

# Q2 2024

## Earnings Release

August 20, 2024



## PAGS reports Second Quarter 2024 Results

**All-time high Net Income (Non-GAAP) of R\$ 542 million, +30.5% y/y**

**All-time high Net Income (GAAP) of R\$ 504 million, +30.8% y/y**

São Paulo, August 20, 2024 – PagSeguro Digital Ltd. (“PagBank”, “we”, “Company”) announced today its second quarter results for the period ended June 30, 2024. The consolidated financial statements are presented in Reais (R\$) and prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

### Q2 2024 Highlights

#### Operational Highlights

| R\$ billion                       | Q2 2024      | Q2 2023     | Δ% y/y       | Q1 2024      | Δ% q/q       | 6M 2024      | 6M 2023      | Δ% y/y       |
|-----------------------------------|--------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Total Clients (# million)         | 31.6         | 29.5        | 7.4%         | 31.4         | 0.7%         | 31.6         | 29.5         | 7.4%         |
| <b>Total Payment Volume (TPV)</b> | <b>124.4</b> | <b>92.7</b> | <b>34.2%</b> | <b>111.7</b> | <b>11.3%</b> | <b>236.1</b> | <b>180.8</b> | <b>30.6%</b> |
| Cash-in                           | 76.4         | 50.2        | 52.1%        | 66.1         | 15.6%        | 142.5        | 94.6         | 50.7%        |
| <b>Total Deposits</b>             | <b>34.2</b>  | <b>18.3</b> | <b>87.2%</b> | <b>30.6</b>  | <b>12.0%</b> | <b>34.2</b>  | <b>18.3</b>  | <b>87.2%</b> |
| Credit Portfolio                  | 2.9          | 2.6         | 10.9%        | 2.7          | 6.3%         | 2.9          | 2.6          | 10.9%        |

#### Financial Highlights

| Non-GAAP   R\$ million                | Q2 2024      | Q2 2023      | Δ% y/y       | Q1 2024      | Δ% q/q      | 6M 2024      | 6M 2023      | Δ% y/y       |
|---------------------------------------|--------------|--------------|--------------|--------------|-------------|--------------|--------------|--------------|
| Total Revenue and Income              | 4,557        | 3,826        | 19.1%        | 4,306        | 5.8%        | 8,863        | 7,576        | 17.0%        |
| <b>Gross Profit</b>                   | <b>1,819</b> | <b>1,494</b> | <b>21.7%</b> | <b>1,750</b> | <b>4.0%</b> | <b>3,569</b> | <b>2,916</b> | <b>22.4%</b> |
| % Margin                              | 39.9%        | 39.1%        | 0.9 p.p.     | 40.6%        | (0.7) p.p.  | 40.3%        | 38.5%        | 1.8 p.p.     |
| <b>Earnings before Tax (non-GAAP)</b> | <b>636</b>   | <b>531</b>   | <b>19.7%</b> | <b>632</b>   | <b>0.5%</b> | <b>1,268</b> | <b>1,001</b> | <b>26.7%</b> |
| % Margin (non-GAAP)                   | 14.0%        | 13.9%        | 0.1 p.p.     | 14.7%        | (0.7) p.p.  | 14.3%        | 13.2%        | 1.1 p.p.     |
| <b>Net Income (non-GAAP)</b>          | <b>542</b>   | <b>415</b>   | <b>30.5%</b> | <b>522</b>   | <b>3.8%</b> | <b>1,064</b> | <b>807</b>   | <b>31.8%</b> |
| % Margin (non-GAAP)                   | 11.9%        | 10.9%        | 1.0 p.p.     | 12.1%        | (0.2) p.p.  | 12.0%        | 10.7%        | 1.3 p.p.     |
| <b>EPS Diluted (R\$) (non-GAAP)</b>   | <b>1.68</b>  | <b>1.28</b>  | <b>31.5%</b> | <b>1.63</b>  | <b>3.2%</b> | <b>3.29</b>  | <b>2.48</b>  | <b>32.8%</b> |

**Gross Profit:** Total Revenue and Income (-) Transaction Costs (-) Financial Expenses (-) Total Losses.

**Non-GAAP Measures:** For further information regarding the reconciliation and explanation of non-GAAP financial measures, including the presentation of the closest comparable GAAP financial measure, please see “Appendix” and “Non-GAAP Disclosure” included in this earnings release.

- **All-time high TPV and Revenues** driven by all clients’ segments, with healthy gross profit margins in Payments and Banking, leading to the **all-time high Net Income / EPS**, both on a GAAP and non-GAAP basis;
- **All-time high Cash-In**, driven by an increase in client principalality resulting from an improved and enhanced banking platform experience for merchants and consumers; and
- **All-time high Deposits**, due to our successful go-to-market strategy offering banking issuances to new and existing clients, in addition to improving our liability management and diversifying our funding, leading to financial cost efficiency.

# Operational Performance

## PagBank Clients

| # million                         | Q2 2024     | Q2 2023     | Δ% y/y      | Q1 2024     | Δ% q/q      | 6M 2024     | 6M 2023     | Δ% y/y      |
|-----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Total Clients<sup>1</sup></b>  | <b>31.6</b> | <b>29.5</b> | <b>7.4%</b> | <b>31.4</b> | <b>0.7%</b> | <b>31.6</b> | <b>29.5</b> | <b>7.4%</b> |
| <b>Active Clients<sup>2</sup></b> | <b>17.7</b> | <b>17.0</b> | <b>3.9%</b> | <b>17.3</b> | <b>2.0%</b> | <b>17.7</b> | <b>17.0</b> | <b>3.9%</b> |
| Banking                           | 11.2        | 10.2        | 9.7%        | 10.9        | 3.6%        | 11.2        | 10.2        | 9.7%        |
| Banking + Payments                | 6.0         | 6.2         | -2.5%       | 6.1         | -0.1%       | 6.0         | 6.2         | -2.5%       |
| Payments                          | 0.4         | 0.6         | -30.1%      | 0.4         | -8.6%       | 0.4         | 0.6         | -30.1%      |

1. **Total Clients:** Number of clients registered at Brazilian Central Bank.

2. **Active Clients:** refer to Active Clients with at least one transaction in the last twelve months in the payments or banking services, and/or Active Clients with a balance in their digital account on the last day of the last month of the periods indicated.

**Total Clients** reached **31.6 million**, at the end of the quarter, **+7.4%** higher vs. Q2 2023, consisting of **17.7 million Active Clients**, representing 56% of the Total Clients base. This increase was mainly due to Banking clients growth, led by the higher penetration of consumers, representing **64%** of our Active Clients vs. 60% in Q2 2023.

## Payments

### Total Payment Volume

| R\$ billion                            | Q2 2024      | Q2 2023     | Δ% y/y       | Q1 2024      | Δ% q/q       | 6M 2024      | 6M 2023      | Δ% y/y       |
|--|--------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Total Payment Volume</b>            | <b>124.4</b> | <b>92.7</b> | <b>34.2%</b> | <b>111.7</b> | <b>11.3%</b> | <b>236.1</b> | <b>180.8</b> | <b>30.6%</b> |
| MSMB                                   | 83.6         | 65.4        | 27.8%        | 77.6         | 7.7%         | 161.1        | 128.2        | 25.7%        |
| % Total Payment Volume                 | 67.2%        | 70.5%       | (3.4) p.p.   | 69.4%        | (2.3) p.p.   | 68.2%        | 70.9%        | (3.7) p.p.   |
| LMEC                                   | 40.8         | 27.3        | 49.6%        | 34.2         | 19.5%        | 75.0         | 52.6         | 42.5%        |
| % Total Payment Volume                 | 32.8%        | 29.5%       | 3.4 p.p.     | 30.6%        | 1.7 p.p.     | 31.8%        | 29.1%        | 3.7 p.p.     |
| <b>Active Merchants (# million)</b>    | <b>6.4</b>   | <b>6.8</b>  | <b>-4.8%</b> | <b>6.5</b>   | <b>-0.7%</b> | <b>6.4</b>   | <b>6.8</b>   | <b>-4.8%</b> |
| <b>TPV per Merchant (R\$ thousand)</b> | <b>19.2</b>  | <b>13.5</b> | <b>42.0%</b> | <b>17.2</b>  | <b>12.2%</b> | <b>35.7</b>  | <b>25.4</b>  | <b>40.8%</b> |

**MSMB:** Refers to Micro-merchants (monthly TPV < R\$15,000) and Small/Medium Businesses (monthly TPV from R\$15,000 up to R\$ 1,000,000).

**LMEC:** Refers to Large Merchants (monthly TPV > R\$ 1,000,000), e-Commerce and Cross-Border.

**Total Payment Volume (TPV)** totaled **R\$ 124.4 billion**, **+34.2%** higher vs. Q2 2023, driven by all merchants' segments, described below:

- **MSMB TPV** increased **+27.8% y/y**, mostly due to strong POS sales during the quarter, larger share of wallet per client, increasing usage of PIX QR Code, increased productivity and geographic expansion of HUBs, attracting and retaining micro-merchants and SMBs;
- **LMEC TPV** grew **+49.6% y/y**, mostly due to larger demand for our services from merchants processing over R\$1 million in TPV per month, combined with a strong growth in Online Payments, and a wide acceptance of PIX QR Code payment method in our check-outs.

**Active Merchants**, which consists of Banking + Payments Clients and Payments Clients (standalone), ended the quarter with a total of **6.4 million**, representing a decrease of **-4.8%** vs. Q2 2023, mainly due to the decrease in the number of nano-merchants (less than R\$ 1k/month of TPV), in accordance with the execution of our strategy. Since 2022, the Company has been focusing on clients presenting better unit economics, higher activation ratio, and higher engagement in Banking rather than just net adds. Additionally, we have been improving our onboarding and risk assessment procedures to reduce chargebacks and losses, which has been positively reflected in the evolution of our gross profit in the last quarters.

As a result, our **TPV per Merchant** reached **R\$ 19.2 thousand** in Q2 2024, **+42.0%** higher vs. Q2 2023.

## Banking

### Cash-In

| R\$ billion   | Q2 2024     | Q2 2023     | Δ% y/y       | Q1 2024     | Δ% q/q       | 6M 2024      | 6M 2023     | Δ% y/y       |
|---|-------------|-------------|--------------|-------------|--------------|--------------|-------------|--------------|
| <b>Cash-In</b>  | <b>76.4</b> | <b>50.2</b> | <b>52.1%</b> | <b>66.1</b> | <b>15.6%</b> | <b>142.5</b> | <b>94.6</b> | <b>50.7%</b> |
| Active Banking Clients (# million)                      | 17.3        | 16.4        | 5.1%         | 16.9        | 2.3%         | 17.3         | 16.4        | 5.1%         |
| <b>Cash-In per Active Banking Client (R\$ thousand)</b> | <b>4.4</b>  | <b>3.1</b>  | <b>44.0%</b> | <b>3.9</b>  | <b>13.1%</b> | <b>8.2</b>   | <b>5.8</b>  | <b>43.3%</b> |

Active Banking Clients refer to Banking Clients and Banking + Payments Clients.

**Cash-In** amounted to **R\$ 76.4 billion**, up **+52.1% y/y**, mostly driven by the engagement of our clients in Payments accelerated by our Banking features to foster deposits growth such as Payroll Management, Collection Platform, Direct Deposits, and cashbacks/reward programs, positively contributing to boost PIX P2P inflows into PagBank accounts. As a result, **Cash-In per Active Banking Client** reached **R\$ 4.4 thousand**, up **+44.0% y/y**, in addition to the higher number of Active Banking Clients in the period.

### Credit Portfolio

| R\$ billion             | Q2 2024    | Q2 2023    | Δ% y/y       | Q1 2024    | Δ% q/q      | 6M 2024    | 6M 2023    | Δ% y/y       |
|-------------------------|------------|------------|--------------|------------|-------------|------------|------------|--------------|
| <b>Credit Portfolio</b> | <b>2.9</b> | <b>2.6</b> | <b>10.9%</b> | <b>2.7</b> | <b>6.3%</b> | <b>2.9</b> | <b>2.6</b> | <b>10.9%</b> |
| Secured Products        | 2.3        | 1.4        | 69.2%        | 2.0        | 17.5%       | 2.3        | 1.4        | 69.2%        |
| % Credit Portfolio      | 80.2%      | 52.6%      | 27.6 p.p.    | 72.5%      | 7.7 p.p.    | 80.2%      | 52.6%      | 27.6 p.p.    |
| Unsecured Products      | 0.6        | 1.2        | -53.7%       | 0.7        | -23.5%      | 0.6        | 1.2        | -53.7%       |
| % Credit Portfolio      | 19.8%      | 47.4%      | (27.6) p.p.  | 27.5%      | (7.7) p.p.  | 19.8%      | 47.4%      | (27.6) p.p.  |

| R\$ billion                         | Q2 2024      | Q2 2023      | Δ% y/y        | Q1 2024      | Δ% q/q        | 6M 2024      | 6M 2023      | Δ% y/y        |
|-------------------------------------|--------------|--------------|---------------|--------------|---------------|--------------|--------------|---------------|
| <b>Credit Portfolio</b>             | <b>2.9</b>   | <b>2.6</b>   | <b>10.9%</b>  | <b>2.7</b>   | <b>6.3%</b>   | <b>2.9</b>   | <b>2.6</b>   | <b>10.9%</b>  |
| Payroll Loans + Others <sup>1</sup> | 2.0          | 1.1          | 81.2%         | 1.7          | 19.4%         | 2.0          | 1.1          | 81.2%         |
| Credit Card                         | 0.7          | 0.9          | -20.9%        | 0.7          | -2.0%         | 0.7          | 0.9          | -20.9%        |
| Working Capital Loans               | 0.2          | 0.6          | -67.7%        | 0.3          | -40.7%        | 0.2          | 0.6          | -67.7%        |
| <b>Provision for Losses</b>         | <b>(0.4)</b> | <b>(0.8)</b> | <b>-55.7%</b> | <b>(0.5)</b> | <b>-30.3%</b> | <b>(0.4)</b> | <b>(0.8)</b> | <b>-55.7%</b> |
| Payroll Loans + Others <sup>1</sup> | (0.1)        | (0.0)        | 292.0%        | (0.0)        | 27.3%         | (0.1)        | (0.0)        | 292.0%        |
| Credit Card                         | (0.1)        | (0.3)        | -51.8%        | (0.2)        | -11.3%        | (0.1)        | (0.3)        | -51.8%        |
| Working Capital Loans               | (0.2)        | (0.5)        | -67.5%        | (0.3)        | -47.5%        | (0.2)        | (0.5)        | -67.5%        |
| <b>Credit Portfolio, net</b>        | <b>2.5</b>   | <b>1.8</b>   | <b>41.2%</b>  | <b>2.2</b>   | <b>14.8%</b>  | <b>2.5</b>   | <b>1.8</b>   | <b>41.2%</b>  |

1. **Payroll Loans**: Refers to loan portfolios, including advance Brazil's Severance Indemnity Fund (FGTS) withdrawals and payroll loans to public sector employees and retirees.

**Credit Portfolio** reached **R\$ 2.9 billion** in Q2 2024, mainly driven by our strategy to primarily grow secured products, which represented 80% of the portfolio, such as payroll loans and credit cards backed by investments. The strategy of diversifying the credit portfolio shifting from unsecured products to secured products while expanding the addressable market beyond merchants allowed the Company to successfully pass through the pandemic and one of the worst credit cycles in Brazil, prioritizing asset quality, risk management, and capital allocation.

As our asset quality has continued to improve combined with our initiatives to review and improve our onboarding, client assessment, underwriting and collection over the past two years, we expect to gradually resume credit underwriting of unsecured products from the second semester of 2024 onwards, completing our comprehensive credit product portfolio to serve our client's demand, such as working capital loans for merchants with the backup of the registry of receivables and overdraft account.

## Total Deposits

| R\$ billion                                       | Q2 2024     | Q2 2023     | Δ% y/y        | Q1 2024     | Δ% q/q       | 6M 2024     | 6M 2023     | Δ% y/y        |
|---|-------------|-------------|---------------|-------------|--------------|-------------|-------------|---------------|
| <b>Total Deposits</b>                             | <b>34.2</b> | <b>18.3</b> | <b>87.2%</b>  | <b>30.6</b> | <b>12.0%</b> | <b>34.2</b> | <b>18.3</b> | <b>87.2%</b>  |
| <i>Average Percentage Yield (APY)<sup>1</sup></i> | 96.1%       | 94.3%       | 1.8 p.p.      | 95.1%       | 1.0 p.p.     | 96.1%       | 94.3%       | 1.8 p.p.      |
| <b>Checking Accounts</b>                          | <b>11.5</b> | <b>8.3</b>  | <b>39.4%</b>  | <b>10.9</b> | <b>6.0%</b>  | <b>11.5</b> | <b>8.3</b>  | <b>39.4%</b>  |
| <i>APY<sup>1</sup></i>                            | 68.0%       | 73.0%       | (5.0) p.p.    | 69.0%       | (1.0) p.p.   | 68.0%       | 73.0%       | (5.0) p.p.    |
| Merchant's Payment Accounts                       | 2.0         | 0.8         | 160.3%        | 2.2         | -8.1%        | 2.0         | 0.8         | 160.3%        |
| High Yield Savings Accounts                       | 9.5         | 7.5         | 27.1%         | 8.7         | 9.5%         | 9.5         | 7.5         | 27.1%         |
| <b>Banking Issuances</b>                          | <b>22.7</b> | <b>10.0</b> | <b>126.6%</b> | <b>19.7</b> | <b>15.4%</b> | <b>22.7</b> | <b>10.0</b> | <b>126.6%</b> |
| <i>APY<sup>1</sup></i>                            | 110.3%      | 111.8%      | (1.6) p.p.    | 109.5%      | 0.8 p.p.     | 110.3%      | 111.8%      | (1.6) p.p.    |
| Certificate of Deposits                           | 16.7        | 8.3         | 102.0%        | 15.1        | 10.8%        | 16.7        | 8.3         | 102.0%        |
| Interbank Deposits                                | 6.0         | 1.8         | 242.1%        | 4.6         | 30.4%        | 6.0         | 1.8         | 242.1%        |

1. As % of CDI (Brazilian Interbank Rate).

| R\$ billion           | Q2 2024     | Q2 2023     | Δ% y/y       | Q1 2024     | Δ% q/q       | 6M 2024     | 6M 2023     | Δ% y/y       |
|-----------------------|-------------|-------------|--------------|-------------|--------------|-------------|-------------|--------------|
| <b>Total Deposits</b> | <b>34.2</b> | <b>18.3</b> | <b>87.2%</b> | <b>30.6</b> | <b>12.0%</b> | <b>34.2</b> | <b>18.3</b> | <b>87.2%</b> |
| On-Platform           | 26.0        | 15.7        | 66.2%        | 22.7        | 14.6%        | 26.0        | 15.7        | 66.2%        |
| <i>% Deposits</i>     | 76.1%       | 85.7%       | (9.6) p.p.   | 74.4%       | 1.7 p.p.     | 76.1%       | 85.7%       | (9.6) p.p.   |
| Off-Platform          | 8.2         | 2.6         | 212.7%       | 7.8         | 4.7%         | 8.2         | 2.6         | 212.7%       |
| <i>% Deposits</i>     | 23.9%       | 14.3%       | 9.6 p.p.     | 25.6%       | (1.7) p.p.   | 23.9%       | 14.3%       | 9.6 p.p.     |

**Total Deposits** reached **R\$ 34.2 billion**, representing an increase of **+87.2%** vs. Q2 2023, mainly driven by the **+126.6% y/y** growth in **Banking Issuances**, led by Certificate of Deposits issued on and off-platform, in addition to the strong increase in **Checking Accounts**, amounting **R\$ 11.5 billion**, up **+39.4% y/y**, with **Annual Percentage Yield (APY) of 68% CDI** (Brazilian Interbank Rate).

## Financial Performance

### Total Revenue and Income

| GAAP   R\$ million                        | Q2 2024      | Q2 2023      | Δ% y/y       | Q1 2024      | Δ% q/q      | 6M 2024      | 6M 2023      | Δ% y/y       |
|---|--------------|--------------|--------------|--------------|-------------|--------------|--------------|--------------|
| <b>Total Revenue and Income</b>           | <b>4,557</b> | <b>3,826</b> | <b>19.1%</b> | <b>4,306</b> | <b>5.8%</b> | <b>8,863</b> | <b>7,576</b> | <b>17.0%</b> |
| Transaction Activities and Other Services | 2,312        | 2,166        | 6.7%         | 2,369        | -2.4%       | 4,681        | 4,317        | 8.4%         |
| Financial Income                          | 2,113        | 1,595        | 32.5%        | 1,832        | 15.3%       | 3,945        | 3,129        | 26.1%        |
| Other Financial Income                    | 132          | 65           | 102.8%       | 105          | 25.3%       | 237          | 129          | 82.9%        |

| R\$ million                     | Q2 2024      | Q2 2023      | Δ% y/y       | Q1 2024      | Δ% q/q      | 6M 2024      | 6M 2023      | Δ% y/y       |
|---------------------------------|--------------|--------------|--------------|--------------|-------------|--------------|--------------|--------------|
| <b>Total Revenue and Income</b> | <b>4,557</b> | <b>3,826</b> | <b>19.1%</b> | <b>4,306</b> | <b>5.8%</b> | <b>8,863</b> | <b>7,576</b> | <b>17.0%</b> |
| Payments <sup>1</sup>           | 4,122        | 3,518        | 17.2%        | 3,942        | 4.6%        | 8,064        | 6,873        | 17.3%        |
| Banking <sup>2</sup>            | 434          | 308          | 41.1%        | 365          | 19.1%       | 799          | 703          | 13.7%        |

1. **Payments:** mainly composed by merchant discount rates (MDRs), early prepayment of cards receivables and membership fees from POS device.

2. **Banking:** mainly composed by interest income from credit portfolio, interest income from float of PagBank accounts, prepaid cards and escrow account reconciliation, fees (mostly cards interchange and account service fees) and Other Financial Income.

**Total Revenue and Income** reached **R\$ 4,557 million** in Q2 2024, representing an increase of **+19.1%** vs. Q2 2023, led by higher revenues in the Payments segment, as described below:

- **Payments:** In Q2 2024, revenue amounted to **R\$ 4,122 million**, representing an increase of **+17.2% y/y**, mainly driven by the recorded TPV growth in the period, as reflected in Transaction Activities and Financial Income, the last considers revenues from advance settlement features, including instant settlement into PagBank accounts.
- **Banking:** In Q2 2024, revenue amounted to **R\$ 434 million** increasing **+41.1% y/y**, mainly led by gains on financial investments in the period, which benefits from the increase in deposits, and interest income from our growing credit portfolio. In addition, Banking Revenues resulted from increasing account service fees, linked to higher engagement and cash-in in the period.

### Gross Profit

| R\$ million                     | Q2 2024      | Q2 2023      | Δ% y/y       | Q1 2024      | Δ% q/q      | 6M 2024      | 6M 2023      | Δ% y/y       |
|---------------------------------|--------------|--------------|--------------|--------------|-------------|--------------|--------------|--------------|
| <b>Total Revenue and Income</b> | <b>4,557</b> | <b>3,826</b> | <b>19.1%</b> | <b>4,306</b> | <b>5.8%</b> | <b>8,863</b> | <b>7,576</b> | <b>17.0%</b> |
| Transaction Costs               | (1,761)      | (1,414)      | 24.5%        | (1,627)      | 8.3%        | (3,387)      | (2,803)      | 20.9%        |
| Financial Costs                 | (863)        | (796)        | 8.5%         | (827)        | 4.4%        | (1,691)      | (1,609)      | 5.1%         |
| Total Losses                    | (113)        | (122)        | -7.2%        | (103)        | 9.9%        | (216)        | (248)        | -13.1%       |
| <b>Gross Profit</b>             | <b>1,819</b> | <b>1,494</b> | <b>21.7%</b> | <b>1,750</b> | <b>4.0%</b> | <b>3,569</b> | <b>2,916</b> | <b>22.4%</b> |
| % Total Payment Volume          | 1.46%        | 1.61%        | (0.15) p.p.  | 1.57%        | (0.10) p.p. | 1.51%        | 1.61%        | (0.10) p.p.  |
| % Total Revenue and Income      | 39.9%        | 39.1%        | 0.9 p.p.     | 40.6%        | (0.7) p.p.  | 40.3%        | 38.5%        | 1.8 p.p.     |

| R\$ million                | Q2 2024      | Q2 2023      | Δ% y/y       | Q1 2024      | Δ% q/q      | 6M 2024      | 6M 2023      | Δ% y/y       |
|----------------------------|--------------|--------------|--------------|--------------|-------------|--------------|--------------|--------------|
| <b>Gross Profit</b>        | <b>1,819</b> | <b>1,494</b> | <b>21.7%</b> | <b>1,750</b> | <b>4.0%</b> | <b>3,569</b> | <b>2,916</b> | <b>22.4%</b> |
| % Total Revenue and Income | 39.9%        | 39.1%        | 0.9 p.p.     | 40.6%        | (0.7) p.p.  | 40.3%        | 38.5%        | 1.8 p.p.     |
| Payments                   | 1,559        | 1,319        | 18.2%        | 1,530        | 1.9%        | 2,970        | 2,345        | 26.7%        |
| % Gross Profit Margin      | 37.8%        | 37.5%        | 0.3 p.p.     | 38.8%        | (1.0) p.p.  | 36.8%        | 34.1%        | 2.7 p.p.     |
| Banking                    | 261          | 176          | 48.4%        | 220          | 18.3%       | 481          | 419          | 14.9%        |
| % Gross Profit Margin      | 60.0%        | 57.0%        | 3.0 p.p.     | 60.5%        | (0.5) p.p.  | 60.2%        | 59.6%        | 0.6 p.p.     |

**Gross Profit** totaled **R\$ 1,819 million** in Q2 2024, representing an increase of **+21.7%** vs. Q2 2023. As a percentage of Total Revenue and Income, **Gross Profit rate** increased vs. Q2 2023, reaching **39.9%** in the quarter, mainly driven by Payments' performance and lower losses, in addition to our funding strategy backed by deposits, lowering our average cost of capital, as described below:

- **Payments:** In Q2 2024, Gross Profit amounted to **R\$ 1,559 million**, representing an increase of **+18.2% y/y**, mainly driven by the TPV growth resulting from our unique value proposition, allowing the Company to serve larger merchants which contributes to higher deposits level, enabling the Company to preserve its profitability despite lower take rates.
- **Banking:** In Q2 2024, Gross Profit amounted to **R\$ 261 million, +48.4% y/y**, mainly driven by an increase in interest income derived from our credit portfolio in addition to higher gains on financial investments experienced in the period.

## Total Costs and Expenses

| Non-GAAP   R\$ million          | Q2 2024        | Q2 2023        | Δ% y/y       | Q1 2024        | Δ% q/q      | 6M 2024        | 6M 2023        | Δ% y/y       |
|---------------------------------|----------------|----------------|--------------|----------------|-------------|----------------|----------------|--------------|
| <b>Total Costs and Expenses</b> | <b>(3,921)</b> | <b>(3,295)</b> | <b>19.0%</b> | <b>(3,674)</b> | <b>6.7%</b> | <b>(7,595)</b> | <b>(6,575)</b> | <b>15.5%</b> |
| Cost of Sales and Services      | (2,326)        | (1,923)        | 20.9%        | (2,164)        | 7.5%        | (4,491)        | (3,847)        | 16.7%        |
| Selling Expenses                | (466)          | (320)          | 45.7%        | (435)          | 7.1%        | (901)          | (636)          | 41.7%        |
| Administrative Expenses         | (165)          | (162)          | 2.3%         | (179)          | -7.5%       | (344)          | (307)          | 12.1%        |
| Financial Costs                 | (863)          | (796)          | 8.5%         | (827)          | 4.4%        | (1,691)        | (1,609)        | 5.1%         |
| Other Expenses, Net             | (100)          | (94)           | 6.1%         | (68)           | 46.5%       | (168)          | (176)          | -4.7%        |

For further information regarding the reconciliation and explanation of non-GAAP financial measures, including the presentation of the closest comparable GAAP financial measure, please see "Appendix" and "Non-GAAP Disclosure" Included in this earnings release.

| GAAP   R\$ million              | Q2 2024        | Q2 2023        | Δ% y/y       | Q1 2024        | Δ% q/q      | 6M 2024        | 6M 2023        | Δ% y/y       |
|---------------------------------|----------------|----------------|--------------|----------------|-------------|----------------|----------------|--------------|
| <b>Total Costs and Expenses</b> | <b>(3,979)</b> | <b>(3,341)</b> | <b>19.1%</b> | <b>(3,734)</b> | <b>6.6%</b> | <b>(7,713)</b> | <b>(6,654)</b> | <b>15.9%</b> |
| Cost of Sales and Services      | (2,332)        | (1,926)        | 21.1%        | (2,171)        | 7.4%        | (4,503)        | (3,855)        | 16.8%        |
| Selling Expenses                | (467)          | (321)          | 45.4%        | (437)          | 6.8%        | (905)          | (639)          | 41.5%        |
| Administrative Expenses         | (216)          | (203)          | 6.3%         | (231)          | -6.2%       | (447)          | (375)          | 19.2%        |
| Financial Costs                 | (863)          | (796)          | 8.5%         | (827)          | 4.4%        | (1,691)        | (1,609)        | 5.1%         |
| Other Expenses, Net             | (100)          | (94)           | 6.1%         | (68)           | 46.5%       | (168)          | (176)          | -4.7%        |

**Total Costs and Expenses**, on a non-GAAP basis, amounted to **R\$ 3,921 million** in Q2 2024, representing an increase of **+19.0% y/y** vs. Q2 2023, mainly related to:

- **Cost of Sales and Services** of **R\$ 2,326 million** in Q2 2024, representing an increase of **+20.9% y/y** vs Q2 2023, mainly due to TPV growth, leading to a nominal higher interchange and card scheme fees.

When excluding non-GAAP figures related to LTIP Expenses (long-term incentive plan), Cost of Sales and Services, on a GAAP basis, reached **R\$ 2,332 million** in Q2 2024, representing an increase of **+21.1% y/y** vs. Q2 2023.

- **Selling Expenses** totaled **R\$ 466 million** in Q2 2024, an increase of **+45.7%**, from R\$ 320 million reported in Q2 2023, mainly due to our increased commercial team headcount for geographic expansion of our services and increased marketing expenses, partially offset by lower losses (chargebacks and ECL provisions).

When excluding non-GAAP figures related to LTIP Expenses (long-term incentive plan), Selling Expenses reached **R\$ 467 million** in Q2 2024, representing an increase of **+45.4%** from R\$ 321 million reported in Q2 2023.

- **Administrative Expenses** reached **R\$ 165 million** in Q2 2024, an increase of **+2.3%** from R\$ 162 million presented in Q2 2023, mainly driven by higher expenses to supporting the strong operational performance, including tech services, in addition to higher provisions of personnel expenses in comparison to last year.

When excluding non-GAAP figures related to LTIP Expenses and Non-Recurring Amortization Expenses, Administrative

Expenses reached **R\$ 216 million** in Q2 2024, representing an increase of **+6.3%**, from R\$ 203 million reported in Q2 2023.

- **Financial Costs** totaled **R\$ 863 million** in Q2 2024, an increase of **+8.5%** vs. Q2 2023, mainly due to lower average cost of funding led by deposits growth, which posted a strong figure quarter-over-quarter, increasing its relevance in our funding strategy, and lower expenses related to the Brazilian Basic Interest Rate (SELIC) decrease, partially offset by TPV growth in the period.
- **Other Expenses, net** reached **R\$ 100 million** in Q2 2024, representing an increase of **+6.1%** from expenses of R\$ 94 million reported in Q2 2023. When excluding non-GAAP figures, Other Expenses remained stable.

On a GAAP basis, including LTIP Expenses and Non-Recurring Amortization Expenses of R\$ 58 million, Total Costs and Expenses amounted to **R\$ 3,979 million** in Q2 2024, representing an increase of **+19.1%** in comparison to the amount of **R\$ 3,341 million** presented in Q2 2023.

## Total Costs and Expenses by nature

| Non-GAAP   R\$ million            | Q2 2024        | Q2 2023        | Δ% y/y       | Q1 2024        | Δ% q/q      | 6M 2024        | 6M 2023        | Δ% y/y        |
|-----------------------------------|----------------|----------------|--------------|----------------|-------------|----------------|----------------|---------------|
| <b>Total Costs and Expenses</b>   | <b>(3,921)</b> | <b>(3,295)</b> | <b>19.0%</b> | <b>(3,674)</b> | <b>6.7%</b> | <b>(7,595)</b> | <b>(6,575)</b> | <b>15.5%</b>  |
| <b>Transactions Costs</b>         | <b>(1,761)</b> | <b>(1,414)</b> | <b>24.5%</b> | <b>(1,627)</b> | <b>8.3%</b> | <b>(3,388)</b> | <b>(2,803)</b> | <b>20.9%</b>  |
| % Total Revenue and Income        | 38.6%          | 37.0%          | 1.7 p.p.     | 37.8%          | 0.9 p.p.    | 38.2%          | 37.0%          | 1.2 p.p.      |
| Interchange and Card Scheme Fee   | (1,728)        | (1,357)        | 27.4%        | (1,591)        | 8.6%        | (3,320)        | (2,695)        | 23.2%         |
| Others                            | (33)           | (57)           | -42.9%       | (35)           | -7.6%       | (68)           | (108)          | -36.9%        |
| <b>Financial Costs</b>            | <b>(863)</b>   | <b>(796)</b>   | <b>8.5%</b>  | <b>(827)</b>   | <b>4.4%</b> | <b>(1,691)</b> | <b>(1,609)</b> | <b>5.1%</b>   |
| % Total Revenue and Income        | 18.9%          | 20.8%          | (1.8) p.p.   | 19.2%          | (0.3) p.p.  | 19.1%          | 21.2%          | (2.2) p.p.    |
| Securitization of Receivables     | (93)           | (245)          | -62.2%       | (162)          | -42.8%      | (255)          | (459)          | -44.5%        |
| Accrued Interest on Deposits      | (721)          | (525)          | 37.2%        | (637)          | 13.1%       | (1,358)        | (1,086)        | 25.0%         |
| Others                            | (50)           | (25)           | 99.9%        | (28)           | 78.3%       | (78)           | (64)           | 22.8%         |
| <b>Total Losses</b>               | <b>(113)</b>   | <b>(122)</b>   | <b>-7.2%</b> | <b>(103)</b>   | <b>9.9%</b> | <b>(216)</b>   | <b>(248)</b>   | <b>-13.1%</b> |
| % Total Revenue and Income        | 2.5%           | 3.2%           | (0.7) p.p.   | 2.4%           | 0.1 p.p.    | 2.4%           | 3.3%           | (0.8) p.p.    |
| Chargebacks                       | (76)           | (115)          | -34.4%       | (72)           | 4.9%        | (148)          | (202)          | -26.7%        |
| Expected Credit Losses (ECL)      | (37)           | (6)            | 486.5%       | (31)           | 21.8%       | (68)           | (47)           | 45.7%         |
| <b>Operating Expenses</b>         | <b>(773)</b>   | <b>(589)</b>   | <b>31.1%</b> | <b>(708)</b>   | <b>9.0%</b> | <b>(1,481)</b> | <b>(1,176)</b> | <b>25.9%</b>  |
| % Total Revenue and Income        | 17.0%          | 15.4%          | 1.6 p.p.     | 16.5%          | 0.5 p.p.    | 16.7%          | 15.5%          | 1.2 p.p.      |
| Personnel Expenses                | (313)          | (246)          | 27.2%        | (293)          | 6.7%        | (606)          | (499)          | 21.4%         |
| Marketing and Advertising         | (220)          | (129)          | 70.3%        | (209)          | 5.2%        | (430)          | (247)          | 73.9%         |
| Other Expenses (Income), Net      | (239)          | (214)          | 12.0%        | (206)          | 16.2%       | (445)          | (430)          | 3.6%          |
| <b>D&amp;A and POS Write-Offs</b> | <b>(411)</b>   | <b>(374)</b>   | <b>9.8%</b>  | <b>(409)</b>   | <b>0.5%</b> | <b>(820)</b>   | <b>(739)</b>   | <b>11.0%</b>  |
| % Total Revenue and Income        | 9.0%           | 9.8%           | (0.8) p.p.   | 9.5%           | (0.5) p.p.  | 9.3%           | 9.8%           | (0.5) p.p.    |
| Depreciation and Amortization     | (371)          | (310)          | 20.0%        | (353)          | 5.2%        | (724)          | (612)          | 18.3%         |
| POS Write-off                     | (40)           | (65)           | -38.7%       | (56)           | -29.4%      | (96)           | (127)          | -24.5%        |

For further information regarding the reconciliation and explanation of non-GAAP financial measures, including the presentation of the closest comparable GAAP financial measure, please see "Appendix" and "Non-GAAP Disclosure" included in this earnings release.

## Transaction Costs

**Transaction Costs**, on a GAAP and a non-GAAP basis, totaled **R\$ 1,761 million**, representing an increase of **+24.5%** from R\$ 1,414 million in Q2 2023, mainly driven by:

- **Interchange and Card Scheme Fees** totaled **R\$ 1,728 million** in Q2 2024, representing an increase of **+27.4% y/y** vs. Q2 2023, mainly driven by TPV growth; partially offset by
- **Other Costs** decreased by **-42.9%** vs. Q2 2023 to **R\$ 33 million**, mainly due to efficiencies captured in processing costs and logistics.



As a percentage of the Total Revenue and Income, Transaction Costs increased to **38.6%** in Q2 2024 vs. 37.0% in Q2 2023 as a result of our client mix.

## Financial Costs

**Financial Costs** totaled **R\$ 863 million** in Q2 2024, representing an increase of **+8.5%** vs. Q2 2023. As a percentage of Total Revenue and Income, Financial Costs decreased to **18.9%** in Q2 2024 vs. 20.8% in Q2 2023, mainly due to the lower average cost of funding led by the growth in deposits, increasing its relevance in our funding strategy and lower expenses related to the Brazilian Basic Interest Rate (SELIC) decrease.

On a nominal basis the increase (+8.5% y/y) is due to a higher volumetry of our Payments operation, linked to the strong increase of TPV in the period.

## Total Losses

**Total Losses** reached **R\$ 113 million** in Q2 2024, representing a decrease of **-7.2%** vs. Q2 2023. As a percentage of Total Revenues and Income, Total Losses decreased to **2.5%** in Q2 2024 vs. 3.2% in Q2 2023.

This decrease was mainly driven by the asset quality related to improvements in our KYC/onboarding procedures, lowering chargebacks, combined with better asset quality of our credit portfolio, demanding lower ECL provisions.

## Operating Expenses

**Operating Expenses**, on a Non-GAAP basis, which include Personnel Expenses, Marketing and Advertising and Other Expenses, totaled **R\$ 773 million**, representing an increase **+31.1%** from R\$ 589 million in Q2 2023. As a percentage of Total Revenue and Income, Non-GAAP Operating Expenses represented **17.0%** vs. 15.4% in Q2 2023. These trends are mainly due to the following:

- **Personnel Expenses** reached **R\$ 313 million**, representing an increase of **+27.2%** vs. Q2 2023, driven by the increase in our salesforce in the last quarter of 2023 and beginning 2024. When including LTIP Expenses and Non-Recurring Amortization Expenses amounting to non-GAAP Expenses of R\$ 38 million, Personnel Expenses, on a GAAP basis, totaled **R\$ 351 million**, representing an increase of **+27.4%** vs. Q2 2023 due to the higher impact of LTIP given the current share price level.
- **Marketing and Advertising** totaled **R\$ 220 million** in Q2 2024, **+70.3%** vs. Q2 2023, as a result of the lower level of marketing initiatives deployed in the same period last year. This increase is led by the strengthening of our marketing initiatives which began in the second semester of 2023 focusing on attracting new clients with better unit economics and distribution of financial services for our banking segment.
- **Other Expenses** reached **R\$ 239 million** in Q2 2024, a **+12,0%** increase from R\$ 214 million reported in Q2 2023, mainly related to software expenses and other third-party services, such as legal and consultancy.

On a GAAP basis, **Operating Expenses** totaled **R\$ 811 million**, an increase of **+31.0%** from R\$ 619 million in Q2 2023. As a percentage of Total Revenue and Income, Operating Expenses represented **17.8%** vs. 16.2% in Q2 2023.

## Depreciation and Amortization and POS Write-Off

**Depreciation and Amortization** reached **R\$ 371 million**, representing an increase of **+20.0%**, from R\$ 310 million in Q2 2023, mainly explained by:

- The depreciation of POS devices; and
- The amortization of R&D investments, mainly related to product development and data security. These investments allow us to defer our tax liability that generates a benefit through “*Lei do Bem*” (Technological Innovation Law).

When including LTIP Expenses and Non-Recurring Amortization Expenses amounting to non-GAAP expenses of R\$ 20 million, D&A, on a GAAP basis, totaled **R\$ 391 million**, representing an increase of **+20.1%** vs. Q2 2023 due to amortization of Fair Value adjustment related to acquisitions in the past and amortization of the Long-term Incentive Plan.

**POS Write-offs** in Q2 2024 totaled **R\$ 40 million**, representing a decrease of **-38.7%** year-over-year and **-29.4%** decrease in comparison to last quarter (Q1 2024). The majority amount comes from 2020 and 2021 POS vintages. This amount also includes R\$ 5 million in write-offs related to POS devices affected by the floods which occurred in the southern region of Brazil.

## Earnings Before Tax (EBT)

| Non-GAAP   R\$ million     | Q2 2024 | Q2 2023 | Δ% y/y   | Q1 2024 | Δ% q/q     | 6M 2024 | 6M 2023 | Δ% y/y   |
|----------------------------|---------|---------|----------|---------|------------|---------|---------|----------|
| Earnings before Tax (EBT)  | 636     | 531     | 19.7%    | 632     | 0.5%       | 1,268   | 1,001   | 26.7%    |
| % Total Revenue and Income | 14.0%   | 13.9%   | 0.1 p.p. | 14.7%   | (0.7) p.p. | 14.3%   | 13.2%   | 1.1 p.p. |

For further information regarding the reconciliation and explanation of non-GAAP financial measures, including the presentation of the closest comparable GAAP financial measure, please see "Appendix" and "Non-GAAP Disclosure" Included in this earnings release.

| GAAP   R\$ million         | Q2 2024 | Q2 2023 | Δ% y/y     | Q1 2024 | Δ% q/q     | 6M 2024 | 6M 2023 | Δ% y/y   |
|----------------------------|---------|---------|------------|---------|------------|---------|---------|----------|
| Earnings before Tax (EBT)  | 578     | 485     | 19.1%      | 572     | 0.9%       | 1,150   | 921     | 24.8%    |
| % Total Revenue and Income | 12.7%   | 12.7%   | (0.0) p.p. | 13.3%   | (0.6) p.p. | 13.0%   | 12.2%   | 0.8 p.p. |

**Earnings before Tax** amounted to **R\$ 636 million** in Q2 2024 representing an increase of **+19.8%** vs. Q2 2023, reflecting the business growth in Payments and Financial Services, lower financial expenses, lower losses, and operational efficiencies partially offset by the increase of Depreciation and Amortization.

When including LTIP Expenses and Non-Recurring Amortization Expenses amounting to non-GAAP expenses of R\$ 58 million, Earnings before Tax, on a GAAP basis, totaled **R\$ 578 million**, representing an increase of **+19.1%** vs. Q2 2023.

## Income Tax and Social Contribution

| GAAP   R\$ million                           | Q2 2024     | Q2 2023      | Δ% y/y        | Q1 2024     | Δ% q/q        | 6M 2024      | 6M 2023      | Δ% y/y       |
|--|-------------|--------------|---------------|-------------|---------------|--------------|--------------|--------------|
| Earnings before Tax (EBT)                    | 578         | 485          | 19.1%         | 572         | 0.9%          | 1,150        | 921          | 24.8%        |
| Statutory Rate                               | 34.0%       | 34.0%        | 0.0 p.p.      | 34.0%       | 0.0 p.p.      | 34.0%        | 34.0%        | 0.0 p.p.     |
| Expected Income Tax Expenses                 | (196)       | (165)        | 19.1%         | (195)       | 0.9%          | (391)        | (313)        | 24.8%        |
| <b>Income Tax effect on:</b>                 |             |              |               |             |               |              |              |              |
| R&D and Tech Innovation Benefit <sup>1</sup> | 56          | 49           | 14.6%         | 53          | 6.4%          | 110          | 101          | 8.6%         |
| Taxation of Income abroad <sup>2</sup>       | 37          | 24           | 53.3%         | 40          | -7.5%         | 77           | 55           | 39.9%        |
| Other  | 29          | (8)          | n.a.          | 12          | 144.3%        | 41           | (9)          | n.a.         |
| <b>Income Tax Expenses</b>                   | <b>(74)</b> | <b>(100)</b> | <b>-26.0%</b> | <b>(90)</b> | <b>-17.5%</b> | <b>(164)</b> | <b>(166)</b> | <b>-1.5%</b> |
| Effective Tax Rate                           | 12.8%       | 20.6%        | (7.8) p.p.    | 15.7%       | (2.9) p.p.    | 14.3%        | 18.1%        | (3.8) p.p.   |
| Current                                      | (131)       | (42)         | 210.9%        | (23)        | 462.9%        | (155)        | (60)         | 156.5%       |
| Deferred                                     | 57          | (58)         | n.a.          | (66)        | -186.1%       | (9)          | (106)        | -91.3%       |

1. Refers to the benefit granted by the Technological Innovation Law ("Lei do Bem"), which reduces the income tax charges, based on the amount invested by the PagSeguro Digital Ltd. On specific intangible assets. Please, see Note 12 in our Form 6-K related to the Financial Statements, published on the date hereof.

2. Some entities and investment funds adopt different taxation regimes according to the applicable rules in their jurisdictions.

**Income Tax and Social Contribution** amounted to an expense of **R\$ 74 million** in Q2 2024, representing a decrease of **-26.0%** vs. Q2 2023. The Effective Tax Rate (ETR) decreased in comparison to Q1 2024, reaching 12.8%, mainly driven by FIDC and benefits from "Lei do Bem" eligibility. In both periods, the difference between the Effective Income Tax and Social Contribution Rate and the Rate computed by applying the Brazilian federal statutory rate (34%) was mainly related to:

- Technological Innovation Law ("Lei do Bem"), which reduces income tax charges based on investments made in innovation and technology, such as those made by PagSeguro Brazil, our Brazilian operating subsidiary; and

- Gains from subsidiaries abroad subject to different statutory tax rates. Certain entities or investment funds adopt different taxation regimes in accordance with the applicable rules in their respective jurisdictions.

## Net Income

| Non-GAAP   R\$ million                             | Q2 2024    | Q2 2023    | Δ% y/y       | Q1 2024    | Δ% q/q      | 6M 2024      | 6M 2023    | Δ% y/y       |
|--|------------|------------|--------------|------------|-------------|--------------|------------|--------------|
| <b>Net Income</b>                                  | <b>542</b> | <b>415</b> | <b>30.5%</b> | <b>522</b> | <b>3.8%</b> | <b>1,064</b> | <b>807</b> | <b>31.8%</b> |
| % Total Revenue and Income                         | 11.9%      | 10.9%      | 1.0 p.p.     | 12.1%      | (0.2) p.p.  | 12.0%        | 10.7%      | 1.3 p.p.     |
| Outstanding Common Shares <sup>1</sup>   # Million | 319.1      | 323.5      | -1.4%        | 316.9      | 0.7%        | 319.1        | 323.5      | -1.4%        |
| Common Shares <sup>1</sup> diluted   # Million     | 323.1      | 325.5      | -0.7%        | 321.2      | 0.6%        | 323.1        | 325.5      | -0.7%        |
| Basic Earnings per Common Share                    | R\$ 1.70   | R\$ 1.28   | 32.3%        | R\$ 1.65   | 3.1%        | R\$ 3.34     | R\$ 2.50   | 33.7%        |
| Diluted Earnings per Common Share                  | R\$ 1.68   | R\$ 1.28   | 31.5%        | R\$ 1.63   | 3.2%        | R\$ 3.29     | R\$ 2.48   | 32.8%        |

1. Weighted average number.

For further information regarding the reconciliation and explanation of non-GAAP financial measures, including the presentation of the closest comparable GAAP financial measure, please see "Appendix" and "Non-GAAP Disclosure" included in this earnings release.

| GAAP   R\$ million                                 | Q2 2024    | Q2 2023    | Δ% y/y       | Q1 2024    | Δ% q/q      | 6M 2024    | 6M 2023    | Δ% y/y       |
|--|------------|------------|--------------|------------|-------------|------------|------------|--------------|
| <b>Net Income</b>                                  | <b>504</b> | <b>385</b> | <b>30.8%</b> | <b>483</b> | <b>4.4%</b> | <b>986</b> | <b>755</b> | <b>30.7%</b> |
| % Total Revenue and Income                         | 11.1%      | 10.1%      | 1.0 p.p.     | 11.2%      | (0.2) p.p.  | 11.1%      | 10.0%      | 1.2 p.p.     |
| Outstanding Common Shares <sup>1</sup>   # Million | 319.1      | 323.5      | -1.4%        | 316.9      | 0.7%        | 319.1      | 323.5      | -1.4%        |
| Common Shares <sup>1</sup> diluted   # Million     | 322.3      | 325.5      | -1.0%        | 321.2      | 0.6%        | 322.3      | 325.5      | -1.0%        |
| Basic Earnings per Common Share                    | R\$ 1.58   | R\$ 1.19   | 32.6%        | R\$ 1.52   | 3.7%        | R\$ 3.09   | R\$ 2.33   | 32.5%        |
| Diluted Earnings per Common Share                  | R\$ 1.56   | R\$ 1.18   | 32.0%        | R\$ 1.50   | 4.0%        | R\$ 3.05   | R\$ 2.32   | 32.0%        |

1. Weighted average number.

**Net Income** in Q2 2024 amounted to **R\$ 542 million**, representing an increase of **+30.5%**, from R\$ 415 million reported in Q2 2023.

Including Non-GAAP expenses of R\$ 38 million, **Net Income** on GAAP basis totaled **R\$ 504 million** in Q2 2024, up **+30.8%** when compared to R\$ 385 million reported in Q2 2023.

## Cash Flow Analysis

| GAAP   R\$ million                            | Q2 2024        | Q2 2023      | Δ% y/y        | Q1 2024        | Δ% q/q        | 6M 2024        | 6M 2023        | Δ% y/y        |
|---|----------------|--------------|---------------|----------------|---------------|----------------|----------------|---------------|
| Cash Position at the beginning of the Period  | 4,366          | 1,816        | 140.4%        | 2,899          | 50.6%         | 2,899          | 1,829          | 58.5%         |
| <b>Net Cash from Operating Activities</b>     | <b>(4,555)</b> | <b>464</b>   | <b>n.a.</b>   | <b>2,429</b>   | <b>n.a.</b>   | <b>(2,127)</b> | <b>862</b>     | <b>n.a.</b>   |
| Earnings before Taxes (EBT)                   | 578            | 485          | 19.1%         | 572            | 0.9%          | 1,150          | 921            | 24.8%         |
| Expenses (Revenues) not affecting Cash        | 988            | 602          | 64.2%         | 872            | 13.3%         | 1,860          | 1,308          | 42.3%         |
| Changes in Operating Assets/Liabilities       | (6,225)        | (1,088)      | 472.2%        | 451            | n.a.          | (5,774)        | (2,368)        | 143.9%        |
| Income Tax and Social Contribution paid       | (24)           | (47)         | -48.9%        | (15)           | 61.5%         | (39)           | (59)           | -34.4%        |
| Interest Income received (paid)               | 128            | 511          | -75.0%        | 548            | -76.7%        | 675            | 1,060          | -36.3%        |
| <b>Net Cash from Investing Activities</b>     | <b>69</b>      | <b>(553)</b> | <b>n.a.</b>   | <b>(1,643)</b> | <b>n.a.</b>   | <b>(1,574)</b> | <b>(1,115)</b> | <b>41.2%</b>  |
| <b>Net Cash from Financing Activities</b>     | <b>1,494</b>   | <b>(3)</b>   | <b>n.a.</b>   | <b>682</b>     | <b>119.0%</b> | <b>2,176</b>   | <b>147</b>     | <b>n.a.</b>   |
| Increase (Decrease) in Cash Position          | (2,992)        | (92)         | n.a.          | 1,467          | n.a.          | (1,525)        | (105)          | n.a.          |
| <b>Cash Position at the end of the Period</b> | <b>1,374</b>   | <b>1,724</b> | <b>-20.3%</b> | <b>4,366</b>   | <b>-68.5%</b> | <b>1,374</b>   | <b>1,724</b>   | <b>-20.3%</b> |

**Cash and Cash Equivalents** at the end of Q2 2024 amounted to **R\$ 1,374 million**, representing a y/y decrease of R\$ 350 million, down **-20%**.

**Net Cash from Operating Activities** in Q2 2024 totaled a negative inflow of **R\$ 4,555 million**, representing a negative variation of **R\$ 5,019 million** in comparison to R\$ 464 million of Net Cash from Operating Activities generated in Q2 2023, driven by a decrease in interest payments received in connection with banking issuances and a lower volume of mandatory guarantees.

**Changes in Operating Assets/Liabilities** in Q2 2024 amounted to a cash outflow of **R\$ 6,225 million**, representing a decrease of **R\$ 5,137 million** from a cash outflow of R\$ 1,088 million in Q2 2023, mainly due to higher values recorded of Accounts Receivable (amounting to R\$ 10,668 million y/y) and mandatory guarantees, partially offset by the y/y inflow of Deposits (Banking Issuances, Checking Accounts and Payables to Related Parties) which resulted in an increase in funding made during the quarter.

**Expenses (Revenues) not affecting Cash** amounted **R\$ 988 million**, up **+64%** y/y mainly driven by:

- Lower Losses, related to better fraud prevention actions related Total Payment Volume and relevant improvements in KYC/onboarding procedures in credit operations, combined to larger exposure of secured credit products;
- Depreciation and Amortization growth due to the deployed capital expenditures in past years;
- Increase in the Interest accrued from Financial Assets and Liabilities related to deposits growth; and
- Decrease in Disposal of Property, Equipment, and Intangible Assets, mainly due to the equalization the write-offs of POS devices.

**Net Cash provided in Investing Activities** in Q2 2024, totaled **R\$ 69 million**, representing an increase of R\$ 622 million vs. Q2 2023, mainly due to the redemption of financial investments to fulfill mandatory requirements accordingly to the level of deposits. In addition, our Capital Expenditures amounted **R\$637 million**, a slightly increase vs. Q1 2024, mainly driven by our strong commercial activities and inventory management, leading investments in Property and Equipment (mainly POS terminals), combined to investments in Intangible Assets related to product development, data security, client experience, among others, which we capitalize as intangible assets for tax efficiency purposes.

**Net Cash used in Financing Activities** in Q2 2024, totaled a positive flow of **R\$ 1,494 million**, representing an increase of R\$ 1,497 million in comparison to Q2 2023. This change is mainly related to two borrowings agreements totaling R\$ 1,500 million aimed at diversifying the Company's funding structure. These instruments have a short maturity period of three-months counted from the execution date and the payment will occur in a single installment. These borrowing bear interest at a rate of 108% of the CDI.

## Appendix

### Income Statement (GAAP)

| R\$ million                                 | Q2 2024      | Q2 2023      | Δ% y/y        | Q1 2024      | Δ% q/q        | 6M 2024      | 6M 2023      | Δ% y/y       |
|---|--------------|--------------|---------------|--------------|---------------|--------------|--------------|--------------|
| Transaction Revenues                        | 2,312        | 2,166        | 116.1%        | 2,369        | 97.6%         | 4,681        | 4,317        | 8.4%         |
| Financial Income                            | 2,113        | 1,595        | 32.5%         | 1,832        | 15.3%         | 3,945        | 3,129        | 26.1%        |
| Other Financial Income                      | 132          | 65           | 102.8%        | 105          | 25.3%         | 237          | 129          | 82.9%        |
| <b>Total Revenue and Income</b>             | <b>4,557</b> | <b>3,826</b> | <b>19.1%</b>  | <b>4,306</b> | <b>5.8%</b>   | <b>8,863</b> | <b>7,576</b> | <b>17.0%</b> |
| Cost of Sales and Services                  | (2,332)      | (1,926)      | 21.1%         | (2,171)      | 7.4%          | (4,503)      | (3,855)      | 16.8%        |
| Selling Expenses                            | (467)        | (321)        | 45.4%         | (437)        | 6.8%          | (905)        | (639)        | 41.5%        |
| Administrative Expenses                     | (216)        | (203)        | 6.3%          | (231)        | -6.3%         | (447)        | (375)        | 19.2%        |
| Financial Costs                             | (863)        | (796)        | 8.5%          | (827)        | 4.4%          | (1,691)      | (1,609)      | 5.1%         |
| Other Expenses                              | (100)        | (94)         | 6.1%          | (68)         | 46.4%         | (168)        | (176)        | -4.7%        |
| <b>Earnings Before Tax</b>                  | <b>578</b>   | <b>485</b>   | <b>19.1%</b>  | <b>572</b>   | <b>0.9%</b>   | <b>1,150</b> | <b>921</b>   | <b>24.9%</b> |
| Current Income Tax and Social Contribution  | (131)        | (42)         | 210.9%        | (23)         | 463.5%        | (155)        | (60)         | 156.4%       |
| Deferred Income Tax and Social Contribution | 57           | (58)         | n.a.          | (67)         | n.a.          | (9)          | (106)        | -91.3%       |
| <b>Income Tax and Social Contribution</b>   | <b>(74)</b>  | <b>(100)</b> | <b>-26.0%</b> | <b>(90)</b>  | <b>-17.5%</b> | <b>(164)</b> | <b>(166)</b> | <b>-1.5%</b> |
| <b>Net Income</b>                           | <b>504</b>   | <b>385</b>   | <b>30.8%</b>  | <b>483</b>   | <b>4.4%</b>   | <b>986</b>   | <b>755</b>   | <b>30.7%</b> |

### Income Statement by Costs and Expenses Nature (GAAP)

| R\$ million   | Q2 2024      | Q2 2023      | Δ% y/y       | Q1 2024      | Δ% q/q      | 6M 2024      | 6M 2023      | Δ% y/y       |
|---|--------------|--------------|--------------|--------------|-------------|--------------|--------------|--------------|
| Transaction Revenues                                | 2,312        | 2,166        | 6.7%         | 2,369        | -2.4%       | 4,681        | 4,317        | 8.4%         |
| Financial Income                                    | 2,113        | 1,595        | 32.5%        | 1,832        | 15.3%       | 3,945        | 3,129        | 26.1%        |
| Other Financial Income                              | 132          | 65           | 102.8%       | 105          | 25.3%       | 237          | 129          | 83.0%        |
| <b>Total Revenue and Income</b>                     | <b>4,557</b> | <b>3,826</b> | <b>19.1%</b> | <b>4,306</b> | <b>5.8%</b> | <b>8,863</b> | <b>7,576</b> | <b>17.0%</b> |
| Transaction Costs                                   | (1,761)      | (1,414)      | 24.5%        | (1,627)      | 8.3%        | (3,387)      | (2,803)      | 20.9%        |
| Financial Costs                                     | (863)        | (796)        | 8.5%         | (827)        | 4.4%        | (1,691)      | (1,609)      | 5.1%         |
| Total Losses  | (113)        | (122)        | -7.2%        | (103)        | 9.9%        | (216)        | (248)        | -13.1%       |
| <b>Gross Profit</b>                                 | <b>1,819</b> | <b>1,494</b> | <b>21.7%</b> | <b>1,750</b> | <b>4.0%</b> | <b>3,569</b> | <b>2,916</b> | <b>22.4%</b> |
| Operating Expenses (Marketing, Personal and Others) | (811)        | (619)        | 31.0%        | (750)        | 8.1%        | (1,427)      | (1,077)      | 32.4%        |
| D&A + POS Write-Off                                 | (431)        | (390)        | 10.4%        | (428)        | 0.7%        | (859)        | (770)        | 11.5%        |
| <b>Earnings Before Tax</b>                          | <b>578</b>   | <b>485</b>   | <b>19.1%</b> | <b>572</b>   | <b>0.9%</b> | <b>1,150</b> | <b>921</b>   | <b>24.8%</b> |
| Income Tax and Social Contribution                  | (74)         | (100)        | -26.0%       | (90)         | -17.5%      | (164)        | (166)        | -1.5%        |
| <b>Net Income</b>                                   | <b>504</b>   | <b>385</b>   | <b>30.8%</b> | <b>483</b>   | <b>4.4%</b> | <b>986</b>   | <b>755</b>   | <b>30.6%</b> |

## Total Costs and Expenses by nature (GAAP)

| R\$ million                       | Q2 2024        | Q2 2023        | Δ% y/y            | Q1 2024        | Δ% q/q            | 6M 2024        | 6M 2023        | Δ% y/y            |
|-----------------------------------|----------------|----------------|-------------------|----------------|-------------------|----------------|----------------|-------------------|
| <b>Total Costs and Expenses</b>   | <b>(3,979)</b> | <b>(3,341)</b> | <b>19.1%</b>      | <b>(3,734)</b> | <b>6.6%</b>       | <b>(7,713)</b> | <b>(6,654)</b> | <b>15.9%</b>      |
| <b>Transactions Costs</b>         | <b>(1,761)</b> | <b>(1,414)</b> | <b>24.5%</b>      | <b>(1,627)</b> | <b>8.3%</b>       | <b>(3,388)</b> | <b>(2,803)</b> | <b>20.9%</b>      |
| <i>% Total Revenue and Income</i> | <i>38.6%</i>   | <i>37.0%</i>   | <i>1.7 p.p.</i>   | <i>37.8%</i>   | <i>0.9 p.p.</i>   | <i>38.2%</i>   | <i>37.0%</i>   | <i>1.6 p.p.</i>   |
| Interchange and Card Scheme Fee   | (1,728)        | (1,357)        | 27.4%             | (1,591)        | 8.6%              | (3,320)        | (2,695)        | 23.2%             |
| Others                            | (33)           | (57)           | -42.9%            | (35)           | -7.6%             | (68)           | (108)          | -36.9%            |
| <b>Financial Costs</b>            | <b>(863)</b>   | <b>(796)</b>   | <b>8.5%</b>       | <b>(827)</b>   | <b>4.4%</b>       | <b>(1,691)</b> | <b>(1,609)</b> | <b>5.1%</b>       |
| <i>% Total Revenue and Income</i> | <i>18.9%</i>   | <i>20.8%</i>   | <i>(1.8) p.p.</i> | <i>19.2%</i>   | <i>(0.3) p.p.</i> | <i>19.1%</i>   | <i>21.2%</i>   | <i>(2.3) p.p.</i> |
| Securitization of Receivables     | (93)           | (245)          | -62.2%            | (162)          | -42.8%            | (255)          | (459)          | -44.5%            |
| Accrued Interest on Deposits      | (721)          | (525)          | 37.2%             | (637)          | 13.1%             | (1,358)        | (1,086)        | 25.0%             |
| Others                            | (50)           | (25)           | 99.9%             | (28)           | 78.3%             | (78)           | (64)           | 22.8%             |
| <b>Total Losses</b>               | <b>(113)</b>   | <b>(122)</b>   | <b>-7.2%</b>      | <b>(103)</b>   | <b>9.9%</b>       | <b>(216)</b>   | <b>(248)</b>   | <b>-13.1%</b>     |
| <i>% Total Revenue and Income</i> | <i>2.5%</i>    | <i>3.2%</i>    | <i>(0.7) p.p.</i> | <i>2.4%</i>    | <i>0.1 p.p.</i>   | <i>2.4%</i>    | <i>3.3%</i>    | <i>(0.8) p.p.</i> |
| Chargebacks                       | (76)           | (115)          | -34.4%            | (72)           | 4.9%              | (148)          | (202)          | -26.7%            |
| Expected Credit Losses (ECL)      | (37)           | (6)            | 486.5%            | (31)           | 21.8%             | (68)           | (47)           | 45.7%             |
| <b>Operating Expenses</b>         | <b>(811)</b>   | <b>(619)</b>   | <b>31.0%</b>      | <b>(750)</b>   | <b>8.1%</b>       | <b>(1,427)</b> | <b>(1,077)</b> | <b>32.4%</b>      |
| <i>% Total Revenue and Income</i> | <i>17.8%</i>   | <i>16.2%</i>   | <i>1.6 p.p.</i>   | <i>17.4%</i>   | <i>0.4 p.p.</i>   | <i>16.1%</i>   | <i>14.2%</i>   | <i>3.6 p.p.</i>   |
| Personnel Expenses                | (351)          | (276)          | 27.4%             | (335)          | 4.9%              | (686)          | (548)          | 25.2%             |
| Marketing and Advertising         | (220)          | (129)          | 70.3%             | (209)          | 5.2%              | (430)          | (247)          | 73.9%             |
| Other Expenses (Income), Net      | (239)          | (214)          | 11.9%             | (206)          | 16.1%             | (312)          | (283)          | 10.2%             |
| <b>D&amp;A and POS Write-Offs</b> | <b>(431)</b>   | <b>(390)</b>   | <b>10.4%</b>      | <b>(428)</b>   | <b>0.7%</b>       | <b>(859)</b>   | <b>(770)</b>   | <b>11.5%</b>      |
| <i>% Total Revenue and Income</i> | <i>9.5%</i>    | <i>10.2%</i>   | <i>(0.7) p.p.</i> | <i>9.9%</i>    | <i>(0.5) p.p.</i> | <i>9.7%</i>    | <i>10.2%</i>   | <i>(0.7) p.p.</i> |
| Depreciation and Amortization     | (391)          | (326)          | 20.1%             | (372)          | 5.3%              | (763)          | (643)          | 18.6%             |
| POS Write-off                     | (40)           | (65)           | -38.7%            | (56)           | -29.4%            | (96)           | (127)          | -24.5%            |

## Net Income Reconciliation (GAAP to non-GAAP)

| R\$ million   | Q2 2024    | Q2 2023    | Δ% y/y       | Q1 2024    | Δ% q/q      | 6M 2024      | 6M 2023    | Δ% y/y       |
|---|------------|------------|--------------|------------|-------------|--------------|------------|--------------|
| <b>Net Income   GAAP</b>                                      | <b>504</b> | <b>385</b> | <b>30.8%</b> | <b>483</b> | <b>4.4%</b> | <b>986</b>   | <b>755</b> | <b>30.7%</b> |
| Long-term Incentive Plan                                      | 38         | 30         | 28.7%        | 41         | -7.6%       | 80           | 49         | 64.3%        |
| Amortization of Fair Value Adjustment                         | 5          | 5          | 17.1%        | 5          | 0.0%        | 11           | 9          | 17.1%        |
| Amortization of Capitalized Expenses of Platforms Development | 14         | 11         | 26.5%        | 13         | 9.4%        | 28           | 22         | 27.7%        |
| Income Tax and Social Contribution                            | (20)       | (16)       | 27.0%        | (20)       | -3.2%       | (40)         | (27)       | 48.7%        |
| <b>Net Income   Non-GAAP</b>                                  | <b>542</b> | <b>415</b> | <b>30.5%</b> | <b>522</b> | <b>3.8%</b> | <b>1,064</b> | <b>807</b> | <b>31.8%</b> |

## Balance Sheet (GAAP)

| R\$ million                                 | Q2 2024       | Q2 2023       | Δ% y/y        | Q1 2024       | Δ% q/q       | 6M 2024       | 6M 2023       | Δ% y/y        |
|---|---------------|---------------|---------------|---------------|--------------|---------------|---------------|---------------|
| <b>Total Assets</b>                         | <b>66,478</b> | <b>42,836</b> | <b>55.2%</b>  | <b>59,165</b> | <b>12.4%</b> | <b>66,478</b> | <b>42,836</b> | <b>55.2%</b>  |
| <b>Current Assets</b>                       | <b>58,983</b> | <b>36,898</b> | <b>59.9%</b>  | <b>52,398</b> | <b>12.6%</b> | <b>58,983</b> | <b>36,898</b> | <b>59.9%</b>  |
| Cash and Cash Equivalents                   | 1,374         | 1,724         | -20.3%        | 4,366         | -68.5%       | 1,374         | 1,724         | -20.3%        |
| Financial Investments                       | 4,844         | 1,122         | 331.6%        | 4,399         | 10.1%        | 4,844         | 1,122         | 331.6%        |
| Accounts Receivable                         | 52,051        | 33,440        | 55.7%         | 42,857        | 21.5%        | 52,051        | 33,440        | 55.7%         |
| Receivables from Related Parties            | 6             | 2             | 165.2%        | 4             | 37.6%        | 6             | 2             | 165.2%        |
| Derivative Financial Instruments            | 21            | -             | n.a.          | -             | n.a.         | 21            | -             | n.a.          |
| Inventories                                 | 30            | 33            | -7.9%         | 30            | 1.6%         | 30            | 33            | -7.9%         |
| Taxes Receivable                            | 466           | 421           | 10.6%         | 584           | -20.2%       | 466           | 421           | 10.6%         |
| Other Receivables                           | 191           | 155           | 23.6%         | 158           | 20.7%        | 191           | 155           | 23.6%         |
| <b>Non-current Assets</b>                   | <b>7,495</b>  | <b>5,939</b>  | <b>26.2%</b>  | <b>6,767</b>  | <b>10.8%</b> | <b>7,495</b>  | <b>5,939</b>  | <b>26.2%</b>  |
| Accounts Receivable                         | 1,700         | 918           | 85.1%         | 1,391         | 22.2%        | 1,700         | 918           | 85.1%         |
| Receivables from related parties            | 26            | 13            | 96.0%         | 28            | -6.0%        | 26            | 13            | 96.0%         |
| Judicial Deposits                           | 61            | 50            | 23.8%         | 57            | 7.7%         | 61            | 50            | 23.8%         |
| Tax Receivable                              | 201           | -             | n.a.          | -             | n.a.         | 201           | -             | n.a.          |
| Deferred Income Tax                         | 104           | 98            | 6.8%          | 98            | 7.0%         | 104           | 98            | 6.8%          |
| Other receivables                           | 77            | 25            | 208.3%        | 45            | 72.6%        | 77            | 25            | 208.3%        |
| Investment                                  | 0             | 2             | n.a.          | 0             | n.a.         | 0             | 2             | n.a.          |
| Property and Equipment                      | 2,594         | 2,474         | 4.9%          | 2,506         | 3.5%         | 2,594         | 2,474         | 4.9%          |
| Intangible Assets                           | 2,732         | 2,359         | 15.8%         | 2,643         | 3.3%         | 2,732         | 2,359         | 15.8%         |
| <b>Total Liabilities and Equity</b>         | <b>66,478</b> | <b>42,836</b> | <b>55.2%</b>  | <b>59,165</b> | <b>12.4%</b> | <b>66,478</b> | <b>42,836</b> | <b>55.2%</b>  |
| <b>Current Liabilities</b>                  | <b>39,856</b> | <b>25,890</b> | <b>53.9%</b>  | <b>36,516</b> | <b>9.1%</b>  | <b>39,856</b> | <b>25,890</b> | <b>53.9%</b>  |
| Payables to Third Parties                   | 10,949        | 8,374         | 30.7%         | 9,858         | 11.1%        | 10,949        | 8,374         | 30.7%         |
| Checking Accounts                           | 11,509        | 8,258         | 39.4%         | 10,855        | 6.0%         | 11,509        | 8,258         | 39.4%         |
| Banking Issuances                           | 13,305        | 7,813         | 70.3%         | 13,473        | -1.2%        | 13,305        | 7,813         | 70.3%         |
| Borrowings                                  | 2,458         | 292           | 742.0%        | 900           | 173.1%       | 2,458         | 292           | 742.0%        |
| Derivative Financial Instruments            | 8             | 33            | -75.9%        | 17            | -54.8%       | 8             | 33            | -75.9%        |
| Trade Payables                              | 639           | 465           | 37.4%         | 526           | 21.4%        | 639           | 465           | 37.4%         |
| Payables to Related Parties                 | 119           | 74            | 60.3%         | 105           | 13.1%        | 119           | 74            | 60.3%         |
| Salaries and Social Security Charges        | 312           | 276           | 12.8%         | 232           | 34.3%        | 312           | 276           | 12.8%         |
| Taxes and Contributions                     | 344           | 83            | 312.7%        | 274           | 25.4%        | 344           | 83            | 312.7%        |
| Provision for Contingencies                 | 44            | 62            | -28.7%        | 103           | -57.1%       | 44            | 62            | -28.7%        |
| Deferred Revenue                            | 135           | 125           | 7.7%          | 131           | 3.1%         | 135           | 125           | 7.7%          |
| Other Liabilities                           | 36            | 34            | 5.0%          | 41            | -11.6%       | 36            | 34            | 5.0%          |
| <b>Non-current Liabilities</b>              | <b>12,304</b> | <b>4,421</b>  | <b>178.3%</b> | <b>8,880</b>  | <b>38.6%</b> | <b>12,304</b> | <b>4,421</b>  | <b>178.3%</b> |
| Payables to Third Parties                   | 53            | 127           | -58.3%        | 205           | -74.1%       | 53            | 127           | -58.3%        |
| Banking Issuances                           | 9,429         | 2,219         | 324.8%        | 6,233         | 51.3%        | 9,429         | 2,219         | 324.8%        |
| Payables to related parties                 | 653           | 155           | 321.6%        | 290           | 125.0%       | 653           | 155           | 321.6%        |
| Deferred Income Tax and Social Contribution | 1,849         | 1,666         | 10.9%         | 1,897         | -2.6%        | 1,849         | 1,666         | 10.9%         |
| Provision for Contingencies                 | 71            | 7             | 933.4%        | 5             | n.a.         | 71            | 7             | 933.4%        |
| Deferred Revenue                            | 21            | 18            | 17.0%         | 20            | 4.0%         | 21            | 18            | 17.0%         |
| Other Liabilities                           | 229           | 229           | 0.1%          | 229           | -0.2%        | 229           | 229           | 0.1%          |
| <b>Equity</b>                               | <b>14,318</b> | <b>12,526</b> | <b>14.3%</b>  | <b>13,769</b> | <b>4.0%</b>  | <b>14,318</b> | <b>12,526</b> | <b>14.3%</b>  |
| Share Capital                               | 0             | 0             | 0.0%          | 0.0           | 0.0%         | 0             | 0             | 0.0%          |
| Treasury Shares                             | (583)         | (506)         | 15.3%         | (583)         | 0.0%         | (583)         | (506)         | 15.3%         |
| Capital Reserve                             | 6,047         | 6,062         | -0.3%         | 6,002         | 0.7%         | 6,047         | 6,062         | -0.3%         |
| Retained earnings                           | 8,877         | 6,992         | 27.0%         | 8,374         | 6.0%         | 8,877         | 6,992         | 27.0%         |
| Equity Valuation Adjustments                | (22)          | (22)          | 0.0%          | (22)          | 0.0%         | (22)          | (22)          | 0.0%          |
| Other Comprehensive Income                  | (0)           | (1)           | -67.2%        | (1)           | -67.7%       | (0)           | (1)           | -67.2%        |

## Cash Flow (GAAP)

| GAAP   R\$ million  | Q2 2024        | Q2 2023        | Δ% y/y        | Q1 2024        | Δ% q/q         | 6M 2024        | 6M 2023        | Δ% y/y         |
|---|----------------|----------------|---------------|----------------|----------------|----------------|----------------|----------------|
| <b>Earnings before Income Tax</b>   | <b>578</b>     | <b>485</b>     | <b>19.1%</b>  | <b>572</b>     | <b>0.9%</b>    | <b>1,150</b>   | <b>921</b>     | <b>24.8%</b>   |
| <b>Expenses (Revenues) not affecting Cash</b>                             | <b>988</b>     | <b>602</b>     | <b>64.2%</b>  | <b>872</b>     | <b>13.3%</b>   | <b>1,860</b>   | <b>1,308</b>   | <b>42.3%</b>   |
| Depreciation and Amortization   | 391            | 326            | 20.1%         | 372            | 5.3%           | 763            | 643            | 18.6%          |
| Total Losses  | 113            | 122            | -7.1%         | 103            | 10.0%          | 216            | 248            | -13.1%         |
| Accrual of Provision for Contingencies                                    | 18             | 4              | 383.3%        | 14             | 24.1%          | 32             | 13             | 138.4%         |
| Share based Long Term Incentive Plan (LTIP)                               | 44             | 33             | 34.2%         | 47             | -5.6%          | 91             | 73             | 24.3%          |
| Loss on Disposal of Property, Equipment, Intangible and Investment Assets | 52             | 68             | -23.9%        | 46             | 13.1%          | 97             | 131            | -25.7%         |
| Derivative Financial Instruments, net                                     | (9)            | (9)            | 1.0%          | (6)            | 56.6%          | (15)           | (11)           | 41.2%          |
| Interest Accrued  | 378            | 59             | 541.3%        | 298            | 26.9%          | 675            | 209            | 223.6%         |
| Other Financial Cost, Net   | 2              | 0              | 411.2%        | (0)            | -793.5%        | 2              | 1              | 59.5%          |
| <b>Changes in Operating Assets/Liabilities</b>                            | <b>(6,225)</b> | <b>(1,088)</b> | <b>472.2%</b> | <b>451</b>     | <b>n.a.</b>    | <b>(5,774)</b> | <b>(2,368)</b> | <b>143.9%</b>  |
| Accounts Receivable   | (10,668)       | (668)          | n.a.          | (2,448)        | 335.8%         | (13,116)       | 441            | n.a.           |
| Financial Investments (Mandatory Guarantee)                               | (1,037)        | (10)           | n.a.          | 94             | n.a.           | (944)          | 214            | -541.3%        |
| Inventories   | (3)            | (11)           | -75.7%        | 6              | -143.1%        | 4              | (20)           | -118.4%        |
| Taxes Recoverable   | (51)           | 61             | n.a.          | 3              | n.a.           | (48)           | 47             | -202.7%        |
| Other Receivables   | (66)           | (6)            | n.a.          | (4)            | n.a.           | (70)           | 15             | -579.7%        |
| Deferred Revenue  | 5              | (0)            | n.a.          | 4              | 7.8%           | 9              | (1)            | n.a.           |
| Other Liabilities   | (9)            | 9              | n.a.          | 9              | -210.7%        | (1)            | 7              | -112.4%        |
| Payables to Third Parties   | 944            | (314)          | n.a.          | (88)           | n.a.           | 856            | (687)          | -224.5%        |
| Checking Accounts   | 464            | 336            | 38.2%         | (700)          | -166.3%        | (236)          | (626)          | -62.4%         |
| Trade Payables  | 112            | 27             | 315.0%        | 13             | 783.3%         | 125            | 15             | 758.8%         |
| Receivables from (Payables to) Related Parties                            | 367            | (332)          | n.a.          | (91)           | -505.3%        | 277            | (407)          | -168.1%        |
| Banking Issuances   | 3,691          | (220)          | n.a.          | 3,751          | -1.6%          | 7,442          | (1,315)        | -665.9%        |
| Salaries and Social Charges   | 80             | 71             | 11.7%         | (113)          | -170.5%        | (33)           | (16)           | 104.1%         |
| Taxes and Contributions   | (42)           | (25)           | 68.0%         | 23             | -281.0%        | (19)           | (24)           | -23.2%         |
| Provision for Contingencies   | (12)           | (6)            | 110.0%        | (8)            | 54.7%          | (20)           | (10)           | 113.1%         |
| <b>Income Tax and Social Contribution paid</b>                            | <b>(24)</b>    | <b>(47)</b>    | <b>-48.9%</b> | <b>(15)</b>    | <b>61.5%</b>   | <b>(39)</b>    | <b>(59)</b>    | <b>-34.4%</b>  |
| <b>Interest Income received (paid)</b>                                    | <b>128</b>     | <b>511</b>     | <b>-75.0%</b> | <b>548</b>     | <b>-76.7%</b>  | <b>675</b>     | <b>1,060</b>   | <b>-36.3%</b>  |
| <b>Net Cash Provided by Operating Activities</b>                          | <b>(4,555)</b> | <b>464</b>     | <b>n.a.</b>   | <b>2,429</b>   | <b>-287.6%</b> | <b>(2,127)</b> | <b>862</b>     | <b>-346.6%</b> |
| Purchases of Property and Equipment                                       | (345)          | (277)          | 24.4%         | (295)          | 17.0%          | (640)          | (426)          | 50.3%          |
| Purchases and Development of Intangible Assets                            | (292)          | (253)          | 15.4%         | (264)          | 10.7%          | (555)          | (513)          | 8.3%           |
| Acquisition of Financial Investments                                      | 706            | (22)           | n.a.          | (1,085)        | -165.0%        | (379)          | (176)          | 115.2%         |
| <b>Net Cash Used in Investing Activities</b>                              | <b>69</b>      | <b>(553)</b>   | <b>n.a.</b>   | <b>(1,643)</b> | <b>-104.2%</b> | <b>(1,574)</b> | <b>(1,115)</b> | <b>41.2%</b>   |
| Borrowings  | 1,500          | 100            | n.a.          | 898            | 67.0%          | 2,398          | 300            | 699.4%         |
| Payment of Borrowings   | (1)            | 0              | n.a.          | (189)          | -99.4%         | (190)          | 0              | n.a.           |
| Payment of Borrowings Interest  | 0              | 0              | n.a.          | (6)            | -100.0%        | (6)            | 0              | n.a.           |
| Acquisition of Treasury Shares  | 0              | (98)           | n.a.          | 0              | n.a.           | 0              | (144)          | -100.0%        |
| Payment of Leases   | (5)            | (5)            | 3.5%          | (4)            | 10.1%          | (9)            | (9)            | 4.1%           |
| Capital Increase  | 0              | 0              | n.a.          | 0              | n.a.           | 0              | 0              | n.a.           |
| Payment of Derivative Financial Instruments, net                          | 0              | 0              | n.a.          | (16)           | -100.0%        | (16)           | 0              | n.a.           |
| <b>Net Cash Provided by Financing Activities</b>                          | <b>1,494</b>   | <b>(3)</b>     | <b>n.a.</b>   | <b>682</b>     | <b>119.0%</b>  | <b>2,176</b>   | <b>147</b>     | <b>n.a.</b>    |
| <b>Increase (Decrease) in Cash and Cash Equivalents</b>                   | <b>(2,992)</b> | <b>(92)</b>    | <b>n.a.</b>   | <b>1,467</b>   | <b>-303.9%</b> | <b>(1,525)</b> | <b>(105)</b>   | <b>n.a.</b>    |
| Cash and Cash Equivalents at the Beginning of the Period                  | 4,366          | 1,816          | 140.4%        | 2,899          | 50.6%          | 2,899          | 1,829          | 58.5%          |
| <b>Cash and Cash Equivalents at the End of the Period</b>                 | <b>1,374</b>   | <b>1,724</b>   | <b>-20.3%</b> | <b>4,366</b>   | <b>-68.5%</b>  | <b>1,374</b>   | <b>1,724</b>   | <b>-20.3%</b>  |



## Non-GAAP Disclosure

This earnings release includes certain non-GAAP measures. 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.

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 separately from, or as a substitute for, our financial information prepared and presented in accordance with IFRS as issued by the IASB. Non-GAAP measures have limitations in that they do not reflect all 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.

Non-GAAP results consist of our GAAP results as adjusted to exclude the following items:

**LTIP Expenses:** This consists of expenses for equity awards under our two long-term incentive plans (LTIP and LTIP-Goals). We exclude LTIP 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.

**Amortization of Fair Value Adjustments:** Amortization and write-downs of the fair value of certain acquired assets. We exclude these expenses from our non-GAAP measures primarily because such expenses are non-recurring and do not correlate to the operation of our business.

**Amortization of Capitalized Platforms Development Expenses:** Amortization and write-downs of the capitalized expenses related to technology development projects. We exclude these expenses from our non-GAAP measures primarily because such expenses are non-recurring and do not correlate to the operation of our business (together with Amortization of Fair Value Adjustments, the Non-Recurring Amortization Expenses).

**Income Tax and Social Contribution on LTIP Expenses and Non-Recurring Adjustments:** This represents the income tax effect related to the LTIP expenses, M&A expenses and non-recurring adjustments including amortization of fair value adjustments and amortization of capitalized platforms development.

For a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures, see the tables included elsewhere in this earnings release.

## Earnings Call

PagSeguro Digital Ltd. (NYSE: PAGS) will host a conference call and earnings webcast on **August 20, 2024**, at **5:00 pm ET**.

## Event Details

**Webcast:** [click here](#)

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## Forward-Looking Statements

This earnings release includes “forward-looking statements” within the meaning of the U.S. federal securities laws. Statements contained herein that are not clearly historical in nature are forward-looking, and the words “anticipate,” “believe,” “continues,” “expect,” “estimate,” “intend,” “project” and similar expressions and future or conditional verbs such as “will,” “would,” “should,” “could,” “might,” “can,” “may,” or similar expressions are generally intended to identify forward-looking statements. We cannot guarantee that such statements will prove correct. These forward-looking statements speak only as of the date hereof and are based on our current plans, estimates of future events, expectations and trends (including trends related to the global and Brazilian economies and capital markets, as well as the continuing economic, financial, political and public health effects of the coronavirus, or the COVID-19, pandemic.) that affect or may affect our business, financial condition, results of operations, cash flow, liquidity, prospects and the trading price of our Class A common shares, and are subject to several known and unknown uncertainties and risks, many of which are beyond our control. As consequence, current plans, anticipated actions and future financial position and results of operations may differ significantly from those expressed in any forward-looking statements in this earnings release. You are cautioned not to unduly rely on such forward-looking statements when evaluating the information presented. In light of the risks and uncertainties described above, the future events and circumstances discussed in this earnings release might not occur and are not guarantees of future performance. Because of these uncertainties, you should not make any investment decision based upon these estimates and forward-looking statements. To obtain further information on factors that may lead to results different from those forecast by us, please consult the reports we file with the U.S. Securities and Exchange Commission (SEC) and in particular the factors discussed under “Forward-Looking Statements” and “Risk Factors” in our annual report on Form 20-F.

