



cielo

Earnings Release

3Q23



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Presentation

This report presents the economic and financial situation of Cielo S.A – Instituição de Pagamento (B3: CIEL3 and OTC: CIOXY). Intended for market analysts, shareholders, investors, the press, and other stakeholders, this document provides analyses, indicators and information considered relevant for analyzing the performance of Cielo and its subsidiaries. It is released quarterly and presents the results of the third quarter of 2023. This document is not audited and its reading does not replace the reading of the accounting statements of the period and other documents filed with regulatory bodies.

The consolidated financial statements are presented in thousands of reais (R\$ thousand), in accordance with the Chart of Accounts for Institutions of the National Financial System (COSIF) and accounting practices adopted in Brazil. **The tables and charts in this report show values in R\$ million**, except where otherwise indicated. Occasionally, accounting data may be supplemented by operational and/or management information (not audited).

Below are the different perspectives presented in this report:

- **Cielo Brasil:** Managerial presentation that represents the results of the companies Cielo, Stelo, Aliança, Servinet and FIDCs structured by the Company.
- **Cateno:** Managerial presentation that demonstrates the individual result of the subsidiary Cateno.
- **Other Subsidiaries:** Managerial presentation that represents the results of Cielo's other subsidiaries, except for those in the Cielo Brasil and Cateno perspectives. This outlook has lost relevance after the sale of MerchantE in April 2022.
- **Cielo Consolidated:** Presentation that consolidates the results of all the companies that make up the group, according to accounting practices adopted in Brazil.

For purposes of this report, references to consolidated net income always refer to the profit attributable to Cielo shareholders, except where otherwise indicated.

This report is available online, at Cielo's Investor Relations website, where you can find the financial statements as well as more information about the Company, its structure, business, and other information considered relevant to investors. The website is ri.cielo.com.br.

This report may include statements about future events that are subject to risks and uncertainties. Such statements are based on our Management's beliefs and assumptions made to the best of our knowledge and based on information currently available to us. Statements about future events may include information about our intentions, beliefs or current expectations, as well as those of the members of the Board of Directors and Officers of the Company.

Forward-looking statements and information also include information about possible or assumed future operating results, as well as statements that are preceded, followed by or include the words "believes", "may", "will", "continues", "expects", "anticipates", "intends", "plans", "estimates", or similar expressions.

Forward-looking statements and information are not guarantees of performance. They involve risks, uncertainties and assumptions because they refer to future events, and therefore depend on circumstances that may or may not occur. Future results and shareholder value creation may differ significantly from those expressed in or suggested by the forward-looking statements. Many of the factors that will determine these results and values are beyond Cielo's ability to control or predict.

This report may include non-accounting metrics. We draw attention to these metrics. They have been included because Management considers them to be relevant for understanding the business, but are not necessarily subject to the same preparation criteria as the financial statements.

The rates of change and sums in the tables and charts are calculated before rounding.

1. Highlights

CIELO REPORTS RECURRING NET INCOME OF R\$1.4 BILLION ON THE FIRST NINE MONTHS OF 2023, UP 40% COMPARED TO 9M22



Highest Recurring Result for a 3rd Quarter since 2018

Recurring net income reached R\$457 million in 3Q23, up 8% from 3Q22. This is the 9th consecutive quarter of year-over-year growth in recurring net income.



New record in Acquisition of Receivable Revenues ("ARV") in the historical series

ARV revenue grew for the 9th consecutive quarter, reaching R\$442 million in 3Q23, an increase of 59% over 3Q22.

R\$31 billion of anticipated volume by ARV and via the two-day payment method ("RR"), reinforcing the commitment to diversify revenue sources and support retailers in managing their cash flow.



Cateno records second highest cash earnings¹ in history: R\$268 million

Net Income (70%) of R\$200 MM. +10% YoY. Key metrics record the best historical performance for a third quarter.



Efficiency is core for the Company

Cielo Brasil's total normalized expenses decreased 2% compared to 2Q23.



Client at the Center: Material advances in service quality

NPS (Net Promise Score) grew +14 points from July/22 to July/23, in consequence of widespread improvements in operational and service indicators.



Cielo launches Cielo Tap, improvements in ARV and advances in Urban Mobility

The company advances in its transformation program, #PraCimaCielo. In addition to the evolution in operational indicators and in the quality of service, the Company advances in the launch of new solutions. In the quarter, Cielo launched Cielo Tap, a solution that transforms a smartphone into a payment equipment. Cielo also advanced in mobility solutions and once again improved its ARV business processes: customers can now arrange anticipations until 7 pm through PIX.

2. Result by Business Unit

2.1. Net Operating Revenue

Net Revenue (R\$ million)	3Q23	3Q22	Var. %	2Q23	Var. %
Cielo Brasil	1,569.0	1,618.7	-3.1%	1,635.0	-4.0%
Cateno	1,050.0	1,018.0	3.1%	1,007.1	4.3%
Consolidated	2,619.0	2,636.7	-0.7%	2,642.0	-0.9%

- Net Operating Revenue reached R\$2,619.0 million in 3Q23, a decrease of 0.7% compared to the same quarter of the previous year, mainly due to lower volumes in Cielo Brasil, which was partially offset by yield recovery in the two units and volume growth in Cateno.

2.2. EBITDA

EBITDA (R\$ million)	3Q23	3Q22	Var. %	2Q23	Var. %
Cielo Brasil	486.8	539.7	-9.8%	771.8	-36.9%
Cateno	504.8	463.1	9.0%	659.5	-23.5%
Other Subsidiaries	(0.3)	3.3	n/a	(0.7)	-57.1%
Consolidated	991.3	1,006.1	-1.5%	1,430.5	-30.7%
EBITDA Margin	37.9%	38.2%	-0.3pp	54.1%	-16.3pp

- Recurring EBITDA reached R\$991.3 million in 3Q23, slightly lower than in 3Q22, reflecting the lower volume observed at Cielo Brasil. In addition, at Cielo Brasil, there was a reduction in the penetration of automatic anticipation on the SMB and Long Tail segments, impacting EBITDA, which was partially offset by the growth of ARV operations with those customer segments, which benefited the financial result. The observed reduction in relation to 2Q23 mainly refers to the baseline effect, given that, in that period, EBITDA benefited from changes in provisions related to ISS Municipality.

2.3. Financial Result

Financial Result (R\$ million)	3Q23	3Q22	Var. %	2Q23	Var. %
Financial income	67.1	90.1	-25.5%	82.4	-18.6%
Financial expenses	(542.1)	(453.7)	19.5%	(502.6)	7.9%
Anticipation of receivables	442.0	277.6	59.2%	377.9	17.0%
Exchange rate variation, net	(5.0)	(18.4)	-72.8%	(7.0)	-28.6%
Financial Result	(38.0)	(104.4)	-63.6%	(49.3)	-22.9%

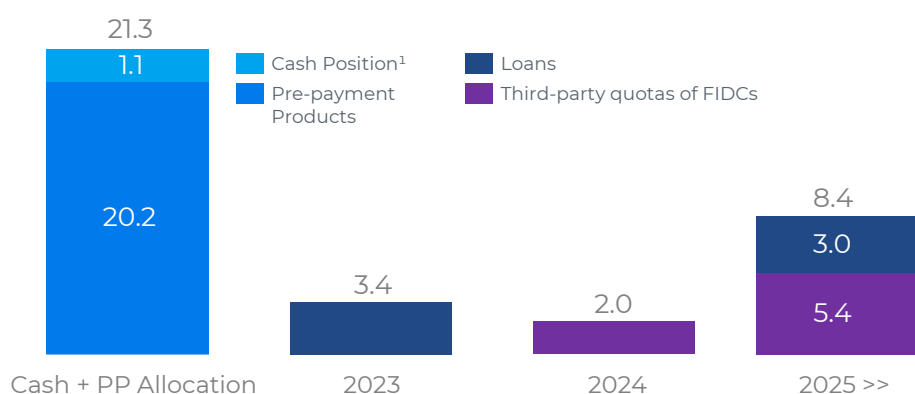
- The consolidated financial result showed significant improvements over 3Q22, mainly reflecting the performance of Cielo Brasil. In the acquiring core, the financial result benefited mainly from the expansion of ARV both in SMB and Long Tail segments, as well as Large Accounts.

2.4. Consolidated Net Income

Net Income (R\$ million)	3Q23	3Q22	Var. %	2Q23	Var. %
Cielo Brasil	256.5	245.6	4.4%	437.0	-41.3%
Cateno	200.2	181.7	10.2%	271.9	-26.4%
Other Subsidiaries	-	(5.7)	n/a	(0.3)	n/a
Consolidated	456.7	421.7	8.3%	708.5	-35.5%
Non-recurring Items - Cielo Brasil	-	-		149.2	
Non-recurring Items - Cateno	-	-		73.4	
Recurring Net Income	456.7	421.7	8.3%	486.0	-6.0%

- Recurring net income totaled R\$456.7 million in 3Q23, an increase of 8.3% over 3Q22, driven by growth in both business units.

2.5. Liquidity and Indebtedness (R\$ billion)



¹The cash position (or total liquidity) presented in this item consolidates 100% of the cash balances and cash equivalents of the subsidiary Cateno.

- As of September 30, 2023, the Company recorded a cash and cash equivalents balance of R\$1,147.1 million, a decrease of R\$2,402.7 million compared to September 30, 2022. The reduction in cash equivalents compared to the same period last of year is mainly explained by the substantial increase in resources allocated to Pre-Payment Products.
- On the closing date of the balance sheet, Cielo recorded total loans and financing of R\$6,414.4 million, a decrease of R\$175.2 million when compared to September 30, 2022. The decrease in total debt compared to the same period of the previous year is explained by the settlement of debts issued abroad ("bonds") related to the acquisition of MerchantE, partially offset by the 6th issuance of Public Debentures.
- In addition to loan operations, Cielo uses funds raised through Credit Rights Investment Funds ("FIDCs") as funding, according to explanatory note 6 of its Intermediate Accounting Information. The shares of FIDCs belonging to third parties make up the Company's liabilities and are recorded in COSIF, under "Non-controlling shareholders" and, under IFRS, under "Obligations with FIDC senior quotas", with the balance with third-party shareholders of the FIDCs being R\$7,371.3 million as of September 30, 2023.

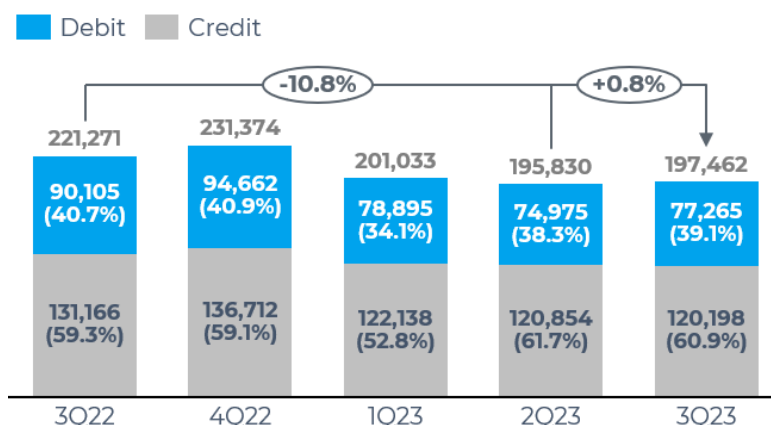
3. Cielo Brasil

3.1. Highlights

- Cielo Brasil's net income reached R\$256.5 million, a 4.4% growth over 3Q22. This is the 6th consecutive quarter of year-over-year growth.
- Net operating revenue decreased 3.1% over 3Q22. Revenue was mainly impacted by lower volumes, which was partially offset by revenue yield growth, which reached 0.79% in 3Q23, 0.06 pp higher than in 3Q22. The main factors that boosted the yield were the profitability actions adopted throughout 2022 and 1Q23, and the behavior of the interchange – impacted by BCB Resolution 246/22, which came into force in April/23.
- Penetration of Pre-Payment Products (RR and ARV) reached 26.0%, with R\$31.2 billion in anticipated volume. Volume grew 5.4% over 3Q22, reinforcing the commitment to diversify revenue sources and to support retailers in managing their cash flow. Allocation on Pre-Payment Products reached R\$20.2 billion.

3.2. Operational Performance

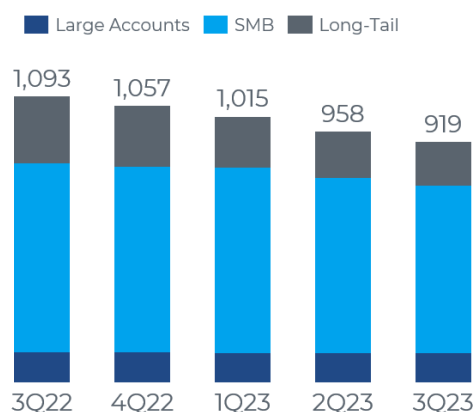
3.2.1 Financial volume (R\$ million)



Financial and transaction volume	3Q23	3Q22	Var. %	2Q23	Var. %
Credit and Debit Cards					
Financial transaction volume (R\$ million)	197,462.1	221,271.4	-10.8%	195,829.9	0.8%
Number of transactions (million)	1,912.0	2,113.8	-9.5%	1,915.4	-0.2%
Credit Cards					
Financial transaction volume (R\$ million)	120,197.6	131,166.3	-8.4%	120,854.4	-0.5%
Number of transactions (million)	827.6	905.0	-8.6%	832.0	-0.5%
Debit Cards					
Financial transaction volume (R\$ million)	77,264.6	90,105.1	-14.3%	74,975.5	3.1%
Number of transactions (million)	1,084.5	1,208.8	-10.3%	1,083.5	0.1%

- The financial volume of transactions captured by Cielo Brasil was R\$197.5 billion in 3Q23, down 10.8% from 3Q22, with an 8.4% reduction in credit card transactions and a 14.3% decrease in debit card transaction volume.

3.2.3 Active Client Base (thousands)



Considering merchants that carried out at least one transaction with Cielo in the last 90 days, the total active base ended 3Q23 at 919k, down 4.1% compared to 2Q23, mainly reflecting the behavior of smaller scope customer segments.

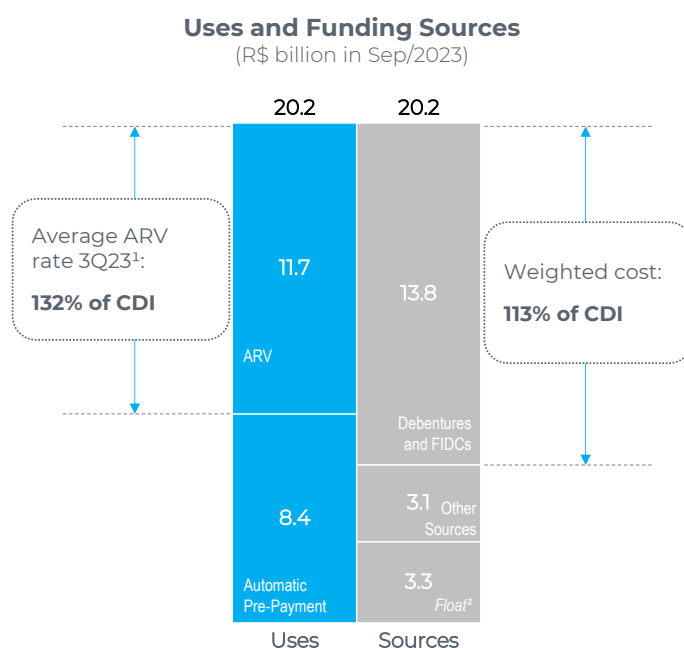
3.2.3 Pre-Payment Products

Pre-Payment Products (R\$ million)	3Q23	3Q22	Var. %	2Q23	Var. %
Credit card captured volume	120,197.6	131,166.3	-8.4%	120,854.4	-0.5%
ARV financial volume	17,539.0	13,577.6	29.2%	17,782.4	-1.4%
% over credit card volume	14.6%	10.4%	4.2pp	14.7%	-0.1pp
Two-day payment financial volume	13,663.2	16,035.6	-14.8%	14,039.7	-2.7%
% over credit card volume	11.4%	12.2%	-0.9pp	11.6%	-0.2pp
Pre-Payment Products - financial volume*	31,202.2	29,613.2	5.4%	31,822.1	-1.9%
% over credit card volume	26.0%	22.6%	3.4pp	26.3%	-0.4pp
SMB and LT (R\$ million)	3Q23	3Q22	Var. %	2Q23	Var. %
Credit card captured volume	35,009.4	36,647.7	-4.5%	34,865.3	0.4%
ARV financial volume	2,299.0	1,899.9	21.0%	2,384.6	-3.6%
% over credit card volume	6.6%	5.2%	1.4pp	6.8%	-0.3pp
Two-day payment financial volume	12,343.7	14,017.2	-11.9%	12,486.5	-1.1%
% over credit card volume	35.3%	38.2%	-3.0pp	35.8%	-0.6pp
Pre-payment products - financial volume*	14,642.7	15,917.0	-8.0%	14,871.1	-1.5%
% over credit card volume	41.8%	43.4%	-1.6pp	42.7%	-0.8pp

*Sums for disclosure purposes only. Includes Cielo's Prepaid Volume: Receba Rápido and ARV (includes advance volume from other payment institutions)

- The table above shows a detailed view of Cielo's operations in Pre-Payment Products. The Company classifies in Pre-Payment Products the different solutions that allow retailers to receive their sales by credit cards within two days.
- **Pre-Payment Products penetration maintenance in 2Q23, the highest level in history:** volume of Pre-Payment Products reached R\$31.2 billion in 3Q23, an increase of 5.4% compared to 3Q22, which demonstrates the Company's successful initiatives to expand its anticipation business. The evolution of ARV stands out, which grew 29.2% compared to the anticipated volumes in 3Q22 and increased penetration by 4.2 pp, leveraged by the operational improvements implemented throughout 2022 and a more favorable market for ARV businesses.
- The balance of allocation on Pre-Payment Products at the end of each quarter, which reached R\$20.2 billion in 3Q23, an increase of 22.3% compared to the same period of the previous year.
- The Company's strategy prioritizes financing of its exposures to *Receba Rápido* with more stable and long-term sources. In this case, although the receivables' are short term, there is contracted recurrence with the customers. In ARV, there is a greater prioritization of the use

of third-party resources, given the characteristics of this business. The figure below shows the uses and sources of financing as of September 2023.



¹ Weighted average of the monthly ARV rate, available at CVM in the monthly FIDC's reports

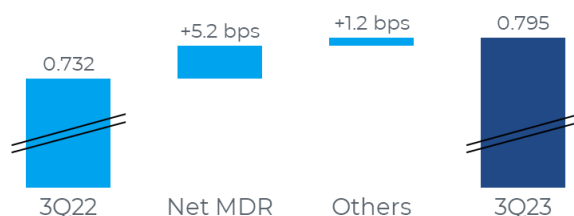
² Float generated by the time difference between the settlement of accounts receivable with issuers and the settlement of accounts payable with merchants. Float allocation is restricted to advance payments in accordance with law no. 14,031/2020

3.3. Financial Performance

3.3.1 Operating Income and Revenue Yield

R\$ million	3Q23	3Q22	Var. %	2Q23	Var. %
TPV	197,462.1	221,271.4	-10.8%	195,829.9	0.8%
Net Revenue	1,569.0	1,618.7	-3.1%	1,635.0	-4.0%
Yield	0.79%	0.73%	0.06pp	0.83%	-0.04pp

- Net revenues reached R\$1,569 million in 3Q23, down 3.1% from 3Q22, mainly explained by lower volumes, which was partially offset by revenue yield growth, which reached 0.79% in 3Q23, 0.06 p.p. higher than in 3Q22. The main factors that boosted the yield were the profitability actions adopted throughout 2022 and 1Q23, and the behavior of the interchange – impacted by BCB Resolution 246/22, which came into force in April/23.
- Revenue yield reached 0.79% in 3Q23, an increase of 0.06 p.p. compared to 3Q22. The expansion in the period reflects the effects explained above and a better product mix. Compared to the previous quarter, there was a decrease in yield, mainly reflecting the renewal of the customer base in the SMB and Long Tail segments, an effect that is enhanced by the Company's focus on increasing the average size of retailers within this segment.



3.3.2 Analysis of Costs and Expenses

3.3.2.1 Cost of Services Rendered

R\$ million	3Q23	3Q22	Var. %	2Q23	Var. %
Costs related to POS	(205.8)	(237.2)	-13.3%	(232.1)	-11.3%
Costs related to transactions	(514.4)	(561.8)	-8.4%	(527.1)	-2.4%
Other costs	(61.7)	(91.7)	-32.8%	(78.4)	-21.4%
Cost of service rendered	(781.9)	(890.8)	-12.2%	(837.7)	-6.7%
Brand fees and services rendered by banks	412.3	454.7	-9.3%	414.2	-0.4%
Tax Credit (PIS / COFINS)	(93.8)	(93.9)	0.0%	(103.8)	-9.6%
Depreciation and amortization	125.8	134.3	-6.3%	132.4	-5.0%
Normalized Cost of service rendered	(337.6)	(395.7)	-14.7%	(394.9)	-14.5%

- The **costs of services provided** decreased by 12.2% compared to 3Q22, reflecting a decrease in all major components. Main variations:
 - **Transaction-related costs** decreased 8.4% year-on-year, mainly reflecting by the lower volumes in the period.
 - **Costs related to POS** decreased 13.3% compared to 3Q22, mainly explained by lower maintenance expenses, due to the discontinuation of some terminal models and efficiency initiatives.
 - **Other costs** fell by 32.8%, mainly due to operational improvement initiatives.

3.3.2.2 Operating Expenses

R\$ million	3Q23	3Q22	Var. %	2Q23	Var. %
Salaries / Wages and benefits	(278.3)	(237.5)	17.2%	(276.9)	0.5%
General and administratives	(77.6)	(68.5)	13.3%	(77.6)	0.0%
Sales and Marketing expenses	(50.1)	(28.6)	75.2%	(36.0)	39.2%
Other operating expenses net	(20.1)	12.1	n/a	232.6	n/a
Depreciation and Amortization	(1.9)	(1.9)	0.0%	(1.9)	0.0%
Operating Expenses	(428.0)	(324.4)	31.9%	(159.8)	167.8%
Non-recurring	-	-		(226.0)	
Normalized Operating Expenses	(428.0)	(324.4)	31.9%	(385.8)	10.9%

- **Operating expenses** registered an increase of 31.9% over 3Q22, reflected by the Company's higher investments – mainly in personnel and marketing expenses – and the behavior of other operating expenses. Main variations:
 - In **personnel expenses**, the observed increase over 3Q22 is mainly due to higher expenses related to the expansion of the commercial team.
 - In **general and administrative expenses**, the increase is mainly related to the Company's transformation program, **#PraCimaCielo!**, with initiatives to improve service and service quality, as well as higher expenses with training and transportation related to commercial expansion.
 - The variation observed in **sales and marketing expenses** in both bases of comparison is due to higher expenses with campaigns, events and website, seeking to leverage the reach of commercial actions and reinforce the Cielo brand, which is Top of Mind in Brazil.
 - **Other Operating Expenses** totaled R\$20.1 million in 3Q23, counter to revenues of R\$12.1 million in 3Q22. This variation is mainly due to the behavior of contingency expenses, which had benefited the basis of comparison in the previous year.

3.3.2.3 Normalized Total Costs and Expenses

R\$ million	3Q23	3Q22	Var. %	2Q23	Var. %
Normalized Cost of service rendered	(337.6)	(395.7)	-14.7%	(394.9)	-14.5%
Normalized Operating Expenses	(428.0)	(324.4)	31.9%	(385.8)	10.9%
Normalized Total Expenses (costs + expenses)	(765.6)	(720.1)	6.3%	(780.7)	-1.9%

- Normalized total expenses, a concept in which variable costs and extraordinary events are segregated, increased by 6.3% compared to 3Q22. This performance is due to inflationary pressure on the cost structure, in addition to investments in operational improvement initiatives, within the #PraCimaCielo, and expansions of the commercial force that occurred in 1Q23 and 3Q23, effects that were partially offset by efficiency actions adopted by the Company.
- It is important to highlight the performance in the quarterly comparison, where the Company recorded a 1.9% decrease in Normalized Expenses while maintaining investments in transformation and commercial expansion.

3.3.3 EBITDA

Recurring EBITDA (R\$ million)	3Q23	3Q22	Var. %	2Q23	Var. %
EBITDA	486.8	539.7	-9.8%	771.8	-36.9%
Non-recurring Items	-	-	n/a	(226.0)	n/a
Recurring EBITDA	486.8	539.7	-9.8%	545.8	-10.8%

- Cielo Brasil's EBITDA fell 9.8% over 3Q22, mainly impacted by lower volumes. In addition, there was a reduction in the penetration of the automatic anticipation of SMB and Long Tail segments, impacting EBITDA, which was partially offset by the growth of ARV operations with this customer segment, which benefited the financial result.

3.3.4 Financial Result

Financial Result (R\$ million)	3Q23	3Q22	Var. %	2Q23	Var. %
Financial Revenues	36.4	48.8	-25.4%	53.4	-31.8%
Financial Expenses	(538.6)	(430.8)	25.0%	(501.0)	7.5%
Acquisition of receivables income, net	442.0	277.6	59.2%	377.9	17.0%
Net exchange variation	(5.0)	(18.4)	-72.8%	(7.0)	-28.6%
Total	(65.2)	(122.8)	-46.9%	(76.7)	-15.0%

- Cielo Brasil's financial result in 3Q23 totaled expenses of R\$65.2 million against R\$122.8 million in 3Q22. The improvement reflects the robust increase in revenues from the acquisition of receivables, an effect that was partially offset by the growth in financial expenses, due to the higher average balance raised between the periods.
- Financial revenues** decreased against 3Q22, reflecting the lower average balance applied, mainly due to the increase of allocation on pre-payment products.
- The increase in **financial expenses** against 3Q22 mainly reflects the increase in the average debt balance between the periods.
- Receivables acquisition revenue** grew significantly compared to 3Q22, reflecting the higher anticipated volume and average rates of operations. The Company has been showing increasing volume in ARV, because of improvements in business processes related to the product

3.3.5 Net Income

- In 2Q23, Cielo Brasil's recurring net income was R\$256.5 million, up 4.4% from 3Q22.
- Cielo Brasil's result was driven by the recovery in yield and better ARV performance.
- It is important to note that part of the financial expenses of the debts contracted by Cielo, when it acquired MerchantE and Cateno, are allocated to Cielo Brasil's results. In the view below, we present Cielo Brasil's recurring result without the cost of such debts. From this managerial point of view, recurring income totals R\$336.2 million, accounting for 74% of the consolidated result.

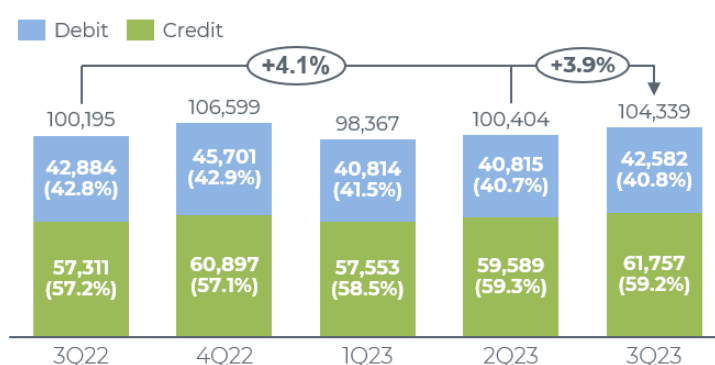
Recurring result adjusted by the cost of acquisition debts					
R\$ million	3Q23	3Q22	Var. %	2Q23	Var. %
Recurring Result - Cielo Brasil	256.5	245.6	4.4%	287.8	-10.9%
Cost of acquisition debt, net	(79.7)	(85.3)	-6.6%	(77.1)	3.3%
<i>Cateno</i>	(79.7)	(81.6)	-2.3%	(77.1)	3.3%
<i>MerchantE</i>	-	(3.7)	-100.0%	-	n/a
Cielo Brasil (-) cost of debt	336.2	330.9	1.6%	365.0	-7.9%

4. Cateno

4.1. Highlights

- Cateno's net income reached R\$286.0 million in 3Q23, up 10.2% from 3Q22, driven by operating leverage, as revenues grew 3.1% and total expenses decreased by 1.5%.
- Net revenue grew 3.1% year-on-year, driven by volume growth and a more favorable product mix, factors that were partially offset by the new debit interchange CAP rules, which came into effect in April 2023.

4.2. Financial volume (R\$ million)



Financial volume (R\$ million)	3Q23	3Q22	Var. %	2Q23	Var. %
Credit volume	61,757.5	57,310.5	7.8%	59,588.5	3.6%
Debit volume	42,582.0	42,884.1	-0.7%	40,815.4	4.3%
Total financial volume	104,339.4	100,194.6	4.1%	100,403.9	3.9%

4.3. Financial Performance

4.3.1 Net Revenue, Costs and Expenses

R\$ million	3Q23	3Q22	Var. %	2Q23	Var. %
Net Revenue	1,050.0	1,018.0	3.1%	1,007.1	4.3%
Cost of service rendered	(590.5)	(577.1)	2.3%	(558.3)	5.8%
Operating Expenses	(51.6)	(74.8)	-31.0%	113.8	n/a
Salaries / Wages and benefits	(27.9)	(22.4)	24.6%	(24.5)	13.9%
General and administratives	(9.4)	(6.6)	42.4%	(12.8)	-26.6%
Other operating expenses net	(14.3)	(45.8)	-68.8%	151.1	n/a
Non-Recurring			n/a	(158.8)	n/a
Recurring Operating Expenses	(51.6)	(74.8)	-31.0%	(45.0)	14.7%

- Net revenue grew 3.1% year-on-year, driven by volume expansion and a more favorable product mix, factors that were partially offset by the new debit interchange CAP rules, which came into effect in April 2023.
- The costs of services rendered, including depreciation and amortization costs, totaled R\$590.5 million in 3Q23, an increase of 2.3% compared to 3Q22, below the growth in volume and revenue.

- **Operating expenses** reached R\$51.6 million, down 31.0% compared to 3Q22, mainly due to lower operating losses and a baseline effect on the expense reimbursement line, given the reversal in 3Q22 of amounts provisioned in this line.

Other operating expenses (R\$ million)	3Q23	3Q22	Var. %	2Q23	Var. %
Operating losses	(16.1)	(29.9)	-45.9%	(20.9)	-22.7%
Reimbursement of expenses	-	(14.4)	n/a	-	n/a
Others	1.8	(1.5)	n/a	172.0	n/a
Other operating expenses, net	(14.3)	(45.8)	-68.8%	151.1	-109.5%
Non-Recurring				(158.8)	
Other Normalized Expenses	(14.3)	(45.8)	-68.8%	(7.7)	85.8%

4.3.2 Financial Result

Financial Income (R\$ million)	3Q23	3Q22	Var. %	2Q23	Var. %
Financial revenue	27.0	29.2	-7.5%	27.5	-1.8%
Financial expenses	(0.1)	(1.8)	-94.4%	(0.5)	-80.0%
Total	26.9	27.4	-1.8%	27.0	-0.4%

- Financial results reached R\$26.9 million in the quarter, a decrease of 1.8% compared to 3Q22, mainly related to the number of working days and the average SELIC between the periods.

4.3.3 Recurring Net Income and Cash Earnings

Cash Earnings (R\$ million)	3Q23	3Q22	Var. %	2Q23	Var. %
Net Income	286,0	259,6	10,2%	388,4	-26,4%
Non recurring			n/a	-104,8	n/a
Recurring Net Income	286,0	259,6	10,2%	283,6	0,8%
Amortization	96,6	96,6	0,0%	96,6	0,0%
Cash Earnings	382,6	356,2	7,4%	380,2	0,6%

- Cateno's net income was R\$286.0 million in 3Q23, which represents an increase of 10.2% when compared to 3Q22.
- From a **cash perspective**, which deducts expenses with amortization of intangible assets related to the right to exploit the Ourocard arrangement, **Cateno's Recurring Net Income in 3Q23** reached R\$382.6 million, as shown in the table above.

5. Exhibits

5.1. 3Q23 Management Performance - COSIF (Unaudited)

Income Statement	Cielo Brasil					Cateno - Accounting value					Other Subsidiaries					Cielo Consolidated					
	3Q23	3Q22	Var. %	2Q23	Var. %	3Q23	3Q22	Var. %	2Q23	Var. %	3Q23	3Q22	Var. %	2Q23	Var. %	3Q23	3Q22	Var. %	2Q23	Var. %	
<i>R\$ million</i>																					
Gross operating revenue	1,781.4	1,833.0	-2.8%	1,855.4	-4.0%	1,180.6	1,126.9	4.8%	1,136.6	3.9%	-	-	n/a	-	n/a	2,962.0	2,959.9	0.1%	2,992.0	-1.0%	
Taxes on services	(212.4)	(214.3)	-0.9%	(220.4)	-3.6%	(130.6)	(108.9)	19.9%	(129.5)	0.8%	-	-	n/a	-	n/a	(343.0)	(323.2)	6.1%	(350.0)	-2.0%	
Net operating revenue	1,569.0	1,618.7	-3.1%	1,635.0	-4.0%	1,050.0	1,018.0	3.1%	1,007.1	4.3%	-	-	n/a	-	n/a	2,619.0	2,636.7	-0.7%	2,642.0	-0.9%	
Total cost + expenses	(1,209.9)	(1,215.2)	-0.4%	(997.5)	21.3%	(642.1)	(651.9)	-1.5%	(444.5)	44.5%	(0.3)	3.3	n/a	(0.7)	-57.1%	(1,852.4)	(1,863.7)	-0.6%	(1,442.7)	28.4%	
Total costs	(781.9)	(890.8)	-12.2%	(837.7)	-6.7%	(590.5)	(577.1)	2.3%	(558.3)	5.8%	-	-	n/a	-	n/a	(1,372.4)	(1,467.8)	-6.5%	(1,396.0)	-1.7%	
Cost of service rendered	(656.1)	(756.5)	-13.3%	(705.3)	-7.0%	(493.9)	(480.5)	2.8%	(461.7)	7.0%	-	-	n/a	-	n/a	(1,150.0)	(1,237.0)	-7.0%	(1,167.0)	-1.5%	
Depreciation and amortization	(125.8)	(134.3)	-6.3%	(132.4)	-5.0%	(96.6)	(96.6)	0.0%	(96.6)	0.0%	-	-	n/a	-	n/a	(222.4)	(230.8)	-3.6%	(229.0)	-2.9%	
Gross income	787.1	727.9	8.1%	797.3	-1.3%	459.5	440.9	4.2%	448.8	2.4%	-	-	n/a	-	n/a	1,246.6	1,168.9	6.6%	1,246.0	0.0%	
Operating expenses	(428.0)	(324.4)	31.9%	(159.8)	167.8%	(51.6)	(74.8)	-31.0%	113.8	n/a	(0.3)	3.3	n/a	(0.7)	-57.1%	(480.0)	(395.9)	21.2%	(46.7)	n/a	
Personnel	(278.3)	(237.5)	17.2%	(276.9)	0.5%	(27.9)	(22.4)	24.6%	(24.5)	13.9%	-	-	n/a	-	n/a	(306.2)	(259.9)	17.8%	(301.4)	1.6%	
General and administratives	(77.6)	(68.5)	13.3%	(77.6)	0.0%	(9.1)	(6.2)	46.8%	(12.5)	-27.2%	(0.3)	(1.0)	-70.0%	(0.8)	-62.5%	(87.0)	(75.7)	14.9%	(90.9)	-4.3%	
Sales and Marketing expenses	(50.1)	(28.6)	75.2%	(36.0)	39.2%	-	-	n/a	-	n/a	-	-	n/a	-	n/a	(50.1)	(28.6)	75.2%	(36.0)	39.2%	
Other operating income (Expenses), net	(20.1)	12.1	n/a	232.6	n/a	(14.3)	(45.8)	-68.8%	151.1	n/a	-	4.3	-100.0%	0.1	-100.0%	(34.4)	(29.4)	17.0%	383.8	n/a	
Depreciation and amortization	(1.9)	(1.9)	0.0%	(1.9)	0.0%	(0.3)	(0.4)	-25.0%	(0.3)	0.0%	-	-	n/a	-	n/a	(2.3)	(2.3)	0.0%	(2.2)	4.5%	
Operating income	359.1	403.5	-11.0%	637.5	-43.7%	407.9	366.1	11.4%	562.6	-27.5%	(0.3)	3.3	n/a	(0.7)	-57.1%	766.6	773.0	-0.8%	1,199.3	-36.1%	
EBITDA	486.8	539.7	-9.8%	771.8	-36.9%	504.8	463.1	9.0%	659.5	-23.5%	(0.3)	3.3	n/a	(0.7)	-57%	991.3	1,006.1	-1.5%	1,430.5	-30.7%	
EBITDA Margin	31.0%	33.3%	-2.3pp	47.2%	-16.2pp	48.1%	45.5%	2.6pp	65.5%	-17.4pp	n/a	n/a	n/a	n/a	n/a	37.9%	38.2%	-0.3pp	54.1%	-16.3pp	
Financial income (costs)	(65.2)	(122.8)	-46.9%	(76.7)	-15.0%	26.9	27.4	-1.8%	27.0	-0.4%	0.3	(9.0)	n/a	0.4	-25.0%	(38.0)	(104.4)	-63.6%	(49.3)	-22.9%	
Financial revenue	36.4	48.8	-25.4%	53.4	-31.8%	27.0	29.2	-7.5%	27.5	-1.8%	3.7	12.1	-69.4%	1.5	146.7%	67.1	90.1	-25.5%	82.4	-18.6%	
Financial expenses	(538.6)	(430.8)	25.0%	(501.0)	7.5%	(0.1)	(1.8)	-94.4%	(0.5)	-80.0%	(3.4)	(21.1)	-83.9%	(1.1)	n/a	(542.1)	(453.7)	19.5%	(502.6)	7.9%	
Purchase of receivables	442.0	277.6	59.2%	377.9	17.0%	-	-	n/a	-	n/a	-	-	n/a	-	n/a	442.0	277.6	59.2%	377.9	17.0%	
Net exchange variation	(5.0)	(18.4)	-72.8%	(7.0)	-28.6%	-	-	n/a	-	n/a	-	-	n/a	-	n/a	(5.0)	(18.4)	-72.8%	(7.0)	-28.6%	
Income before income tax and social contribution	293.9	280.7	4.7%	560.8	-47.6%	434.8	393.5	10.5%	599.6	-26.3%	-	(5.7)	-100.0%	(0.3)	-100.0%	728.6	668.6	9.0%	1,150.0	-36.6%	
Income tax and social contribution	(37.4)	(35.1)	6.6%	(123.8)	-69.8%	(148.8)	(133.9)	11.1%	(201.2)	-26.0%	-	-	n/a	-	n/a	(186.1)	(169.0)	10.1%	(325.0)	-42.7%	
Current	(12.0)	(21.8)	-45.0%	51.2	n/a	(124.9)	(137.6)	-9.2%	(161.8)	-22.8%	-	-	n/a	-	n/a	(136.8)	(159.4)	-14.2%	(110.6)	23.7%	
Deferred	(25.4)	(13.3)	91.0%	(175.0)	-85.5%	(23.9)	3.7	n/a	(39.4)	-39.3%	-	-	n/a	-	n/a	(49.3)	(9.6)	n/a	(214.4)	-77.0%	
Net result	256.5	245.6	4.4%	437.0	-41.3%	286.0	259.6	10.2%	388.4	-26.4%	-	(5.7)	-100.0%	(0.3)	-100.0%	542.5	499.6	8.6%	825.0	-34.2%	
Net margin	16.3%	15.2%	1.2pp	26.7%	-10.4pp	27.2%	25.5%	1.7pp	38.6%	-11.3pp	n/a	n/a	n/a	n/a	n/a	20.7%	18.9%	1.8pp	31.2%	-10.5pp	
Attributed to Cielo	256.5	245.6	4.4%	437.0	-41.3%	200.2	181.7	10.2%	271.9	-26.4%	-	(5.7)	-100.0%	(0.3)	-100.0%	456.7	421.7	8.3%	708.5	-35.5%	
Attributed to Noncontrolling interests	-	-	n/a	-	n/a	85.8	77.9	10.1%	116.5	-26.4%	-	-	n/a	-	n/a	85.8	77.9	10.1%	116.5	-26.4%	



3Q23 Conference Calls

Date: Wednesday, 11/01/2023

Time: 11:30 (Brasília) 10:30 (NY)

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Ticker CIEL3

R\$ 3.51

Market value

R\$ 9.5 billion

Earnings per share

R\$ 0.17

P/E

4.93x

Information current as of 09/29/2023

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