

LatAm Innovation & Disruption Conference

Scotiabank

March 30, 2022



PAGS

LISTED

NYSE

Main messages

PagBank PagSeguro

1. **Profitability remained resilient** with **unbeatable underlying fundamentals**, despite a tough 2021
2. **PagSeguro captured 45% of Payment's profit pool**, although investing R\$0.3B in PagBank in 2021
3. **Ongoing repricing**, take rates up at least +15bps in 1Q22 vs. 4Q21 with **price increase** fully implemented in Apr-22
4. **Complete banking** for merchants and consumers to address the **banking profit pool** (30x larger than Payments)
5. **Positive outlook for 2022**, growing volumes and keeping profitability while we pave the road for PagBank monetization

Net Income R\$ 1.8B (excluding PagBank's investments)

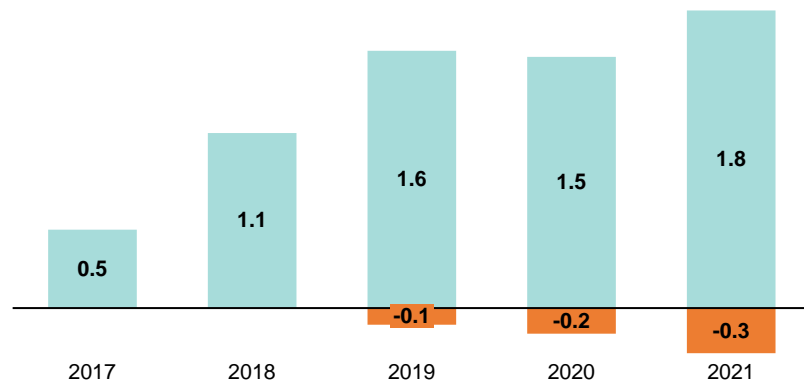
Resilient profitability; moving towards a huge banking profit opportunity (+30x Payments' opportunity)

Net Income

R\$ Billion | Recurring

PagSeguro

PagBank

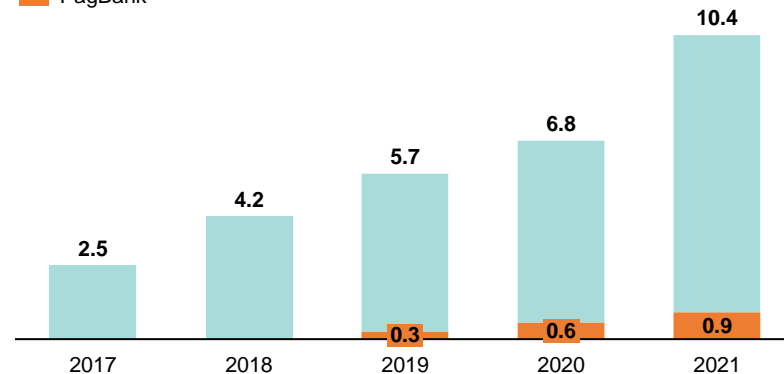


Total Revenue and Income

R\$ Billion | Recurring

PagSeguro

PagBank



PagBank TAM

2021 Net Income GAAP

R\$120B

Banking
Profit Opportunity
(TOP15 Banks)

+30x

Payments
Opportunity

TPV Market
Share

2.8%

4.9%

6.2%

8.0%

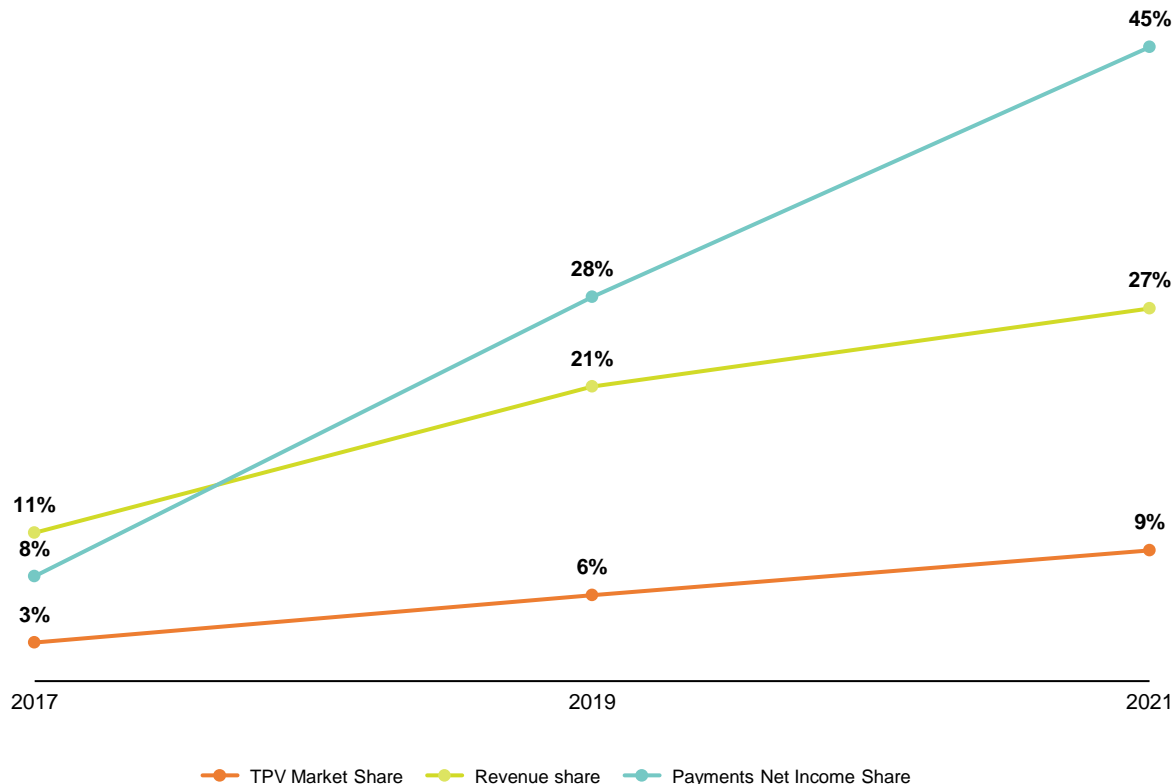
9.5%

1. Excluding PagBank revenues.

PagSeguro reached 45% of the industry's profits in 2021

Considering Brazilian Payments Industry: PAGES, Cielo Brasil, Rede, Getnet and Stone

PAGS' Market Share



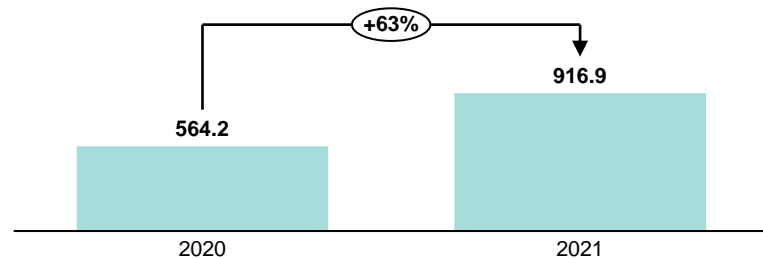
Net Income Non-GAAP	2021	%
R\$ Billion		
PAGS	1,818	45%
Rede	837	21%
Cielo Brasil	688	17%
Getnet	481	12%
Stone	203	5%
Total	4,028	100%

PagBank: Revenue growth of +63% y/y in 2021

Net Interest Income grew 142% y/y; Gross Profit grew 20% y/y

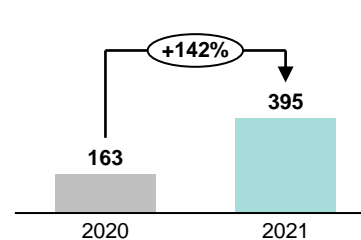
Total Revenue

R\$ Million | y/y growth



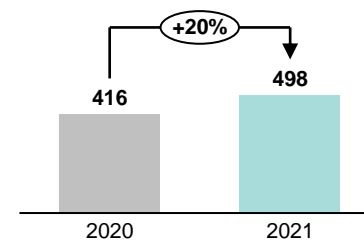
Net Interest Income

R\$ Million | y/y growth



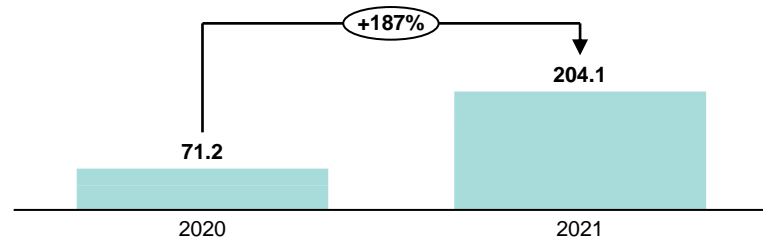
Gross Profit

R\$ Million | y/y growth



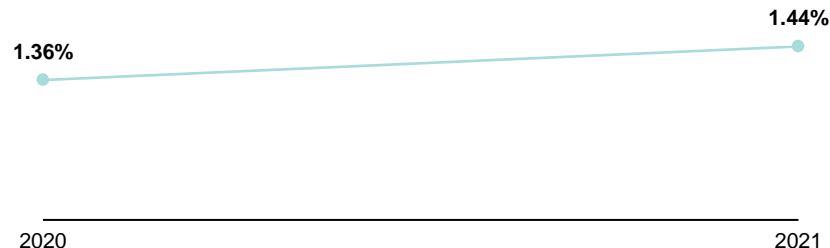
PagBank TPV

R\$ Billion | y/y growth



Net Take Rate

% of Monetizable TPV

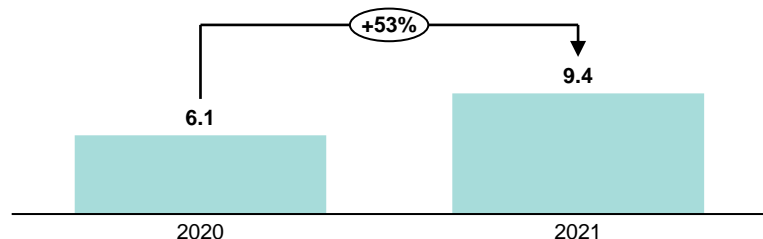


PagSeguro: Highest 2021 revenue and TPV growth in the market¹

Revenue growth of +53% y/y and TPV growth of +60% y/y

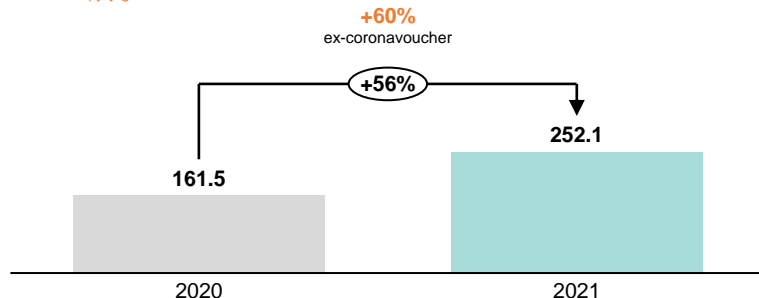
Total Revenue²

R\$ Billion | y/y growth



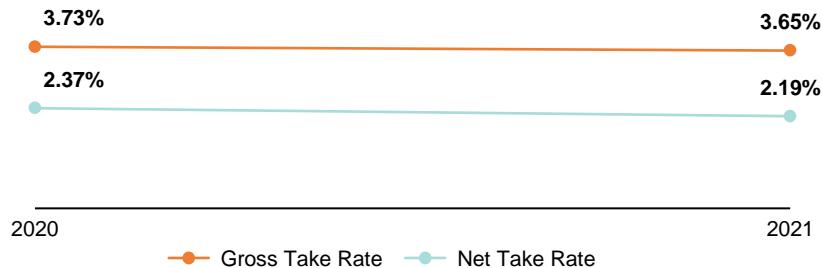
PagSeguro TPV

R\$ Billion | y/y growth



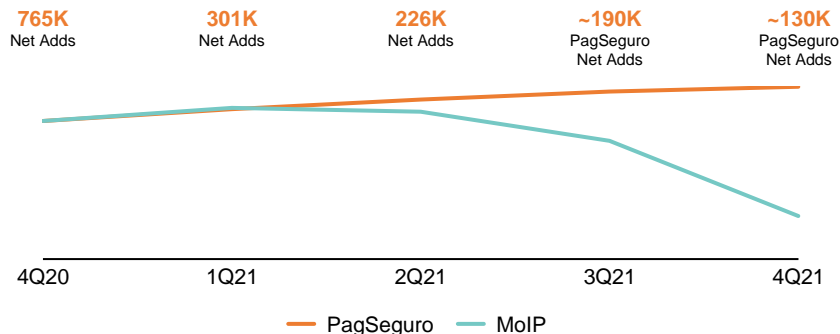
Take Rate³

% of PagSeguro TPV



Active Merchants

Index to 100



1. Revenue growth: PAGS: 53% y/y; STNE (ex-Link): 29% y/y; GETNET: 20% y/y; CIELO BRASIL: 8% y/y and REDE: 4% y/y; TPV growth: PAGS: 56% y/y; STNE: 31% y/y; GETNET 49% y/y; CIELO BRASIL: 11% y/y and REDE: 22% y/y;

2. Excluding Other Financial Income;

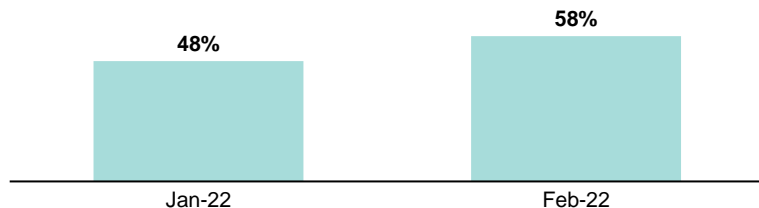
3. Excluding revenues and costs originated by membership fees booked in Net Transaction Activities and Other Services (2021: R\$ 252M; 2020: R\$ 128M) and in Transaction Costs (2021: R\$ 300M; 2020: R\$ 399M).

1Q22 and 2022 Outlook

The best balance between growth and profitability

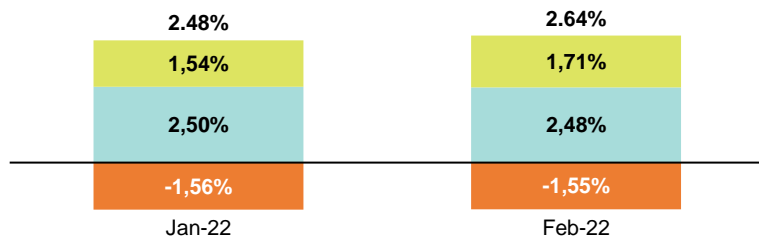
PagSeguro TPV

y/y growth



Net Take Rate

% of PagSeguro TPV



Financial Income Transaction Activities Transaction Costs

1Q22 Outlook

Growth:

- Total Revenue: **R\$3.3B** to **R\$3.4B**, **+60% y/y** to **+64% y/y**
- PagSeguro TPV: **R\$79B** to **R\$81B**, **+58% y/y** to **+62% y/y**
- PagBank Revenue: **R\$240M** to **R\$260M**, **+60% y/y** to **+73% y/y**

Profitability:

- Non-GAAP Net Income: **R\$360M** and **R\$370M**

2022 Outlook

- **Price increase fully executed** in Apr-22. **Repricing will be examined** (if necessary, implemented) on regular basis as SELIC continues to rise
- PAGS will continue to **invest in PagBank in 2022** and we anticipate **better credit portfolio performance**
- Expected **operational leverage** in **Marketing, SG&A and Chargebacks**