

4Q23 & 2023 Earnings Release

São Paulo, March 27th, 2024 – **LPS Brasil** (B3: LPSB3), a company offering integrated solutions for intermediation, consultancy and promotion of real estate financing in Brazil, today announces its results for the year 2023. Financial and operational information are presented on a consolidated basis in accordance with accounting practices adopted in Brazil and management data from LPS Brasil – Consultoria de Imóveis SA and its subsidiaries.

2023 – HIGHLIGHTS

Total transactions closed: R\$ 11 billion | **+12%** vs. 2022

The own operations segment reached R\$ 4.6 billion in GSV. Rede Lopes reached a GSV of R\$ 6.4 billion, a growth of 21% when compared to 2022.

CrediPronto Average Portfolio Balance: R\$ 15.3 billion | **+8%** vs. 2022

Origination of new contracts impacted by funding restrictions in real estate credit, given the scarcity of SBPE (savings) across the market.

Costs and Expenses: R\$ 122 million | **-18%** vs. 2022

Indicator demonstrates the Company's successful project of the year in seeking greater operational efficiency.

EBITDA: 60.1 million | **+31%** vs. 2022

The EBITDA Margin close the year in 33%, 950 bps above 2022.

Controlling Net Income Before IFRS: R\$ 24.7 million | **+136%** vs. 2022

Considering IFRS, the accumulated controlling net profit reached R\$23.5 million, an increase of 96% compared to the previous year.

Cash Generate from Operations: R\$ 51.7 million | **+232%** vs. 2022

The Cash and Cash Equivalents balance at the end of 2023 was 40% higher than the final balance of 2022, ending the year at R\$31.3 million. Considering financial investments, the final balance is R\$ 67.9 million. The Company also has 10.3 million shares in treasury.

Conference Call

Thursday, March 28th, 2024 at 11:00 (EST) • Webcast: [Register here](#)

Investors Relation Team

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Message from the Management

Lopes began 2023 focused on improving its operational efficiency, with the aim of maintaining a structure adapted to possible variations in the market in which it operates. Interest rates remained high, but during the year they began their downward trend; Funding for real estate financing has become scarcer than in 2022, a fact that generated a reduction, although already foreseen, in the origination of CrediPronto financing contracts. Therefore, with the Company having achieved a high level of efficiency, through the optimization of costs and expenses necessary to maintain sales operations and good performance of Rede Lopes, the financial results demonstrated profitability in all operating segments.

The Company intermediated R\$11 billion in PSV in 2023 (an increase of 12% compared to 2022) and participated in the launches of 170 projects, which totaled a PSV of R\$24.1 billion (a decrease of 5% compared to the previous year).

We ended 2023 with a presence in all Brazilian states and the Federal District, through 17 company-owned stores and 177 franchised stores in Rede Lopes. At the same time that the Company brought new franchises into the operation, it also carried out a contribution margin assessment based on existing franchises, a fact that made the number of members of Rede Lopes remain stable.

CrediPronto reached R\$15.3 billion in average portfolio balance at the end of 2023, growth of 8% in the period compared to 2022. The operation presented R\$2.8 billion in financed volume in the year and represented 5.8 % of market share, among private banks (according to data released by ABECIP). The average trading fee was 11.0% on 2023 contracts.

Finally, with the successful operational efficiency adopted in the Company, we highlight the cash generation that the Company obtained in 2023. The Company's cash and cash equivalents line ended the year at R\$31.3 million, 40% above of the final cash flow of 2022, which represents a cash generation of R\$8.9 million in the period. From this result, it is worth highlighting the operating cash generation in the period, which reached R\$51.7 million in 2023, a growth of 232% compared to 2022.

Operating and Financing Highlights

[R\$ thousand, except percentages, units and brokers]	4Q22	4Q23	Var. %	2022	2023	Var. %
Transactions Closed	2,460,870	3,209,982	30%	9,861,192	1,103,848	12%
Transactions Closed of Own Operations	1,081,687	1,305,631	21%	4,564,721	4,618,897	1,2%
Transactions Closed of Franchises	1,379,182	1,904,351	38%	5,296,471	6,419,591	21%
Net Commission Fee – Brazil ¹	2.080%	2.1%	2 bps	2.110%	2.070%	+7 bps
Net Revenue	49,442	48,493	-2%	194,985	182,153	-7%
EBITDA	6,871	13,225	92%	45,831	60,148	31%
EBITDA Margin	13.90%	27.30%	1338 bps	23.5%	33.%	951.6 bps
Net Income attributable to Controlling shareholders ex-IFRS*	(379)	2,212	684%	10,464	24,713	136%
Net Margin	-0.77%	4.56%	533 bps	5.37%	13.6%	820.0 bps
Net Income attributable to Controlling shareholders after IFRS	(4,171)	(3,602)	14%	11,961	23,490	96%
Net Margin after IFRS	-8.44%	-7.43%	100.8 bps	6.13%	12.9%	676.2 bps
Units Sold	3,356	4,232	26%	13,813	14,824	7%
Agents	14,793	13,101	-11%	14,793	13,101	-11%

1. Net rate considering primary and secondary markets.

*We consider Net Income adjusted by non cash IFRS 3 effects (Business Combination) the most accurate net income indicator.

4Q23 – Results by segment

4Q23 Results Before IFRS by Segment

(R\$ thousand)	Brokerage	Franchise	CrediPronto	Consolidated
Gross Service Revenue	28,889	9,899	14,751	53,539
Revenue from Services Rendered	25,264	9,899	5,048	40,211
Revenue to Accrue from Itaú Operations	3,625	-	-	3,625
Profit Sharing	-	-	9,703	9,703 A
Net Operating Revenue	26,035	9,324	13,134	48,493
(-) Costs and Expenses	(13,361)	(4,095)	(4,244)	(21,700)
(-) Shared Services	(9,923)	-	(3,686)	(13,610)
(-) Stock Option Expenses CPC10	(599)	-	-	(599)
(-) Expenses to Accrue from Itaú	(238)	-	-	(238)
(+/-) Equity Equivalence	373	-	507	880
(=) EBITDA	2,285	5,229	5,711	13,225
EBITDA Margin	8.780%	56.10%	43.5%	27.30%
(-) Depreciation and amortization	(4,148)	(27)	-	(4,175)
(+/-) Financial Result	1,342	183	-	1,525
(-) Income tax and social contribution	(1,016)	(1,214)	(2,540)	(4,770)
(=) Net income before IFRS	(1,538)	4,172	3,171	5,805
Net Margin before IFRS	-5.91%	44.7%	24.1%	12.0%
(-) Non-controlling Shareholders				(3,593)
(=) Net Income Attributable to Controlling Shareholders				2,212
Net Margin Controlling Shareholders				4.560%

*We consider the net income adjusted by non cash IFRS 3 effects (Business Combination) the best net income indicator.

A Recognition of Lopes' participation in CrediPronto's profit-sharing for the months of September/23, October/23 and November/23 respecting the contractual deadlines for calculation and receipt.

2023 – Results by segment

2023 Results Before IFRS by Segment

(R\$ thousand)	Brokerage	Franchise	CrediPronto	Consolidated
Gross Service Revenue	108,409	29,462	62,881	200,753
Revenue from Services Rendered	93,909	29,462	29,451	152,822
Revenue to Accrue from Itaú Operations	14,500	-	-	14,500
Profit Sharing	-	-	33,430	33,430 A
Net Operating Revenue	97,984	27,783	56,386	182,153
(-) Costs and Expenses	(51,951)	(11,783)	(23,947)	(87,681)
(-) Shared Services	(24,273)	-	(10,575)	(34,847)
(-) Stock Option Expenses CPC10	(2,689)	-	-	(2,689)
(-) Expenses to Accrue from Itaú	(953)	-	-	(953)
(+/-) Equity Equivalence	1,260	-	2,906	4,166
(=) EBITDA	19,377	16,000	24,771	60,148
EBITDA Margin	19.8%	57.6%	43.9%	33.0%
(-) Depreciation and amortization	(14,601)	(154)	-	(14,755)
(+/-) Financial Result	4,678	473	(0)	5,151
(-) Income tax and social contribution	(4,551)	(3,697)	(5,753)	(14,001)
(=) Net income before IFRS	4,904	12,621	19,018	36,543
Net Margin before IFRS	5.0%	45.4%	33.7%	20.1%
(-) Non-controlling Shareholders				(11,830)
(=) Net Income Attributable to Controlling Shareholders				24,713
Net Margin Controlling Shareholders				13.6%

*We consider the net income adjusted by non cash IFRS 3 effects (Business Combination) the best net income indicator.

A Recognition of Lopes' participation in CrediPronto's profit-sharing for the months of December/22 to November/23 respecting the contractual deadlines for calculation and receipt.

Operating Performance

1. Transactions Closed - Own Operations - 4Q23

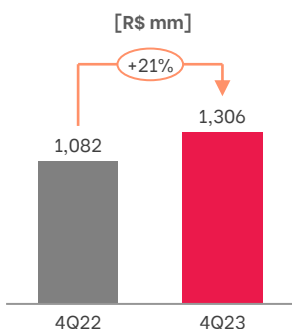
a. Transaction Closed

The total transactions closed by Own Operations in 4Q23 was R\$ 1.3 billion, an increase of 21% in relation to the same period of the previous year.

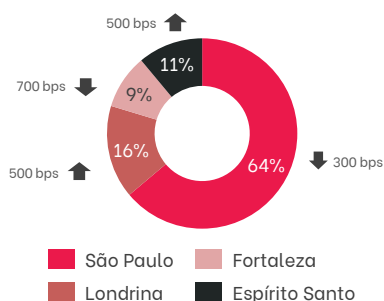
The state of São Paulo is the Company's main market, corresponding to 64% of the total GSV by own operations. The operations of Londrina, Fortaleza and Espírito Santo represented, respectively, 16%, 9% and 11%.

Analyzing from the perspective of price range, a concentration in high-end units can be noted (starting from R\$ 750 thousand), representing 59% of the intermediated GSV, stable when compared to the same period of the previous year. In this scenario, the average ticket for properties brokered reached R\$ 735 thousand.

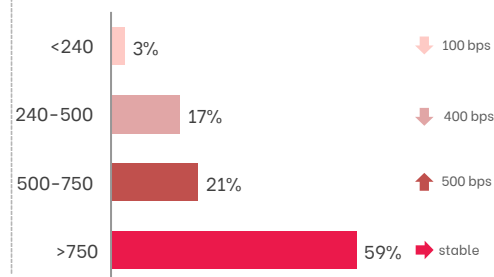
Transactions Closed



By Region [%]



By Price Range [%]

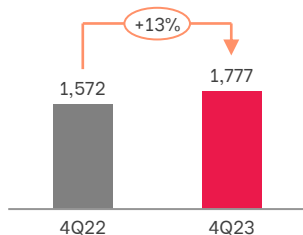


b. Units

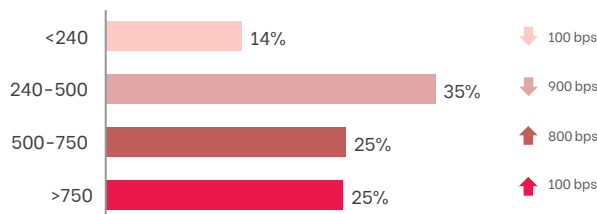
The Company intermediated 1,777 units in 4Q23, an increase of 13% compared to 4Q22.

The State of São Paulo concentrated 73% of the units sold in the quarter, with 525 units in the RMSP and countryside regions and 768 units in the capital. Londrina, Fortaleza and Espírito Santo intermediated, respectively, 237, 187 and 60 units.

Units



Units By Price Range



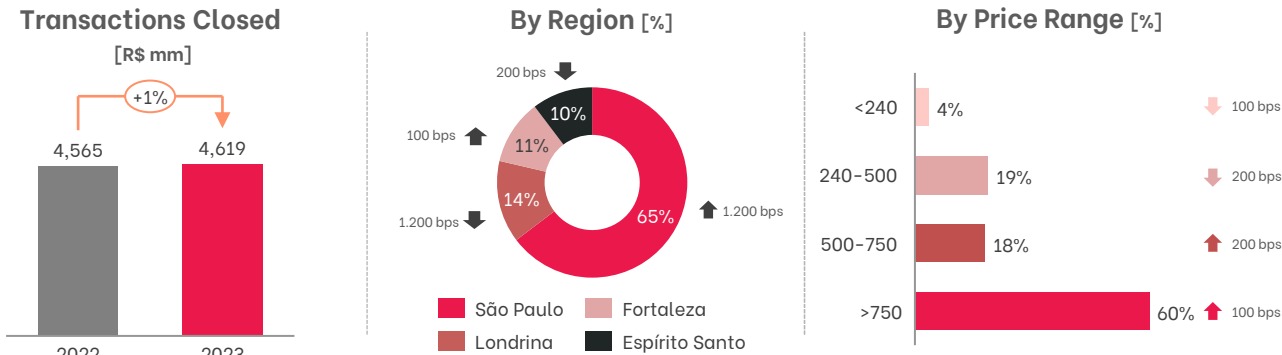
2. Transaction Closed – Own Operations – 2023

a. Transaction Closed

The total transactions closed by Own Operations in 2023 was R\$ 4.6 billion, in line in relation to the previous year.

The state of São Paulo is the Company’s main market, corresponding to 65% of the total GSV by own operations. The operations of Londrina, Fortaleza and Espírito Santo represented, respectively, 14%, 11% and 10%.

Analyzing from the perspective of price range, a concentration in high-end units can be noted (starting from R\$ 750 thousand), representing 60% of the intermediated GSV, stable when compared to the same period of the previous year. In this scenario, the average ticket for properties brokered reached R\$ 717 thousand.



b. Units

The Company intermediated 6,443 units in 2023, a decrease of 5% compared to 2022.

The State of São Paulo concentrated 75% of the units sold in 2023, with 1.776 units in the RMSP and countryside regions and 3.081 units in the capital. Londrina, Fortaleza and Espírito Santo intermediated, respectively, 770, 589 and 227 units.



3. Transaction Closed – 4Q23 & 2023 Rede Lopes

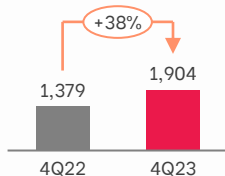
a. Transactions closed

The transactions closed by franchises totaled R\$ 1.9 billion in 4Q23 and R\$ 6.4 billion in 2023, an increase of 38% in the quarter and 21% in the year.

At the same time that the Company brought new franchises into the operation, a contribution margin assessment was also carried out on the basis of existing franchises, a fact that made the number of members of Rede Lopes remain stable, in relation to the previous year, ending 2023 with 177 stores, present in 25 states and the DF.

Analyzing the distribution by region in 2023, Rio de Janeiro and São Paulo concentrated the largest portion of the GSV generated, representing 50% and 33% of the business carried out.

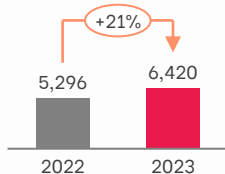
Transactions Closed 4Q23 [R\$ mm]



Considers franchises in operation and adaptation (grace period)

	4Q22	4Q23	Var. (%)
Transactions Closed	R\$ 1.379 billion	R\$ 1.904 billion	+38%
Avg Royalty	0.52%	0.52%	Stable
Royalty Revenue	R\$ 7.2 million	R\$ 9.9 million	+ 38%

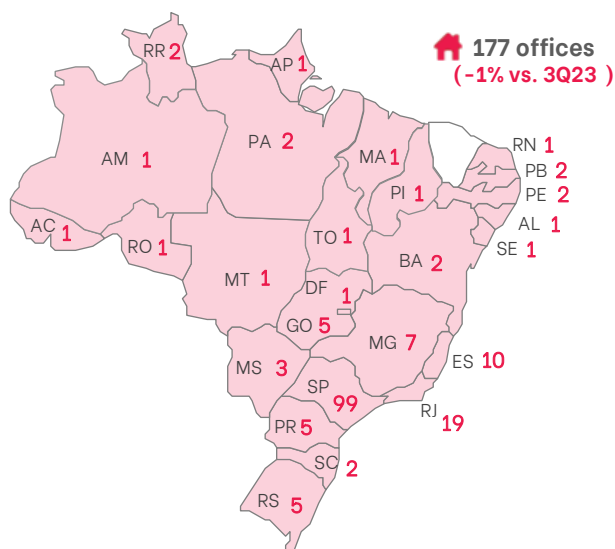
Transactions Closed 2023 [R\$ mm]



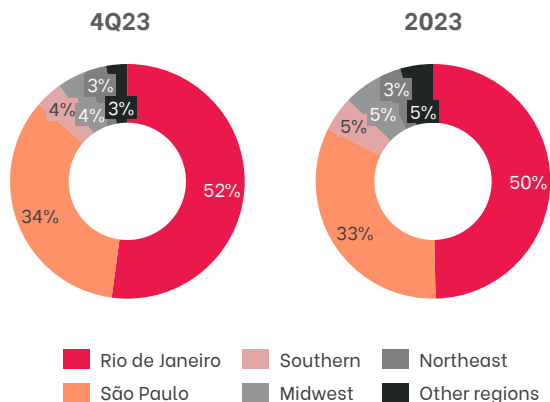
Considers franchises in operation and adaptation (grace period)

	2022	2023	Var. (%)
Transactions Closed	R\$ 5.296 billion	R\$ 6.420 billion	+21%
Avg Royalty	0.51%	0.46%	- 5 bps
Royalty Revenue	R\$ 27.2 million	R\$ 29.5 million	+ 8%

b. Segmentation by region



Transactions Closed By Region



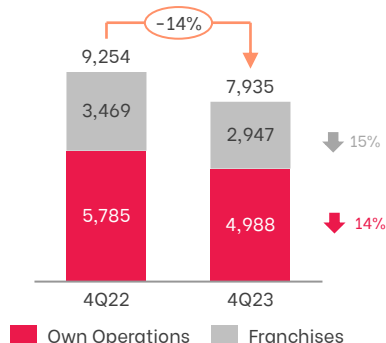
3. Launches

Lopes was present in 57 projects in the 4Q23, being 41 projects launched by own operations and 16 by franchises. The number of units launched was 8,666 in the quarter, being 6,084 units by own operations and 2,582 units being launched by franchises. In 2023, own operations participated in the launch of 18 thousand units, divided into 114 projects, while franchises participated in 56 projects that had 9,613 units.

The charts below show the distribution of launches in the 4Q23 and in 2023. The average ticket was R\$ 981 thousand in the quarter, an increase of 39% compared to the average ticket observed in the 4Q22. In 2023, the average ticket was R\$ 909 thousand, 41% higher than 2022, which average ticket was R\$ 644 thousand.

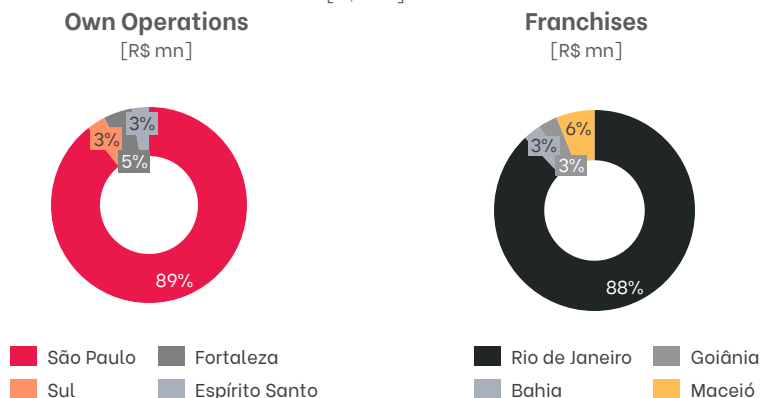
Launches 4Q23

[R\$ mn]



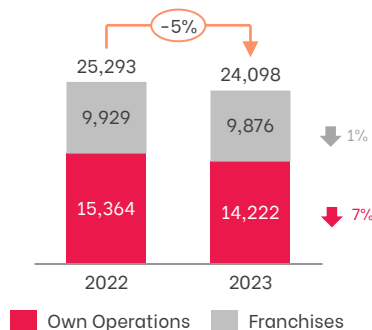
Launches 4Q23 by region

[R\$ mm]



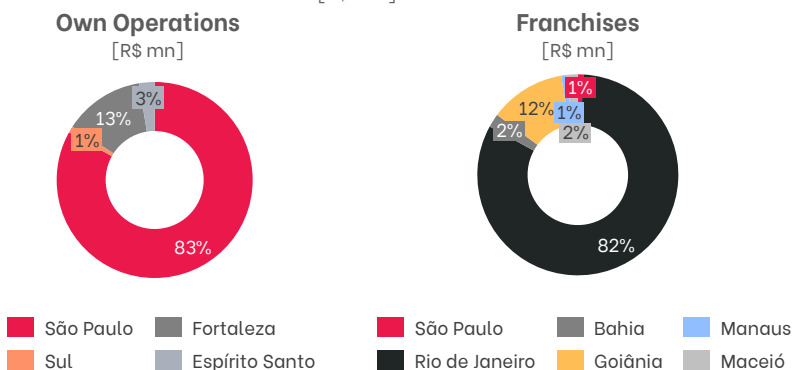
Launches 2023

[R\$ mn]



Launches 2023 by region

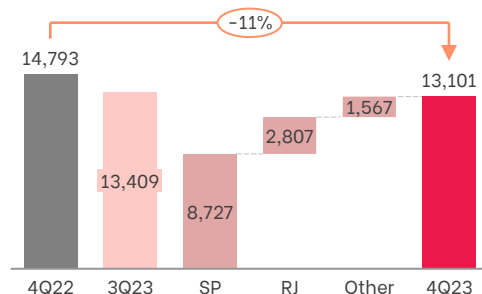
[R\$ mm]



5. Real Estate brokerage team

The number of associate agents in 2023 decrease 11% in relation to the 2022, with a total of 13,101 brokers.

Grupo Lopes' real estate brokers carry out brokerage in association with independent brokers, in order to share with them the values resulting from real estate intermediaries carried out in partnership. This association between individual brokers and corporate brokers is governed by art. 6, paragraphs 2, 3 and 4 of Law 6,530/1978 (amended by Law 13,097/2015).



CrediPronto Results 4Q23 and 2023

Operating and Financial Highlights	4Q22	4Q23	Var. %	2022	2023	Var. %
Mortgage volume (R\$ million)	1,081	503	-54%	4,247	2,821	-34%
Number of contracts	2,949	857	-71%	11,663	5,704	-51%
Average LTV	67.6%	61.3%	-637 bps	65.6%	64.1%	-147 bps
Average rate	9.88%	11.3%	139 bps	9.54%	11%	143 bps
Average term (months)	359	354	-1%	341	357	4,6%
Starting portfolio balance (R\$ million)	13,702	15,301	11.7%	11,831	14,323	21,06%
Ending portfolio balance (R\$ million)	14,323	15,269	7%	14,323	15,269	7%
Average portfolio balance (R\$ million)	14,222	15,326	7.76%	14,222	15,326	7,76%

The volume financed in 2023 was R\$ 2.8 billion, a drop of 34% in relation to the 2022. During the year, the Selic interest rate began to undergo recurring cuts and ended 2023 at 11.75%, but did not generate a relevant impact on the rates charged.

The private banks, according to data from ABECIP, retracted 21% in the quarter. CrediPronto reached a market share among private banks of 5.8%, closing the quarter generating 5,704 contracts. The final balance of the portfolio in the 4Q23 reached the amount of R\$ 15.3 billion.

As per the P&L on the side, the financial margin presents a reduction of 8.8% when compared to 2022.

Operating expenses decreased by 11.3% in the comparison of 2022. There was a 32.3% reduction in expenses with paid commissions (with a variable nature linked to origination) and an increase in insurance and claims expenses.

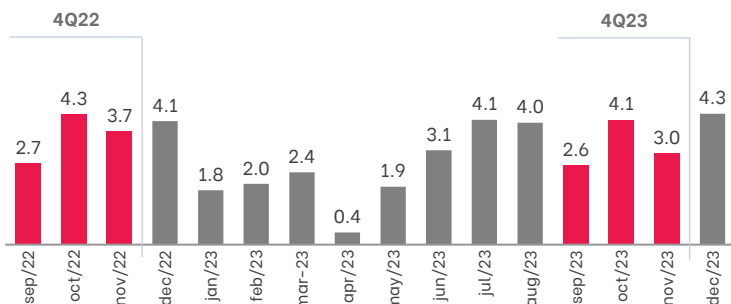
Considering a cost of capital of R\$ 52.1 million in 2023, the net result in this period was R\$ 67.3 million, of which R\$ 33.6 million corresponds to LPS Brasil's share.

The chart below shows Lopes' share in CrediPronto's monthly profits, recognizing R\$ 9.7 million in profit sharing in the 4Q23, referring to the periods from Sep/23 to Nov/23 (according to contractual disclosure and payment terms).

P&L - CrediPronto (R\$ million)	4Q22	4Q23	2022	2023
Financial Margin	115.9	101.8	414.2	377.9
(+) Financial Revenue	385.5	395.5	1372.9	1621.7
(-) Financial Expenses	(269.6)	(293.7)	(958.7)	(1243.7)
(-) Sales taxes	(5.7)	(4.9)	(20.9)	(18.1)
Costs and Expenses	(40.9)	(34.5)	(160.9)	(142.8)
(-) Backoffice Expenses	(12.6)	(13)	(45.6)	(51.2)
(-) Sales Expenses	(12.7)	(10.9)	(57.5)	(49.6)
(-) Commissions paid	(10.8)	(5.3)	(42.3)	(28.6)
(-) Insurance and claims (+/-)	(2)	(3.2)	(10.8)	(15.2)
(-) ADA	(2.8)	2.5	(4.7)	1.9
(-) Income and Social Contribution Taxes ¹	(31.2)	(28.1)	(104.6)	(97.7)
(-) Cost of Capital	(14)	(11.6)	(57.4)	(52.1)
(=) Net Result	24.1	22.7	70.4	67.3
% Net Margin	21%	22%	17%	18%
50% Profit Sharing	12.1	11.4	35.2	33.6
Profit recognition by period	10.7	9.7	34.5	33.4

¹ Rate of 45% for Financial Institutions

CrediPronto Net Profit Monthly (R\$ mn)



4Q23 & 2023 Financial Performance

1. Revenues

a. Gross Revenue

As seen in table by side, the GSV of intermediation disclosed has the criterion of recognizing only the intermediaries billed which, multiplied by the net commission, result in the gross revenue recognized in the respective period.

The “Other Income” line includes correspondent banking and profit sharing income, recorded in the CrediPronto, and also income from the payment of royalties from franchised operations.

As previously shown, the franchises GSV in 2023 was R\$ 6.420 billion, generating royalty income of R\$ 29.5 million, an average fee of approximately 0.46%.

Gross Revenue Reconciliation (R\$ mn)	4Q23	2023
Transactions Closed (a)	1,306	4,619
Net Commission (b)	2.1%	2.07%
Gross Brokerage Revenue (a) x (b)	27.4	95.8
Revenue to Accrue from Itaú Operations	3.6	14.5
Other revenues	22.5	90.5
Gross Revenue	53.5	200.8

b. Net Commission

In the table alongside, the result of 4Q23 can be analyzed, compared to 4Q22, observing a retraction of 0.02 percentage points in the Company's total net commission.

São Paulo (Capital) presented a commission rate of 2.21%, 0.07 percentage points above the same quarter of the previous year. Fortaleza also had an increase of 0.15 percentage points in its commission rate, reaching 2.07%.

Net Commission Fee

Region	4Q22		4Q23	
	Fee	Contribution	Fee	Contribution
SP	2.05%	1.37	2.1%	1.34
Capital	2.14%	1.05	2.21%	1.04
Other Cities	1.79%	0.32	1.78%	0.3
Londrina	2.49%	0.28	2.13%	0.34
Fortaleza	1.92%	0.3	2.07%	0.19
Espírito Santo	2.08%	0.13	2.07%	0.23
Total		2.08		2.1

c. Net Revenue

Net Revenue in 4Q23 decreased 2% when compared to the same period of 2022, totaling R\$ 48.5 million. Net Revenue for the year 2023 fell 7%, totaling R\$182.2 million. The negative impact is justified by the drop in CrediPronto's revenue.

Intermediation: increase of 2% in 2023 due to the reduction in the costs of intermediation services provided, when compared to 2022;

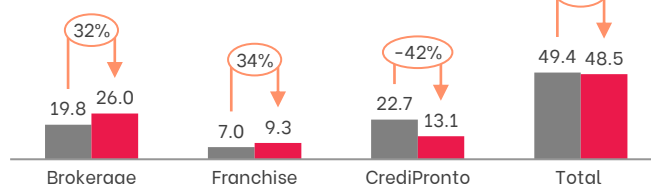
Franchises: increase of 8% compared to 2022, determined by the highest PSV brokered by these stores;

CrediPronto: drop of 23% in relation of 2022, due to the lower mortgage volume by the operation.

Net Revenue 4Q23

[R\$ mm]

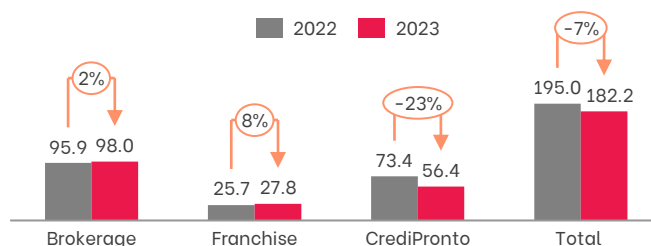
■ 4Q22 ■ 4Q23



Net Revenue 2023

[R\$ mm]

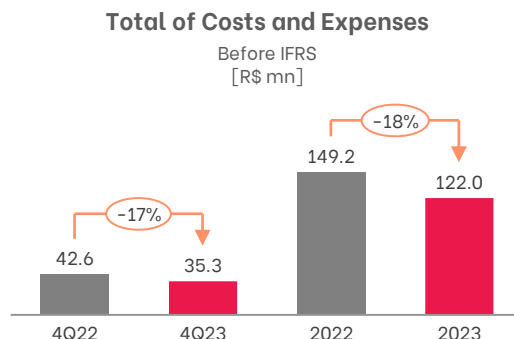
■ 2022 ■ 2023



2. Costs and Expenses

Cost of Services Provided and Operating Expenses

In the chart to the right, we present the Company's recurring operating expenses before IFRS effects. It is observed that expenses decrease 17% in the 4Q23, when compared to 4Q22 and 18% in 2023, when compared to 2022.



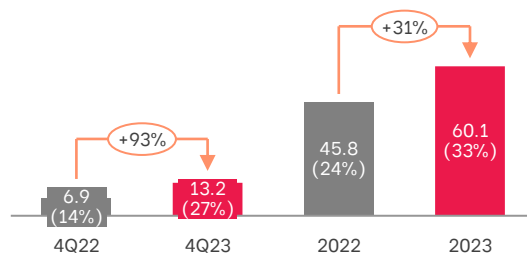
The annual drop reflects the management of costs and expenses that the Company carried out throughout 2023, notably observed in the Expense lines described below. CrediPronto's commissioning expense, allocated to the Other Operating Expenses line, recorded a drop of R\$9.4 million and is intrinsically linked to the reduction in the volume financed by CrediPronto.

Costs and Operational Expenses	4Q22	4Q23	Var. R\$	Var. %	Costs and Operational Expenses	2022	2023	Var. R\$	Var. %
Personnel	(17,479)	(18,709)	(1,230)	7%	Personnel	(59,099)	(50,434)	8,665	-15%
Intermediation Costs	(87)	(321)	(234)	269%	Intermediation Costs	(645)	(705)	(60)	9%
Third-party, Advisory and Consulting Services	(6,148)	(4,104)	2,044	-33%	Third-party, Advisory and Consulting Services	(23,522)	(18,996)	4,526	-19%
Infrastructure	(1,732)	(1,626)	106	-6%	Infrastructure	(7,833)	(6,812)	1,021	-13%
Telecommunications	(647)	(436)	211	-33%	Telecommunications	(2,595)	(2,044)	552	-21%
Advertising	(2,079)	(1,516)	563	-27%	Advertising	(7,936)	(6,959)	977	-12%
Office Supplies	(50)	(52)	(2)	4%	Office Supplies	(239)	(202)	37	-16%
Other Operating Expenses	(13,988)	(8,545)	5,443	-39%	Other Operating Expenses	(48,222)	(36,378)	11,844	-25%
Equity Equivalence	522	880	358	69%	Equity Equivalence	5,253	4,166	(1,087)	-21%
Itaú Expenses to Accrue	(238)	(238)	-	0%	Itaú Expenses to Accrue	(953)	(953)	-	0%
Stock Option Plan	(645)	(599)	45	-7%	Stock Option Plan	(3,364)	(2,689)	675	-20%
Costs and Expenses [A]	(42,572)	(35,268)	7,304	-17%	Costs and Expenses [A]	(149,155)	(122,005)	27,150	-5.6%
Depreciation	(4,109)	(4,718)	(609)	15%	Depreciation	(15,444)	(17,013)	(1,569)	10%
Total [B]	(4,109)	(4,718)	(609)	15%	Total [B]	(15,444)	(17,013)	(1,569)	10%
Total [A] + [B]	(46,681)	(39,986)	6,695	-14%	Total [A] + [B]	(164,599)	(139,018)	25,581	-16%

3. EBITDA

EBITDA showed a growth of 31% in 2023, when compared to 2022, totaling R\$ 60.1 million. The EBITDA margin was 33%, showing the result of the Company's efforts to optimize its resources.

EBITDA
[R\$ mn and Margin %]



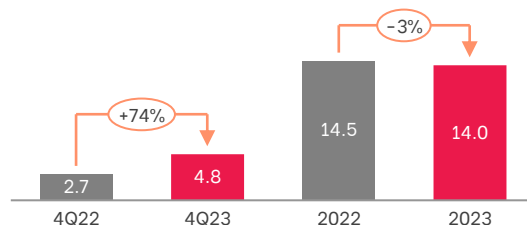
EBITDA Reconciliation (R\$ thousand)	4Q22	4Q23	Var. %
Net Income	(1,337)	(298)	78%
Income and Social Contribution Taxes	965	2,029	110%
Net Financial Result	3,134	6,776	116%
Depreciation and Amortization	4,109	4,718	15%
EBITDA	6,871	13,225	92%
EBITDA Margin	13.90%	27.30%	1340 bps

	2022	2023	Var. %
Net Income	27,013	35,277	31%
Income and Social Contribution Taxes	15,043	12,978	-14%
Net Financial Result	(11,669)	(5,120)	56%
Depreciation and Amortization	15,444	17,013	10%
EBITDA	45,831	60,148	31%
EBITDA Margin	23.5%	33%	950 bps

4. Income Taxes and Social Contribution

The Income Tax (IR) and Social Contribution on Net Income (CSLL) lines totaled R\$ 14 million in the 4Q23, an increase of 3% when compared with the previous year.

Income Taxes and Social Contribution Before IFRS
[R\$ mn]

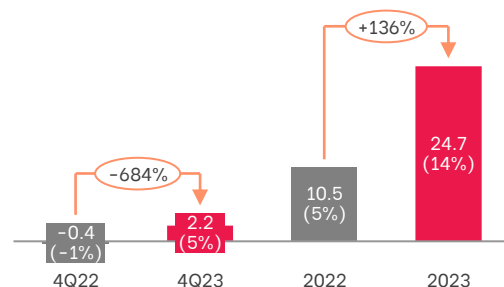


5. Net Income Controlling Shareholders - Before IFRS

Controlling Shareholders' Net Income before IFRS in 2023 totaled R\$ 24.7 million, 136% higher than in 2022, demonstrating the effectiveness of the Company's cost and expense management.

Net Income Controlling Shareholders - Before IFRS

[R\$ mn and Net Margin %]



Net Profit ex-IFRS (R\$ thousand)	4Q22	4Q23	Var. %	2022	2023	Var. %
(=) Net Income attributable to Controlling shareholders	(4,171)	(3,602)	14%	11,961	23,490	96%
Impacts in Financial Results	4,299	8,301	93%	(4,784)	31	101%
Impacts in Income and Social Contribution Taxes	(1,780)	(2,741)	-54%	565	(1,023)	-281%
Impacts in Depreciation and Amortization	657	543	-17%	2,629	2,258	-14%
Impacts in Minorities Interest	616	(289)	-147%	93	(43)	-146%
(=) Net Income Controlling shareholders before IFRS	(379)	2,212	684%	10,464	24,713	136%
Net Margin	-0.77%	4.56%	530 bps	5.37%	13.6%	820 bps

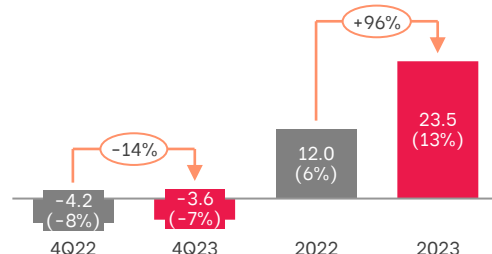
6. Net Income Controlling Shareholders - After IFRS

Net Income attributable to Controlling Shareholders After IFRS was R\$ 23.5 million in the 2023, 96% higher than 2022.

It should be noted that the non-cash effects caused by IFRS described below distort the comparison of earnings between periods. Therefore, we consider Profit before IFRS to be the most accurate profit indicator to measure the Company's performance.

Net Income Attributable to Controlling Shareholders - After IFRS

[R\$ mn and Net Margin %]



7. IFRS Effects

Description	4Q23			2023		
	Before IFRS	IFRS Effects*	After IFRS	Before IFRS	IFRS Effects*	After IFRS
Net Revenue	48,493	-	48,493	182,153	-	182,153
Costs and Expenses	(35,268)	-	(35,268)	(122,005)	-	(122,005)
Depreciation and Amortization	(4,175)	(543)	(4,718)	(14,755)	(2,258)	(17,013) (1)
Financial Result	1,525	(8,301)	(6,776)	5,151	(31)	5,120 (2)
Operational Profit	10,575	(8,844)	1,731	50,544	(2,289)	48,255
Income tax and social contribution	(4,770)	2,741	(2,029)	(14,001)	1,023	(12,978) (3)
Net Income	5,805	(6,103)	(298)	36,543	(1,266)	35,277
Non-controlling Shareholders	(3,593)	289	(3,304)	(11,830)	43	(11,787) (4)
Net Income Controlling Shareholders	2,212	(5,814)	(3,602)	24,713	(1,223)	23,490

- (1) Amortization of intangible assets;
- (2) Gains and Losses with net non-cash effects of earn out accounting and call and put options at subsidiaries, based on the fair value according to future estimates;
- (3) Deferred income tax on intangible assets of LPS Brasil;
- (4) Effects related to deferred income tax and amortization of intangibles assets at non-controlling shareholders.

8. Indebtedness

On December 31, 2023, LPS Brasil had a debt recorded in the balance sheet, of R\$ 17 million.

Such debt refers to the payment of put options on the non-controlling interests (Written Put) of the acquisitions carried out, an amount that is concentrated in the short term, with no expectations to be executed.

9. Cash Flow and Cash Equivalents

In the 2023, cash generated by operating activities reached R\$ 51.7 million, a growth of 232% when compared to the generate cash in 2022.

Regarding investment activities, there was a consumption of cash of R\$ 19.8 million in the year, with R\$3.6 million allocated to contributions from financial investments and the remainder allocated to the acquisition of fixed and intangible assets, within the Company's digital context transformation.

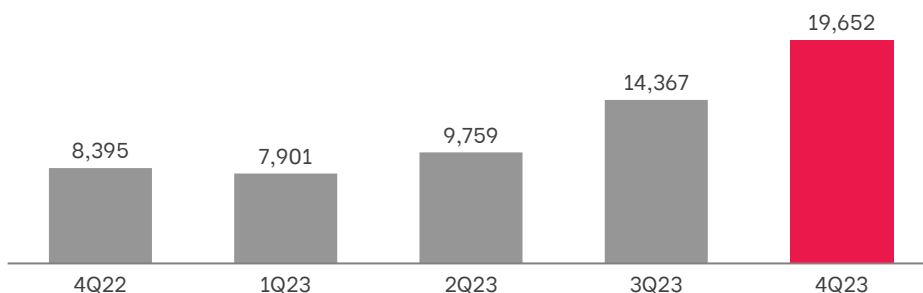
The cash consumed by financing activities in the 2023 was R\$ 23 million and was due as the distribution of dividends to shareholders and non-controlling shareholders, including balance from previous years. To a lesser extent, there was cash consumption in the payment of leasing.

The balance of cash and cash equivalents at the end of the period was R\$ 31.3 million and, considering financial investments, R\$ 67.9 million.

Cash Flow [R\$ thousand]	2022	2023	Variation
Cash and Cash Equivalents (BoP)	41,710	22,446	-46%
From Operations	15,554	51,679	232%
From Investment Activities	12,689	(19,816)	-256%
From Financing Activities	(47,507)	(22,977)	52%
Cash and Cash Equivalents	22,446	31,332	40%

+10.3 million shares available in treasury on December 31, 2023

Quarterly Cash from Operations
[R\$ thousand]



Appendices

The following appendices can be found at the end of this document:

- Appendix I – Income Statement
- Appendix II – Balance Sheet
- Appendix III – Cash Flow Statement

Appendix I – Income Statement

(R\$ thousand)	4Q23	4Q22
Net Operating Revenue	48,493	49,442
Cost of Services	(6,889)	(10,021)
Gross Income	41,604	39,421
Operating Expenses (Revenue)		
Selling	(6,765)	(9,948)
General and administrative	(15,096)	(17,658)
Management compensation	(6,903)	(5,202)
Depreciation and Amortization	(4,718)	(4,109)
Equity Income	880	522
Other operating revenue (expenses), net	(495)	(263)
Income from Operations before Financial (Expenses) Income	8,507	2,763
Financial (expenses) income		
Financial income	5,474	8,243
Financial expenses	(12,250)	(11,377)
Net Income before income tax and social contribution	1,731	(371)
Income tax and social contribution		
Current	(4,814)	(3,411)
Deferred	2,785	2,446
Net income in the period	(298)	(1,336)
Attributable to:		
Controlling shareholders	(3,602)	(4,171)
Non-controlling shareholders	3,304	2,834

Appendix II – Balance Sheet

(R\$ thousand)	4Q23	4Q22
CURRENT ASSETS		
Cash and cash equivalents	31,332	22,446
Financial investments	36,548	32,972
Trade accounts receivable	32,471	30,043
Taxes available for offset	3,430	7,171
Prepaid expenses	1,442	294
Other Assets	5,755	6,420
Total current assets	110,978	99,346
NON-CURRENT ASSETS		
Call Options	57,334	57,922
Trade accounts receivable	1,397	1,262
Deferred income tax and social contribution	9,490	9,251
Related-party receivables	-	403
Other Assets	6,974	7,113
Deposit in court	5,898	5,060
Other Equity Interests	18,184	19,207
Fixed assets	4,618	5,637
Goodwill	6,718	6,718
Intangible assets in adquired companies	22,739	24,473
Other intangible assets	154,573	155,730
Total non-current assets	287,925	292,776
<u>TOTAL ASSETS</u>	398,903	392,122

Appendix II – Balance Sheet

(R\$ thousand)	4Q23	4Q22
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Trade accounts payable	4,492	5,120
Taxes and contributions payable	2,504	2,485
Income tax and social contribution payable	3,031	3,312
Payroll, charges and contributions	14,044	12,778
Net Income to accrue	11,560	11,470
Dividends payable	7,891	5,300
Written Put Options	16,969	17,525
Other liabilities	1,912	1,008
Customer advance	4,255	4,106
Leases	4,085	4,305
Total current liabilities	70,743	67,409
NON-CURRENT LIABILITIES		
Net Income to accrue	44,273	55,292
Leases	14,829	21,612
Deferred income tax and social contribution	11,957	12,979
Other liabilities	51,391	47,301
Total non-current liabilities	122,450	137,184
SHAREHOLDERS' EQUITY		
Capital Stock	169,188	169,188
Capital Reserve	21,966	19,277
Treasury Shares	(29,442)	(29,442)
Profit Reserves	57,144	39,233
Other Reserves	(7,789)	(7,789)
Non-controlling Interest	(5,357)	(2,938)
Total Shareholders' Equity	205,710	187,529
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	398,903	392,122

Appendix III – Cash Flow Statement

(R\$ thousand)	4Q23	4Q22
CASH FLOW FROM OPERATIONS		
Net income in the period	(298)	(1,337)
Allowance for doubtful accounts	393	526
Provision for legal risks	1,885	3,612
Equity Income	(880)	(522)
Gain/Losses with investments	-	7
Deferred income tax and social contribution	(2,785)	(2,446)
Financial charges on receivables and debts	9,240	5,258
Stock option expenses	599	645
Depreciation and amortization	4,772	4,180
Provision for Profit Sharing	7,002	5,556
Income to accrue	(2,890)	(2,875)
Income and social contribution tax expenses recognized in the period	4,814	3,411
Cash generated from operations	21,852	16,015
Trade accounts receivable	(1,977)	544
Taxes available for offset	2,596	221
Prepaid expenses	(396)	444
Other trade accounts receivable	2,265	6,447
Trade accounts payable	(1,007)	(2,747)
Taxes payable	19	(190)
Taxes and contributions payable	(128)	(125)
Payroll, charges and contributions	205	(2,453)
Other liabilities	178	(5,783)
Variation in operating assets and liabilities	1,755	(3,642)
Interest expenses	(15)	(22)
Income tax and social contribution paid	-	(1)
Dividends received from subsidiaries	(3,940)	(3,955)
Others	(3,955)	(3,978)
Net cash generated by (used in) operating activities	19,652	8,395

Appendix III – Cash Flow Statement

(R\$ thousand)	4Q23	4Q22
CASH FLOW FROM INVESTMENT ACTIVITIES		
Financial investments	(4,017)	704
Acquisition of fixed, intangible and deferred assets	(3,123)	(5,392)
Net cash generated (used) in investment activities	(7,140)	(4,688)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid, including balance from previous years	(3,468)	(7,489)
Capital increase	244	37
Share Buyback	-	-
Leases	(1,544)	(1,766)
Net Cash Generated By (Used In) Financing Activities	(4,768)	(9,218)
NET INCREASE IN CASH AND CASH EQUIVALENTS	7,744	(5,511)
Cash and cash equivalents at the beginning of the quarter	23,588	27,957
Cash and cash equivalents at the end of the quarter	31,332	22,446