

Earnings Presentation

4Q24

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As certain of these measures are estimates of, or objectives targeting, future financial performance ("Estimates"), they are unable to be reconciled to their most directly comparable financial measures calculated in accordance with IFRS. There can be no assurance that the Estimates or the underlying assumptions will be realized, and that actual results of operations or future events will not be materially different from the Estimates. Under no circumstances should the inclusion of the Estimates be regarded as a representation, undertaking, warranty or prediction by the Company, or any other person with respect to the accuracy thereof or the accuracy of the underlying assumptions, or that the Company will achieve or is likely to achieve any particular results.

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2024 - Overdelivering in key guidance metrics

	2024 Guidance	2024 Results	Δ% y/y Guidance	Δ% y/y Results	Comments
GROWTH	MSMB CTPV ¹ (R\$bn)	> 412	> +18%	+15%	+15% +18%
	MSMB TPV² (R\$bn)			+22%	
	Retail Deposits (R\$bn)	> 7.0	8.7	> +14%	+42%
MONETIZATION	Credit Portfolio (R\$bn)	> 0.8	> +2.6x	+3.9x	+2.6x +3.9x
	MSMB Take Rate ³ (%)	> 2.49%	> +4bps	+10bps	+4bps +10bps
EFFICIENCY	Adj Adm Expenses (R\$bn)	< 1.125	< +7%	-6%	-6% +7%
	Adj Net Income (R\$bn)	> 1.9	> +22%	+41%	+22% +41%

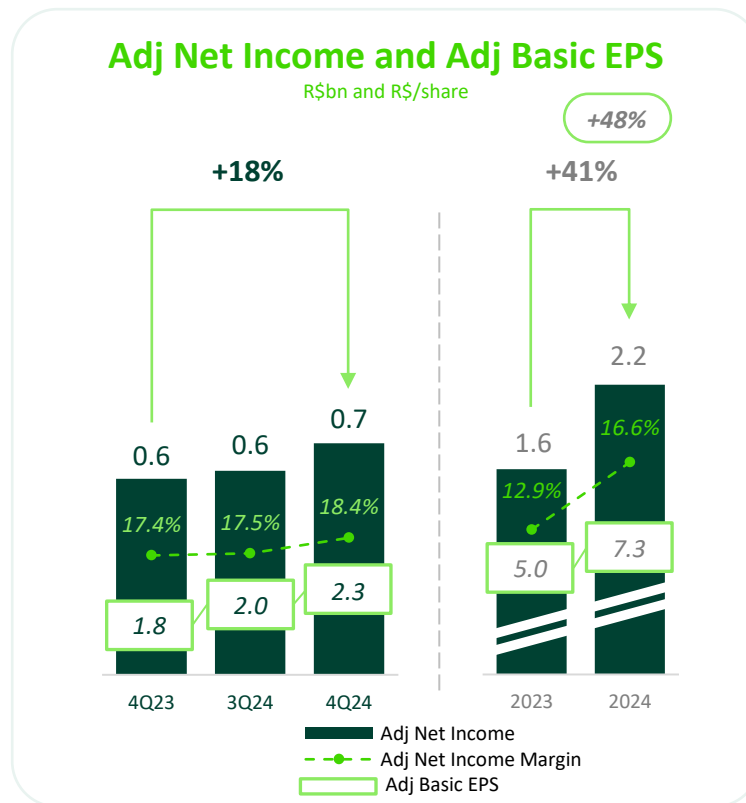
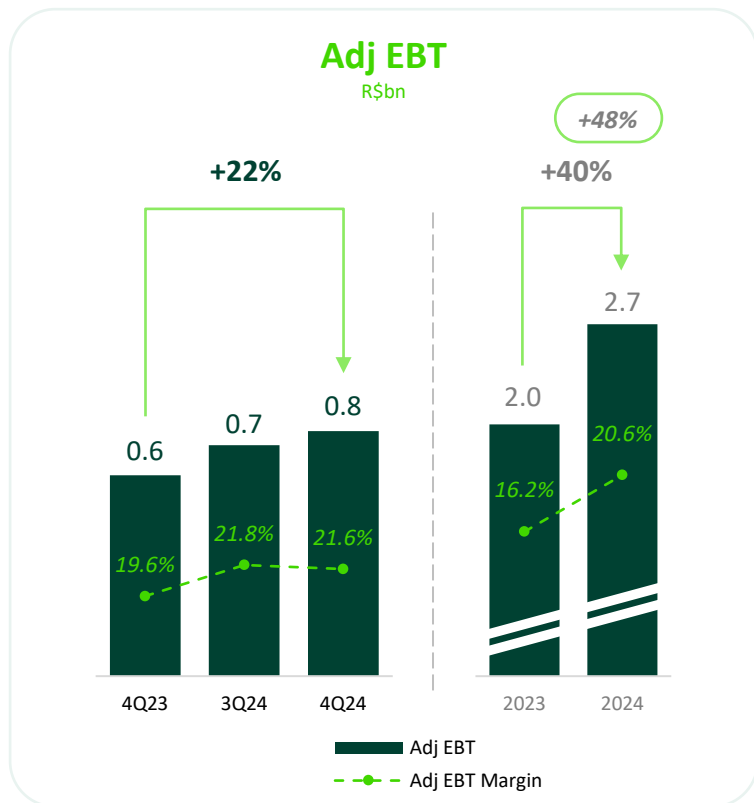
Note 1. MSMB CTPV (Card TPV) consists solely of Card Total Payment Volume and does not include MSMB PIX QR Code volumes.

Note 2. MSMB TPV is the sum of MSMB CTPV and MSMB PIX QR Code volumes.

Note 3. Please refer to our results spreadsheet to get the explanation on how to reconcile reported MSMB Take Rate.

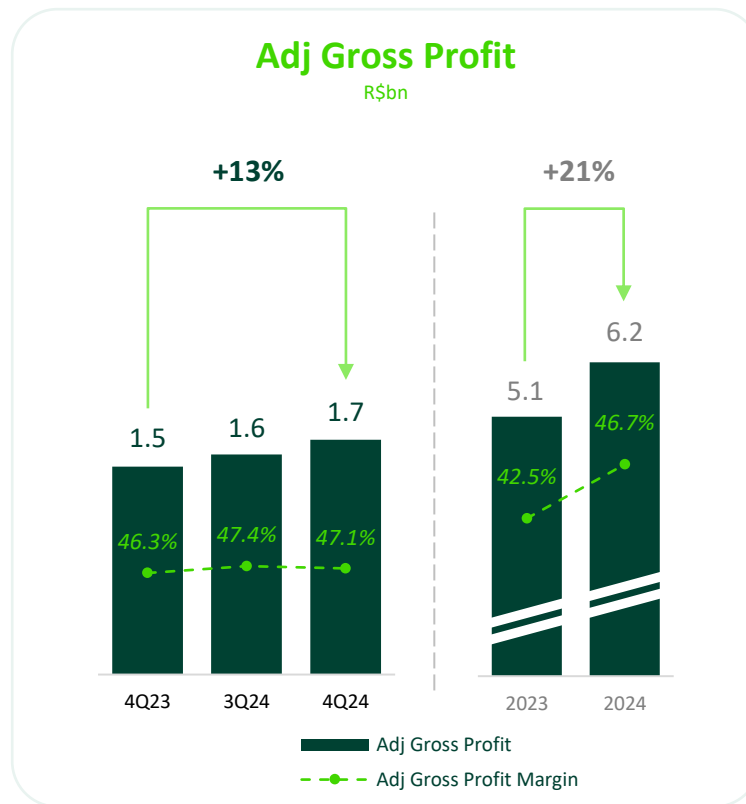
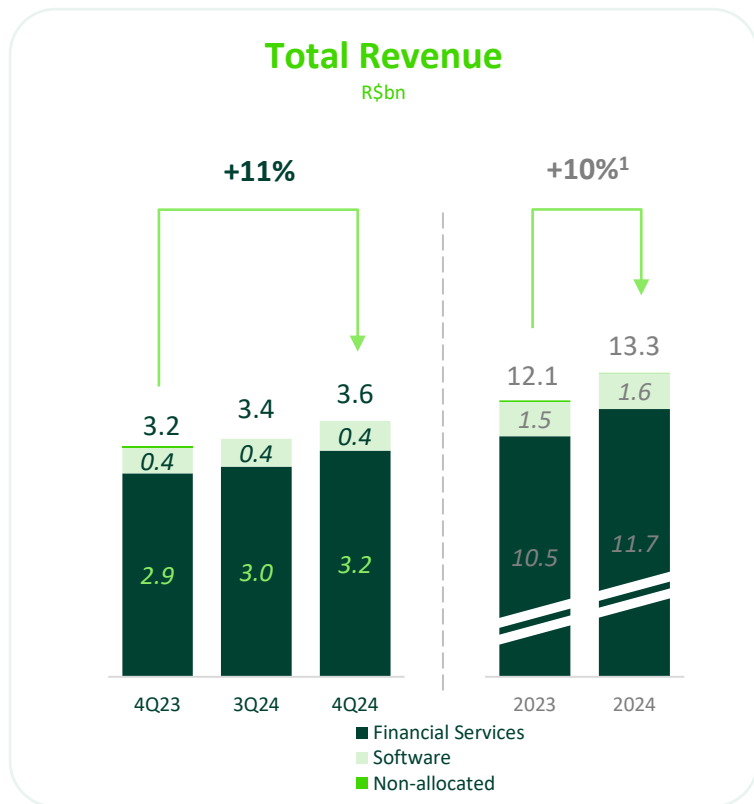
Consolidated Results - Delivering strong outcomes

○ y/y in the previous membership fee policy¹



Note 1. A new internal policy was announced for the recognition of membership fee revenues in 1Q24. Please refer to the Press Release announced on April 16th, 2024 for more details. As a result, in 4Q24, Adjusted EBT was negatively impacted in R\$14.7mn (total impact in 2024 of R\$161.5mn) and Adjusted Net Income was reduced by R\$9.7mn (total impact in 2024 of R\$106.6mn).

Consolidated Results - Growing with efficiency

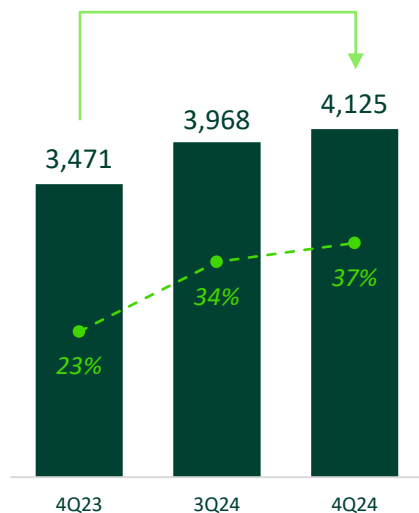


Payments - Consistent growth with higher monetization from MSMB clients

MSMB Client Base

'000

+19%

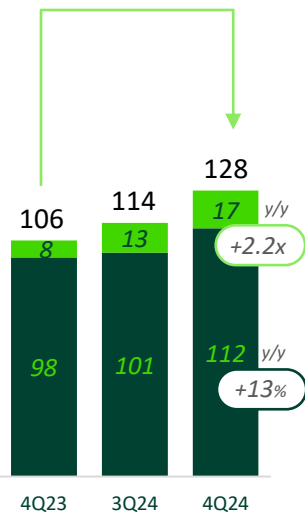


■ MSMB Payments Client Base
 -●- % Heavy Users¹

MSMB TPV

R\$bn

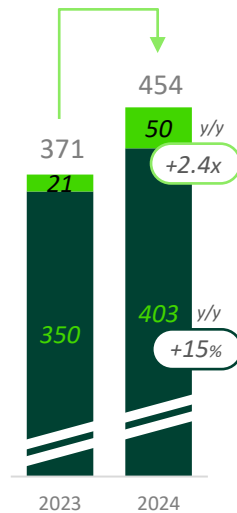
+21%



■ MSMB CTPV

■ MSMB PIX QR Code

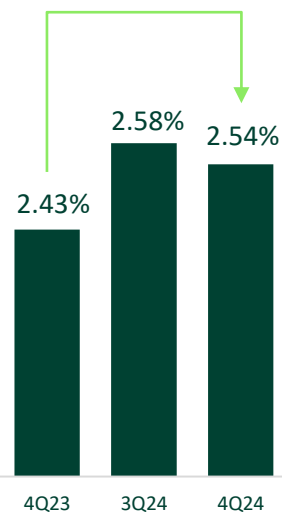
+22%



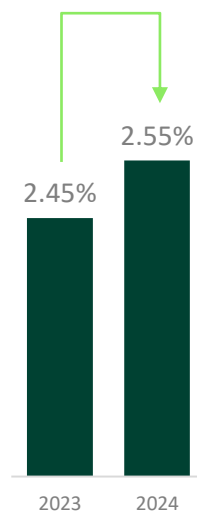
MSMB Take Rate

%

+11bps

■ MSMB Financial Services Take Rate²

+10bps



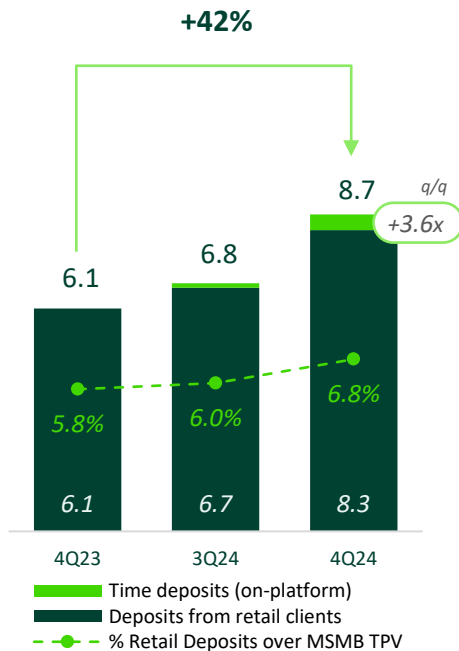
Note 1. Heavy user is a client that uses more than three different products from our Payments, Banking or Credit solutions.

Note 2. MSMB Take Rate does not include MSMB PIX QR Code volumes. Please refer to our results spreadsheet to get the explanation on how to reconcile the Financial Services revenue calculated based on take rate and TPV.

Banking - Enhanced engagement reflected in higher retail deposits levels

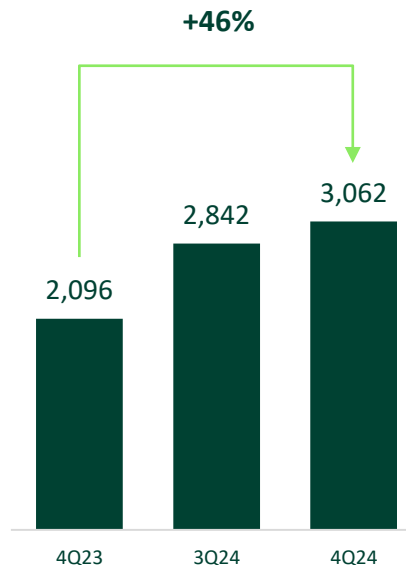
Retail Deposits¹

R\$bn



Banking Active Clients

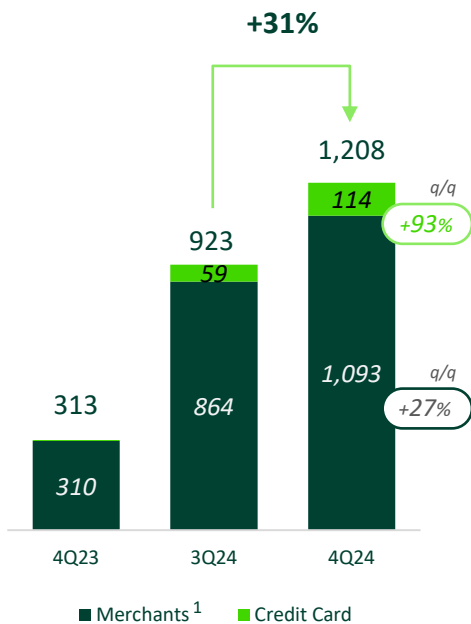
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Credit - Expanding portfolio while maintaining healthy results

Credit Portfolio

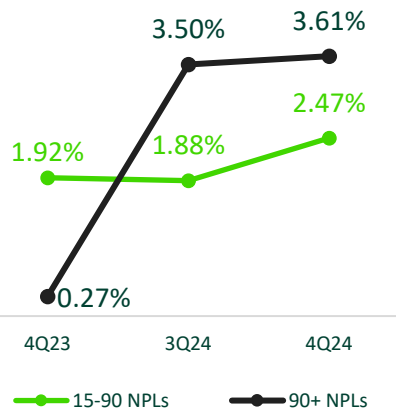
R\$m



NPL²

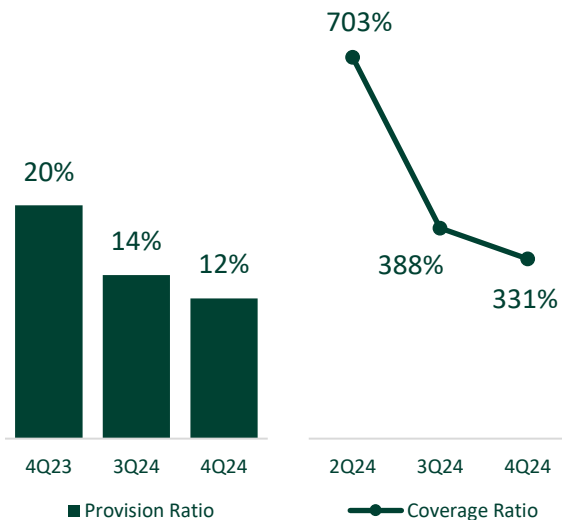
%

Natural outcome of the portfolio maturation process



Provision³ and Coverage Ratios⁴

%



Note 1. Consists of the sum of (i) working capital, and (ii) revolving credit.

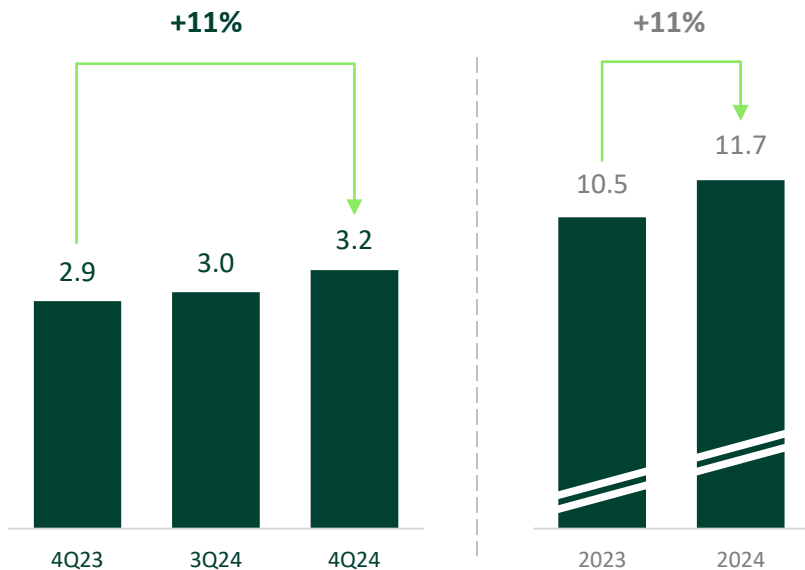
Note 2. Non-Performing Loans (NPL) is the total outstanding of merchant and credit card contracts, measured from the moment a client fails to pay at least one installment within the specified timeframe. More information can be found in Note 6.6.1 of the Financial Statements.

Note 3. Accumulated loan loss provision expenses over the credit portfolio at the end of the period. Note 4. Accumulated loan loss provision expenses over NPL over 90 days.

Financial Services - Revenue growth with strong margin and ROE expansion

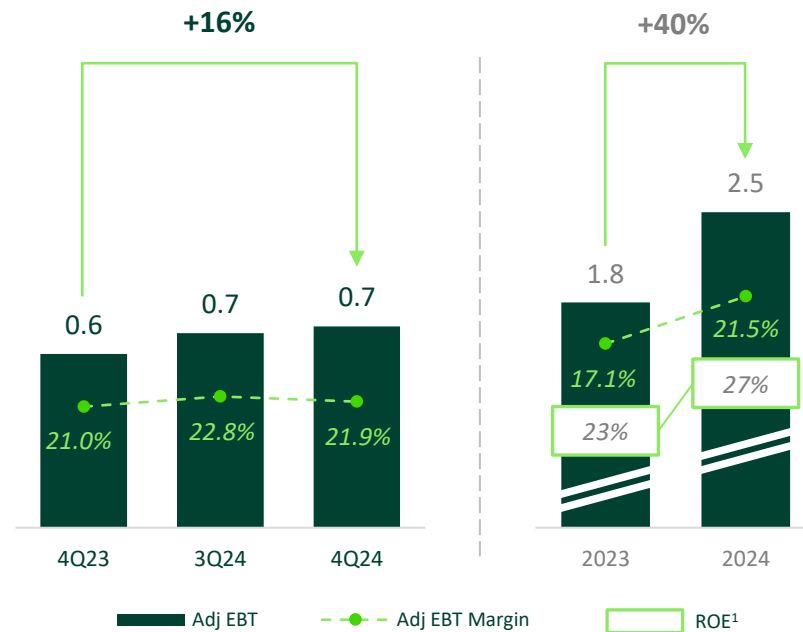
Financial Services Revenue

R\$bn



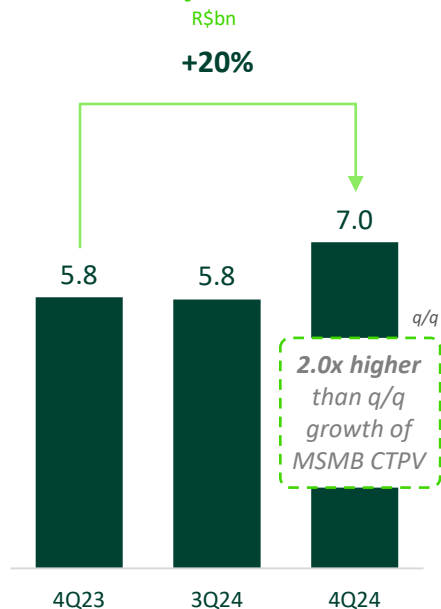
Financial Services Adj EBT

R\$bn

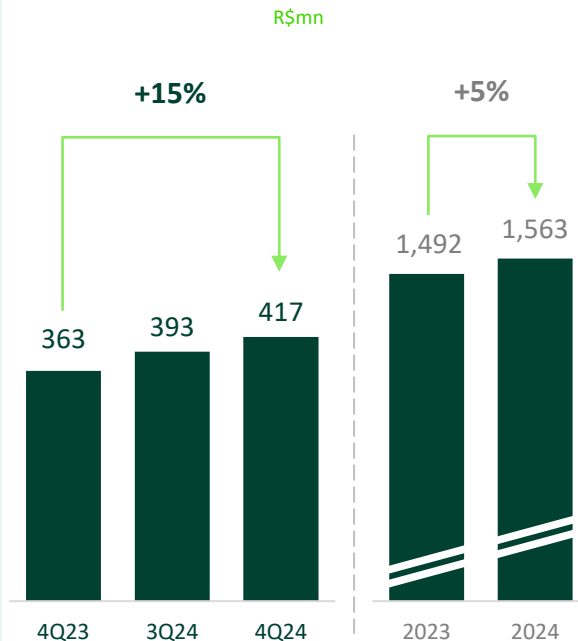


Software - Cross-sell and efficiency initiatives delivering positive results

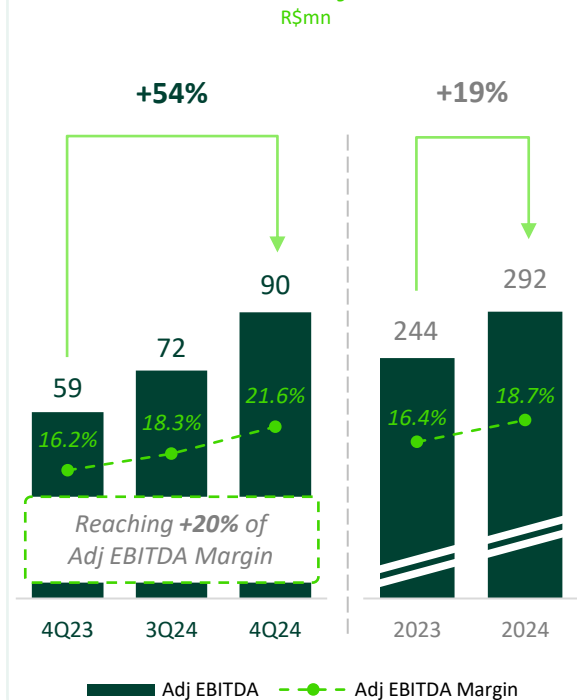
MSMB CTPV Overlap within Priority Verticals



Software Revenue



Software Adj EBITDA



Annual Impairment Test and Software Update

CONTEXT

- At the **Investor Day** we laid out our software strategy of **cross-selling** financial services to the four **priority verticals** and manage other software assets for efficiency
- As we advanced on the **cross-sell initiatives**, a different approach was developed: rather than leveraging software distribution channels for cross-sell, we are focusing on utilizing **financial services channels instead**
- As a result, a larger share of the **economics** is now recognized within the financial services cash-generating unit
- Additionally, given the recent organic growth trends in software, we have **revised our long-term growth expectations for the segment**

CONSEQUENCES

- Combined with a challenging macro environment, the context outlined led us to record a **goodwill impairment of R\$3.6bn** on the Software Cash-Generating Unit:

Software Segment	R\$bn
Total Equity before Impairment	7.613
Impairment loss¹ (non-cash)	(3.558)
Total Equity after Impairment	4.055

- As part of the ongoing assessment of strategic alternatives for the software asset, we have received and reviewed proposals from several interested parties
- At this time, **none of the proposals received met the intrinsic value of the asset**
- We continue **cross-selling** financial services to our software clients and focusing on **maximizing the value of the asset**

Costs & Expenses

q/q highlights as a % of revenue

- 1 Decreased 130bps mainly with efficiency gains in customer support and logistics, and lower provisions from card issuers, despite higher provision expenses for expected credit losses in the period
- 2 Decreased 10bps due to operational leverage during the period
- 3 Increased 30bps mainly with higher investments in our salespeople, partially offset by lower marketing expenses in the quarter
- 4 Increased 160bps mostly due to higher average CDI in the period from 10.43% in 3Q24 to 11.14% in 4Q24
- 5 Decreased 20bps due to operational leverage during the period
- 6 Decreased 550bps mainly due to gains from subsidiaries abroad subject to different statutory tax rates, and benefits from “Lei do Bem” (Law 11,196/05)

R\$m	Adjusted Costs & Expenses – Consolidated						
	4Q23	1Q24	2Q24	3Q24	4Q24	Δ% y/y	Δ% q/q
Total Revenue	3,248.7	3,084.9	3,205.9	3,357.2	3,609.4	11.1%	7.5%
1 Cost of services	(802.7)	(809.9)	(841.4)	(859.0)	(878.8)	9.5%	2.3%
% of revenue	(24.7%)	(26.3%)	(26.2%)	(25.6%)	(24.3%)	40 bps	130 bps
2 Administrative expenses	(277.3)	(232.0)	(235.2)	(256.3)	(270.6)	(2.4%)	5.6%
% of revenue	(8.5%)	(7.5%)	(7.3%)	(7.6%)	(7.5%)	100 bps	10 bps
3 Selling expenses	(454.0)	(529.7)	(524.9)	(501.8)	(549.1)	20.9%	9.4%
% of revenue	(14.0%)	(17.2%)	(16.4%)	(14.9%)	(15.2%)	(120) bps	(30) bps
4 Financial expenses, net	(941.1)	(889.2)	(849.5)	(905.9)	(1,031.2)	9.6%	13.8%
% of revenue	(29.0%)	(28.8%)	(26.5%)	(27.0%)	(28.6%)	40 bps	(160) bps
5 Other income (expenses), net	(133.7)	(56.7)	(102.3)	(101.4)	(101.7)	(23.9%)	0.3%
% of revenue	(4.1%)	(1.8%)	(3.2%)	(3.0%)	(2.8%)	130 bps	20 bps
6 Effective tax rate (ETR)	11.7%	20.6%	23.8%	20.0%	14.5%	(280) bps	550 bps

Cash Generation

q/q highlights

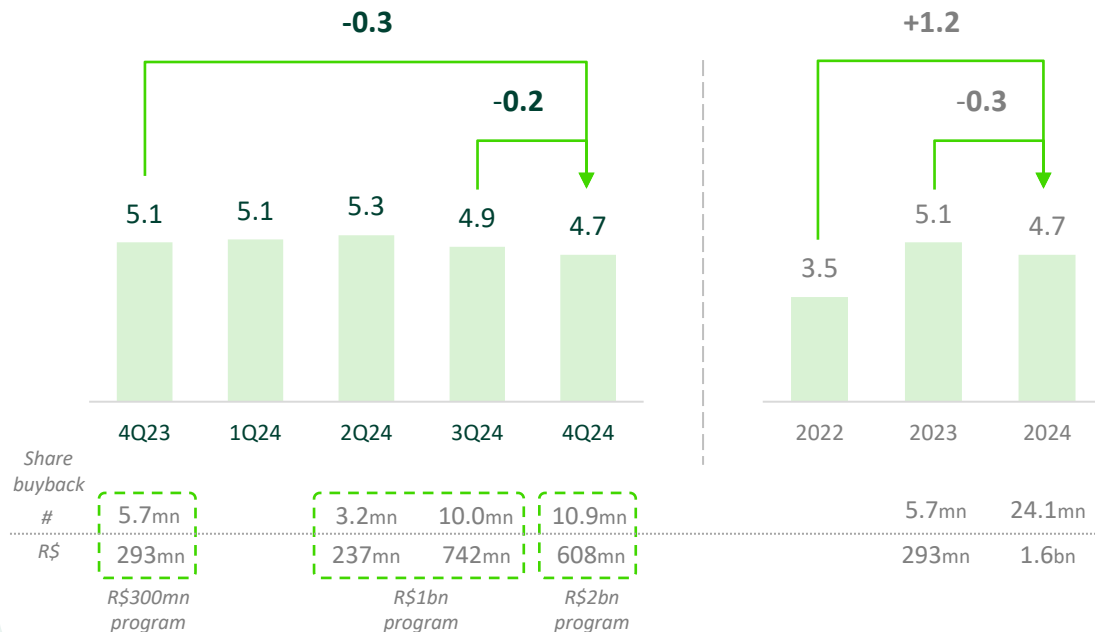
Adjusted net cash position decreased R\$0.2bn q/q (-4.5%) explained by:

- +R\$1,021mn of cash net income¹
- R\$608mn from share buyback
- R\$322mn of capex
- R\$207mn from loans operations portfolio (net of provision expenses for expected credit losses)
- R\$33mn from prepaid expenses
- R\$27mn from labor and social security liabilities
- R\$19mn from M&A expenses
- R\$23mn from other effects

Adj Net Cash Position

R\$bn

Share buyback program continues to be executed with R\$497mn or 9.4mn shares repurchased in January and February/25 as part of our R\$2bn program



Capital Management - Framework to optimize capital allocation

In 2024, we developed a proprietary model based on 3 key pillars. Before returning capital to shareholders, we will prioritize a **strong liquidity position**, maintaining a healthy and conservative asset-liability management approach, ensuring **funding maturities significantly longer than our assets**.

- I. **Minimum Common Equity T1:** we have chosen to uphold a minimum common capital of 20% of risk-weighted assets. We will reassess this threshold in the future;
- II. **Credit Ratings:** our credit metrics are aligned with peers to maintain at least our current global ratings, positioning for an upgrade if Brazil's sovereign rating improves; and
- III. **Positive Adjusted Net Cash Position:** we commit to maintaining a positive net cash position as a key indicator of financial stability.

> R\$3bn

Excess Capital

As of December 2024, net of R\$1.6bn distributed in share buyback during the year

We expect to return this excess capital to shareholders over time, when value accretive growth opportunities are not immediately available

Guidance - How we think about it



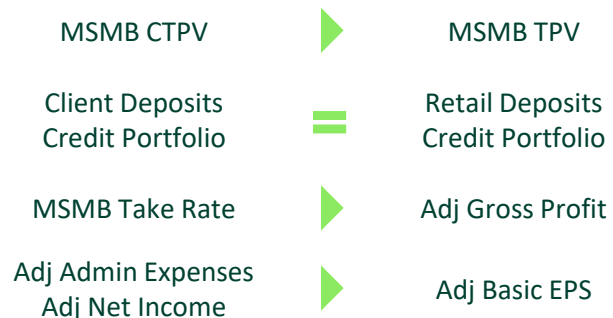
CONTEXT

- At our **Investor Day** in Nov/23, we presented **long-term guidance for 2027**, defining KPIs that allowed investors to track the success of our strategy
- At that moment, we also considered important for investors to track the first step of that journey by guiding the **same metrics for 2024**
- Simplifying our annual guidance** enhances flexibility in how we achieve these targets while ensuring disciplined tracking of key value creation drivers

2025: SHORT-TERM GUIDANCE



2027: LONG-TERM GUIDANCE



2025 Guidance - Short-term



EFFICIENCY / MONETIZATION / GROWTH

2025 Guidance

Δ% y/y

Comments

Adj Gross Profit (R\$b)

> 7.050

+14%

Total Revenue and Income (-) Cost of Services
(-) Financial expenses, net

Adj Basic EPS (R\$/share)

> 8.6

+18%

Considering share buybacks until the end of
February/25

2025 Assumptions¹

Macroeconomic

SELIC Rate
(end of period)
15.0%

StoneCo

Effective Tax Rate
~20%

Basic shares for Adj Basic EPS
(mn on a weighted average basis)
279.5

2027 Guidance - Long-term



EFFICIENCY / MONETIZATION / GROWTH

	2027 Guidance	CAGR 24-27	Comments
MSMB TPV (R\$bn)	> 670	+14%	MSMB TPV, including MSMB PIX QR Code
Retail Deposits (R\$bn)	> 14.0	+17%	Deposits from Retail Clients + Time Deposits
Credit Portfolio (R\$bn)	> 5.5	+66%	Working Capital, Revolving Credit, Credit Card and others
Adj Gross Profit (R\$bn)	> 10.2	+18%	Total Revenue and Income (-) Cost of Services (-) Financial expenses, net
Adj Basic EPS (R\$/share)	> 15.0	+27%	Considering share buybacks until the end of February/25
2027 Assumptions¹			
StoneCo	Effective Tax Rate ~20%		Basic shares for Adj Basic EPS (mn on a weighted average basis) 283.6

Track-record - Exceeding consensus and creating value

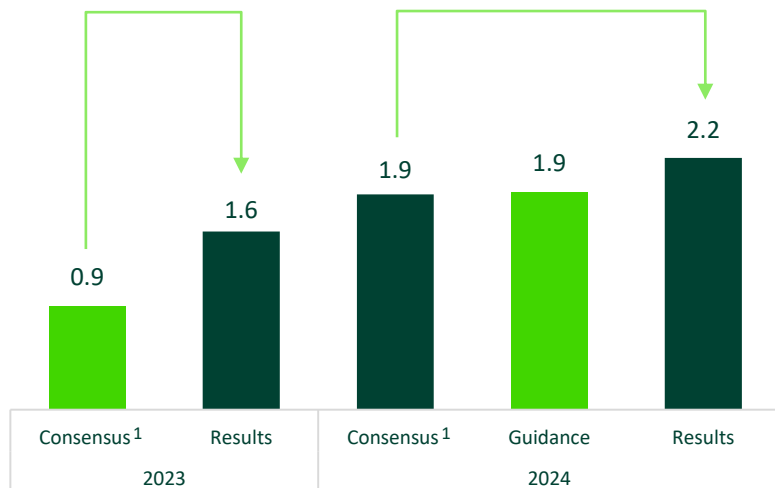
Adj Net Income

R\$bn

Exceeding consensus¹ in the last two years

+72%

+17%

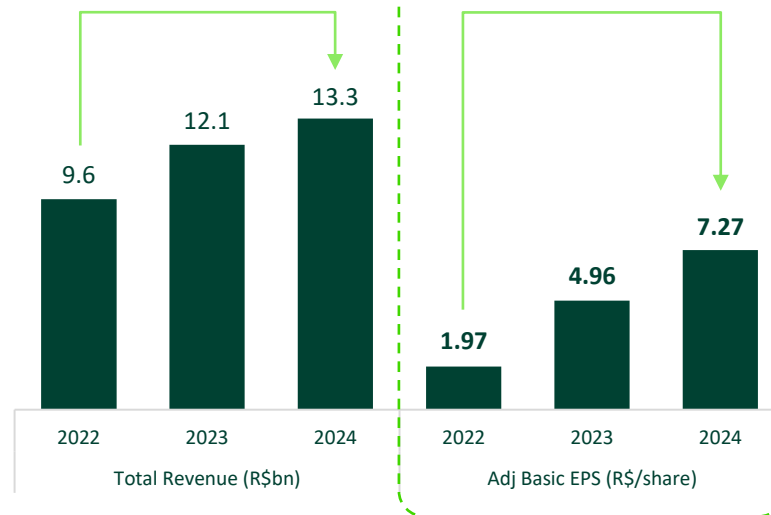


Total Revenue and Adj Basic EPS

R\$bn and R\$/share

+18% CAGR

+92% CAGR



APPENDIX - Summary Statement of Consolidated Profit and Loss

R\$mn	Statement of Profit and Loss					Adjusted Statement of Profit and Loss				
	4Q24	% Rev	4Q23	% Rev	Δ% y/y	4Q24	% Rev	4Q23	% Rev	Δ% y/y
Net revenue from transaction activities and other services	829.8	23.0%	868.1	26.7%	(4.4%)	829.8	23.0%	868.1	26.7%	(4.4%)
Net revenue from subscription services and equipment rental	471.3	13.1%	459.1	14.1%	2.7%	471.3	13.1%	459.1	14.1%	2.7%
Financial income	2,189.6	60.7%	1,770.8	54.5%	23.7%	2,189.6	60.7%	1,770.8	54.5%	23.7%
Other financial income	118.7	3.3%	150.7	4.6%	(21.3%)	118.7	3.3%	150.7	4.6%	(21.3%)
Total revenue and income	3,609.4	100.0%	3,248.7	100.0%	11.1%	3,609.4	100.0%	3,248.7	100.0%	11.1%
Cost of services	(878.8)	(24.3%)	(802.7)	(24.7%)	9.5%	(878.8)	(24.3%)	(802.7)	(24.7%)	9.5%
<i>Cost of services ex. Provision expenses for expected credit losses</i>	<i>(852.2)</i>	<i>(23.6%)</i>	<i>(763.3)</i>	<i>(23.5%)</i>	<i>11.6%</i>	<i>(852.2)</i>	<i>(23.6%)</i>	<i>(763.3)</i>	<i>(23.5%)</i>	<i>11.6%</i>
<i>Provision expenses for expected credit losses ¹</i>	<i>(26.6)</i>	<i>(0.7%)</i>	<i>(39.4)</i>	<i>(1.2%)</i>	<i>(32.5%)</i>	<i>(26.6)</i>	<i>(0.7%)</i>	<i>(39.4)</i>	<i>(1.2%)</i>	<i>(32.5%)</i>
Administrative expenses	(303.3)	(8.4%)	(308.6)	(9.5%)	(1.7%)	(270.6)	(7.5%)	(277.3)	(8.5%)	(2.4%)
Selling expenses	(549.1)	(15.2%)	(454.0)	(14.0%)	20.9%	(549.1)	(15.2%)	(454.0)	(14.0%)	20.9%
Financial expenses, net	(1,035.5)	(28.7%)	(943.1)	(29.0%)	9.8%	(1,031.2)	(28.6%)	(941.1)	(29.0%)	9.6%
Software business goodwill impairment	(3,558.0)	(98.6%)	0.0	0.0%	n.a.	0.0	0.0%	0.0	0.0%	n.a.
Other operating income (expense), net	(108.1)	(3.0%)	(0.3)	(0.0%)	n.m.	(101.7)	(2.8%)	(133.7)	(4.1%)	(23.9%)
Gain (loss) on investment in associates	0.1	0.0%	(1.7)	(0.1%)	n.m.	0.1	0.0%	(1.7)	(0.1%)	n.m.
Profit before income taxes (EBT)	(2,823.3)	(78.2%)	738.2	22.7%	n.m.	778.1	21.6%	638.2	19.6%	21.9%
Income tax and social contribution	(98.6)	(2.7%)	(82.0)	(2.5%)	20.2%	(112.5)	(3.1%)	(74.4)	(2.3%)	51.2%
Net income for the period	(2,921.8)	(80.9%)	656.2	20.2%	n.m.	665.6	18.4%	563.8	17.4%	18.1%

Note 1. From 3Q23 onwards, provision expenses for expected credit losses is allocated in Cost of services. Starting from 4Q24, write-offs are also recognized under Cost of Services.

APPENDIX - Adjusted Net Income Reconciliation and EPS (Non-IFRS)

Net Income Bridge and EPS (R\$m)	4Q24	3Q24	4Q23	Δ% y/y	Δ% q/q	2024	2023	Δ% y/y
Net income (loss) for the period	(2,921.8)	542.9	656.2	n.m.	n.m.	(1,507.1)	1,600.4	n.m.
Amortization of fair value adjustment ¹	35.8	61.3	(15.8)	n.m.	(41.7%)	122.8	92.4	32.9%
Software business goodwill impairment	3,558.0	0.0	0.0	n.a.	n.a.	3,558.0	0.0	n.a.
Mark-to-market on equity securities designated at FVPL	0.0	0.0	0.0	n.a.	n.a.	0.0	(30.6)	(100.0%)
Other expenses ²	7.6	2.0	(84.2)	n.m.	285.0%	67.9	(78.6)	n.m.
Tax effect on adjustments	(13.9)	(19.3)	7.6	n.m.	(28.0%)	(41.6)	(26.1)	59.4%
Adjusted Net income	665.6	586.8	563.8	18.1%	13.4%	2,200.0	1,557.5	41.3%
Weighted Average Basic Number of Shares (mn of shares)	293.1	297.0	310.7	(5.7%)	(1.3%)	301.7	312.6	(3.5%)
Weighted Average Diluted Number of Shares (mn of shares)	293.1	303.6	318.4	(7.9%)	(3.4%)	301.7	319.3	(5.5%)
Adjusted Basic EPS (R\$) ³	2.26	1.97	1.80	25.8%	15.2%	7.27	4.96	46.6%

Note 1. Related to acquisitions. Consists of expenses resulting from the changes of the fair value adjustments as a result of the application of the acquisition method.

Note 2. Consists of the fair value adjustment related to associates call option, earn-out and earn-out interests related to acquisitions, loss of control of subsidiary, and divestment of assets.

Note 3. Calculated as Adjusted Net income attributable to owners of the parent (Adjusted Net Income reduced by Adjusted Net Income attributable to Non-Controlling interest) divided by basic number of shares.

APPENDIX - P&L Adjustments (Non-IFRS)

Statement of Profit & Loss (R\$mn)	4Q24 IFRS	Adjustments	Rationale	4Q24 Adjusted	3Q24 Adjusted	Δ q/q %	4Q23 Adjusted	Δ y/y%
Total revenue and income	3,609.4	-	-	3,609.4	3,357.2	7.5%	3,248.7	11.1%
Cost of services	(878.8)	-	-	(878.8)	(859.0)	2.3%	(802.7)	9.5%
Administrative expenses	(303.3)	32.7	PPA (Purchase Price Allocation) amortization of acquired software companies	(270.6)	(256.3)	5.6%	(277.3)	(2.4%)
Selling expenses	(549.1)	-	-	(549.1)	(501.8)	9.4%	(454.0)	20.9%
Financial expenses, net	(1,035.5)	4.2	R\$3.1mn of financial expenses from fair value adjustments on acquisitions, and R\$1.2mn from earn-out interests on business combinations	(1,031.2)	(905.9)	13.8%	(941.1)	9.6%
Software business goodwill impairment	(3,558.0)	3,558.0	Impairment expenses	0.0	0.0	n.a.	0.0	n.a.
Other income (expenses), net	(108.1)	6.4	R\$6.4mn from divestments of assets and fair value adjustments on acquisitions	(101.7)	(101.4)	0.3%	(133.7)	(23.9%)
Loss on investment in associates	0.1	-	-	0.1	0.4	(64.8%)	(1.7)	n.m.
Profit before income taxes	(2,823.3)	3,601.4	-	778.1	733.2	6.1%	638.2	21.9%
Income tax and social contribution	(98.6)	(13.9)	Taxes related to the adjusted items	(112.5)	(146.4)	(23.2%)	(74.4)	51.2%
Net Income	(2,921.8)	3,587.5	-	665.6	586.8	13.4%	563.8	18.1%
Basic Number of shares (mn of shares)	293.1	-	-	293.1	297.0	(1.3%)	310.7	(5.7%)
Basic EPS (R\$)	(9.98)	-	-	2.26	1.97	15.2%	1.80	25.8%

APPENDIX - Historical Accounting P&L

Statement of Profit or Loss (R\$mn)	4Q24	3Q24	2Q24	1Q24	4Q23	Δ% y/y	2024	2023	Δ% y/y
Net revenue from transaction activities and other services	829.8	828.9	807.5	749.8	868.1	(4.4%)	3,216.0	3,309.8	(2.8%)
Net revenue from subscription services and equipment rental	471.3	465.6	453.3	456.7	459.1	2.7%	1,846.9	1,825.0	1.2%
Financial income	2,189.6	1,918.8	1,826.7	1,741.1	1,770.8	23.7%	7,676.2	6,229.3	23.2%
Other financial income	118.7	143.9	118.4	137.3	150.7	(21.3%)	518.3	691.0	(25.0%)
Total revenue and income	3,609.4	3,357.2	3,205.9	3,084.9	3,248.7	11.1%	13,257.5	12,055.0	10.0%
Cost of services	(878.8)	(859.0)	(841.4)	(809.9)	(802.7)	9.5%	(3,389.1)	(2,982.8)	13.6%
<i>Cost of services ex. Provision expenses for expected credit losses¹</i>	<i>(852.2)</i>	<i>(858.8)</i>	<i>(823.3)</i>	<i>(765.1)</i>	<i>(763.3)</i>	11.6%	<i>(3,299.4)</i>	<i>(2,920.7)</i>	13.0%
<i>Provision expenses for expected credit losses</i>	<i>(26.6)</i>	<i>(0.3)</i>	<i>(18.1)</i>	<i>(44.8)</i>	<i>(39.4)</i>	(32.5%)	<i>(89.8)</i>	<i>(62.1)</i>	44.7%
Administrative expenses	(303.3)	(314.7)	(255.5)	(257.0)	(308.6)	(1.7%)	(1,130.5)	(1,188.9)	(4.9%)
Selling expenses	(549.1)	(501.8)	(524.9)	(529.7)	(454.0)	20.9%	(2,105.5)	(1,698.3)	24.0%
Financial expenses. net	(1,035.5)	(910.5)	(851.1)	(896.5)	(943.1)	9.8%	(3,693.6)	(3,999.5)	(7.6%)
Software business goodwill impairment	(3,558.0)	0.0	0.0	0.0	0.0	n.a.	(3,558.0)	0.0	n.a.
Mark-to-market on equity securities designated at FVPL	0.0	0.0	0.0	0.0	0.0	n.a.	0.0	30.6	(100.0%)
Other operating income (expense), net	(108.1)	(101.6)	(80.9)	(108.1)	(0.3)	n.m.	(398.7)	(241.2)	65.3%
Gain (loss) on investment in associates	0.1	0.4	(0.4)	0.3	(1.7)	n.m.	0.4	(4.2)	n.m.
Profit before income taxes	(2,823.3)	669.9	651.7	484.0	738.2	n.m.	(1,017.6)	1,970.8	n.m.
Income tax and social contribution	(98.6)	(127.0)	(153.4)	(110.4)	(82.0)	20.2%	(489.4)	(370.4)	32.1%
Net income for the period	(2,921.8)	542.9	498.3	373.6	656.2	n.m.	(1,507.1)	1,600.4	n.m.
Adjusted Net Income²	665.6	586.8	497.1	450.4	563.8	18.1%	2,200.0	1,557.5	41.3%

Note 1. From 3Q23 onwards, provision expenses for expected credit losses is allocated in Cost of services. Starting from 4Q24, write-offs are also recognized under Cost of Services.

Note 2. Please refer to our earnings release for adjustments to net income per profit and loss line.

APPENDIX - Glossary of Terms

- **“Active Payments Client Base”**: refers to MSMBs and Key Accounts. Considers clients that have transacted at least once over the preceding 90 days, except for Ton active clients which consider clients that have transacted once in the preceding 12 months. As from 3Q22, does not consider clients that use only TapTon.
- **“Adjusted Net Cash”**: is a non-IFRS financial metric and consists of the following items: (i) Adjusted Cash: Cash and cash equivalents, Short-term investments, Accounts receivable from card issuers, Financial assets from banking solution and Derivative financial instruments; minus (ii) Adjusted Debt: Retail deposits, Accounts payable to clients, Institutional deposits and marketable debt securities, Other debt instruments and Derivative financial instruments.
- **“Banking”**: refers to our digital banking solution and includes insurance products.
- **“Banking Active Clients”**: clients who have transacted at least R\$1 in the past 30 days.
- **“Consolidated Credit Metrics”**: refer to metrics for credit cards and merchants, the latter including the sum of working capital and revolving credit.
- **“CTPV”**: Means Card Total Payment Volume and refers only to transactions settled through cards. Does not include PIX QR Code volumes.
- **“Financial Services” segment**: this segment is comprised of our financial services solutions serving both MSMBs and Key Accounts. Includes mainly our payments, digital banking and credit solutions.
- **“Key Accounts”**: refers to operations in which Pagar.me acts as a fintech infrastructure provider for different types of clients, especially larger ones, such as mature e-commerce and digital platforms, commonly delivering financial services via APIs. It also includes clients that are onboarded through our integrated partners program, regardless of client size.
- **“Membership fees”**: refer to the upfront fee paid by merchants for all Ton offerings and specific ones for Stone when they join our client base. Until December 31, 2023, membership fees revenues were recognized at agreement inception. From January 1, 2024 onwards, the Group recognizes revenues from membership fees deferred through the expected lifetime of the client.
- **“MSMB segment”**: refer to SMBs – small and medium business (online and offline) and micro-merchants, from our Stone, Pagar.me and Ton products. Considers clients that have transacted at least once over the preceding 90 days, except for Ton active clients which consider clients that have transacted once in the preceding 12 months. As from 3Q22, does not consider clients that use only TapTon.
- **“MSMB CTPV Overlap”**: refers to the MSMB CTPV in Software installed base within the priority verticals - Gas Station, Retail, Drugstores, Food and horizontal software.

APPENDIX - Glossary of Terms

- **“Merchants solution (credit)”**: consists of the sum of (i) working capital and (ii) revolving credit.
- **“Non-allocated”**: comprises other smaller businesses which are not allocated in our Financial Services or Software segments. From 2Q24 onwards, revenues in the non-allocated business segment are inexistent, since we divested assets within the segment.
- **“NPL (Non-Performing Loans)”**: is the total outstanding of the contract whenever the clients default on an installment. More information on the total overdue by aging considering only the individual installments can be found in Note 6.6.1 of the Financial Statements.
- **“PIX QR Code”**: includes the volume of PIX QR Code transactions from dynamic POS QR Code and static QR Code from MSMB and Key Accounts merchants, unless otherwise noted.
- **“Provisions ratio”**: calculated as accumulated provisions for expected credit losses divided by the total portfolio amount in the period. Starting in 1Q25, we will no longer follow this metric, and converge to accompany more usual credit metrics.
- **“Revenue”**: refers to Total Revenue and Income net of taxes, interchange fees retained by card issuers and assessment fees paid to payment schemes.
- **“Software” segment**: composed of our Strategic Verticals (Retail, Gas Stations, Food, Drugstores and horizontal software), Enterprise and Other Verticals. The Software segment includes the following solutions: POS/ERP, TEF and QR Code gateways, reconciliation, CRM, OMS, e-commerce platform, engagement tool, ads solution, and marketplace hub.
- **“Take Rate (Key Accounts)”**: managerial metric that considers the sum of revenues from financial services solutions offered to Key Account clients, excluding non-allocated revenues, divided by Key Accounts TPV. From 4Q24 onwards, we are shifting this metric to TPV in the denominator instead of CTPV.
- **“Take Rate (MSMB)”**: managerial metric that considers the sum of revenues from financial services solutions offered to MSMBs, excluding Ton’s membership fee, TAG revenues and other non-allocated revenues, divided by MSMB TPV. From 4Q24 onwards, we are shifting this metric to TPV in the denominator instead of CTPV.
- **“Total Retail Deposits”**: includes deposits from retail clients and time deposits from banking customers, including MSMB and Key Account clients.
- **“TPV”**: Total Payment Volume. Reported TPV figures consider all card volumes settled by StoneCo, including PIX QR Code transactions from dynamic POS QR Code and static QR Code from MSMB and Key Accounts merchants, unless otherwise noted.
- **“Credit Portfolio”**: is gross of provisions for losses, but net of amortizations.



Thank you

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