

2020 Results

MARCH 2021

Méliuz

4Q20 Earnings Release

Belo Horizonte, Minas Gerais, March 31, 2021. Today, Méliuz S.A. (B3: CASH3), traded on B3's Novo Mercado listing segment, announces its results for the quarter ended on December 31, 2020 - 4Q20.

Since 2011, we have offered complete technology solutions that provide a positive and sustainable return to the company and to our users and partners. With a unique value proposal, we apply the 'Win-Win-Win' culture to all our relationships and services.

Through technology and use of data, we believe it is possible to bring brands and clients close together and make consumption relations smarter and more profitable to everyone involved. Therefore, every day we work to create new opportunities so everyone can win more.

EARNINGS RELEASE

Date: March 31st, 2021 (before market opens)

Information and files will be available on our [website](#)

EARNINGS CONFERENCE CALL*

March 31st, 2021 at 11:00 a.m. (BRT)

**With simultaneous translation into English*

Webcast: <https://choruscall.com.br/meliuz/4q20.htm>

Telephone: +55 11 3181-8565 | +55 11 4210-1803

Code: Méliuz

**Please access 10 minutes before the conference call starts.*

To access the webcast with the conference call slides, [click here](#).

A replay will be available after the conference call on our [website](#).

MESSAGE FROM THE MANAGEMENT

2020, the year of our Day One

We began 2020 with the challenge of outperforming 2019, by then the best year in our history. For a fact, 2020 was a provocative one, the year we were faced with new and old challenges and were able to plant new seeds to continue our growth in 2021. At Méliuz, we are proud to say that Nothing is Impossible and 2020 proved to us how capable we are to achieve something greater than what we have imagined.

Our first challenge last year was to fight a pandemic that began in front of us without signs of how we should react to it. Firstly, we took care of our team. We have changed our work regime, prepared our business to face uncertainties and we continued working to improve even further the experience of our users and partners with Méliuz. It did not take long to reap the rewards. Still in the first semester, we launched a new product - Méliuz *Nota Fiscal* - and began a partnership with Magalu. We had our IPO in record time and, along with it, we had the opportunity to showcase our business model, culture and ambitions to other stakeholders. What would be the end for many, was actually a new beginning for us. At our first earnings release as a publicly traded company, it was already possible to present our execution capacity and alignment to the plan we presented in the IPO. In November 2020, we held the largest Black Friday in Méliuz's history, and we are now presenting solid growth in all our business lines, both in terms of operating and financial results.

Therefore, we could not be more excited for 2021. Results presented so far are the product of hard work and resilience of an outstanding team, who was capable of weathering the storm, adapting to this new reality we are living in and showed entrepreneur spirit in facing the many challenges presented during the past almost 10 years. We want to build something greater, without borders, that leads us to continue growing in the next 10, 15, 20 years. With much joy we announced, in February 2021, our international expansion with the acquisition of Picodi.com.

For us, the journey is just beginning, and the figures presented in this report show that being a technology company, with an exceptional team and strong culture, allow us to dream even bigger. We are no longer just a local player, we joined a new league, a global one, and the game just began!

Who we are →

We are a technology company offering digital solutions to connect brands and consumers through an integrated marketplace and financial services platform. We help our partners to sell more, earn client's loyalty and acquire new ones, through effective advertising of brands, stores, products, and services. Putting together technology and data intelligence to consumer relations, coupled with the Win-Win-Win culture, it is possible to optimize our partners' marketing investments.

The business model of Méliuz's *marketplace* and financial services is simple: partners pay to advertise in our communication channels and, for each purchase through our platform or paid with our card, the user gets some cash back and can transfer it to any checking or savings account, free of charge.

This is what we call 'Win-Win-Win': users get real benefits and broad access to a diversified range of hundreds of retailers, products, and services; partners, on the other hand, gain access to a new advertisement and communication channel, a robust and qualified user base and the possibility of tailoring campaigns by analyzing consumption patterns; and we receive payment from partners for advertising their products, services and brands, sales generation, user acquisition and retention. Payments can be variable based on performance or fixed according to an advertisement package.

Our debut in the financial solutions market came in 2019. In partnership with an issuing bank, we launched the Méliuz Card – an international credit card without annual fee and up to 1.8% cashback for all purchases. Since its launch, over 3 million people have applied for the card.

In 2020, we went further and began to offer cashback through the scanning of purchase invoices for specific products, in partnership with CPG brands – Méliuz Nota Fiscal (Méliuz Invoice). For that reason, we now have access to more data and understand users' patterns including in everyday life purchases. At the same time, we became a channel capable of connecting the industry directly to the end consumer and offering brands a new market and sales promotion tool.

We have also launched in-app purchase of gift cards, which allow users to earn cashback through the purchase of credits to be used in platforms such as iFood, Uber, UberEats, Google Play, Spotify, Playstation Store and others. This was the first shopping experience in our environment. We recently began to offer mobile top ups, allowing Méliuz's users to earn cashback by purchasing credits from all operators.

We believe that, by offering such services, we increase our operational reach, creating new user acquisition and cross-selling opportunities on our current account base, in addition to encouraging the increase in platform use recurrence.

With one of the best ranked services in the Reclame Aqui platform, in 2020, we ranked 2nd in the "ReclameAQUI: Best companies for consumers in 2020" award, in the Rewards and Loyalty Program category. Today we are a team of 182 people who believe that nothing is impossible and keep working to make consumption relations fairer and smarter.

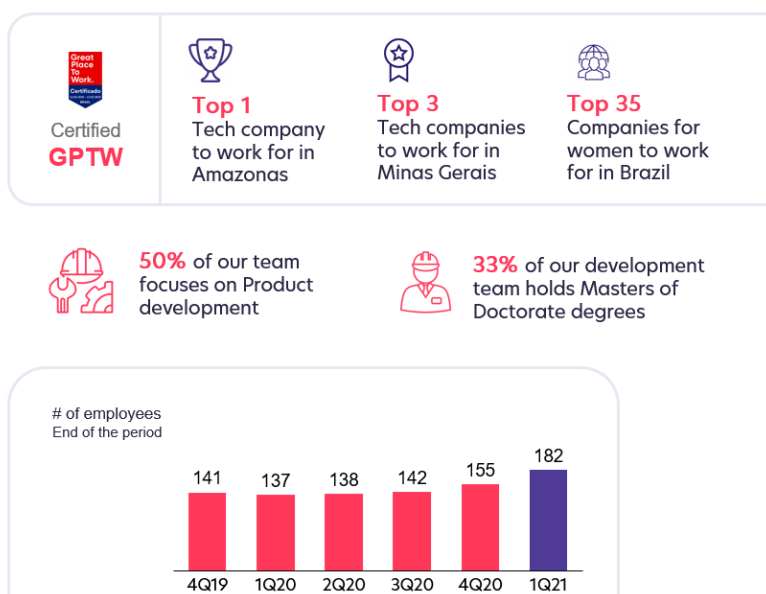
By offering a real and tangible benefit and making available a wide range of services, we can attract and retain users into the platform, thus expanding our in-house database, which allows us to refine solutions for our partners.

Accordingly, our ecosystem creates an important network effect, because Méliuz's value perception tends to increase as more users join the program, thus spurring the entrance of new partners and services. The latter, on their turn, allow us to attract more qualified users to our base, creating a virtuous growth cycle.

Our Team and Culture →

Culture

1. Clients for life
2. Win-Win-Win
3. Outstanding Team
4. We are Entrepreneurs
5. "The Big Family"
6. Prioritize and Simplify
7. Nothing is Impossible



At Méliuz, we believe that every relationship must follow the Win-Win-Win principle, and in our in-house relationships it is no different. We are committed to attracting and developing the best professionals, and, most importantly, we value our in-house talents. After all, in addition to Win-Win-Win, our culture touches two aspects related to our team: An Outstanding team and One Big Family

To ensure the maintenance and strengthening of our culture, even among new hires, the last step of the selection process is, in fact, the culture interview. In this decisive and elimination round, 3 employees from different departments and seniority levels interview candidates to get a perspective on their life story, dreams, challenges, legacy, desires as well as what they did right or wrong. The culture interview helps us to guarantee that the person most aligned to our values is hired.

In our meritocracy and compensation strategy, we carry out a semiannual promotion and merits evaluation, in which managers appoint employees based on their productivity and results as well as alignment to Méliuz culture.

Furthermore, Méliuz operates with an internal Partnership policy, according to which every employee can become a partner, based on their deliveries and, most importantly, their alignment to the company's

culture, receiving stock options as rewards. Nowadays, 13% of our employees became partners of Méliuz through this program.

In a way to foster even more the quality of our team deliverables, recently, we launched another way to recognize our employees with exceptional technical potential, in any seniority level. In this new Stock Options Program, managers can appoint any employee with such a profile of achievements and that has been presenting exponential growth, and she will be granted with new stock options.

To contribute to our team's development, we offer complete leadership training to current managers and all those who are in the process of becoming leaders. That allows us to contribute not only to the leader's personal development but also to the entire team they will lead. Furthermore, our policy is to pay for the employee training.

So that Méliuz fosters an even more equal and inclusive environment, since 2018 we have a Diversity Group where all employees are invited to discuss and propose actions related to gender, sex orientation, culture and origin, women, and generations.

Our Business →

Méliuz began operations in 2011 in order to add more value to consumer relations, making them shop smarter, bringing brands and customers together. With such purpose, we provide digital solutions through an integrated marketplace and financial services platform, connecting more than 14 million accounts to over 800 active partners.

Our business model is structured to deliver the “Win-Win-Win” value proposal, where all stakeholders in our digital ecosystem (users, partners, and our Company) benefit from the sustainable virtuous cycle as follows:

- Our users access a variety of brands, products, services, discount coupons and cashback, all free of charge and organized into a single dynamic and user-friendly digital ecosystem.
- Partners, on the other hand, gain access to an important advertising channel for their brands, products, and services, which not only reaches a consumer base of more than 14 million qualified consumers, but also offers data and technology intelligence focused on user acquisition and retention. Thus, we increase partner's sales at the same time as we optimize their marketing investments.
- Our Company receives payment from partners for advertising their products, services and brands, sales generation, user acquisition and retention; payments can be variable based on performance and/or fixed according to an advertisement package.

We have 2 main business lines: (i) marketplace, which encompasses the main e-commerce, tourism and leisure, consumption goods and general services market players; and (ii) financial services, which include financial institutions such as banks, fintech companies and others. As the lines complement each other, we are able to explore operational synergies in both lines, by boosting the network effect while utilizing

the user base and their information – working them into market intelligence – then enabling product and service cross-selling.

Based on a strong testing culture, we work to achieve continuous results improvement in all steps of the user acquisition process and in different stages of the Company's operation. We believe that said culture promotes our operational performance and improves conversion rates, bringing cost reduction and revenue increase. We intensively use machine learning applied to an extensive database to develop and deliver tailored products.

Moreover, we essentially value our team's entrepreneur spirit, which leads us to always seek new opportunities to increase and supplement our products and services portfolio, boosting our growth.

We act as intermediaries between our partners and users, therefore we do not need to have inventory or fixed assets related to the services available in our ecosystem, because we are not directly responsible for providing the services or selling the products. The Company is in charge of (i) operating our platform which features market tools and intelligence to advertise our partners' products and services (marketplace and cashback) to the target audience and (ii) transfer eventual cashback to the accounts, which is defined based on our Company's exclusive criteria and calculated based on the amount promised and disclosed by Méliuz when the cashback benefit is activated by the user. Cashback from purchases is accrued on the user's Méliuz account balance, and when it reaches R\$20 available, the user can redeem the amount to any savings or checking account, free of charge.

What we have planned →

During our 3Q20 earnings conference call, we defined 4 initiatives that would be carried out during the following quarters. So far, we have been able to deliver consistent results in what we set ourselves to do:

1. Grow our user base

In 4Q20, we achieved 2.4 million open accounts, more than 25 thousand new accounts per day on average, posting a 55% growth compared to 4Q19. Thus, we ended 2020 with a 14 million open accounts, up by 59% on average per year since 2017.

In 4Q20, we boosted our client acquisition efforts, as announced in our IPO roadshow, and delivered the best Black Friday campaign in our history.

2. Launch products that promote higher user engagement level

In 4Q20, users were able to shop at Méliuz's platform for the first time. We began by selling gift cards - prepaid cards that allow users to earn cashback through the purchase of credits to be used in partners such as Uber, Uber Eats, Ifood, Playstation, Netflix, among others.

Also related to new products, in the first semester of 2021, we launched the prepaid mobile phone recharge, with high user acceptance.

These features are still restricted to a specific group of Méliuz users because we are running tests and improving the product in this initial step, seeking to understand how to enhance user experience when they shop at Méliuz.

3. Launch new financial services products

In March 2021, we launched the Méliuz Empréstimos, our online loan platform. After adding financial services and institutions as marketplace partners, we have identified how this product fits into our user base and then, we decided to launch the platform.

Now, our millions of users have access to over 20 financial institutions and can run loan simulations in one place, in a tailored and free tool that is also quick and safe. With a single simulation, users can check the different proposals available from 30 different credit products, according to the profile and type that is suitable to their needs.

4. Increase our technology and development team

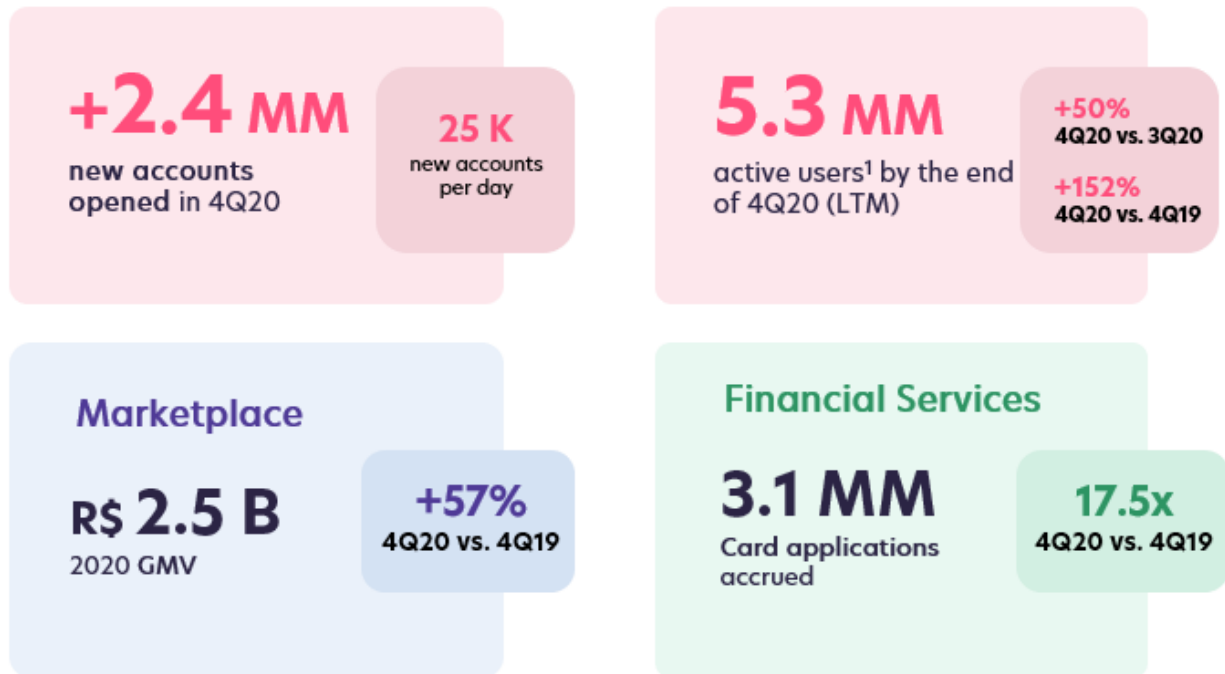
People are our main challenge for 2021. Increasing our team will give us conditions to explore all opportunities that lie ahead of us. Since our IPO, we have hired over 40 people, half of them to our product development team, including product managers and developers. Furthermore, we have more than 70 open positions in several Méliuz departments, and over 50 of them in the technology department.

This shows how committed we are to our strategy and achieving the company's goals. The challenges ahead of us go beyond our execution capacity, but also our capacity to put together an outstanding team, which allows us to accelerate our delivery pace, maintaining our strong culture, discipline and a technology company DNA.

The playbook is there to be followed, and we will do it!

Operating Performance

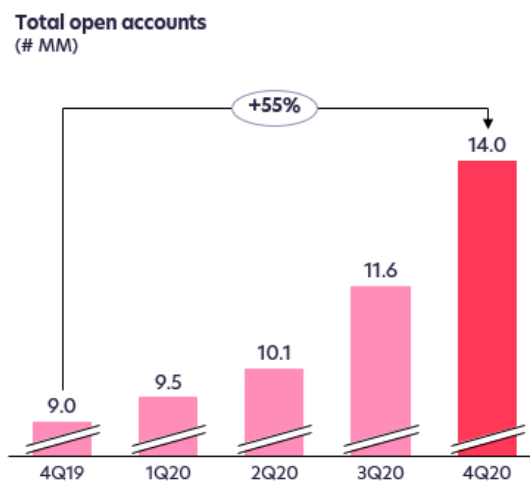
4Q20 Highlights →



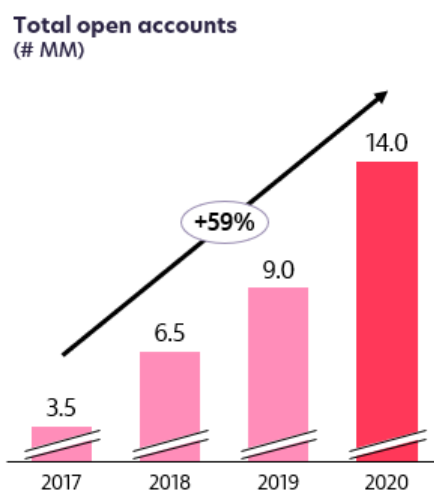
1. Active Users are new or existing users that performed at least one of the following actions in the reporting period: (i) purchased in a Méliuz partner using the Méliuz app, website or plugin; (ii) used the Méliuz Credit Card in a purchase; (iii) activated an offer advertised by Méliuz on the website, app or plugin; (iv) installed and performed maintenance of the active plugin in the internet browser; (v) installed or used the Méliuz app; (vi) submitted a Méliuz Credit Card application; (vii) redeemed cashback balance to a checking or savings account and/or (viii) referred Méliuz to a new user using the "Refer and Win" program.

User Base →

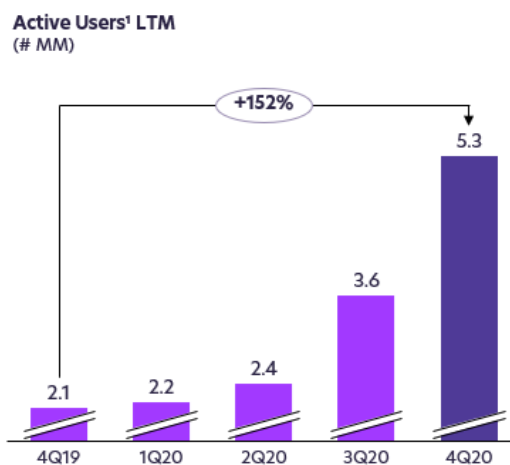
We ended 4Q20 with 14.0 million accounts, up by 55% versus 4Q19, when it came to 9.0 million open accounts. This performance is due to the adoption of new strategies to increase platform reach and user acquisition.



Comparing the results for the past 4 years, we came to an average annual growth rate of 59%.

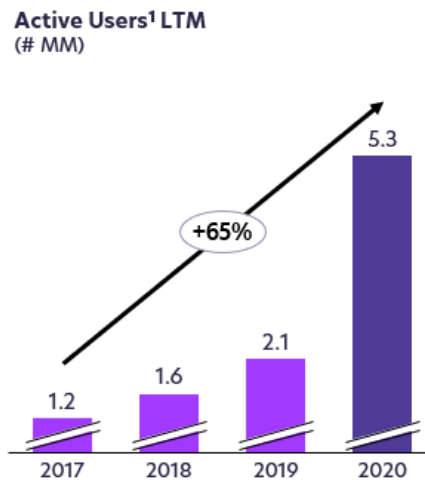


In terms of active users, in the last 12-month period ended on December 31, 2020 (LTM), we reached 5.3 million users, up by 152% on the 2.1 million active users recorded in 4Q19.



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Analyzing the figures for the past 4 years, we have an average annual growth rate of 65%.

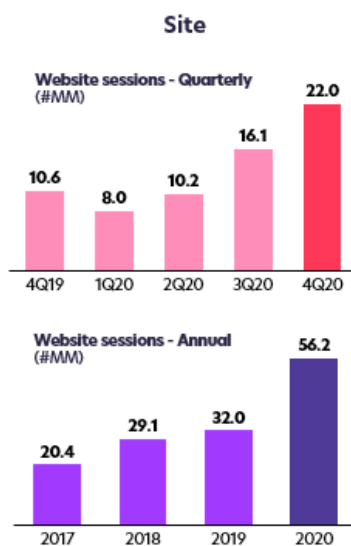
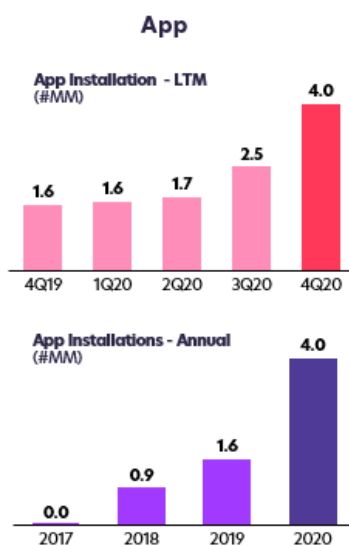


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Platform access →

Today, our platform offers 3 large contact points with our user base: our website, browser extensions (Google Chrome and Mozilla Firefox) and mobile app (iOS and Android).

Evaluating our platforms' performance, whether our website, app or browser extension, we note strong growth in all of them, both quarterly and annually, showing that our presence has been able to reach even more users.



Plug-in

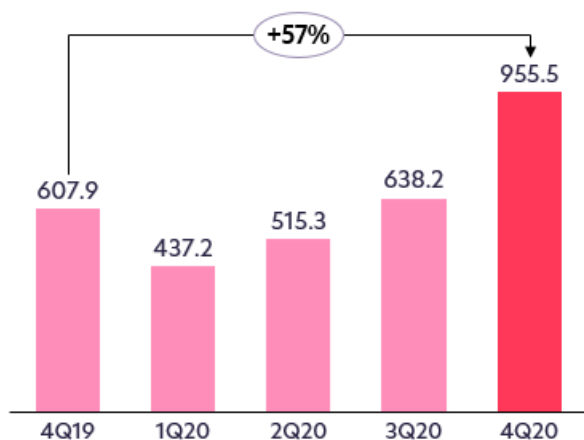
+700 K
Active Users per week

Marketplace GMV →

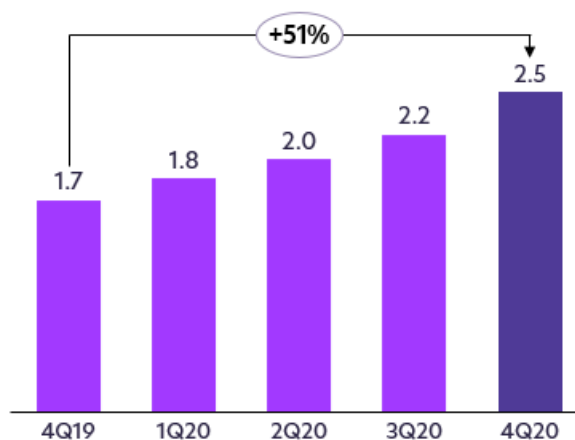
Gross merchandise volume (GMV) originated to our Marketplace partners through our ecosystem came to R\$955.5 million in 4Q20, up by 57% versus 4Q19, mainly boosted by: successful user growth and acquisition strategies; exclusive commercial campaigns at special conditions with large partners; continuous consumer growth and acceptance of special dates for the sector, such as the Black Friday. Said efforts led us to the best quarterly sales volume in Méliuz's history.

LTM ended December 31, 2020, Marketplace GMV in our ecosystem came to R\$2.5 billion, a 51% increase on the 12-month period ended on 4Q19.

GMV in the quarter
(R\$ MM)

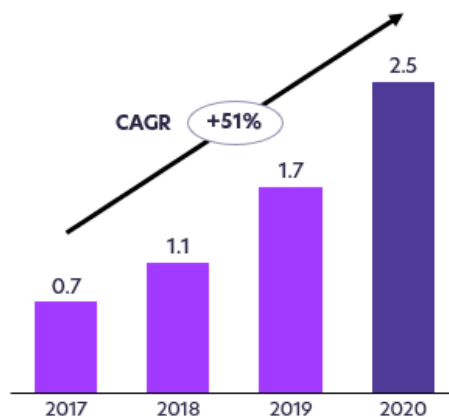


GMV LTM
(R\$ B)

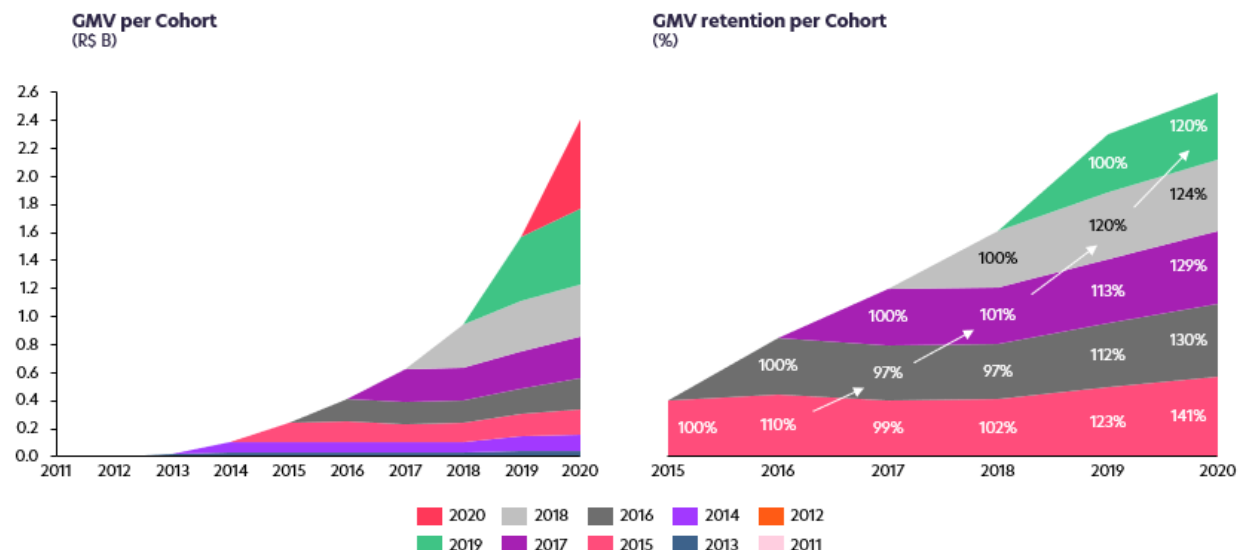


Evaluating the performance for the last 4 years, we come to a 51% annual growth rate in sales volume originated to our marketplace partners.

GMV in the Year
(R\$ B)



When we analyze our different cohorts' performance since Méliuz's launch, we note that sales volume has been increasing throughout time, as well as our GMV retention capacity.



As to better understand this graphic, please consider following example: if the group of users who shopped the first time using Méliuz in 2019 (green cohort) originated R\$ 100,000 in sales this year, the same group of users was also responsible for originating another R\$ 120,000 in sales in 2020. Therefore, this single cohort would account for R\$ 220,000 in the accumulated GMV between 2019 and 2020.

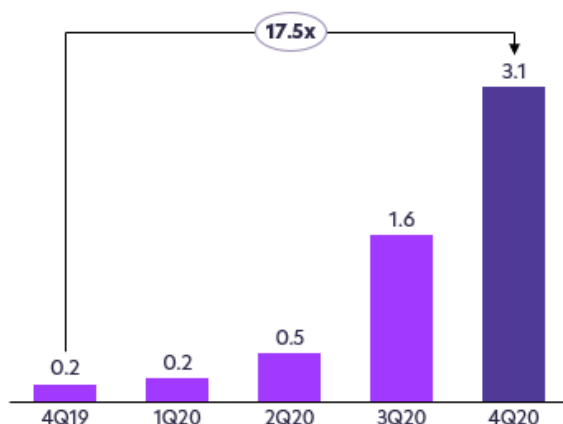
Financial Services →

Méliuz Card

Our co-branded card reached a total of 1,446 thousand applications during 4Q20, 26 times more than total applications in 4Q19, which came to 55 thousand applications. The significant boost in card applications is due to the product's ongoing improvement and, mainly, increased acquisition channels options coupled with better conversion of current acquisition channels used on to advertise the card. These goals have been achieved mainly due to the Company's strong testing and experimentation culture.

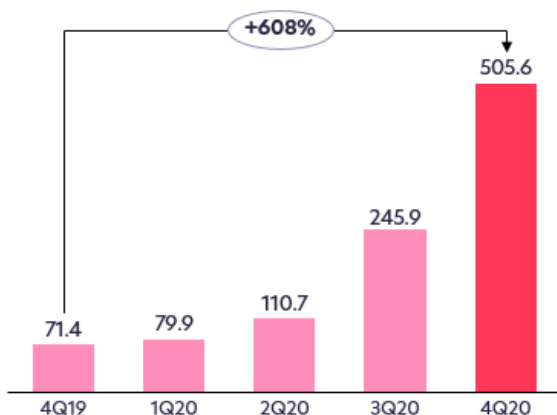
Since the card was launched in the beginning of 2019, we achieved a total of 3.1 million applications at the end of 4Q20, 17.5 times more than the accrued figure in 4Q19. It is worth noting that applications in 4Q20 alone accounted for 47% of total card applications since its launch.

Card applications (accrued)
(# MM)

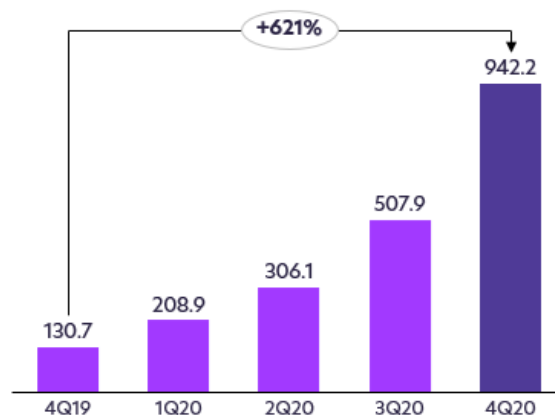


As from this quarter, we will also report our credit card's Total Payment Volume (TPV). In 4Q20, TPV came to R\$505.6 million, up by 608% compared to 4Q19. In the last 12 months (LTM), it stood at R\$942.2 million, up by 621% compared to 4Q19.

TPV in the quarter
(R\$ MM)



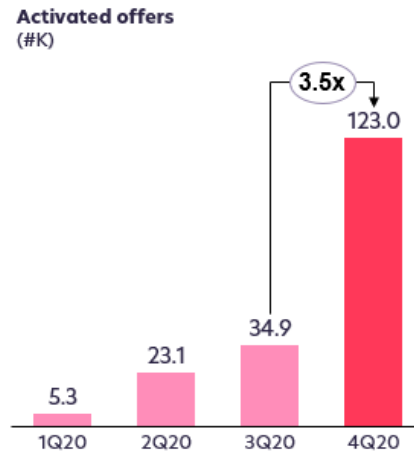
TPV LTM
(R\$ MM)



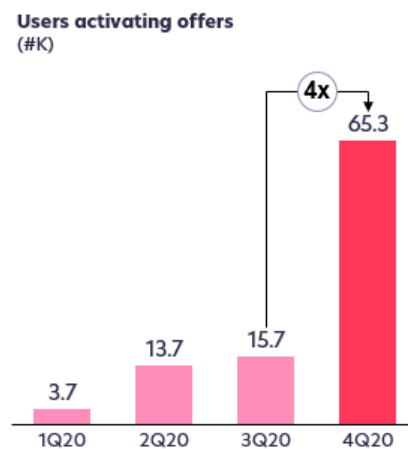
New Products: Méliuz Nota Fiscal →

2020 was also the year in which we launched the Méliuz Nota Fiscal (Méliuz Invoice). This new tool brings the Company closer to the final goods industry, offering brands a new promotion format as well as a sales incentive to their final consumers throughout Brazil, allowing consumers to receive cashback when they purchase specific products at any brick-and-mortar or on-line store as well as through delivery. Brands such as Skol, Heineken, SC Johnson, Nissin, Pernod Ricard, ZX Ventures, Mother Nutrients and Fazenda do Futuro organized 34 campaigns in 2020.

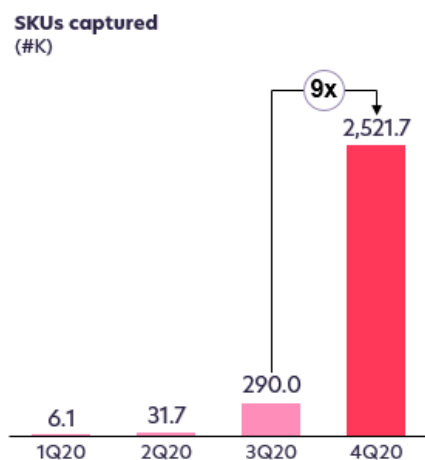
Based on said campaigns, we noted solid results that indicate a good acceptance of our user base to this product. In terms of activated offers, we see a 3.5x growth in 4Q20 vs. 3Q20, reaching 123 thousand activated offers in 4Q20 alone.



When we analyze the volume of users activating said offers, we note it is 4 times more in 4Q20 than 3Q20, amounting to 65 thousand users activating offers in 4Q20.



Besides the good level of engagement we've been observing, we also noticed that we are increasing our access to strategic data that will allow us to develop better relationships with our partners, especially by collaborating with them on campaigns to promote their products to our users. In 4Q20 alone we captured more than 2.5 million SKUs from all invoices sent by users, showing the potential of such product.



Picodi.com →

In February 2021, we announced the acquisition of Picodi.com's control, a Polish coupon website. The transaction sets the beginning of our internationalization strategy.

44 countries

Picodi helps people better shop online in all 5 continents

19 languages

Scalable and International structure

68 MM

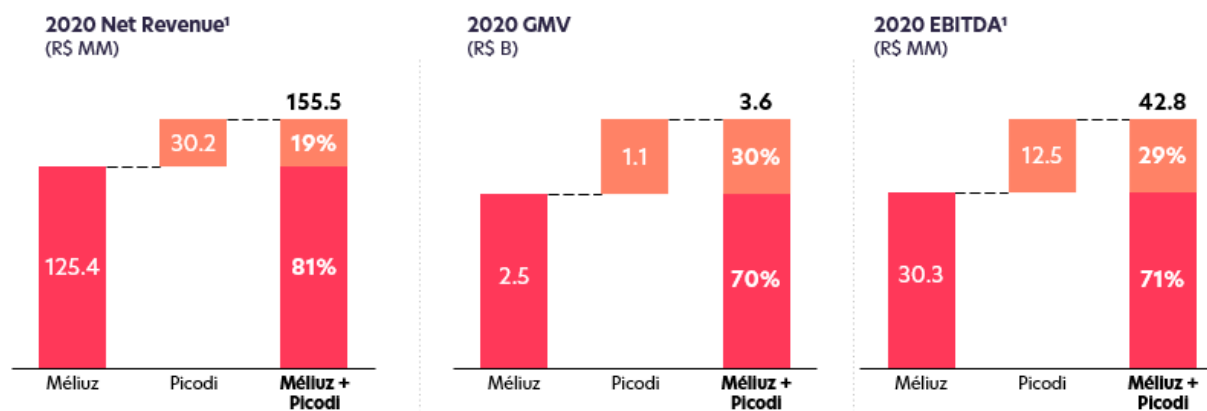
website views in 2020, mainly organically

+12K

Stores in the platform



Through this acquisition, we have diversified our revenue in other currencies and geographies, through a mature and sustainable operation.



Data considers 1 PLN = 1.49897 BRL

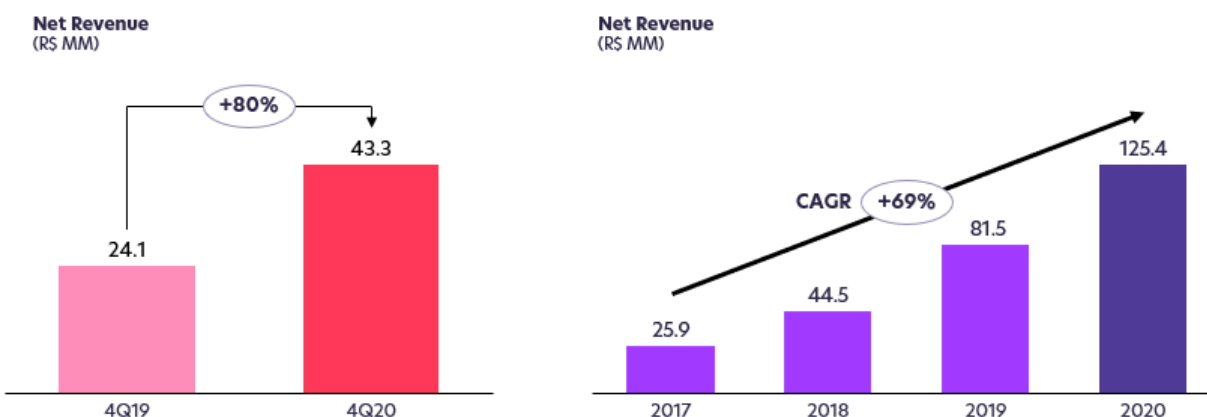
(1) Due diligence process considered figures related to Dec/19-Nov/20. FY20 data has not been audited yet due to differences in local legislation regarding accounting terms.

Financial Performance

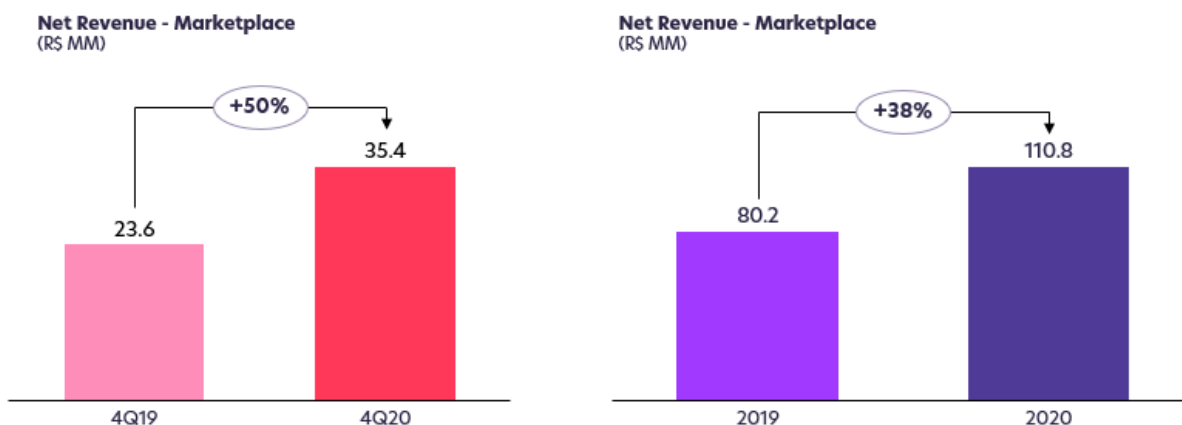
Net Revenue →

Total net revenue came to R\$43.3 million in 4Q20, an 80% increase on the R\$24.1 million recorded in 4Q19, positively impacted by the Méliuz Card growth coupled with the increase in revenue from marketplace partners.

Total net revenue in 2020 stood at R\$125.4 million, up by 54% on 2019, and a compound annual growth rate (CAGR) of 69% since 2017.

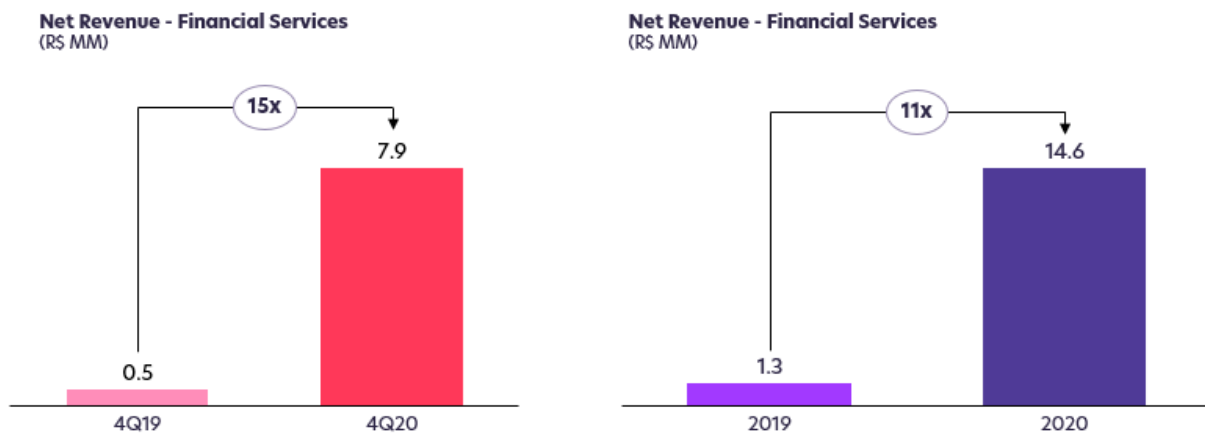


Marketplace net revenue totaled R\$35.4 million in 4Q20, up by 50% vs. 4Q19, due to successful user acquisition and retention strategies coupled with increased store and brand investments in our channel, reinforcing Méliuz's attractiveness and successful partnerships built over the past 10 years. Marketplace net revenue for 2020 stood at R\$110.8 million, up by 38% compared to 2019.



Net revenue from financial services came to R\$7.9 million in 4Q20, almost 15 times more than 4Q19 revenue, due to Méliuz Card's solid user base and transaction volume growth, as previously presented. It is important to highlight that said figures are increasing consistently and sustainably, respecting this business line's unit economics and strategies. In 2020, net revenue from financial services came to R\$14.6 million, 11 times more than in 2019.

After said results, our financial services ecosystem accounts for 18.2% and 11.6% of net revenue for the quarter and full year, respectively.



Main Operating Expenses →

Our main operating expenses are expenses with cashback, personnel, and marketing.

Cashback expenses came to R\$22.0 million in 4Q20, up by 87% versus 4Q19. Said increase is in line with the Company's strategies and partially reflects the increase in both marketplace and financial services revenues, given that part of said revenue allows us to transfer higher cashback amounts to users. It is important to highlight that cashback amounts are determined based on the Company's exclusive discretion and in accordance with our strategies. Cashback expenses came to R\$59.1 million in 2020, up by 49% on 2019 expenses.

Personnel expenses totaled R\$6.3 million in 4Q20, in line with 4Q19. It is important to highlight the 47% increase vs. 3Q20, showing the hiring efforts to increase our team with a greater focus on product development and technology. In 2020, personnel expenses came to R\$18.4 million, up by 2% compared to 2019.

Marketing expenses stood at R\$6.7 million in 4Q20, a 670% hike compared to 4Q19, boosted using funds from the IPO as already planned and announced. Once we have tested and found good acquisition channels, it was possible to boost marketing investments in a scalable and sustainable manner. Marketing expenses came to R\$8.1 million in 2020, up by 229% on 2019 expenses.

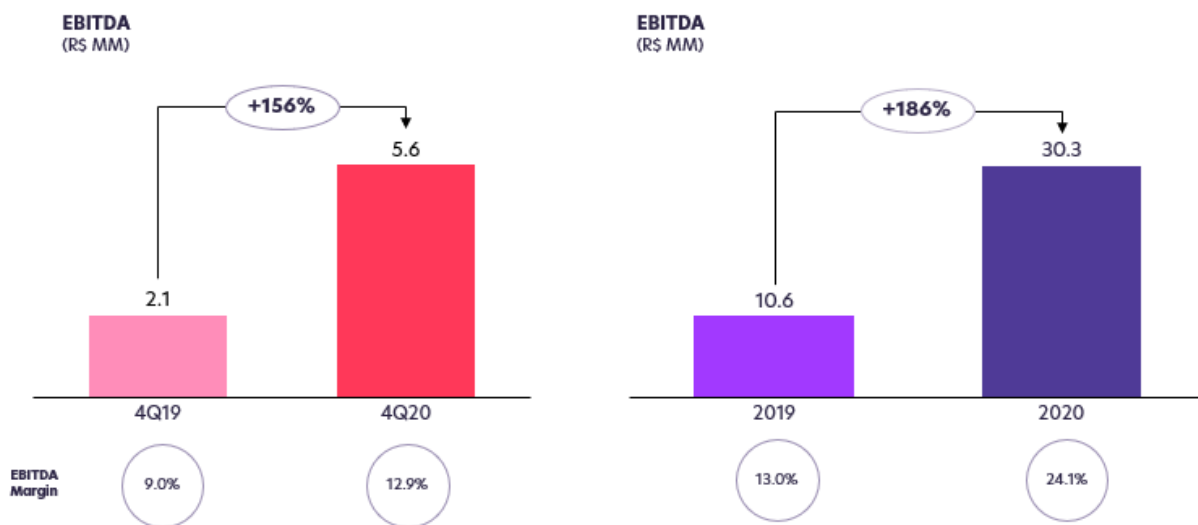
Expenses (R\$ MM)	Quarter					Full Year		
	4Q20	3Q20	VAR%	4Q19	VAR%	2020	2019	VAR%
Cashback	22.0	12.9	70%	11.8	87%	59.1	39.7	49%
Personnel	6.3	4.3	47%	6.4	0%	18.4	18.1	2%
Marketing	6.7	0.9	670%	0.9	655%	8.1	2.5	229%

EBITDA Margin →

EBITDA Margin came to 12.9% in 4Q20 versus 9.0% in 4Q19. In absolute terms, EBTIDA was R\$5.6 million in 4Q20, a 156% increase over 4Q19.

In the full year, EBITDA stood at R\$30.3 million versus R\$10.6 million in 2019, up by 186% YoY. 2020 EBITDA margin was 24.1% versus 13.0% in 2019.

It is important to note that we have achieved this results in a quarter when we boosted our acquisition channels and increased our team, directly impacting this indicator, as detailed in the previous section “Main Operating Expenses”.



Financial Information - Accounting Reports

Income Statement

Exercise periods ended on December 31, 2020 and 2019

(In thousands of Brazilian Reais, except for basic and diluted earnings per share)

	Parent Company		Consolidated
	12/31/2020	12/31/2019	12/31/2020
Net revenue	125,390	81,504	125,390
Operating expenses			
Cashback expenses	(59,104)	(39,701)	(59,104)
Personnel expenses	(18,295)	(18,070)	(18,416)
Selling and marketing expenses	(8,101)	(2,469)	(8,116)
Software expenses	(5,754)	(4,430)	(5,772)
General and administrative expenses	(1,478)	(1,469)	(1,480)
Outsourced services	(2,420)	(3,434)	(2,470)
Depreciation and amortization	(1,769)	(1,972)	(1,769)
Other	219	(1,349)	219
	(96,702)	(72,894)	(96,908)
Gross profit	28,688	8,610	28,482
Income using the equity method	(103)	-	-
Income before financial result and taxes	28,585	8,610	28,482
Financial result	(261)	(300)	(255)
Income before taxes	28,324	8,310	28,227
Deferred and current income tax and social contributions	(8,595)	6,724	(8,597)
Income for the period	19,729	15,034	19,630
Income for the period attributable to			
Non-controlling shareholders	-	-	(99)
Controlling shareholders	-	-	19,729
Basic and diluted earnings per share (in R\$)	0,20	0,16	

Balance sheet

December 31, 2020 and December 31, 2019
(R\$ thousand)

	Parent Company		Consolidated
	12/31/2020	12/31/2019	12/31/2020
Assets			
Current assets			
Cash and cash equivalents	329,428	9,981	331,207
Accounts receivable	17,890	10,856	17,890
Recoverable taxes	1,126	377	1,127
Other assets	4,432	756	4,455
Total current assets	352,876	21,970	354,679
Non-current assets			
Long-term assets			
Receivables from related-parties	63	122	-
Deferred taxes	12,537	8,760	12,537
Other assets	3,282	1,122	3,282
Total long-term assets	15,882	10,004	15,819
Investments	2,449	-	-
Property, plant and equipment	2,888	2,347	2,888
Leases - right of use	250	2,798	250
Intangible assets	459	693	3,566
Total non-current assets	21,928	15,842	22,523
Total assets	374,804	37,812	377,202
Liabilities			
Current liabilities			
Suppliers	672	300	673
Tax and labor obligations	5,544	4,489	5,587
Income tax and social contributions payable	4	906	6
Cashback	7,983	4,990	7,983
Leases payable	209	1,449	209
Minimum dividends	4,686	-	4,686
Other liabilities	36	102	36
Total current liabilities	19,134	12,236	19,180
Non-current liabilities			
Leases payable	-	1,275	-
Cashback	538	1,407	538
Total non-current liabilities	538	2,682	538
Shareholders' Equity			
Capital stock	344,678	10,000	344,678
Capital reserve	7,049	24,532	7,049
Legal Reserve	986	-	986
Profit reserve	2,419	-	2,419
Accumulated losses	-	(11,638)	-
Shareholders' equity of controlling shareholders	355,132	22,894	355,132
Shareholders' equity of non-controlling shareholders	-	-	2,352
Total shareholders' equity	355,132	22,894	357,484
Total liabilities and shareholders' equity	374,804	37,812	377,202

Cash Flow Statement

Fiscal years ended on December 31, 2020 and 2019

(R\$ thousand)

	Parent Company		Consolidated
	12/31/2020	12/31/2019	12/31/2020
Operating activities			
Income for the period before income taxes	28,324	8,310	28,227
Adjustments for			
Depreciation and Amortization	1,769	1,972	1,769
Gain/Losses with the sale of property, plant and equipment	7	1,107	7
Net earnings and interest	1,066	224	1,066
Allowance for doubtful accounts	252	15	252
Equity income	103		-
Other	534	-	534
Adjusted net income	32,055	11,628	31,855
Changes in assets and liabilities:			
Trade accounts receivable	(7,366)	(6,299)	(7,366)
Recoverable taxes	(749)	407	(750)
Other assets	(1,835)	(632)	(1,858)
Suppliers	372	20	373
Tax and labor obligations	988	1,084	1,031
Cashback	2,124	(3,487)	2,124
Paid Income Tax and Social Contribution	(4,514)	(434)	(4,514)
Other liabilities	(102)	(197)	(102)
Payment of interest on loans and leasing	(965)	(128)	(965)
Net cash from operating activities	20,008	1,962	19,828
Investment activities			
Additions to property, plant and equipment	(1,024)	(1,565)	(1,024)
Receivables from the sale of property, plant and equipment	39	-	39
Acquisition of equity instruments	(2,551)	-	-
Additions to intangible assets	(121)	(136)	(776)
Temporary investments	(4,000)	-	(4,000)
Net cash used in investment activities	(7,657)	(1,701)	(5,761)
Financing activities			
Payment of loans and leasing	(13,931)	(1,364)	(13,931)
Loans and financing	13,000	-	13,000
Paid-in capital	334,678		334,678
Gross cost with Shareholders' Equity funding	(26,490)	-	(26,490)
Related parties	(125)	(43)	(62)
Net cash from (used in) financing activities	307,096	(1,407)	307,159
Net changes in cash and cash equivalents	319,447	(1,146)	321,226
Cash and cash equivalents			
At the beginning of the period	9,981	11,127	9,981
At the end of the period	329,428	9,981	331,207
Net changes in cash and cash equivalents	319,447	(1,146)	321,226

For further information and details on the results presented above, please check our ITR and audited Financial Statements, available on our Investor Relations website: ri.meliuz.com.br.

