



2Q21 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 **June 30, 2021**. Except as may be required by applicable law, we assume no obligation to publicly update or revise our statements.

Non-GAAP Financial Measures

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

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

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

2Q21 Business Update



Operating & Financial Results

- Record **Total Revenue** of **R\$ 2.4B**, growing **75% y/y**
- All-time high **Consolidated TPV**¹ of **R\$ 102B**, growing **154% y/y**
- Adjusted EBITDA**² of **R\$ 629M**, up **64% y/y**
- Non-GAAP Net Income**³ of **R\$ 345M**, up **12% y/y**
- CapEx per Sales**⁴ decreasing from 25% in 2Q20 to **17% in 2Q21**



- PagBank Revenues** of **182.1M**, growing **89% y/y**
- Record **PagBank TPV**⁵ of **R\$ 46B**, up **341% y/y**
- PagBank Active Users**⁶ of **11.2M**, with a record **Net Addition** of **2.1M**
- Deposits** of **R\$ 4.9B**, **PagBank CDs** reaching **R\$ 1.8B** and **Total Credit Portfolio** of **R\$ 1.1B** in Jun-21
- New products:** **Cell Phone Insurance**, **exclusive PagBank Investment Fund**, **Brz Treasury Bonds distribution** and **Overdraft Loans**



- Record **Total Revenue**⁷ of **R\$ 2.2B**, up **77% y/y**
- Record **Acquiring TPV** of **R\$ 56B**, growing **89% y/y**
- Hubs TPV** grew **404% y/y** and **Online TPV** grew **104% y/y**
- Active Merchants**⁸ of **7.6M**, **1.8M** more merchants vs. 2Q20
- Adjusted EBITDA**⁹ of **R\$ 730M**, up **58% y/y**

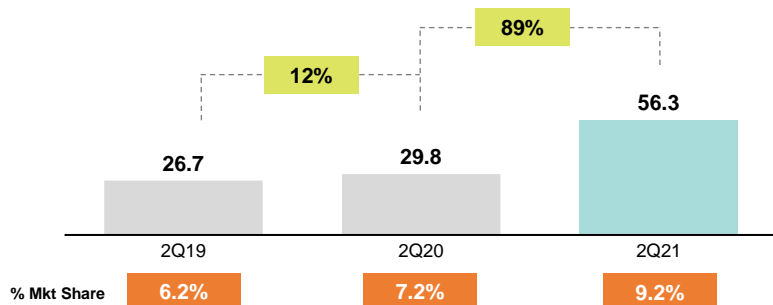
1. Consolidated TPV: Acquiring TPV + PagBank TPV; where PagBank TPV includes prepaid card top-ups, cash cards spending, credit cards, mobile top-ups, wire transfers to different people, cash-in through boletos, bill payments, tax collections, P2P transactions, QR Code transactions, Loans, Super App and GMV;
2. Adjusted EBITDA: GAAP Net Income + Income Tax and Social Contribution (IR) + Depreciation and Amortization + non-GAAP Total Expenses adjustments + ex-Tax Provision Reversal (2Q20: R\$84.3M). Please see the Supplemental Information for a reconciliation of this adjusted financial measure;
3. Non-GAAP numbers: 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;
4. Sales: PAGS Total Net Revenues;
5. 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;
6. PagBank Active Users: Active clients 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;
7. Excluding Other Financial Income (2Q21: R\$34.9M; 2Q20: R\$41.7M);
8. Active Merchants: At least one transaction in the last twelve months;
9. Excluding Tax Provision Reversal (2Q20: R\$84.3M).

Acquiring business **beating records...**



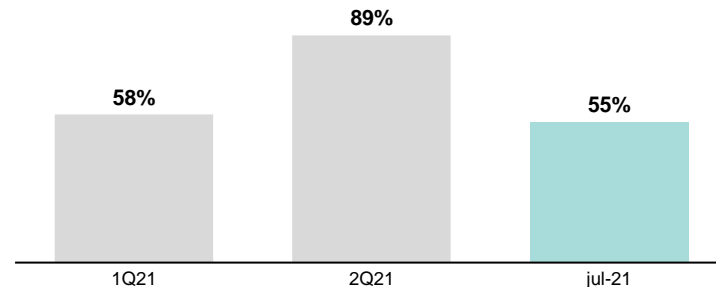
ACCELERATING TPV GROWTH

y/y growth | R\$ billion



TPV GROWTH TRENDS

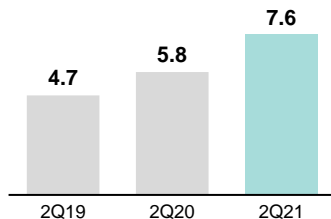
y/y growth



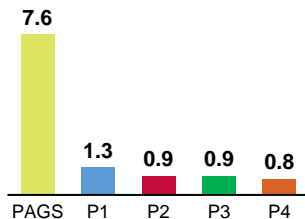
LARGEST ACTIVE MERCHANTS¹ BASE AMONG BRZ PLAYERS

PagSeguro + MolP

Active Merchants
million

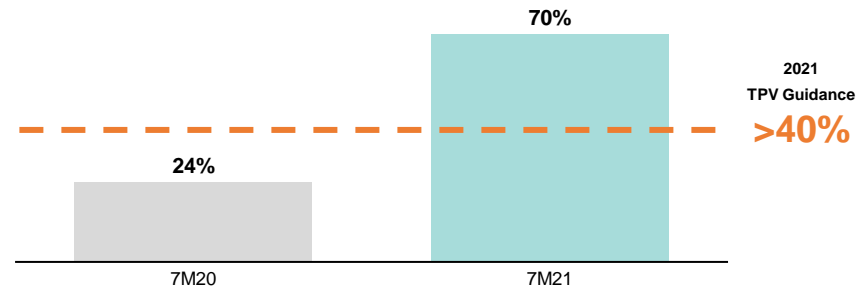


Brz Market Share² | Active Merchants
million



YTD TPV GROWTH AHEAD OF GUIDANCE

y/y growth



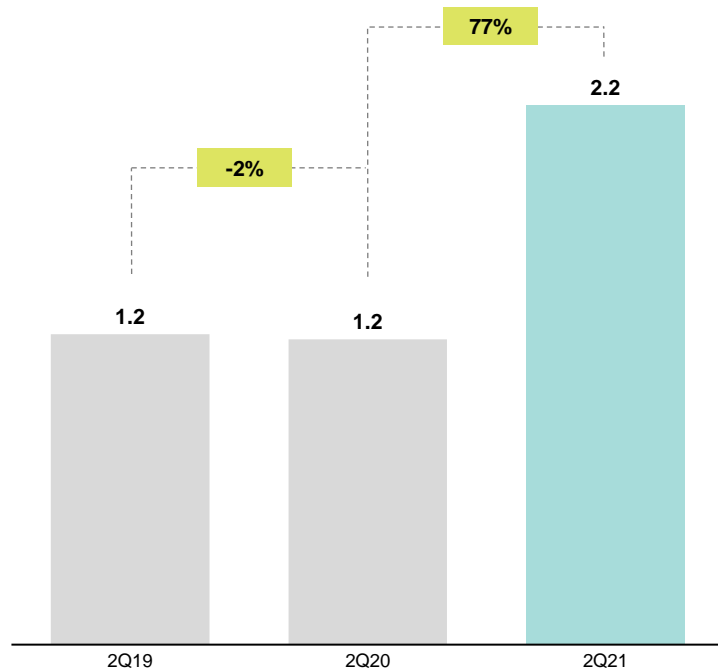
1. Active Merchants: At least one transaction in the last twelve months;
2. Brz Market Share: Based on the most updated public information available on peers IR Website and according to their activation metrics.

...with revenue growth of 77% y/y...



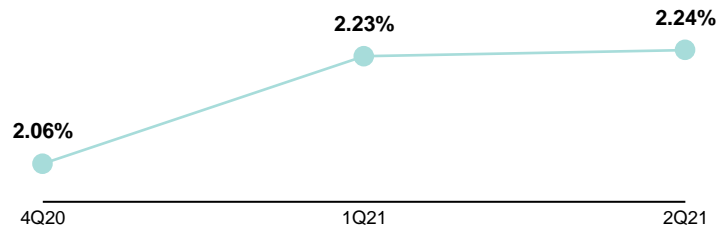
ACCELERATING TOTAL ACQUIRING REVENUES¹

y/y growth | R\$ billion



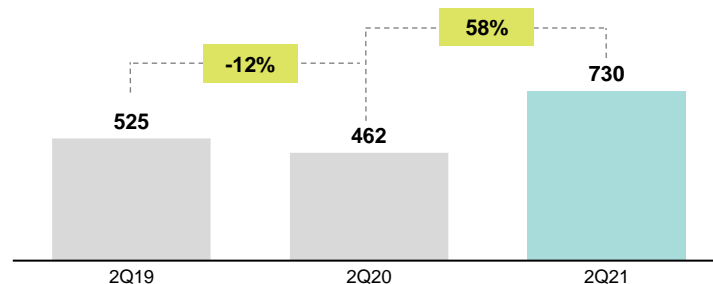
STABLE NET TAKE RATE²

As a % of Acquiring TPV



ADJUSTED EBITDA³ GROWTH

y/y growth | R\$ million



1. Excluding Other Financial Income (2Q21: R\$34.9M; 2Q20: R\$41.7M);

2. Acquiring Net Take Rate: Excluding PagBank Revenues (2Q21: R\$ 182M; 1Q21: R\$ 149M; 4Q20: R\$ 210M) and Transaction Costs (2Q21: R\$ 70M; 1Q21: R\$ 59M; 4Q20: R\$ 73M);

3 Adjusted EBITDA: GAAP Net Income + Income Tax and Social Contribution (IR) - Other Financial Income + Depreciation and Amortization + non-GAAP Total Expenses adjustments + ex-Tax Provision Reversal (2Q20: R\$84.3M) . Please see the Supplemental Information for a reconciliation of this adjusted financial measure.

...with strong execution in HUBs...



HUBS OPERATION EVOLUTION

- Hubs TPV grew **404% y/y**, outpacing estimates for 2021
- Faster deployment of **HUBs** to reach **83% of Brazilian GDP** in Dec-21
- TPV per Merchant is **4x to 5x larger** than longtail
- **Software subscribers** of **801k** in 2Q21, **11%** of PAGS' active merchants

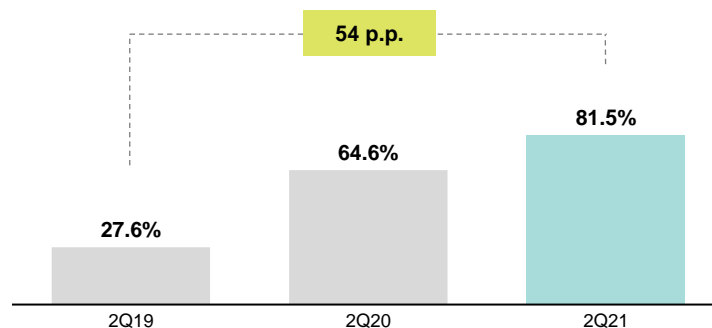


BANKING IS A COMPETITIVE ADVANTAGE

- **Banking services** leveraging **acquiring businesses**
- **Complete ecosystem** closing the loop, **connecting merchants and consumers**

PAGS HEAVY USERS¹

As a % of Active Merchants



¹. Heavy Users: PAGS merchants that are actively using payments and digital banking within the last 12 months.

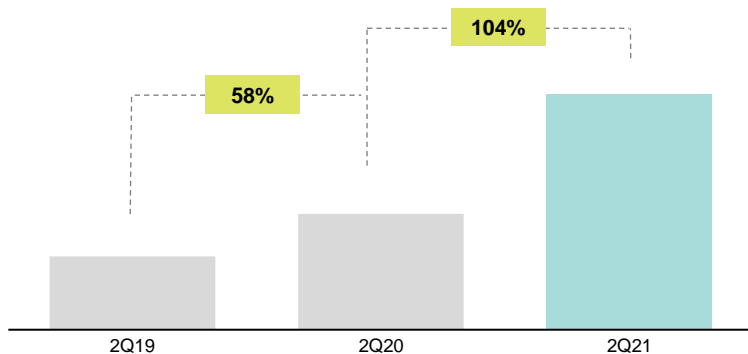
...and increasing **online TPV** and **omnichannel volumes**!



ONLINE VOLUMES GAINING TRACTION

- **Online volumes** up **104% y/y** driven by web checkouts, CBT and link of payments
- **Omnichannel volumes** doubled their share vs 1Q20 (pre-pandemic)

Online TPV
y/y growth



ONLINE AND OFFLINE INTEGRATED

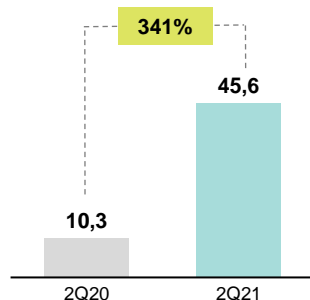
- **MOIP** is delivering an **integrated online transactions experience**
- Best **approval rate** in the market: **99%**
- **Split Payment**: customizable options for **e-commerce, marketplaces and buy and take in the store operation**

Record net addition and revenues growing 89% in PagBank...

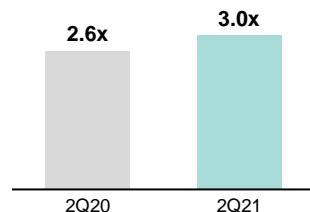


PAGBANK TPV¹

y/y growth | R\$ billion

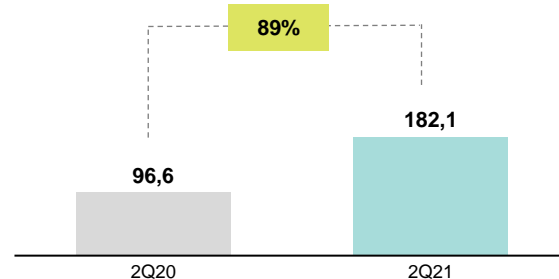


Product per User



PAGBANK REVENUES

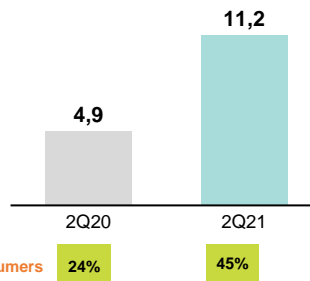
R\$ million



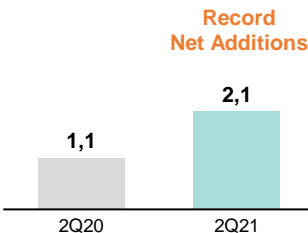
PAGBANK USERS

million

Active Users²

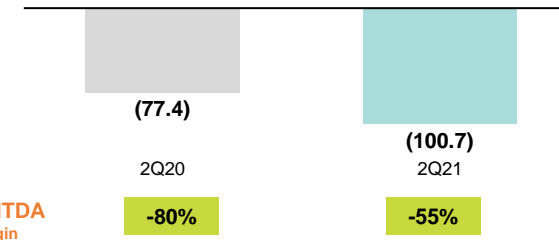


Net Adds



ADJUSTED EBITDA

R\$ million



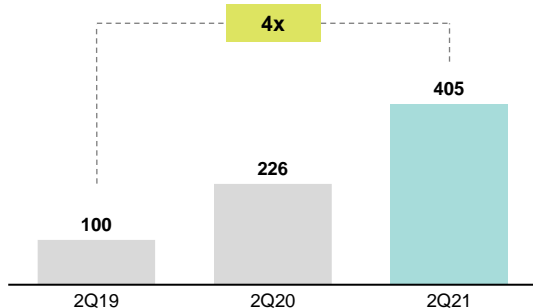
1. PagBank TPV: Includes prepaid card top-ups, cash cards spending, credit cards, mobile top-ups, wire transfers to different people, cash-in through boletos, bill payments, tax collections, P2P transactions, QR Code transactions, Loans, Super App and Virtual Shopping GMV;
2. PagBank Active Users: Active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

...supported by increasing engagement...

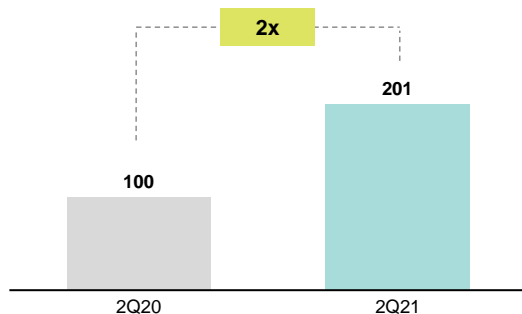


PAGBANK CARDS

ACTIVE CARDS¹
Indexed to 100

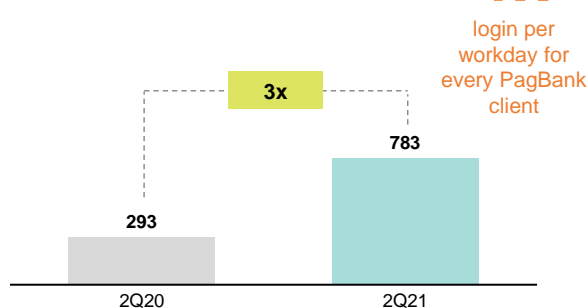


CARDS SPENDING
Indexed to 100

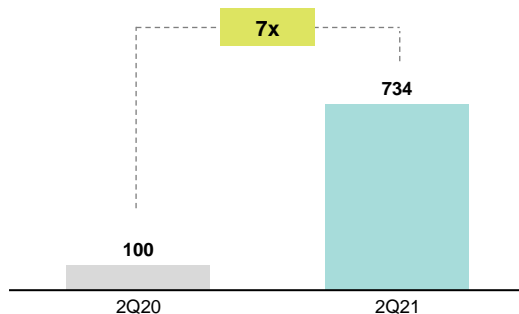


DAY TO DAY BANKING

PAGBANK APP LOGINS
million

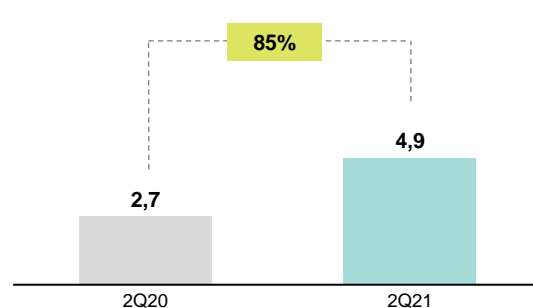


PAYROLL PORTABILITY
Indexed to 100



PAGINVEST

ASSETS UNDER CUSTODY
y/y growth | R\$ billion



PAGINVEST NUMBERS
since July 2020

647k
Registered
clients

~50
Investment
funds

1. Active Cards: At least one transaction in the last 90 days.

Solid balance sheet and better NPL90 despite the pandemic

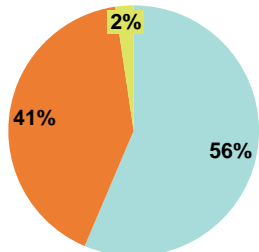


CREDIT PORTFOLIO

Jun-21

Total Credit Portfolio

1.1
R\$ billion

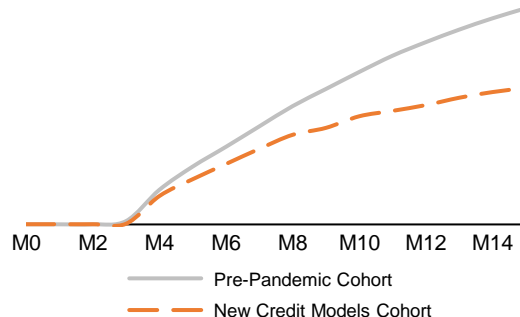


Working Capital Credit Cards Other initiatives

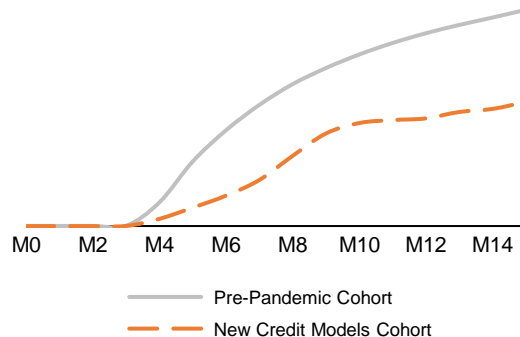
NPLS OVER 90 DAYS BY COHORTS

m/m

Working Capital Loans

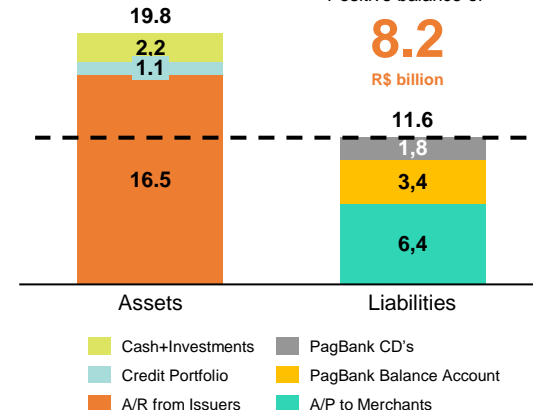


Credit Cards



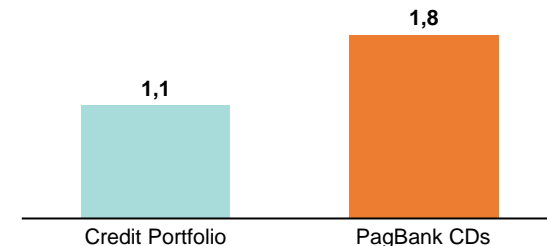
PAGS CASH POSITION

Jun-21 | R\$ billion



PAGBANK FUNDING AND CREDIT PORTFOLIO

Jun-21 | R\$ billion

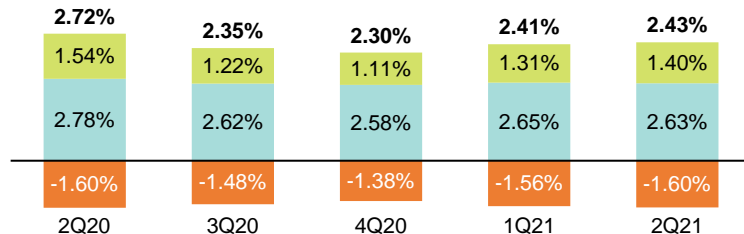


2Q21 Solid Results



STABLE CONSOLIDATED NET TAKE RATE¹

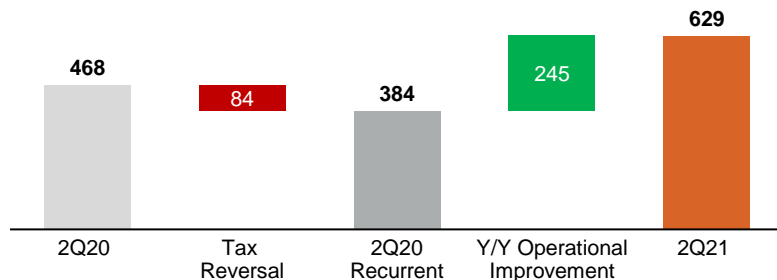
As a % of Acquiring TPV



Financial Income
Transaction Costs
Transaction Activities

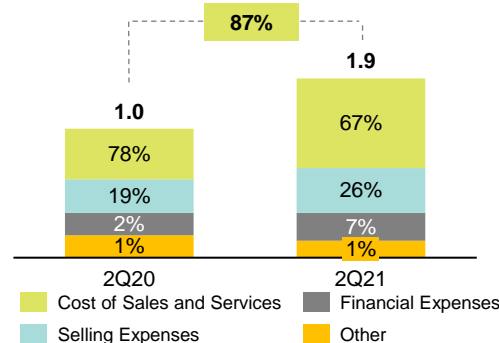
ADJUSTED EBITDA³ BRIDGE

R\$ million



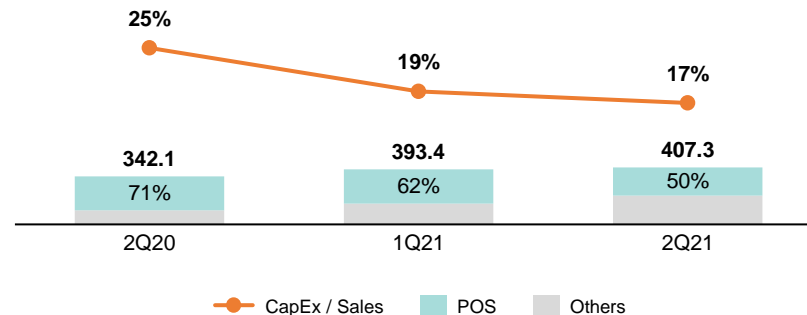
NON-GAAP TOTAL COSTS AND EXPENSES²

y/y growth | R\$ billion



CAPEX / SALES

R\$ million



Cost of Sales and Services: +63% y/y

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

Selling Expenses: +227% y/y

- Personal expenses due to PagBank and HUBS
- Marketing campaign investments

Financial Expenses: +649% y/y

- TPV Mix increasing working capital volumes
- Increase in the Brazilian Basic Interest Rate
- Exchange Rate impact

¹ Net Take Rate = (Net Revenue from Transaction Activities and Other Services + Financial Income - Transaction Costs) / Acquiring Total Payment Volume. Excluding revenues and costs originated in the 2Q21 by membership fees booked in Net Transaction Activities and Other Services (R\$64.8M) and in Transaction Costs (R\$ 65.3M);
² Non-GAAP numbers are a non-GAAP financial measure. Please see the Supplemental Information for a reconciliation of this non-GAAP financial measure to the most directly comparable GAAP financial measure;
³ Adjusted EBITDA: GAAP Net Income + Income Tax and Social Contribution (IR) - Other Financial Income + Depreciation and Amortization + non-GAAP Total Expenses adjustments + ex-Tax Provision Reversal (2Q20: R\$84.3M). Please see the Supplemental Information for a reconciliation of this adjusted financial measure.



2021
Initial Guidance

2021
Guidance Review

ACQUIRING TPV

> 40%

>45%

CAPEX

R\$ 2.0B

~R\$ 1.8B

D&A

R\$ 0.8B – R\$ 1.0B

NO UPDATE



2Q21

Supplemental Information

2Q21 Supplemental Information

Reconciliation of GAAP measures to Adjusted EBITDA measure



R\$ million	2Q21	2Q20
Net Income	272.1	296.3
(+) Income Tax and Social Contribution	66.0	116.1
(+) Depreciation and Amortization	181.5	81.4
(-) Other Financial Income	(34.9)	(47.8)
(+) FX Expenses	36.1	6.1
(+) M&A Expenses	2.0	-
(+) LTIP Expenses ¹	105.8	16.1
Adjusted EBITDA	628.6	468.2
(-) Non-Recurrent Tax Reversal ²	-	(84.3)
Recurrent Adjusted EBITDA	628.6	383.9

1. LTIP Expenses: Stock-based compensation expenses in the total amount of R\$ 106M (2Q20: R\$ 16M), 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.

2. Non-Recurrent Tax Reversal: tax provision reversal on 2Q20 amounted to R\$ 84M.

2Q21 Supplemental Information

Reconciliation of GAAP measures to Non-GAAP measures



R\$ million	2Q21	2Q20
Net Income	272.1	296.3
Share-based long-term incentive plan (LTIP) ¹	105.8	16.1
M&A expenses ²	4.8	-
Income tax on LTIP and M&A adjustments ³	(37.6)	(5.5)
Non-GAAP Net Income adjustments	73.0	10.6
Non-GAAP Net Income	345.1	307.0

1. **Share-based long-term incentive plan (LTIP):** Stock-based compensation expenses and related employer payroll taxes. This consists of expenses for equity awards under our long-term incentive plan (LTIP). We exclude stock-based compensation expenses from our non-GAAP measures primarily because they are non-cash expenses and the related employer payroll taxes depend on our stock price and the timing and size of exercises and vesting of equity awards, over which management has limited to no control, and as such management does not believe these expenses correlate to the operation of our business. In the three months ended June 30, 2021 and 2020, the amounts of R\$ 106M and R\$ 16M, respectively, were mainly related to new shares issued to preexisting LTIP beneficiaries, as well as the recurrent quarterly provision and expenses related to shares vested in the period including the update of our stock price and appreciation of US\$.

2. **M&A expenses:** related to expenses for external consulting, accounting and legal services in connection with due diligence and negotiating M&A documentation for our acquisitions, and for the amortization of the fair value of the acquired assets in the amount of R\$ 3M and write-downs of the fair value of certain acquired assets amounting to R\$ 2M in the three months ended June 30, 2021.

3. **Income tax and social contribution on LTIP and M&A adjustments:** In the three months ended June 30, 2021 and 2020, the amounts of R\$ 37.6M and R\$ 5.5M, respectively, consist of income tax at the rate of 34% calculated on the non-GAAP adjustments.



2Q21

Investor Relations