

MOSAICO TECNOLOGIA AO CONSUMIDOR S.A.
Rua Visconde de Caravelas, No. 14, 2nd floor, Botafogo
Zip Code 22.271-022, Rio de Janeiro, RJ
Brazilian Taxpayers' Number (CNPJ):09.083.175/0001-84
Publicly Held Company

MATERIAL FACT

Combination of Businesses of Banco Pan S.A and Mosaico Tecnologia ao Consumidor S.A.

Mosaico Tecnologia ao Consumidor S.A. ("Mosaico" or "Company"), in compliance with the provisions of paragraph 4 of article 157 of Law No. 6.404, of December 15, 1976, as amended ("Brazilian Corporations Law") and as provided in the Brazilian Securities Commission ("CVM") Rules No. 44/2021 and 565/2015, as amended, in addition to the information contained in the material fact disclosed by the Company on October 03, 2021, which informed about the business combination between the Company and Banco Pan S.A. ("Banco Pan" and, together with Mosaico, "Companies") ("Transaction"), formalized through the execution, on the same date, of the Association Agreement and Other Covenants ("Association Agreement"), hereby informs the shareholders and the market in general that, on this date, its Board of Directors approved, at a meeting, (i) to ratify the execution of the *Protocol and Justification of the Merger of Shares Issued by Mosaico Tecnologia ao Consumidor S.A. by Banco Pan S.A.* ("Protocol" and "Merger of Shares"), by means of which the terms and conditions for the Transaction were established, (ii) the management proposal to the extraordinary general meeting that will resolve on the Transaction ("Merger Meeting"); and (iii) the calling of the Merger Meeting to be held on December 1st, 2021, at 10:00, pursuant to the calling documents which will be disclosed on this date.

The terms and conditions of the Transaction, described below, are contained in the Protocol, submitted together with the appraisal report and other relevant documents to the board of directors of the Company, and signed by the management of the Companies, and will be submitted to the resolution of the extraordinary general meetings of both Companies, which will happen on the same date.

Terms that are not defined in this material fact shall have the meaning ascribed to them in the Protocol.

Main Terms of the Transaction

The main terms of the Transaction, which comprise the Merger of Shares of Mosaico, pursuant to the terms and conditions provided in the Protocol are described below:

1. IDENTIFICATION AND ACTIVITIES DEVELOPED BY THE COMPANIES INVOLVED IN THE TRANSACTION

- (i) **BANCO PAN S.A.**, publicly-held company listed on Level 1 of B3 S.A. - Brasil, Bolsa, Balcão ("B3"), headquartered in the City of São Paulo, State of São Paulo, at Avenida

Paulista, No. 1.374, 16th floor, Zip Code 01310-100, enrolled with the Brazilian Taxpayers' Number under No. 59.285.411/0001-13, with its corporate documents filed with JUCESP under NIRE 35.300.012.879, having as its corporate purpose: (a) the practice of active, passive and accessory operations inherent to the respective authorized portfolios (commercial and credit, financing and investments, including foreign exchange); (b) the management of investment portfolios, in accordance with the legal and regulatory provisions in force; and (c) participation as a shareholder or partner in other companies or ventures; and

- (ii) **MOSAICO TECNOLOGIA AO CONSUMIDOR S.A.**, publicly-held company listed on Novo Mercado of B3 headquartered in the City of Rio de Janeiro, State of Rio de Janeiro, at Rua Visconde de Caravelas, No. 14, 2nd floor, Botafogo, Zip Code 22.271-022, enrolled with the Brazilian Taxpayers' Number under No. 09.083.175/0001-84, having as its corporate purpose: (a) the placement and advertising through its own and third-party internet pages, and related services; (b) the intermediation and agency activity services and business in general, except real estate; (c) the provision of vertical portal services on the Internet; (d) the licensing of website services and text, audio and video content for distribution via the internet and related media; (e) the creation, administration and assignment of own or third-party databases; and (f) participation in the capital of other companies, headquartered in Brazil or abroad.

2. PURPOSE OF THE TRANSACTION

The Transaction seeks to expand the offer of products and services to Mosaico and Banco Pan's clients, since Banco Pan planned to add a marketplace to its platform, enhancing client engagement through consumption combined with the offer of credit, while Mosaico, in a complementary way, planned to include the offer of financial products to its clients to also increase engagement.

3. DESCRIPTION OF THE TRANSACTION

The Transaction consists of the integration of the activities of Mosaico and Banco Pan through the merger of all shares issued by Mosaico into Banco Pan, pursuant to article 252 of the Brazilian Corporations Law, so that, as a result, the capital stock of Mosaico becomes 100% (one hundred percent) held by Banco Pan, provided that the consummation of said merger is subject to compliance (or waiver, as the case may be) of the suspensive conditions indicated in the Protocol.

4. MAIN BENEFITS, COSTS AND RISKS OF THE TRANSACTION

From a strategic point of view, the Merger of Shares aims to accelerate the expansion of Banco PAN's product and service offering, adding the marketplace to its clients through a proprietary platform developed by Mosaico, with important competitive differentials, such as: expert content, price comparator, price alert and cashback over the best price of the offered products.

This movement also allows the Company to improve the experience of clients and users by joining their knowledge of financial products and services in the consumption structure. In

addition, the combination of broad client and user bases generates more value in the operation, resulting in cross-sell and engagement.

The Company's management understands that the Transaction will allow the exchange of knowledge and expertise between the companies involved, boosting the development of the brands that make up its portfolio and the consequent increase in revenue. In addition, the Company believes that the integration will allow the capture of synergies between the parties, mainly derived from the reduction of operational, logistical and administrative costs and risks, with significant efficiency gains for the Company.

The Company's management does not foresee relevant risks in the implementation of the Merger of Shares, in addition to the usual risks for this kind of business (market, economic, operational, execution, new business risks, etc.).

There are no relevant costs involved in the Transaction, so the Company estimates that the total costs and expenses, including fees of legal advisors, financial advisors, appraisers and auditors, related to the Transaction, amount to approximately R\$14,640,000,00 (fourteen million, six hundred and forty thousand reais).

5. CALCULATION AND ADJUSTMENTS OF THE EXCHANGE RATIO OF SHARES OF MOSAICO FOR BANCO PAN'S SHARES

Subject to the adjustments provided for in the Association Agreement and Protocol pursuant to the negotiation carried out in good faith and independently between the managements of Banco Pan and Mosaico, the implementation of the Transaction will result in the receipt, by Mosaico's shareholders, for each common share of Mosaico that they own at Closing, of ("Exchange Ratio"):

- (i) 0.8 preferred shares, nominative, book-entry and without par value, issued by Banco Pan ("BPAN4 Shares"), being the totality of the new preferred shares issued by Banco Pan, the "New Shares"; and
- (ii) 1 subscription bonus issued by Banco Pan which exercise is subject to compliance with the Automatic Exercise Condition (defined below), attributed as an additional advantage pursuant to article 77 of the Brazilian Corporations Law, which will jointly grant Mosaico's shareholders the right to subscribe for additional BPAN4 Shares, each subscription bonus being entitled to 0.166667 BPAN4 Share ("Subscription Bonus").

Once they are issued, the New Shares will be entitled to the same rights and advantages attributed to the BPAN4 Shares. The New Shares will not have voting rights and will have (i) priority in the reimbursement of capital in the event of liquidation, without premium; (ii) the right to be sold, under the same conditions assured to the Controlling Shareholder Banco Pan (as defined in the Association Agreement), in the event of sale, directly or indirectly, against payment, of the control of Banco Pan, either through a single operation or successive operations (tag along); and (iii) the right to be sold in a public offering to be carried out by the Controlling Shareholder Banco Pan (as defined in the Association Agreement), in case of cancellation of the registration as a publicly-held company or discontinuity of listing of BPAN4 in

Level 1 of B3 (except if for another listing segment of B3), for its economic value, determined through an appraisal report prepared by an independent and specialized company regarding the decision-making of Banco Pan, its managers and/or controlling shareholders.

The Appraisal Report of Mosaico Shares (defined below), prepared pursuant to articles 8 and 252 of the Brazilian Corporations Law, in the context of the Transaction, will have as base date June 30, 2021 ("Reference Date for Report").

The management of Banco Pan hired **GRANT THORNTON CORPORATE CONSULTORES DE NEGÓCIOS LTDA.**, a limited liability company, headquartered at Av. Engenheiro Luiz Carlos Berrini, No. 105, suite 121, Tower 4, São Paulo, State of São Paulo, Zip code 04571-900 and enrolled with the Brazilian Taxpayers' Number under No. 13.418.712/0001-77 ("Appraisal Company") to carry out the valuation and determine the economic value of the shares issued by Mosaico to be merged into Banco Pan, within the scope of the Merger of Shares ("Appraisal Report of Mosaico Shares"). Appraisal Report of Mosaico Shares is attached as Schedule 5.3 of the Protocol.

The Merger of Shares of Mosaico will result in an increase in the capital stock of Banco Pan in an amount supported by the Appraisal Report of Mosaico Shares.

Pursuant to art. 227, paragraph 1 of the Brazilian Corporations Law, the appointment of Appraisal Company will be submitted for ratification by the general meeting of Banco Pan that resolves on the Merger of Shares of Mosaico.

The Appraisal Company declared (a) that there is no conflict or communion of interests, current or potential, with the management or shareholders of the Companies, or, still, with respect to the Merger of Shares of Mosaico, as the case may be; and (b) the Companies' shareholders or managers have not directed, limited, hindered or performed any acts that have or may have compromised the access, use or knowledge of information, assets, documents or work methodologies relevant to quality of its conclusions. The Appraisal Company was selected for the works considering the wide and notorious experience that it has in the preparation of reports and assessments of this nature.

The managements of Mosaico and Banco Pan also prepared a pro forma financial information of Banco Pan, as if the Transaction had already been implemented, with reference to the base date of June 30, 2021, prepared in accordance with the Brazilian Corporations Law and with the rules of the Brazilian Securities Commission and submitted to reasonable assurance by an independent auditor registered with the Brazilian Securities Commission.

The costs and expenses related to the preparation of the Appraisal Report of Mosaico Shares, as well as the costs and expenses related to the preparation of the pro forma financial statements, will be borne by Banco Pan and by Mosaico in the proportion of 50% (fifty percent) each.

6. CORPORATE APPROVALS

The completion of the Merger of Shares will depend on approval at the extraordinary general meetings of Mosaico and Banco Pan, which will both be called to be held on December 1, 2021.

7. SUBMISSION OF THE TRANSACTION TO THE BRAZILIAN AND FOREIGN AUTHORITIES

The conclusion of the Transaction is subject to approval by the Administrative Council for Economic Defense (CADE) and the Central Bank of Brazil (BACEN), under the terms of the Association Agreement, in compliance with the conditions precedent indicated in the Protocol.

8. CALCULATION OF THE EXCHANGE RATIO PURSUANT TO ARTICLE 264 OF THE BRAZILIAN CORPORATE LAW

Considering that the Exchange Rate used in the Transaction was freely negotiated between the managements of Banco Pan and Mosaico, which are independent parties from each other, the presentation of the exchange ratio based on the net equity value of the shares issued will not be applicable to the Companies involved, evaluated according to the same criteria and on the same date, pursuant to article 264 of the Brazilian Corporations Law, in relation to the Merger of Shares.

9. WITHDRAWAL RIGHT AND REIMBURSE AMOUNT

Pursuant to article 252, paragraph 2 of the Brazilian Corporations Law, all of Mosaico's shareholders will have the right to withdrawal. The right to withdrawal, with the consequent payment of reimbursement, will be ensured to all the shares issued by Mosaico that the shareholder was, evidently, owner since the closing of the trading session on October 1, 2021 and maintained by the shareholder, without interruption, until the date of effective exercise of the right of withdrawal.

The reimbursement amount per share issued by Mosaico to be paid due to the exercise of the right of withdrawal was determined based on Mosaico's net equity, included in the financial statements for the fiscal year ended December 31, 2020, corresponding to R\$0.87 (eighty-seven cents) per share issued by Mosaico.

The payment of the reimbursement amount for the shares issued by Mosaico and the shares issued by Banco Pan will depend on the completion of the Merger of Shares, pursuant to article 230 of the Brazilian Corporations Law.

Further details regarding the exercise of the withdrawal right, including the exercise procedure and the reimbursement amount, will be disclosed in a Notice to Shareholders after the Merger Meeting.

10. OTHER RELEVANT INFORMATION

The applicable documents will be available to the shareholders at Mosaico's headquarters from the date in which the extraordinary general meetings of the Company is called, and on Mosaico's Investor Relations website (<https://ri.mosaico.com.br/>) and on the websites of the Brazilian Securities Commission (<https://www.gov.br>) and B3 SA - Brasil, Bolsa, Balcão (<http://www.b3.com.br>).

The Company will keep its shareholders and the market in general informed with respect to the relevant progress of the matters discussed herein, including under the terms of CVM Instruction No. 565/2015, as amended.

Rio de Janeiro, October 29, 2021.

José Maurício Cascão Pereira
Chief Executive and Investor Relations Officer