



Results

1Q24

May 08, 2024



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Earnings Call

The Company will present the results through video conference with simultaneous translation to English.

Date: Thursday, May 09, 2024

PORTUGUESE AND ENGLISH

Time: 11:00 a.m. (BR) | 10:00 a.m. (NY)

Earnings conference call: [click here](#)

SÃO PAULO, MAY 8th, 2024

CSU Digital S.A. (B3:CSUD3) ("CSU" or "Company"), leader in the Brazilian market of cutting-edge technology solutions for payment methods, Embedded Finance, digital experience, and customer loyalty and incentive, announces its results for the first quarter of 2024.

All data was prepared in accordance with accounting practices adopted in Brazil observing the pronouncements, guidelines and interpretations of the Brazilian Accounting Pronouncements Committee (CPC) duly approved by the CVM, the IFRS standards issued by IASB, and in compliance with the provisions of Law 6,404/76.

For those who have been following CSU for a longer period, in June 2022 the Company announced the restructuring of its business units, which were renamed **CSU Pays** and **CSU DX**, replacing the former names CSU.CardSystem and CSU.Contact, respectively. Subsequently, an August 2022 Shareholders Meeting approved the corporate name change to **CSU Digital S.A.**, and in the following month the Company's shares began trading on B3 – Bolsa, Brasil, Balcão under its new trading code **CSUD3**. These changes represent key steps that reposition our business, which resulted from a vast investment program that has been carried out in recent years.

¹ CAGR: Compound Annual Growth Rate.

² ROCE: return on capital employed; ROE: return on equity; ROIC: return on invested capital.

Quarter Highlights

Solid results and evolving growth as new initiatives gain maturity

Operational indicators:

- **B2B clients:** In February 2024 we signed a contract for Embedded Finance services with a new client in the insurance industry, as announced in the 4Q23.
- **Registered cards and accounts:** Continuous expansion, reaching **37.4 million** registered units this quarter **(+8.8% vs. 1Q23)**.
- **Number of transactions managed:** Expansion of **+24.1%** vs. 1Q23, reaching **298.5 million** transactions in 1Q24. In financial values, **R\$90.2 billion (+24.5% vs. 1Q23)** were processed on our platforms.
- **Number of CSU DX digitalized transactions:** **73%** of the total in 1Q24.

Net revenue: Continuous expansion of operational indicators leads to uninterrupted growth in the Company's revenue. We posted **five consecutive years of revenue expansion** in the first quarter. Compared to the same period of the previous year, we reached another record of **R\$139.2 million in 1Q24 (+4.8% vs 1Q23)**.

- **CSU Pays:** Grew at a quick pace and recurrently on an annual basis (CAGR¹ of +11% py. since 2020). In 1Q24 the unit grew +8.4% compared to 1Q23, with emphasis on the expansion of **purely digital revenues (+11% vs 1Q23)**.
- **CSU DX:** Deep operational transformation to generate greater profitability and the foundations of a new expansion cycle via process hyperautomation products with massive use of AI.

Gains in efficiency: Expansion in the volume of contracted services; evolution of the digitalization agenda and disciplined expenses management increase results.

- **Gross contribution:** Totalled R\$71.9 million with a margin of 51.7% **(+10.5% and +2.7 p.p. vs. 1Q23)**.
- **EBITDA:** Posted **another record**, reaching **R\$48.3 million (+11.1% vs 1Q23)**, reflecting productivity gains and our steadfast financial diligence in controlling expenses.
- **EBITDA margin:** Performance gains lifted the indicator, which reached **34.7%** in 1Q24 **(+1.9 p.p. vs. 1Q23)**.
- **Net income:** **Significant expansion of 20.0%** vs. 1Q23, reaching R\$24.2 million in 1Q24.

Profitability and capital structure: Low financial leverage combined with high and growing profitability allow greater investments, with attractive returns and remuneration to shareholders.

- **Select profitability indicators:** ROCE², ROE, ROIC reached excellent levels of 25%, 22% and 22%, respectively.
- **Earnings distribution:** R\$6.5 million in interest on own capital was paid in April 2024, referring to the 1Q24 results. Additionally, another **R\$17.3 million** were approved at the Ordinary General Meeting as **complementary dividends**, resulting in a **payout of 50%** compared to 2023.

Message from Management

This year began in line with the expansion that the company has shown over the last few years, with important operational and financial indicators:

- we reached 37.4 million units of registered accounts and cards (+8.8% vs. 1Q23);
- approximately 299 million transactions were processed on our platforms (+24.1% vs. 1Q23), which represent R\$90 billion in financial values;
- the number of interactions digitalized in DX represented 73% of the total;
- our consolidated revenue rose +4.8% vs. 1Q23, reaching R\$139.2 million;
- our vertical CSU Pays presented strong growth of +8.4% compared to 1Q23 boosted by an +11% expansion of purely digital revenues;
- gross margin at both units grows uninterruptedly, reaching 55.2% at CSU Pays (vs. 50.4% in 1Q23) and 17.5% at CSU DX (vs. 16.9% in 1Q23), increasing the total at the Company to 42.0% (vs. 37.9% in 1Q23);
- the Company's EBITDA reached its highest historical value of R\$48.3 million and a margin of 34.7% (+11% and +1.9 p.p. vs. 1Q23, respectively);
- and net income, likewise, reached a record of R\$24.2 million after expanding +20.0% vs. 1Q23, with a margin of 17.4% (+2.2 p.p. vs. 1Q23).

Numerous operational improvements have been implemented over the last few years involving an extensive agenda of product digitalization and process redesign, bringing relevant gains in efficiency and ranking CSU Digital as one of the best returns on invested capital on the market, with emphasis on indicators such as ROCE², ROE and ROIC, which have been performing between 22% and 25% per year.

At the same time, it is always important to reinforce that we are building the foundations for an even more promising future for the group, by opening new and important growth opportunities by expanding our portfolio. We successfully completed the development of our comprehensive platform for financial transaction processing solutions (digital payments, embedded finance and loyalty), as well as our business process hyperautomation platform with intense use of artificial intelligence (AI) in mass operations of front-office, middle-office and back-office, which we commercially call HAS.

With this, CSU Digital deepens its operations in the full service model, consolidating itself as the only Company capable of offering a complete range of solutions to contracting companies, which are then able to provide their end customers with a fully integrated and genuinely digital financial services experience from start to finish, regardless of the sector in which they operate.

One advantage of this model is that our cross-selling and up-selling ability within base customers is significantly expanded. Another advantage is the ability to draw the interest of potential customers from a variety of sectors, including those who until then were not part of our addressable market. Together, these points allow the company to maintain a consistent pace of growth even in different economic and/or business cycles.

Proof of this, is that historically the first quarter of each year tends to be the one with the lowest commercial intensity for most of the sectors we serve. Even so, the Company grew +2.6% in revenue compared to the fourth quarter of 2023 (normally 4Q is the strongest of the year).

Before closing, the Company understands that it has a capital structure appropriate to its business and market situation, allowing it to advance with investments in a relevant way, settle

² ROCE: return on capital employed; ROE: return on equity; ROIC: return on invested capital.

financial leverage (the company currently has net cash) and remunerate its shareholders. Regarding this last issue, the allocation of profits for the year 2023 was approved at the Board of Directors Meeting and at the General Assembly, whose proposed additional dividends led to a payout for the year of 50%. Last, the Company paid R\$6.5 million in April 2024 as interest in capital relating to 1Q24 results.

We thank everyone for the trust placed in the current Management.

Marcos Ribeiro Leite
Founder & CEO

Consolidated results Results summary

Consolidated main indicators (R\$ thousand)	1Q24	1Q23	% Var. YoY	4Q23	% Var. QoQ
Net revenue	139,228	132,842	4.8%	135,678	2.6%
Gross contribution	71,921	65,108	10.5%	68,850	4.5%
<i>Contribution (%)</i>	<i>51.7%</i>	<i>49.0%</i>	<i>2.7 p.p.</i>	<i>50.7%</i>	<i>1.0 p.p.</i>
Gross profit	58,472	50,410	16.0%	54,294	7.7%
<i>Gross margin</i>	<i>42.0%</i>	<i>37.9%</i>	<i>4.1 p.p.</i>	<i>40.0%</i>	<i>2.0 p.p.</i>
EBITDA	48,347	43,535	11.1%	48,242	0.2%
<i>EBITDA margin</i>	<i>34.7%</i>	<i>32.8%</i>	<i>1.9 p.p.</i>	<i>35.6%</i>	<i>-0.9 p.p.</i>
Net income	24,232	20,201	20.0%	24,041	0.8%
<i>Net margin</i>	<i>17.4%</i>	<i>15.2%</i>	<i>2.2 p.p.</i>	<i>17.7%</i>	<i>-0.3 p.p.</i>

Net revenue: Continues to expand, year after year, reaching a quarterly record of **R\$139.2 million** in 1Q24, an increase of +4.8% compared to 1Q23. In relation to the previous quarter, the Company's revenue grew by +2.6%.

Net revenue:

R\$ 139.2 MM +4.8%
1Q24 yoy

Gross Contribution:

R\$ 71.9 MM +10.5%
Mg. 51.7% +2.7p.p.
1Q24 yoy

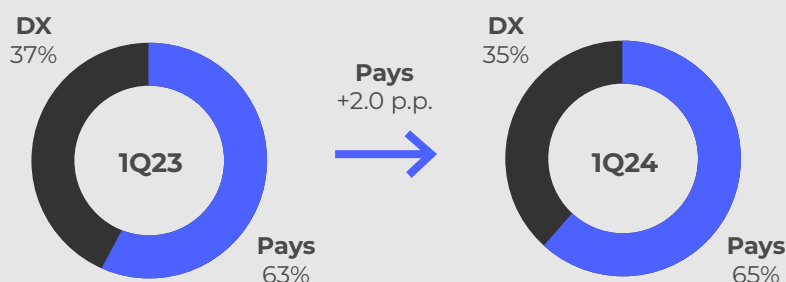
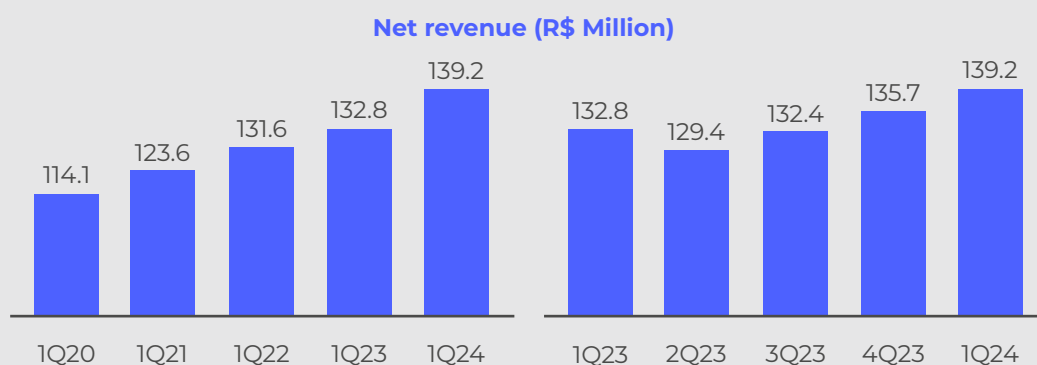
EBITDA:

R\$ 48.3 MM +11.1%
Mg. 34.7% +1.9p.p.
1Q24 yoy

Net income:

R\$ 24.2 MM +20.0%
Mg. 17.4% +2.2p.p.
1Q24 yoy

We would like to draw your attention to this evolution, both in the annual comparison and in the quarterly view. Historically, the first quarter of each year tends to be less commercially intense for most of the sectors we serve. However, in recent years CSU Digital has deepened its operating model, which we call full service, and started to offer a wide range of solutions. This strategy has generated constant opportunities to sell new services to our customers, who can offer new solutions to their consumers every day. This model is extremely important because, in other words, it allows us to generate more business from the same platform, which leads to the maintenance of consistent growth even in different economic and/or business cycles, bringing even more predictability to our revenue and increasing our profitability.



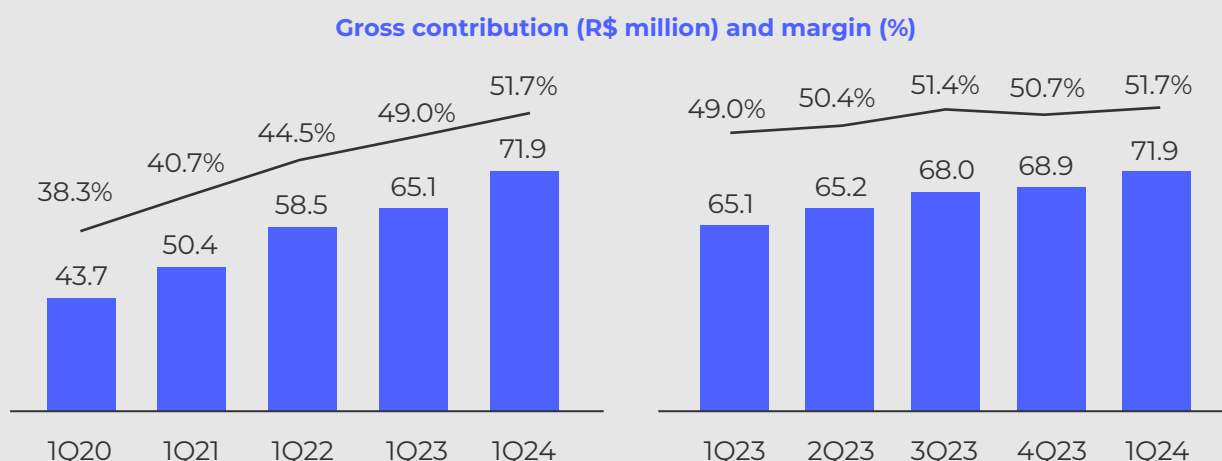
We will detail performance by vertical in the next sections, considering that they are going through very different dynamics at the moment, but in summary:

- **CSU Pays** (our core business) grows at an accelerated pace and on a recurring basis on an annual basis (CAGR of +11% p.y. since 2020), including gains in representation as a whole, taking advantage of the natural growth of this market added to the many opportunities that arose for the company after the launch of new digital products. In 1Q24, the unit grew +8.4% compared to 1Q23. It is worth highlighting the expansion of our purely digital revenues – a driving factor for the coming years – which grew by more than 11% compared to 1Q23.
- **CSU DX** is undergoing a profound operational transformation, migrating from a traditional service model to becoming increasingly digital (73% of interactions are already digital). This transition movement at first caused greater revenue pressure but in return generated greater profitability, evidenced by a higher gross margin for this vertical to 17.5% in 1Q24 (+6.1 p.p. vs. 2019, the year when this process began). It is worth noting that this dynamic of revenue replacement and profitability seen in the customer experience operation, which is allocated to CSU DX, tends to stabilize considering the high level of digitalization already achieved. Another important point is that this vertical had its focus redirected to business process management and, from now on, enters a very different cycle considering the launch of new services within the scope of hyperautomation of processes. These draw on the massive use of artificial intelligence (AI) creating new and promising avenues of revenue growth and profitability for this unit and for the Company as a whole (cross and up-selling with CSU Pays) and which add to the customer experience business.

Costs (excluding depreciation and amortization): This line showed a **reduction of R\$0.4 million in the quarter** (-0.6% vs. 1Q23) to a total of R\$67.3 million compared to R\$67.7 million in 1Q23. The savings result from **effective efficiency gains** and greater consumption of digital services by customers in both business units, with a consequent reduction in personnel, postage and communication costs, in return for an increase in contracted service costs (e.g., cloud).

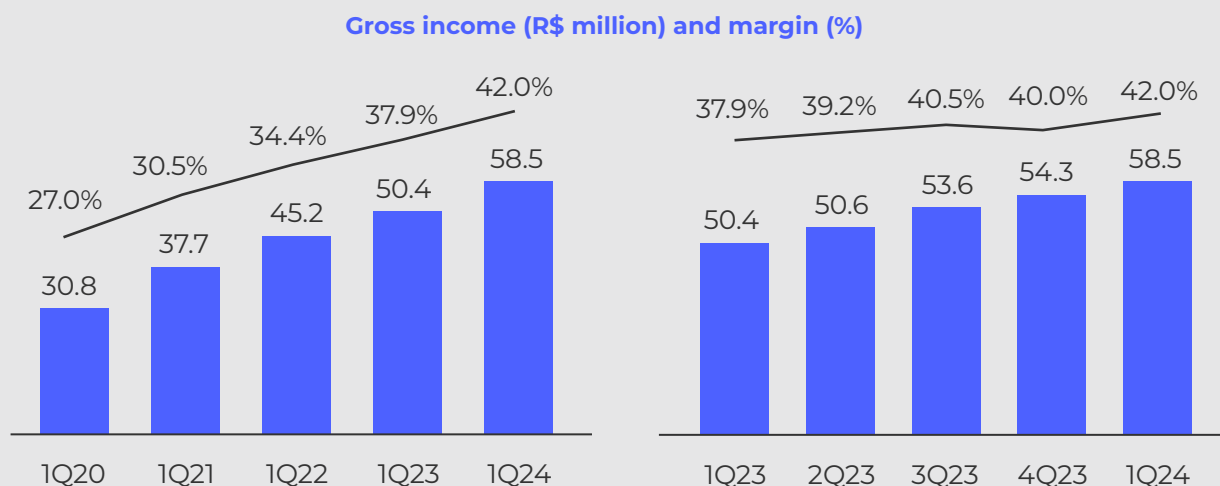
Gross Contribution³: Reached its all-time record in the quarter at **R\$71.9 million**, which represents a margin (as a function of revenue representation) **of 51.7%**, compared to R\$65.1 million and a margin of 49.0% in 1Q23, an **increase of R\$6.8 million** (+10.5% and +2.7 p.p. vs. 1Q23, respectively).

This higher level stems from the expansion of our revenue with greater relevance from the CSU Pays business division in total revenue which has greater profitability, added to the efficiency gains from the deep digitalization of products and processes carried out in recent years in both verticals.



³ **Gross Contribution:** Non-accounting measure that considers net revenue minus costs, excluding depreciation and amortization inherent in said costs. See reconciliation in Exhibit 4.

Total costs, gross income and gross margin: If we include the depreciation and amortization pertinent to the cost line presented previously, the total for this group in the quarter was R\$80.8 million compared to R\$82.4 million in 1Q23, which means **savings of R\$1.6 million** (-2.0% vs. 1Q23). As a result, gross income in 1Q24 reached **a record R\$58.5 million, with a 42.0%** margin against R\$50.4 million and a margin of 37.9% in the same period of the previous year, **up R\$8.1 million (+16.0% and +4.1 p.p. vs. 1Q23, respectively).**



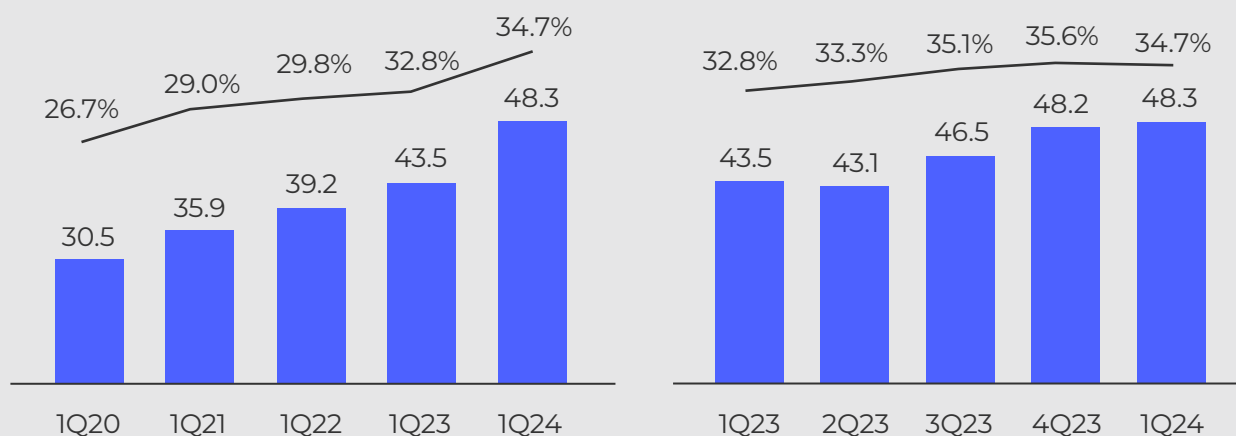
Selling, General and Administrative Expenses (SG&A): During the quarter, the Company's SG&A – in this case already including corresponding depreciation and amortization (D&A) – reached R\$25.6 million in 1Q24 compared to R\$23.0 million in the same period of 2023, an **increase of R\$ 2.6 million (+11.2% vs. 1Q23)**, explained by the movement to expand the portfolio and regions of operation, which lead to: (i) higher commercial expenses, including the reinforcement of our team in this area to promote the sale of new solutions and (ii) higher institutional expenses, which are specific and non-recurring, referring to the Company's advancement in the North American market. These effects were partially offset by lower personnel expenses in operations and back-office following the structural adjustments made since 2Q23.

Consolidated SG&A (R\$ thousand)	1Q24	1Q23	% Var. YoY	4Q23	% Var. QoQ
General and administrative	(22,956)	(19,361)	18.6%	(22,283)	3.0%
Depreciation and amortization	(1,119)	(1,401)	-20.1%	(1,894)	-40.9%
Sales and marketing	(1,503)	(2,238)	-32.8%	(1,618)	-7.1%
Total SG&A expenses	(25,578)	(23,000)	11.2%	(25,795)	-0.8%
<i>% of net revenue</i>	<i>18.4%</i>	<i>17.3%</i>	<i>1.1 p.p.</i>	<i>19.0%</i>	<i>-0.6 p.p.</i>

Other operating income (expenses): Reached R\$0.9 million in the quarter compared to R\$0.1 million in 1Q23, a positive evolution of R\$0.8 million mainly influenced by the reversal of provisions in previous periods that did not materialize.

EBITDA⁴ and EBITDA margin: In continuous expansion, the indicator **reached a record of R\$48.3 million**, with a margin of **34.7%** in 1Q24 compared to R\$43.5 million and a margin of 32.8% in the same period of 2023, an **increase of R\$4.8 million (+11.1% and +1.9 p.p. vs. 1Q23)**, respectively. The evolution of these indicators results from the capture of gains mainly from our **digital transformation plan** for both products and processes that was implemented over the last few years and which aims to increase the **operational efficiency** of our verticals.

EBITDA (R\$ million) and EBITDA margin (%)



Consolidated EBITDA reconciliation (R\$ thousand)

	1Q24	1Q23	% Var. YoY	4Q23	% Var. QoQ
Net income	24,232	20,201	20.0%	24,041	0.8%
(+) Income taxes	9,383	7,087	32.4%	7,241	29.6%
(+) Financial result	164	147	11.6%	510	-67.8%
(+) Depr. and amort.	14,568	16,099	-9.5%	16,450	-11.4%
EBITDA	48,347	43,535	11.1%	48,242	0.2%
<i>EBITDA margin</i>	<i>34.7%</i>	<i>32.8%</i>	<i>1.9 p.p.</i>	<i>35.6%</i>	<i>-0.9 p.p.</i>

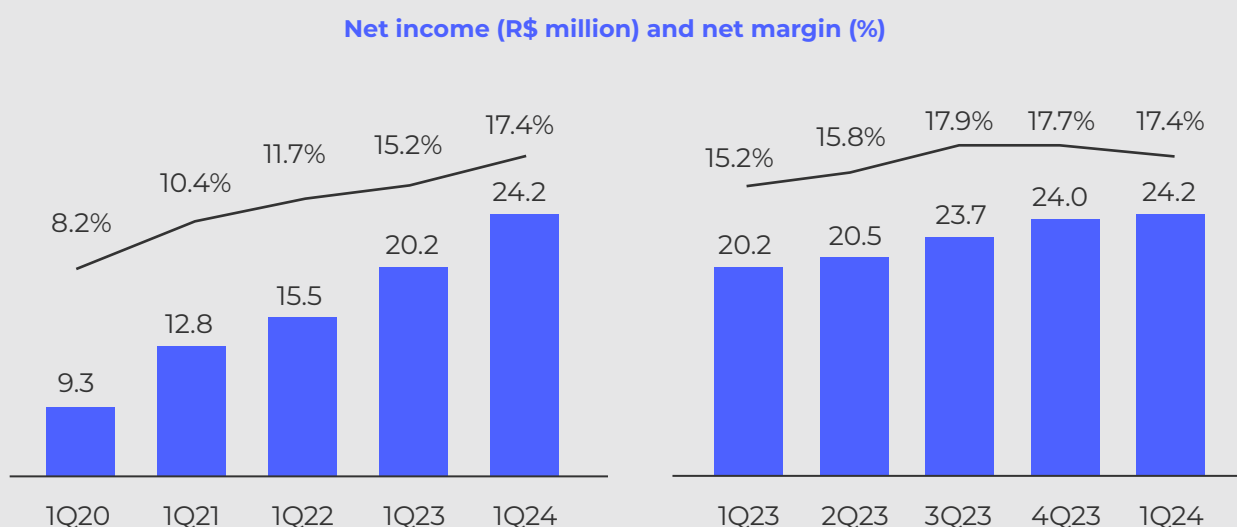
⁴EBITDA: Prepared in accordance with CVM Resolution 156/22, it is a non-accounting gauge that consists of the net result for the period, plus taxes on profit, financial expenses net of financial income, and depreciation and amortization.

Financial result: During the quarter the financial result remained practically in line with the result presented in the same period of the previous year, totaling a net expense of R\$0.2 million compared to R\$0.1 million in 1Q23.

Earnings before interest (EBIT): Recorded a significant increase of R\$6.3 million (+23.2% vs. 1Q23), totaling R\$33.6 million in 1Q24 compared to R\$27.3 million in 1Q23.

Income tax and social contribution on net income (IR/CSLL): In 1Q24, the value recorded was R\$9.4 million, an increase of R\$2.3 million compared to 1Q23, which was R\$7.1 million (+32.4% vs. 1Q23). This variation in value, higher than the growth in EBIT, was due to the recognition of some non-deductible items in 1Q24 – mainly the equity equivalence from the new operation in the United States – not present in 1Q23, and therefore increasing the effective tax rate for that quarter.

Net income and net margin: The Company's net income indicator reached its highest ever level of R\$24.2 million compared to R\$20.2 million in 1Q23, a significant increase of +20.0% vs. 1Q23 (+R\$4.0 million). Net margin in the quarter reached 17.4% compared to 15.2%, an increase of +2.2 p.p. vs. 1Q23.



CAPEX⁵

Total Capex: In the quarter, capex totaled R\$16.6 million against R\$12.8 million in the same period of the previous year, an increase of R\$3.8 million (+30.1% vs. 1Q23). The volume of investments in tangible and intangible assets presented in recent years comes from the evolution of structuring projects that include new modalities and functionalities of digital payments, Embedded Finance solutions, the largest amounts dedicated to increasing the robustness of our data infrastructure and safety, and the new product involving hyperautomation of processes at CSU DX (HAS).

- **CSU Pays (91% of the total in 1Q24):** During the quarter it totaled **R\$15.2 million** vs. R\$11.5 million in the same period last year, a R\$3.7 million rise (+32.5% vs. 1Q23) driven by higher investments in evolving our solutions in managing flows and documentation of financial transactions, as well as special customizations in our platform of CSU Switcher, to support client demands.
- **CSU DX (4% of the total in 1Q24):** In the quarter, it reached **R\$0.6 million** against R\$1.0 million in 1Q23, a reduction of R\$0.4 million (-37.8% vs. 1Q23), influenced by the lower need for investments in improvements and operating licenses (already made in 2023).
- **Corporate (5% of the total in 1Q24):** In the quarter it totaled **R\$0.8 million** compared to R\$0.3 million in the same period of the previous year, an increase of R\$0.5 million.

Investments (R\$ thousand)	1Q24	1Q23	% Var. YoY	4Q23	% Var. QoQ
CSU Pays	15,180	11,460	32.5%	14,726	3.1%
CSU DX	643	1,033	-37.8%	703	-8.5%
Corporate	791	278	184.5%	846	-6.5%
Capex	16,614	12,771	30.1%	16,275	2.1%
<i>% of net revenue</i>	<i>11.9%</i>	<i>9.6%</i>	<i>2.3 p.p.</i>	<i>12.0%</i>	<i>-0.1 p.p.</i>

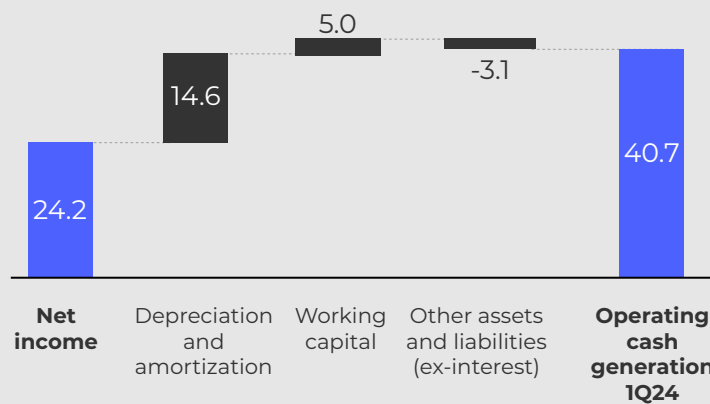
⁵ **CAPEX:** Corporate investments reflect, for the most part, investments in technological management platforms, both in terms of software and hardware, as well as improvements in general. This value differs from the "Cash Used in Investing Activities" in the Cash Flow Statement due to leasing.

Operating cash generation

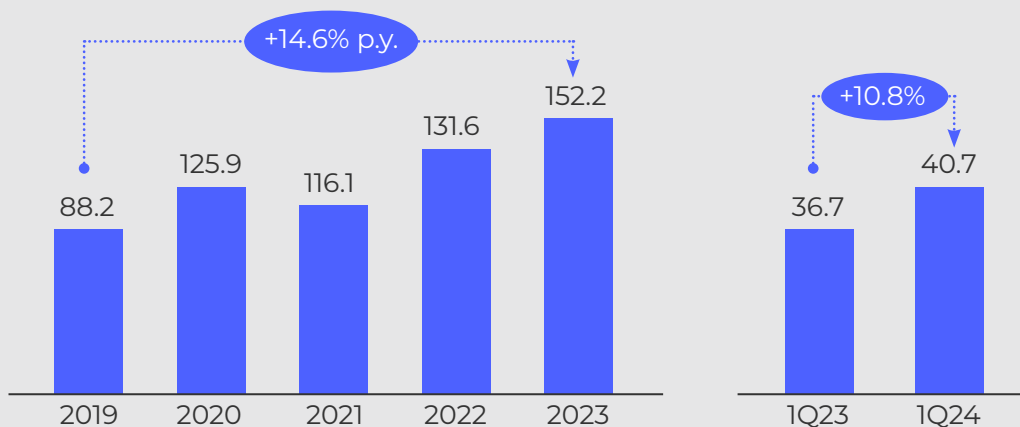
Cash generated by operational activities continues to expand rapidly and reached **R\$40.7 million** in 1Q24, R\$4.0 million higher (+10.8%) than the cash generated in 1Q23, which was R\$36.7 million. It's worth noting that since 2019, operational cash generation **grew 1.7x (CAGR of more than 14% p.y.)**, reflecting the continuous operational advances and, consequently, greater income.

The Company has a long, consistent history of delivering results and generating cash, maintaining a high conversion rate of EBITDA into cash, which in 1Q24 was 84%, a percentage similar to the average observed between 2019 and 2023.

Reconciliation of operating cash generation (R\$ million)



Historical growth of operating cash generation (R\$ million)



Capital Structure⁶

Gross debt: At the end of the quarter, gross debt totaled R\$96.4 million compared to R\$94.1 million in the same period of the previous year, an increase of R\$2.3 million **(+2.4% vs. 1Q23)**. **By exclusively analyzing onerous debt (loans and financing)**, we ended the quarter with a gross balance of only R\$5.4 million compared to R\$13.4 million in 1Q23, **a reduction of R\$8.0 million (-59.7%)** arising from **settlements and amortizations** in the period.

Cash and cash equivalents: At the end of the quarter, cash and cash equivalents totaled R\$89.7 million from R\$80.4 million in the same period of the previous year, an **increase of R\$9.3 million (+11.6% vs. 1Q23)**. This change results from (i) greater spending on technology made in the past 12 months, (ii) a higher level of amortization of loans and financing and (iii) a greater distribution of profits. It is worth recalling that the Company changed its earnings distribution practice in 2023 and began declaring and distributing them quarterly, further improving the return on shareholders' capital until the previous year the company declared earnings quarterly, but it only made payments at the beginning of the fiscal year following that fiscal year.

Net debt: Thus, at the end of the quarter the Company had net debt of R\$6.7 million compared to R\$13.7 million in the same period of the previous year, a reduction of R\$7.1 million in its net debt position. Analyzing net debt based exclusively on onerous liabilities, we ended the quarter with a **net cash position of R\$84.4 million, an increase of R\$17.4 million** compared to the R\$67.0 million balance in same period of the previous year.

Net debt/LTM EBITDA: Net debt-to-EBITDA in the last 12 months (12M) was 0.04x (net cash) in 1Q24 from 0.08x in 1Q23, influenced by (i) operational advances that led to an EBITDA (denominator) increase and (ii) by a decrease in debt, as explained above. As a result, the Company understands that its **capital structure is appropriate** to its business and market situation, allowing it to advance with investments relevantly, compensate shareholders and have room for greater financial leverage, if deemed necessary, to capture attractive opportunities for new assets.

Consolidated indebtedness (R\$ thousand)	1Q24	1Q23	% Var. YoY	4Q23	% Var. QoQ
Financing and debt loan	5,384	13,372	-59.7%	6,618	-18.6%
Short term	4,961	7,880	-37.0%	4,929	0.6%
Long term	423	5,492	-92.3%	1,689	-75.0%
(-) Cash and equivalents	89,737	80,397	11.6%	75,290	19.2%
Net onerous debt (net cash)	(84,353)	(67,025)	25.9%	(68,672)	22.8%
EBITDA LTM	186,196	170,415	9.3%	181,384	2.7%
Net onerous debt/EBITDA LTM (x)	(0.45)	(0.39)	(0.06)	(0.38)	(0.07)
Lease liabilities (IFRS 16)	91,050	80,773	12.7%	62,133	46.5%
Gross debt	96,434	94,145	2.4%	68,751	40.3%
(-) Cash and equivalents	89,737	80,397	11.6%	75,290	19.2%
Net debt	6,697	13,748	-51.3%	(6,539)	-202.4%
EBITDA LTM	186,196	170,415	9.3%	181,384	2.7%
Net debt/EBITDA LTM (x)	0.04	0.08	(0.04)	(0.04)	0.07

⁶ **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.

Performance by business unit

For those who are not yet fully familiar with how it operates, CSU Digital is considered a pioneer and one of the most innovative companies providing technological infrastructure (infotech) for financial services on the market. Over the past years, the Company has developed and executed a business model based on the Full Service concept. In this model, CSU Digital offers globally a robust technological infrastructure for financial services (CSU Pays), at the same time as it provides all operational support (CSU DX) for these products on a daily basis with a very high degree of automation and performance, so that our (B2B) customers can deliver a unique and complete experience to their users (B2B or B2C) in a short time frame and without having to spend large investments.

This way of operating allows for relevant synergies between products and a high degree of predictability of our revenues.

Our solutions range from the origination, processing and validation of transactions, the administration of multiple electronic payment methods and multiple currencies, fraud analysis and prevention mechanisms, the entire digital back-office for risk analysis, exchange, onboarding and curation, solutions processing for acquirers, in addition to hybrid customer service structures.

1. CSU Pays

CSU Pays is the business division that encompasses all cutting-edge solutions in Digital Payments, Embedded Finance and Loyalty and Incentive services.

Innovative and pioneering from the beginning, this unit gave rise to the Company. Created in 1992 under the name CardSystem Ltda. as the first independent processor of electronic means of payments, it was also the first company to work with the three main international brands simultaneously (Visa, Mastercard and American Express) in Brazil and the first to process payments in a digital wallet in South America, effectively a game changer in the digital financial services ecosystem in the country by allowing countless banks and companies from different sectors to participate in the broad credit market through the use of cards.

We have **the broadest portfolio on the market** for payments via cards including credit, debit and prepaid, whether physical, digital (mobile and wearables) or virtual, compatible with the main market wallets (Samsung Pay, Google Pay and Apple Pay).

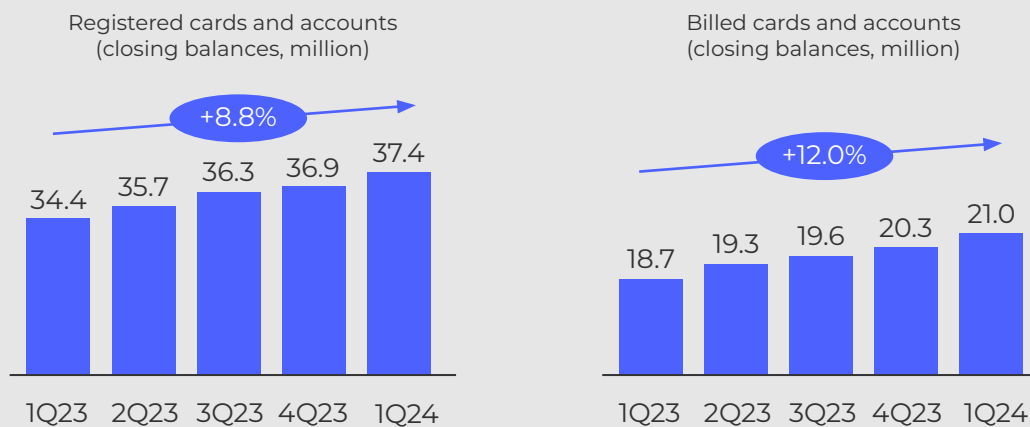
More recently, **new modalities became part** of this vertical's portfolio, with the launch of our new payment solutions such as Pix, Pix on Credit, Cryptocurrencies, as well as a complete Embedded Finance platform that includes products such as individual and business digital accounts, receipt and electronic transfer of resources (cash in and cash out), payment of bills, top-ups, issuance and settlement of bills and other financial products (credit, investments, insurance) that are fully integrated through our CSU Switcher platform, with offer possibilities including multi-geography.

1.1 Operational performance

The **CSU Pays** unit has demonstrated in recent years significant and consistent growth in its operational volumes. In this way, this division becomes increasingly relevant in the Company's total revenue, representing 65% of the total in this quarter (+2.0 p.p. vs. 1Q23), a trend that tends to continue over time, considering the greater dynamism of this market and the large addition of new solutions recently made to our portfolio. Our way of operating in this segment allows a high degree of predictability of revenues given its recurring nature (Platform as a Service).

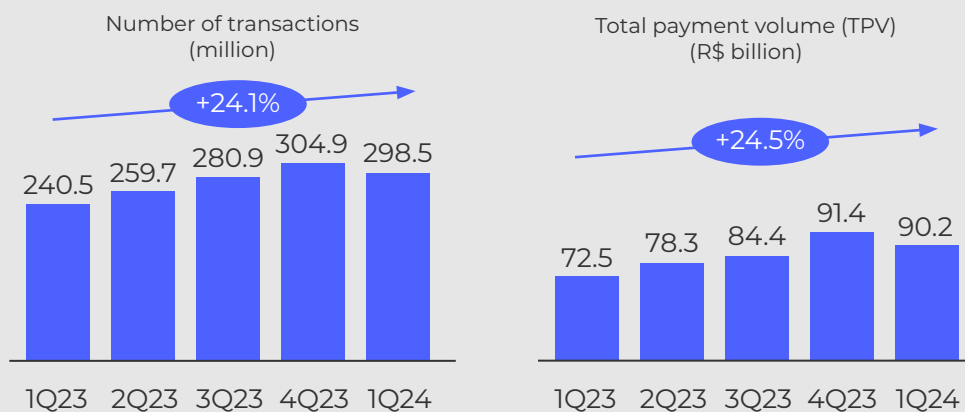
Below we show some of the indicators of our operations in the **digital payments** subsegment:

Cards and accounts



- **Registered cards and accounts:** We ended 1Q24 with **37.4 million** accounts and cards registered in our bases, against 34.4 million in the same quarter of the previous year, an **increase of 3.0 million (+8.8% vs. 1Q23)**. Over the last few quarters, there has been a clear trend to expand this base, following the organic evolution of our clients' businesses (B2B), who see cards and/or wallet accounts as an important instrument for promoting new revenue.
- **Billed cards and accounts:** We ended 1Q24 with **21.0 million** accounts and cards billed, against 18.7 million in the same quarter of the previous year, an **increase of 2.3 million (+12.0% vs. 1Q23)**, contributing positively to revenue growth in this vertical.

Processing volume



- **Number of transactions processed:** The different digital platforms at CSU recorded **298.5 million transactions** compared to 240.5 million in 1Q23, in a 58.0 million increase **(+24.1% vs. 1Q23)**. This is an important indicator to measure the business trend of this subsegment and serves as a thermometer of demand from our contractors' end consumers.
- **Total payment volume (TPV):** In 1Q24, TPV totaled **R\$90.2 billion** against R\$72.5 billion in 1Q23, an increase of R\$17.7 billion **(+24.5% vs. 1Q23)**.

All indicators have been growing uninterruptedly, whether via processing for issuers or processing for acquirers, as well as more recently the processing of other payment arrangements (Pix, Pix on Credit, Cryptocurrencies) which allow us to maintain a lasting growth in our performance in this vertical, even when there is some type of volatility in the account and card base.

Of the number of transactions presented above, it is worth highlighting **the strong growth of 41%** in Pix transactions (cash and on credit) in 1Q24 vs. 4Q23, when we managed 129 thousand transactions totaling **R\$17.4 million in financial volume transacted**.

Another important subsegment is the recently launched **embedded finance**. As announced in the 4Q23, in the first quarter of 2024, the Company acquired a new client on this front, a large international insurance company, in fact, starting the growth cycle of this solution, which tends to benefit the results of the vertical as a whole over the next quarters.

The loyalty platform is another important revenue subsegment at CSU Pays, which provides one of the best solutions on the market for building **loyalty** and incentive programs. This unit presented a total financial transaction volume of R\$76.5 million in 1Q24, **+29% higher** than that recorded in 1Q23, highlighting the growing relevance of this product for our clients who seek to differentiate themselves in an increasingly competitive financial services market. Through these programs, our clients deepen the engagement of their own consumer base, by effectively creating relationship rules and attracting the use of their products and services by offering benefits. The mechanics of these programs are intuitive and involve rewarding participants for using and purchasing products and services from our contracting clients through the accumulation of points. This score can be used for redemption through a large catalog of new product and service options offered by **more than 100 partners** (>2,000 shops) with which CSU has a relationship or through cash reward (cashback).

For those who wish to analyze in more depth the correlation between our revenue and operational indicators, whether on the administration and processing side of digital payments, on the administration and processing side of accounts and financial products (embedded finance) or on the side of loyalty, it is important to note that part of the revenue of this business unit is explained by the **number of account units and cards available for billing**, and it is also very important to observe the **number of transactions processed** on our different platforms.

Net revenue:

R\$ 90.4 MM +8.4%
1Q24 yoy

Gross contribution:

R\$ 59.6 MM +14.1%
Mg. 65.9% +3.3p.p.
1Q24 yoy

EBITDA:

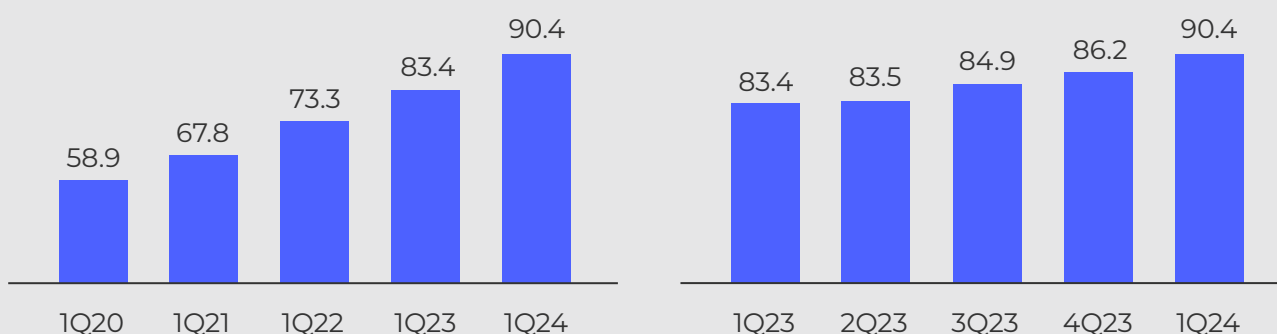
R\$ 43.8 MM +11.2%
Mg. 48.5% +1.3p.p.
1Q24 yoy

1.2 Financial performance

Net revenue: During the quarter, net revenue **reached a new record of R\$90.4 million** against R\$83.4 million in the same period of the previous year, an increase of R\$7.0 million **(+8.4% vs. 1Q23)**, following the expansion of our operating volumes.

Purely digital revenues⁷ grew at a significant pace and above the CSU Pays average, with an increase of **+10.5% in 1Q24** compared to the same period of the previous year. These lines represented **95.1% of the total in 1Q24** against 93.3% in 1Q23 **(+1.8 p.p. vs. 1Q23)**. This evolution has consistently increased the profitability of this segment and is a central guide for our growth in the coming years.

Net revenue (R\$ million)

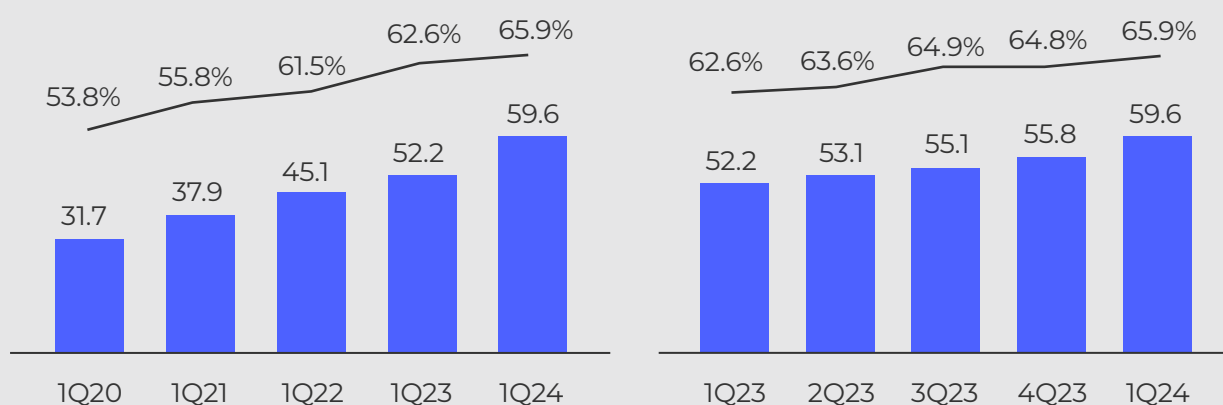


⁷Revenue from digital services: All revenues of the CSU Pays unit, except those from the issuance and/or posting of cards, letters, and physical invoices.

Costs (excluding depreciation and amortization): In the quarter, the costs of this business division totaled R\$30.8 million compared to R\$31.2 million in 1Q23, a reduction of R\$0.4 million (-1.2% vs.1Q23), reflecting the greater representation of purely digital revenues that require lower operational costs (ex. mailing and communication).

Gross contribution: As a result of variations in the items above (higher revenue and lower weight from costs), in the quarter this metric registered a record of **R\$59.6 million with a margin of 65.9%** compared to R\$52.2 million and a margin of 62.6% in 1Q23, an **increase of R\$7.4 million (+14.1% and +3.3 p.p. vs. 1Q23)**.

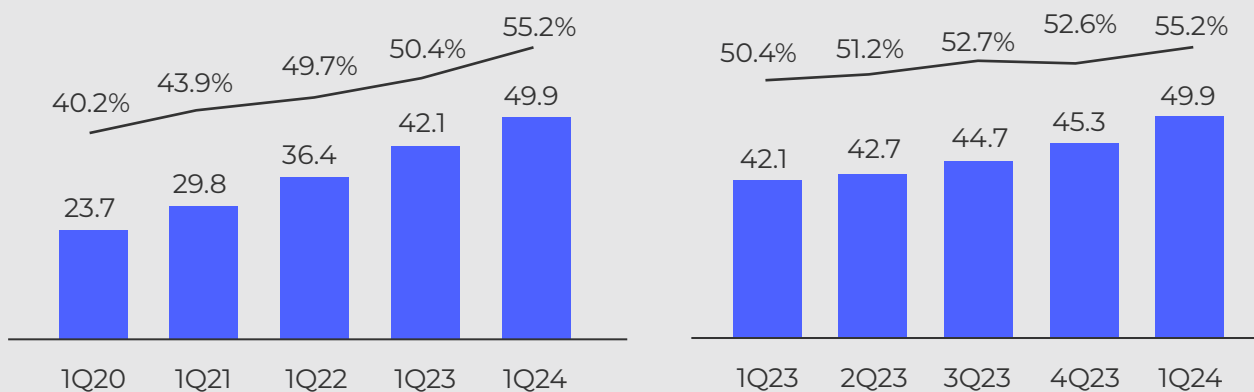
Gross contribution (R\$ million) and margin (%)



Total costs, gross income and gross margin: At the end of the quarter, total costs totaled R\$40.5 million from R\$41.3 million in the same period of the previous year, an reduction of R\$0.8 million (-2.0% vs. 1Q23).

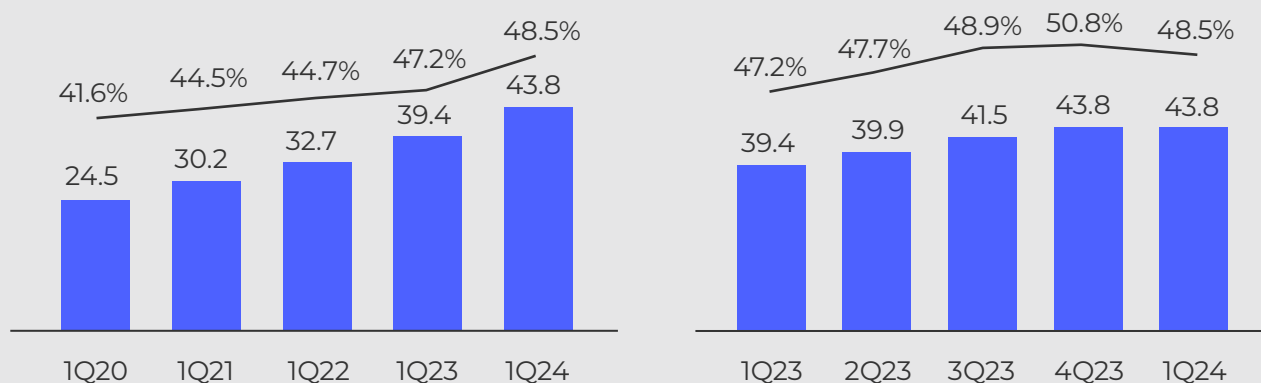
Thus, as a result of the variations mentioned above, in 1Q24 gross income reached a **record of R\$49.9 million with a margin of 55.2%** against R\$42.1 million and a margin of 50.4% in the same period of the previous year, an increase of R\$7.8 million (+18.6% and +4.8 p.p. vs. 1Q23, respectively), leading the gross income recorded in this business division to **85% of the Company's total** in 1Q24.

Gross income (R\$ million) and margin (%)



EBITDA and EBITDA margin: During the quarter EBITDA reached **R\$43.8 million** against R\$39.4 million in the same period of the previous year, an **increase of R\$4.4 million (+11.2% vs. 1Q23)**. EBITDA recorded in this business division **reached 91%** of the Company's total in **1Q24**. Regarding EBITDA margin, we reached **48.5% in 1Q24** (+1.3 pp vs. 1Q23).

EBITDA (R\$ million) and EBITDA margin (%)



Consolidated main indicators (R\$ thousand)

	1Q24	1Q23	% Var. YoY	4Q23	% Var. QoQ
Net revenue	90,409	83,410	8.4%	86,225	4.9%
Digital	85,972	77,815	10.5%	81,688	5.2%
Analog	4,437	5,595	-20.7%	4,537	-2.2%
Costs (ex-deprec./amort)	(30,808)	(31,189)	-1.2%	(30,393)	1.4%
Gross contribution	59,601	52,221	14.1%	55,832	6.8%
<i>Contribution (%)</i>	<i>65.9%</i>	<i>62.6%</i>	<i>3.3 p.p.</i>	<i>64.8%</i>	<i>1.1 p.p.</i>
(-) Depreciation/ amortization	(9,677)	(10,143)	-4.6%	(10,520)	-8.0%
Gross profit	49,924	42,078	18.6%	45,312	10.2%
<i>Gross margin</i>	<i>55.2%</i>	<i>50.4%</i>	<i>4.8 p.p.</i>	<i>52.6%</i>	<i>2.6 p.p.</i>
Expenses	(15,253)	(11,748)	29.8%	(13,722)	11.2%
Other operational revenues/expenses	(1,153)	(1,872)	-38.4%	272	-
(+ Depr. and amort.)	10,308	10,952	-5.9%	11,936	-13.6%
EBITDA	43,826	39,410	11.2%	43,798	0.1%
<i>EBITDA margin</i>	<i>48.5%</i>	<i>47.2%</i>	<i>1.3 p.p.</i>	<i>50.8%</i>	<i>-2.3 p.p.</i>

2. CSU DX

CSU DX is our business division focused on developing solutions with high technological density for the management of business processes in different markets, guaranteeing the full capacity (infrastructure, people and technology) of the contracted services.

Originally created to satisfy the demands of our customers in the card realm, on the customer service front, this unit has undergone a true digital transformation in recent years, becoming very deep in technology.

2.1 Operational performance

The digitalization of companies' processes is a growing reality, as customers (B2B) demand, day after day, the management of a greater volume of interactions with increasing quality and lower unit costs. Over time, we have introduced a series of new devices and technological features such as robots, artificial intelligence, machine learning, the massive use of data and recognition technologies, as well as the use of multiple digital channels for customer service.

Our platforms managed approximately 3.3 million front-office interactions in the last quarter, and the relevance of customer service through automated mechanisms and digital channels already tops 73% of the total.

The aforementioned digitalization movement, at first, caused greater revenue pressure on the unit, given the difference in price per interaction resulting from the digitalization of processes, but in return it generated greater profitability. This result can be seen in the gross margin of this vertical in 1Q24, which reached 17.5% (+6.1 p.p. vs. 2019, the year this movement began).

In addition to seeking a high degree of digitalization on the front-office arena, the Company chose to open new business possibilities for this vertical. Therefore, in the second half of 2023 we launched a series of new process hyperautomation solutions also for middle-office and back-office using Artificial Intelligence (AI), which we commercially call HAS. And this vertical enters a new era. We now offer the most advanced technology from a technological point of view, regarding the treatment and management of processes, integrating hyperautomation tools in different fields such as fraud prevention, exchange, curation and onboarding. Thus, we enable our customers to optimize their operations, with relevant advances in their level of service (greater assertiveness and shorter average handling time), combined with significant reductions in operational costs and increased sales.

This movement is very important for CSU Digital as it creates **new growth possibilities for this vertical and for the Company as a whole** (new customers, cross-selling and upselling) **and further establishes our operations with our customers**, by entering (even more) services with greater added value and high technological complexity, expanding the perception of a Deeply Tech company.

Net Revenue:

R\$ 48.8 MM -1.2%
1Q24 yoy

Gross Contribution:

R\$ 12.3 MM -4.4%
Mg. 25.2% -0.9p.p.
1Q24 yoy

EBITDA

R\$ 4.5 MM +9.6%
Mg. 9.3% +1.0p.p.
1Q24 yoy

2.2 Financial Performance

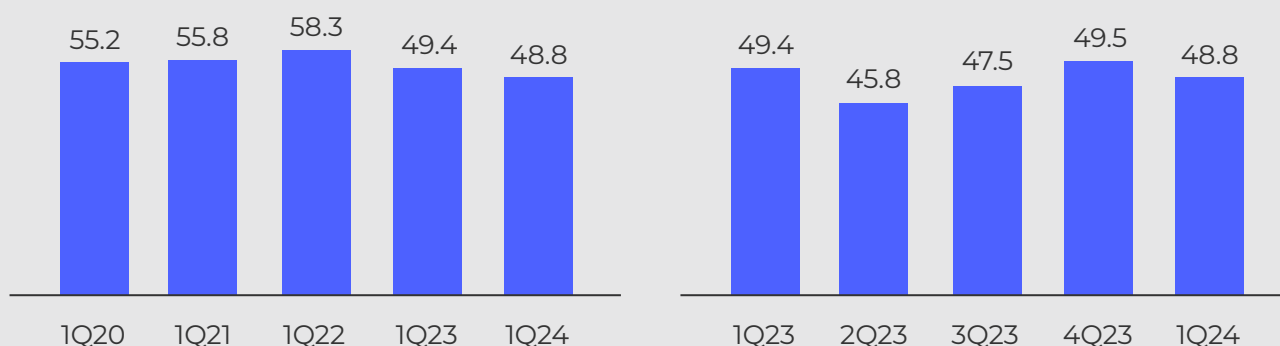
Net Revenue: During the quarter, net revenue reached R\$48.8 million compared to R\$49.4 million in the same period of the previous year, a slight reduction of R\$0.6 million (-1.2% vs. 1Q23).

It is worth remembering that CSU DX is going through a profound digital transformation, where operational volumes and the quality-of-service provision increase, but at a lower price and, consequently, lower costs for our customers. **We have prioritized high-density and complex operations**, thus penetrating our clients' business and leading to a gradual increase in margins even amid lower revenue scenarios (see results items in the following topics).

It is important to highlight that we have significantly advanced this agenda in recent years, increasing the number of digital interactions to 73% of the total. Since 2Q23, this migration movement has been more gradual and, as a consequence, has allowed greater stability in this vertical from a revenue point of view which showed growth of +6.5% since 2Q23. It is also worth mentioning that, in this unit the first quarter of each year tends to be weaker due to seasonal reasons.

In addition, as we have already pointed out, important new avenues for growth and profitability are opening up with the launch of HAS.

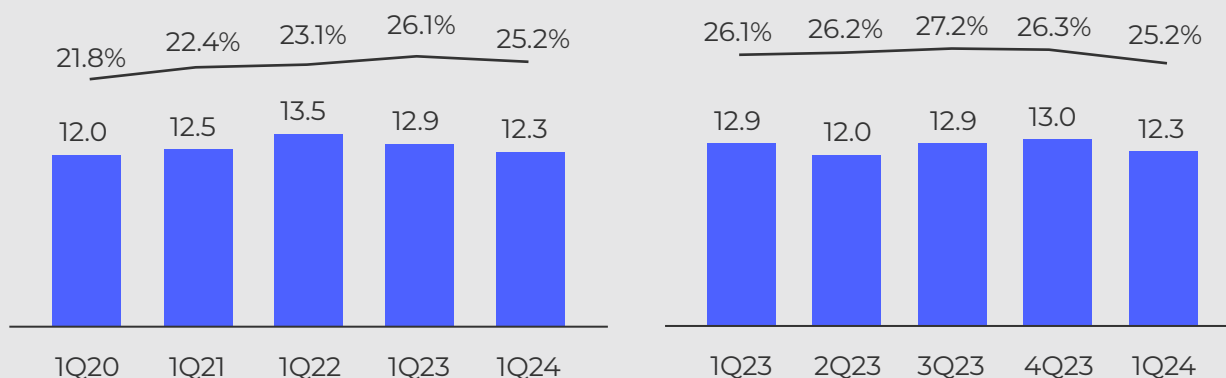
Net revenue (R\$ million)



Costs (excluding depreciation and amortization): In the quarter costs totaled R\$36.5 million, in line with the figure recorded in the same period of the previous year, reflecting a slight increase in the Personnel line offset by lower costs with facilities and contracted services.

Gross contribution: During the quarter gross contribution reached R\$12.3 million with a margin of 25.2% compared to R\$12.9 million and a margin of 26.1% in the same period of the previous year.

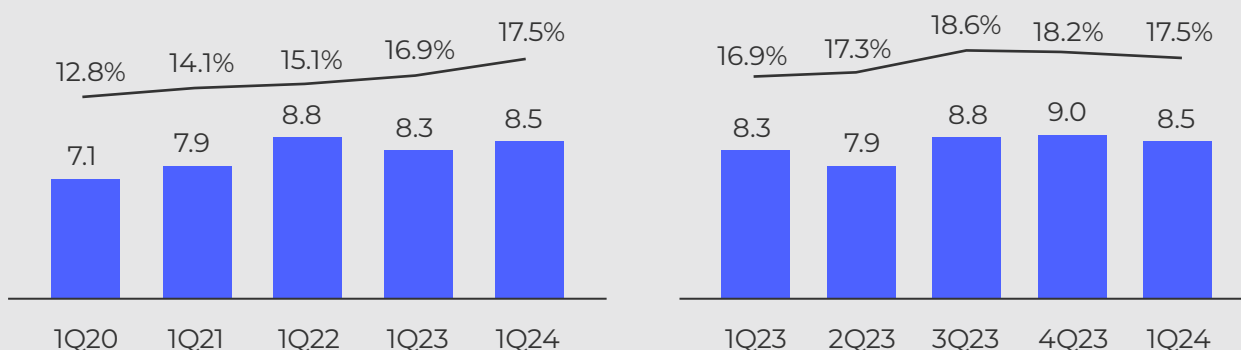
Gross contribution (R\$ million) and margin (%)



Total costs, gross income and gross margin: Including depreciation and amortization, total costs amounted to R\$40.3 million in 1Q24 against R\$41.1 million in the same period of the previous year, down R\$0.8 million (-2.0% vs. 1Q23).

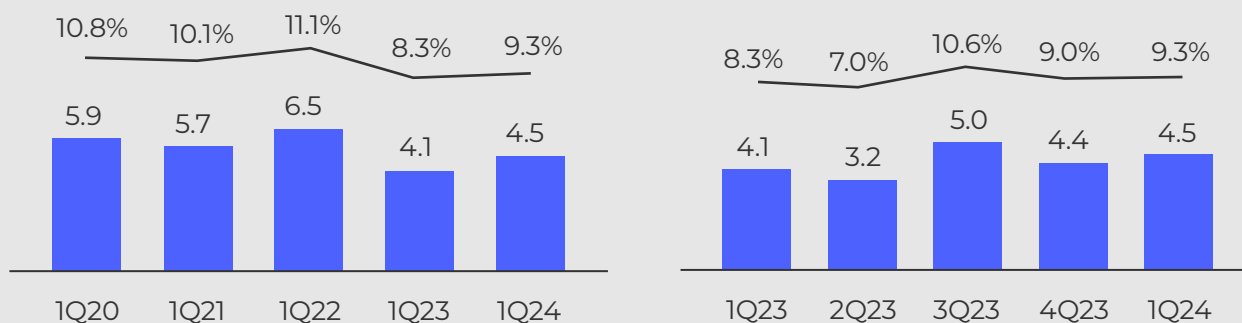
Thus, gross income in 1Q24 reached **R\$8.5 million with a margin of 17.5%** compared to R\$8.3 million with a margin of 16.9% in 1Q23 (+2.6% and +0.6 p.p. vs. 1Q23). As already mentioned, despite the effects of the temporary variation of the average ticket on revenue, gross profit suffers little nominal change given the digitalization phase of this operation. In short, this movement reduces the amount charged to our customers per interaction but leaves a proportionally better result for the Company.

Gross income (R\$ million) and margin (%)



EBITDA and EBITDA margin: During the quarter EBITDA totaled R\$4.5 million with a margin of 9.3% compared to R\$4.1 million and a margin of 8.3% in 1Q23, **an increase of R\$0.4 million (+9.6% and +1.0 p.p. vs. 1Q23, respectively)**, making EBITDA recorded in this business division represent 9% of the Company's total in 1Q24.

EBITDA (R\$ million) and EBITDA margin (%)



**Consolidated main indicators
(R\$ thousand)**

	1Q24	1Q23	% Var. YoY	4Q23	% Var. QoQ
Net revenue	48,819	49,432	-1.2%	49,453	-1.3%
Costs (ex-deprec./amort)	(36,499)	(36,545)	-0.1%	(36,435)	0.2%
Gross contribution	12,320	12,887	-4.4%	13,018	-5.4%
<i>Contribution (%)</i>	<i>25.2%</i>	<i>26.1%</i>	<i>-0.9 p.p.</i>	<i>26.3%</i>	<i>-1.1 p.p.</i>
(-) Depreciation/ amortization	(3,772)	(4,555)	-17.2%	(4,036)	-6.5%
Gross profit	8,548	8,332	2.6%	8,982	-4.8%
<i>Gross margin</i>	<i>17.5%</i>	<i>16.9%</i>	<i>0.6 p.p.</i>	<i>18.2%</i>	<i>-0.7 p.p.</i>
Expenses	(7,966)	(9,107)	-12.5%	(8,576)	-7.1%
Other operational revenues/expenses	(321)	(247)	30.0%	(476)	-32.6%
(+) Depr. and amort.	4,260	5,147	-17.2%	4,514	-5.6%
EBITDA	4,521	4,125	9.6%	4,444	1.7%
<i>EBITDA margin</i>	<i>9.3%</i>	<i>8.3%</i>	<i>1.0 p.p.</i>	<i>9.0%</i>	<i>0.3 p.p.</i>

Capital markets

Overview: Shares in CSU Digital S.A. (B3: CSUD3) 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.

Furthermore, the Company is **included in 3 indexes on B3**, these being: IGC-NM (Corporate Governance Index – Novo Mercado), IGC (Differentiated Corporate Governance Index) and ITAG (Differentiated Tag Along Stock Index).

It is important to highlight the **notable advance in the market's understanding of CSU Digital's case** since the repositioning of the brand and ticker. A significant increase in interest in the Company has been noticed, as well as in the frequency of mentions, both in the press and on official financial market profiles on social media. The market is increasingly understanding the Company's operations, its long and proven track record of operational and financial strength, as well as the important transformations underway.

We renewed our analyst coverage, going from one to **ten houses that follow CSUD3's share**: Warren, Eleven, Mirae, MSX (Sarainvest), Órama, TC Matrix, Warren, Condor, Ticker, Nord and more recently, Levante.

During the same period, we noticed a **relevant maturation of the Company's shareholder base**, with a significant increase in the position of **institutional investors**. From the beginning of the period to the end of the quarter, we saw 98 new institutions and a **69% increase** in the shareholding position of this class of investor, which now holds 48% of CSU Digital's free float (until 3.31.2024).

In line with these facts, we have noticed an important increase in the price of the CSUD3 share which, from, from the close of 1Q23 (3/31/2023) to the close of 1Q24 (03/31/2024), showed an appreciation of **+128%** and, when also considering the amount of earnings distributed in the period, **a total shareholder return of +139%**.

Share capital: CSU Digital's share capital consists of 41.8 million common shares (ON), of which on 3.31.2024 54.24% belonged to the Controlling Shareholder, 1.30% was held in Treasury, 0.10% was held by managers and 44.36% was outstanding shares (free float, of which in September 2022 the acquisition of a relevant stake by Real Investor Gestão de Recursos Ltda was announced, holding 5.25% at the time, with the updated position of 9.44% according to public data made available by the Consolidated Funds Consultation at CVM from August 2023).

Market value: At the end of the quarter, CSUD3 shares closed at R\$20.55, representing a market value of R\$859.0 million **(+127.8% vs. 1Q23)** compared to R\$377.0 million in 1Q23. The Small Cap index appreciated in the period by +24.1%.

Number of shareholders: At the end of the quarter, the number of shareholders was 19.5 thousand (+3.7% vs. 1Q23) compared to 18.6 thousand at the end of 1Q23, an increase of 0.1 thousand.

Average daily trading volume (ADTV): The average daily trading volume traded was R\$1.3 million in 1Q24, against R\$ 1.2 million in 1Q23, an increase of R\$ 0.1 million.

Earnings distribution: Reflecting Management’s confidence in the growing evolution of the Company’s results and financial health, the distribution of R\$ 17.3 million in complementary dividends for the year 2023 was proposed and approved at a General Meeting, and will be paid from 5/9/2024.

Furthermore, in March 2024 we announced the distribution of interest on own capital in the gross amount of R\$6.5 million (R\$0.157 per share) referring to 1Q24 – to be attributed to the minimum mandatory dividend for the 2024 fiscal year, “ad referendum” of the 2025 Ordinary General Assembly and already effectively paid as of 4.4.2024.

CSU vs. Peers⁸ indicators: When comparing some of the main financial metrics between CSU Digital and other comparable players in related segments in Brazil and abroad, one notes that the Company has well **above average returns**, while it still presents **pricing metrics (multiples) substantially lower**, as shown below.

The Company displays an ROE of 21.9% (2.2x higher), an ROIC of 21.7% (3.1x higher), a dividend yield of 5.0% (2.6x higher). On the other hand, comparable players have an EV/Revenue multiple of 3.6x (2.3x higher than CSU) and EV/EBITDA of 12.4x (2.7x higher).



⁸ Reference dates: 3.31.2024; **ROE:** return on equity; **ROIC:** return on invested capital; **Dividend yield;** **EV:** enterprise value. **EV/Revenue** and **EV/EBITDA** are widely used metrics as asset pricing multiples.

Events Calendar

Find below the next Company's corporate events:

Evento	Data
1Q24 Video Conference	05.09.2024
Reference Form	05.31.2024
Report on the Brazilian Corporate Governance Code	07.31.2024
Quarterly Information (ITR) 2Q24	08.07.2024
2Q24 Video Conference	08.08.2024
Quarterly Information (ITR) 3Q24	11.06.2024
3Q24 Video Conference	11.07.2024

Exhibits

1. Income Statement

Consolidated income statement (R\$ thousand)	1Q24	1Q23	% Var. YoY	4Q23	% Var. QoQ
Gross revenue	158,626	151,186	4.9%	154,385	2.7%
CSU Pays	105,346	97,164	8.4%	100,422	4.9%
CSU DX	53,280	54,022	-1.4%	53,963	-1.3%
Deductions	(19,398)	(18,344)	5.7%	(18,707)	3.7%
CSU Pays	(14,937)	(13,754)	8.6%	(14,197)	5.2%
CSU DX	(4,461)	(4,590)	-2.8%	(4,510)	-1.1%
Net revenue	139,228	132,842	4.8%	135,678	2.6%
Recurring	136,425	131,946	3.4%	135,350	0.8%
% Recurring revenue	98.0%	99.3%	-1.3 p.p.	99.8%	-1.8 p.p.
CSU Pays	90,409	83,410	8.4%	86,225	4.9%
Digital	85,972	77,815	10.5%	81,688	5.2%
Analog	4,437	5,595	-20.7%	4,537	-2.2%
CSU DX	48,819	49,432	-1.2%	49,453	-1.3%
Costs (ex-depreciation and amortization)	(67,307)	(67,734)	-0.6%	(66,828)	0.7%
CSU Pays	(30,808)	(31,189)	-1.2%	(30,393)	1.4%
Personnel	(18,813)	(20,069)	-6.3%	(19,050)	-1.2%
Materials	(1,891)	(3,350)	-43.6%	(2,624)	-27.9%
Mailings of letters and invoices	(1,523)	(1,480)	2.9%	(1,212)	25.7%
Communication	(407)	(473)	-14.0%	(308)	32.1%
Occupation	(1,739)	(1,231)	41.3%	(3,173)	-45.2%
Awards	(1,653)	(1,224)	35.0%	(1,549)	6.7%
Others	(4,782)	(3,362)	42.2%	(2,477)	93.1%
CSU DX	(36,499)	(36,545)	-0.1%	(36,435)	0.2%
Personnel	(30,935)	(30,490)	1.5%	(32,754)	-5.6%
Communication	(447)	(547)	-18.3%	(347)	28.8%
Occupation	(2,630)	(2,849)	-7.7%	(1,152)	128.3%
Other	(2,487)	(2,659)	-6.5%	(2,182)	14.0%
Gross contribution	71,921	65,108	10.5%	68,850	4.5%
CSU Pays	59,601	52,221	14.1%	55,832	6.8%
CSU DX	12,320	12,887	-4.4%	13,018	-5.4%
Contribution (%)	51.7%	49.0%	2.7 p.p.	50.7%	1.0 p.p.
CSU Pays	65.9%	62.6%	3.3 p.p.	64.8%	1.1 p.p.
CSU DX	25.2%	26.1%	-0.9 p.p.	26.3%	-1.1 p.p.
Total Costs (add depreciation and amortization)	(80,756)	(82,432)	-2.0%	(81,384)	-0.8%
Gross profit	58,472	50,410	16.0%	54,294	7.7%
CSU Pays	49,924	42,078	18.6%	45,312	10.2%
CSU DX	8,548	8,332	2.6%	8,982	-4.8%
Gross margin	42.0%	37.9%	4.1 p.p.	40.0%	2.0 p.p.
CSU Pays	55.2%	50.4%	4.8 p.p.	52.6%	2.6 p.p.
CSU DX	17.5%	16.9%	0.6 p.p.	18.2%	-0.7 p.p.
Expenses	(24,693)	(22,975)	7.5%	(22,502)	9.7%
Selling, general & administrative (SG&A)	(25,578)	(23,000)	11.2%	(25,795)	-0.8%
Selling	(1,503)	(2,238)	-32.8%	(1,618)	-7.1%
General and administrative	(22,956)	(19,361)	18.6%	(22,283)	3.0%
Depreciation and amortization	(1,119)	(1,401)	-20.1%	(1,894)	-40.9%
% Net revenue (SG&A)	18.4%	17.3%	1.1 p.p.	19.0%	-0.6 p.p.
Other operational revenue/expenses	885	25	3440.0%	3,293	-73.1%
Other operational revenue	253	698	-63.8%	881	-71.3%
Other operational expenses	632	(673)	-193.9%	2,412	-73.8%
EBIT	33,779	27,435	23.1%	31,792	6.3%
(+) Depreciation and amortization	14,568	16,099	-9.5%	16,450	-11.4%
EBITDA	48,347	43,535	11.1%	48,242	0.2%
CSU Pays	43,826	39,410	11.2%	43,798	0.1%
CSU DX	4,521	4,125	9.6%	4,444	1.7%
EBITDA margin	34.7%	32.8%	1.9 p.p.	35.6%	-0.9 p.p.
CSU Pays	48.5%	47.2%	1.3 p.p.	50.8%	-2.3 p.p.
CSU DX	9.3%	8.3%	1.0 p.p.	9.0%	0.3 p.p.
Financial result	(164)	(147)	11.6%	(510)	-67.8%
Financial revenue	2,587	3,377	-23.4%	2,036	27.1%
Financial expenses	(2,751)	(3,524)	-21.9%	(2,546)	8.1%
EBT	33,615	27,288	23.2%	31,282	7.5%
Taxes	(9,383)	(7,087)	32.4%	(7,241)	29.6%
Current	(9,420)	(7,410)	27.1%	(10,116)	-6.9%
Deferred	37	323	-88.5%	2,875	-98.7%
Net income	24,232	20,201	20.0%	24,041	0.8%
Net margin	17.4%	15.2%	2.2 p.p.	17.7%	-0.3 p.p.

2. Statement of Financial Position

Consolidated balance sheet - Asset (R\$ thousand)					
Asset	03/31/2024	12/31/2023	03/31/2024 vs. 12/31/2023	03/31/2023	03/31/2024 vs. 03/31/2023
Total assets	672,456	611,536	10.0%	614,333	9.5%
Current assets	191,839	170,503	12.5%	174,752	9.8%
Cash and cash equivalents	89,737	75,290	19.2%	80,397	11.6%
Accounts receivable from customers	78,675	76,879	2.3%	72,935	7.9%
Inventories	2,783	2,449	13.6%	2,662	4.5%
Tax recoverable	8,859	6,963	27.2%	6,724	31.8%
Other assets	11,785	8,922	32.1%	12,034	-2.1%
Non-current assets	480,617	441,033	9.0%	439,581	9.3%
Long-term receivables	6,712	5,910	13.6%	12,761	-47.4%
Accounts receivable	212	-	n.a	-	n.a
Tax recoverable	1,395	1,395	0.0%	4,598	-69.7%
Other assets	5,105	4,515	13.1%	8,163	-37.5%
Investments	31,097	31,097	0.0%	31,097	0.0%
Property, plant and equipment	14,793	14,879	-0.6%	14,286	3.5%
Intangible assets	332,761	322,097	3.3%	294,830	12.9%
Computerized systems	306,867	296,203	3.6%	268,935	14.1%
Goodwill (indefinite useful life)	25,894	25,894	0.0%	25,895	0.0%
Right-of-use assets	95,254	67,050	42.1%	86,607	10.0%

Consolidated balance sheet - Liability and equity (R\$ thousand)					
Liability & equity	03/31/2024	12/31/2023	03/31/2024 vs. 12/31/2023	03/31/2023	03/31/2024 vs. 03/31/2023
Liabilities + shareholder's equity	672,456	611,536	10.0%	614,333	9.5%
Current liabilities	152,249	122,960	23.8%	143,415	6.2%
Social and labor obligations	49,706	47,890	3.8%	51,568	-3.6%
Social charges	6,811	8,991	-24.2%	6,566	3.7%
Labor liabilities	42,895	38,899	10.3%	45,002	-4.7%
Trade payables	40,288	35,345	14.0%	33,577	20.0%
Taxes to be collected	5,619	5,460	2.9%	5,611	0.1%
Federal taxes payable	2,731	2,271	20.3%	3,475	-21.4%
State taxes payable	-	-	n.a	3	n.a
Municipal taxes payable	2,888	3,189	-9.4%	2,133	35.4%
Loans, financings and leasing liabilities	40,962	26,729	53.2%	39,171	4.6%
Loans and financings	4,961	4,929	0.6%	7,880	-37.0%
Lease liabilities	36,001	21,800	65.1%	31,291	15.1%
Other liabilities	15,674	7,536	108.0%	13,488	16.2%
Non-current liabilities	72,895	59,220	23.1%	74,653	-2.4%
Loans, financings and leasing liabilities	55,472	42,022	32.0%	54,974	0.9%
Loans and financings	423	1,689	-75.0%	5,492	-92.3%
Lease liabilities	55,049	40,333	36.5%	49,482	11.3%
Others	-	-	n.a	205	n.a
Deferred income taxes and social contribution	8,421	8,458	-0.4%	9,155	-8.0%
Legal liabilities	9,002	8,740	3.0%	10,319	-12.8%
Tax	6,098	5,765	5.8%	5,059	20.5%
Labor	2,291	2,381	-3.8%	2,678	-14.5%
Civil	613	594	3.2%	2,582	-76.3%
Shareholders' equity	447,312	429,356	4.2%	396,265	12.9%
Share capital	229,232	229,232	0.0%	169,232	35.5%
Capital reserves	3,222	3,009	7.1%	2,620	23.0%
Profit reserves	197,146	197,146	0.0%	224,413	-12.2%
Legal reserve	33,580	29,901	12.3%	21,801	54.0%
Retained profits reserve	166,630	170,309	-2.2%	205,676	-19.0%
Treasury shares	- 3,064	- 3,064	0.0%	- 3,064	0.0%
Retained earnings	17,732	-	n.a	-	n.a
Other comprehensive results	- 20	- 31	-35.5%	-	n.a

3. Cash Flow Statement

Consolidated cash flows statement (R\$ thousand)					
Description	1Q24	4Q23	1Q24 vs. 4Q23	1Q23	1Q24 vs. 1Q23
Cash from operating activities	40,695	34,577	17.7%	36,737	10.8%
Profit for the period	24,232	24,042	0.8%	20,201	20.0%
Adjustments	18,885	13,689	38.0%	20,483	-7.8%
Depreciation and amortization	14,568	16,450	-11.4%	16,099	-9.5%
Asset disposals gain/losses	523	333	57.1%	190	175.5%
Share-based payments	213	30	610.0%	218	-2.3%
Provision for impairment of trade receivables	(553)	(3,891)	-85.8%	111	n.a.
Deferred income tax and social contribution	(37)	(2,875)	-98.7%	(323)	-88.5%
Provision for legal liabilities	168	204	-17.6%	922	-81.8%
Equity equivalent result	-	68	n.a.	-	n.a.
Interest, indexation and exchange gain/losses on loans, legal liabilities and escrow deposits	4,003	3,370	18.8%	3,266	22.6%
Changes in assets and liabilities	9,252	6,091	51.9%	2,806	229.7%
Trade receivables from customers	(1,243)	712	n.a.	3,266	n.a.
Inventories	(334)	407	n.a.	926	n.a.
Escrow deposits	337	397	-15.1%	300	12.4%
Other assets	(6,083)	875	n.a.	(2,835)	114.6%
Trade payables	4,943	2,878	71.8%	(5,178)	n.a.
Social security and labor obligations	1,604	(4,933)	n.a.	2,279	-29.6%
Legal liabilities	(126)	(423)	-70.2%	(1,243)	-89.9%
Other liabilities	10,154	6,178	64.4%	5,291	91.9%
Other	(11,674)	(9,245)	26.3%	(6,753)	72.9%
Interest paid	(3,317)	(2,593)	27.9%	(2,500)	32.7%
Income tax and social contribution paid	(8,357)	(6,652)	25.6%	(4,253)	96.5%
Net cash used in investing activities	(16,615)	(16,374)	1.5%	(12,491)	33.0%
Acquisition of property and equipment	(910)	(859)	5.9%	(361)	152.1%
Additions to intangible assets	(15,705)	(15,418)	1.9%	(12,130)	29.5%
Investments	-	(97)	n.a.	-	n.a.
Net cash used in financing activities	(9,633)	(23,028)	-58.2%	(30,304)	-68.2%
Receipts from loans and financing	-	-	n.a.	-	n.a.
Amortization of loans and financing	(1,225)	(1,141)	7.4%	(2,968)	-58.7%
Amortization of lease liabilities	(8,408)	(9,285)	-9.4%	(8,145)	3.2%
Dividends paid	(0)	(12,602)	-100.0%	(19,191)	-100.0%
Increase (decrease) in cash and cash equivalents	14,447	(4,825)	n.a.	(6,058)	n.a.
Cash and cash equivalents at the beginning of the period	75,290	80,115	-6.0%	86,455	-12.9%
Cash and cash equivalents at the end of the period	89,737	75,290	19.2%	80,397	11.6%

4. Gross Contribution Reconciliation

The chart below aims to demonstrate the reconciliation of gross contribution, which is the result of net revenue from services deducted from their costs, excluding depreciation and amortization inherent to them.

Consolidated gross contribution reconciliation (R\$ thousand)	1Q24	1Q23	% Var. YoY	4Q23	% Var. QoQ
Gross profit	58,472	50,410	16.0%	54,294	7.7%
CSU Pays	49,924	42,078	18.6%	45,313	10.2%
CSU DX	8,548	8,332	2.6%	8,981	-4.8%
(+) Depr. and amort. (costs)	13,449	14,698	-8.5%	14,556	-7.6%
CSU Pays	9,677	10,143	-4.6%	10,520	-8.0%
CSU DX	3,772	4,555	-17.2%	4,036	-6.5%
Gross contribution	71,921	65,108	10.5%	68,850	4.5%
CSU Pays	59,601	52,221	14.1%	55,832	6.8%
CSU DX	12,320	12,887	-4.4%	13,018	-5.4%
Contribution (%)	51.7%	49.0%	2.7 p.p.	50.7%	1.0 p.p.
<i>CSU Pays</i>	<i>65.9%</i>	<i>62.6%</i>	<i>3.3 p.p.</i>	<i>64.8%</i>	<i>1.1 p.p.</i>
<i>CSU DX</i>	<i>25.2%</i>	<i>26.1%</i>	<i>-0.9 p.p.</i>	<i>26.3%</i>	<i>-1.1 p.p.</i>

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