

(A free translation of the original in Portuguese)

CSU Digital S.A.

Quarterly Information (ITR) at
September 30, 2023
and independent auditor's report

CSU Digital S.A.

Quarterly Information (ITR)

At September 30, 2023

Index

Capital.....	3
Balance sheet	4
Statement of income.....	6
Statement of comprehensive income	7
Statement of cash flows.....	8
Statement of changes in equity	9
Statement of value added	10
Management Report	11
Notes to the financial statements.....	42
Other Information	73
Independent auditor's report on review of Quarterly Information (ITR)	74
Opinion of the Audit Committee.....	76
Officers' statement on the financial statements.....	77
Officers' statement on the independent auditor's report	78

(A free translation of the original in Portuguese)

Quarterly Information (ITR) - 09/30/2023- CSU Digital S.A.

Company information/Capital

SHAREHOLDERS (Thousand)	# SHARES 09/30/2023
Paid-in Capital	
Ordinary	41,800
Preferenciais	0
Total	41,800
Treasury shares	
Ordinary	543
Preferenciais	0
Total	543

(A free translation of the original in Portuguese)

Quarterly Information (ITR) - 09/30/2023- CSU Digital S.A.

Quarterly Information (ITR) /balance sheet - assets

(R\$ thousand)

1 – Code	2 – Description	Current quarter 09/30/2023	Prior year 12/31/2022
1	Total Assets	609,916	607,219
1.01	Current assets	171,969	182,482
1.01.01	Cash and Cash Equivalent	79,174	86,455
1.01.03	Trade receivable	73,700	76,312
1.01.03.01	Customers	73,700	76,312
1.01.04	Inventories	2,856	3,588
1.01.06	Securities	6,259	5,455
1.01.06.01	Current securities	6,259	5,455
1.01.06.01.01	Income tax and social contribution	5,083	5,159
1.01.06.01.02	Other taxes to offset	1,176	296
1.01.08	Other current assets	9,980	10,672
1.01.08.03	Others	9,980	10,672
1.02	Non-current assets	437,947	424,737
1.02.01	Long-term assets	7,128	13,065
1.02.01.07	Taxes recoverable	1,777	3,937
1.02.01.07.02	Taxes to offset	1,777	3,937
1.02.01.10	Other non-current assets	5,351	9,128
1.02.01.10.03	Judicial deposits	4,483	6,853
1.02.01.10.04	Others	868	2,275
1.02.02	Investments	32,231	31,097
1.02.02.01	Investment Properties	32,231	31,097
1.02.02.01.04	Other Investments	32,231	31,097
1.02.03	Fixed assets	85,427	91,894
1.02.03.01	Fixed assets in operation	15,026	15,262
1.02.03.01.01	Fixed assets in operation	15,026	15,262
1.02.03.02	Right of use leased assets	70,401	76,632
1.02.04	Intangibles	313,161	288,681
1.02.04.01	Intangibles	313,161	288,681
1.02.04.01.02	Computerized systems	287,266	262,786
1.02.04.01.03	Goodwill (indefinite lived asset)	25,895	25,895

(A free translation of the original in Portuguese)

Quarterly Information (ITR) - 09/30/2023- CSU Digital S.A.

Quarterly Information (ITR) /balance sheet - liabilities and equity

(R\$ thousand)

1 – Code	2 - Description	Current quarter 09/30/2023	Prior year 12/31/2022
2	Total Liabilities	609,916	607,219
2.01	Current Liabilities	132,977	155,994
2.01.01	Social and Labor Obligations	52,818	49,289
2.01.01.01	Social obligations	6,760	8,411
2.01.01.02	Labor obligations	46,058	40,878
2.01.02	Suppliers	32,470	38,755
2.01.02.01	Domestic suppliers	32,470	38,755
2.01.03	Tax obligations	4,484	4,210
2.01.03.01	Federal Tax obligations	2,600	2,162
2.01.03.01.03	Other federal taxes	2,600	2,162
2.01.03.02	State Tax obligations	0	9
2.01.03.03	Municipal Tax obligations	1,884	2,039
2.01.04	Loans and Financing	29,226	36,498
2.01.04.01	Loans and Financing	4,902	9,587
2.01.04.01.01	In Brazilian Reais	4,902	9,587
2.01.04.03	Lease liabilities	24,324	26,911
2.01.04.03.01	Leasing liabilities	24,324	26,911
2.01.05	Other obligations	13,979	27,242
2.01.05.02	Others	13,979	27,242
2.01.05.02.01	Dividends and Interest on Equity	6,119	19,191
2.01.05.02.04	Other obligations	7,860	8,051
2.02	Non-current liabilities	64,219	69,379
2.02.01	Loans and Financing	43,930	49,206
2.02.01.01	Loans and Financing	2,954	6,763
2.02.01.01.01	In Brazilian Reais	2,954	6,763
2.02.01.03	Lease liabilities	40,976	42,443
2.02.01.03.01	Leasing liabilities	40,976	42,443
2.02.02	Other obligations	206	299
2.02.02.02	Others	206	299
2.02.02.02.03	Taxes due	206	299
2.02.03	Deferred Taxes	11,333	9,478
2.02.03.01	Deferred Income Tax and Social Contribution	11,333	9,478
2.02.04	Provisions	8,750	10,396
2.02.04.01	Social security, labor and civil tax provisions	8,750	10,396
2.02.04.01.01	Tax provisions	5,465	4,552
2.02.04.01.02	Provisions for Social Security and Labor	2,432	3,601
2.02.04.01.04	Civil Provisions	853	2,243
2.03	Net equity	412,720	381,846
2.03.01	Paid-in Capital Stock	229,232	169,232
2.03.02	Capital reserves	2,982	2,402
2.03.02.04	Options Granted	2,982	2,402
2.03.04	Profit Reserves	135,625	210,212
2.03.04.01	Legal reserve	25,479	21,801
2.03.04.05	Profit Retention Reserve	113,210	191,475
2.03.04.09	Shares in Treasury	-3,064	-3,064
2.03.05	Retained earnings	44,881	

(A free translation of the original in Portuguese)

Quarterly Information (ITR) - 09/30/2023- CSU Digital S.A.

Quarterly Information (ITR) /statement of income

(R\$ thousand unless otherwise stated)

1 - Code	2 – Description	Current year accumulated 1/1/2023 to 9/30/2023	Prior year accumulated 1/1/2022 to 9/30/2022
3.01	Revenue from the Sale of Goods and / or Services	394,555	398,689
3.02	Cost of Goods and / or Services Sold	(239,924)	(251,590)
3.03	Gross profit	154,631	147,099
3.04	Operating Expenses / Revenues	(68,942)	(70,269)
3.04.01	Selling Expenses	(7,018)	(6,054)
3.04.02	General and Administrative Expenses	(61,368)	(62,826)
3.04.04	Other Operating Income	2,290	660
3.04.05	Other Operating Expenses	(1,501)	(2,049)
3.04.05.01	Other Operating Expenses	(1,501)	(2,049)
3.04.06	Equity Income Result	(1,345)	0
3.05	Result Before Financial Result and Taxes	85,689	76,830
3.06	Financial result	(191)	(3,470)
3.06.01	Financial income	9,146	5,497
3.06.02	Financial expenses	(9,337)	(8,967)
3.07	Result Before Taxes on Profit	85,498	73,360
3.08	Income Tax and Social Contribution on Profit	(21,117)	(21,766)
3.08.01	Current	(19,262)	(22,714)
3.08.02	Deferred	(1,855)	948
3.09	Net Income from Continuing Operations	64,381	51,594
3.11	Profit / Loss for the Period	64,381	51,594

(A free translation of the original in Portuguese)

Quarterly Information (ITR) - 09/30/2023- CSU Digital S.A.

Quarterly Information (ITR) /statement of comprehensive income

(R\$ thousand)

1 - Code	2 – Description	Current year accumulated 1/1/2023 to 9/30/2023	Prior year accumulated 1/1/2022 to 9/30/2022
4.01	Profit / Loss for the period	64,381	51,594
4.02	Others Comprehensive Income for the period		
4.03	Comprehensive Income for the period	64,381	51,594

(A free translation of the original in Portuguese)

Quarterly Information (ITR) - 09/30/2023- CSU Digital S.A.

Quarterly Information (ITR) /statement of cash flows - indirect method

(R\$ thousand)

1 - Code	2 - Description	Current year accumulated 1/1/2023 to 9/30/2023	Prior year accumulated 1/1/2022 to 09/30/2022
6.01	Net Cash from Operating Activities	119,247	105,476
6.01.01	Cash generated from operations	127,217	107,373
6.01.01.01	Profit / Loss for the Period	64,381	51,594
6.01.01.02	Depreciation and amortization	47,452	46,510
6.01.01.03	Residual value of assets written off	305	450
6.01.01.04	Interest and indexation charges	8,392	7,391
6.01.01.05	Equity instrument for payment in shares	579	292
6.01.01.06	Estimated losses on allowance for loan losses	1,256	475
6.01.01.07	Provision for legal liabilities	1,652	1,609
6.01.01.08	Deferred Income Tax and Social Contribution	1,855	(948)
6.01.01.09	Equity Income Result	1,345	0
6.01.02	Changes in Assets and Liabilities	11,627	22,817
6.01.02.01	Trade receivables	1,356	(6,617)
6.01.02.02	Inventories	732	172
6.01.02.03	Judicial deposits	2,370	447
6.01.02.04	Other Assets	3,249	(1,891)
6.01.02.05	Suppliers	(6,287)	1,619
6.01.02.06	Salaries and Social Charges	3,530	8,031
6.01.02.07	Contingencies	(3,905)	1,148
6.01.02.08	Other liabilities	10,582	19,908
6.01.03	Others	(19,597)	(24,714)
6.01.03.01	Interest Paid	(6,855)	(6,849)
6.01.03.02	Income Tax and Social Contribution Paid	(12,742)	(17,865)
6.02	Net Cash Used in Investing Activities	(48,200)	(41,198)
6.02.01	Acquisition of property, plant and equipment	(3,277)	(2,368)
6.02.02	Acquisition of intangible assets	(42,444)	(38,830)
6.02.04	Investments	(2,479)	0
6.03	Net Cash Used in Financing Activities	(78,328)	(60,981)
6.03.01	Loans	0	34
6.03.02	Amortization of Loans and Financing	(8,385)	(12,037)
6.03.04	Dividends and Interest on Equity Paid	(45,012)	(28,247)
6.03.05	Amortization of Lease Liabilities	(24,931)	(20,731)
6.05	Decrease in Cash and Cash Equivalents	(7,281)	3,297
6.05.01	Opening Balance of Cash and Cash Equivalents	86,455	83,292
6.05.02	Closing Balance of Cash and Cash Equivalents	79,174	86,589

(A free translation of the original in Portuguese)

Quarterly Information (ITR) - 09/30/2023- CSU Digital S.A.

Quarterly Information (ITR) /statement of changes in equity - 1/1/2023 to 09/30/2023 (R\$ thousand)

1 - Code	2 – Description	Paid-up capital	Capital reserves, share options and treasury shares	Revenue reserves	Retained earnings	Other comprehensive income	Equity
5.01	Opening Balances	169,232	2,402	196,644	0	13,568	381,846
5.03	Adjusted Opening Balances	169,232	2,402	196,644	0	13,568	381,846
5.04	Capital Transactions with Partners	60,000	578	(74,585)	(19,500)	0	(33,507)
5.04.01	Capital increases	60,000	0	(60,000)	0	0	0
5.04.03	Options Granted	0	578	0	0	0	578
5.04.06	Dividends	0	0	(14,585)	0	0	(14,585)
5.04.07	Interest on Equity	0	0	0	(19,500)	0	(19,500)
5.05	Total Comprehensive Income	0	0	0	64,381	0	64,381
5.05.01	Profit / Loss for the Period	0	0	0	64,381	0	64,381
5.07	Final balance	229,232	2,980	122,059	44,881	13,568	412,720

Quarterly Information (ITR) /statement of changes in equity - 1/1/2022 to 09/30/2022 (R\$ thousand)

1 - Code	2 – Description	Paid-up capital	Capital reserves, share options and treasury shares	Revenue reserves	Retained earnings	Other comprehensive income	Equity
5.01	Opening Balances	169,232	2,037	161,396	0	10,166	342,831
5.03	Adjusted Opening Balances	169,232	2,037	161,396	0	10,166	342,831
5.04	Capital Transactions with Partners	0	216	77	(31,900)	0	(31,607)
5.04.03	Options Granted	0	216	77	0	0	293
5.04.06	Dividends	0	0	0	(16,200)	0	(16,200)
5.04.07	Interest on Equity	0	0	0	(15,700)	0	(15,700)
5.05	Total Comprehensive Income	0	0	0	51,595	0	51,595
5.05.01	Profit / Loss for the Period	0	0	0	51,595	0	51,595
5.07	Final balance	169,232	2,253	161,473	19,695	10,166	362,819

(A free translation of the original in Portuguese)

Quarterly Information (ITR) - 09/30/2023- CSU Digital S.A.

Quarterly Information (ITR) /statement of value added

(R\$ thousand)

1 – Code	2 - Description	Current year accumulated 1/1/2023 to 9/30/2023	Prior year accumulated 1/1/2022 to 09/30/2022
7.01	Revenues	452,916	451,958
7.01.01	Sales of Goods, Products and Services	449,116	451,765
7.01.02	Other revenues	2,290	661
7.01.04	Estimated losses on allowance for loan losses	1,510	(468)
7.02	Inputs Purchased from Third Parties	(61,294)	(69,315)
7.02.01	Costs Prods., Mercs. and Servs. Sold	(31,793)	(36,502)
7.02.02	Materials, Energy, Servs. Third Party and Others	(29,501)	(32,813)
7.03	Gross Value Added	391,622	382,643
7.04	Retentions	(47,452)	(46,510)
7.04.01	Depreciation and amortization	(47,452)	(46,510)
7.05	Net Added Value Produced	344,170	336,133
7.06	Added Value Received in Transfer	7,801	5,497
7.06.01	Equity Income Result	(1,345)	0
7.06.02	Financial income	9,146	5,497
7.07	Total Added Value to be Distributed	351,971	341,630
7.08	Added Value Distribution	351,971	341,630
7.08.01	Personnel	176,334	179,245
7.08.01.01	Direct Remuneration	140,565	142,826
7.08.01.02	Benefits	22,698	24,435
7.08.01.03	F.G.T.S.	13,071	11,984
7.08.02	Taxes, fees and contributions	87,348	89,110
7.08.02.01	Federal	77,415	79,594
7.08.02.02	State	28	62
7.08.02.03	Municipal	9,905	9,454
7.08.03	Remuneration of Third Party Capital	23,908	21,682
7.08.03.01	Fees	9,337	8,966
7.08.03.02	Rentals	14,571	12,716
7.08.04	Equity Remuneration	64,381	51,593
7.08.04.01	Dividends and Interest on Equity	19,500	15,700
7.08.04.03	Retained earnings	44,881	35,893



3Q23

Results

November 8, 2023



Contact:
ri.csu.com.br
ri@csu.com.br

CONTENTS

Quarter highlights	13
Message from Management	14
Consolidated results	16
Capex	21
Operating cash generation	22
Capital structure	23
Performance by business unit	24
1. CSU Pays (payment methods, loyalty and incentives, and BaaS)	24
1.1 Operational performance	25
1.2 Financial performance	27
2. CSU DX (Digital Experience)	30
2.1 Operational performance	30
2.2 Financial performance	31
Capital markets	34
Exhibits	36
1. Income statement.....	36
2. Statement of financial position	37
3. Cash flow statement	38
4. Reclassification of results by business unit	39
5. Gross contribution reconciliation	40

Earnings Call

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

Date: Thursday, November 9, 2023.

PORTUGUESE AND ENGLISH

Time: 09:00 a.m. (ET) | 11:00 a.m. (BRT)

Earnings conference call: [click here](#)

SÃO PAULO, NOVEMBER 8th, 2023

CSU Digital S.A. (B3: CSUD3) ("CSU" or "Company"), leader in the Brazilian market of cutting-edge technology solutions for payment methods, Banking as a Service (BaaS), digital experience, and customer loyalty and incentive, announces its results for the third quarter of 2023.

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.

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, a 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 in repositioning our business, which resulted from a vast investment program that has been carried out in recent years.

Consequently, adjustments were made (please refer to Exhibit 4) to our grouping of results by business division, according to the aforementioned changes. Such adjustments more appropriately reflect the nature of our service contracts from the perspective of end-to-end platform, thereby making it possible to compare the results achieved between the time periods.

¹ ROCE: return on capital employed; ROE: return on equity; ROIC: return on invested capital.

Quarter Highlights

Another record-breaking quarter for the main operational, income and profitability metrics

Operational indicators: Continued evolution of our operations.

- **B2B clients:** We renewed contracts that represent approximately 90% of Pays revenue, adding even more trust to our investment plan.
- **Registered cards and accounts:** Indicators keep expanding, having reached **36.3 million** registered cards and accounts **(+5.2% vs. 3Q22)**.
- **Number of transactions managed:** Expansion of **21.1%** vs. 3Q22, hitting **280.9 million** transactions in the last quarter. Financially, **R\$84.4 billion (+24.4% vs. 3Q22)** were processed on our platforms in 3Q23.
- **Number of CSU DX digitalized transactions:** exceeds **70%** of the total, including self-service interactions.

Technology platforms: Following the development of new CSU Pays platforms in 2Q23 (digital payments and BaaS), in the third quarter we announced the launch of our platform for processes hyper-automation (HAS) and for risk management, creating new, relevant growth revenues at CSU DX.

Net revenue: Expansion of operational activity levels in both business units, leading to a resumption of consolidated revenue growth compared to the prior quarter, reaching **R\$132.4 million in 3Q23 (+2.3% vs. 2Q23 and -2.9% vs. 3Q22)**. Year to date it totaled R\$394.6 million, in a minor reduction of -1.0% vs. 9M22.

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

- **Gross contribution:** Growth of **1.7%** compared to 3Q22, reaching **R\$68.0 million in 3Q23 with a margin of 51.4%**. Year to date it totaled R\$198.3 million with a margin of 50.3% (+6.0% and **+3.4 pp vs. 9M22**, respectively).
- **EBITDA:** The indicator hit a new record of **R\$46.5 million (+9.8% vs. 3Q22)** due to productivity gains and our non-stop financial diligence in controlling expenses. Year to date **it is 7.9% higher** than 9M22 **at R\$133.1 million**.
- **EBITDA margin:** Performance gains lifted the indicator, which reached 35.1% in 3Q23 **(+4.0 pp vs. 3Q22), its highest historical figure**. Year to date, margin hit 33.7% (+2.8 pp vs. 9M22).
- **Net income: Strong annual expansion of 28.4%** reaching R\$23.7 million in 3Q23. **Year to date, it grew 24.8%** compared to 9M22, **hitting R\$64.4 million**.

Profitability and capital structure: Low leverage and continuous profitability growth allow higher investments with attractive returns and shareholder remuneration.

- **Select profitability indicators:** ROCE¹, ROE, ROIC hit the excellent marks of 24%, 22% and 21%.
- **Earnings distribution: R\$7.0 million** in interest on capital due to **3Q23. Payment was made in October 2023**, which adds to the R\$12.5 million referring to the first half and paid throughout the year.

Message from Management

The third quarter of 2023 seals an important chapter in the operational evolution of our company and highlights a series of achievements from our strategic initiatives. It's worth mentioning the material gains from our efficiency improvement agenda, constant product innovation and intense technological enhancement.

When we evaluate the Company's main operational metrics, it is worth stressing:

- advances in the contract renewal agenda with our main customers, having successfully completed the long-term extension of approximately 90% of CSU Pays revenue;
- we reached 36.3 million registered cards and accounts in our databases (+5.2% vs. 3Q22);
- 280.9 million transactions were managed on our platforms in the last quarter (+21.1% vs. 3Q22) and 781.1 million transactions in the first 9 months of 2023 (+21.2% vs. 9M22), which represent R\$84.4 billion and R\$235.1 billion, respectively;
- the number of digitalized entries at CSU DX exceeds 70% of the total, an agenda that has allowed constant margin gains in this business unit.

As a consequence of this operational evolution mentioned above, and our active agenda for the digitalization of products and internal processes, financially the results become even more significant with several historical records reported:

- revenue at CSU Pays continues to expand significantly, having reached R\$84.9 million in 3Q23 and R\$251.8 million year to date (+6.9% vs. 9M22);
- amid continuous expansion, the Company's EBITDA reached its highest-ever level of R\$46.5 million with a margin of 35.1% in 3Q23 (+9.8% and +4.0 pp vs. 3Q22, respectively). Year to date it totaled R\$133.1 million with a margin of 33.7%, compared to R\$123.3 million with a margin of 30.9% in the same period of 2022;
- likewise, net income hit a record of R\$23.7 million in 3Q23 (+28.4% vs. 3Q22) with a significant increase in net margin during the quarter, which reached 17.9% (+4.4 pp vs. 3Q22). Year to date it totaled R\$64.4 million, an increase of R\$12.8 million (+24.8% vs. 9M22).

The scope achieved and the existing synergy across the business units allow the continuous evolution of operating margins, ranking CSU Digital as one of the best returns on invested capital in the market. We highlight indicators such as ROCE², ROE and ROIC that have been performing at 21%-24% per year.

The third quarter of 2023 was also marked by the completion of the transformation phase for our business verticals, which made our offers the most complete and robust on the market and the only one capable of serving any company that wants to offer financial services to its end customers.

After successfully completing the development of our comprehensive platform for financial transaction processing solutions (cards, Pix, cryptocurrencies, transfers, payments, top-ups, among others) and which are now available embedded via API in multiple interfaces (white label CSU apps and/or customer-based ones), CSU Digital now has the most advanced technology on the market in hyper-automation of business processes for front-office, middle-office and back-office operations with the launch of our HAS platform, the new CSU DX solution.

Companies that contract CSU DX platforms and apply advanced AI techniques to their various internal processes - especially in the areas of fraud prevention, exchange, curation, and onboarding - make their operations more agile, precise, and aligned with the demands of their audiences, thus delivering a truly digital experience (not just what is visible to the consumer) without friction, while significantly reducing their operating costs.

² ROCE: *return on capital employed* (retorno sobre o capital empregado); ROE: *return on equity* (retorno sobre o patrimônio líquido); ROIC: *return on invested capital* (retorno sobre o capital investido).

This recently launched initiative has generated a great deal of interest from potential customers in a wide range of industries, creating new and important avenues of growth for the company, often acting as an entry point for new contracts, followed by important cross-sell and up-sell opportunities, as this type of solution further entrenches our performance and enhances the perception of Deeply Tech company among customers.

Before closing, the Board of Directors approved the distribution of R\$7.0 million worth of interest on capital for the results of 3Q23, already paid on 10.6.2023, which added to the R\$12.5 million interest on capital declared and paid for the first half of 2023. The Company maintains a very attractive remuneration for its shareholders and demonstrates its financial solidity.

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

Marcos Ribeiro Leite
Founder & CEO

Consolidated results Results summary

Main indicators (R\$ thousand)	3Q23	3Q22	% Var. YoY	2Q23	% Var. QoQ	9M23	9M22	% Var.
Net revenue	132,356	136,339	-2.9%	129,356	2.3%	394,555	398,689	-1.0%
Gross contribution	67,996	66,856	1.7%	65,159	4.4%	198,264	187,013	6.0%
<i>Contribution (%)</i>	51.4%	49.0%	2.4 p.p.	50.4%	1.0 p.p.	50.3%	46.9%	3.4 p.p.
Gross profit	53,577	53,570	0.0%	50,643	5.8%	154,631	147,099	5.1%
<i>Gross margin</i>	40.5%	39.3%	1.2 p.p.	39.2%	1.3 p.p.	39.2%	36.9%	2.3 p.p.
EBITDA	46,502	42,349	9.8%	43,105	7.9%	133,141	123,339	7.9%
<i>EBITDA margin</i>	35.1%	31.1%	4.0 p.p.	33.3%	1.8 p.p.	33.7%	30.9%	2.8 p.p.
Net income	23,695	18,454	28.4%	20,486	15.7%	64,381	51,594	24.8%
<i>Net margin</i>	17.9%	13.5%	4.4 p.p.	15.8%	2.1 p.p.	16.3%	12.9%	3.4 p.p.

Net revenue: Totaled **R\$132.4 million** in 3Q23, slightly lower than in 3Q22 when it equaled R\$136.3 million (-2.9% vs. 3Q22). Year to date, net revenue totaled **R\$394.6 million** (-1.0% vs. 9M22).

It is very important to note the performance by vertical in the coming sections, considering that they are experiencing very different dynamics. **CSU Pays** (our core business) – a division that encompasses payment methods, loyalty and BaaS services – grows significantly and recurringly on an annual basis (+7% vs 9M22), including gains in its share of total net revenue. **CSU DX** – the division that encompasses Customer Experience and Middle Office (HAS) services – is undergoing a profound operational transformation and becoming increasingly digital. It includes higher value-added services in process hyper-automation through artificial intelligence (AI) to increase profitability and create new growth possibilities.

Net revenue:

R\$ 132.4 MM -2.9%
3Q23 yoy

Gross contribution:

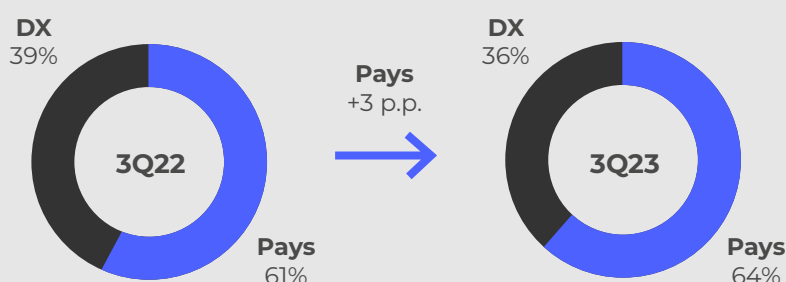
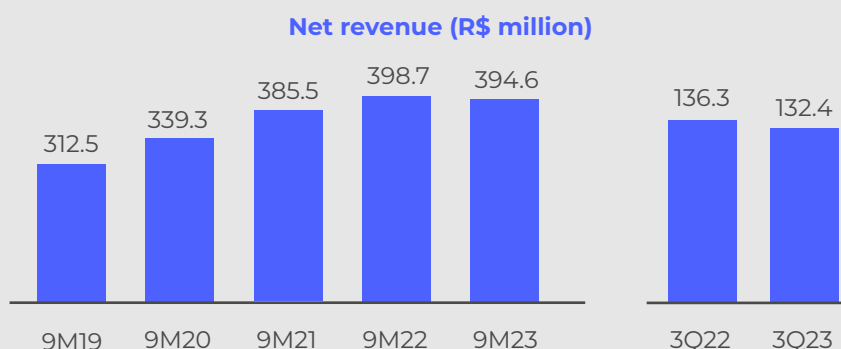
R\$ 68.0 MM +1.7%
Mg. 51.4% +2.4p.p.
3Q23 yoy

EBITDA:

R\$ 46.5 MM +9.8%
Mg. 35.1% +4.0p.p.
3Q23 yoy

Net income:

R\$ 23.7 MM +28.4%
Mg. 17.9% +4.4p.p.
3Q23 yoy



For anyone not fully familiar with the business evolution at CSU Digital, the Company has developed and executed a business model based on the full service concept. Through this model, CSU Digital offers a robust technology infrastructure in financial services (CSU Pays), while providing a comprehensive operational support (CSU DX) for these products on a daily basis drawing on broad automation and performance. This way, our clients can offer a unique, complete experience to their users on short notice and demanding minor investments.

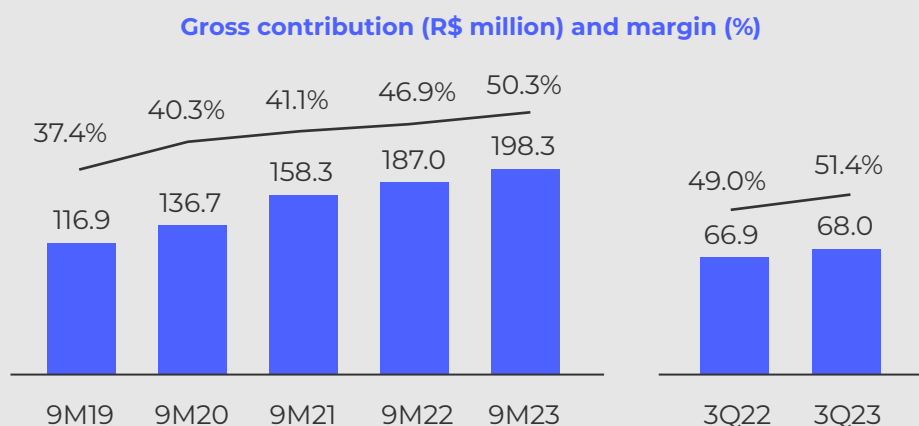
This operational fashion allows relevant synergies across our portfolio products and a high degree of revenue predictability:

- Originally, the main revenue line at CSU Pays was associated with the processing and management of card transactions, in addition to the development and management of loyalty and incentive programs, both geared towards issuers. Much of this business unit's revenue is still tied to the number of users and cards available for billing, with different amounts for each type of processing. New modalities are beginning to gain relevance on this vertical with the launch of new payment solutions (virtual cards, digital cards, digital wallets, Pix, Pix on Credit, Cryptocurrencies) and Banking as a Service (BaaS) being offered globally in an integrated fashion through CSU Switcher.
- Similarly, we guarantee full capacity (infrastructure, staff and technology) for the contracted DX services. Originally created to meet the demands of our card-centric customers on the service front, this unit experienced a real digital transformation in recent years and became tech-heavy division. From now on, it has a new type of service, the Middle Office (marketed as HAS) which uses the best artificial intelligence tools for hyper-automation of business processes.

Costs (excluding depreciation and amortization): This line suffered a significant **reduction of R\$5.1 million (-7.4%)**, ending 3Q23 at R\$64.4 million compared to R\$69.5 million recorded in 3Q22. Year to date, **the reduction reached R\$15.4 million (-7.3% vs. 9M22)** totaling R\$196.3 million compared to R\$211.7 million in the same period of the previous year. This change resulted from **effective efficiency gains** and greater consumption of digital services by our customers in both business divisions, with a consequent reduction in personnel, postage and communication costs, in contrast to an increase in contracted service costs (e.g. cloud).

Gross Contribution³: Reached **R\$68.0 million in 3Q23**, which represents a margin (as a function of revenue share) of **51.4%**, compared to R\$66.9 million and a margin of 49.0% in the same period of the previous year, an increase of **R\$1.1 million (+1.7%)** and a **2.4 pp rise** in revenue share. Year to date, it totaled **R\$198.3 million with a margin of 50.3%**, compared to R\$ 187.0 million and a margin of 46.9% in the previous year, an **increase of R\$ 11.3 million** (+6.0% and +3.4 pp vs. 9M22, respectively).

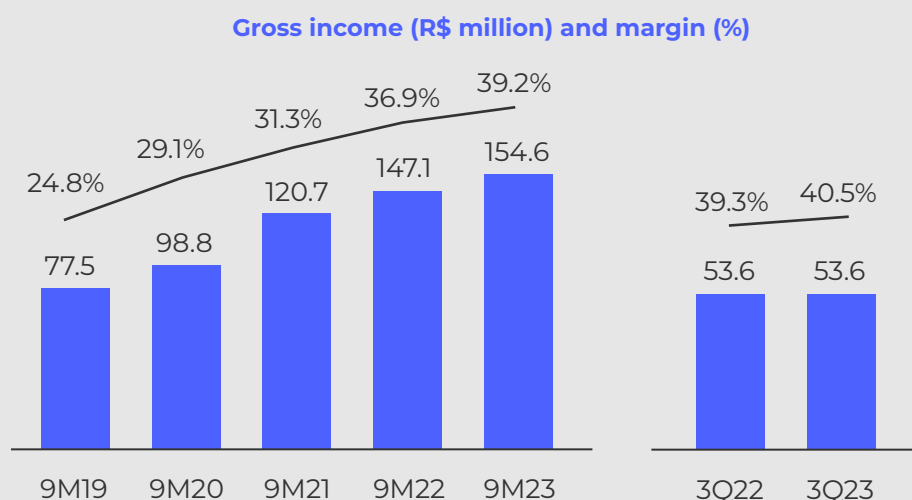
This increase is due to the greater relevance of the CSU Pays business division, which enjoys higher profitability, in addition to efficiency gains from the deep digitalization of products and processes seen in the past few years in all verticals.



³**Gross Contribution:** Non-accounting measure that considers net revenue minus costs, excluding depreciation and amortization inherent in said costs. See reconciliation in Exhibit 5.

Total costs, gross income and gross margin: If we include depreciation and amortization related to costs, the total for this line increases to R\$78.8 million in 3Q23 and R\$82.8 million in 3Q22, a **R\$4.0 million reduction** (-4.8% vs. 3Q22). Year to date, it totaled R\$239.9 million compared to R\$251.6 million in the previous year, a **saving of R\$11.7 million** (-4.6% vs. 9M22, respectively).

As a result, gross income reached **R\$53.6 million** in 3Q23, in line with the result achieved in 3Q22 with a gross margin of **40.5%**, which represents a gain of +1.2 pp vs 3Q22 when gross margin was 39.3%. Year to date, it totaled **R\$154.6 million with a margin of 39.2%** compared to R\$147.1 million and a margin of 36.9% in the previous year, an **increase of R\$7.5 million (+5.1% and +2.3 pp vs. 9M22, respectively)**.



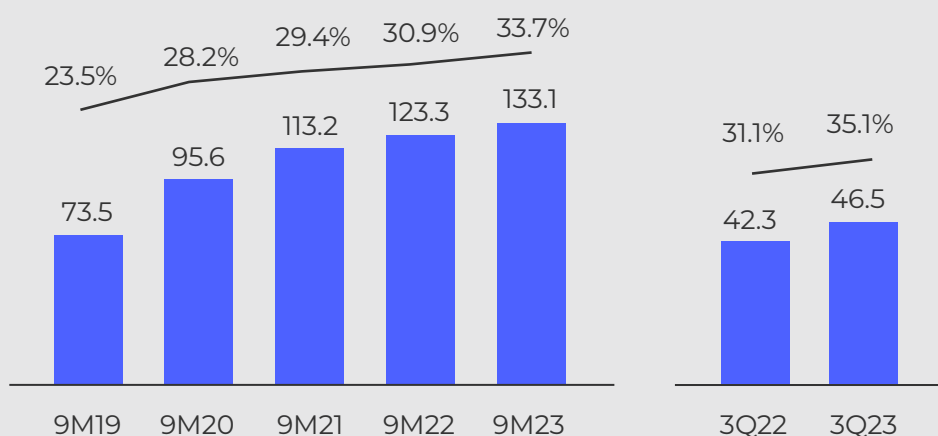
Selling, General and Administrative Expenses (SG&A): The Company's SG&A - including depreciation and amortization (D&A) - reached R\$22.8 million in 3Q23 against R\$26.2 million in the same period of 2022, a **R\$3.4 million decrease (-13.0% vs. 3Q22)**. This is explained by (i) lower spending on personnel by reaping the benefits the 2Q23 structural adjustment, (ii) lower spending on consulting and (iii) lower spending on equipment and software rental for specific projects, offset (iv) by the initial expenses in structuring our operation in United States of America. Year to date, it totaled R\$69.7 million compared to R\$68.9 million in the previous year, a minor increase of R\$0.8 million (+1.2% vs. 9M22, respectively) due to (i) higher, one-time spending on terminations and fines as disclosed in 2Q23, (ii) higher marketing expenditures (iii) of the initial costs of our internationalization project, partially offset by (iv) the positive effects (personnel, consulting and rent) highlighted above in the 3Q23 view.

SG&A (R\$ thousand)	3Q23	3Q22	% Var. YoY	2Q23	% Var. QoQ	9M23	9M22	% Var.
General and administrative	(18,824)	(20,633)	-8.8%	(20,709)	-9.1%	(58,894)	(56,231)	4.7%
Depreciation and amortization	(1,214)	(2,108)	-42.4%	(1,204)	0.8%	(3,819)	(6,595)	-42.1%
Sales and marketing	(2,736)	(3,442)	-20.5%	(2,044)	33.9%	(7,018)	(6,054)	15.9%
Total SG&A expenses	(22,774)	(26,183)	-13.0%	(23,957)	-4.9%	(69,731)	(68,880)	1.2%
<i>% of net revenue</i>	<i>17.2%</i>	<i>19.2%</i>	<i>-2.0 p.p.</i>	<i>18.5%</i>	<i>-1.3 p.p.</i>	<i>17.7%</i>	<i>17.3%</i>	<i>0.4 p.p.</i>

Other operating income (expenses): It reached a net revenue of R\$0.1 million in 3Q23 compared to a net expense of R\$0.4 million, evolving positively by approximately R\$0.5 million compared to the same period of the previous year. Year to date, net revenue totaled R\$0.8 million compared to a net expense of R\$1.4 million in the same period of the previous year, representing a positive evolution of R\$2.2 million.

EBITDA⁴ and EBITDA margin: Hit a **nominal record of R\$46.5 million** with a record **35.1%** margin in 3Q23, compared to R\$42.3 million and a 31.1% margin in the same quarter of 2022, in a **R\$4.2 million increase (+9.8% and +4.0 pp vs. 3Q22, respectively)**. Year to date, EBITDA totaled **R\$133.1 million with a 33.7% margin**, compared to R\$123.3 million and a 30.9% margin in the same quarter of 2022, up by R\$9.8 million (+7.9% and +2.8 pp vs. 9M22, respectively). The evolution of these indicators stems from the operational gains from our **digital transformation plan** for products and processes that aim at increasing the **efficiency** of our verticals that has been implemented over the last few years.

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



EBITDA reconciliation (R\$ thousand)	3Q23	3Q22	% Var. YoY	2Q23	% Var. QoQ	9M23	9M22	% Var.
Net income	23,695	18,454	28.4%	20,486	15.7%	64,381	51,594	24.8%
(+) Income taxes	6,458	7,986	-19.1%	7,572	-14.7%	21,117	21,766	-3.0%
(+) Financial result	717	515	39.2%	(673)	-	191	3,470	-94.5%
(+) Depr. and amort.	15,633	15,394	1.6%	15,720	-0.6%	47,452	46,509	2.0%
EBITDA	46,502	42,349	9.8%	43,105	7.9%	133,141	123,339	7.9%
<i>EBITDA margin</i>	<i>35.1%</i>	<i>31.1%</i>	<i>4.0 p.p.</i>	<i>33.3%</i>	<i>1.8 p.p.</i>	<i>33.7%</i>	<i>30.9%</i>	<i>2.8 p.p.</i>

⁴EBITDA: Prepared in accordance with CVM Instruction 527/12, it is a non-accounting measure consisting of the net income for the period, plus taxes on income, financial expenses net of financial income, and depreciation and amortization.

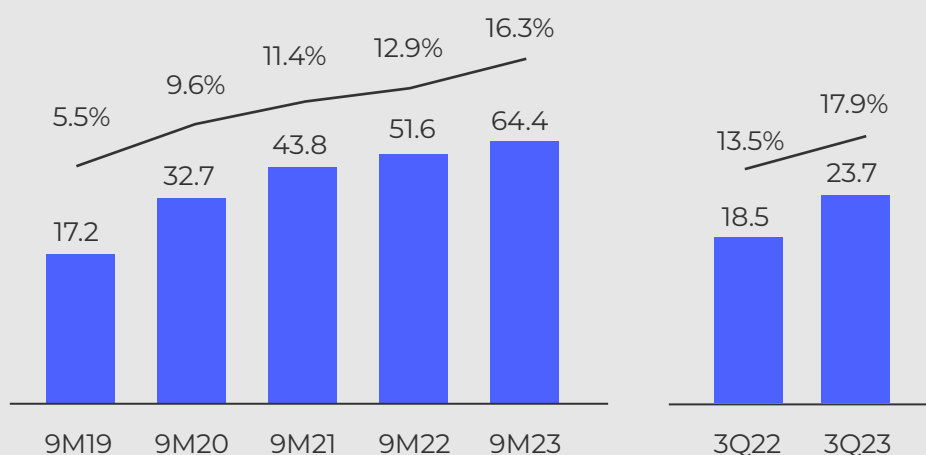
Financial result: In this quarter the financial result totaled a net expense of R\$0.7 million compared to a net expense of R\$0.5 million in 3Q22, an increase of R\$0.2 million. Year to date, it totaled a net expense of R\$0.2 million compared to the R\$3.5 million net expense in the same period of the previous year, a saving of R\$3.3 million. The change is explained by greater financial income recorded in 2023 arising from a higher return on financial investments, positively affected by the higher CDI rate in the time period, as well as the positive effects of monetary variations on assets and liabilities.

Earnings before interest (EBIT): Strong expansion of **R\$3.8 million (+14.0%)** reaching R\$30.2 million in 3Q23 compared to R\$26.4 million in 3Q22. Year to date, it totaled R\$85.5 million compared to R\$73.4 million in the previous year, **a significant increase of R\$12.1 million (+16.5% vs. 9M22).**

Income tax and social contribution on net income (IR/CSLL): R\$6.5 million recorded in 3Q23, a reduction compared to 3Q22, which was R\$8.0 million (-19.1% vs. 3Q22). This change in value, which is not proportional to the EBIT growth, represents a reduction in our effective tax rate due to a one-time and historical review of deferred IR/CSLL balances, combined with the recent recognition of tax benefits related to investments in technology related to the “Lei do Bem” and the increase in the distribution of interest on capital, which is deductible for tax purposes. Year to date, IR/CSLL volume totaled R\$21.1 million compared to R\$21.8 million in 9M22, down by R\$0.7 million (-3.0% vs. 9M22).

Net income and net margin: Reached a **record R\$23.7 million** in 3Q23 from R\$18.5 million in 3Q22, **an increase of R\$5.2 million (+28.4% vs. 3Q22).** Net margin saw a significant advance during the quarter, reaching 17.9% from 13.5% in the same quarter of 2022 **(+4.4 pp vs. 3Q22).** In the year to date, it totaled **R\$64.4 million** compared to R\$51.6 million in the same period of the previous year, an **increase of R\$12.8 million (+24.8% vs. 9M22).** Year-to-date net margin hit 16.3% from 12.9% 9M22, up by **+3.4 pp vs. 9M22.**

Net income (R\$ million) and net margin (%)



CAPEX⁵

Total Capex: The Company's Capex reached R\$14.2 million in 3Q23 against R\$16.1 million in the same period of the previous year, a R\$1.9 million decrease (-11.9% vs. 3Q22). Year to date, investments total R\$45.5 million compared to R\$43.5 million in 9M22, an increase of R\$2.0 million (+4.7% vs. 9M22). A higher investment in tangible and intangible assets in the past few years is explained by the maintenance of projects that structure our BaaS solutions. Capex is also explained by the launch of new solutions and functionalities for the payment processing environment and by the greater sums dedicated to furthering even more the robustness of our data and security infrastructure, and for the development of new products in hyper-automation of CSU DX (HAS) business processes.

- **CSU Pays (89% of the total):** while continuing the investments in the development of new solutions for this unit, it totaled **R\$12.6 million** in 3Q23 from R\$14.6 million in 3Q22, down by R\$2.0 million (-13.7% vs. 3Q22). Year to date, Capex for this unit totaled R\$39.0 million compared to R\$40.4 million in 9M22, a reduction of R\$1.4 million (-3.5% vs. 9M22).
- **CSU DX (8% of the total):** equaled **R\$1.2 million** in 3Q23 compared to R\$0.2 million in 3Q22, up by R\$1.0 million (+410.1% vs. 3Q22). Year to date, it totaled R\$2.5 million compared to R\$0.9 million in 9M22, an increase of R\$1.6 million (+174.0% vs 9M22) explained by investments in new hyper-automation solutions for processes, HAS, which now become an important avenue of growth for this division.
- **Corporate (3% of the total):** equaled **R\$0.5 million** in 3Q23 compared to R\$1.3 million in 3Q22, down R\$0.8 million. Year to date, it totaled R\$4.0 million compared to R\$2.2 million recorded in 9M22, an increase of R\$1.8 million.

Investments (R\$ thousand)	3Q23	3Q22	% Var. YoY	2Q23	% Var. QoQ	9M23	9M22	% Var.
CSU Pays	12,570	14,571	-13.7%	14,973	-16.0%	39,003	40,414	-3.5%
CSU DX	1,158	227	410.1%	322	259.6%	2,513	917	174.0%
Corporate	485	1,330	-63.5%	3,239	-85.0%	4,002	2,160	85.3%
Capex	14,213	16,128	-11.9%	18,534	-23.3%	45,518	43,491	4.7%
% of net revenue	10.7%	11.8%	-1.1 p.p.	14.3%	-3.6 p.p.	11.5%	10.9%	0.6 p.p.

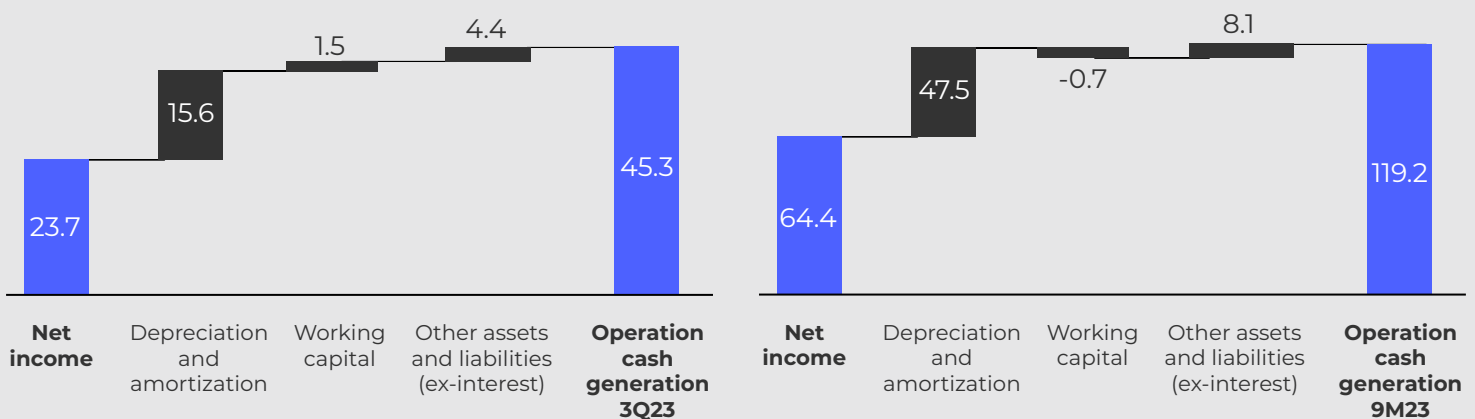
⁵CAPEX: Corporate Capex reflects mostly investments in management technology platforms, both for software and hardware, as well as improvements in general. This amount differs from "Cash Used in Investing Activities" in the Cash Flow Statement because of leasing.

Operating cash generation

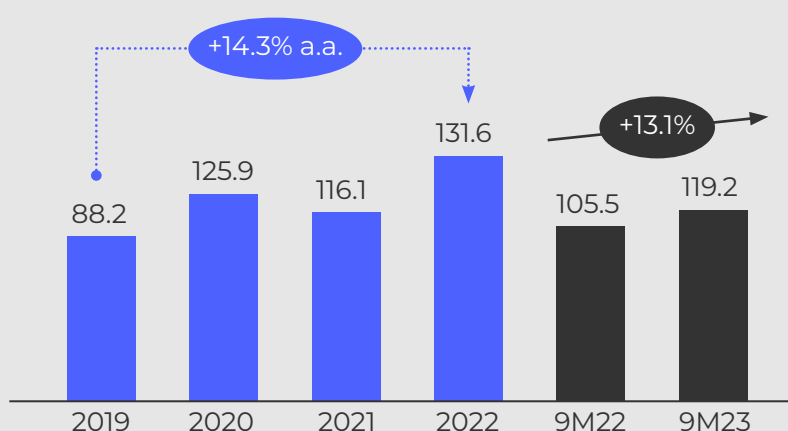
Cash generated by operational activities continues to expand rapidly and totaled **R\$45.3 million** in 3Q23, R\$10.1 million higher than the R\$35.2 million in 3Q22 (+28.8%). Year to date, cash generated by operating activities reached R\$119.2 million vs. R\$ 105.5 million in 9M22.

The Company maintains a long, consistent track record of results and cash generation. From 2019 to 2022, operational cash generation **grew 1.5x (CAGR greater than 14% p.y.)** and keeps expanding in 2023, reflecting the continuous operational advances and, consequently, the greater income earned by the company. For comparison purposes, in the first 9 months of 2023 the Company generated more than 91% of the operating cash seen in the whole of 2022.

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\$73.2 million, from R\$87.7 million in the same period of the previous year, down by R\$14.5 million **(-16.6% vs. 3Q22)**. **Regarding onerous debt (loans)** we ended the quarter with a R\$7.9 million gross balance against R\$19.3 million in 3Q22, a **R\$11.4 million reduction (-59.2%)** stemming from repayments and amortizations.

Cash and cash equivalents: At the end of the quarter, cash and cash equivalents totaled R\$79.2 million from R\$86.6 million in the same period of the previous year, a decrease of R\$7.4 million (-8.6% vs. 3Q22). The variation resulted from (i) higher investments in technology realized between the two quarters, (ii) increased repayment of loans and financing, (iii) greater dividends in addition, (iv) to **an increased dividend payment frequency**. In recent change, the Company's started declaring and paying dividends quarterly (started in 2023 and with its first effect on cash flow in the 2nd quarter) further improving return on shareholders' capital. Until last year, the Company declared dividends on a quarterly basis but only made payments at the beginning of the following fiscal year.

Net debt: At the end of September, the Company had R\$6.0 million worth of net cash compared to R\$1.1 million of net debt in the same period of the previous year, thus posting a reduction of R\$7.1 million in net indebtedness. In analyzing onerous debt exclusively, we ended the quarter with a **net cash position of R\$71.3 million, an expansion of R\$4.0 million** compared to the R\$67.3 million balance in the same period of the previous year – even considering a greater volume of investments, repayments of loans and financing, and dividends paid in this time period, due to higher results of the Company over the last 12 months.

Net debt/LTM EBITDA: Net debt to EBITDA in the last 12 months (LTM) was negative 0.03x (net cash) in 3Q23 from 0.01x in 3Q22, influenced (i) by operational headway that prompted a higher EBITDA (denominator) and (ii) by the decrease in net debt. As a result, the Company understands that its **capital structure is appropriate** to its business and market environment, allowing it to advance with investments relevantly, remunerate its shareholders and have room for higher financial leverage, if deemed necessary, to capture asset addition opportunities.

Indebtedness (R\$ thousand)	3Q23	3Q22	% Var. YoY	2Q23	% Var. QoQ
Financing and debt loan	7,856	19,269	-59.2%	10,312	-23.8%
Short term	4,902	11,237	-56.4%	6,090	-19.5%
Long term	2,954	8,032	-63.2%	4,222	-30.0%
(-) Cash and equivalents	79,174	86,589	-8.6%	67,044	18.1%
Net onerous debt (net cash)	(71,318)	(67,320)	5.9%	(56,732)	25.7%
EBITDA LTM	175,886	161,668	8.8%	171,733	2.4%
Net onerous debt/EBITDA LTM (x)	(0.41)	(0.42)	0.01	(0.33)	(0.08)
Lease liabilities (IFRS 16)	65,300	68,408	-4.5%	73,146	-10.7%
Gross debt	73,156	87,677	-16.6%	83,458	-12.3%
(-) Cash and equivalents	79,174	86,589	-8.6%	67,044	18.1%
Net debt	(6,018)	1,088	-653.0%	16,414	-136.7%
EBITDA LTM	175,886	161,668	8.8%	171,733	2.4%
Net debt/EBITDA LTM (x)	(0.03)	0.01	(0.04)	0.10	(0.13)

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

CSU Digital is considered a pioneer and distinctly innovative supplier of infratech for financial services. Based on our full service model, we offer 100% of the solutions for payment methods, seamlessly integrated and ready to be offered globally, from origination, transaction processing and validation, management of multiple electronic payment methods and currencies, mechanisms for fraud analysis and prevention, all the operational back office for risk analysis, onboarding and curation, processing solutions for acquiring customers, in addition to hybrid service structures to our clients' customers. These 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 the acquiring companies, in addition to hybrid customer service structures for our clients.

In June 2022, the Company announced the reformulation of its business units, which were renamed **CSU Pays** and **CSU DX**, replacing CSU.CardSystem and CSU.Contact, respectively. These changes aim to strengthen the Company's position as the go-to and broadest provider of technological solutions for financial services, ensuring end-to-end support with a highly synergistic portfolio, generating cross-selling and up-selling opportunities. Therefore, some adjustments were made in this report (see Exhibit 4) concerning our results breakdown by business division, in order to reflect more appropriately the nature of our service contracts as an end-to-end platform. The results from different time periods are now better to compare.

1. CSU Pays

CSU Pays is the business division that encompasses cutting-edge solutions in Payment Methods, Loyalty and Incentives, and Banking as a Service. Innovative and trailblazing since its inception, this unit gave rise to the Company. Formed in 1992 under the name CardSystem Ltda. as the first independent processor of electronic payment methods, it was also the first to work with the three major international networks simultaneously (Visa, Mastercard and American Express) in Brazil and the first to process payments for digital wallets in South America. It was effectively a game changer in the digital financial services ecosystem in Brazil by allowing countless banks and companies from different industries to enter a large credit market through the use of cards.

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

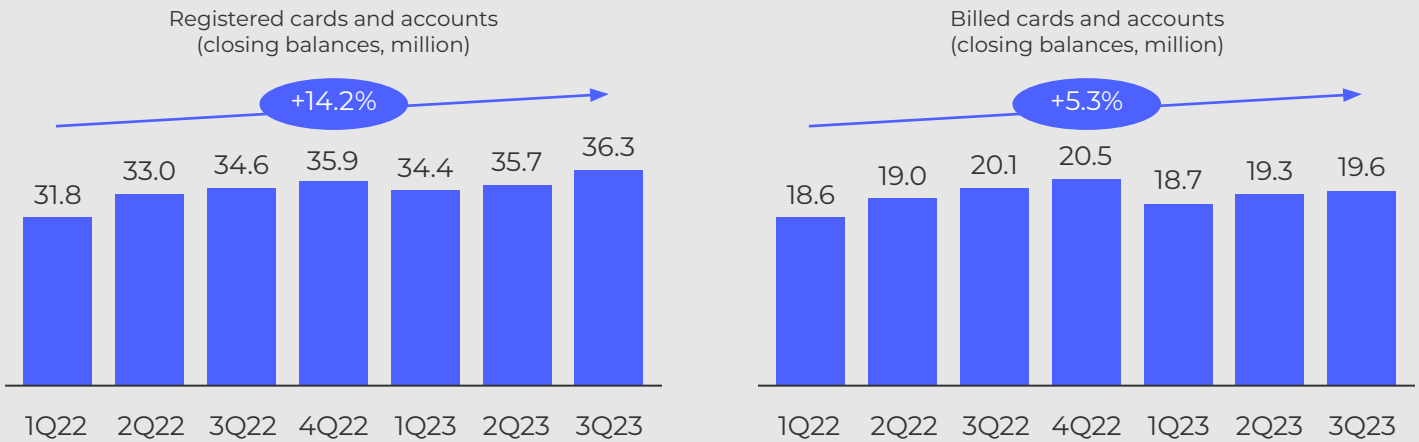
More recently, **new types of payment joined this vertical's portfolio**, with the rollout of solutions such as Pix, Pix on Credit, Cryptocurrencies, as well as a full-fledged Banking as a Service (BaaS) platform including products such as digital accounts for individuals and corporations, collection and money transfers (cash in and cash out), payment of bills, top-ups, issuance and payment of payment slips and other financial products (credit, investments, insurance), which are seamlessly integrated via our CSU Switcher platform and readily available in several geographies.

1.1 Operational performance

CSU Pays has grown at a remarkable pace over the last few years, making this division increasingly relevant to the Company's total revenue. It makes up 64% of total revenue in this quarter (+3.0 pp vs. 3Q22), a trend expected for more quarters, considering a higher dynamism in this market and the major addition of new solutions to our portfolio. Our way of operating in this segment allows a high degree of revenue predictability given its recurring nature (Platform as a Service).

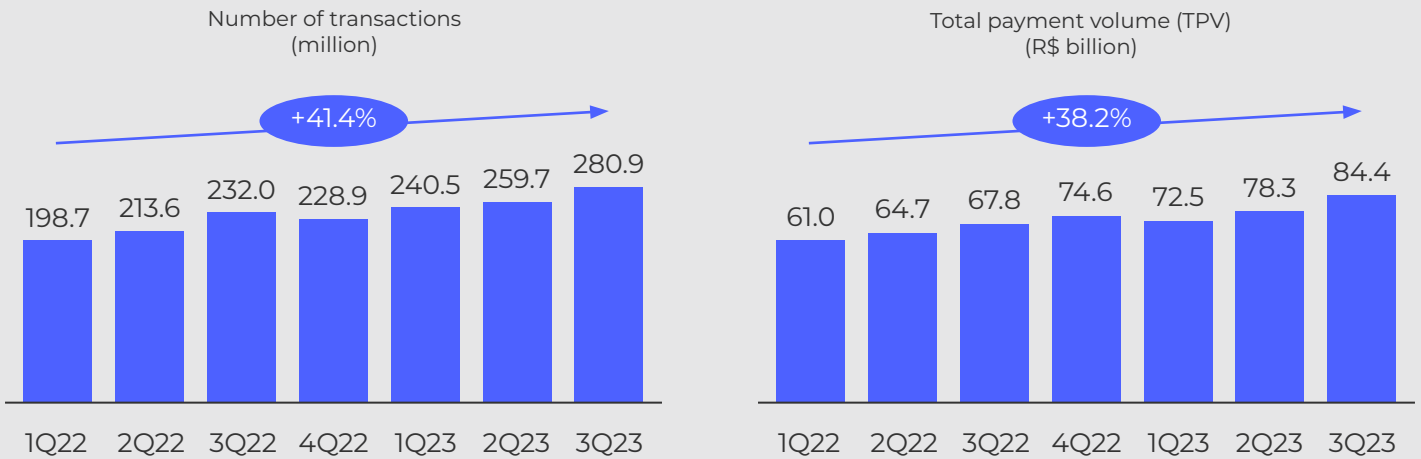
Below we highlight some of the metrics for our operations:

Billed and registered cards and accounts



- **Registered cards and accounts:** We ended 3Q23 with a **36.3 million** accounts and cards registered in our bases, against 34.6 million in the previous year, an **increase of 1.7 million (+5.2% vs. 3Q22)**. The past few quarters saw a clear expansion trend for this base, tracking the organic evolution of our clients' businesses (B2B), who witness here an important instrument to foster credit and/or cards (wallet).
- **Billed cards and accounts:** We ended 3Q23 with **19.6 million** billed and registered cards and accounts, 20.1 million in 3Q22, **a minor reduction of 0.5 million (-2.5% vs. 3Q22)**. In 1Q23 compared to 4Q22 saw a 1.5 million reduction in billed and registered cards and accounts. As mentioned back then, certain clients were more conservative at the start of 2023 amid a more uncertain market. This position led some companies to revise their policies on maintaining little active or inactive registered cards and accounts, reducing the base during the contract renewal process but not changing volume. But as seen in the chart, **this volume resumed growth in the past two quarters.**

Processing volume



- Number of transactions processed:** The different digital platforms at CSU recorded **280.9 million transactions** compared to 232.0 million in the same quarter of the previous year, in a 48.9 million increase (**+21.1% vs. 3Q22**). Year to date, the volume exceeded 781.1 million transactions compared to 644.3 million in 9M22, an increase of 136.8 million (**+21.2% vs. 9M22**). This is an important gauge of business trend for this subsegment, and serves as a thermometer for the demand of final consumers of our clients – card issuers and acquirers. As one can note, this indicator has grown uninterruptedly, which allows us to maintain a lasting performance growth in this vertical, even when there is some type of volatility in the base of accounts and cards.
- Total payment volume (TPV):** The financial volume processed on our platforms totaled **R\$84.4 billion**, from R\$67.8 billion in 3Q22, an increase of R\$16.6 billion (**+24.4% vs. 3Q22**). Year to date, it exceeded R\$235.1 billion against R\$193.5 billion in 9M22, a strong **expansion of +21.5% vs. 9M22**.

The **loyalty** platform is another important revenue subsegment at CSU Pays, providing one of the best market solutions to build loyalty and incentive programs. With these solutions, our customers are able to deepen their relationships with their consumer base, effectively creating liaison rules and boosting the use of their products and services by offering benefits. These programs are intuitive and reward consumers for using and purchasing products and services from our clients by accruing points. This balance can be redeemed through a wide range of options for new products and services offered by **more than 100 partners** (+ 2,000 establishments) tied to CSU or through cash back.

Either from card management and processing or from loyalty, much of this business unit's revenue is still tied to the number of users and **cards available for billing**. It is important to note the **number of transactions processed** on our different platforms.

Over time, the Company has reinvented itself and has **added fundamental solutions** and skills to its platform, in order to be at the forefront of the markets where it operates. In April 2023, we announced development completion and the roll out of new products for payment methods, which include new modes such as Pix, Pix on Credit (installments) and cryptocurrencies, as well as from our BaaS platform.

Both have been soft launched, bringing new possibilities for our customers to monetize their user bases, by offering a real financial services marketplace, which should change to some extent the modeling dynamics suggested in the previous paragraph.

These new business lines tend to buoy results over the coming quarters. In practice, these moves will allow the company to operate more broadly, unrestricted to the world of cards, expanding the size of our materially addressable market and preparing the company for the future of the payments universe in Brazil and worldwide.

1.2 Financial performance

Net revenue:

R\$ 84.9 MM +1.8%
3Q23 yoy

Gross contribution:

R\$ 55.1 MM +3.2%
Mg. 64.9% +0.9p.p.
3Q23 yoy

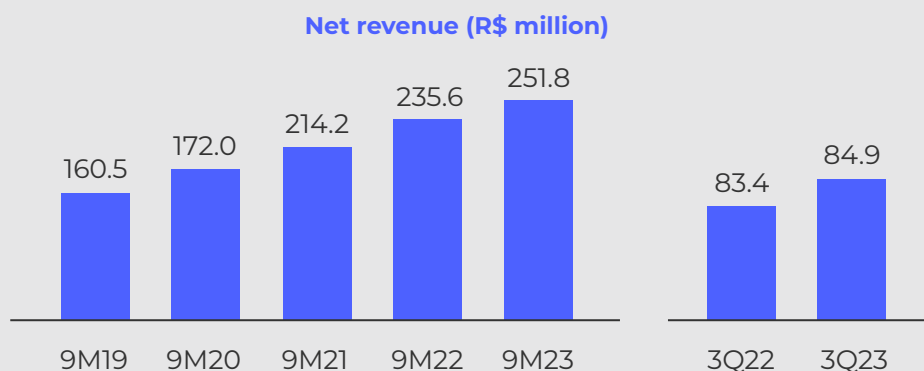
EBITDA:

R\$ 41.5 MM +10.2%
Mg. 48.9% +3.8p.p.
3Q23 yoy

Net revenue: Reached R\$84.9 million against R\$83.4 million in the same period of the previous year, a R\$1.5 million increase **(+1.8% vs. 3Q22)**. **Year to date, it reached R\$251.8 million** compared to R\$235.6 million, **an expansion that now reaches R\$16.2 million (+6.9% vs. 9M22)**. The Company was very successful in renewing contracts for longer terms with most major clients in this unit (around 90%), adding even more security to the maintenance of recurring revenue levels and creating the foundation for a new expansion cycle.

As mentioned previously, much of this unit's revenue is still explained by the number of cards and accounts available for billing, coupled with the number of transactions processed on our platforms, prompting revenue predictability. As we have already discussed, both indicators have been growing strongly throughout the years.

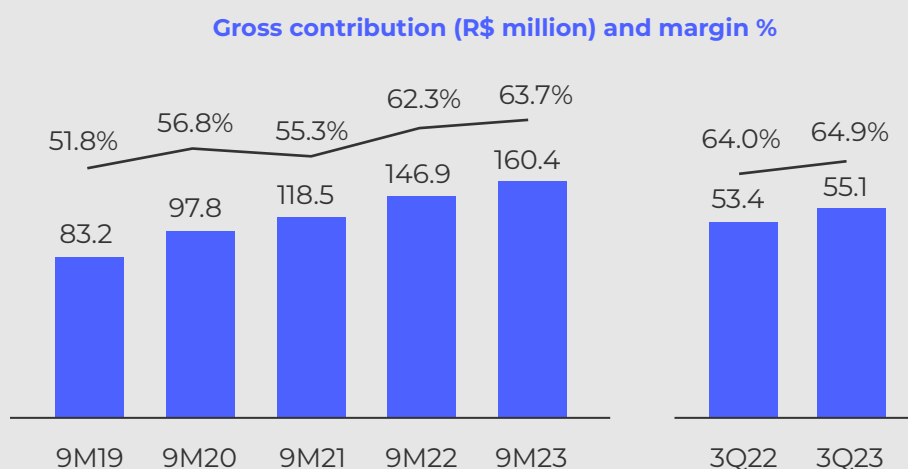
Another important indicator is **purely digital revenue**⁷ growing at a fast pace - at **5.3% and 10.7%** respectively in this quarter and year to date, compared to the same time periods in 2022, above the unit's average, as described in the first paragraph of this section. They represented **94.5% of the total in 3Q23** against 91.4% in 3Q22 **(+3.1 pp vs. 3Q22)**. This evolution has consistently raised profitability for this segment, being the main guide for growth in the coming years, as digitalization advances.



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): Totaled R\$29.8 million in 3Q23, a slight reduction compared to the same period of the previous year **(-0.7% vs. 3Q22)**. The digitalization of products and processes answers this change. On the one hand, we had (i) a reduction in costs linked to analogical services (postage), (ii) an increase in equipment and software rental, which accompanied the expansion of our processing operation. Year to date, the costs of this business division totaled R\$91.4 million compared to R\$88.7 million in 9M22, an increase of R\$2.7 million (+3.0% vs. 9M22).

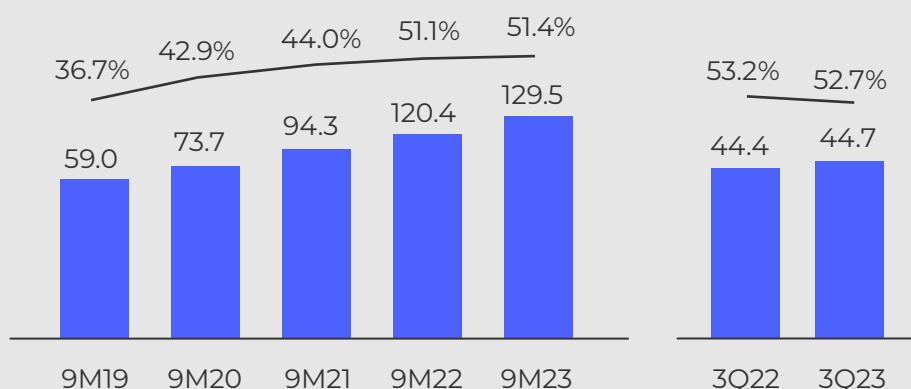
Gross contribution: As a result of the above (higher revenue and lighter costs), this metric reached a **R\$55.1 million in 3Q23 with a 64.9% margin** against R\$53.4 million and a 64.0% margin in the same period of the previous year, a R\$1.7 million increase **(+3.2% and +0.9 pp vs. 3Q22, respectively)**. Year to date, this metric totaled **R\$160.4 million with a margin of 63.7%**, compared to R\$146.9 million and a margin of 62.3% in 9M22, **up by R\$13.5 million (+9.2% and +1.4 pp vs. 9M22)**.



Total costs, gross income and gross margin: Total costs, including related depreciation and amortization, total R\$40.2 million in 3Q23 compared to R\$39.0 million in the same period of the previous year, a R\$1.2 million increase (+2.9% vs. 3Q22). Year to date, it reached a total of R\$122.3 million compared to R\$115.2 million, an increase of R\$7.1 million.

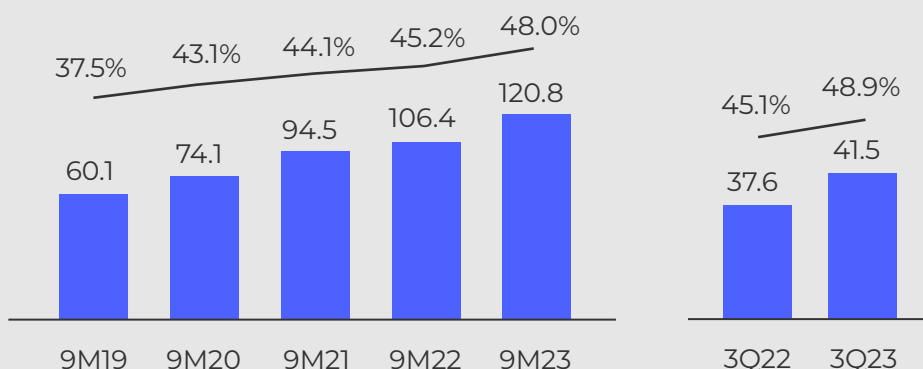
As a result, gross income reached a record **R\$44.7 million** in 3Q23, **with a 52.7% margin** against R\$44.4 million and a margin of 53.2% in the same period of the previous year, up R\$0.3 million (+0.8% and -0.5 pp vs. 3Q22, respectively). Gross Income recorded in this business division made up **84% of the Company's total** in 3Q23. Year to date, gross profit reached **R\$129.5 million with a margin of 51.4%** compared to R\$ 120.4 million with a margin of 51.1% in the same period of the previous year **(+7.6% and +0.3 pp vs. 9M22, respectively).**

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



EBITDA and EBITDA margin: Reached **R\$41.5 million** against R\$37.6 million in the same period of the previous year, a **R\$3.9 million increase (+10.2% vs. 3Q22)**. The EBITDA recorded in this business division accounted for 89% of the Company's total in 3Q23. Regarding EBITDA margin, we reached **48.9% in 3Q23** (+3.8 pp vs. 3Q22), bearing evidence of efficiency gains and the scalability of our business, as well as the solid financial discipline in controlling expenses. Year to date, EBITDA totaled **R\$120.8 million** with a **48.0%** margin, compared to R\$106.4 million and a 45.2% in 9M22, **up by R\$14.4 million (13.5% and +2.8 pp vs. 9M22).**

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



Main indicators (R\$ thousand)	3Q23	3Q22	% Var. YoY	2Q23	% Var. QoQ	9M23	9M22	% Var.
Net revenue	84,896	83,403	1.8%	83,530	1.6%	251,837	235,610	6.9%
Digital	80,258	76,225	5.3%	79,008	1.6%	237,081	214,235	10.7%
Analog	4,638	7,178	-35.4%	4,522	2.6%	14,756	21,375	-31.0%
Costs (ex-deprec./amort)	(29,815)	(30,019)	-0.7%	(30,385)	-1.9%	(91,389)	(88,715)	3.0%
Gross contribution	55,081	53,384	3.2%	53,145	3.6%	160,448	146,895	9.2%
Contribution (%)	64.9%	64.0%	0.9 p.p.	63.6%	1.3 p.p.	63.7%	62.3%	1.4 p.p.
(-) Depreciation/ amortization	(10,344)	(9,001)	14.9%	(10,416)	-0.7%	(30,903)	(26,501)	16.6%
Gross profit	44,737	44,383	0.8%	42,729	4.7%	129,545	120,394	7.6%
Gross margin	52.7%	53.2%	-0.5 p.p.	51.2%	1.5 p.p.	51.4%	51.1%	0.3 p.p.
Expenses	(11,128)	(15,089)	-26.3%	(13,603)	-18.2%	(36,481)	(38,847)	-6.1%
Other operational revenues/expenses	(3,171)	(2,156)	47.1%	(378)	738.9%	(5,421)	(6,234)	-13.0%
(+) Depr. and amort.	11,053	10,511	5.2%	11,128	-0.7%	33,133	31,134	6.4%
EBITDA	41,491	37,649	10.2%	39,876	4.1%	120,776	106,447	13.5%
EBITDA margin	48.9%	45.1%	3.8 p.p.	47.7%	1.2 p.p.	48.0%	45.2%	2.8 p.p.

2. CSU DX

2.1 Operational performance

CSU DX is our business division focused on the development of high-density Digital Experience operations for the customer service and business process management sub-segments.

Digitalization of this type of service is an ever-present reality, as B2B customers demand on a daily basis the management of a higher volume of interactions, growing quality and cheaper unit cost. As time advanced, we inserted technological devices and functionalities such as service robots, artificial intelligence, machine learning, mass use of data and recognition technology, as well as multiple digital service channels.

Our platforms managed approximately 3.7 million front office interactions in the last quarter, and the relevance of customer service through automated mechanisms and digital channels exceeds **70%** of the total. As a result of this transformation, this segment experienced an important gross margin increase, whose evolution can be seen in our figures across the years. In the third quarter and year to date, it expanded +1.2 pp, reaching 18.6% and 17.6%, respectively, even in a scenario of revenue pressure from a lower price per interaction that stems from digitalization – API consumption is cheaper than service position rental.

In this last quarter, we added very important capabilities to this vertical, which is entering a new era with the launch of new middle office solutions. We now offer the most technologically advanced solutions for handling and managing process chains, integrating hyper-automation tools in different areas such as fraud prevention, exchange and curation, among others, marketed under the HAS name. Through the use of artificial intelligence and other cutting-edge technologies, we enable our clients to optimize their operations, with significant advances in their service levels (greater assertiveness and shorter average handling time), combined with significant reductions in operating costs.

This is a very important movement for CSU Digital, one that opens **new growth possibilities for the Company as a whole** (new sales, cross-selling and up-selling) and (further) **deepens our connection with customers** by entering in higher added value services featuring high technological complexity. Their perception of a Deeply Tech company is augmented.

2.2 Financial performance

Net Revenue:

R\$ 47.5 MM -10.3%
3Q23 yoy

Gross contribution:

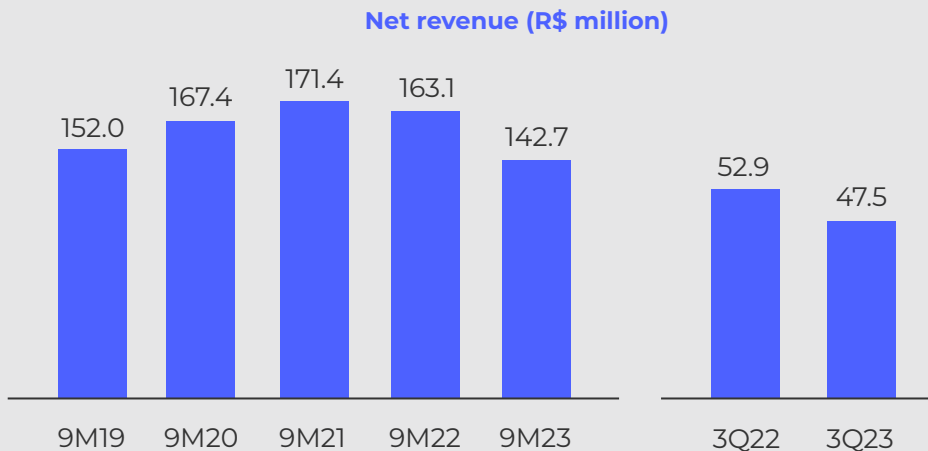
R\$ 12.9 MM -4.1%
Mg. 27.2% +1.8p.p.
3Q23 yoy

EBITDA

R\$ 5.0 MM +6.6%
Mg. 10.6% +1.7p.p.
3Q23 yoy

Net revenue: Reached R\$47.5 million in 3Q23 against R\$52.9 million in the same period of the previous year, a R\$5.6 million reduction (-10.3% vs. 3Q22). Year to date, net revenue totaled R\$142.7 million compared to R\$163.1 million in 9M22, a reduction of R\$20.4 million (-12.5% vs. 9M22). It is worth noting that we had a more turbulent first half of the year from an economic point of view, when we saw greater business conservatism at some companies. This movement has already started to slow given the recent improvement seen in inflation and interest rates in Brazil, evidenced by the resumption of **growth by R\$ 1.7 million, or 3.6% of this unit** during the quarter compared to the previous time period.

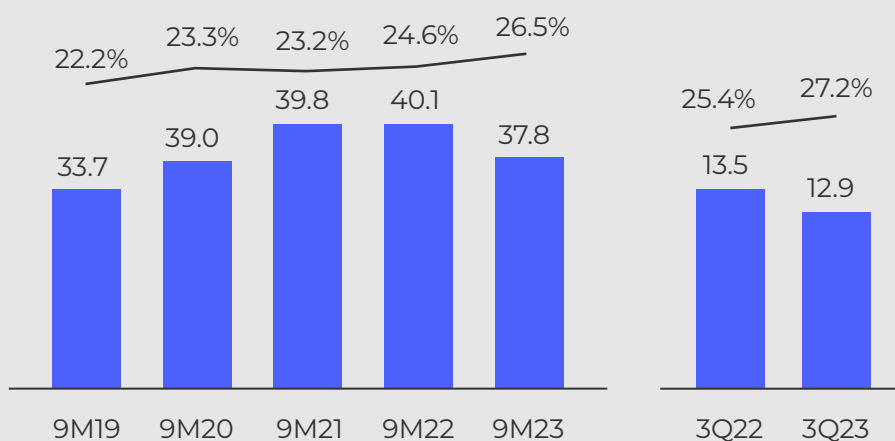
CSU DX is witnessing a deep digital transformation, with increased operational volumes and quality in service delivery, however having lower prices and, consequently, a lower cost to our customers. **We have prioritized high-density and complex operations**, thus penetrating more deeply into our clients' business, leading to a gradual increase in margins even amid lower revenue scenarios (refer to upcoming result items).



Costs (excluding depreciation and amortization): Totaled R\$34.5 million in 3Q23 against R\$39.5 million in the same period of the previous year, **a significant R\$5.0 million reduction (-12.5% vs. 3Q22)**. This follows the gradual change in the model mentioned above and brings **efficiency gains to operations** owing to more frequent self-service solutions and automated mechanisms, driving down personnel and facilities costs. Year to date, costs totaled R\$104.9 million compared to R\$123.0 million in 9M22, a reduction of R\$18.1 million (-14.7% vs. 9M22).

Gross contribution: It reached R\$12.9 million with a margin of 27.2% in 3Q23 compared to R\$13.5 million and a margin of 25.4% in the same period of the previous year. Year to date, this metric reached R\$37.8 million with a margin of 26.5% compared to R\$40.1 million and a margin of 24.6% in 9M22. The **margin expansion** (+1.8 pp vs. 3Q22 and +1.9 pp vs. 9M22) reflects the efforts to **digitalize** our service operations, a movement that tends to gain even more strength by furthering the relevance of our activities in our clients' business (Middle Office) by creating an experience with less friction and greater perceived value.

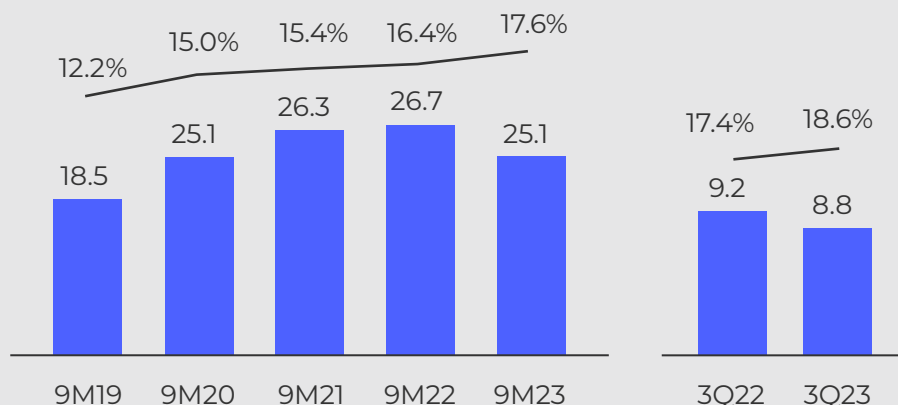
Gross contribution (R\$ million) and margin (%)



Total costs, gross income and gross margin: Including depreciation and amortization, total costs amounted to R\$38.6 million in 3Q23 against R\$43.7 million in the same period of the previous year, down by R\$5.1 million (-11.7% vs. 3Q22). Year to date, it reached R\$117.6 million against R\$136.4 million in the same period of the previous year, a R\$18.8 million increase (-13.7% vs. 9M22).

Gross income reached R\$8.8 million in 3Q23, a reduction of R\$0.4 million (-3.8%) compared to 3Q22. **Margin evolved to 18.6%** in 3Q23 against 17.4% in the same period of the previous year (+1.2 pp). Year to date, it reached R\$25.1 million with a margin of 17.6% compared to R\$26.7 million with a margin of 16.4% in 9M23 (-6.1% and +1.2 pp vs. 9M22). As already mentioned, despite the temporary revenue reduction, gross income shows little nominal change given the digitalization stage within this operation, which in practice reduces the cost per interaction charged to customers but leaves a margin that is proportionally better for the Company.

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

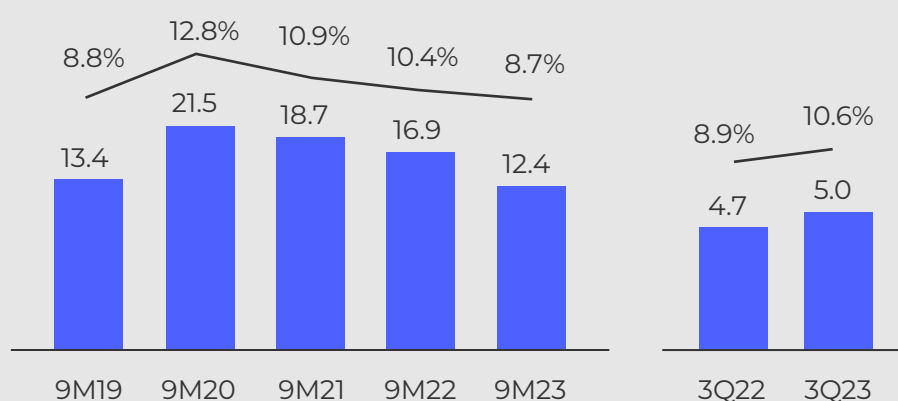


EBITDA e margem EBITDA: EBITDA reached R\$5.0 million with a 10.6% margin in 3Q23 against R\$4.7 million and an 8.9% margin in the same period of the prior year, a R\$0.3 million rise for EBITDA and +1.7 percentage point for margin. EBITDA recorded in this business division **accounted for 11%** of the Company's total in **3Q23**.

Year to date, EBITDA totaled R\$12.4 million with an 8.7% margin, compared to R\$16.9 million and a 10.4% in 9M22, a R\$4.5 million reduction (-26.8% and -1.7 pp vs. 9M22, respectively).

It is worth recalling that year to date we incurred higher one-off costs with terminations in 2Q23, which directly affected SG&A on a non-recurring basis, in addition to the temporary impact of lower operational leverage until the digitalization process stabilizes and/or new products are launched, as can be seen in the **evolution of the 3Q23 result (+ R\$1.8 million or +55% vs 2Q23)**.

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



Main indicators (R\$ thousand)	3Q23	3Q22	% Var. YoY	2Q23	% Var. QoQ	9M23	9M22	% Var.
Net revenue	47,460	52,936	-10.3%	45,826	3.6%	142,718	163,079	-12.5%
Costs (ex-deprec./amort)	(34,545)	(39,464)	-12.5%	(33,812)	2.2%	(104,902)	(122,961)	-14.7%
Gross contribution	12,915	13,472	-4.1%	12,014	7.5%	37,816	40,118	-5.7%
Contribution (%)	27.2%	25.4%	1.8 p.p.	26.2%	1.0 p.p.	26.5%	24.6%	1.9 p.p.
(-) Depreciation/ amortization	(4,075)	(4,285)	-4.9%	(4,100)	-0.6%	(12,730)	(13,413)	-5.1%
Gross profit	8,840	9,187	-3.8%	7,914	11.7%	25,086	26,705	-6.1%
Gross margin	18.6%	17.4%	1.2 p.p.	17.3%	1.3 p.p.	17.6%	16.4%	1.2 p.p.
Expenses	(8,037)	(8,797)	-8.6%	(9,124)	-11.9%	(26,268)	(24,168)	8.7%
Other operational revenues/expenses	(372)	(573)	-35.1%	(153)	143.1%	(772)	(1,020)	-24.3%
(+) Depr. and amort.	4,580	4,883	-6.2%	4,592	-0.3%	14,319	15,375	-6.9%
EBITDA	5,011	4,700	6.6%	3,228	55.2%	12,365	16,892	-26.8%
EBITDA margin	10.6%	8.9%	1.7 p.p.	7.0%	3.6 p.p.	8.7%	10.4%	-1.7 p.p.

Capital markets

CSU Digital S.A. shares (B3: CSUD3) have been traded on B3's Novo Mercado, the highest Corporate Governance level on the Brazilian stock market, since the May 2006 IPO.

In addition, the Company is a **member of three indexes on B3**: IGC-NM (Corporate Governance Index – Novo Mercado), IGC (Differentiated Corporate Governance Index) and ITAG (Differentiated Tag Along Stock Index).

It's important to highlight the **remarkable progress in the market's understanding of the CSU Digital case** since the repositioning of the brand and ticker. There has been a significant increase in interest in the company, as well as in the frequency of its mentions, both in the press and in official financial market profiles on social media. It can be seen that the market is increasingly coming to understand the Company's activities, its long and proven track record of operational and financial robustness, as well as the important transformations underway.

We have renewed our analyst coverage, going from 1 to **8 houses following CSUD3**: Eleven, Mirae, Órama, TC Matrix, Ticker, Condor, MSX (Sarainvest) and Nord.

During the same period, we noticed a **significant advance in the company shareholder base's maturity**, with a significant increase in the position of **institutional investors**. From the beginning of the period to the end of the quarter, we saw 60 new institutions and a **55% increase** in the shareholding position of this class of investor, which now holds 44% of CSU Digital's free float.

In line with these facts, we have seen a significant increase in the price of the CSUD3 share, which has risen +89% from its low for the current year to the end of Nov,7, 2023. Taking into account the proceeds distributed during this period, **the total shareholder return in this short period is +98%**.

Share capital: CSU Digital's share capital consists of 41.8 million common shares (ON). On 9.30.2023, 54.24% was held by the Controlling Shareholder, 1.30% was held in Treasury, 0.12% was held by the managers and 44.34% was outstanding shares (free float, of which in September 2022 the acquisition of a relevant interest by Real Investor Gestão de Recursos Ltda was announced, holding 5.25% at the time, and the updated position of 9.42% according to publicly available data by the Consolidated Funds Consultation at CVM from March 2023).

Market value: At the end of the quarter, CSUD3 shares closed at R\$15.63 representing R\$653.3 million market capitalization **(+18.9% vs. 2Q23)**, compared to R\$549.7 million in 2Q23. The Small Cap index fell by -7.2% in the time period.

Number of shareholders: At the end of the quarter, the number of shareholders was 18.8 thousand (-3.9% vs. 2Q23), against 19.6 thousand at the end of 2Q23, a 0.8 thousand reduction.

Average daily trading volume (ADTV): The average daily trading volume was R\$1.2 million in 3Q23 (+39.0% vs. 2Q23) against R\$0.9 million in 2Q23, an increase of R\$0.3 million.

Earnings distribution: Reflecting the managers' confidence in the upward evolution of the Company's results and financial health, in September 2023 we announced the payment of interest on capital in the gross amount of R\$ 7.0 million (R\$0.17 per share) referring to 3Q23 - to be assigned to the mandatory minimum dividend for the 2023 fiscal year, "ad referendum" of the 2024 Annual General Meeting. It has been paid from 10.6.2023. Year to date, CSU paid R\$56.3 million in dividends, with R\$14.6 million referring to 2022 dividends, R\$22.2 million referring to the gross amount of interest on capital for 2022 and R\$19.5 million is the gross sum of IOC for the first three quarters of 2023.

CSU vs. Peers indicators: When comparing some of the main financial metrics at CSU Digital to comparable players in Brazil and abroad, the Company enjoys **above-average returns** with substantially lower **pricing metrics (multiples)**, as shown below.

The Company's ROE stands at 21.8% (2.9x higher), ROIC of 21.2% (3.6x higher), dividend yield of 7.3% (4.3x higher). On the other hand, comparable players have an EV/Revenue multiple of 3.4x (2.7x higher than CSU) and EV/EBITDA of 12.4x (3.3x higher).



^a Reference dates: 9.30.2023; 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.

Exhibits

1. Income Statement

Statement of income (R\$ thousand)	3Q23	3Q22	% Var. YoY	2Q23	% Var. QoQ	9M23	9M22	% Var.
Gross revenue	150,632	154,633	-2.6%	147,298	2.3%	449,116	451,765	-0.6%
CSU Pays	98,792	96,929	1.9%	97,266	1.6%	293,222	273,817	7.1%
CSU DX	51,840	57,704	-10.2%	50,032	3.6%	155,894	177,948	-12.4%
Deductions	(18,276)	(18,294)	-0.1%	(17,942)	1.9%	(54,561)	(53,076)	2.8%
CSU Pays	(13,896)	(13,526)	2.7%	(13,736)	1.2%	(41,385)	(38,207)	8.3%
CSU DX	(4,380)	(4,768)	-8.1%	(4,206)	4.1%	(13,176)	(14,869)	-11.4%
Net revenue	132,356	136,339	-2.9%	129,356	2.3%	394,555	398,689	-1.0%
Recurring	131,930	134,529	-1.9%	128,128	3.0%	392,004	393,283	-0.3%
% Recurring revenue	99.7%	98.7%	1.0 p.p.	99.1%	0.6 p.p.	99.4%	98.6%	0.8 p.p.
CSU Pays	84,896	83,403	1.8%	83,530	1.6%	251,837	235,610	6.9%
Digital	80,258	76,225	5.3%	79,008	1.6%	237,081	214,235	10.7%
Analog	4,638	7,178	-35.4%	4,522	2.6%	14,756	21,375	-31.0%
CSU DX	47,460	52,936	-10.3%	45,826	3.6%	142,718	163,079	-12.5%
Costs (ex-depreciation and amortization)	(64,360)	(69,483)	-7.4%	(64,197)	0.3%	(196,291)	(211,676)	-7.3%
CSU Pays	(29,815)	(30,019)	-0.7%	(30,385)	-1.9%	(91,389)	(88,715)	3.0%
Personnel	(17,792)	(18,459)	-3.6%	(18,714)	-4.9%	(56,575)	(55,184)	2.5%
Materials	(3,349)	(3,203)	4.6%	(3,244)	3.2%	(9,943)	(9,481)	4.9%
Mailings of letters and invoices	(1,573)	(3,094)	-49.2%	(1,386)	13.5%	(4,439)	(9,469)	-53.1%
Communication	(225)	(511)	-56.0%	(718)	-68.7%	(1,416)	(1,726)	-18.0%
Occupation	(1,135)	(1,121)	1.2%	(1,150)	-1.3%	(3,516)	(3,629)	-3.1%
Awards	(1,436)	(874)	64.3%	(1,183)	21.4%	(3,843)	(3,221)	19.3%
Others	(4,305)	(2,757)	56.1%	(3,990)	7.9%	(11,657)	(6,005)	94.1%
CSU DX	(34,545)	(39,464)	-12.5%	(33,812)	2.2%	(104,902)	(122,961)	-14.7%
Personnel	(29,621)	(32,484)	-8.8%	(28,147)	5.2%	(88,258)	(101,291)	-12.9%
Communication	253	(614)	-	(326)	-	(620)	(2,410)	-74.3%
Occupation	(2,937)	(3,772)	-22.1%	(2,870)	2.3%	(8,656)	(11,306)	-23.4%
Other	(2,240)	(2,594)	-13.6%	(2,469)	-9.3%	(7,368)	(7,954)	-7.4%
Gross contribution	67,996	66,856	1.7%	65,159	4.4%	198,264	187,013	6.0%
CSU Pays	55,081	53,384	3.2%	53,145	3.6%	160,448	146,895	9.2%
CSU DX	12,915	13,472	-4.1%	12,014	7.5%	37,816	40,118	-5.7%
Contribution (%)	51.4%	49.0%	2.4 p.p.	50.4%	1.0 p.p.	50.3%	46.9%	3.4 p.p.
CSU Pays	64.9%	64.0%	0.9 p.p.	63.6%	1.3 p.p.	63.7%	62.3%	1.4 p.p.
CSU DX	27.2%	25.4%	1.8 p.p.	26.2%	1.0 p.p.	26.5%	24.6%	1.9 p.p.
Total Costs (add depreciation and amortization)	(78,779)	(82,769)	-4.8%	(78,713)	0.1%	(239,924)	(251,590)	-4.6%
Gross profit	53,577	53,570	0.0%	50,643	5.8%	154,631	147,099	5.1%
CSU Pays	44,737	44,383	0.8%	42,729	4.7%	129,545	120,394	7.6%
CSU DX	8,840	9,187	-3.8%	7,914	11.7%	25,086	26,705	-6.1%
Gross margin	40.5%	39.3%	1.2 p.p.	39.2%	1.3 p.p.	39.2%	36.9%	2.3 p.p.
CSU Pays	52.7%	53.2%	-0.5 p.p.	51.2%	1.5 p.p.	51.4%	51.1%	0.3 p.p.
CSU DX	18.6%	17.4%	1.2 p.p.	17.3%	1.3 p.p.	17.6%	16.4%	1.2 p.p.
Expenses	(22,707)	(26,615)	-14.7%	(23,258)	-2.4%	(68,942)	(70,269)	-1.9%
Selling, general & administrative (SG&A)	(22,774)	(26,183)	-13.0%	(23,957)	-4.9%	(69,731)	(68,880)	1.2%
Selling	(2,736)	(3,442)	-20.5%	(2,044)	33.9%	(7,018)	(6,054)	15.9%
General and administrative	(18,824)	(20,633)	-8.8%	(20,709)	-9.1%	(58,894)	(56,231)	4.7%
Depreciation and amortization	(1,214)	(2,108)	-42.4%	(1,204)	0.8%	(3,819)	(6,595)	-42.1%
% Net revenue (SG&A)	17.2%	19.2%	-2.0 p.p.	18.5%	-1.3 p.p.	17.7%	17.3%	0.4 p.p.
Other operational revenue/expenses	67	(432)	-115.5%	699	-90.4%	789	(1,388)	-156.8%
Other operational revenue	490	199	146.2%	1,102	-55.5%	2,290	661	246.4%
Other operational expenses	(423)	(631)	-33.0%	(403)	5.0%	(1,501)	(2,049)	-26.7%
EBIT	30,870	26,955	14.5%	27,385	12.7%	85,689	76,830	11.5%
(+) Depreciation and amortization	15,633	15,394	1.6%	15,720	-0.6%	47,452	46,509	2.0%
EBITDA	46,502	42,349	9.8%	43,105	7.9%	133,141	123,339	7.9%
CSU Pays	41,491	37,649	10.2%	39,876	4.1%	120,776	106,447	13.5%
CSU DX	5,011	4,700	6.6%	3,229	55.2%	12,365	16,892	-26.8%
EBITDA margin	35.1%	31.1%	4.0 p.p.	33.3%	1.8 p.p.	33.7%	30.9%	2.8 p.p.
CSU Pays	48.9%	45.1%	3.8 p.p.	47.7%	1.2 p.p.	48.0%	45.2%	2.8 p.p.
CSU DX	10.6%	8.9%	1.7 p.p.	7.0%	3.6 p.p.	8.7%	10.4%	-1.7 p.p.
Financial result	(717)	(515)	39.2%	673	-	(191)	(3,470)	-94.5%
Financial revenue	2,310	2,911	-20.6%	3,459	-33.2%	9,146	5,497	66.4%
Financial expenses	(3,027)	(3,426)	-11.6%	(2,786)	8.7%	(9,337)	(8,967)	4.1%
EBT	30,153	26,440	14.0%	28,058	7.5%	85,498	73,360	16.5%
Taxes	(6,458)	(7,986)	-19.1%	(7,572)	-14.7%	(21,117)	(21,766)	-3.0%
Current	(5,810)	(8,122)	-28.5%	(6,042)	-3.8%	(19,262)	(22,714)	-15.2%
Deferred	(648)	136	-	(1,530)	-57.6%	(1,855)	948	-
Net income	23,695	18,454	28.4%	20,486	15.7%	64,381	51,594	24.8%
Net margin	17.9%	13.5%	4.4 p.p.	15.8%	2.1 p.p.	16.3%	12.9%	3.4 p.p.

2. Statement of Financial Position

Balance sheet - Asset (R\$ thousand)					
Asset	09/30/2023	06/30/2023	09/30/2023 vs. 06/30/2023	09/30/2022	09/30/2023 vs. 09/30/2022
Total assets	609,916	597,810	2.0%	590,084	3.4%
Current assets	171,969	157,508	9.2%	178,285	-3.5%
Cash and cash equivalents	79,174	67,044	18.1%	86,589	-8.6%
Accounts receivable from customers	73,700	70,548	4.5%	73,327	0.5%
Inventories	2,856	2,923	-2.3%	2,799	2.0%
Tax recoverable	6,259	7,124	-12.1%	4,252	47.2%
Other assets	9,980	9,869	1.1%	11,318	-11.8%
Non-current assets	437,947	440,302	-0.5%	411,799	6.3%
Long-term receivables	7,128	9,498	-25.0%	12,290	-42.0%
Accounts receivable	-	-	n.a	411	n.a
Tax recoverable	1,777	3,302	-46.2%	3,937	-54.9%
Other assets	5,351	6,196	-13.6%	7,942	-32.6%
Investments	32,231	32,374	-0.4%	25,946	24.2%
Property, plant and equipment	15,026	15,899	-5.5%	15,848	-5.2%
Intangible assets	313,161	303,860	3.1%	281,402	11.3%
Computerized systems	287,266	277,965	3.3%	255,507	12.4%
Goodwill (indefinite useful life)	25,895	25,895	0.0%	25,895	0.0%
Right-of-use assets	70,401	78,671	-10.5%	76,313	-7.7%

Liability & equity	30/09/2023	30/06/2023	30/09/2023 vs. 30/06/2023	30/09/2022	30/09/2023 vs. 30/09/2022
Liabilities + shareholder's equity	609,916	597,810	2.0%	590,084	3.4%
Current liabilities	132,977	133,033	0.0%	156,725	-15.2%
Social and labor obligations	52,818	50,092	5.4%	55,967	-5.6%
Social charges	6,760	7,946	-14.9%	7,277	-7.1%
Labor liabilities	46,058	42,146	9.3%	48,690	-5.4%
Trade payables	32,470	30,247	7.3%	33,744	-3.8%
Taxes to be collected	4,484	5,482	-18.2%	4,737	-5.3%
Federal taxes payable	2,600	3,389	-23.3%	3,211	-19.0%
State taxes payable	-	-	n.a	21	n.a
Municipal taxes payable	1,884	2,093	-10.0%	1,505	25.2%
Loans, financings and leasing liabilities	29,226	34,043	-14.1%	37,510	-22.1%
Loans and financings	4,902	6,090	-19.5%	11,237	-56.4%
Lease liabilities	24,324	27,953	-13.0%	26,273	-7.4%
Other liabilities	13,979	13,169	6.2%	24,767	-43.6%
Non-current liabilities	64,219	68,960	-6.9%	70,540	-9.0%
Loans, financings and leasing liabilities	43,930	49,415	-11.1%	50,167	-12.4%
Loans and financings	2,954	4,222	-30.0%	8,032	-63.2%
Lease liabilities	40,976	45,193	-9.3%	42,135	-2.8%
Others	206	206	0.0%	903	n.a
Deferred income taxes and social contribution	11,333	10,685	6.1%	9,220	22.9%
Legal liabilities	8,750	8,654	1.1%	10,250	-14.6%
Tax	5,465	5,119	6.8%	4,220	29.5%
Labor	2,432	2,720	-10.6%	4,196	-42.0%
Civil	853	815	4.7%	1,834	-53.5%
Shareholders' equity	412,720	395,817	4.3%	362,819	13.8%
Share capital	229,232	229,232	0.0%	169,232	35.5%
Capital reserves	2,980	2,774	7.4%	2,253	32.3%
Profit reserves	135,627	135,625	0.0%	155,438	-12.7%
Legal reserve	25,480	25,479	0.0%	18,122	40.6%
Retained profits reserve	113,211	113,210	0.0%	140,379	-19.4%
Treasury shares	- 3,064	- 3,064	0.0%	- 3,063	0.0%
Retained earnings	44,881	28,186	59.2%	35,896	25.0%

3. Cash Flow Statement

Statement of cash flows (R\$ thousand)								
Description	3Q23	2Q23	3Q23 vs. 2Q23	3Q22	3Q23 vs. 3Q22	9M23	9M22	9M23 vs. 9M22
Cash from operating activities	45,294	37,214	21.7%	35,174	28.8%	119,247	105,476	13.1%
Profit for the period	23,695	20,485	15.7%	18,454	28.4%	64,381	51,594	24.8%
Adjustments	21,025	21,327	-1.4%	17,566	19.7%	62,835	55,779	12.7%
Depreciation and amortization	15,633	15,720	-0.6%	15,394	1.5%	47,452	46,510	2.0%
Asset disposals gain/losses	8	107	-92.8%	231	-96.7%	304	450	-32.4%
Share-based payments	207	154	34.4%	167	24.0%	579	292	98.3%
Provision for impairment of trade receivables	330	815	-59.6%	319	3.3%	1,256	475	164.4%
Deferred income tax and social contribution	649	1,530	-57.6%	(136)	n.a.	1,855	(948)	n.a.
Provision for legal liabilities	230	500	-53.9%	603	-61.8%	1,652	1,609	2.7%
Equity equivalent result	1,345	-	n.a.	-	n.a.	1,345	-	n.a.
Interest, indexation and exchange gain/losses on loans, legal liabilities and escrow deposits	2,624	2,502	4.9%	988	165.5%	8,392	7,391	13.5%
Changes in assets and liabilities	6,713	2,108	218.4%	9,308	-27.9%	11,627	22,817	-49.0%
Trade receivables from customers	(3,482)	1,572	n.a.	(820)	324.7%	1,356	(6,617)	n.a.
Inventories	67	(261)	n.a.	71	-5.5%	732	172	325.6%
Escrow deposits	476	1,594	-70.1%	310	53.5%	2,370	447	430.0%
Other assets	2,648	3,436	-22.9%	(671)	n.a.	3,249	(1,891)	n.a.
Trade payables	2,224	(3,333)	n.a.	449	395.4%	(6,287)	1,619	n.a.
Social security and labor obligations	2,727	(1,476)	n.a.	2,747	-0.7%	3,530	8,031	-56.0%
Legal liabilities	(472)	(2,191)	-78.5%	1,685	n.a.	(3,905)	1,148	n.a.
Other liabilities	2,524	2,767	-8.8%	5,537	-54.4%	10,582	19,908	-46.8%
Other	(6,139)	(6,706)	-8.5%	(10,155)	-39.5%	(19,597)	(24,714)	-20.7%
Interest paid	(2,097)	(2,258)	-7.1%	(2,737)	-23.4%	(6,855)	(6,849)	0.1%
Income tax and social contribution paid	(4,042)	(4,448)	-9.1%	(7,418)	-45.5%	(12,742)	(17,865)	-28.7%
Net cash used in investing activities	(16,676)	(19,033)	-12.4%	(15,358)	8.6%	(48,200)	(41,198)	17.0%
Acquisition of property and equipment	(151)	(2,765)	-94.5%	(765)	-80.3%	(3,277)	(2,368)	38.4%
Additions to intangible assets	(15,323)	(14,991)	2.2%	(14,593)	5.0%	(42,444)	(38,830)	9.3%
Investments	(1,202)	(1,277)	-5.9%	-	n.a.	(2,479)	-	n.a.
Net cash used in financing activities	(16,489)	(31,534)	-47.7%	(9,557)	72.5%	(78,328)	(60,981)	28.4%
Receipts from loans and financing	-	-	n.a.	35	n.a.	-	34	n.a.
Amortization of loans and financing	(2,412)	(3,005)	-19.7%	(3,614)	-33.3%	(8,385)	(12,037)	-30.3%
Amortization of lease liabilities	(8,403)	(8,382)	0.3%	(7,256)	15.8%	(24,931)	(20,731)	20.3%
Dividends paid	(5,674)	(20,147)	-71.8%	1,277	n.a.	(45,012)	(28,247)	59.4%
Increase (decrease) in cash and cash equivalents	12,130	(13,353)	n.a.	10,259	18.2%	(7,281)	3,297	n.a.
Cash and cash equivalents at the beginning of the period	67,044	80,397	-16.6%	76,330	-12.2%	86,455	83,292	3.8%
Cash and cash equivalents at the end of the period	79,174	67,044	18.1%	86,589	-8.6%	79,174	86,589	-8.6%

4. Reclassification of Results by Business Unit

In order to show the adjustments made to our results by business division - in view of the reformulation of the business units into CSU Pays and CSU DX - below we provide a table featuring the quarterly results of each business and their reclassifications.

Reclassification (R\$ thousand)	3Q23	3Q22	2Q23	9M23	9M22 Recl.	9M22
Net revenue	132,356	136,339	129,356	394,555	398,689	398,689
CSU Pays	84,896	83,403	83,530	251,837	235,610	227,390
CSU DX	47,460	52,936	45,826	142,718	163,079	171,299
Gross profit	53,577	53,570	50,643	154,631	147,099	147,099
CSU Pays	44,737	44,383	42,729	129,545	120,394	118,839
CSU DX	8,840	9,187	7,914	25,086	26,705	28,260
Gross margin	40.5%	39.3%	39.2%	39.2%	36.9%	36.9%
CSU Pays	52.7%	53.2%	51.2%	51.4%	51.1%	52.3%
CSU DX	18.6%	17.4%	17.3%	17.6%	16.4%	16.5%
EBITDA	46,502	42,349	43,105	133,141	123,339	123,339
CSU Pays	41,491	37,649	39,876	120,776	106,447	104,890
CSU DX	5,011	4,700	3,229	12,365	16,892	18,449
EBITDA margin	35.1%	31.1%	33.3%	33.7%	30.9%	30.9%
CSU Pays	48.9%	45.1%	47.7%	48.0%	45.2%	46.1%
CSU DX	10.6%	8.9%	7.0%	8.7%	10.4%	10.8%
Net income	23,695	18,454	20,486	64,381	51,594	51,594
Net margin	17.9%	13.5%	15.8%	16.3%	12.9%	12.9%

5. Gross contribution reconciliation

The table below shows the reconciliation of gross contribution, which is the result of net revenue from services excluding their costs as well as depreciation and amortization inherent to them.

Gross contribution reconciliation (R\$ thousand)	3Q23	3Q22	% Var. YoY	2Q23	% Var. QoQ	9M23	9M22	% Var.
Gross profit	53,577	53,570	0.0%	50,643	5.8%	154,631	147,099	5.1%
CSU Pays	44,737	44,383	0.8%	42,730	4.7%	129,545	120,394	7.6%
CSU DX	8,840	9,187	-3.8%	7,913	11.7%	25,086	26,705	-6.1%
(+) Depr. and amort. (costs)	14,419	13,286	8.5%	14,516	-0.7%	43,633	39,914	9.3%
CSU Pays	10,344	9,001	14.9%	10,416	-0.7%	30,903	26,501	16.6%
CSU DX	4,075	4,285	-4.9%	4,100	-0.6%	12,730	13,413	-5.1%
Gross contribution	67,996	66,856	1.7%	65,159	4.4%	198,264	187,013	6.0%
CSU Pays	55,081	53,384	3.2%	53,145	3.6%	160,448	146,895	9.2%
CSU DX	12,915	13,472	-4.1%	12,014	7.5%	37,816	40,118	-5.7%
Contribution (%)	51.4%	49.0%	2.4 p.p.	50.4%	1.0 p.p.	50.3%	46.9%	3.4 p.p.
CSU Pays	64.9%	64.0%	0.9 p.p.	63.6%	1.3 p.p.	63.7%	62.3%	1.4 p.p.
CSU DX	27.2%	25.4%	1.8 p.p.	26.2%	1.0 p.p.	26.5%	24.6%	1.9 p.p.

ALPHAVIEW | BARUERI

Rua Piauí, 136
Barueri, SP | 06440-182

FARIA LIMA | SÃO PAULO

Av. Brigadeiro Faria Lima, 1306
São Paulo, SP | 01451-914

BELO HORIZONTE

Praça Hugo Werneck, 253
Belo Horizonte, MG | 30150-300

RECIFE

Av. Conde da Boa Vista, 150
Recife, PE | 50060-004

ESTADOS UNIDOS

111 Brickell Avenue, suite 2804
Miami, FL | 33131

Interim Quarterly Financial Statements,

CSU Digital S.A.

September 30, 2023 and September 30, 2022
with Independent Auditors' Report

CSU Digital S.A.

Balance sheet

On September 30

(In thousands of reais)

Assets	Note	9/30/2023	12/31/2022	Liabilities	Note	9/30/2023	12/31/2022
Current				Current			
Cash and cash equivalents	4	79,174	86,455	Trade payables		32,470	38,755
Accounts receivable from customers	5	73,700	76,312	Loans and financings	12	4,902	9,587
Inventories	6	2,856	3,588	Leasing debt	12	24,324	26,911
Tax receivable	14	6,259	5,455	Social and labor obligations	13	52,818	49,289
Other		9,980	10,672	Tax payables	14	4,484	4,210
		171,969	182,482	Dividends and interest on equity	19	6,119	19,191
				Other		7,860	8,051
						132,977	155,994
Non-current				Non-current			
				Loans and financings	12	2,954	6,763
Judicial Deposits	16	4,483	6,853	Leasing debt	12	40,976	42,443
Tax receivable	14	1,777	3,937	Legal Liabilities	16	8,750	10,396
Other		868	2,275	Tax payables	14	206	299
				Deferred income taxes and social contribution	15	11,333	9,478
		7,128	13,065			64,219	69,379
Investments	8	32,231	31,097	Share capital	18	229,232	169,232
Property, plant and equipment	9	15,026	15,262	Capital Reserve		2,980	2,402
Intangible assets	10	313,161	288,681	Income reserve		183,572	213,276
Right-of-use	11	70,401	76,632	Treasury shares		(3,064)	(3,064)
		430,819	411,672			412,720	381,846
		437,947	424,737				
Total assets		609,916	607,219	Total liabilities and shareholders' equity		609,916	607,219

The Company's accompanying notes are an integral part of the financial statements.

CSU Digital S.A.

Statement of income

Periods of three and nine months ending September 30, 2023 and September 30, 2022

(In thousands of reais, except information per share)

	Note	Three-Month periods ended on		Nine-Month periods ended on	
		9/30/2023	9/30/2022	9/30/2023	9/30/2022
Net revenue from services	23	132,356	136,339	394,555	398,689
Cost of services	24	(78,779)	(82,769)	(239,924)	(251,590)
Gross profit		53,577	53,570	154,631	147,099
Operating expenses					
Selling	24	(2,736)	(3,442)	(7,018)	(6,054)
General and Administrative	24	(18,693)	(22,741)	(61,368)	(62,826)
Other revenues, net		67	(432)	789	(1,389)
Equity Income Result	8	(1,345)		(1,345)	
		(22,707)	(26,615)	(68,942)	(70,269)
Operating profit before financial result		30,870	26,955	85,689	76,830
Financial result					
Financial income	25	2,310	2,911	9,146	5,497
Financial expenses		(3,027)	(3,426)	(9,337)	(8,967)
		(717)	(515)	(191)	(3,470)
Earnings before income tax and social contribution		30,153	26,440	85,498	73,360
Income tax and social contribution					
Current	15.3	(5,810)	(8,122)	(19,262)	(22,714)
Deferred	15.3	(648)	136	(1,855)	948
		(6,458)	(7,896)	(21,117)	(21,766)
Net income for the year		23,695	18,454	64,381	51,594
Earnings per share - basic and diluted	26	0.5743	0.4485	1.5605	1.2541
Number of outstanding shares at the end of the fiscal year (in thousands)		41,256	41,139	41,256	41,139

The Company's accompanying notes are an integral part of the financial statements.

CSU Digital S.A.

Statement of comprehensive income

Periods of three and nine months ending September 30, 2023 and September 30, 2022

(In thousands of reais)

	Three-Month periods ended on		Nine-Month periods ended on	
	9/30/2023	9/30/2022	9/30/2023	9/30/2022
Net income for the year	23,695	18,454	64,381	51,594
Total comprehensive income	23,695	18,454	64,381	51,594

The Company's accompanying notes are an integral part of the financial statements.

CSU Digital S.A.

Statement of changes in equity
 Period ended September 30
 (In thousands of reais)

	Share capital	Capital reserve	Treasury shares	Profit reserves		Accumulated profit (loss)	Equity valuation adjustment	Total
				Retained profits	Legal reserve			
As of January 1, 2022	<u>169,232</u>	<u>2,037</u>	<u>(3,140)</u>	<u>146,414</u>	<u>18,122</u>	-	<u>10,166</u>	<u>342,831</u>
Net income for the year						<u>51,594</u>		<u>51,594</u>
Options granted recognized (Note 21)		216	77					293
Complementary dividends						(16,200)		(16,200)
Interest on equity						(15,700)		(15,700)
As of September 30, 2022	<u>169,232</u>	<u>2,253</u>	<u>(3,064)</u>	<u>146,414</u>	<u>18,122</u>	<u>19,695</u>	<u>10,166</u>	<u>362,819</u>
As of January 1, 2023	<u>169,232</u>	<u>2,402</u>	<u>(3,064)</u>	<u>177,907</u>	<u>21,801</u>	-	<u>13,568</u>	<u>381,846</u>
Net income for the year						<u>64,381</u>		<u>64,381</u>
Capital Increase	60,000			(60,000)				-
Options granted recognized (Note 21)		578						578
Complementary dividends				(14,585)				(14,585)
Legal Reserves				(3,679)	3,679			-
Interest on equity						(19,500)		(19,500)
As of September 30, 2023	<u>229,232</u>	<u>2,980</u>	<u>(3,064)</u>	<u>99,643</u>	<u>25,480</u>	<u>44,881</u>	<u>13,568</u>	<u>412,720</u>

The Company's accompanying notes are an integral part of the financial statements.

**Notes to the financial statements
for the nine-month period ended September 30, 2023.
In thousands of Brazilian reais, unless otherwise stated**

CSU Digital S.A.

Statement of value added

Period ended September 30, 2023 and September 30, 2022

(In thousands of reais)

	<u>Note</u>	<u>9/30/2023</u>	<u>9/30/2022</u>
Revenues			
Rendering of services	23	449,116	451,765
Other revenues	27	2,290	661
Estimated losses from doubtful accounts	5.3	1,510	(468)
		<u>452,916</u>	<u>451,958</u>
Inputs and services purchased from third parties			
Cost of services		(31,793)	(36,502)
Materials, energy, third-party services and others		(29,501)	(32,813)
		<u>(61,294)</u>	<u>(69,315)</u>
Gross value added			
Depreciation and amortization	9,10 and 11	(47,452)	(46,510)
Net value added produced by the entity		<u>344,170</u>	<u>336,133</u>
Added value received in transfer			
Equity Income Result	8	(1,345)	
Financial income	25	9,146	5,497
Total value added to be distributed		<u>351,971</u>	<u>341,630</u>
Value added distribution			
Personnel and charges			
Direct compensation		140,565	142,826
Benefits		22,698	24,435
FGTS		13,071	11,984
Taxes, charges and contributions			
Federal		77,415	79,594
State		28	62
Municipal		9,905	9,454
Remuneration on third-party capital			
Interest		9,337	8,966
Rents		14,571	12,716
Remuneration on equity			
Dividends and interest on equity		19,500	15,700
Retained profits		44,881	35,893
Value added distributed		<u>351,971</u>	<u>341,630</u>

**Notes to the financial statements
for the nine-month period ended September 30, 2023.
In thousands of Brazilian reais, unless otherwise stated**

CSU Digital S.A.

Statement of cash flows

Period ended September 30, 2023 and September 30, 2022

(In thousands of reais)

	<u>Note</u>	<u>9/30/2023</u>	<u>9/30/2022</u>
Cash flow from operating activities			
Net income for the year		64,381	51,594
Adjustments			
Depreciation and amortization	9, 10 and 11	47,452	46,510
Residual value of written-off assets	9, 10 and 11	304	450
Equity instrument for share-based payment	21	579	292
Estimated losses from doubtful accounts	5 e 5.3	1,256	475
Deferred income taxes and social contribution	15.3	1,855	(948)
Provision for contingencies	16.3	1,652	1,609
Equity Income Result	8	1,345	
Interest, monetary variations on loans, leases and contingencies		8,392	7,391
		<u>62,835</u>	<u>55,779</u>
Changes in assets and liabilities			
Accounts receivable from customers	5 and 5.3	1,356	(6,617)
Inventories	6	732	172
Judicial Deposits	16.2	2,370	447
Other assets and taxes to offset		3,249	(1,891)
Trade payables		(6,287)	1,619
Social and labor obligations	13	3,530	8,031
Write-offs due to payment of contingencies	16.3	(3,905)	1,148
Other liabilities and taxes payable		10,582	19,908
		<u>11,627</u>	<u>22,817</u>
Cash generated by operating activities		<u>138,997</u>	<u>130,190</u>
Interest paid	12.2	(6,855)	(6,849)
Income tax and social contribution paid	15.3	(12,742)	(17,865)
Net cash from operating activities		<u>119,247</u>	<u>105,476</u>
Cash flow from investing activities			
Sale of property, plant and equipment	9 and 11	(3,277)	(2,368)
Acquisition of intangible assets	10	(42,444)	(38,830)
Investments	8	(2,479)	
Cash used in investing activities		<u>(48,200)</u>	<u>(41,198)</u>
Cash flow from financing activities			
Income from loans and financing	12.2		34
Amortization of loans and financing	12.2	(8,385)	(12,037)
Amortization of lease liabilities - right of use	12.2	(24,931)	(20,731)
Dividends paid and interest on equity		(45,012)	(28,247)
Net cash used in financing activities		<u>(78,328)</u>	<u>(60,981)</u>
Decrease in cash and cash equivalents		(7,281)	3,297
Cash and cash equivalents at the beginning of the year		86,455	83,292
Cash and cash equivalents at the end of the year		79,174	86,589

The Company's accompanying notes are an integral part of the financial statements.

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

1 General Information

The operations of CSU Digital S.A. ("CSU" or "Company") comprise the provision of credit card processing and multiple use services, management and operation of telemarketing and telesales (contact centers), telecharging and credit analysis, development and operational management relationship, loyalty and customer acquisition programs, provision of services to companies that operate in the accreditation of establishments to carry out electronic transactions, contemplating the implementation, operation and management of a network for capturing electronic transactions of means of payment, provision of information technology (IT) outsourcing services, developing credit card administration and issuance activities, developing payment account management solutions and activities and banking correspondent services to financial institutions.

The Company is a corporation headquartered in the city of Barueri, in the state of São Paulo, registered and shares traded on the B3 – Brasil, Bolsa, Balcão stock exchange. The ultimate controller is the CEO and founder of the Company, Marcos Ribeiro Leite, who directly holds 0.2% of the shares and 54.00% of the shares through Greenville Delaware LLC. Several other shareholders hold 44.4% of the shares and, in addition, the Company has 1.40% of shares in treasury.

The quarterly information was approved by the Executive Board and authorized for disclosure on November 8, 2023.

2 Summary of significant accounting policies

2.1 Basis of preparation

The individual quarterly information - ITR presented here was prepared based on the policies, accounting practices and estimation calculation methods adopted and presented in detail in the financial statements for the year ended December 31, 2022 and approved on March 17, 2023 and must be read together. The quarterly information was prepared considering the accounting basis of operational continuity, the historical cost as a basis of value which, in the case of financial assets and liabilities, is adjusted to reflect the measurement of fair value and is presented in accordance with CPC 21 (R1) - Interim Statement, issued by the Accounting Pronouncements Committee ("CPC") and in accordance with the rules issued by the Brazilian Securities and Exchange Commission ("CVM"), applicable to the preparation of the Quarterly Information - ITR, which, in relation to the operations of the Company, are also in accordance with IAS 34 – Interim Financial Reporting issued by the International Accounting Standards Board ("IASB"), except for the presentation of the Value Added Statement ("DVA"), required by corporate law for the public companies, but as supplementary information to the IFRS standards that do not require this presentation. The quarterly information shows all the relevant information specific to the quarterly information, and only them, which are consistent with those used by management in its management.

2.2 New standards, interpretations, and amendments to standards

There were no new accounting standards adopted for the period ended September 30, 2023 affecting the quarterly information.

There are no other standards, changes to standards and/or interpretations not yet in force that the Company expects might have a material impact on its quarterly information.

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

3 Main accounting judgments and sources of uncertainty about estimates

In applying the Company's accounting policies, Management must exercise judgment and make estimates regarding the carrying amounts of assets and liabilities for which objective information is not easily obtained from other sources. Estimates and related assumptions are based on historical experience and other factors considered relevant. Actual results for these carrying amounts may differ from these estimates.

Estimates and assumptions are revised on an ongoing basis. Revisions to estimates are recognized prospectively. In the individual quarterly – ITR information presented herein there were no changes in the accounting judgments and estimates presented in detail in the financial statements for the year ended December 31, 2022 and should be read together.

4 Cash and cash equivalents

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Demand deposits		
Banks – domestic currency	<u>4,531</u>	<u>4,192</u>
	<u>4,531</u>	<u>4,192</u>
Fixed-income securities – Bank Deposit Certificates (CDBs) on repurchase agreements (i)	<u>74,643</u>	<u>82,263</u>
	<u>74,643</u>	<u>82,263</u>
Cash and cash equivalents	<u><u>79,174</u></u>	<u><u>86,455</u></u>

(i) Financial investments refer to committed operations remunerated at the weighted average rate of 90% to 106.5% of the interbank deposit certificate rate on September 30, 2023 and December 31, 2022 of 104,6%.

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

5 Trade receivables

5.1 Breakdown.

	September 30, 2023	December 31, 2022
Current		
Accounts receivables – Billed	28,362	29,558
Accounts receivable – Unbilled	46,868	47,746
(-) Allowance from doubtful accounts	(1,530)	(992)
	<u>73,700</u>	<u>76,312</u>
	September 30, 2023	December 31, 2022
Non-current		
Accounts receivables – Billed	14,224	16,278
(-) Allowance from doubtful accounts	(14,224)	(16,278)
	<u>-</u>	<u>-</u>

5.2 Aging list

	September 30, 2023	December 31, 2022
Due in		
Up to one month	72,110	73,082
Overdue		
Up to one month	712	3,114
From one to two months	119	185
From two to three months	97	92
From three to four months	132	199
Overdue for more than one year	16,284	16,910
Estimated losses from doubtful accounts	(15,754)	(17,270)
	<u>1,590</u>	<u>3,230</u>
	<u>73,700</u>	<u>76,312</u>

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

5.3 Changes in allowance for doubtful accounts

	September 30, 2023	September 30, 2022
On January 1	(17,270)	(16,896)
Estimated losses from doubtful accounts	(1,256)	(471)
Reversed, unused amounts	2,772	
On September 30,	<u>(15,754)</u>	<u>(17,367)</u>
Current assets	(1,530)	(992)
Non-current assets	(14,224)	(16,375)

6 Inventory

	September 30, 2023	December 31, 2022
Cards	2,180	2,572
Additional materials	181	318
Others	495	698
	<u>2,856</u>	<u>3,588</u>

7 Related parties

7.1 Transactions with related parties for the CSU Institute are donations made, and recorded as an expense, for the maintenance of its professional training activities for the labor market, promoting their social inclusion through free computer courses. The relationship with Anapurus Comércio Ltda is related to installation expenses.

Company	Nine-month period ended on	
	September 30, 2023	September 30, 2022
Crieff Empreendimentos	3	
Instituto CSU	68	58
Anapurus Comercio e Participações Ltda.	570	239
	<u>641</u>	<u>297</u>

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

7.2 Management compensation

The annual global threshold value for remuneration for services provided by key Management personnel, which includes Board Members and statutory directors, was set for the 2023 fiscal year at R\$21,165 (December 31, 2022 - R\$15,695), approved at the Ordinary General Meeting of April 25, 2023.

	Nine-month period ended on	
	September 30, 2023	September 30, 2022
Fees	5,631	5,439
Share-based payment	579	380
Bonuses and indirect benefits	<u>7,829</u>	<u>3,068</u>
	<u>14,039</u>	<u>8,887</u>

8 Investments

	Direct participation percentage	September 30, 2023	December 31, 2022
Fitbank Pagamentos Eletrônicos S.A.	4.00%	31,097	31,097
CSU Digital International LLC	100.00%	<u>1,134</u>	<u>31,097</u>
		<u>32,231</u>	<u>31,097</u>

Movement of investments:

on January 1st	31,097	25,946
Investments (i)	2,479	
Equity (ii)	(1,345)	
Fair value for other comprehensive income		<u>5,151</u>
on September 30st	<u>32,231</u>	<u>31,097</u>

- (i) Investment made in the wholly-owned subsidiary CSU International LLC, located in the United States of America.
- (ii) Equity equivalence of the wholly-owned subsidiary CSU International LLC, located in the United States of America.

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

9. Property, Plant and Equipment (PP&E)

	<u>Furniture and Fixtures</u>	<u>Facilities</u>	<u>Equipment</u>	<u>Vehicles</u>	<u>Leasehold improvements</u>	<u>Computers and peripherals</u>	<u>Total</u>
Economic useful life (years)	9	14	9	6	2-5	4	
January 1, 2022	1,978	1,217	6,522	1,376	5,116	2,293	18,502
Acquisition	218	29	818		157	1,146	2,368
Divestment	(5)	(15)	(112)		(12)	(4)	(148)
Depreciation	(292)	(96)	(1,258)	(235)	(2,129)	(864)	(4,874)
As of September 30, 2022	<u>1,899</u>	<u>1,135</u>	<u>5,970</u>	<u>1,141</u>	<u>3,132</u>	<u>2,571</u>	<u>15,848</u>
As of December 31, 2022							
Total cost	9,333	2,763	18,648	2,988	24,117	13,866	71,715
Accumulated depreciation	<u>(7,494)</u>	<u>(1,659)</u>	<u>(12,474)</u>	<u>(1,926)</u>	<u>(21,513)</u>	<u>(11,387)</u>	<u>(56,453)</u>
Accounting balance, net	<u>1,839</u>	<u>1,104</u>	<u>6,174</u>	<u>1,062</u>	<u>2,604</u>	<u>2,479</u>	<u>15,262</u>
January 1, 2023	1,839	1,104	6,174	1,062	2,604	2,479	15,262
Acquisition	209	3	562	2,350	37	116	3,277
Divestment				(107)			(107)
Depreciation	(295)	(91)	(1,165)	(374)	(629)	(852)	(3,406)
As of September 30, 2023	<u>1,753</u>	<u>1,016</u>	<u>5,571</u>	<u>2,931</u>	<u>2,012</u>	<u>1,743</u>	<u>15,026</u>
As of September 30, 2023							
Total cost	9,542	2,766	19,210	5,231	24,154	13,982	74,885
Accumulated depreciation	<u>(7,789)</u>	<u>(1,750)</u>	<u>(13,639)</u>	<u>(2,300)</u>	<u>(22,142)</u>	<u>(12,239)</u>	<u>(59,859)</u>
Accounting balance, net	<u>1,753</u>	<u>1,016</u>	<u>5,571</u>	<u>2,931</u>	<u>2,012</u>	<u>1,743</u>	<u>15,026</u>

Depreciation for the nine-month period ended September 30, 2023, allocated to the cost of services provided, totals R\$1,791 (September 30, 2022 – R\$2,441), and operating expenses total R\$1,615 (September 30, 2022 – R\$2,433).

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

10 Intangible assets

	Defined useful life							Useful life indefinite		
	Data processing systems	Customization systems	ERP System	Vision Plus Software	Assignment of right of use - software	Software Card 24	Others	Intangibles under development	Goodwill	Total
Economic useful life (years)	19	18	19	18	10	7	5			
January 1, 2022	646	163,370	1,199	52,825	14,604	474	15	3,419	25,895	262,447
Acquisition		22,062	35	11,427	1,113			4,193		38,830
Divestment				(218)	(84)					(302)
Amortization	(33)	(10,252)	(113)	(6,627)	(2,098)	(448)	(2)			(19,573)
As of September 30, 2022	613	175,180	1,121	57,407	13,535	26	13	7,612	25,895	281,402
As of December 31, 2022										
Total cost	10,020	318,492	3,087	149,683	100,245	4,142	3,081	7,975	25,895	622,620
Accumulated amortization	(9,418)	(137,522)	(2,003)	(90,306)	(87,480)	(4,142)	(3,068)			(333,939)
Accounting balance, net	602	180,970	1,084	59,377	12,765	-	13	7,975	25,895	288,681
January 1, 2023	602	180,970	1,084	59,377	12,765		13	7,975	25,895	288,681
Acquisition		26,654		12,344	708			2,738		42,444
Divestment		(15)			(1)					(16)
Amortization	(33)	(9,526)	(113)	(6,189)	(2,085)		(2)			(17,948)
As of September 30, 2023	569	198,083	971	65,532	11,387	-	11	10,713	25,895	313,161
As of September 30, 2023										
Total cost	10,020	345,131	3,087	162,027	100,952	4,142	3,081	10,713	25,895	665,048
Accumulated amortization	(9,451)	(147,048)	(2,116)	(96,495)	(89,565)	(4,142)	(3,070)			(351,887)
Accounting balance, net	569	198,083	971	65,532	11,387	-	11	10,713	25,895	313,161

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

11 Right-of-use assets

	January 1, 2022	Additions	Amortization	Remeasurement (i)	September 30, 2022
Of buildings	25,369		(11,816)	7,771	21,324
Lease of softwares	35,708	150	(6,660)	5,126	34,324
Equipment	14,881	2,007	(2,346)		14,542
Furniture and Fixtures	924		(157)		767
Improvements	2,028		(338)		1,690
Computers and peripherals	1,688		(581)		1,107
Other leases	2,620	104	(164)		2,560
	83,218	2,261	(22,062)	12,897	76,314

	January 1, 2023	Additions (ii)	Amortization	Write- off	Remeasurement (i)	September 30, 2023
Of buildings	18,445	3,982	(12,182)		2,719	12,964
Lease of softwares	34,172		(9,887)	(6)	11,967	36,246
Equipment	17,016		(2,639)			14,377
Furniture and Fixtures	717		(127)			590
Improvements	1,584		(246)			1,338
Computers and peripherals	916		(519)	(1)		396
Other leases	3,782	1,396	(498)	(190)		4,490
	76,632	5,378	(26,098)	(197)	14,686	70,401

(i) The increase in real estate rental refers to the change in the contract values of the Alphaville Unit, and in software rental refers to the renewal of the basic software used in the Mainframe.

(ii) The increase in rental additions refers to the contract renewal at the Recife unit.

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

12 Loans, financing and Lease liabilities

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Current liabilities		
Loans and financing (i)	4,902	9,587
Lease liabilities (ii)	<u>24,324</u>	<u>26,911</u>
	<u>29,226</u>	<u>36,498</u>
Non-current liabilities		
Loans and financing (i)	2,954	6,763
Lease liabilities (ii)	<u>40,976</u>	<u>42,443</u>
	<u>43,930</u>	<u>49,206</u>
	<u>73,156</u>	<u>85,704</u>

(i) The operations are post-fixed and are indexed to the Interbank Deposit Certificate - CDI, with a spread of 1.59% to 3.81% per year (2022 – 1.80% to 4.12% per year).

(ii) The presented balance of R\$ 65,300 is composed of financial leasing (R\$ 14,661) and liability for leases of right of use (R\$ 50,639).

The maturity of loan and financing agreements signed until September 30, 2023 will occur until April 20, 2025.

For leasing agreements (financial and right of use) existing on September 30, 2023, estimated settlement is due by May 31, 2028.

The Company's lease agreements substantially have their payment flows indexed by inflationary indices and to safeguard the faithful representation and comply with CVM guidelines in its CVM Circular Letter No. 2/2019, liability balances without inflation are provided, which were effectively accounted for and the estimate of inflated balances.

The inflated flow was measured by the present value of expected lease payments until the end of each contract, incorporating the projected future inflation and discounted by the incremental financing rate, that is, the nominal interest rate. In the preparation of contractual future cash flows, incorporating expected inflation, rates based on the Focus bulletin of the Central Bank of Brazil were used until 2026.

The company used projected inflation rates of 4.86% for 2023, 3.86% for 2024 and 3.5% for the following years. Considering these rates, we would have the following impacts for the year ended September 30, 2023:

<u>Cash flows</u>	<u>accounting value (i)</u>	<u>With Projected Inflation</u>
Right of use asset, net	45,959	53,082
Lease liability	60,029	62,727
Financial expenses	9,389	9,644

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

12.1 Composition of current and non-current loans, financing and leasing liabilities, by maturity year:

<u>Maturity year</u>	<u>September 30, 2023</u>	<u>December 31, 2022</u>
2023	10,259	36,498
2024	24,839	15,660
2025	13,688	11,864
2026	11,038	10,094
2027	9,913	8,449
2028	3,419	3,139
	<u>73,156</u>	<u>85,704</u>

Loans and financing are guaranteed by promissory notes ranging between 100% and 120% of the contract value. The leasing contracts are guaranteed by promissory notes that vary between 100% and 120% of the value of the contracts or by the actual goods object of the contracts.

As of September 30, 2023, the obligations under the lease agreements have a payment term of up to 55 months and are recorded at their present value. Financial charges, which substantially refer to the CDI variation, are recorded in the income statement during the lease term.

For the financing agreement with Banco do Brasil, with a balance on September 30, 2023 in the amount of R\$ 7,939 (December 31, 2022 R\$11,718), the Company is subject to (i) maintenance of a net debt ratio divided by EBITDA (LAJIDA) each quarter, and on September 30, 2023 and September 30, 2022, the Company was in compliance with these covenants.

12.2 Changes in loans, financings and lease liabilities:

	<u>Loans and Financing</u>	<u>Lease liabilities</u>
January 1, 2022	30,863	73,231
Funding		2,295
Interest Provisioned	2,689	5,319
Amortization	(12,037)	(20,731)
Interest payment	(2,246)	(4,603)
Remeasurement (i)		12,897
As of September 30, 2022	<u>19,269</u>	<u>68,408</u>
January 1, 2023	16,350	69,354
Funding		5,378
Interest Provisioned	1,426	6,133
Amortization	(8,385)	(24,931)
Interest payment	(1,535)	(5,320)
Remeasurement (i)		14,686
As of September 30, 2023	<u>7,856</u>	<u>65,300</u>

(i) refers to the adjustment of lease contract amounts according to agreed indexes and the variation in contracted volumes.

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

13 Social and labor obligations

The balances of social and labor obligations are as follows:

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Payroll payable	8,938	9,975
Payroll charges	5,264	5,840
Provision for vacation and charges	22,974	23,822
Provision for Christmas bonus	9,921	
Provision for Management bonus	4,102	7,041
Others	1,619	2,611
	<u>52,818</u>	<u>49,289</u>

14 Taxes to be offset and paid

The balances of taxes and social contributions to be offset and payable are as follows:

	<u>To be offset</u>		<u>To be paid</u>	
	<u>September 30,2023</u>	<u>December 31, 2022</u>	<u>September 30,2023</u>	<u>December 31, 2022</u>
Current				
Income tax (ii)	4,203	3,404		
Social contribution (ii)	879	1,754		
	<u>5,082</u>	<u>5,158</u>		
Other taxes				
Income Tax PIS, COFINS and Social contribution on third-party services			1,083	771
PIS and COFINS	403		1,445	1,329
Tax on Services (ISS)	196	194	1,885	2,039
INSS	4			
Others	574	103	71	71
	<u>1,177</u>	<u>297</u>	<u>4,484</u>	<u>4,210</u>
	<u>6,259</u>	<u>5,455</u>	<u>4,484</u>	<u>4,210</u>
Non-current				
ISSQN			206	299
Taxes to offset (i)	1,777	3,937		
	<u>1,777</u>	<u>3,937</u>	<u>206</u>	<u>299</u>

- (i) Regarding INSS tax credits on indemnification funds.
(ii) Monthly collection by estimate.

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

15. Deferred income tax and social contribution

15.1 Balance breakdown and changes:

	September 30,2023	December 31,2022	Debited (credited) to profit (loss) for the year	
			September 30, 2023	September 30, 2023
Deferred tax credits				
Temporary differences				
Provisions for legal liabilities	2,975	5,226	(2,251)	651
Allowance for doubtful accounts	5,356	4,870	486	1,241
Leases	17,218	18,094	(876)	(1,573)
Total deferred assets	25,549	28,190	(2,641)	319
Deferred tax credits				
Fair value – Investments	(6,988)	(6,988)		
Goodwill amortization	(8,805)	(8,805)		
Leases – Right of use	(15,626)	(16,613)	987	1,646
Other provisions	(5,463)	(5,262)	(201)	(1,017)
Total deferred liabilities	(36,882)	(37,668)	786	629
Total deferred tax balance	(11,333)	(9,478)	(1,855)	948

15.2 Estimated period for the realization of deferred tax credits:

The Company's Management expects that the deferred tax credits on temporary differences, totaling R\$ 25,549 will be recoverable through the offset of taxable income over the next 6 (six) years, according to the schedule presented below:

Year	
2023	191
2024	6,779
2025	5,754
2026	5,951
2027	4,072
2028 onwards	2,802
	<u>25,549</u>

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

15.3 Reconciliation of current and deferred income tax and social contribution expense

	Three-month period		Nine-month period	
	September 30,2023	September 30,2022	September 30,2023	September 30,2022
Earnings before income tax and social contribution	30,153	26,440	85,498	73,360
Income tax and social contribution at statutory rates (25% and 9%, respectively)	(10,252)	(8,990)	(29,069)	(24,943)
Adjustment for calculation by the effective rate				
Non-deductible expenses (including donations)		(136)	(121)	(324)
10% Additional of the IRPJ base	6	6	18	18
Interest on equity	2,380	2,210	6,630	5,338
Equity equivalence	(457)		(457)	
Permanent exclusions		(50)		(931)
Others	1,865	(1,026)	1,882	(924)
Income tax and social contribution on profit or loss	(6,458)	(7,986)	(21,117)	(21,766)
Current (i)	(5,810)	(8,122)	(19,262)	(22,714)
Deferred	(648)	136	(1,855)	948
	(6,458)	(7,986)	(21,117)	(21,766)
Effective tax rate - %	21,4%	30,2%	24,7%	29,7%

(i) The amount of income tax and social contribution actually paid in the nine-month period ended September 30, 2023 corresponds to R\$ 12,742 (as of September 30, 2022, R\$ 17,865),

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

16 Liabilities and Escrow deposits

16,1 The Company's legal liabilities, with a likelihood of probable loss, are as follows:

	September 30, 2023	December 31, 2022
Tax claims	5,465	4,552
Labor claims	2,432	3,601
Civil claims	853	2,243
	<u>8,750</u>	<u>10,396</u>

16,2 The amounts presented below correspond to the balance of deposits in court, whether or not related to liabilities for provisioned lawsuits, classified in non-current assets:

	September 30, 2023	December 31, 2022
Labor	3,907	6,853
Civil	576	
	<u>4,483</u>	<u>6,853</u>

16,3 The changes in legal liabilities are as follows:

	Tax	Labor	Civil	Total
As of January 1, 2022	3,256	3,082	2,078	8,416
Additions	889	1,695	205	2,789
Payments/Settlements		(1,068)	(113)	(1,181)
Reversals		(408)	(514)	(922)
Monetary restatement	75	895	178	1,148
As of September 30, 2022	<u>4,220</u>	<u>4,196</u>	<u>1,834</u>	<u>10,250</u>
As of January 1, 2023	4,552	3,601	2,243	10,396
Additions	775	966	401	2,142
Payments/Settlements		(2,048)	(1,857)	(3,905)
Reversals		(418)	(72)	(490)
Monetary restatement	138	331	138	607
As of September 30, 2023	<u>5,465</u>	<u>2,432</u>	<u>853</u>	<u>8,750</u>

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

16,4 Possible lawsuits losses

The Company is a party to tax, civil and labor lawsuits involving risk of loss classified by Management as possible, based on the assessment of its legal counsel, for which no provisions have been recorded, composed and estimated as follows:

	September 30, 2023	December 31, 2022
Tax (i)	2,716	2,576
Labor (ii)	4,443	4,821
Civil complaints	113	320
	<u>7,272</u>	<u>7,717</u>

(i) Among the tax lawsuits, the lawsuit referring to non-payment of ISS withheld by third parties in Recife stands out, There were no relevant changes in the process during the period ended September 30, 2023,

(ii) Refers to the estimates of labor court losses that follow the methodology described in the Company's accounting policy, as per Note 2,19 of the financial statements of December 31, 2022,

17 Commitments

In the regular course of business, the Company executed bank guarantee agreements, grouped and characterized as follows:

17,1 Bank guarantees:

Based on current agreements, bank guarantees with top-tier financial institutions are:

Type	September 30, 2023	December 31, 2022
Guaranteed bank sureties - Santander Service agreements (i)	1,002	522
	<u>1,002</u>	<u>522</u>

(i) Regarding the warranty agreement with Mastercard,

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

18 Equity

18,1 Capital

On May 04, 2023 the Company approved in Extraordinary General Meeting the capital increase with the capitalization of a portion of the Profit Reserves in the amount of R\$60,000, increasing it from R\$169,232 to R\$229,232, There was no change in the number of shares,

On September 30, 2023 and December 31, 2022, the subscribed and fully paid-in capital was represented by 41,800,000 common shares with no par value,

18,2 Treasury shares

	Number of shares			Acquisition cost per share - in Reais				
	Authorized to be acquired	Acquired	Canceled	Balance on treasury Shares	Value	Closing	Minimum	Maximum
Balance on December 31, 2021				<u>661,012</u>		13,06	11,07	11,64
Share-Based Incentive and Retention Plan - shares delivered				(89,607)	(1,150)	11,01	12,51	14,77
Balance on December 31, 2022				<u>571,405</u>	<u>(1,150)</u>	12,20	10,95	11,49
Share-Based Incentive and Retention Plan - shares delivered				(27,870)	(402)	15,50	10,82	15,88
Balance on September 30, 2023				<u>543,535</u>	<u>(402)</u>	15,63	15,50	15,88

Based on the equity position as of September 30, 2023, the base amount for determining the 10% Free Float of treasury shares is 1,857,683 (1,855,540 as of December 31, 2022),

On September 30, 2023, the market value of the shares held in treasury, calculated based on the last stock market quotation prior to the balance sheet date is R\$8,495 (December 31, 2022 - R\$6,971),

19 Dividends and interest on equity

Based on the operating and financial results up to December 2022, it was decided to credit Interest on Equity (JCP) for the 2022 fiscal year in the amount of R\$ 22,200 (net of taxes, the amount of R\$ 19,191), R\$ 0,53890 per share to be imputed to the mandatory dividend pursuant to article 37 of the Company's Bylaws, "ad referendum" of the Ordinary General Meeting, The payment of said interest on equity was made on January 16, 2023,

The Management proposal for the allocation of net income for the fiscal year 2022, was resolved at the Annual Shareholders' Meeting on April 25, 2023, is as follows:

Allocation of the net income for 2022

Legal reserve - 5%	3,679
Profit retention reserve	33,107
Mandatory minimum dividends - 25% (i)	17,473
Additional dividends - JCP (i)	4,727
Additional dividends - (ii)	<u>14,586</u>
	<u>73,572</u>

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

- (i) minimum mandatory dividend of 25% in the amount of R\$17,473 and the amount of supplementary dividends of R\$4,727 were paid via JCP in January 2023, totaling R\$22,200,
(ii) supplementary dividends resolved at the Annual Shareholders' Meeting on April 25, 2023,

The Company's Management, pursuant to the resolutions taken at the Board of Directors' meeting, resolved on March 17, 2023 the distribution of the total amount of R\$ 6,000 (0,14551 per share), on June 20, 2023 the distribution of the amount of R\$ 6,500 (0,15763 per share), and on September 21, 2023 the distribution in the amount of R\$ 7,000 (0,16967 per share) all in the form of Interest on Shareholders' equity ("JCP") for the fiscal year 2023, The payments were made on April 18, 2023, July 17, 2023 and October 6, 2023, and will be imputed to the mandatory dividends to be paid by the Company, related to the fiscal year 2023, "ad referendum" of the Annual General Meeting

	Interest on equity	Taxes	Net value
March	6,000	(439)	5,561
June	6,500	(826)	5,674
September	7,000	(881)	6,119
	19,500	(2,146)	17,354

20 Financial risk management

20.1 Financial instruments by category

The Company's main financial instruments (assets and liabilities) as of September 30, 2023 and December 31, 2022 are as follows:

Category of financial instruments	Classification	September 30, 2023		December 31, 2022	
		accounting	Fair value	accounting	Fair value
Cash and equivalents	Amortized Cost	4,531	4,531	4,192	4,192
Fixed income securities - committed CDB	Amortized Cost	74,643	74,643	82,263	82,263
Accounts receivable	Amortized Cost	73,700	73,700	76,312	76,312
Investment – Fitbank (i)	VJORA	31,097	31,097	31,097	31,097
Total financial assets		183,970	183,970	193,864	193,864

Category of financial instruments	Classification	September 30, 2023		December 31, 2022	
		accounting	Fair value	accounting	Fair value
Suppliers	Amortized Cost	32,470	32,470	38,755	38,755
Loans and financing	Amortized Cost	7,856	7,765	16,350	16,465
Leasing	Amortized Cost	14,661	14,661	16,137	16,299
Lease Liabilities	Amortized Cost	50,639	50,639	53,217	53,217
Total financial liabilities		105,626	105,535	124,459	124,736

- (i) Investment measurable at level 3 fair value hierarchy

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

20.2 Credit risk

The Company's sales policy considers the level of credit exposure in the regular course of business, The diversification of its receivables portfolio, the selectivity of its clients and the monitoring of sales financing terms per business segment as well as individual position limits are procedures adopted to mitigate the effects of default in its accounts receivable,

20.3 Liquidity risk

This is the risk that the Company will not have sufficient liquid funds to meet its financial commitments as a result of a term or volume-related mismatch in estimated cash receipts and payments,

To manage the cash liquidity in local and foreign currency, assumptions for future disbursements and receipts are established and monitored on a daily basis, in addition to an active negotiation policy for operational limits available with financial institutions of at least 1,2 times the average monthly turnover,

The table below analyzes the Company's financial liabilities by maturity date, corresponding to the period remaining in the balance sheet until the contractual maturity date, The amounts disclosed are the contracted undiscounted cash flows, so they may not be consistent with the balances presented in the balance sheet and/or respective notes,

	<u>2023</u>	<u>2024</u>	<u>2025 to 2028</u>
Trade accounts payable	32,470		
Loans and financings	1,206	4,953	1,697
Lease liabilities	9,053	19,886	36,361
	<u>42,729</u>	<u>24,839</u>	<u>38,058</u>

20.4 Market risk

The Company is exposed to market risks arising from its activities, Such market risks mainly correspond to changes in interest rates, which may adversely affect the value of financial assets and liabilities or future cash flow as well as the Company's results, Market risk is the potential loss arising from adverse changes in interest rates and market prices,

20.5 Interest rate risk

The Company's exposure to interest rate risks is mainly related to changes in the CDI rate on fixed income investments, its loans and financing, and lease agreements, The interest rates and maturities on these agreements are presented in Note 12, The interest volatility risk is basically linked to the CDI floating rate,

20.6 Capital management

The Company's objective when managing its capital is to safeguard its ability to continue to offer shareholder returns and benefits to other stakeholders, as well as to maintain an ideal capital structure to reduce this cost,

To maintain or adjust the capital structure, the Company may review the dividend payment policy, return capital to shareholders or issue new shares or sell assets to reduce, for example, the level of indebtedness,

The Company monitors capital based on the financial leverage ratio, This ratio, presented in the table below, corresponds to the net debt divided by the total capital, Net debt corresponds to total loans and leasing (including current and non-current), deducted from the amount of cash and cash equivalents, while total capital is calculated by adding equity and net debt, as shown in the balance sheet,

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

	September 30, 2023	December 31, 2022
Loans, Financing and Lease Liabilities	73,156	85,704
Cash and cash equivalents	(79,174)	(86,455)
Net debt	(6,018)	(751)
Equity	406,702	381,095
Financial leverage ratio	(0,015)	(0,002)

20,7 Derivatives

On September 30, 2023 and December 31, 2022, the Company did not enter into any contracts that can be considered as derivative financial instruments,

20,8 Sensitivity analysis of financial assets and liabilities

The risk associated with the relevant transactions held by the Company is linked to fluctuations of the Interbank Deposit Certificate (CDI) on fixed income investments, loans and financing and lease agreements, all of which have fixed spreads, Fair values approximate their accounting values,

In order to verify the sensitivity of the financial items to the indices to which the Company was exposed on September 30, 2022, three different scenarios were defined: (a) probable scenario - considering the projection of the average annual CDI rate for the next 12 months; (b) scenario II - with a 25% appreciation over the probable scenario; and (c) scenario III - with a 50% appreciation over the probable scenario, For the balances of fixed income investments, scenarios II and III consider rate depreciation,

In order to verify the sensitivity for each scenario, the respective gross remuneration, financial income or expense for these financial assets and liabilities, respectively, were calculated for the next twelve months, as presented below:

	Financial assets (liabilities)		Risk	Financial income (expenses)		
	September 30, 2023	December 31, 2022		Probable scenario	Scenario II	Scenario III
Financial investments	74,643	82,263	CDI	8,215 11,75%	6,254 8,81%	4,233 5,88%
Lease liability - Equipment	(14,661)	(16,137)	CDI	(2,234) 11,75%	(2,490) 14,69%	(2,734) 17,63%
Lease liabilities - properties and software	(50,639)	(53,217)	CDI	(4,044) 11,75%	(4,378) 14,69%	(4,776) 17,63%
Financing	(7,856)	(16,350)	CDI	(1,923) 11,75%	(2,045) 14,69%	(2,163) 17,63%

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

21 Share-based compensation

The Board of Directors approved, at a meeting held on May 26, 2015, the creation of a Share-Based Incentive and Retention Plan, approved by the CVM on July 20, 2015, with the purpose of transferring the ownership of 543,535 shares held in treasury on September 30, 2023 (December 31, 2022 – 571,405), on a non-remunerated basis, that is, without call option, complying with the terms of 24 to 36 months from the grant date and other conditions set forth in the program,

Up to September 30, 2023, 379,091 shares had been granted to 23 Company employees, In the nine-month period ended September 30, 2023, the amount of R\$ 578 was recognized, and no write-offs in treasury shares (on September 30, 2022 – R\$216, R\$77 written off) referring to all programs,

22 Insurance

On the reporting date, the Company had the following main insurance policies taken out from third parties:

Segments	Insured amounts	
	September 30, 2023	December 31, 2022
Comprehensive business insurance	387,300	362,095
Legal insurance	8,711	10,911
Civil liability	118,263	113,554
Vehicle insurance	7,120	5,644
	<u>521,394</u>	<u>492,204</u>

23 Net revenue

	Three-month period		Three-month period	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Gross revenue from services	150,632	154,633	449,117	451,765
Deductions from gross revenue				
Tax on Services of Any Nature (ISSQN)	(3,017)	(3,015)	(9,145)	(8,948)
Social Integration Program (PIS) and COFINS	(10,443)	(10,473)	(31,047)	(30,147)
Employer's Contribution to Social Security	(4,816)	(4,806)	(14,370)	(13,981)
Net revenue from services	<u>132,356</u>	<u>136,339</u>	<u>394,555</u>	<u>398,689</u>

The other information in this note has not changed from the disclosures in Note 23 of the financial statements as of December 31, 2022,

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

24 Cost of services, SG&A expenses

	<u>Three-month period</u>		<u>Three-month period</u>		<u>Nine-month period</u>		<u>Nine-month period</u>	
	<u>Cost of services</u>		<u>Selling, general and administrative expenses</u>		<u>Cost of services</u>		<u>Selling, general and administrative expenses</u>	
	<u>September 30,2023</u>	<u>September 30,2022</u>	<u>September 30,2023</u>	<u>September 30,2022</u>	<u>September 30,2023</u>	<u>September 30,2022</u>	<u>September 30,2023</u>	<u>September 30,2022</u>
Labor and payroll charges	47,412	50,941	13,958	13,596	144,837	156,473	42,377	36,471
Card consumption	1,566	1,109			3,757	3,388		
Consumption and awarding	1,436	874			3,844	3,221		
Operating materials	1,712	2,129	133	173	6,190	6,339	406	567
Shipment (i)	1,574	3,160		1	4,440	9,658		1
Communication	(28)	1,126	78	93	2,037	4,137	316	287
Contracted services	1,739	1,440	1,978	3,228	5,427	3,549	6,200	8,511
Equipment/furniture maintenance	419	1,014	271	281	1,780	3,381	834	660
Rental and software maintenance	5,271	4,005	(1,078)	771	14,531	10,252	636	2,232
Depreciation and amortization	14,419	13,286	1,213	2,108	43,632	39,914	3,820	6,595
Occupancy	4,072	4,893	880	970	12,171	14,935	2,987	2,803
Advertising/relationship	50	50	2,736	3,441	151	90	7,018	6,054
Legal expenses	59		173	312	59	3	912	1,485
PIS/COFINS credit	(2,009)	(2,114)			(5,952)	(5,866)		
Travel and representations	380	422	305	232	1,217	902	894	635
Others	707	434	782	977	1,803	1,214	1,986	2,579
	<u>78,779</u>	<u>82,769</u>	<u>21,429</u>	<u>26,183</u>	<u>239,924</u>	<u>251,590</u>	<u>68,386</u>	<u>68,880</u>

(i) Refers to the process of digitalizing invoices submitted by some customers,

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

25 Financial result

	<u>Three-month period</u>		<u>Nine-month period</u>	
	<u>September 30, 2023</u>	<u>September 30, 2022</u>	<u>September 30, 2023</u>	<u>September 30, 2022</u>
Financial revenue				
Financial investment revenue	1,862	2,714	6,181	4,836
Monetary variation gains	443	197	2,457	617
Interest and late payment fines received	6		509	44
Exchange rate variation	(1)		(1)	
	<u>2,310</u>	<u>2,911</u>	<u>9,146</u>	<u>5,497</u>
Financial expenses				
Charges on loans, financing and leases	(2,332)	(3,127)	(7,832)	(7,300)
Tax on financial transactions (IOF)	(8)	(40)	(21)	(53)
Monetary variation losses	(347)	(119)	(926)	(1,263)
Bank expenses	(45)	(20)	(64)	(76)
Interest and late payment fines paid	(43)	(7)	(79)	(106)
Others	(252)	(113)	(415)	(169)
	<u>(3,027)</u>	<u>(3,426)</u>	<u>(9,337)</u>	<u>(8,967)</u>
	<u>(717)</u>	<u>(515)</u>	<u>(191)</u>	<u>(3,470)</u>

26 Earnings (losses) per share

	<u>Three-Month period</u>		<u>Nine-Month period</u>	
	<u>September 30, 2023</u>	<u>September 30, 2022</u>	<u>September 30, 2023</u>	<u>September 30, 2022</u>
Numerator				
Net income attributable to common shares	23,695	18,454	64,381	51,594
Denominator (in thousands of shares)				
Weighted average number of common shares (excluding treasury shares)	<u>40,899</u>	<u>40,899</u>	<u>40,899</u>	<u>40,899</u>
Basic and diluted earnings (loss) per share (in Reais)	<u>0,5793</u>	<u>0,4512</u>	<u>1,5741</u>	<u>1,2615</u>

The other information in this note has not changed from the disclosures in Note 26 of the financial statements as of December 31, 2022,

CSU Digital S.A.

Notes to the financial statements for the nine-month period ended September 30, 2023. In thousands of Brazilian reais, unless otherwise stated

27 Business segment information

	CSU Pays		CSU DX	
	Three-month periods ended on		Three-month periods ended on	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Gross revenue from services	98,792	96,929	51,840	57,704
Deductions from gross revenue	(13,896)	(13,526)	(4,380)	(4,768)
Net revenue from services	84,896	83,403	47,460	52,936
Cost of services	(40,159)	(39,019)	(38,620)	(43,750)
Gross profit	44,737	44,384	8,840	9,186
Operating expenses	(14,297)	(17,245)	(8,410)	(9,370)
Operating profit before financial result	30,440	27,139	430	(184)

	CSU Pays		CSU DX	
	Nine-month periods ended on		Nine-month periods ended on	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Gross revenue from services	293,223	273,817	155,894	177,948
Deductions from gross revenue	(41,386)	(38,207)	(13,176)	(14,869)
Net revenue from services	251,837	235,610	142,718	163,079
Cost of services	(122,292)	(115,215)	(117,632)	(136,375)
Gross profit	129,545	120,395	25,086	26,704
Operating expenses	(41,901)	(45,081)	(27,041)	(25,187)
Operating profit before financial result	87,644	75,314	(1,955)	1,517

The Company's 10 largest clients account for a significant part of gross revenue, The loss of our largest clients could adversely affect the Company's results,

Operating results are now regularly reviewed by the entity's main operations manager for decision-making on resources to be allocated to segments and for evaluating performance in this way

CSU Digital S.A.

Notes to the financial statements
for the nine-month period ended September 30, 2023.
In thousands of Brazilian reais, unless otherwise stated

	Operational expenses	
	Three-month periods ended on	Three-month periods ended on
	September 30, 2023	September 30, 2022
Other Revenue	490	199
Other Expenses	(423)	(631)
	67	(432)

	Operational expenses	
	Nine-month periods ended on	Nine-month periods ended on
	September 30, 2023	September 30, 2022
Other Revenue	2,290	661
Other Expenses	(1,501)	(2,050)
	789	(1,389)

28 Statements of Cash Flow

The equity movements that did not affect the Company's cash flows are as follows:

	September 30,2023	September 30,2022
Stock Plan - Note 21	(579)	(292)
CP declared unpaid in the year - Note 19	(7,000)	(6,500)
Lease – remeasurements - Note 11	(14,686)	(12,897)
Lease – Acquisitions via Leasing - Note 11	(5,379)	(2,261)
	(27,644)	(21,950)

* * *

Shareholding composition in::

SHAREHOLDERS	September 30, 2023		December 31, 2022	
	# SHARES	%	# SHARES	%
Control Group	22,672,598	54.2%	22,661,556	54.2%
Greenville Delaware LLC	22,591,192	54.0%	22,591,192	54.0%
Marcos Ribeiro Leite	81,406	0.2%	70,364	0.2%
Others	18,583,867	44.5%	18,567,039	44.4%
Treasury	543,535	1.3%	571,405	1.4%
TOTAL CSUD	41,800,000	100%	41,800,000	100%

Data: September 30, 2023

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To Management and Shareholders of
CSU Digital S.A.

Introduction

We have reviewed the accompanying interim financial information of CSU Digital S.A. ("Company"), included in the Quarterly Information Form (ITR), for the quarter ended September 30, 2023, which comprises the balance sheet as at September 30, 2023, and the related statements of profit and loss and of comprehensive income for the three- and nine-month periods then ended, and of changes in equity and of cash flows for the nine-month period then ended, including the explanatory notes.

Management is responsible for the preparation of the interim financial information in accordance with technical pronouncement CPC 21 (R1) and international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, as well as for the presentation of such information in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Review of Interim Financial Information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the standards on auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information included in the quarterly information referred to above was not prepared, in all material respects, in accordance with technical pronouncement CPC 21 (R1) and international standard IAS 34, applicable to the preparation of the Quarterly Information (ITR), and presented in accordance with the standards issued by the CVM.

Statements of value added

The interim financial information referred to above includes the statements of value added (DVA) for the nine-month period ended September 30, 2023, prepared under the responsibility of the Company's Management and disclosed as supplemental information for purposes of the international standard IAS 34. These statements were subject to review procedures performed together with the review of the Quarterly Information (ITR) to reach a conclusion on whether they are reconciled with the interim financial information and the accounting records, as applicable, and whether their form and content are in accordance with the criteria set out in technical pronouncement CPC 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that these statements of value added were not appropriately prepared, in all material respects, in relation to the interim financial information taken as a whole.

The accompanying interim financial information has been translated into English for the convenience of readers outside Brazil.

São Paulo, November 8, 2023

DELOITTE TOUCHE TOHMATSU
Auditores Independentes Ltda.

Alexandre Cassini Decourt
Engagement Partner

Opinion of the Audit Committee

The members of the Audit Committee of CSU Digital S.A., in the exercise of their attributions and legal responsibilities as provided for in the Internal Regulations of the Audit Committee, considering the information provided by the Company's Management and by its independent auditors, examined and analyzed the information interim financial statements of CSU Digital S.A., contained in the Quarterly Information Form - ITR, without restrictions, referring to the period ended September 30, 2023, and also analyzed the financial statements for the same period, which comprise the Management Report, the Balance Equity, the Statements of Income, Comprehensive Income, Changes in Shareholders' Equity, Cash Flows, and Value Added, complemented by explanatory notes for the period, and unanimously, that they adequately reflect, in all relevant aspects, the equity and financial position of the Company.

Audit Committee Members

Antonio Kandir

Sérgio Luiz da Silva Ribeiro

João Carlos Matias

Opinions and Declarations / Declaration of the Directors on the Financial Statements

Pursuant to CVM Instruction 80/2022, the managers of CSU DIGITAL S.A. declare that they have discussed, reviewed and agree with the opinions expressed in the independent auditors' report and in the financial statements for the fiscal year ended September 30, 2023.

Board

Marcos Ribeiro Leite

CEO

Pedro Alvarenga D'Almeida

Director of Investor Relations

Fabiano Agante Droguetti

Director

Celio Rorato Junior

Financial Superintendent

Wesley Barroso de Brito

Senior Accounting Manager – CRC 1SP276041/O-5

Opinions and Declarations / Declaration of Directors on the Independent Auditor's Report

Pursuant to CVM Instruction 80/2022, the directors of CSU DIGITAL S.A. declare that they discussed, reviewed and agreed with the opinions expressed in the independent auditors' report and the financial statements for the fiscal year ended September 30, 2023.