

4Q20 RESULTS

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

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

All of the information included in this presentation is updated as of **December 31, 2020**. Except as may be required by applicable law, we assume no obligation to publicly update or revise our statements.

Non-GAAP Financial Measures

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

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

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

4Q20 / FY20: HIGHLIGHTS

PAGS

- Record 4Q20 TPV of **R\$ 55B**, growing **61% y/y**. Record FY20 TPV of **R\$ 162B** growing **41% y/y**
- 4Q20 **Online TPV** grew **147% y/y**. FY20 **Online TPV** grew **85%** (more than double vs consolidated TPV growth)
- 4Q20 **Active Merchants**¹ of **7.0M**, with a record **Net Addition** of **765K** (ex-MolP: **303K**). Record FY20 **Net Additions** of **1.8M** (ex-MolP: **1.3M**; FY19: **1.1M**)
- 4Q20 **Total Revenue and Income** of **R\$ 2.1B**, growing **33% y/y**. Record FY20 **Total Revenue and Income** of **R\$ 6.8B**, growing **19% y/y**
- 4Q20 **Net Take Rate**² of **2.30%** (**2.44%** ex-*Coronavouchers*), impacted by seasonality due to holidays seasons. FY20 **Net Take Rate** of **2.59%**, impacted by pandemic
- 4Q20 **Adjusted EBITDA**³ of **R\$ 726M**, up **24% y/y**. FY20 **Adjusted EBITDA**³ of **R\$ 2,238M**, up **8% y/y**
- Record 4Q20 **Non-GAAP Net Income**⁴ of **R\$ 430M**. **Net Margin**⁴ of **21%** (**30%** ex-ITC⁵). FY20 **Non-GAAP Net Income**⁴ of **R\$ 1.434M**, with a **Net Margin**⁴ of **21%** (**31%** ex-ITC⁵)
- FY20 **Adjusted Net Margin** (excluding PagBank investments and pandemic) was **30.0%**, **+2.6 p.p.** vs. FY19
- Hubs**: Entering in the profitable SMB market

PagBank

- Record 4Q20 **PagBank TPV (Non-Acquiring TPV)**⁶ of **R\$ 28B**, up **256% y/y**. FY20 **PagBank TPV** of **R\$ 71B** growing **245% y/y**
- All-time high **quarterly app downloads** more than **8.6M**⁷
- 4Q20 **PagBank Active Clients**⁸ of **7.9M**, up **187% y/y**, with **Net Addition** of **1.2M**. FY20 **Net Addition** of **5.1M**
- 4Q20 **Consumers** reached **2.7M**, a growth of **7x y/y**, representing **35%** of PagBank Active Clients
- 4Q20 **PagBank Revenue** of **R\$ 210M**, up **146% y/y**, representing **10%** of Total Revenue. Record FY20 **PagBank Revenue** of **R\$ 540M**, up **118% y/y**
- 4Q20 **PagBank Credit Portfolio** of **R\$ 612M**, with a credit originations back to pre-Covid levels. Launching of public payroll loans
- PagBank CDs** reached **R\$ 766M** in Dec-20
- New products**: 3rd party investment funds, Marketplace and Home Insurance
- M&A**: Acquisition of a minority stake of **Boletoflex** ("*Buy now Pay later*" service for online transactions)

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

2. Net Take Rate = (Net Revenue from Transaction Activities and Other Services + Financial Income - Transaction Costs) / Total Payment Volume. Excluding revenues and costs originated in the 4Q20 by membership fees booked in Net Transaction Activities and Other Services (R\$ 49.1M) and in Transaction Costs (R\$ 62.2M);

3. Adjusted EBITDA = GAAP Net Income + Income Tax and Social Contribution (IR) - Other Financial Income + Depreciation and Amortization + non-GAAP Total Expense adjustments. Please see the Supplemental Information for a reconciliation of this adjusted financial measure;

4. Non-GAAP numbers are a non-GAAP financial measure. Please see the Supplemental Information for a reconciliation of this non-GAAP financial measure to the most directly comparable GAAP financial measure;

5. ITC: Interchange, Card Scheme Fees and Processing Costs;

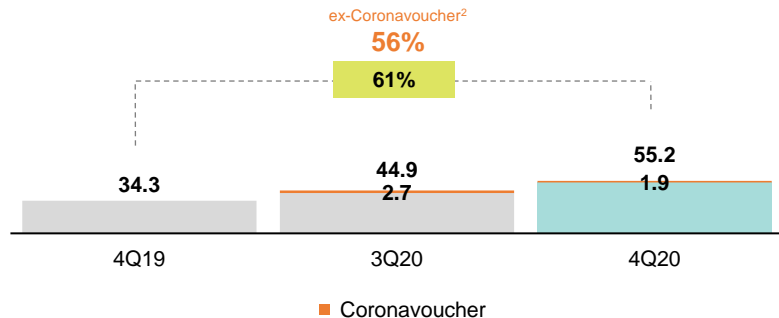
6. PagBank TPV: Includes prepaid card top-ups, cash cards spending, credit cards, mobile top-ups, wire transfers to different people, cash-in through boletos, bill payments, tax collections, P2P transactions, QR Code transactions, Loans, Super App and GMV;

7. Source: AppsFlyer;

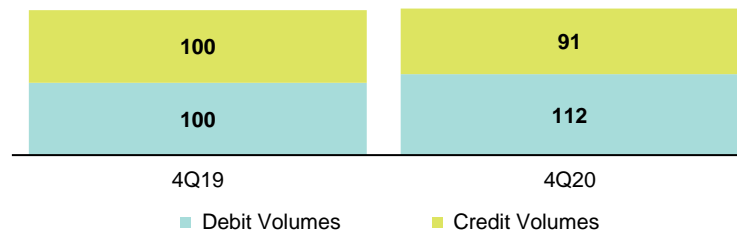
8. PagBank Active Users: Active merchants using one additional digital account feature/service beyond acquiring and consumers with a balance in their digital account on the last day of the month.

4Q20: TPV MIX STABILIZED; ALL-TIME HIGH NET ADDS

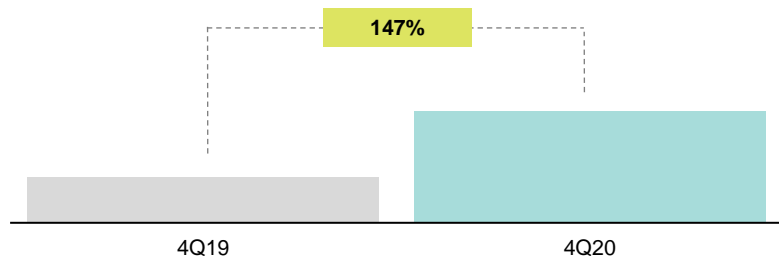
TPV¹
y/y growth | R\$ billions



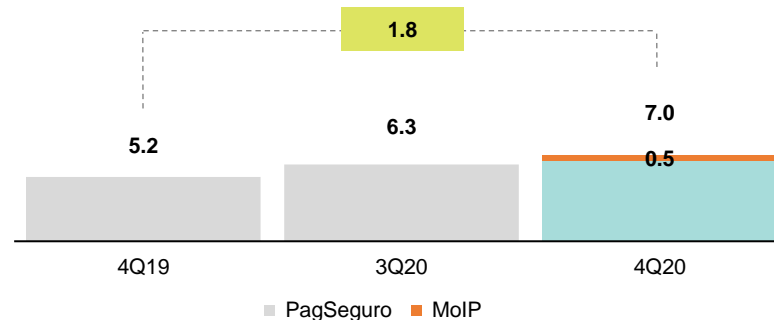
TPV¹ MIX
Indexed to 100 in 4Q19



ONLINE TPV
y/y growth



ACTIVE MERCHANTS³
y/y growth | millions

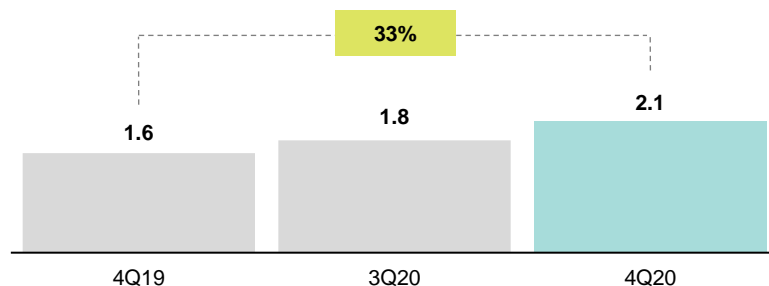


1. TPV: Total Payment Volume;
2. Coronavoucher: Brazilian Government Financial Aid offered to the most vulnerable inhabitants in Brazil given the outbreak of Covid-19. Considering payments using QR Code Elo;
3. Active Merchants: At least one transaction in the last twelve month.

4Q20: REVENUES UP MORE THAN 30%

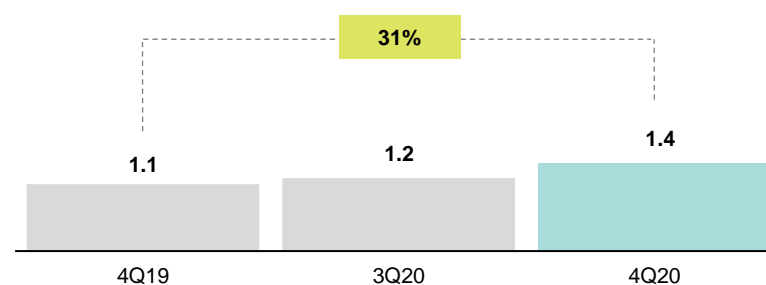
TOTAL REVENUE AND INCOME

y/y growth | R\$ billions



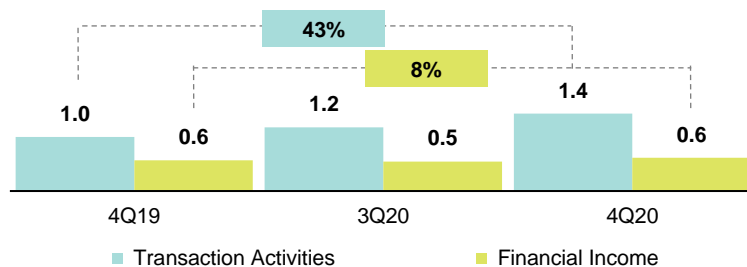
NET TOTAL REVENUE AND INCOME (EX-ITC¹)

y/y growth | R\$ billions



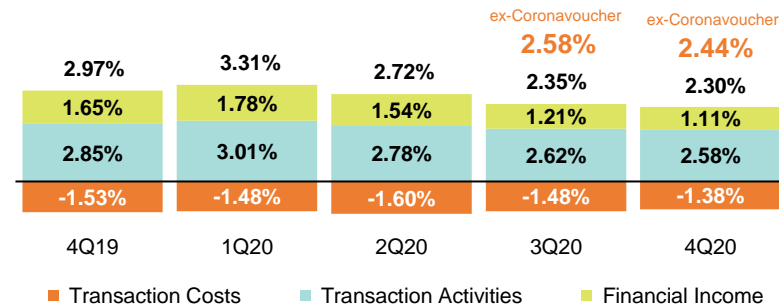
OPERATING REVENUE BREAKDOWN²

y/y growth | R\$ billions



NET TAKE RATE³

As a % of TPV



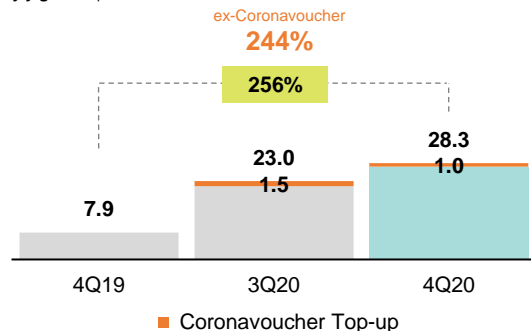
1. ITC: Interchange, Card Scheme Fees and Processing Costs;

2. Operating Revenue and Income = Net Revenue from Transaction Activities and Other Services + Financial Income. Excluding revenues originated in the 4Q19, 1Q20, 2Q20 and 3Q20 by membership fees booked in Transaction Activities and Other Services (4Q20: R\$ 49M; 3Q20: R\$ 37M; 4Q19: R\$ -9M);

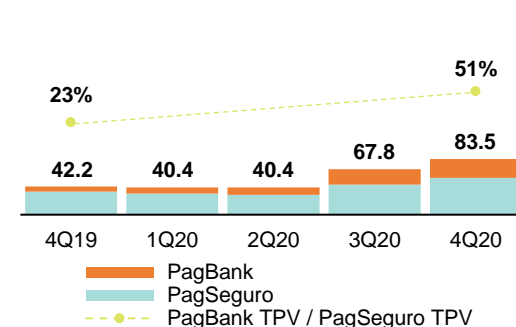
3. Net Take Rate = (Net Revenue from Transaction Activities and Other Services + Financial Income - Transaction Costs) / Total Payment Volume. Excluding revenues and costs originated in the 3Q19, 4Q19, 1Q20, 2Q20 and 3Q20 by membership fees booked in Net Transaction Activities and Other Services (4Q20: R\$ 49M; 3Q20: R\$ 37M; 1Q20: R\$ 14M; 4Q19: R\$ -9M) and in Transaction Costs (4Q20: R\$ 62M; 3Q20: R\$ 137M; 2Q20: R\$ 111M; 1Q20: R\$ 88M; 4Q19: R\$ 8M).

4Q20: PAGBANK TPV GREW 256% AND CLIENTS ~3X (Y/Y)

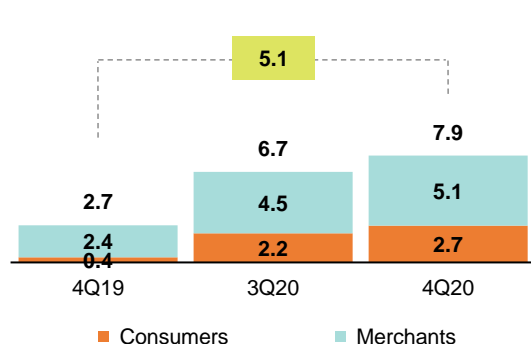
PAGBANK TPV¹ y/y growth | R\$ billions



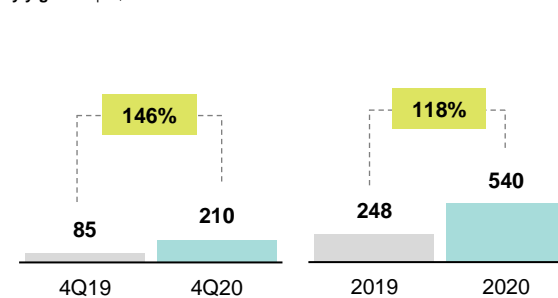
PAGBANK TPV¹ R\$ billions



PAGBANK CLIENTS² millions



PAGBANK REVENUES y/y growth | R\$ millions



PagInvest AuC (Assets under Custody)

R\$ 4.7B

New Products

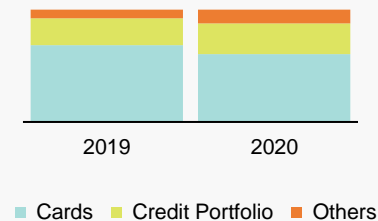
- **Crypto fund** distribution
- **Incentivized Debt fund** distribution
- **Brazilian treasury bonds** distribution
- **Home broker** platform

Insurance

New products

- **Home Insurance**
- **Personal Accident Insurance**

PagBank Revenue Breakdown

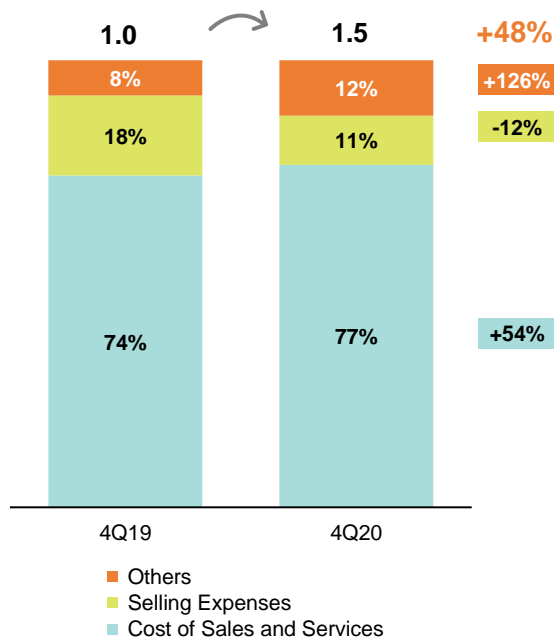


1. PagBank TPV: Includes prepaid card top-ups, cash cards spending, credit cards, mobile top-ups, wire transfers to different people, cash-in through boletos, bill payments, tax collections, P2P transactions, QR Code transactions, Loans, Super App and GMV;
2. PagBank Clients: Active merchants using one additional digital account feature/service beyond acquiring and consumers with a balance in their digital account on the last day of the month.

4Q20: COSTS AND EXPENSES AND IMPROVED RESULTS

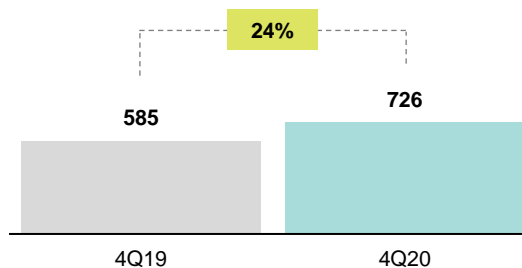
COSTS AND EXPENSES¹

y/y growth | R\$ billions



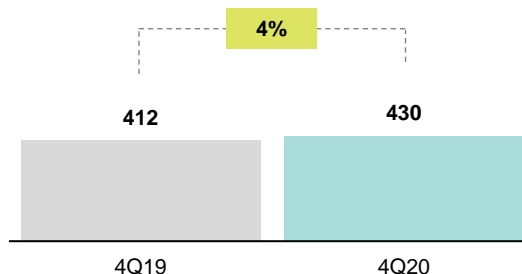
ADJUSTED EBITDA²

R\$ millions



NET INCOME³

Non-GAAP | R\$ millions



Sales and Services

Interchange and Card Scheme Fee: +37% y/y

- TPV mix change towards debit

Personnel: +78% y/y

- Expanding PagBank, PagInvest and Hubs teams

Depreciation and Amortization: +188% y/y

- Higher POS sales and IT squads expansion

Marketing: +40% y/y

- Expenses related mainly to PagBank

Selling Expenses

Chargebacks: 0.14% in 4Q20 (as a % of TPV)

- Decreasing -26% y/y

1. Non-GAAP Costs and Expenses exclude the stock-based compensation expenses. In the three months ended December 31, 2020 and 2019, the amounts of R\$74M and R\$30M, respectively, were mainly related to new shares issued to preexisting LTIP beneficiaries, as well as the recurrent quarterly provision and expenses related to shares vested in the period including the update of our stock price and appreciation of US, and R\$8M related to M&A expenses. Please see the Supplemental Information for a reconciliation of this non-GAAP financial measure to the most directly comparable GAAP financial measure.

2. Adjusted EBITDA = GAAP Net Income + Income Tax and Social Contribution (IR) - Other Financial Income + Depreciation and Amortization + non-GAAP Total Expenses adjustments. Please see the Supplemental Information for a reconciliation of this adjusted financial measure.

3. Non-GAAP Net Income is a non-GAAP financial measure. Please see the Supplemental Information for a reconciliation of this non-GAAP financial measure to the most directly comparable GAAP financial measure.

PAGS: +2.6 P.P. RECURRENT MARGIN IMPROVEMENT

2020 RESULTS

Main impacts in Net Income

1. +2.6 p.p. of Net Recurring Margin improvement

2. Pandemic

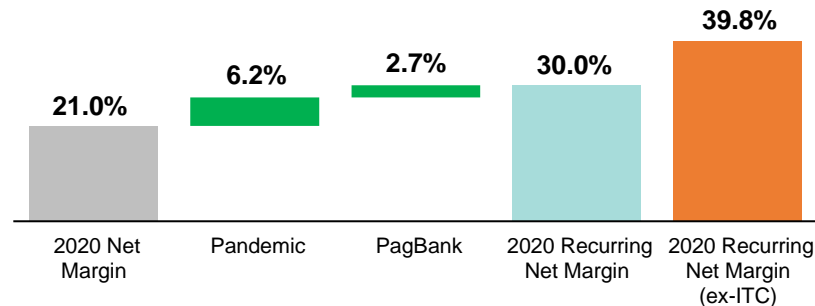
- a) TPV mix change, contributing to lower profitability
- b) Estimated Net Income impact in 2020: **R\$ 424M** | **+6.2 p.p.**

3. PagBank

- a) Upfront investments on product development, people, software and marketing to attract and engage users
- b) Net Income impact in 2020: **R\$ 187M** | **+2.7 p.p.**

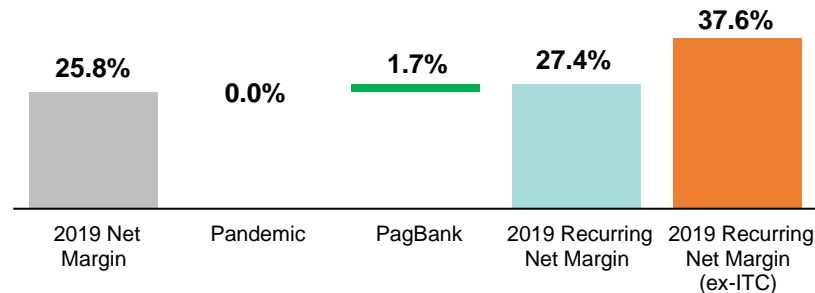
2020 NET MARGINS

Non-GAAP



2019 NET MARGINS

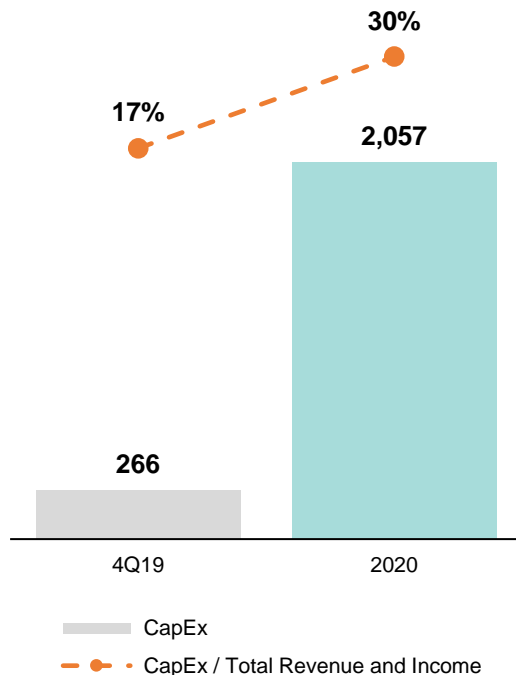
Non-GAAP



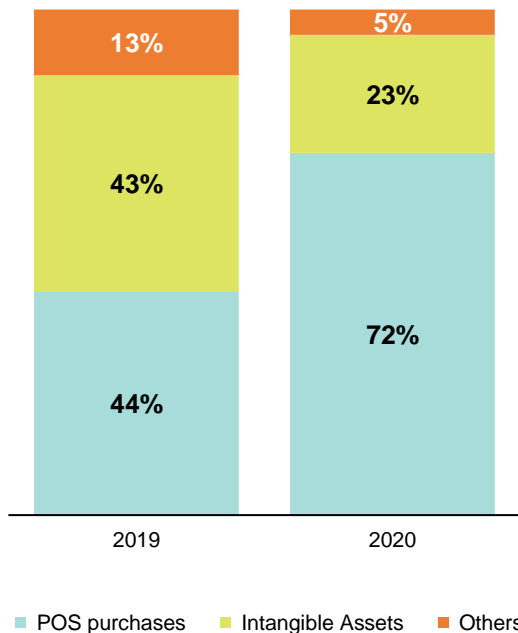
CAPITAL EXPENDITURES

CAPITAL EXPENDITURES

R\$ billions



CAPITAL EXPENDITURES BREAKDOWN²



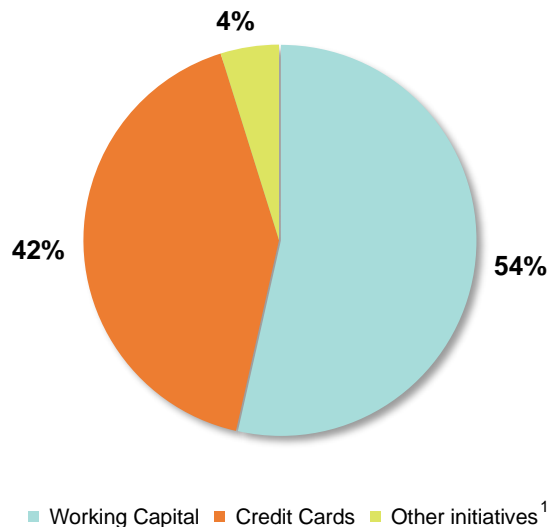
- Pandemic accelerated the **demand for additional POS** (+20% y/y) per active merchants adopting new sales channels (takeout and delivery)
- **Record of 1.8 net additions in 2020** (ex-MoIP: 1.3M; FY19: 1.1M)
- Accelerating hub strategy to **increase penetration in the SMBs**, being the unique acquirer to deliver same day POS activation
- R&D investments to accelerate product roadmap. **Thousands of engineers** (+100% y/y), working in **hundreds of squads**

CREDIT PERFORMANCE IMPROVING EVERY DAY

CREDIT PORTFOLIO¹

Dec-20 | As a % of Total Portfolio

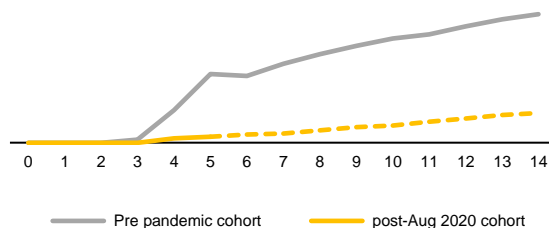
Total Credit Portfolio **R\$ 612**
millions



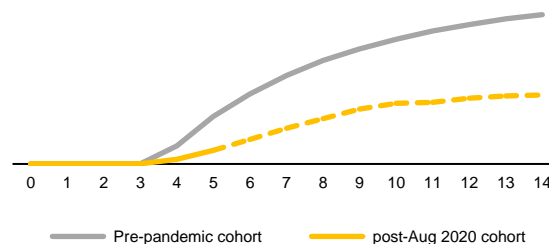
NPLS OVER 90 DAYS BY COHORTS

m/m

Working Capital Loans



Credit Cards



Working Capital Loans

Credit Portfolio

Dec-20

R\$ 330

millions

Average Ticket

2020

R\$ 4.1

thousands

CREDIT STRATEGY ROADMAP

Mar-18: Working Capital Loans launched

Nov-19: Credit Card launched

Mar-20: Credit Offers stopped

Apr to Jul-20: Products and Credit models improving

Aug-20: Credit Card for consumers with payroll portability

Aug-20: Credit Card collateralized by CDs for all clients

Nov-20: Credit Offers at the same level of pre pandemic

Dec-20: Public Payroll Loans launched

2021: Credit offers raise volume

2H21: Credit Card for consumers

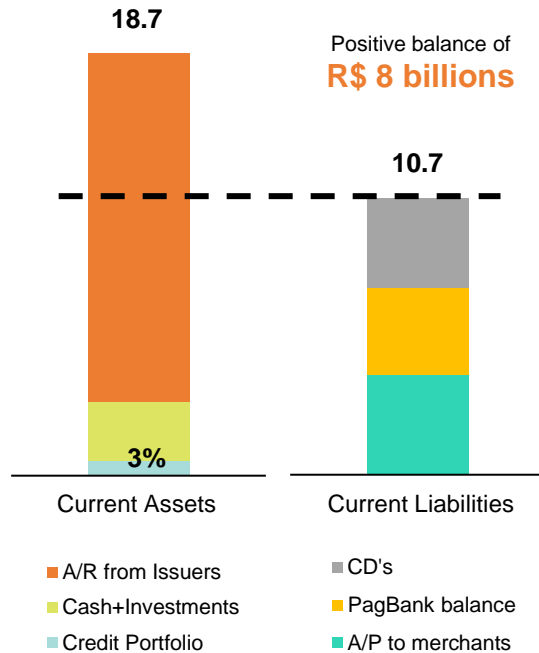
New products: Work in progress...

¹ Other Initiatives: Public and Private Payroll Loans.

SOLID B/S AND CREDIT PORTFOLIO 100% FUNDED BY 3RD PARTY

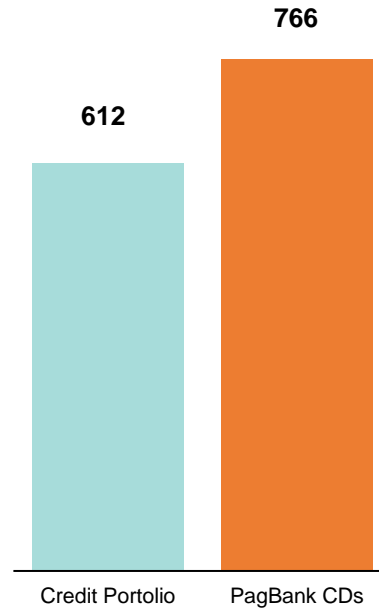
PAGS CASH POSITION

Dec-20 | R\$ billions



PAGBANK FUNDING AND CREDIT PORTFOLIO

Dec-20 | R\$ millions



- **Operating cash needs** funded by **bank issuers advances** and issuance of **PagBank CDs**
- **R\$ 8 billions** of **positive balance** between Assets and Liabilities
- **R\$ 16 billions** of **triple-A A/R** from card issuers
- **PagInvest** is the **main distributor** of **PagBank CDs**
- **Funding average cost** below Brazilian Interbank Rate (CDI)

HUBS: ENTERING THE PROFITABLE SMB MARKET

- SMBs **proved to be a profitable market**
- TPV Addressable Market: **R\$ 700 billions¹**
- Opportunity to **cross-sell PagBank services**: financial services, transactional account, credit cards, lending, etc...
- PagBank has the **most complete banking platform to serve SMB's**
- SMB's have been inquiring **PAGS to serve them**
- PAGS has been running **pilot hubs throughout 2020**
- **Hybrid model**: physical presence combined with online/self-service
- **2020: PAGS Hubs TPV was not relevant (building up throughout 2020)**
- 2021 expect to accelerate and explore this market, reaching 250 to 300 hubs and **6% to 11%** of total PAGS TPV



Environment

Eliminating paper consumption

- > **60%** of our POS active base do not have receipt printer¹
- Fostering **printless payments solutions**, such as:
 - Near Field Communication (NFC)
 - QR Code
 - Link of Payment
 - Online checkouts/gateways

Preserving the environment

- **LED lights** adoption
- **Solid waste**: disposal and recycling initiatives
- **VRV technology** in air conditioners

2021/2022 Environment goals

- Implementing efficient and rational process of water usage
- Studying potential energy source diversification via **solar panels**
- **Rainwater reuse** for irrigation of green areas
- Preparing **gas emission inventory**

Social

Democratizing the financial services access

- **80%** of PAGES's active merchants **did not accept cards or electronic payments** before subscribe our services²
- **40%** of our Active Merchants became **formal workers** after subscribing our services
- **More than 50%** of PAGES's clients are **women**²
- **Largest % of the TPV** was generated by individual entrepreneurs (from younger entrepreneurs to senior clients, above 50 years old that use PAGES as a tool to complement their retirement income)

Fostering gender and ethnicity equality

- Workforce share of **black, brown and indian** increased **8 p.p.** in the last years
- Promotion of **gender pay equality**
- Gender diverse Board of Directors, composed by **43% of women (3 of 7)**

Supporting our community during the pandemic

- More than **R\$ 30 millions** in donations
- Virtual concert to **raise funds** to buy **masks** and **hand sanitizers** to **UNICEF**

Governance

Board of Directors and Committees

- Complied to **Sarbanes Oxley** since 2020
- **43%** of **independent Directors**
- **Governance foundations**
 - Fairness
 - Transparency
 - Accountability
 - Corporate governance
 - Corporate Responsibility
- **Committees**
 - Audit
 - Data governance
 - Products
 - Credit, risk and liquidity
 - Corporate Governance
 - Information security
 - Financing

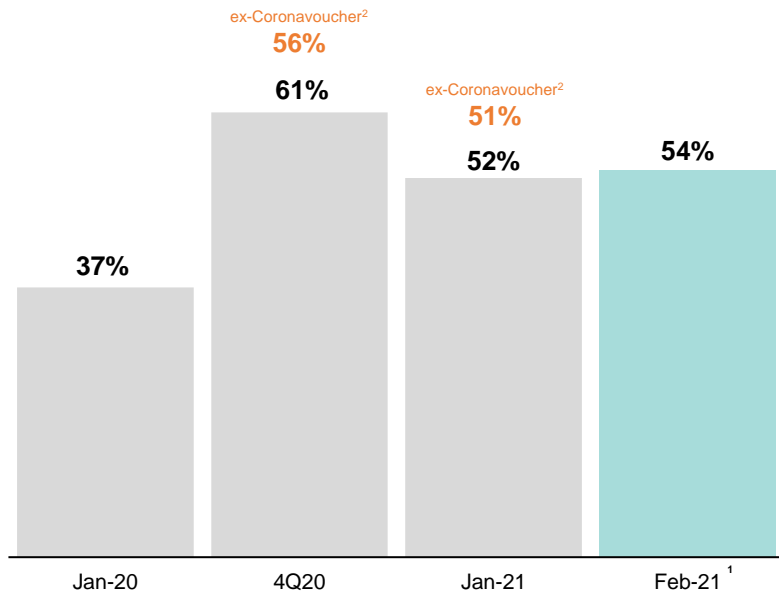
Workforce and Data Security

- Employees complied with AML policies: **100%**
- Data Security team count with **employees certified by ISC²**
- **Ombudsman: 100%** of the complaints solved since 2017

1Q21 TPV TRENDS AND 2021 GUIDANCE

TPV TRENDS IN 1Q21

y/y growth



2021 GUIDANCE

KPI

Acquiring TPV growth

> 40%

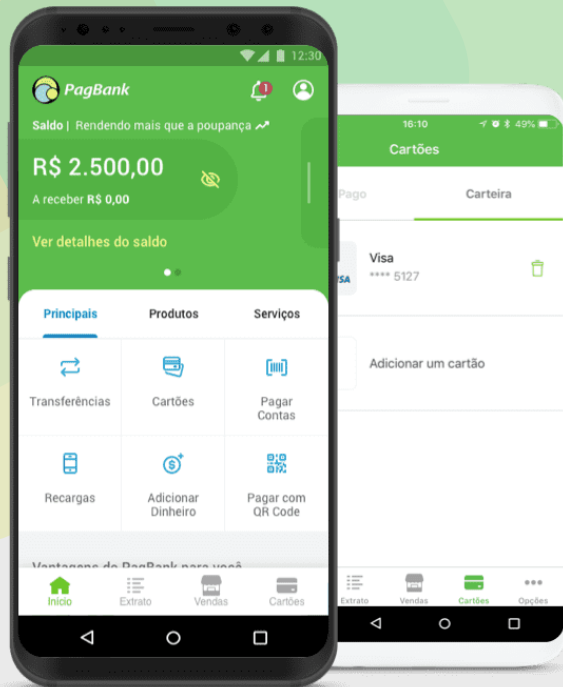
Capital Expenditures

R\$ 2,000M

Depreciation & Amortization

R\$ 800M to R\$ 1,000M

1. As of February 20, 2021.



4Q20 RESULTS

Supplemental Information

4Q20: SUPPLEMENTAL INFORMATION

Reconciliation of GAAP measures to Adjusted EBITDA measure

R\$ million	4Q20	4Q19
Net Income	375.6	391.9
(+) Income Tax and Social Contribution	138.3	142.0
(+) Depreciation and Amortization	133.8	46.1
(-) Other Financial Income	(3.9)	(25.1)
(-) Non-GAAP Total Expenses adjustments ¹	82.4	29.8
Adjusted EBITDA	726.2	584.7

1. Non-GAAP Total Expenses excludes: Stock-based compensation expenses in the total amount of R\$ 82M (4T19: R\$ 30M), consisting of expenses for equity awards under our LTIP. We exclude stock-based compensation expenses from our non-GAAP measures primarily because they are non-cash expenses and the related employer payroll taxes depend on our stock price and the timing and size of exercises and vesting of the equity awards, over which management has limited to no control, and as such management does not believe these expenses correlate to the operation of our business. The total of stock-based compensation expenses is allocated mainly between Cost of sales and services, Selling expenses and Administrative expenses. Excluding the stock-based compensation expenses, Cost of Sales and Services in the amount of R\$ 1,153M (4T19: R\$ 747M) is adjusted by R\$ 10M (4T19: R\$ 4M) resulting in non-GAAP Cost of Sales and Services of R\$ 1,143M (4T19: R\$ 743M); Selling Expenses in the amount of R\$ 166M (4T19: R\$ 187M) is adjusted by R\$ 1M, resulting in non-GAAP Selling Expenses of R\$ 165M (4T19: R\$ 187M); and Administrative Expenses in the amount of R\$ 187M (4T19: R\$ 91M) is adjusted by R\$ 63M (4T19: R\$ 26M) and is additionally adjusted by R\$ 8M of M&A expenses resulting in non-GAAP Administrative expenses of R\$ 115M (4T19: R\$ 65M).

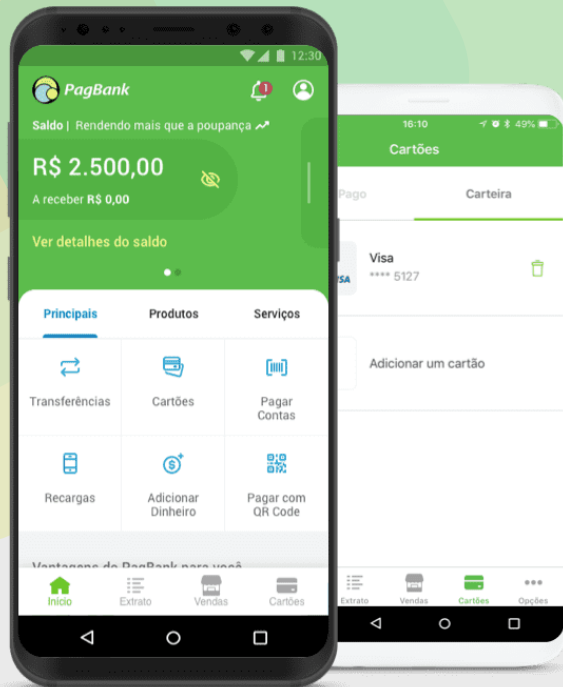
4Q20: SUPPLEMENTAL INFORMATION

Reconciliation of GAAP measures to Non-GAAP measures

R\$ million	4Q20	4Q19
Net Income	375.6	391.9
Share-based long-term incentive plan (LTIP) ¹	(74.2)	(29.8)
M&A Expenses	(8.2)	-
Non-GAAP Total Expenses adjustments	(82.4)	(29.8)
Income Tax and Social Contribution on non-GAAP adjustments ²	28.0	10.1
non-GAAP Net Income adjustments	54.4	19.7
Non-GAAP Net Income	430.0	411.6

1. Share-based long-term incentive plan (LTIP): Stock-based compensation expenses and related employer payroll taxes. This consists of expenses for equity awards under our long-term incentive plan (LTIP). We exclude stock-based compensation expenses from our non-GAAP measures primarily because they are non-cash expenses and the related employer payroll taxes depend on our stock price and the timing and size of exercises and vesting of equity awards, over which management has limited to no control, and as such management does not believe these expenses correlate to the operation of our business. In the three months ended December 31, 2020 and 2019, the amounts of R\$74M and R\$30M, respectively, were mainly related to new shares issued to preexisting LTIP beneficiaries, as well as the recurrent quarterly provision and expenses related to shares vested in the period including the update of our stock price and appreciation of US\$.

2. Income tax and social contribution on non-GAAP adjustment: In the three months ended December 31, 2020 and 2019, the amounts of R\$28M and R\$10M, respectively, consist of income tax at the rate of 34% calculated on the non-GAAP adjustments.



INVESTOR RELATIONS

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