

**PAGS
DAY
2021**

**FÁBIO
HERSZKOWICZ**
HEAD OF FINANCIAL SERVICES





Fábio Herszkowicz

Head of Financial Services

Education

- **Executive Education:** Wharton Business School, Swiss Finance Institute and Ashridge
- **Bachelor's Degree:** Business Administration

Professional Background

Walmart



rede



ibi

citibank

PAGS has entered in an underserved market...

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Top 5 banks¹ concentration of credit market

78% of total credit volumes for **consumers**

63% of total credit volumes for **companies**²

Brazil still has >60 million people underbanked³

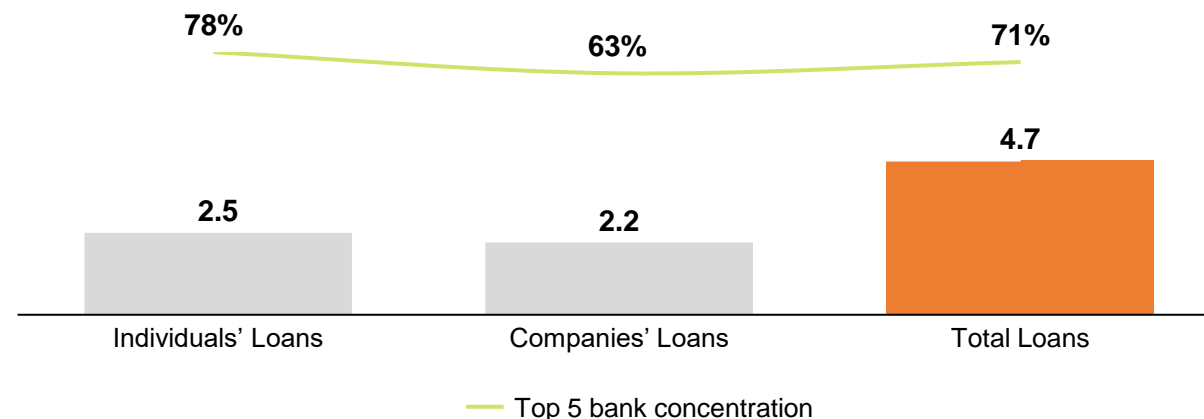
Fulfilling the SMB and unbanked needs is in PAGS DNA

Leading acquiring company serving the **longtail market**

55% of PagBank consumers are **under 34 years old** vs. 30% in banks

Only **4.2% of PAGS portfolio** is concentrated in the **Top 100 customers**

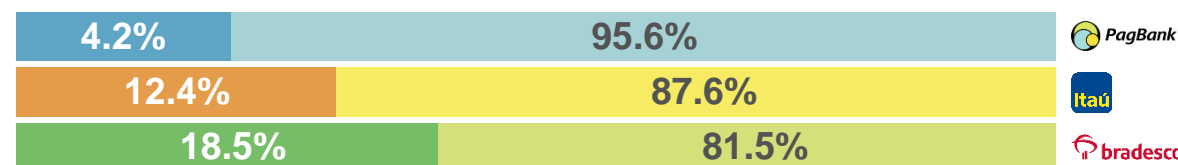
Brazil credit market (R\$ trillion)



Portfolio Concentration (%)

Top 100

Diversified Exposure



1. Source: Brazilian Central Bank. Major 5 banks (Banco do Brasil, Bradesco, Caixa Econômica Federal, Itaú Unibanco and Santander Brasil), concentration in Brazil, excluding BNDES;

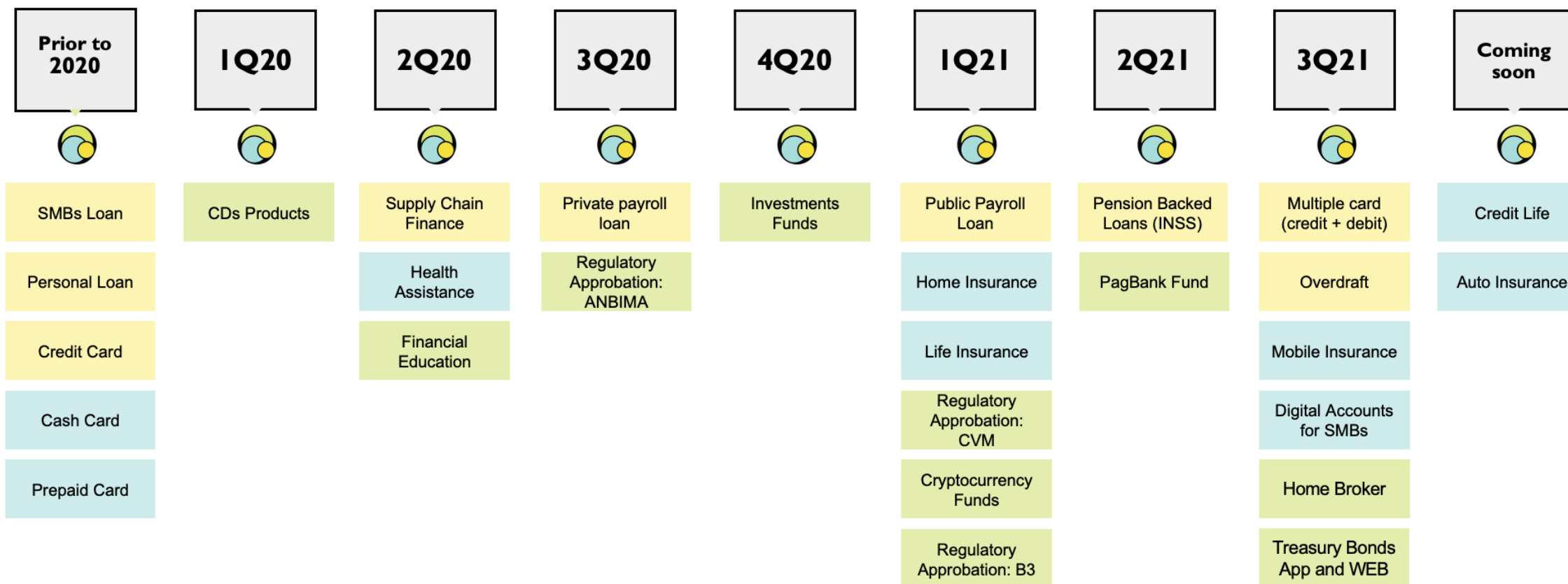
2. Considering SMBs and mid/large companies;

3. Source: Brazilian Central Bank and IBGE (Instituto Brasileiro de Geografia e Estatística).

...launching a complete ecosystem in 2 years...

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A variety of services comprising **transactional**, **credit offerings**, and **insurance products** that reaffirm our mission to **promote financial inclusion**



Credit
Non-Credit
PagInvest

...to serve merchants and consumers

Tailored financial solutions for each segment needs

		MERCHANT	CONSUMER
WORKING CAPITAL LOAN	Working Capital Loans, SMBs Loans		
SUPPLY CHAIN FINANCE	Supply Chain Finance		
REVOLVING CREDIT LINE	Overdraft		
CARDS	Credit Card, Multiple Card, Prepaid Card, Cash Card		
INVESTMENTS	CDs, Brz Treasury Bonds, Investment Funds, Home Broker		
INSURANCE	Health, Life, Home, Credit Life, Cellphone		
PERSONAL LOANS	Personal Loan, Pension Fund Backed, Public/Private Payroll Backed		

PagBank app is client-oriented...

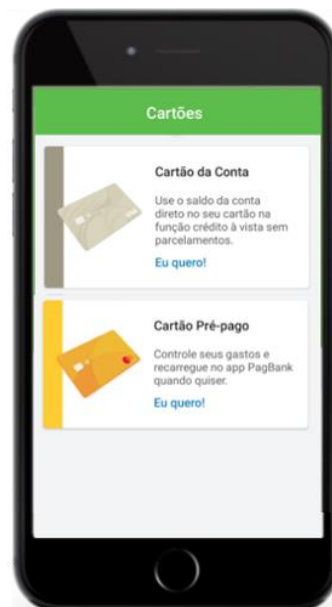
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We believe in **customer experience** and **mobile-first experience**

CREDIT CARDS



PREPAID / CASH CARDS



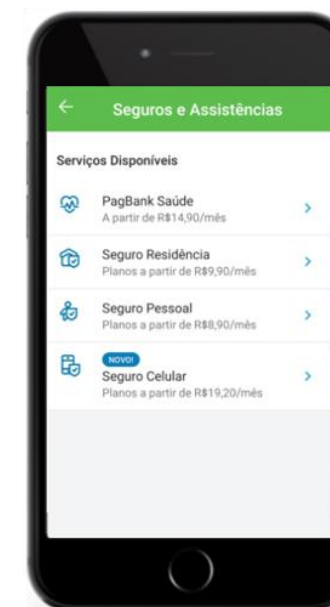
LOANS



INVESTMENTS



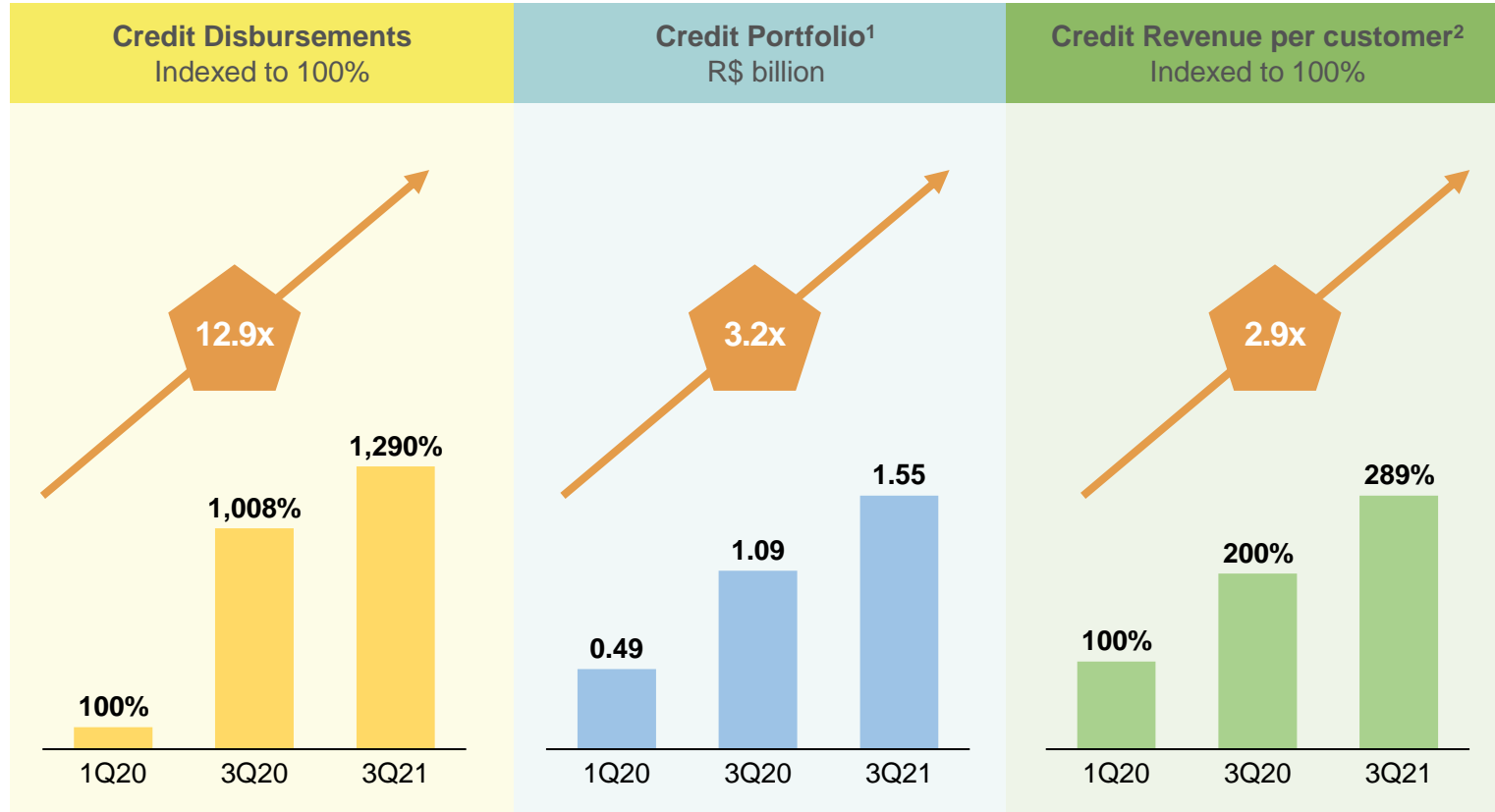
INSURANCE



Customer Feedback: Our App is rated among the best apps reviewed!

...and understands merchants' credit needs...

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LEVERAGING CROSS-SELL INTO OUR CUSTOMER BASE

Working Capital

Current disbursements over TPV <1%

Credit Cards

Current penetration in our account base <5%
(Peers level around 65%)

Seeking growth in additional credit products

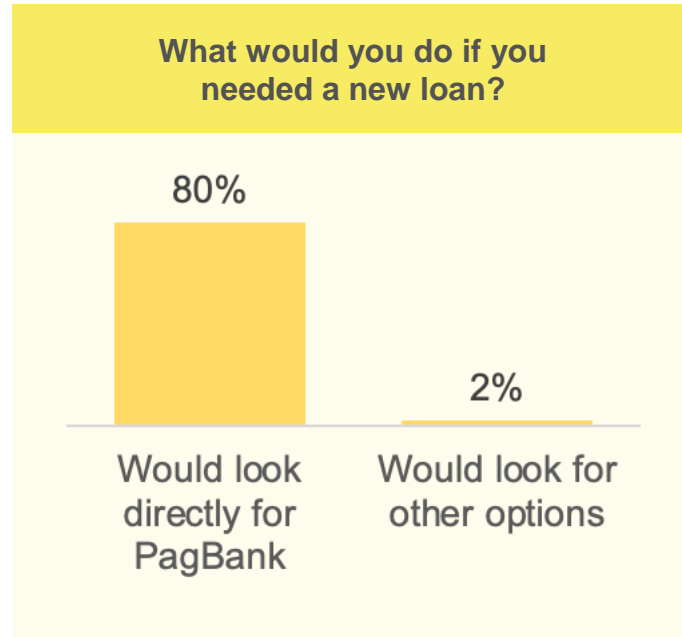
Payroll Loans, Supply Chain Finance, Multiple Card
(credit + debit)

Profitability and low delinquency levels encourage us to accelerate our credit expansion

...fostering engagement and higher ARPU

84% of loans clients would “**certainly recommend**” the product to others¹

Great user interface and proximity: **92%** of clients **do not have doubts** about the **MDR increase collection method**



Users reviews regarding lending product²:

“It was a great experience, it helped me while my store was closed [due to Covid] so that I could pay my debts.”

“Helped me through difficult times, thanks, PagBank team.”

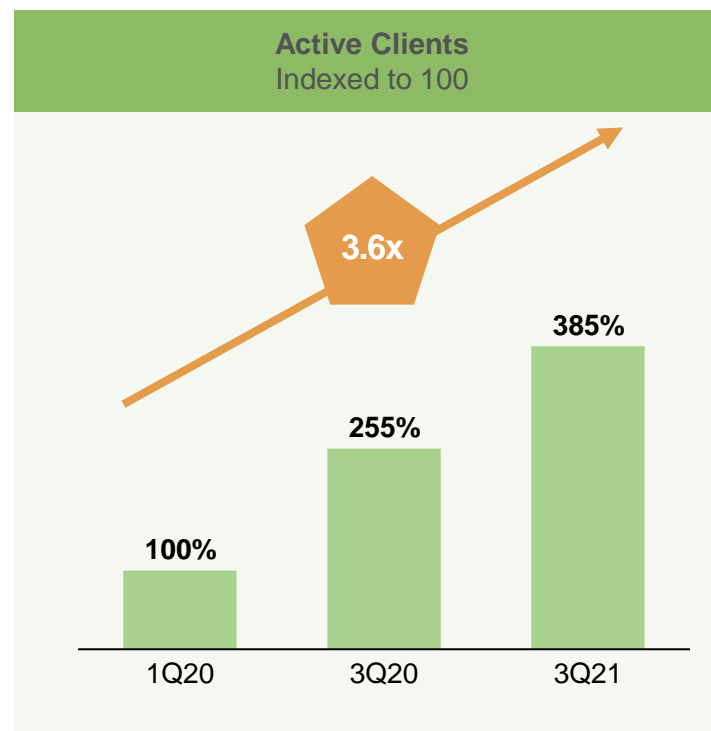
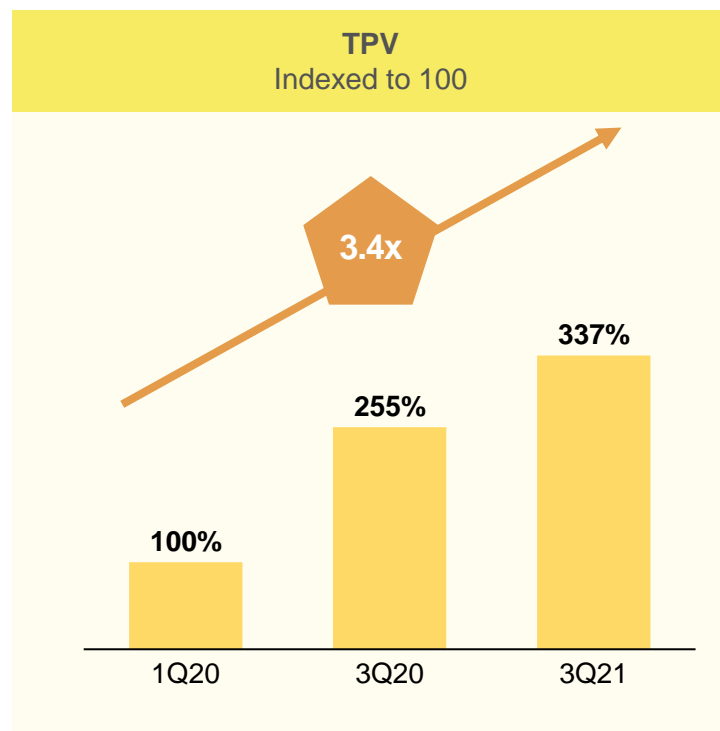
“Making loyal customers, just like me. Very good, thank you.”

“Very grateful, it helped my company a lot, I’ll make another one as soon as possible, as it’s all very fair. Thank you very much and I’ll recommend it to everyone.”

Accessibility and financial inclusion are reflected in the positive customer feedback

Cards are key to monetize cash-out...

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Cash cards engage customers in account usage

PagBank efforts to grow **are paying off**:

- Quarterly TPV **more than tripled** since beginning of 2020
- Expanded the active clients base by **almost 4 times** in the same period

...while investments increases AUC + deposits

COMPLETE DIGITAL INVESTMENT PLATFORM:

INVESTMENT FUNDS

FIXED INCOME

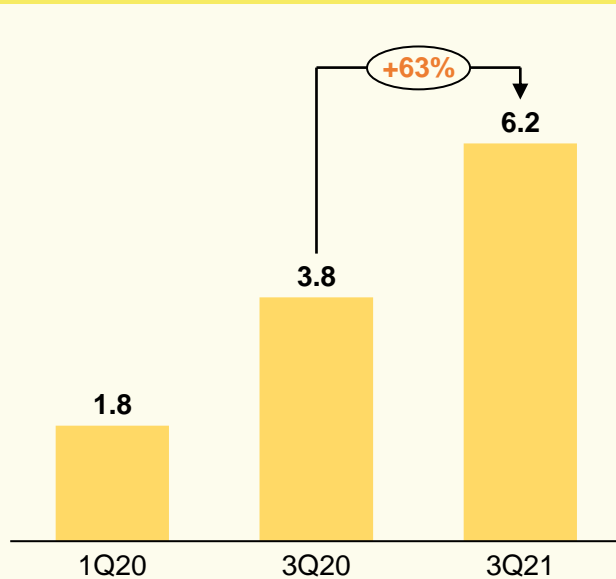
BRZ TREASURY BONDS

EQUITIES (HOME BROKER)

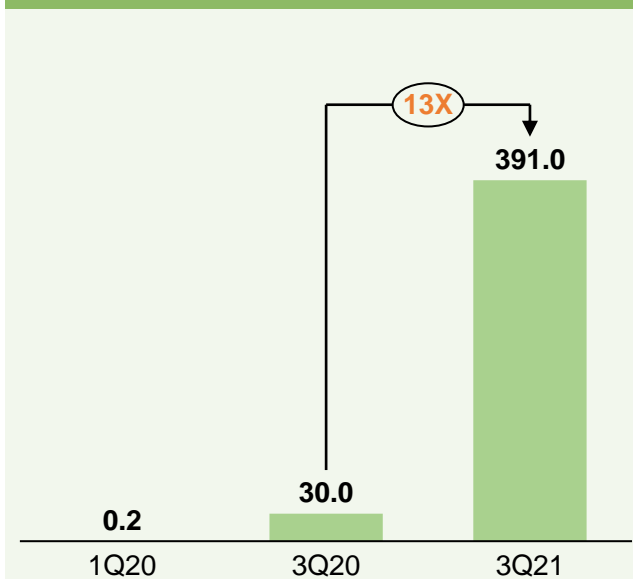
Strong growth y/y and **long-term opportunity:**

PAGS' customers are much younger than those of the traditional banks

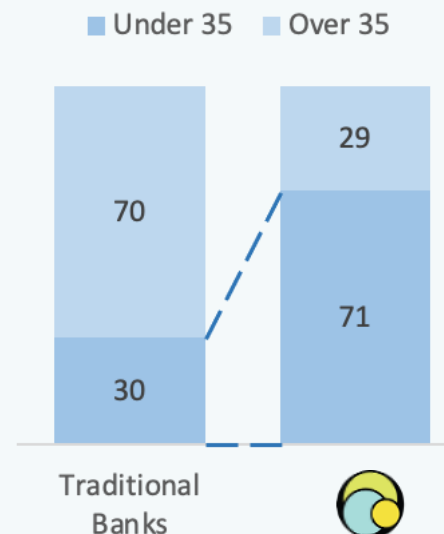
AUC + Deposits
R\$ billion



Active Clients¹
thousand



Investors distribution
by age (%)



1. Investors with active position or single transaction within a 30-day period (buy or sell).

Insurance offerings complement our ecosystem

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PAGBANK ACTS AS A NAMED INSURED: THE PRODUCT OFFERING, AND THE DIGITAL POLICY CAN BE EASILY ACCESSED ON A MOBILE DEVICE THROUGH THE PAGBANK APP

MOBILE PURCHASE

Customers can access the exclusive insurance marketplace inside the PagBank App

BEST UX

Customers contract products through a payment gateway fully integrated with PagBank

PRODUCTS & PARTNERS

Health Assistance



Home Insurance



Life Insurance



Mobile Insurance



Credit Life



Non-GAAP Financial Measures; Forward-Looking Statements

This presentation 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. You can find the reconciliation of these non-GAAP measures to the most directly comparable GAAP measures for historical periods in our earnings release of November 11, 2021 available on our website: <https://investors.pageseguro.com>.

This presentation also 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. Forward-looking statements may include, but are not limited to, statements regarding our projected financial and operational results, medium-term outlook and future growth of our business, the impact and timing of products launches and acquisitions, and capital allocation. Our actual results could differ materially from those predicted or implied by 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 presentation. 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 presentation 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. We assume no obligation to update such 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.