



1Q21 Results



June 2nd, 2021

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This presentation may contain forward-looking statements relating to matters such as continued growth prospects for the company, industry trends and product and technology initiatives.

These statements are based on currently available information and our current assumptions, expectations and projections about future events. While we believe that our assumptions, expectations and projections are reasonable in view of currently available information, you are cautioned not to place undue reliance on these forward-looking statements. Our actual results may differ materially from those included in this presentation, for a variety of reasons, including those described in the forward-looking statements and risk factor sections of our Annual Report on Form 20-F (File No. 001-38353) and other filings with the Securities and Exchange Commission (the “SEC”), which are available on our investor relations website (<http://investors.pagseguro.com>) and on the SEC’s website (<https://www.sec.gov>).

All of the information included in this presentation is updated as of **March 31, 2021**. Except as may be required by applicable law, we assume no obligation to publicly update or revise our statements.

Non-GAAP Financial Measures

This presentation includes the following financial measures defined as “non-GAAP financial measures” by the SEC: non-GAAP net income, non-GAAP total net revenue, non-GAAP net take rate, non-GAAP total costs and expenses, non-GAAP administrative expenses, and non-GAAP net margin and Adjusted EBITDA. We present non-GAAP measures when we believe that the additional information is useful and meaningful to investors. These non-GAAP measures are provided to enhance investors’ overall understanding of our current financial performance and its prospects for the future. Specifically, we believe the non-GAAP measures provide useful information to both management and investors by excluding certain expenses, gains and losses, as the case may be, that may not be indicative of our core operating results and business outlook.

For an explanation of the foregoing non-GAAP measures, please see “Supplemental Information” included in this presentation. These measures may be different from non-GAAP financial measures used by other companies. The presentation of this non-GAAP financial information, which is not prepared under any comprehensive set of accounting rules or principles, is not intended to be considered in isolation of, or as a substitute for, the financial information prepared and presented in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). Non-GAAP measures have limitations in that they do not reflect all of the amounts associated with our results of operations as determined in accordance with IFRS. These measures should only be used to evaluate our results of operations in conjunction with the corresponding GAAP measures.

For a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures, see “Supplemental Information.”

1Q21 Business Update

Operating & Financial Results

- **Consolidated TPV¹ of R\$ 81B**, growing **102% y/y**, with PagBank and online volumes continuing to gain share
- **Total Revenue and Income of R\$ 2.1B**, growing **30% y/y**, with **consolidated Net Take Rate² of 2.41%**
- **Adjusted EBITDA³ of R\$ 573M**, up **12% y/y**, despite PagBank and Hubs investments
- **Non-GAAP Net Income⁴ of R\$ 327M**, down **11% y/y**
- Excluding **one-time events** in 1Q21, **Adjusted EBITDA of R\$ 617M**, up **20% y/y** and **non-GAAP Net Income of R\$ 356M**



- **Acquiring TPV of R\$ 50B**, growing **58% y/y**, despite new lockdowns in the last weeks of Mar-21
- **Online TPV grew 140% y/y** while **Hubs TPV grew 410% y/y**, diversifying our exposure to new merchants segments
- **Active Merchants⁵ of 7.3M**, with a **Net Addition of 301K, 1.8M** more merchants vs. 1Q20
- **Total Revenue and Income of R\$ 1.9B**, with an **Adjusted EBITDA of R\$725M**, margin of **38%**
- **New products: PagPhone, Moderninha ProFit and Auditek app** (payments reconciliation software)

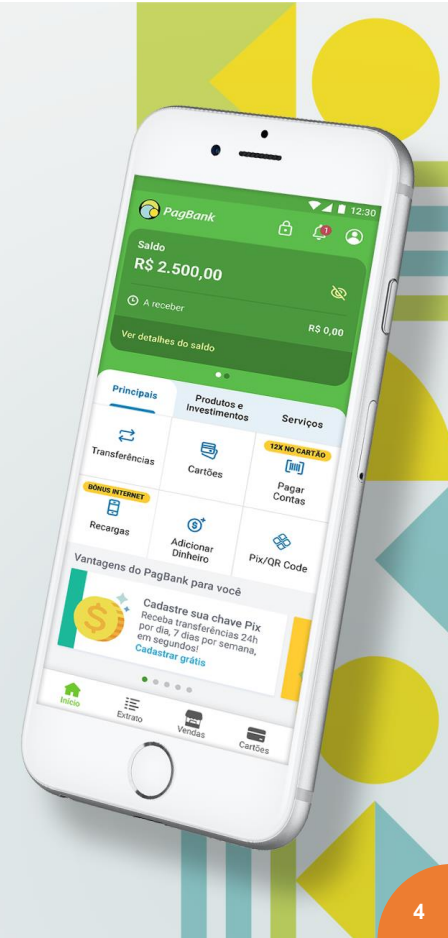
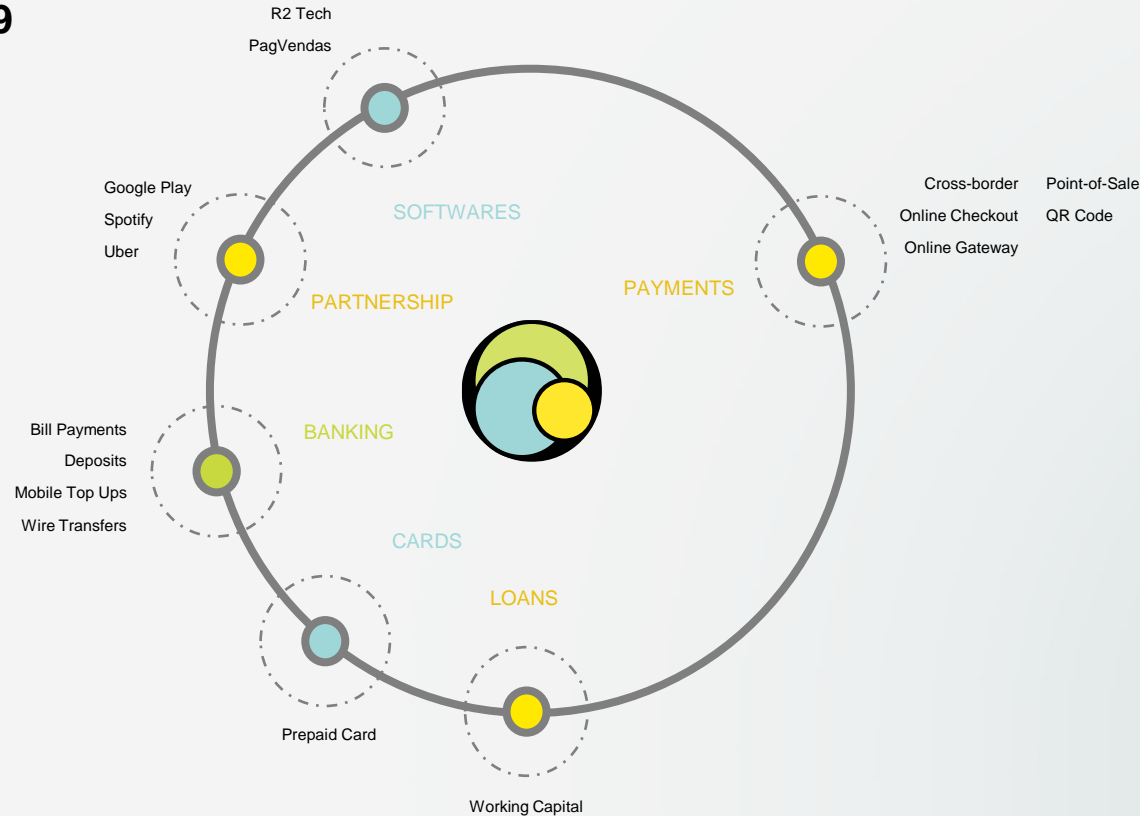


- **PagBank TPV⁶ of R\$ 31B**, up **261% y/y**, boosted by **Wire Transfers** and **Bill Payments**
- **PagBank App Downloads⁷ of 48M**, with **7M** downloads in 1Q21
- **PagBank Active Clients⁸ of 9.1M**, up **144% y/y**, with **Net Addition of 1.3M**
- **PagBank Consumers of 3.5M**, a growth of **5x y/y**, representing **38%** of PagBank Active Clients
- **Credit Portfolio of R\$ 773M**, **Deposits of R\$ 5.0B** and **PagBank CDs reaching R\$ 1.4B** in Mar-21
- **New products: Cashback for Payroll Portability, new 3rd Party Investment Funds and Personnel Accident Insurance**

1. Consolidated TPV: Acquiring TPV + PagBank TPV; where PagBank TPV includes prepaid card top-ups, cash cards spending, credit cards, mobile top-ups, wire transfers to different people, cash-in through boletos, bill payments, tax collections, P2P transactions, QR Code transactions, Loans, Super App and GMV;
2. Net Take Rate = (Net Revenue from Transaction Activities and Other Services + Financial Income - Transaction Costs) / Total Payment Volume. Excluding revenues and costs originated in the 1Q21 by membership fees booked in Net Transaction Activities and Other Services (R\$58.4M) and in Transaction Costs (R\$ 67.2M);
3. Adjusted EBITDA = GAAP Net Income + Income Tax and Social Contribution (IR) - Other Financial Income + Depreciation and Amortization + non-GAAP Total Expenses adjustments. Please see the Supplemental Information for a reconciliation of this adjusted financial measure;
4. Non-GAAP numbers are a non-GAAP financial measure. Please see the Supplemental Information for a reconciliation of this non-GAAP financial measure to the most directly comparable GAAP financial measure;
5. Active Merchants: At least one transaction in the last twelve months;
6. PagBank TPV: Includes prepaid card top-ups, cash cards spending, credit cards, mobile top-ups, wire transfers to different people, cash-in through boletos, bill payments, tax collections, P2P transactions, QR Code transactions, Loans, Super App and GMV;
7. Source: App Annie and AppsFlyers. These numbers include apps downloaded in several devices with the same bank account and potential app uninstall and new download in the same device;
8. PagBank Active Clients: Active merchants using one additional digital account feature/service beyond acquiring and consumers with a balance in their digital account on the last day of the month.

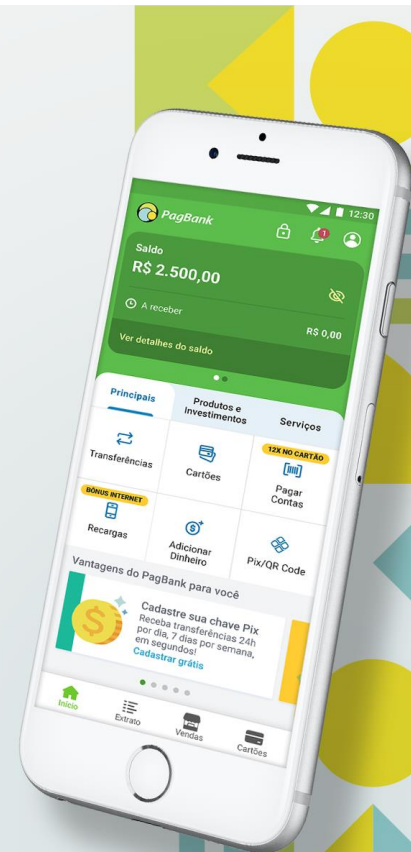
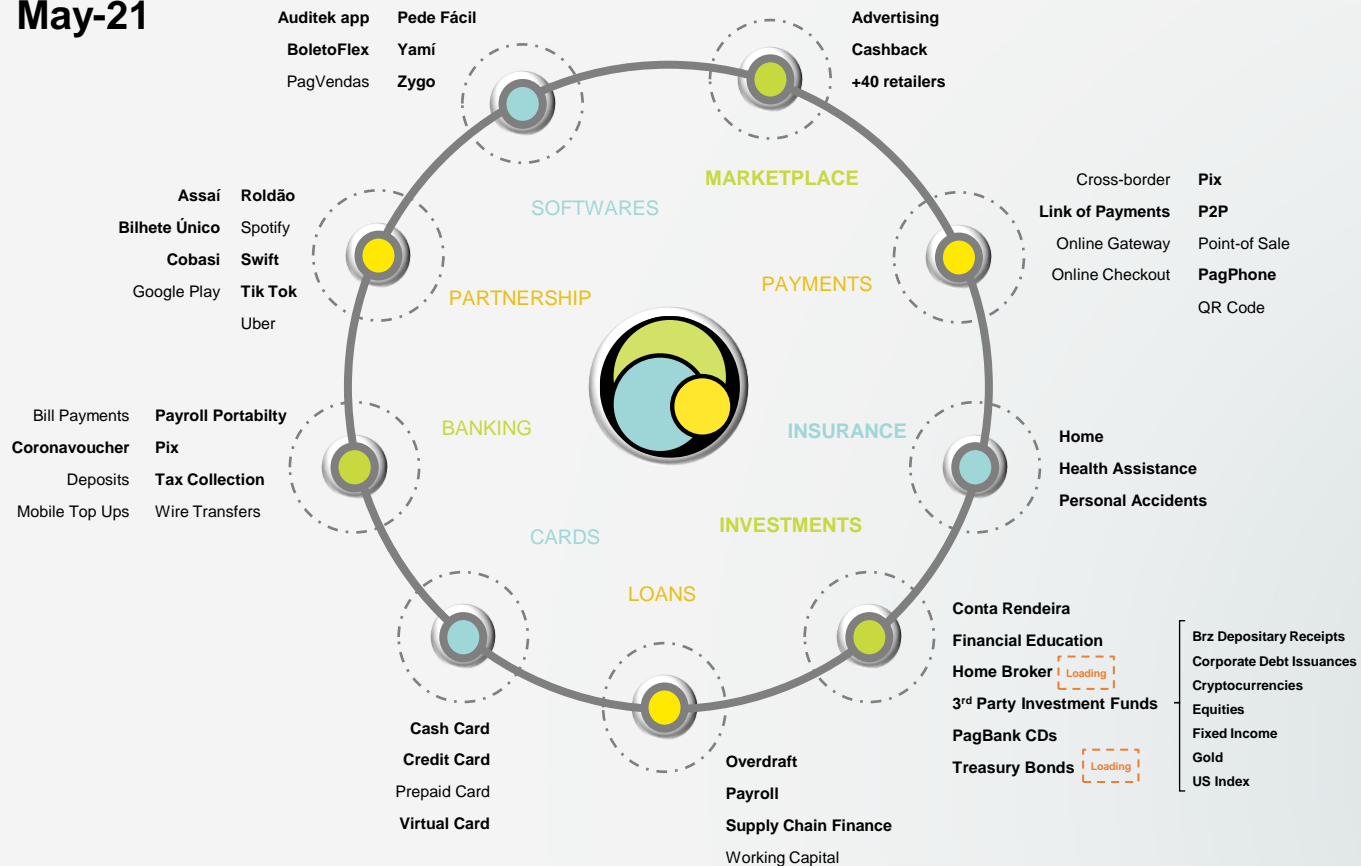
2 years ago, we launched PagBank...

May-19



...and today, PagBank is a complete ecosystem...

May-21

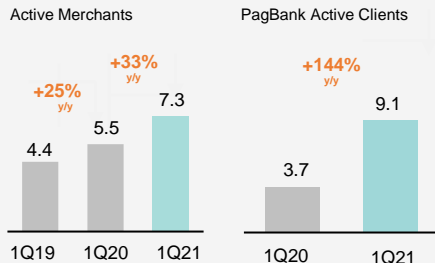


...boosting our growth trends!

Acquisition + Awareness

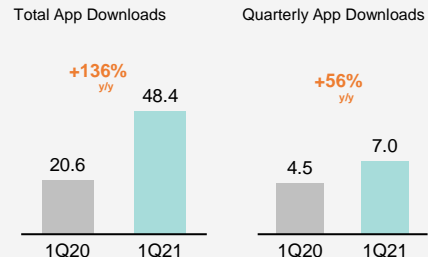
Digital Accounts

million



PagBank App Downloads¹

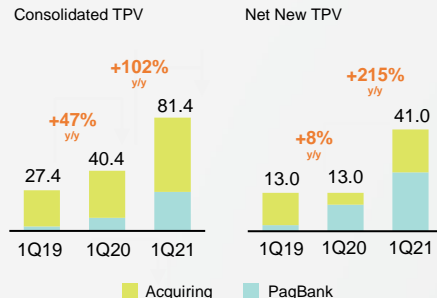
million



Engagement

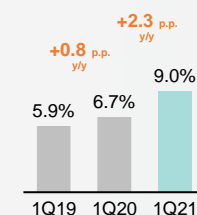
Volumes²

R\$ billion



Market Share

PAGS Market Share³



Products per User

1Q20

2.5x

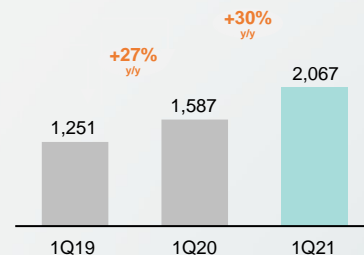
1Q21

2.7x

PAGS Monetization

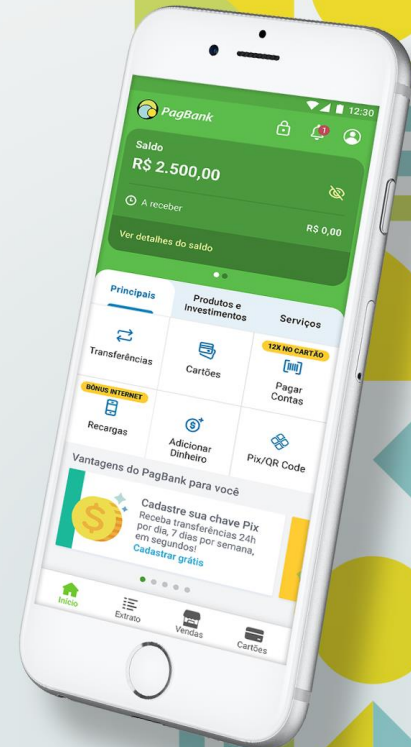
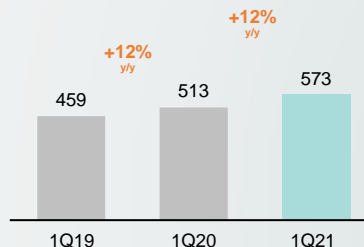
Total Revenues

R\$ million



Adjusted EBITDA

R\$ million



1. Source: AppAnnie and AppsFlyers. These numbers include apps downloaded in several devices with the same bank account and potential app uninstall and new download in the same device;

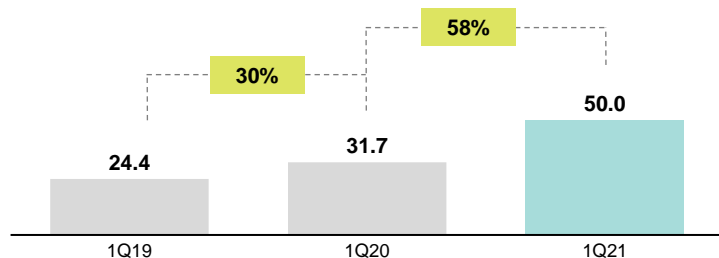
2. Consolidated TPV: Acquiring TPV + PagBank TPV; where PagBank TPV includes prepaid card top-ups, cash cards spending, credit cards, mobile top-ups, wire transfers to different people, cash-in through boletos, bill payments, tax collections, P2P transactions, QR Code transactions, Loans, Super App and GMV;

3. Market Share: PAGS's TPV / Total Brazilian TPV (ABECS | Brazilian Cards Association).

Another record of acquiring volumes...

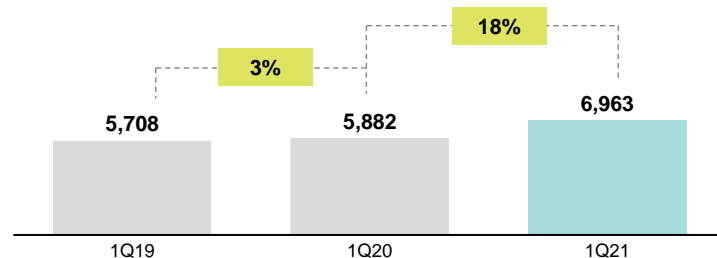
ACCELERATING TPV GROWTH

y/y growth | R\$ billion



INCREASING TPV PER MERCHANT¹

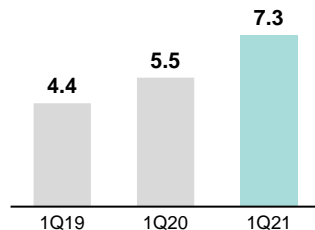
y/y growth | R\$



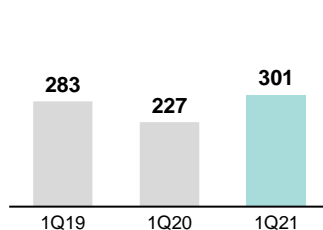
LARGEST ACTIVE MERCHANTS² BASE AMONG BRZ PLAYERS

PagSeguro + MoIP

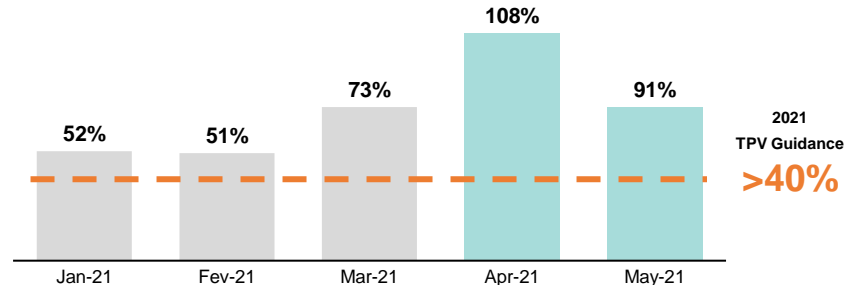
Active Merchants | million



Net Additions | thousand



MONTHLY TPV ANNUAL GROWTH



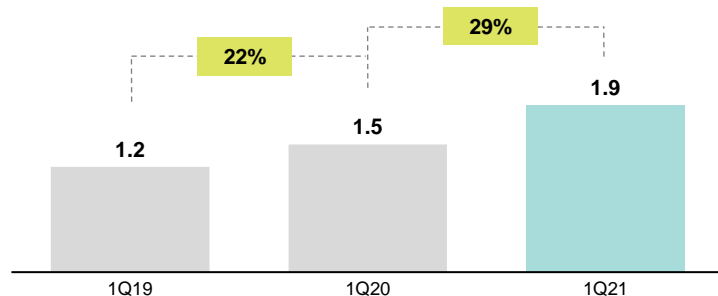
1. TPV per Merchant: Acquiring TPV / Average Quarterly Active Merchants;

2. Active Merchants: At least one transaction in the last twelve month.

...with strong revenue and take rate 17 bps higher than Q4-20...

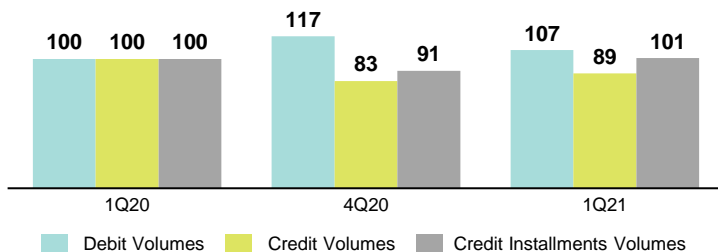
ACCELERATING TOTAL ACQUIRING REVENUES

y/y growth | R\$ billion



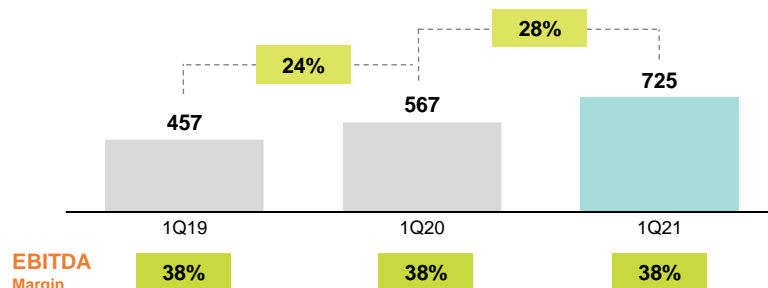
TPV MIX IMPROVING

Indexed to 100



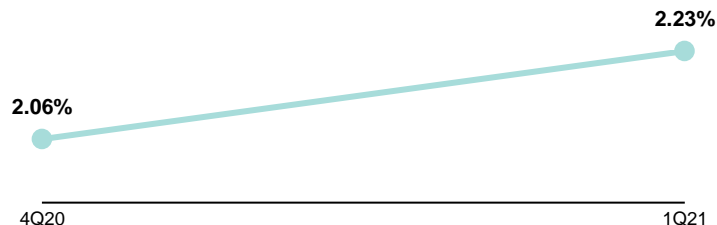
ADJUSTED EBITDA GROWTH WITH HEALTHY MARGIN

y/y growth | R\$ million



BETTER NET TAKE RATE¹ THAN THE LAST QUARTER

As a % of Acquiring TPV

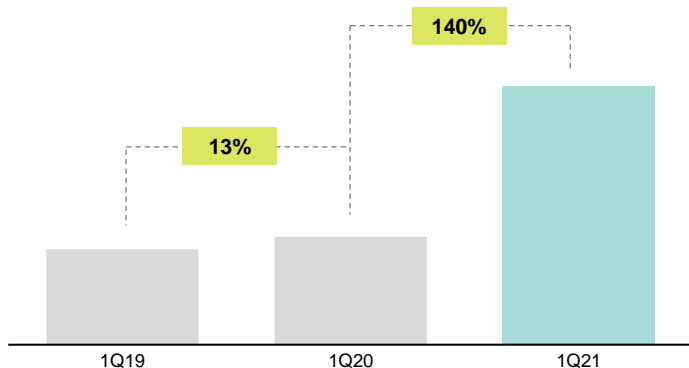


1. Acquiring Net Take Rate: Excluding PagBank Revenues (1Q21: R\$ 149M; 4Q20: R\$ 210M) and Transaction Costs (1Q21: R\$ 37M; 4Q20: R\$ 49M).

...while exploring new acquiring initiatives

ONLINE TPV

y/y growth



- **MolP**: best-in-class online payments solutions, **healthy take rates** and **cross-selling omnichannel payments**
- **Increasing footprint** in online volumes through several initiatives
- **Card-not-present transactions** increased **116%** y/y

SMB HUBS STRATEGY

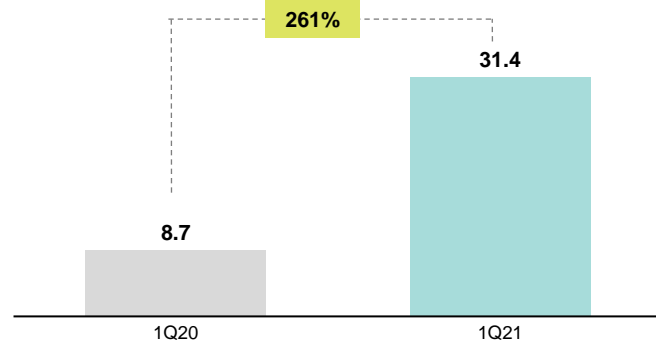
- **2021 volume' trends** indicating **top range** of the guidance (**6% to 11%**)
- Forecast of **250 to 300 hubs up running** in **several cities and regions** reaching **83% of Brazilian GDP coverage** until the **end of 2021**
- We have **reached 621k software subscribers** in 1Q21, representing **8.5% of PAGES' active merchants**



Strong PagBank growth and engagement...

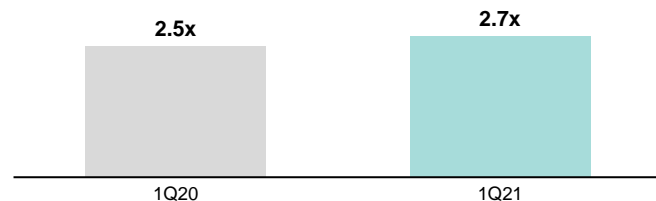
PAGBANK TPV¹

y/y growth | R\$ billion



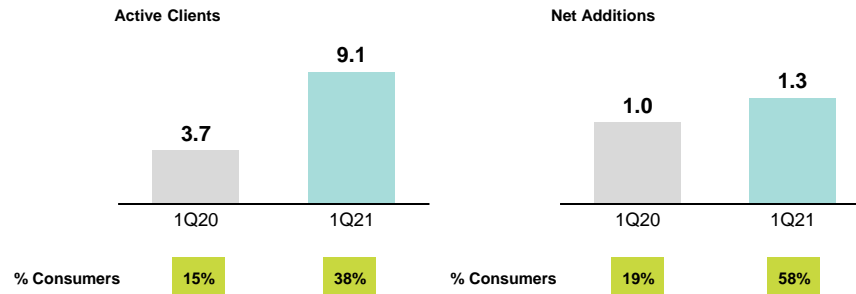
PRODUCTS PER USER

y/y growth



PAGBANK CLIENTS² AND NET ADDITIONS

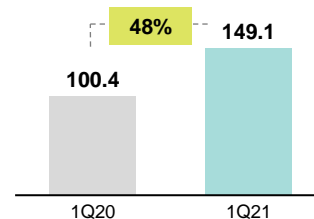
million



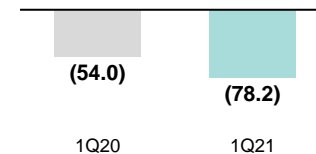
PAGBANK REVENUES AND ADJUSTED EBITDA

R\$ million

PagBank Revenues³



Adjusted EBITDA⁴



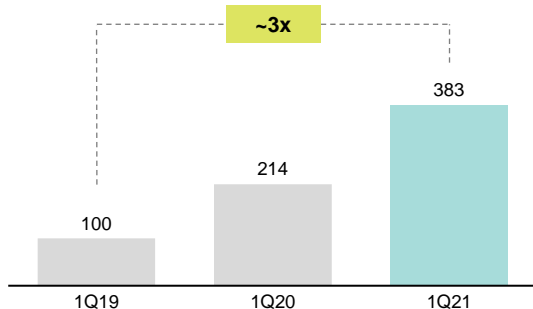
1. PagBank TPV: Includes prepaid card top-ups, cash cards spending, credit cards, mobile top-ups, wire transfers to different people, cash-in through boletos, bill payments, tax collections, P2P transactions, QR Code transactions, Loans, Super App and Virtual Shopping GMV;
 2. PagBank Active Users: Active merchants using one additional digital account feature/service beyond acquiring and consumers with a balance in their digital account on the last day of the month;
 3. Excluding one-time event in 1Q20 (R\$ 17M) due to reclassification between Net Revenues (-) and Chargebacks (+) for Working Capital Loans;
 4. Excluding one-time event in 1Q21 (R\$ 73M) related to digital account losses booked on PagBank chargebacks not related to provisions for credit losses.

...and active cards growing ~3x vs. 1Q19

PAGBANK CARDS

ACTIVE CARDS¹

Indexed to 100



CASA NOVA: NEW MARKETING CAMPAIGN

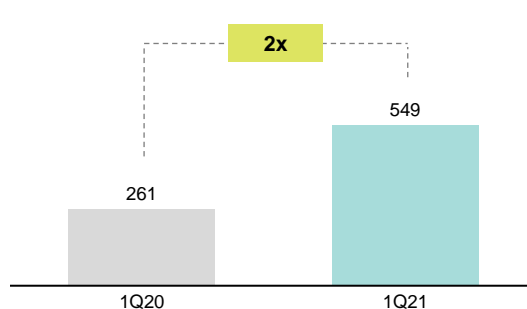
Partnership with Visa



DAY TO DAY BANKING

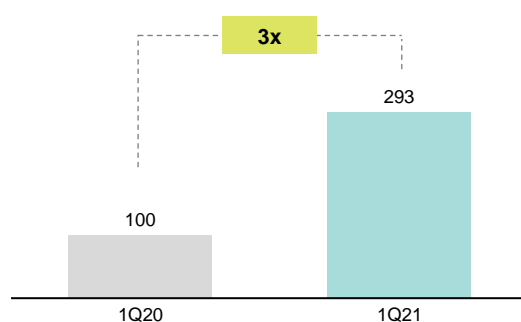
PAGBANK APP LOGINS

million



BILL PAYMENTS

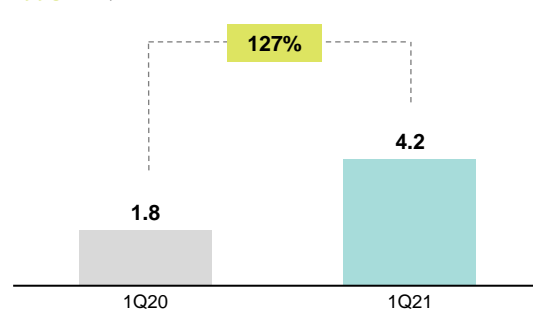
Indexed to 100



PAGINVEST

ASSETS UNDER CUSTODY

y/y growth | R\$ billion



NEW PRODUCTS

up to May-21

- **3rd party Investment Funds** from Western Asset, Alaska, Hashdex, BNP Paribas, Journey and AZ Quest
- **Treasury Bonds** and **Home Broker** Loading
- Platform available **24x7**

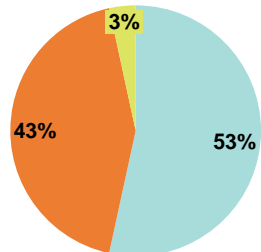
Solid balance sheet and better NPL90 despite the pandemic

CREDIT PORTFOLIO

Mar-21

Total Credit Portfolio

773
R\$ million

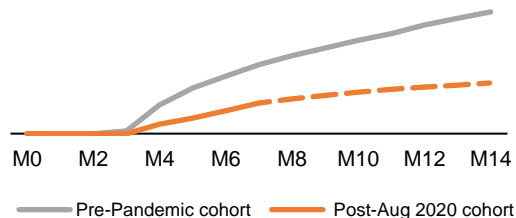


Working Capital Credit Cards Other initiatives

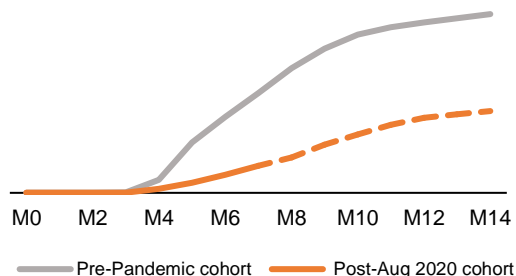
NPLS OVER 90 DAYS BY COHORTS

m/m

Working Capital Loans

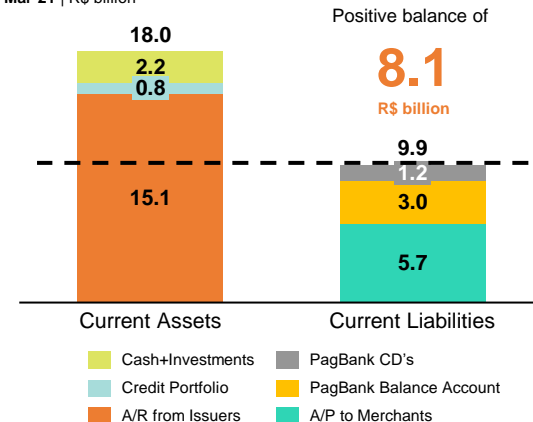


Credit Cards



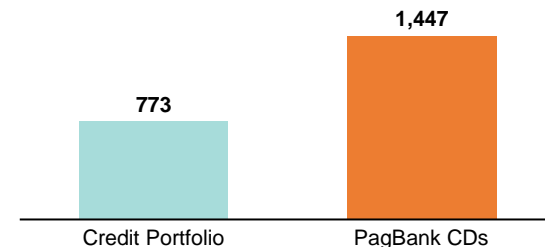
PAGS CASH POSITION

Mar-21 | R\$ billion



PAGBANK FUNDING AND CREDIT PORTFOLIO

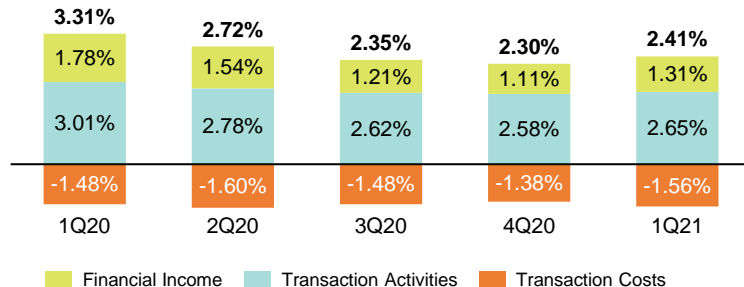
Mar-21 | R\$ million



1Q21 Solid Results

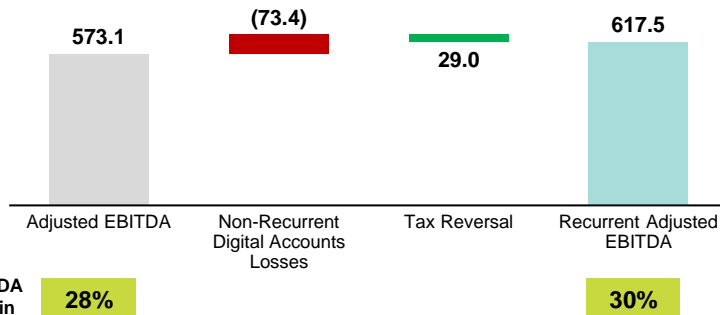
CONSOLIDATED NET TAKE RATE¹

As a % of Acquiring TPV



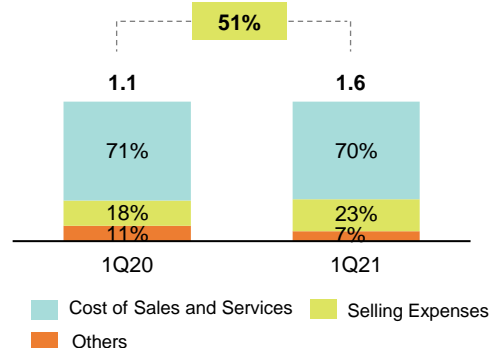
CONSOLIDATED ADJUSTED EBITDA³ BRIDGE

R\$ million



NON-GAAP TOTAL COSTS AND EXPENSES²

y/y growth | R\$ billion



Cost of Sales and Services: +49% y/y

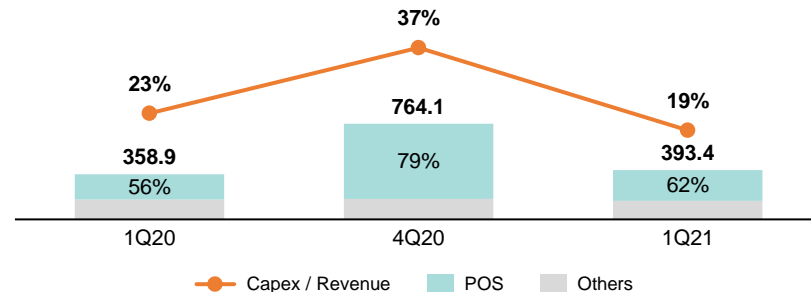
- Interchange costs following TPV growth
- Solid merchants net adds impacting D&A
- Expanding new products and services

Selling Expenses: +94% y/y

- Personnel expenses due to Hubs expansion
- Non recurrent digital accounts losses

CAPEX / REVENUE

R\$ million



1. Net Take Rate = (Net Revenue from Transaction Activities and Other Services + Financial Income - Transaction Costs) / Acquiring Total Payment Volume. Excluding revenues and costs originated in the 1Q21 by membership fees booked in Net Transaction Activities and Other Services (R\$58.4M) and in Transaction Costs (R\$ 67.2M);
 2. Non-GAAP numbers are a non-GAAP financial measure. Please see the Supplemental Information for a reconciliation of this non-GAAP financial measure to the most directly comparable GAAP financial measure;
 3. Adjusted EBITDA = GAAP Net Income + Income Tax and Social Contribution (IR) - Other Financial Income + Depreciation and Amortization + non-GAAP Total Expenses adjustments. Please see the Supplemental Information for a reconciliation of this adjusted financial measure.

PagPhone: One-stop-shop for Brazilian micro-merchants

SMARTPHONE
DIGITAL BANK
ACQUIRING

Everything in
one single device



Moderninha ProFit: Cheapest POS to every size of business

OPTIMIZED POS
WITH INTEGRATED
PRINTER

Our POS family
keeps growing





1Q21

Supplemental Information

1Q21 Supplemental Information

Reconciliation of GAAP measures to Adjusted EBITDA measure

R\$ million	1Q21	1Q20
Net Income	271.3	356.9
(+) Income Tax and Social Contribution	89.0	139.2
(+) Depreciation and Amortization	158.3	59.6
(-) Other Financial Income	(25.2)	(58.2)
(-) Non-GAAP Total Expenses adjustments ¹	79.7	15.3
Adjusted EBITDA	573.1	512.8
(+) Non-Recurrent Digital Accounts Losses	73.4	-
(-) Non-Recurrent Tax Reversal	(29.0)	-
Recurrent Adjusted EBITDA	617.5	512.8

1. Non-GAAP Total Expenses excludes: Stock-based compensation expenses in the total amount of R\$ 80M (1Q20: R\$ 15M), consisting of expenses for equity awards under our LTIP. We exclude stock-based compensation expenses from our non-GAAP measures primarily because they are non-cash expenses and the related employer payroll taxes depend on our stock price and the timing and size of exercises and vesting of the equity awards, over which management has limited to no control, and as such management does not believe these expenses correlate to the operation of our business. The total of stock-based compensation expenses is allocated mainly between Cost of sales and services, Selling expenses and Administrative expenses. Excluding the stock-based compensation expenses, Cost of Sales and Services in the amount of R\$ 1,146M (1Q20: R\$ 769M) is adjusted by R\$ 6M (1Q20: R\$ 2M) resulting in non-GAAP Cost of Sales and Services of R\$ 1,140M (1Q20: R\$ 766M); Selling Expenses in the amount of R\$ 368M (1Q20: R\$ 189M) is adjusted by R\$ 1M, resulting in non-GAAP Selling Expenses of R\$ 367M (1Q20: R\$ 189M); and Administrative Expenses in the amount of R\$ 189M (1Q20: R\$ 86M) is adjusted by R\$ 73M (1Q20: R\$ 13M), and is additionally adjusted by R\$ 5M of M&A expenses resulting in non-GAAP Administrative expenses of R\$ 111M (1Q20: R\$ 73M).

1Q21 Supplemental Information

Reconciliation of GAAP measures to Non-GAAP measures

R\$ million	1Q21	1Q20
Net Income	271.3	356.9
Share-based long-term incentive plan (LTIP) ¹ and M&A expenses ²	(84.6)	(15.3)
Income Tax and Social Contribution on non-GAAP adjustments ³	28.7	5.2
Non-GAAP Net Income adjustments	55.8	10.1
Non-GAAP Net Income	327.1	367.0
(+) Non-Recurrent Digital Accounts Losses	73.4	-
(-) Non-Recurrent Tax Reversal	(29.0)	-
(-) Tax Rate Effects	(15.1)	-
Recurrent Non-GAAP Net Income	356.4	367.0

1. Share-based long-term incentive plan (LTIP): Stock-based compensation expenses and related employer payroll taxes. This consists of expenses for equity awards under our long-term incentive plan (LTIP). We exclude stock-based compensation expenses from our non-GAAP measures primarily because they are non-cash expenses and the related employer payroll taxes depend on our stock price and the timing and size of exercises and vesting of equity awards, over which management has limited to no control, and as such management does not believe these expenses correlate to the operation of our business. In the three months ended March 31, 2021 and 2020, the amounts of R\$80M and R\$15M, respectively, were mainly related to new shares issued to preexisting LTIP beneficiaries, as well as the recurrent quarterly provision and expenses related to shares vested in the period including the update of our stock price and appreciation of US\$.

2. M&A expenses: totaling R\$ 5M.

3. Income tax and social contribution on non-GAAP adjustment: In the three months ended March 31, 2021 and 2020, the amounts of R\$29M and R\$10M, respectively, consist of income tax at the rate of 34% calculated on the non-GAAP adjustments.



1Q21

Investor Relations