

1Q21 RESULTS

Webcast: 05/07/2021 (Friday) 10:00 a.m. (NYC)

Portuguese (with simultaneous translation)

Telephone: 1-516-3001066

Code: CSU

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São Paulo, May 6, 2021. CSU CardSystem S.A. (CARD3:BZ) (“CSU” or “Company”), a leading company in the Brazilian market in state-of-the-art technological solutions for payment means, customer experience and clients’ loyalty and incentives, announces its results for the first quarter of 2021 (“1Q21”).

EBITDA REACHES A RECORD OF R\$35.8 MILLION (+17.7% VS. 1Q20) WITH NET INCOME OF R\$12.8 MILLION (+37.5% VS. 1Q20)

FINANCIAL HIGHLIGHTS

- Net revenue: Increase to R\$123.6 million in the quarter (+8.4% vs. 1Q20), due to the search for digital solutions in both business units;
- EBITDA margin: Strong evolution in profitability, reaching 29.0% in the quarter (+2.3 p.p. vs. 1Q20), with the expansion in both units;

CSU.CARDSYSTEM UNIT

- Billed cards: Reached 17.7 million at the end of March (+9.0% vs. 1Q20);
- EBITDA: All-time high of R\$28.2 million (+15.1% vs. 1Q20), with a EBITDA margin of 47.4% (+5.8 p.p. vs. 1Q20);

CSU.CONTACT UNIT

- EBITDA: Reached R\$7.6 million (+28.5% vs. 1Q20), with an EBITDA margin of 11.9% (+1.1 p.p. vs. 1Q20);

DIVIDEND DISTRIBUTION

- Interest on own capital: Approval of distribution of R\$2.8 million as IOC for 1Q21 (+24.4% vs. 1Q20).

Main Indicators (R\$ thousand)	1Q21	1Q20	% Var. YoY	4Q20	% Var. QoQ
Net Revenue	123,648	114,086	8.4%	117,509	5.2%
CSU.CardSystem	59,538	58,923	1.0%	57,700	3.2%
CSU.Contact	64,110	55,163	16.2%	59,809	7.2%
Gross Profit	37,655	30,759	22.4%	36,952	1.9%
CSU.CardSystem	27,800	23,690	17.3%	26,596	4.5%
CSU.Contact	9,855	7,069	39.4%	10,356	-4.8%
Gross Margin	30.5%	27.0%	3.5 p.p.	31.4%	-1.0 p.p.
CSU.CardSystem	46.7%	40.2%	6.5 p.p.	46.1%	0.6 p.p.
CSU.Contact	15.4%	12.8%	2.6 p.p.	17.3%	-1.9 p.p.
EBITDA	35,856	30,461	17.7%	35,174	1.9%
CSU.CardSystem	28,213	24,513	15.1%	25,998	8.5%
CSU.Contact	7,643	5,948	28.5%	9,176	-16.7%
EBITDA Margin	29.0%	26.7%	2.3 p.p.	29.9%	-0.9 p.p.
CSU.CardSystem	47.4%	41.6%	5.8 p.p.	45.1%	2.3 p.p.
CSU.Contact	11.9%	10.8%	1.1 p.p.	15.3%	-3.4 p.p.
Net Income	12,805	9,313	37.5%	14,055	-8.9%
Net Margin	10.4%	8.2%	2.2 p.p.	12.0%	-1.6 p.p.

About CSU. Created in 1992, CSU is a leading company in the Brazilian market for providing cutting-edge technological solutions focused on the processing of electronic payment transactions, customer experience and clients’ loyalty and incentive programs. CSU has around 6,000 employees, located in the cities of São Paulo, Barueri, Recife and Belo Horizonte. Acting in a pioneering way, CSU was the first company in its segment to go public on B3 in 2006, becoming part of the highest level of corporate governance, the Novo Mercado segment, under the ticker CARD3.

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MESSAGE FROM MANAGEMENT

In the first quarter of 2021, CSU was effective in major contractual renewals with two regional banks, in winning a fintech of payment means as a new card issuer, in the signing of a new contract with a bank in the client's base for the issuance of payroll cards and expansion of operations at current customers. In addition, the new client of the acquiring platform and the marketplace in the issuing platform, mentioned in 3Q20 but not yet named due to confidentiality, continue to be implemented with completion scheduled for the end of 2Q21. Also, the progress of clients along the path of digital payments was important for establishing this trend of results that started two years ago, with strong profitability witnessed at both business units, benefiting from a business environment seeking cutting edge technological solutions.

In March, we announced an investment of R\$10.0 million in FitBank (fitbank.com.br/en/), a provider of complete payment means infrastructure solutions, authorized by the Central Bank of Brazil as a payment institution and which has J.P. Morgan among its investors. This allowed us to inaugurate a strategy of acquiring stakes in complementary businesses in the Brazilian payment ecosystem, reinforcing the Company's operations with traditional and digital banks, and with other institutions in the most varied segments. In addition to the acquisition of a 4.0% stake in the capital of this fintech, we entered into a long-term commercial agreement for joint business development, the evolution of which is under development.

In April, we announced the long-term licensing of Technisys Core Banking (technisys.com/) as a relevant part of our complete BaaS - Banking as a Service - solution to the market, that will allow us to significantly expand our operations with our clients, assisting in the operation of the entire payment cycle for digital accounts and several other financial products, with implementation planned for the 2nd quarter this year. Over the next five years, we estimate we will allocate resources in excess of R\$150 million in this new business, aiming to capture an important portion of an industry which, according to our projections, may generate around R\$8 billion in business to suppliers in the Brazilian BaaS market.

At **CSU.CardSystem** unit, which operates state-of-the-art technological solutions for payment means, EBITDA reached an all-time high of R\$28.2 million (+15.1% vs. 1Q20) with an EBITDA margin of 47.4% (+5.8 p.p. vs. 1Q20). We have also advanced in the way of processing Elo brand cards, certification for which was recently obtained, and started offering the "No Name Card" product to two clients, for the private label, prepaid, multiple and pure credit formats, providing issuers the opportunity to issue cards without identification of the holder at the time of opening the account. In addition, CSU developed a new option for paying off the credit card invoices at any time using PIX, the Brazilian instant payment scheme launched by CB in Nov-20, with the reestablishment of the limit in the act of the instant payment 24/7.

At MarketSystem, which provides solutions for clients' loyalty and incentives, we improved our OpteMais marketplace, expanding the range of products and services available for redemption, with the completion of the implementation of new commercial partners and others close to completion.

The **CSU.Contact** unit, which offers a complete customer experience - CX solutions, expanded its operations, still with a good part of the headcount in remote work and greater use of service via data (automated, without the use of voice) in the last 2 years, resulting in an expansion in EBITDA to R\$7.6 million (+28.5% vs. 1Q20) with an EBITDA margin of 11.9% (+1.1 p.p. vs. 1Q20). We are pleased to celebrate that our CSU.Contact operation in Recife recently received 2021 GPTW Certification - Great Place to Work® Brazil.

Despite the severe economic impacts resulting from the pandemic, we ended the quarter with net revenue of R\$123.6 million (+8.4% vs. 1Q20), gross profit of R\$37.7 million (+22.4% vs. 1Q20), **record EBITDA of R\$35.8 million (+17.7% vs. 1Q20) and net income of R\$12.8 million (+37.5% vs. 1Q20), all-time high considering first quarters**, and recurring revenue above 98% in the quarter, which demonstrates our resilience and ability to survive and prosper.

In addition, the Company's low debt leverage with net debt of R\$55.8 million at the end of the quarter, coupled with strong profitability from the delivery of consistent results, made it possible to maintain its investments (CAPEX) to R\$9.8 million (-7.5% vs. 1Q20), in technological solutions and in the implantation of new customers, with the purpose of promoting even more assertive tools aiming at the expansion of its economic and financial results. In addition, we approved the distribution of R\$2.8 million to shareholders via Interest on own capital – IOC for 1Q21, to be paid as of 01/14/2022. In April, R\$6.0 million was paid as complementary dividends as approved at the 2021 AGM.

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Finally, we wish to thank our clients, partners and employees, responsible for the high quality of the services we provide. We remain committed to generating value for our investors by focusing on business growth and profitability, with good outlook for this year.

FINANCIAL AND OPERATIONAL PERFORMANCE

Net revenue: Ended 1Q21 at R\$123.6 million **(+8.4% vs. 1Q20)**, against R\$114.1 million in 1Q20, an increase of R\$9.5 million, with growths of R\$8.9 million in the CSU.Contact unit and R\$0.6 million in the CSU.CardSystem unit.

Recurring revenue¹: Reached R\$122.2 million in the quarter **(+7.8% vs. 1Q20)**, representing 98.8% of net revenue (-0.5 p.p. vs. 1Q20), over R\$113.3 million in 1Q20, an increase of R\$8.9 million.

Costs: Totaled to R\$86.0 million in the quarter **(+3.2% vs. 1Q20)**, against R\$83.3 million in 1Q20, up R\$2.7 million, as a result of a R\$6.2 million increase in CSU.Contact and a R\$3.5 million decrease in CSU.CardSystem.

Gross profit: Of R\$37.7 million in 1Q21 **(+22.4% vs. 1Q20)**, versus R\$30.8 million in 1Q20, up R\$6.9 million, as a result of increases of R\$4.1 million in CSU.CardSystem and R\$2.8 million in CSU.Contact.

Gross margin: Reached 30.5% in 1Q21 **(+3.5 p.p. vs. 1Q20)**, against 27.0% in the same period of 2020, with a positive contribution from both units, CSU.CardSystem and CSU.Contact.

Selling, general and administrative expenses (“SG&A”): In this quarter, SG&A expenses, including depreciation and amortization (“D&A”) were R\$17.2 million **(-3.4% vs. 1Q20)** against R\$17.8 million in the same period in 2020, a reduction of R\$0.6 million, of which R\$0.7 million in general and administrative - mainly related to the decrease of R\$0.3 million in other expenses with cleaning and office supplies and R\$0.4 million in legal expenses -, R\$0.1 million in selling expenses and an increase of R\$0.2 million in D&A.

Expenses (R\$ thousand)	1Q21	1Q20	% Var. YoY	4Q20	% Var. QoQ
General and Administrative	(14,693)	(15,364)	-4.4%	(15,164)	-3.1%
Depreciation and Amortization	(2,456)	(2,226)	10.3%	(2,448)	0.3%
Selling	(94)	(251)	-62.5%	(566)	-83.4%
Total Expenses of Sales, General and Adm.	(17,243)	(17,841)	-3.4%	(18,178)	-5.1%
<i>% of net revenue</i>	<i>13.9%</i>	<i>15.6%</i>	<i>-1.7 p.p.</i>	<i>15.5%</i>	<i>-1.5 p.p.</i>

Other operating revenues/expenses: Reached R\$0.3 million **(-88.9% vs. 1Q20)**, over R\$2.4 million in 1Q20, down R\$2.1 million.

EBITDA²: Came to **all-time high of R\$35.8 million** in the quarter **(+17.7% vs. 1Q20)**, versus R\$30.5 million in 1Q20, up R\$5.3 million, as a result of increases of R\$3.7 million in CSU.CardSystem and R\$1.6 million in CSU.Contact.

EBITDA margin: Reached 29.0% in 1Q21 **(+2.3 p.p. vs. 1Q20)**, against 26.7% in the same period of 2020, with growth in both units, CSU.CardSystem and CSU.Contact.

EBITDA Reconciliation (R\$ thousand)	1Q21	1Q20	% Var. YoY	4Q20	% Var. QoQ
Net Income	12,805	9,313	37.5%	14,055	-8.9%
(+) Income Taxes	5,039	3,740	34.7%	4,257	18.4%
(+) Financial Result	2,830	2,221	27.4%	1,973	43.4%
(+) Depreciation and Amortization	15,182	15,187	0.0%	14,889	2.0%
EBITDA	35,856	30,461	17.7%	35,174	1.9%
EBITDA Margin	29.0%	26.7%	2.3 p.p.	29.9%	-0.9 p.p.

¹Recurring revenue is a non-accounting metric that disregards non-current revenue such as service orders related to deployments and others at the CSU.CardSystem division.

²EBITDA: Prepared in accordance with CVM Instruction 527/12, it is a non-accounting measurement consisting of net income for the period, plus taxes on net profit, financial expenses net of financial income, and depreciation and amortization.

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Financial result: In the quarter, it totaled a net expense of R\$2.8 million **(+27.4% vs. 1Q20)** compared to R\$2.2 million in the same period of 2020, higher by R\$0.6 million due to an increase of R\$0.2 million in financial income, with higher gains from financial investments, and a reduction of R\$0.8 million in financial expenses, notably related to the decrease of R\$0.9 million in indexation charges.

Earnings before taxes ("EBT"): Totaled R\$17.8 million **(+36.7% vs. 1Q20)**, against R\$13.1 million in 1Q20, up R\$4.7 million.

Income taxes and social contribution ("IT&SC"): Reached R\$5.0 million **(+34.7% vs. 1Q20)** compared to R\$3.7 million in the same period in 2020, an increase of R\$1.3 million, with growth of R\$2.0 million in current IT&SC and a deferred IT&SC benefit of R\$0.7 million, related to the higher EBT.

Net income: Reached R\$12.8 million in 1Q21 **(+37.5% vs. 1Q20)**, against R\$9.3 million in 1Q20, a substantial increase of R\$3.5 million.

PERFORMANCE BY BUSINESS UNIT

1. CSU.CARDSYSTEM (Payment Means, Clients' Loyalty and Incentives)

Net revenue: Reached R\$59.5 million **(+1.0% vs. 1Q20)**, against R\$58.9 million in the same period of the previous year, an increase of R\$0.6 million. Despite the significant increase in the number of billed cards to 17.7 million (+9.0% vs. 1Q20) and revenues linked to digital services, there was a decrease in revenues related to the sending of letters and invoices, increasing the unit's profitability, detailed in Gross profit and EBITDA below.

Costs: Totaled R\$31.7 million in the quarter **(-9.9% vs. 1Q20)**, 37% of the total, against R\$35.2 million in the same period of last year, a drop of R\$3.5 million, mainly due to a strong reduction of R\$3.4 million (-35.0% vs. 1Q20) in expenses with mailing as paperless invoices progressed, a process that had already started but was accelerated by the pandemic.

Gross profit: Amounted to R\$27.8 million as a result of the explanations above **(+17.3% vs. 1Q20)**, 74% of the total, against R\$23.7 million in the same period of last year, up R\$4.1 million.

Gross margin: Increased to 46.7% in 1Q21 **(+6.5 p.p. vs. 1Q20)** compared to 40.2% in 1Q20.

EBITDA: Came to **all-time high of R\$28.2 million** in the quarter **(+15.1% vs. 1Q20)**, 79% of the total, against R\$24.5 million in the same period of last year, up R\$3.7 million. Growth is explained by the reduction in expenses attributed to this unit and expansion of digital services and wearables with higher margins, replacing traditional services such as sending paper invoices, which have low margins.

EBITDA margin: Reached 47.4% **(+5.8 p.p. vs. 1Q20)** compared to 41.6% in 1Q20. This trend mirrors the Company's focus on products for a more digital world with higher profitability.

Main Indicators (R\$ thousand)	1Q21	1Q20	% Var. YoY	4Q20	% Var. QoQ
Net Revenue	59,538	58,923	1.0%	57,700	3.2%
Costs	(31,738)	(35,233)	-9.9%	(31,104)	2.0%
Gross Profit	27,800	23,690	17.3%	26,596	4.5%
Gross Margin	46.7%	40.2%	6.5 p.p.	46.1%	0.6 p.p.
Expenses	(8,111)	(8,761)	-7.4%	(7,952)	2.0%
Other Operational Revenues/Expenses	(1,185)	(16)	7306.3%	(2,258)	-47.5%
(+) Depr. and Amort.	9,709	9,600	1.1%	9,612	1.0%
EBITDA	28,213	24,513	15.1%	25,998	8.5%
EBITDA Margin	47.4%	41.6%	5.8 p.p.	45.1%	2.3 p.p.

1.1. Operating Performance – CardSystem (Payment Means)

Number of registered cards: We ended 1Q21 with 28.2 million cards registered **(+18.5% vs. 1Q20)**, against 23.8 million in the same quarter of the previous year, an increase of 4.4 million, reflecting the maturity of the contracts signed and the organic growth of the unit, related to the expansion of the payments operations in all clients.

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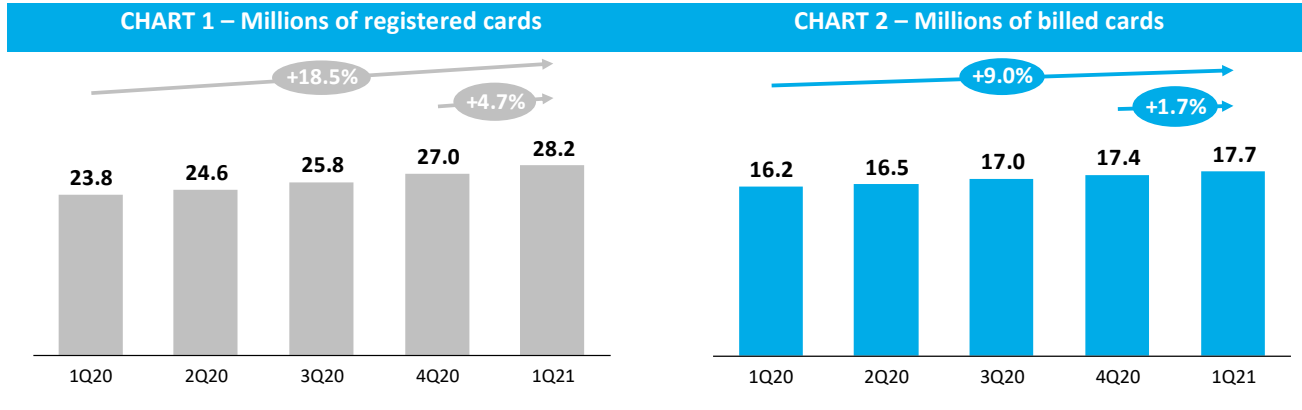
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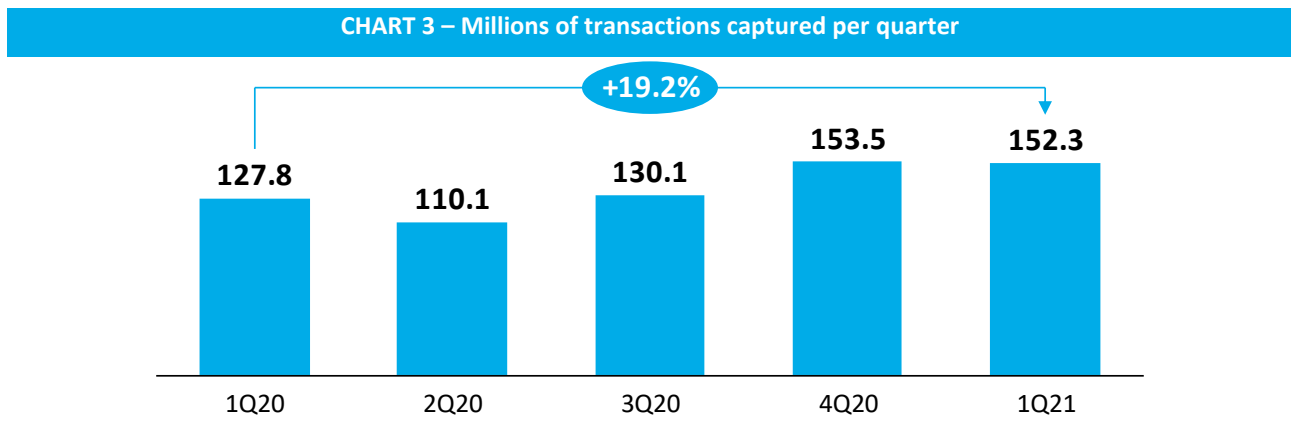
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Number of billed cards: We ended 1Q21 with 17.7 million cards billed (+9.0% vs. 1Q20), against 16.2 million in the same quarter of the previous year, an increase of 1.5 million, related to the expansion of the payments operations for practically all clients.



Number of transactions captured: Amounted to 152.3 million transactions in the quarter (+19.1% vs. 1Q20), against 127.8 million in 1Q20, an increase of 24.5 million, a positive indicator as a business trend related to our card issuing and acquiring clients. The slight reduction of 0.8% in relation to the previous quarter refers to the seasonality effects in the last quarter of each year, notably with the highest number of sales over Black Friday and Christmas. We remind you that this metric has low representation in the unit's total revenue.



1.2. Operational Performance – MarketSystem (Clients' Loyalty and Incentive)

Highlights: At MarketSystem, which integrates this unit with customer loyalty and incentive solutions, we have improved our OpteMais marketplace allowing us to expand the range of products and services available for redemption, with the completion of the implementation of the new commercial partners, such as MegaMamute, DarkSide Books, Artlure, Key Design, Philips Store and, soon, eÓtica, Tok & Stok, Carrefour, Novo Mundo, Movida, Unidas and Primepass. In order to expand the range of segments and experiences available on our marketplace, we are investing in partnerships in the pet, distance learning, mobility and food markets with the activation of vouchers for exchange in Apps such as Uber, Uber Eats and iFood. Access: www.optemais.com.br.

2. CSU.CONTACT (Customer Experience)

Net revenue: Totaled R\$64.1 million in the quarter (+16.2% vs. 1Q20), against R\$55.2 million in the same period last year, up R\$8.9 million, due to an increase of more than a 100 workstations, expansion of contracts with greater complexity in service and through several channels, including chat and robots.

Costs: Amounted to R\$54.3 million in 1Q21 (+12.8% vs. 1Q20), 63% of the total, against R\$48.1 million in the same period of last year, up R\$6.2 million, mainly due to higher personnel costs of R\$5.8 million related to the growth of operations in digital customers.

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Gross profit: Grew substantially, as revenue grew more than costs, with a gross profit of R\$9.9 million (+39.4% vs. 1Q20), 26% of the total, against R\$7.1 million in 1Q20, an increase of R\$2.8 million, efficiently maintaining communication and building/infrastructure costs.

Gross margin: Increased to 15.4% (+2.6 p.p. vs. 1Q20), against 12.8% in 1Q20. A growth in operations at clients and the use of technologies, which made operations more profitable.

EBITDA: Reached R\$7.6 million in the quarter (+28.5% vs. 1Q20), 21% of the total, against R\$6.0 million in the same period of last year, up R\$1.6 million.

EBITDA margin: Closed at 11.9% (+1.1 p.p. vs. 1Q20), versus 10.8% in 1Q20.

Main Indicators (R\$ thousand)	1Q21	1Q20	% Var. YoY	4Q20	% Var. QoQ
Net Revenue	64,110	55,163	16.2%	59,809	7.2%
Costs	(54,255)	(48,094)	12.8%	(49,453)	9.7%
Gross Profit	9,855	7,069	39.4%	10,356	-4.8%
Gross Margin	15.4%	12.8%	2.6 p.p.	17.3%	-1.9 p.p.
Expenses	(7,308)	(7,077)	3.3%	(7,633)	-4.3%
Other Operational Revenues/Expenses (+) Depr. and Amort.	(377) 5,473	369 5,587	- -2.0%	1,176 5,277	- 3.7%
EBITDA	7,643	5,948	28.5%	9,176	-16.7%
EBITDA Margin	11.9%	10.8%	1.1 p.p.	15.3%	-3.4 p.p.

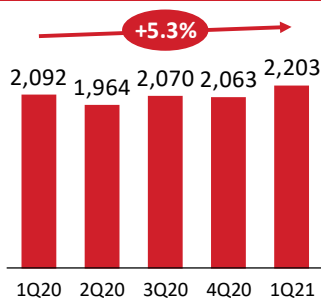
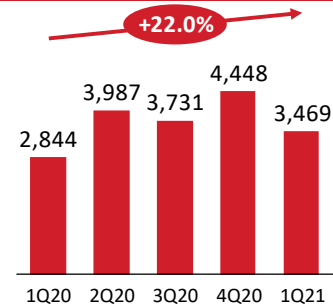
2.1. Operating Performance

Highlights: More than half of the employees were working from home at the end of the quarter. We also focused on greater complexity operations, expanding the use of digital channels without voice (chats, e-mails, social media and robotization) in the last two years and expanded clients operations.

Billed Workstations ("BW's"): We ended the quarter with an average of 2,203 BWs (+5.3% vs. 1Q20), against 2,092 BWs in the same quarter of the previous year, an increase of 111 positions, distributed among several clients, the higher number since 2Q18.

EBITDA/BW: We ended the quarter with R\$3,469 (+22.0% vs. 1Q20) against R\$2,844 in the same quarter of the previous year, an increase of R\$625 due to the focus on more complex operations.

Forms of service: We closed the quarter with an average of 31.8% without voice channels (+17.6 p.p. vs. 1Q19), compared to 14.2% in the same quarter of 2019, due to increased use of digital channels and robotization.

CHART 4 – BWs Average**CHART 5: EBITDA CSU.Contact/BW (R\$)**

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CAPITAL EXPENDITURES (CAPEX)³

Total Capex: In the quarter, the Company invested R\$9.8 million (-7.5% vs 1Q20), against R\$10.6 million in 1Q20, down R\$0.8 million, being a reduction of R\$0.6 million in CSU.Contact, a decline of R\$0.8 million in Corporate and an increase of R\$0.6 million in CSU.CardSystem.

CSU.CardSystem (93% of the total): Reached R\$9.2 million in the quarter (+6.8% vs. 1Q20), against R\$8.6 million in the same period of last year, up R\$0.6 million. The growth was due to the greater volume of customizations and the development of the software used for card processing.

CSU.Contact (3% of the total): Totalled R\$0.3 million in the quarter (-64.8% vs. 1Q20), against R\$0.9 million in 1Q20, down R\$0.6 million, related to the higher volume of investments in operations with new customers that increased service volume at the end of 1Q20.

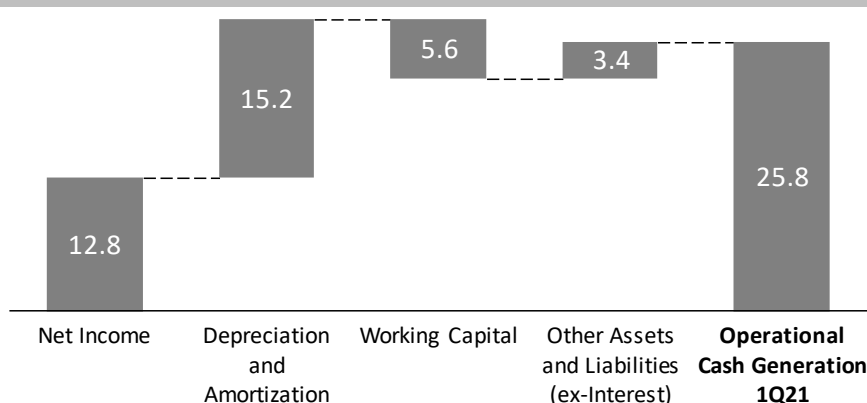
Corporate (4% of the total): In the quarter, was R\$0.3 million (-69.5% vs. 1Q20), against R\$1.1 million in 1Q20, down R\$0.8 million, due to improvement works carried out in 1Q20.

Investments (R\$ thousand)	1Q21	1Q20	% Var. YoY	4Q20	% Var. QoQ
CSU CardSystem	9.180	8.599	6,8%	10.593	-13,3%
CSU Contact	315	896	-64,8%	2.069	-84,8%
Corporate	350	1.147	-69,5%	298	17,4%
Capex	9.845	10.642	-7,5%	12.960	-24,0%
% of Net Revenue	8,0%	9,3%	-1,3 p.p.	11,0%	-3,0 p.p.

CASH GENERATED FROM OPERATION

Operating cash generation reached **R\$25.8 million (vs. R\$25.6 million in 1Q20)**, as a result of net income of R\$12.8 million (vs. R\$9.3 million in 1Q20), D&A of R\$15.2 million (vs. R\$15.2 million in 1Q20), working capital⁴ changes of negative R\$5.6 million (vs. R\$5.4 million in 1Q20) and other changes in assets/liabilities of R\$3.4 million (vs. negative R\$4.4 million in 1Q20).

CHART 6 – Cash Generated from Operation 1Q21



³Capex: Corporate investments mostly reflect investments in technology management platforms, in terms of both software and hardware, and improvements in general. This amount differs from the "Cash Used in Investing Activities" in the Cash Flow Statement due to leases.

⁴ Working capital: It considers the following lines of the Cash Flow Statements: trade receivables, inventories, trade payables and salaries and social charges.

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CAPITAL STRUCTURE⁵

Gross debt: At the end of the quarter, gross debt totaled R\$125.3 million **(+16.8% vs. 1Q20)**, against R\$107.3 million in 1Q20, an increase of R\$18.0 million mainly linked to the higher short and long term “financing and debt loan”, related to the R\$20.0 million funding in 2Q20 within a conservative strategy aimed at protecting cash from the effects of the pandemic. Compared to the R\$133.2 million recorded in the previous quarter **(-5.9% vs. 4Q20)**, gross debt fell R\$7.9 million, mainly due to long-term “lease liabilities”.

Cash and cash equivalents: At the end of the quarter, the balance of cash and cash equivalents totaled R\$69.5 million **(+164.8% vs. 1Q20)** against R\$26.3 million in 1Q20, a big increase of R\$43.2 million that mainly refers to higher operating cash generation in the period. Compared to the R\$83.8 million recorded in the previous quarter, **(-17.0% vs. 4Q20)**, cash and cash equivalents dropped R\$14.3 million, mainly due to an investment of R\$10.0 million in FitBank.

Net debt: At the end of March, the Company had net debt of R\$55.8 million **(-31.2% vs. 1Q20)**, against R\$81.0 million in the same date last year, a significant reduction of R\$25.2 million, mainly due to the increase in the cash position. Compared to the R\$49.4 million recorded in the previous quarter **(+12.9% vs. 4Q20)**, net debt increased R\$6.4 million, due to a decrease in cash and cash equivalents, aforementioned.

Net debt/12M EBITDA: The net debt-to-EBITDA ratio for the last 12 months (“12M”) decreased from 0.7x in 1Q20 to 0.4x in 1Q21, reflecting the strong cash generation in the period. In relation to the last quarter, maintained a comfortably low net debt-to-12M EBITDA ratio of only 0.4x **(vs. 0.4x in 4Q20)**. The Company maintain a conservative management policy for its capital structure, keeping its indebtedness at appropriate levels, particularly to meet the challenges from the pandemic.

Indebtedness (R\$ thousand)	1Q21	1Q20	% Var. YoY	4Q20	% Var. QoQ
Short Term Debt	39,316	34,645	13.5%	39,556	-0.6%
Financing and Debt loan	15,937	8,795	81.2%	14,706	8.4%
Lease liabilities	23,379	25,850	-9.6%	24,850	-5.9%
Long Term Debt	86,018	72,655	18.4%	93,611	-8.1%
Financing and Debt loan	26,823	22,068	21.5%	30,928	-13.3%
Lease liabilities	59,195	50,587	17.0%	62,683	-5.6%
Gross Debt	125,334	107,300	16.8%	133,167	-5.9%
(-) Cash and equivalents	69,551	26,263	164.8%	83,760	-17.0%
Net Debt	55,783	81,037	-31.2%	49,407	12.9%
<i>Net Debt/EBITDA 12M (x)</i>	<i>0.4</i>	<i>0.7</i>	<i>-0.3</i>	<i>0.4</i>	<i>-</i>

CAPITAL MARKETS

The shares of CSU CardSystem S.A. (**CARD3:BZ**) have been traded since the IPO, held in May 2006, on B3's Novo Mercado, the highest level of Corporate Governance in the Brazilian stock market. In addition, the Company is included in the IGC (Special Corporate Governance Stock Index), IGC-NM (Novo Mercado Corporate Governance Equity Index) and ITAG (Special Tag-Along Stock Index) indexes.

Share capital: CSU's capital stock is composed of 41.8 million common shares (ON), of which, on March 31, 2021, 54.8% were held by the Controlling Shareholder, 1.6% were held in Treasury and 43.6% were outstanding shares to be traded in the market (“free float”). At the end of the quarter, the Company did not have any shareholder, except for Controller, with a holding greater than 5%.

Market cap: At the end of the quarter, CARD3 was quoted at R\$17.85, representing a market cap of R\$746.1 million **(+130.3% vs. 1Q20)**, versus R\$324.0 million at the end of 1Q20, an increase of R\$422.1 million. Compared to the previous quarter, R\$630.8 million **(+18.3% vs. 4Q20)**, an increase of R\$115.3 million.

Shareholder breakdown: At the end of the quarter, individuals' free float participation reached 62.2% **(vs. 63.5% in 1Q20 and vs. 57.5% in 4Q20)**, local institutional investors 21.6% **(vs. 21.4% in 1Q20 and vs. 22.9% in 4Q20)** and foreign investors 16.2% **(vs. 15.1% in 1Q20 and vs. 19.6% in 4Q20)**.

⁵ **Capital Structure:** Post-IFRS 16 Data. In addition, at the end of the quarter, the Company had no foreign currency debt and did not use derivative instruments. Cash is invested in committed Bank Deposit Certificates (CDBs) issued by top-tier banks.

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Number of shareholders: At the end of the quarter, there were 17.1 thousand shareholders (+1.4% vs. 1Q20), compared to 16.9 thousand at the end of the same quarter of 2020 and 16.3 thousand (+5.2 vs. 4Q20) at the end of the previous quarter, corresponding to an increase of 0.2 thousand and 0.8 thousand, respectively, mainly due to the expansion of individuals.

Average daily traded volume (ADTV): The average daily traded volume was R\$2.9 million in 1Q21 (-52.5% vs. 1Q20), against R\$6.1 million in the same period of last year, a reduction of R\$3.2 million. Compared to last quarter of R\$3.0 million (-3.3% vs. 4Q20), reduction of R\$0.1 million. ADTV was R\$10.1 million in 2Q21 (through to May 5), reflecting the Company's initiatives to expand share liquidity.

Distributions: Reflecting management's confidence in the growing results trend, in March 2021, the Company announced the approval of distribution of IOC in the gross amount of R\$2.8 million (R\$0.068 per share) for 1Q21 – an advance on the mandatory minimum dividend - based on the shareholding position on March 5, 2021, and payment as of January 14, 2022.

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Statement of income (R\$ thousand)	1Q21	1Q20	% Var. YoY	4Q20	% Var. QoQ
Gross revenue	139,511	129,299	7.9%	132,685	5.1%
CSU.CardSystem	69,549	69,087	0.7%	67,452	3.1%
CSU.Contact	69,962	60,212	16.2%	65,233	7.2%
Deductions	(15,863)	(15,213)	4.3%	(15,176)	4.5%
CSU.CardSystem	(10,011)	(10,164)	-1.5%	(9,752)	2.7%
CSU.Contact	(5,852)	(5,049)	15.9%	(5,424)	7.9%
Net revenue	123,648	114,086	8.4%	117,509	5.2%
CSU.CardSystem	59,538	58,923	1.0%	57,700	3.2%
CSU.Contact	64,110	55,163	16.2%	59,809	7.2%
Costs	(85,993)	(83,327)	3.2%	(80,557)	6.7%
CSU.CardSystem	(31,738)	(35,233)	-9.9%	(31,104)	2.0%
Personnel	(10,635)	(10,428)	2.0%	(10,033)	6.0%
Operational materials	(3,999)	(2,825)	41.6%	(3,030)	32.0%
Mailings of letters and invoices	(6,404)	(9,852)	-35.0%	(6,216)	3.0%
Communication	(547)	(476)	14.9%	(470)	16.4%
Depreciation/amortization	(8,077)	(8,022)	0.7%	(7,962)	1.4%
installations	(1,118)	(1,040)	7.5%	(972)	15.0%
Costs of awards	(742)	(1,067)	-30.5%	(688)	7.8%
Others	(216)	(1,523)	-85.8%	(1,733)	-87.5%
CSU.Contact	(54,255)	(48,094)	12.8%	(49,453)	9.7%
Personnel	(42,701)	(36,909)	15.7%	(38,443)	11.1%
Communication	(754)	(718)	5.0%	(751)	0.4%
Depreciation/amortization	(4,649)	(4,939)	-5.9%	(4,479)	3.8%
Installations	(3,384)	(3,338)	1.4%	(2,928)	15.6%
Other	(2,767)	(2,190)	26.3%	(2,852)	-3.0%
Gross profit	37,655	30,759	22.4%	36,952	1.9%
CSU.CardSystem	27,800	23,690	17.3%	26,596	4.5%
CSU.Contact	9,855	7,069	39.4%	10,356	-4.8%
Gross margin	30.5%	27.0%	3.5 p.p.	31.4%	-1.0 p.p.
CSU.CardSystem	46.7%	40.2%	6.5 p.p.	46.1%	0.6 p.p.
CSU.Contact	15.4%	12.8%	2.6 p.p.	17.3%	-1.9 p.p.
Expenses	(16,981)	(15,485)	9.7%	(16,667)	1.9%
Selling, general & administrative (SG&A)	(17,243)	(17,841)	-3.4%	(18,178)	-5.1%
Selling	(94)	(251)	-62.5%	(566)	-83.4%
General and administrative	(14,693)	(15,364)	-4.4%	(15,164)	-3.1%
Depreciation and amortization	(2,456)	(2,226)	10.3%	(2,448)	0.3%
% Net revenue (SG&A)	13.9%	15.6%	-1.7 p.p.	15.5%	-1.5 p.p.
Other operational revenue/expenses	262	2,356	-88.9%	1,511	-82.7%
Other operational revenue	2,253	2,455	-8.2%	2,472	-8.9%
Other operational expenses	(1,991)	(99)	1911.1%	(961)	107.2%
EBIT	20,674	15,274	35.4%	20,285	1.9%
(+) Depreciation and amortization	15,182	15,187	0.0%	14,889	2.0%
EBITDA	35,856	30,461	17.7%	35,174	1.9%
CSU.CardSystem	28,213	24,513	15.1%	25,998	8.5%
CSU.Contact	7,643	5,948	28.5%	9,176	-16.7%
EBITDA margin	29.0%	26.7%	2.3 p.p.	29.9%	-0.9 p.p.
CSU.CardSystem	47.4%	41.6%	5.8 p.p.	45.1%	2.3 p.p.
CSU.Contact	11.9%	10.8%	1.1 p.p.	15.3%	-3.4 p.p.
Financial result	(2,830)	(2,221)	27.4%	(1,973)	43.4%
Financial revenue	417	205	103.4%	262	59.2%
Financial expenses	(3,247)	(2,426)	33.8%	(2,235)	45.3%
EBT	17,844	13,053	36.7%	18,312	-2.6%
Taxes	(5,039)	(3,740)	34.7%	(4,257)	18.4%
Current	(5,851)	(3,836)	52.5%	(4,978)	17.5%
Deferred	812	96	745.8%	721	12.6%
Net income	12,805	9,313	37.5%	14,055	-8.9%
<i>Net margin</i>	<i>10.4%</i>	<i>8.2%</i>	<i>2.2 p.p.</i>	<i>12.0%</i>	<i>-1.6 p.p.</i>

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ASSET	Balance Sheet (R\$ thousand)				
	03/31/2021	12/31/2020	03/31/2021 vs. 12/31/2020	03/31/2020	03/31/2021 vs. 03/31/2020
Total assets	539,285	539,784	-0.1%	482,738	11.7%
Current assets	154,126	161,354	-4.5%	127,848	20.6%
Cash and cash equivalents	69,551	83,760	-17.0%	26,263	164.8%
Accounts receivable from customers	68,223	59,192	15.3%	79,617	-14.3%
Inventories	4,021	2,512	60.1%	1,975	103.6%
Taxes to be offset	4,851	8,319	-41.7%	14,496	-66.5%
Other current assets	7,480	7,571	-1.2%	5,497	36.1%
Non-current assets	385,159	378,430	1.8%	354,890	8.5%
Long-term receivables	14,671	14,223	3.1%	14,590	0.6%
Taxes to be offset	4,604	4,588	0.3%	4,517	1.9%
Others	10,067	9,635	4.5%	10,073	-0.1%
Investments	10,000	-	n.a	-	n.a
Property, plant and equipment	21,721	23,183	-6.3%	42,604	-49.0%
Property, plant and equipment in use	21,721	23,183	-6.3%	22,231	-2.3%
Intangible assets	244,627	241,752	1.2%	297,696	-17.8%
Computerized systems	218,732	215,857	1.3%	209,269	4.5%
Goodwill (indefinite useful life)	25,895	25,895	0.0%	25,895	0.0%
Right-of-use assets	94,140	99,272	-5.2%	62,532	50.5%

LIABILITY & EQUITY	Balance Sheet (R\$ thousand)				
	03/31/2021	12/31/2020	03/31/2021 vs. 12/31/2020	03/31/2020	03/31/2021 vs. 03/31/2020
Total liabilities	539,285	539,784	-0.1%	482,738	11.7%
Current liabilities	137,214	139,468	-1.6%	131,292	4.5%
Social and labor obligations	48,196	44,458	8.4%	37,711	27.8%
Social charges	8,741	9,893	-11.6%	5,734	52.4%
Labor liabilities	39,455	34,565	14.1%	31,977	23.4%
Trade payables	38,267	36,708	4.2%	50,397	-24.1%
Taxes to be collected	3,720	3,384	9.9%	3,180	17.0%
Federal taxes payable	2,198	1,531	43.6%	1,710	28.5%
Municipal taxes payable	1,514	1,847	-18.0%	1,465	3.3%
State taxes payable	8	6	33.3%	5	60.0%
Loans, financings and leasing liabilities	39,316	39,556	-0.6%	34,645	13.5%
Loans and financings	15,937	14,706	8.4%	8,795	81.2%
Leasing liabilities	23,379	24,850	-5.9%	19,384	20.6%
Other liabilities	7,715	15,362	-49.8%	5,359	44.0%
Non-current liabilities	99,804	108,041	-7.6%	87,024	14.7%
Loans, financings and leasing liabilities	86,018	93,611	-8.1%	72,655	18.4%
Loans and financings	26,823	30,928	-13.3%	22,068	21.5%
Leasing liabilities	59,195	62,683	-5.6%	45,953	28.8%
Others	335	335	0.0%	335	n.a
Deferred income taxes and social contribution	5,967	6,779	-12.0%	7,744	-22.9%
Legal liabilities	7,484	7,316	2.3%	6,290	19.0%
Tax	2,594	2,409	7.7%	1,825	42.1%
Labor	3,274	3,363	-2.6%	3,989	-17.9%
Civil	1,616	1,544	4.7%	476	239.5%
Shareholders' equity	302,267	292,275	3.4%	264,422	14.3%
Paid in capital	169,232	169,232	0.0%	129,232	31.0%
Capital reserves	1,478	1,491	-0.9%	926	59.6%
Profit reserves	127,552	124,410	2.5%	127,201	0.3%
Legal reserve	15,097	15,097	0.0%	12,758	18.3%
Retained profits reserve	115,313	109,313	5.5%	117,371	-1.8%
Treasury shares	- 2,858	- 2,858	0.0%	- 2,928	-2.4%
Retained earnings	4,005	-	n.a	7,063	-43.3%

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Description	Statement of cash flows (R\$ thousand)				
	1Q21	4Q20	1Q20	1Q21 vs. 4Q20	1Q21 vs. 1Q20
Cash from operating activities	25,840	18,285	25,550	41.3%	1.1%
Profit for the period	12,805	14,055	9,313	-8.9%	37.5%
Adjustments	17,086	17,734	15,807	-3.7%	8.1%
Depreciation and amortization	15,182	14,889	15,204	2.0%	-0.1%
Asset disposals gain/losses	(19)	536	152	n.a	n.a
Share-based payments	(12)	312	94	n.a	n.a
Provision for impairment of trade receivables	379	276	18	37.3%	2005.6%
Deferred income tax and social contribution	(812)	(721)	(96)	12.6%	-537.0%
Provision for contingencies	385	1,197	(1,556)	-67.8%	n.a
Interest, indexation and exchange gain/losses on loans, contingencies and judicial deposits	1,983	1,245	1,991	59.3%	-0.4%
Changes in assets and liabilities	3,282	(4,163)	6,998	n.a	-53.1%
Trade receivables	(9,410)	(78)	3,129	11964.1%	n.a
Inventories	(1,509)	(281)	430	437.0%	n.a
Judicial deposits	162	984	657	-83.5%	-75.3%
Other assets	3,018	5,303	(61)	-43.1%	n.a
Trade payables	1,559	(5,466)	(132)	n.a	n.a
Salaries and social charges	3,738	(8,300)	2,021	n.a	85.0%
Contingencies	(298)	(974)	(582)	-69.4%	-48.8%
Other liabilities	6,022	4,649	1,536	29.5%	292.1%
Interest paid	(2,004)	(1,994)	(2,390)	0.5%	-16.2%
Income tax and social contribution paid	(5,329)	(7,347)	(4,178)	-27.5%	27.5%
Net cash used in investing activities	(19,846)	(12,190)	(10,427)	62.8%	90.3%
Acquisition of property and equipment	(538)	(1,279)	(1,527)	-57.9%	-64.8%
Additions to intangible assets	(9,308)	(10,911)	(8,900)	-14.7%	4.6%
Investments	(10,000)	-	-	n.a	n.a
Net cash used in financing activities	(20,203)	(9,441)	(17,402)	114.0%	16.1%
Repayment of borrowings	(2,954)	(2,942)	(2,781)	0.4%	6.2%
Lease payments - right-of-use assets	(6,446)	(6,499)	(5,556)	-0.8%	16.0%
Dividends paid	(10,803)	-	(9,065)	n.a	19.2%
Decrease in cash and cash equivalents	(14,209)	(3,346)	(2,279)	324.7%	523.5%
Cash and cash equivalents at the beginning of the period	83,760	87,106	28,542	-3.8%	193.5%
Cash and cash equivalents at the end of the period	69,551	83,760	26,263	-17.0%	164.8%