369	Level 2
Receivables transferable	559,662	559,662	Level 2
Fair value through profit or loss			
Obligation with investment acquisitions	761,204	761,204	Level 3
Total	**1,443,870**	**1,443,870**	

Considering the term and characteristics of these instruments, which are systematically renegotiated, the book values approximate fair values.

d. Purpose of using a derivative financial instrument

Derivative financial instruments contracted by the Company are intended to hedge against the exchange rate risk associated with suppliers that have exposure to foreign currency. That Company does not have derivative financial instruments for speculation purposes.

On December 31, 2024, the operation with Forward Currency Contracts was fully settled.

The Company maintains internal controls in relation to its derivative financial instruments which, in Management's opinion, are adequate to control the risks associated with each strategy for operating in the market. The results obtained by the Company in relation to its derivative financial instruments demonstrate that the management of risks has been carried out properly.

The Company's activities expose it to various financial risks: market risk (including interest rate risk, exchange rate risk and price risk), credit risk and liquidity risk.

Risk management is carried out by the Company's Treasury, in accordance with the policies approved by the Board of Directors. The Treasury identifies, evaluates and protects the Company against possible financial risks in cooperation with the Company's operating units.

The Board of Directors establishes principles for risk management, as well as for specific areas, interest rate risk, foreign exchange risk, credit risk, use of non-derivative financial instruments and investment of surplus cash.

(i) Credit risk

Credit risk refers to the risk that the counterpart will not honor its obligations related to a financial instrument or contract with a customer, generating a loss. The Company is mainly exposed to credit risk related to cash and cash equivalents and trade accounts receivable (Explanatory note 6). Credit risk is minimized through the following policies:

- **Cash and cash equivalents:** the Company adopts methods that restrict the amounts that can be allocated to a single financial institution, and takes into account monetary limits and credit ratings of the financial institutions with which it operates, which are periodically updated. The Group only carries out operations with first-tier institutions, whose risk rating is low credit risk assigned by reference rating agencies, using exclusively financial instruments and fixed-income investment funds, classified as investment grade, high quality and low risk.

- **Accounts receivable from customers:** The Company's credit risk is minimized as the assets represented by receivables and services are brokered by credit card companies. In this case, the credit risk with customers is fully transferred to them, leaving for the Company only the risk of non-recognition of purchases by customers for which expected credit losses are measured and recorded. The Company now holds the credit risk vis-à-vis the credit card management companies.

Receivables from individual customers through bank slips are restricted and represented approximately 6% of accounts receivable as of December 31, 2024 (9% as of December 31, 2023). The maximum exposure to credit risk as of December 31, 2024 is the amount shown on the balance sheet.

The Company's exposure is shown below:

	Parent company		Consolidated	
	2024	**2023**	**2024**	**2023**
Cash and cash equivalents (Explanatory note 6)	248,368	949,283	447,378	1,188,223
Restricted securities (Explanatory note 6)	-	-	96,550	-
Accounts receivable from customers (Explanatory note 7)	35,414	21,817	712,420	707,556
	283,782	**971,100**	**1,256,348**	**1,895,779**

(ii) Liquidity risk

Liquidity risk consists of the eventuality that the Company and its subsidiaries do not have sufficient funds to meet their commitments due to the realization/settlement of their rights and obligations.

The Company and its subsidiaries structure the maturities of non-derivative financial contracts, as shown in Note 15, so as not to affect their liquidity.

The Company and its subsidiaries manage the liquidity and cash flow on a daily basis in order to ensure that operating cash generation and prior fundraising, when necessary, are sufficient to maintain its schedule of commitments, not generating liquidity risks.

The following table shows the maturity of the Company's consolidated financial liabilities:

	Book Value	Financial flow	Less than 3 months	3 to 12 months	Over 1 year	Total
December 31, 2024						
Other accounts payable	27,789	27,789	25,753	-	2,036	27,789
Suppliers	40,483	40,483	40,483	-	-	40,483
Loans and financing	2	6	5	1	-	6
Lease liabilities	74,425	90,732	5,174	15,166	70,392	90,732
Receivables transferable	614,723	614,723	614,723	-	-	614,723
Obligation with investment acquisitions	272,963	288,958	4,721	234,411	49,826	288,958
	1,030,385	**1,062,691**	**690,859**	**249,578**	**122,254**	**1,062,691**

	Book Value	Financial flow	Less than 3 months	3 to 12 months	Over 1 year	Total
December 31, 2023						
Other accounts payable	28,262	28,262	26,770	-	1,492	28,262
Suppliers	45,575	45,575	45,575	-	-	45,575
Loans and financing	60	62	34	28	-	62
Lease liabilities	77,369	88,786	4,517	13,203	71,066	88,786
Receivables transferable	559,662	559,662	559,662	-	-	559,662
Obligation with investment acquisitions	761,204	800,863	1,968	574,353	224,542	800,863
	1,472,132	**1,523,210**	**638,526**	**587,584**	**297,100**	**1,523,210**

(iii) Exchange risk

Exchange risk refers to the risk of future cash flows from borrowings in foreign currency and financial instruments due to changes in exchange rates. Exchange rate risk can impact the Company's financial results and, in order to manage this risk, the Company may use derivative financial instruments (NDFs) with a financial institution considered to be of first class standing. The Company understands that exposure to this risk is low considering that the amounts involved are not relevant.

It is the Company's policy to use derivative financial instruments only for the purpose of hedging risks arising from foreign currency exposure, represented by foreign currency loans or international suppliers, and therefore not for speculative purposes.

(iv) Interest rate risk

The associated risk arises from the possibility of the Company incurring losses due to fluctuations in interest rates that increase the financial expenses related to loans and financing obtained in the market. On December 31, 2024, the Company had a maximum exposure of BRL 39,552, in a scenario of a 65,75% reduction in the DI rate, due to the reduction in financial income from the funds invested.

e. Sensitivity analysis

(i) Financial assets

On December 31, 2024, the Company was exposed in the Interbank Deposit Certificate (CDI), which indexes the yield on financial investments, and the exchange rate variation in dollars. In order to verify the sensitivity of these indices, three different scenarios were defined for exposure in CDI and for exposure in foreign currency.

For the probable scenario, according to the assessment prepared by Management, the CDI projection rate according to Focus (Central Bank of Brazil) was considered. Additionally, two other scenarios (A and B) are demonstrated. The Company assumed a drop of 3.99 p.p. (scenario A) and 7.99 p.p. (scenario B - extreme situation scenario) taking into account the two largest variations in the SELIC rate in the last 10 years. The sensitivity analysis for each type of risk considered relevant by Management is presented in the table below:

			Losses - Consolidated		
Transaction	**Risk**	**Balance on December 31, 2024**	**Probable**	**Scenario A**	**Scenario B**
Financial investments indexed to CDI	CDI drop	398,592	11,360	(15,901)	(31,840)
Restricted securities	CDI drop	96,550	2,752	(3,852)	(7,712)
CDI (fall scenario)		12.15%	15.00%	8.16%	4.16%

(ii) Financial liabilities

For the fair values of contingent consideration, possibly reasonable changes at the reporting date in one of the significant unobservable inputs, and holding the other inputs constant, would have the following effects:

Contingent consideration

	Results	
	Increase	**Decrease**
December 31, 2024		
Discount rate (10%)	(854.36)	867.63
Projected Revenue (10%)	1,444.14	(1,444.14)

f. Capital management

The Company's objectives, when managing its capital, are to safeguard the Company's ability to continue as a going concern to offer returns to shareholders and benefits to other stakeholders, in addition to maintaining an ideal capital structure to reduce this cost or costs associated with this generation of income and benefits.

To maintain or adjust the capital structure, the Company may review the policy of prepayment of receivables, payment of non-mandatory dividends, return capital to shareholders or even issue new shares to reduce the level of indebtedness, for instance.

Capital management is managed at a consolidated level, as shown below:

	2024	**2023**
Loans and financing	2	60
Obligation with investment acquisitions	272,963	761,204
(+) Lease liabilities	74,425	77,369
(-) Cash and cash equivalents	(447,378)	(1,188,223)
(-) Restricted securities	(96,550)	-
(=) Net debt	**(196,538)**	**(349,590)**
(+) Net equity	2,745,843	2,882,146
(=) Net equity and net debt	**2,549,305**	**2,532,556**

g. Change in liabilities from financing activities

	Consolidated					
	2024			2023		
	Cash effect transactions	**Transactions without cash effect**	**Total**	**Cash effect transactions**	**Changes without cash effect**	**Total**
Loans and financing - beginning of the year	-	-	60	-	-	421
(=) Debt to market, net of derivative instruments	**-**	**-**	**60**	**-**	**-**	**421**
(+) Interest, exchange variation, and derivatives provisioned	-	10	10	-	44	44
(-) Principal amortized in the year	(59)	-	(59)	(370)	-	(370)
(-) Interest, exchange variation, and derivatives paid	(9)	-	(9)	(35)	-	(35)
(=) Debt to market, net of derivative instruments	**(68)**	**10**	**(2)**	**(405)**	**44**	**60**
Loans and financing - end of year	-	-	2	-	-	60

27 Transactions that did not affect cash

In the year ended December 30, 2024 and 2023, the Company recorded transactions related to the acquisition of machinery and equipment for fixed assets and right-of-use asset additions that did not affect cash, as shown below:

	Parent company		Consolidated	
	2024	**2023**	**2024**	**2023**
Acquisition of machinery and equipment (i)	3,424	7,115	3,499	7,286
Acquisition right-of-use asset	7,890	6,173	12,246	13,454
	11,314	**13,288**	**15,745**	**20,740**

(i) Refers substantially to machines and equipment

28 Insurance coverage

The Company and its subsidiaries maintain insurance coverage to guarantee any damage to their property and assets, including insurance for their establishments and vehicle fleet, whose premiums, in the year, totaled:

	Consolidated	
	2024	**2023**
Vehicles	15,618	12,488
Business (real estate and assets)	414,516	414,548
Civil liability of management	80,000	80,000
Civil liability	3,000	3,000
	513,134	**510,036**

Property insurance aimed at guaranteeing the Company's business units has coverage for events resulting from fire, lightning, explosion, robbery and qualified theft of goods and electrical damage.

The Company does not take out insurance to cover losses resulting from the interruption of its activities, not even to guarantee any indemnities that it is compelled to pay to customers and/or third parties due to errors and failures in its operations and non-compliance with obligations under its responsibility.

Management believes that its policies, contracted with renowned insurance companies, reflect the usual market conditions for the types of insurance it takes out and cover coverage in scope and amounts considered sufficiently adequate by Management and by insurance consultants.

29 Subsequent events

According to the board of directors meeting held on February 11, 2025, the creation of the 4th Share Buyback Program was approved, in which the Company or its subsidiaries may acquire up to 38,800,000 (thirty-eight million and eight hundred thousand) common, nominative, book-entry shares with no par value, issued by the Company. The maximum period for the settlement of acquisitions of shares issued by the Company will be 18 (eighteen) months, counting from February 11, 2025 (inclusive) and having as final term, therefore, August 11, 2026 (inclusive).

According to the Extraordinary General Meeting held on February 28, 2025, the merger of the subsidiaries Locaweb Commerce Holding Ltda., LWK Hosting Participações Ltda into the controlling company LWSA S.A. was resolved and approved.

Declaration of Officers on the financial statements

In compliance with the provisions of CVM Instruction No. 480/09, the Board of Executive Officers declares that it discussed, reviewed and agreed with the financial statements for the year ended December 31, 2024

São Paulo, March 12, 2025.

Rafael Chamas Alves
President

André Kinjo Kubota
Vice President of Finance and DRI

Officers' Statement on the Independent Auditor's Report

In compliance with the provisions of CVM Instruction No. 480/09, the Executive Board declares that it discussed, reviewed and agreed with the opinion expressed in the report of the independent auditor, KPMG Auditores Independentes Ltda., on the individual and financial statements for the year ended in December 31, 2024.

São Paulo, March 12, 2025.

Rafael Chamas Alves
President

André Kinjo Kubota
Vice President of Finance and DRI

Summary of the Audit Committee's Report

To the Members of the Board of Directors
LWSA S.A.
São Paulo - SP

The Audit Committee of LWSA S.A. ("Company") and its subsidiaries is a non-statutory evaluation body for the Board of Directors, operates in accordance with the bylaws and its internal charter approved by the Board of Directors.

The Audit Committee's role is to assist the Board of Directors to oversee the following: (i) the quality and integrity of the financial statements; (ii) compliance with legal and regulatory requirements; (iii) the performance, independence and quality of the work carried out by the external and internal auditors and (iv) the quality and effectiveness of the internal control and risk management systems.

For the year ended December 31, 2024, the Committee carried out its activities based on the work plan prepared in accordance with its internal charter, which included the following: (i) interviewing senior management and managers; (ii) overseeing and monitoring the work carried out by the areas responsible for preparing the financial statements, for the internal controls system, risk management activities and the compliance function; (iii) evaluating the planning, scope and effectiveness of the work carried out by the internal audit function; (iv) evaluating the scope, performance, effectiveness and the independence of the independent auditors; (v) evaluating the framework, functioning and effectiveness of the internal controls, compliance and risk management systems; and, (vi) evaluating the quality and integrity of the financial statements.

The Company's Management is responsible for the preparation of the financial statements in accordance with accounting practices adopted in Brazil. It is also responsible for establishing procedures to ensure the quality of the information and processes used in the preparation of the financial statements, for managing operational risks and for implementing and monitoring internal control and compliance activities.

The independent auditor, KPMG Auditores Independentes Ltda., is responsible for examining the financial statements in accordance with Brazilian and international auditing standards and issuing an audit report about the adequate presentation of these financial statements.

The internal audit function is responsible for evaluating the effectiveness of internal controls, risk management and processes that ensure compliance with the rules and procedures established by Management and the legal and regulatory standards applicable to the Company's activities

The Audit Committee carries out its work through meetings and conducting analyses based on documents and information submitted to it, as well as other procedures that it considers necessary. The Audit Committee's evaluations are based on the information received from Management, independent auditors, internal auditors, those in charge of risk management and internal controls, and on its own analyses based on direct observation.

The Audit Committee maintains regular communication channels with the independent auditor. The Committee evaluated the audit plan of the financial statements for the year ended December 31, 2024. The Committee monitored the work carried out and the results achieved and has been made aware of the Independent Auditor's Report issued on this date. Also, the Committee routinely evaluates the independent auditor's adherence to the policies and standards that address the maintenance and monitoring of the objectivity and independence with which these activities are carried out.

The Committee assessed the processes used to prepare the financial statements and discussed with Management and with the independent auditor the significant accounting practices adopted and information disclosed.

The Audit Committee held regular meetings with the Board of Directors, the Senior Management and other Executives of the Company, on which occasions the Committee had the opportunity to present suggestions and recommendations to Management on matters related to its areas of action.

The Committee is not aware of the occurrence of any whistleblowing, violation of rules, lack of control, act or omission by Management or fraud which, as a result of its significance, could affect the Company's ability to continue as a going concern or the reliability of its financial statements.

The audit Committee was not aware of transactions between related parties that did not comply with strictly commutative conditions (competition, values, terms and average market rates, in force on the respective dates and market conditions) and all were adequately disclosed in an explanatory note to the Financial Statements .

The Audit Committee, having considered its responsibilities and the limitations of the scope and extent of its activities, and based on the documents examined and clarifications provided, understands that accounting governance and the internal control and risk management environment provide transparency and quality to the statements financial statements of the Company, and opines that the aforementioned documents are in a position to be assessed by the Board of Directors, recommends the Board to approve, authorize the issuance and publication of the of the financial statements of LWSA S.A., audited by KPMG Auditores Independentes Ltda, for the year ended December 31, 2024.

São Paulo, March 12, 2025.

CARLOS ELDER MACIEL DE AQUINO
Audit Committee Coordinator

FLÁVIO BENÍCIO JANSEN FERREIRA
Audit Committee Member

FERNANDO DA-RI MÚRCIA
Audit Committee Member