

# 2Q25 Earnings Release

June 2025



**PicPay**



# PicPay nearly doubled its net revenue and tripled its net income in 2Q25

## PicPay Reports 2Q25 & 1H25 Operating and Financial Results

### 2Q25 Highlights:

<b>Total Accounts</b>	<b>Deposits</b>	<b>Credit Portfolio</b>
<b>63.9M</b> As of June 25	<b>R\$ 23.9B</b> As of June 25	<b>R\$ 16.1B</b> As of June 25
+13% yoy	+60% yoy	+3x yoy
<b>Net Revenue</b>	<b>Net Income</b>	<b>Return on Equity</b>
<b>R\$ 2.5B</b> +99% yoy	<b>R\$ 120.3M</b> +2x yoy	<b>20.3%</b> 2Q25 Annualized +3 p.p. yoy

### 1H25 Highlights:

<b>Total TPV</b>	<b>Total Cash-in</b>	<b>Loan Origination</b>
<b>R\$ 251.3B</b> +33% yoy	<b>R\$ 219.4B</b> +31% yoy	<b>R\$ 4.7B</b> +60% yoy
<b>Net Revenue</b>	<b>Gross Profit</b>	<b>Net Income</b>
<b>R\$ 4.5B</b> +91% yoy	<b>R\$ 1.6B</b> +25% yoy	<b>R\$ 208.4M</b> +3x yoy



## Message From the Management

We proudly present PicPay's operating and financial results for the second quarter and the first half of 2025. During the first six months of the year, once again, we delivered an outstanding performance in terms of growth and profitability. These results demonstrate our efficient strategic execution, reinforcing the strength of our business model and our ability to accelerate cross-selling within our customer base.

Our total net revenue for the first half of the year reached R\$4.5 billion, almost twice as high as the same period of comparison for the last year, followed by the growth of our credit operations and the consistent diversification of our revenue mix. Additionally, we are continuing to show healthy and attractive unit economics. Our average revenue per active customer (ARPAC) reached R\$60.7 in the 2Q25, an increase of 77% year-over-year, while the average cost to serve per active customer (CTS) reached R\$19.0 for the same period, an increase of only 6% compared to 2Q24. As a result, the ARPAC to CTS ratio increased from 1.9x to 3.2x in the last twelve months. This positive trend has been leading us to achieve customer acquisition paybacks in 9 months with some customer cohorts achieving payback even earlier, within 6 months.

Regarding our gross profit for the first half of the year, it reached R\$1.6 billion, an increase of 25% year-over-year. In turn, the net income more than tripled, reaching R\$208 million, resulting in a quarterly annualized return on equity of 20.3% in 2Q25.

The impressive growth we have experienced would not be possible without the trust and ongoing engagement of 64 million customers who have chosen PicPay as their bank account. They rely on our app to centralize and manage all their financial needs in one place. According to data from the Brazilian Central Bank, as of June 30, 2025, we ranked as the seventh-largest financial institution and the second-largest digital bank in Brazil. Additionally, we were honored to be recognized as the best digital bank in Brazil through a popular vote during the annual iBest Awards 2024, held in February 2025. This recognition not only validates our value proposition but also highlights our commitment to delivering innovative and customer-centric solutions consistently.

### A. Wallet & Banking

In the second quarter of 2025, Wallet & Banking Total Payment Volume (TPV) reached R\$119.9 billion, marking a 32% increase compared to the same quarter in 2024. Over the six-month period, TPV totaled R\$227.9 billion, growing by 33% from the previous year. This rise in transaction volumes reflects the increased engagement of our customers on the platform. In 2Q25, we had 41 million quarterly active customers, which represents a 14% increase compared to 2Q24.

Our digital wallet's strength is significantly enhanced by our position as one of the largest providers of Pix transactions in Brazil. According to data from the Brazilian Central Bank, we hold an 11% market share based on the number of transactions, whether PicPay is the sending or receiving account. Additionally, as of June 30, 2025, we have registered 87 million Pix keys on our platform, showcasing a year-over-year growth of 25%.

The total cash-in, a key metric for monitoring customer engagement, reached R\$116.3 billion in 2Q25, reflecting a 31% increase compared to the previous year. Over the six-month period, cash-in amounted to R\$219.4 billion, also representing a 31% expansion compared to the same timeframe last year. Additionally, we are observing a growing number of customers who choose PicPay as their primary bank account. In 2Q25, 32% of our active customer base utilized PicPay as their primary financial services platform.

Our deposits totaled R\$23.9 billion in 2Q25, representing a 60% increase compared to 2Q24. This growth can be attributed to two main factors: (i) a rise in cash-in volumes, as explained earlier, and (ii) the accelerated distribution of PicPay's Certificates of Deposit (CDs) through third-party platforms as we implement our strategy to diversify funding sources. Additionally, (iii) there has been ongoing expansion of



piggy banks for our consumers, which grew by 65% year-over-year, reaching R\$7 billion in 2Q25. Over 21 million piggy banks have been created by our consumers for various goals.

Over the years, we have developed a digital wallet that aims to identify and resolve broken and fragmented payment journeys, ensuring a top-notch digital experience for our customers. We are committed to leveraging our capabilities to explore and create relevant offer contexts based on extensive data collected from wallet transactions and the financial information provided by our customers, with their consent, through Open Finance.

We are currently one of the largest players in the market, with over 11,5 million active customer consents. In addition to establishing ourselves as leaders in this field, we are scaling the solutions already available to our customers. Our Account Aggregator feature enables customers to link their other bank accounts and manage their daily financial needs directly within the app, benefiting almost 7 million users.

Additionally, during the six months ending June 30, 2025, we launched new products and features in our wallet aimed at delivering the best user experience for our customer base. We can highlight the following examples:

1. **Vehicle Hub:** represents the first AI-powered platform from a bank designed to streamline the management of all vehicle-related payments. This service allows for the centralization of taxes, licensing fees, fines, and more, providing a clear visual overview of vehicles' debts and payment history. It offers an organized and efficient way to monitor all aspects related to vehicle financial obligations. Since its launch, we have registered more than 6.5 million license plates.
2. **Insights 2.0:** a feature that acts as a strong engagement driver for our customers. Through open banking, this feature alerts users about negative balances in their external accounts and identifies idle savings that have the potential to earn more through PicPay. By utilizing open banking, we can provide these valuable insights, helping our customers manage their finances more effectively.
3. **Turbo Piggy Bank:** we have launched a new promotional piggy bank that allows for daily liquidity and can yield up to 121% over CDI, with a maximum deposit of R\$10,000. This offer is available exclusively to eligible customers who deposit a minimum of R\$999 per month and have at least one registered Pix key linked to their email, social security ID, or mobile phone number.
4. **Automatic Pix:** we also launched a new feature for Pix payments, which enables recurring payments to be made without the need to repeat the process every month.

## B. Financial Services

During the first six months of 2025, we continued to enhance our credit operations, leveraging our key advantage: the extensive data collection made possible by the strong transactional capabilities of our digital wallet and information that we capture from third-party bank accounts using our open banking capabilities. Currently, our platform features approximately 49 million embedded credit cards, over 87 million registered Pix keys, and more than 28 million customers with account balances as of June 30, 2025.

In terms of loan origination, we continued to grow at a rapid pace. In 2Q25, loan origination reached R\$2.7 billion, increasing 64% year-over-year. For the second quarter of the year, secured credit products, such as FGTS loans and payroll loans, represented 76% of the total origination, increasing by 10 percentage points in its representativeness compared to the same period of the last year. The increase in total origination volumes and in the penetration of secured credit products is primarily due to our entry into the private payroll loans market. In just a few months of activity, since the opening of this market under its current product structure, we scaled origination to over R\$1.2 billion as of June 2025, positioning ourselves as the fifth-largest financial institution in this segment.



Our PicPay Card total payment volume (TPV) reached R\$13.5 billion in 2Q25, marking a 53% increase compared to the same period last year. Over the first six months, the total volumes for the PicPay Card amounted to R\$25.9 billion, reflecting a 54% year-over-year growth. Notably, transactions made with credit cards accounted for nearly 60% of the total card TPV in both periods of comparison. We are increasing the penetration of the PicPay Card in our customers' payment journeys within the digital wallet. For the second quarter of 2025, the TPV from our own credit cards represented 32% of the total credit card TPV on the wallet, which includes both our issued credit cards and those from third parties.

In the first six months of the year, we issued over 5 million credit cards. The breakdown of card categories was as follows: secured cards accounted for 47%, hybrid cards (those with collateral and an extra limit) made up 30%, and unsecured cards represented 23% of the total. Additionally, we remained committed to our 'progressive limit' approach by only offering secured credit cards for customers that we have no transactional behavior in our digital wallet and gradually increasing unsecured credit limits for customers that create transactional and/or credit behavior in our digital wallet. As customers demonstrate responsible credit usage—such as actively using their card each month, paying their full balance, and maintaining good credit behavior—we gradually increase their credit limits through a gamification process. It's important to note that customers who successfully navigate this gamification process tend to have better delinquency rates compared to those who start their credit journeys with us through pre-approved market-standard credit limits.

Also is important to highlight that our proprietary credit models using transactional and credit behavior data have presented accuracy levels of up to 3 times when compared to other credit models that are based only in market data. In addition to that, regarding efficiency in the offer of pre-approved credit lines to customers, our models present a 2.5x lift when compared to other market standard credit models. As of June 30, 2025, our total credit portfolio reached R\$16.0 billion, a 3-fold increase compared to June 30, 2024. Given our focus on profitability and relying on our model dynamics, as explained above, we continued to increase our exposure to unsecured credit products, besides the acceleration of secured credit lines, specifically boosted in the last quarter by the rapid origination of private payroll loans. The unsecured credit portfolio represented 55% of the total portfolio, while secured products represented the remaining 45%. This range is aligned with our risk management at a portfolio level, which establishes a range of 40% to 60% exposure between secured and unsecured credit lines.

We continue to maintain a conservative approach in terms of credit loss provision. As of June 30, 2025, our coverage ratio was 284% over the 90-day past due credit balance. Regarding the quality of our assets, NPLs over 90 days past due achieved 4.1% for the same period. This delinquency rate was already expected and in line with the maturation of our unsecured credit portfolio and our profitability goals for the long term. Still, we are presenting healthy levels when compared to the average from similar digital banks (9.8% as of June 30, 2025).

As a result of the factors mentioned above, our net interest income (NII) for the Financial Services segment reached R\$836 million, an increase of 174% in the year-over-year comparison. For the six months ended June 30, 2025, the NII totaled R\$1.5 billion, an increase of 184% year-over-year. In terms of the annualized net interest margin, we reached 23% in 2Q25. In turn, the net interest income after losses (NIMAL) totaled R\$221 million in 2Q25, an increase of 16% over the last year. In 1H25, NIMAL reached R\$427 million, an increase of 32% year-over-year.

As we advance, our insurance business has completed the first half of the year with nearly 7 million active insurance policies distributed on our platform, representing a more than two-fold increase compared to June 30, 2024.

### **C. Small and Medium-Sized Businesses**

Our mission is to be the primary financial platform for small and medium-sized businesses in Brazil, delivering the best customer experience in the market and providing financial services that can leverage PicPay's two-sided ecosystem. For over 13 years, PicPay has built a very well-known brand



reputation by disrupting the financial industry for individuals through the offer of a wide range of digitalized solutions, especially payments through our digital wallet, unlocking new use cases for millions of individuals. On top of that, we aim to scale our SMB segment by taking advantage of an opportunistic competitive landscape with a market that is still highly concentrated on incumbent banks and with business customers that those institutions underserve.

We plan to target existing customers who are also SMB owners—currently, almost 9 million out of our 64 million accounts are SMB owners—focusing on the penetration of acquiring, corporate benefits, and banking products within the SMB base. The idea here is to offer similar experience to user that we already offer to consumers, also to entrepreneurs who aim to facilitate and organize their daily businesses.

Additionally, we are delighted to announce that PicPay now allows users to seamlessly manage both personal and business accounts within the same app, switching between them with a single click. By consolidating balances and transactions, including those from other banks, into one place. The integration through Open Finance simplifies financial management and reduces bureaucracy. This streamlined experience saves entrepreneurs time and enables them to focus more on growing their businesses.

We believe we can further leverage our SMB operation through multiple competitive advantages, such as our lower cost of funding, higher approval rates, and zero chargebacks in online checkouts, our instant payment expertise with PIX becoming much more relevant at POS terminals, and our opportunity to begin scaling the offer of prepayment of receivables, including those captured from other merchant acquirers.

Our Merchant Acquiring Total Payment Volume totaled R\$14 billion in 2Q25, an increase of 52% compared to 2Q24. For the six months, the TPV totaled R\$25 billion, representing a 46% increase compared to the same period last year. Our merchant-acquiring platform provides a range of payment solutions, including e-wallets, Pix, QR Codes, e-commerce, and POS Terminals.

#### **D. Audiences & Ecosystem**

During the six months ended June 30, 2025, we strengthened our Audiences & Ecosystem segment, evolving from isolated initiatives into a broader, integrated ecosystem designed to deliver smart, contextualized solutions aligned with our “beyond banking” strategy. Our approach is built on two core mandates: (i) engagement – offering merchant-funded bonuses and cashbacks to boost activation across both ecosystems and foster resource flows between them; and (ii) monetization – providing solutions such as PicPay Shop and PicPay Ads, which enable monetization through non-financial products and services, including gift cards, mobile top-ups, iGaming, cell phone plans, and display ads, among others.

#### **E. AI use cases**

We are very proud to announce PicPay’s entry into the era of multi-agents, through the adoption of the most advanced GenAI model available, GPT-4.1, via Azure OpenAI Service. We are one of the pioneers in utilizing this technology globally, further solidifying our position as a leading international reference in innovation and the application of generative artificial intelligence within the financial sector. Additionally, nearly 61 billion tokens are utilized with Azure OpenAI.

It is essential to mention that our PicPay AI Assistant, a GenAI solution integrated into our ecosystem (especially via WhatsApp and through our own app), helps our customers streamline their financial lives by organizing and centralizing them seamlessly. Since its launch, more than 10 million customers have already been using our AI assistant in various use cases. For instance, customers can initiate Pix transactions directly via WhatsApp by sending messages, audio, or even screenshots containing a Pix key.

Additionally, we use GenAI to suggest personalized offers to our customers. Every time a customer opens the app, they receive personalized recommendations powered by AI – whether it’s special offers, exclusive fees, cashback opportunities, or financial products. We process billions of interactions each month to understand what truly makes sense for each individual. This applies to everything, from insurance offers to an investment suggestion.



We are also enhancing GenAI to launch marketing campaigns. At the end of last year, we had already launched a 100% AI-generated commercial, in which everything, from the script to the visuals and voiceover, was created using AI.

Through GenAI, we are also enhancing the Net Promoter Score (NPS) attributed to our customer service. Our customer service using ChatGPT presents an NPS 20 points higher than the customer service with human intervention.

Finally, I would like to thank all employees, partners, and shareholders who have trusted our strategy and engaged with the company's plans and results.

**Eduardo Chedid**

Chief Executive Officer

# Performance in the Period

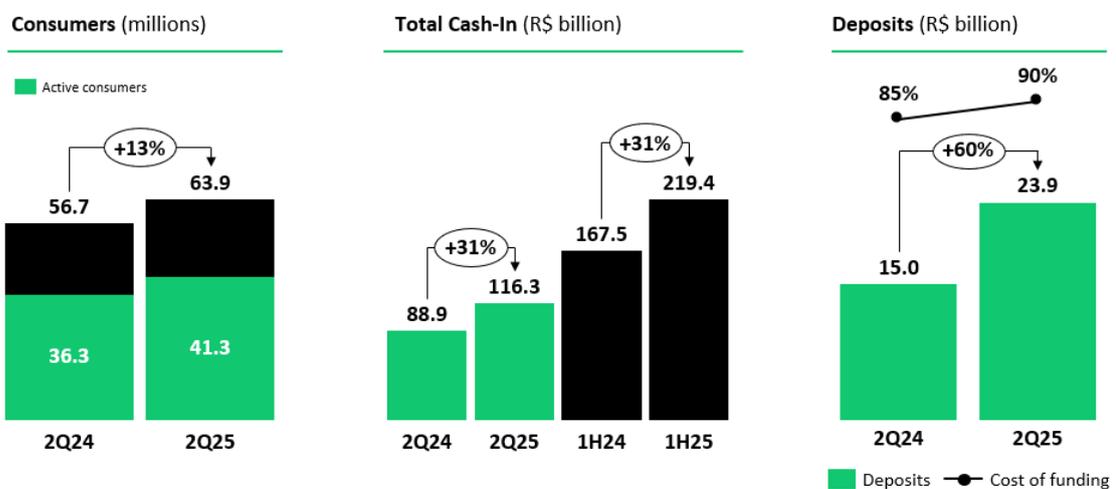
## Operating Performance

### 1. Wallet & Banking

We closed the second quarter of 2025 with 63.9 million registered consumers, a 13% increase year-over-year. Quarterly active consumers who opened the app and/or made at least one financial transaction and/or generated revenue reached 41.2 million in the second quarter of 2025, an increase of 14% compared to 36.3 million in the second quarter of 2024.

In the second quarter of 2025, total cash-in reached R\$116.3 billion, representing a 31% year-over-year growth. For the first six months of the year, the total cash inflow was R\$219.4 billion, a 31% increase compared to the same period last year. Cash-in is an important metric as it provides insights into consumer engagement; as users add more funds to their digital wallets for daily transactions, they are likely to consider PicPay as their primary financial services platform.

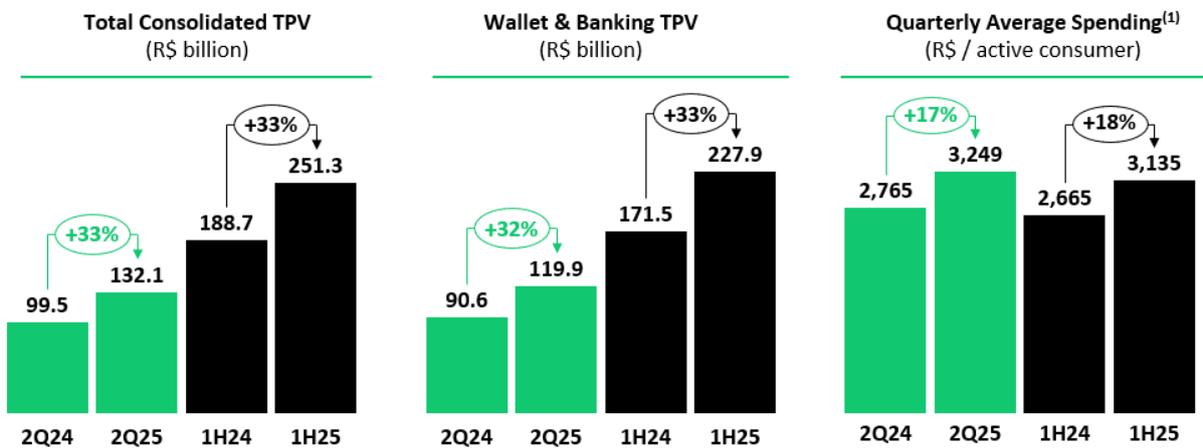
As of June 30, 2025, total deposits reached R\$23.9 billion, marking a 60% increase year over year. This growth is primarily attributed to the expansion of the consumers' cash-in in the digital wallet, and to the increase of our piggy banks, which amounted to R\$7.3 billion in the second quarter of 2025, up 65% from R\$4.5 billion in the same quarter of 2024. Additionally, we are increasing our fundraising by distributing our CDBs through third-party platforms, further contributing to the rise in deposits. This distribution has increased nearly 23 times in balance since June 2024.



In the second quarter of 2025, our total payment volume (TPV) reached R\$132.1 billion, a 33% increase compared to the second quarter of 2024. For the six months of this year, the total consolidated TPV amounted to R\$251.3 billion, reflecting a 33% growth compared to the same period of the previous year.

The TPV from our Wallet & Banking segment reached R\$119.9 billion in the second quarter of 2025, an increase of 32% year-over-year. For the first half of 2025, Wallet & Banking TPV totaled R\$227.9 billion, an increase of 33% compared to the same period of the previous year. The increase was primarily attributed to a higher volume of transactions through the Pix system in the first half of the year. This growth is driven by over 87 million registered Pix keys in the app, establishing a notable coverage rate of approximately 11% of all Pix transactions in Brazil. This includes all transactions where PicPay acts as the sending or receiving bank account.

As we enhance our ecosystem, we have observed increased consumer engagement. In the second quarter of 2025, the average quarterly spending reached R\$3,249 per active consumer, reflecting a 17% year-over-year increase. For the six months, each active consumer spent an average of R\$3,135 through our multiple payment solutions, an increase of 18% when compared to the same period of the previous year.

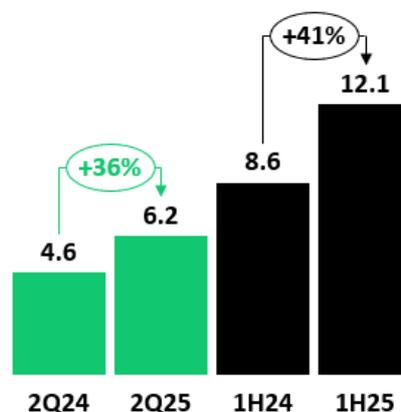


Note (1): Quarterly average spending is calculated by the total consolidated TPV divided by the average quarterly active consumers at the beginning and the end of the period.

We have observed a significant increase in the adoption of PIX credit within our digital wallet, as it opens new use cases for our consumers. Additionally, since merchants receive their payments instantly and at no cost, our consumers may enjoy higher discounts, further encouraging this product's adoption.

In the second quarter of 2025, TPV for PIX Credit reached R\$6.2 billion, reflecting a 36% increase compared to last year. For the first half of the year, PIX Credit TPV amounted to R\$12.1 billion, indicating a year-over-year growth of 41%. Furthermore, transactions from persons to merchants (P2M) accounted for 37% of the total PIX Credit TPV during the first half of 2025

### Pix Finance TPV (R\$ billion)



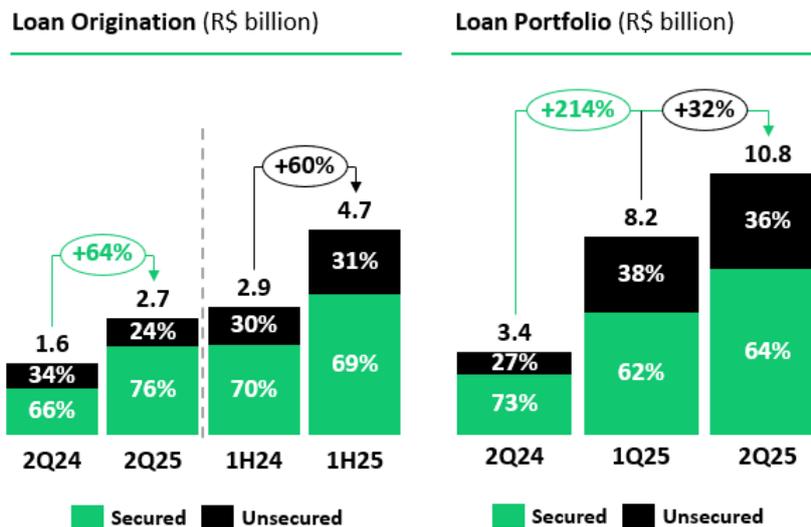
## 2. Financial Services

### 2.1. Loans

Our loan origination reached R\$2.7 billion in the second quarter of 2025 and R\$4.7 billion in the first half of 2025. This represents an impressive year-over-year increase of 64% and 60%, respectively. Secured credit products, such as FGTS prepayment and payroll loans, accounted for 76% and 69% of the total loan origination in the 2Q25 and 1H25, respectively. Our entrance into the private payroll loans market

mainly explains the increase of 1,000 bps in the secured credit representativeness in the year-over-year comparison. We commenced the origination of payroll loans to formal private-sector employees at the conclusion of the first quarter of 2025. Within a few months, we have established ourselves as the sixth largest financial institution and the largest digital bank in Brazil to offer this credit line, achieving an accumulated origination volume that exceeds R\$1.4 billion.

Our loan portfolio totaled R\$10.8 billion in the second quarter of 2025, an increase of 214% in the year-over-year comparison and of 32% sequentially. In terms of the outstanding loan portfolio balance, secured credit products represented 64% in 2Q25 compared to 73% in 2Q24. The decrease of 900 bps in representativeness is mainly explained by the increase in unsecured credit lines, followed by the increase of personal loans and buy-now-pay-later origination in the last twelve months.

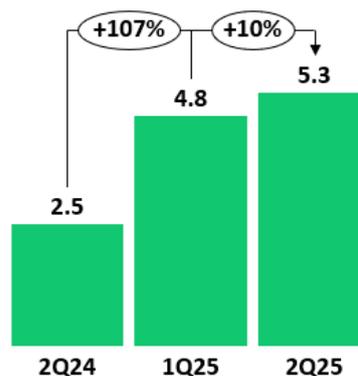


## 2.2. Credit Cards

In the second quarter of 2025, TPV from PicPay Cards reached R\$13.5 billion, reflecting a 53% increase compared to the same period last year. In 1H25, we achieved a total of R\$25.9 billion, which represents a 54% growth compared to the previous year.

We consider credit cards to be one of our core products, as they play a crucial role in enhancing engagement, driving growth, and boosting profitability within our ecosystem. During the second quarter of 2025, the penetration of PicPay Card in the total TPV of credit cards embedded in our digital wallet reached 32% compared to 16% in the same period of the previous year.

Credit Card Portfolio (R\$ billion)





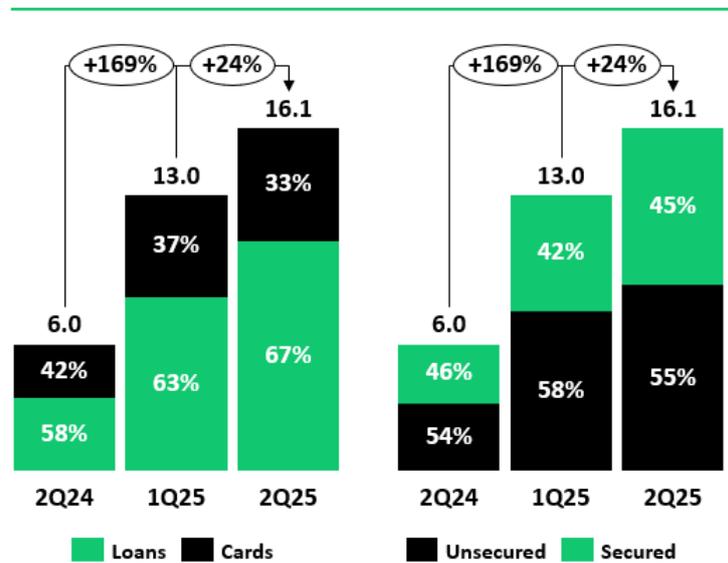
We have adopted a strategy that focuses on issuing cards with low initial limits, as well as secured cards. This conservative approach to credit card offerings aligns with our goals of profitability and maintaining control over delinquency rates. By utilizing these products, we aim to better understand our consumers' behavioral profiles and, based on this understanding, offer gradual increases in their credit card limits.

Our Credit Card Portfolio reached R\$5.3 billion in the second quarter of 2025, representing a 107% increase compared to the second quarter of 2024 and a 10% growth when compared to the previous quarter. We closed the second quarter of 2025 with the issuance of approximately 3 million credit cards for our customers. Of this total, around 44% were secured cards and 35% were hybrid cards, which combine a secured limit backed by consumers' piggy balances and account balances with an additional unsecured credit card limit based on the customers' transactional and credit behavior. The remaining 21% correspond to unsecured credit cards issued through our 'low and grow' strategy.

### 2.3. Total Credit Portfolio

Our credit portfolio reached R\$16.1 billion in the second quarter of 2025, a 169% increase year-over-year and a 24% increase quarter-over-quarter. Of the total, 67% was comprised of loans, and the remaining 33% of credit cards. We kept maintaining a healthy balance between secured and unsecured credit products, with 55% of the total portfolio attributed to unsecured credit lines and the remaining 45% to secured products.

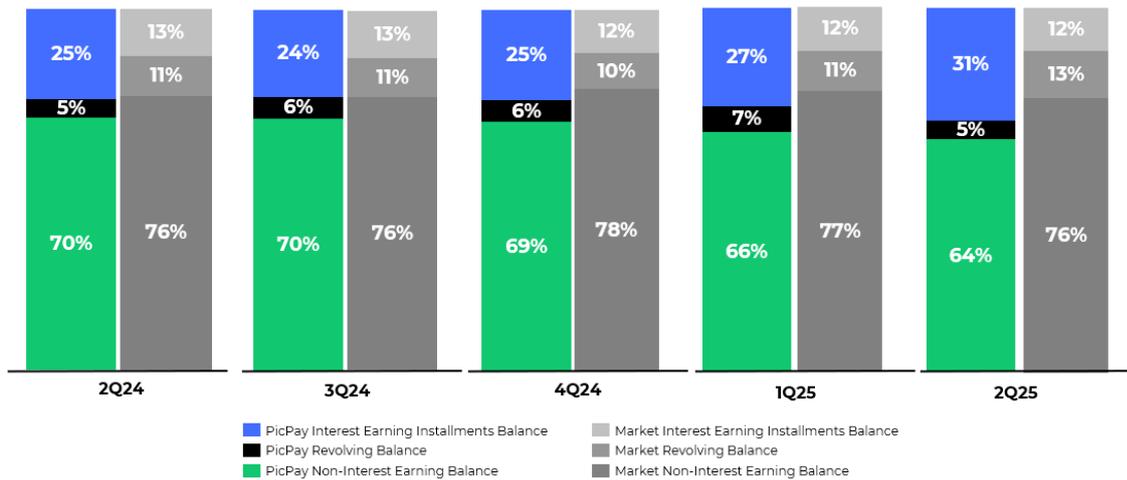
Total Credit Portfolio (R\$ billion)



PicPay's interest-earning portfolio, which includes interest-earning installments and revolving balances, accounted for 36% of its total credit card portfolio compared to 25% from the market. This reflects the increased use of our PicPay Card as a funding source for Pix Credit and bill payments within our ecosystem.

### IEP (Interest Earning Portfolio)

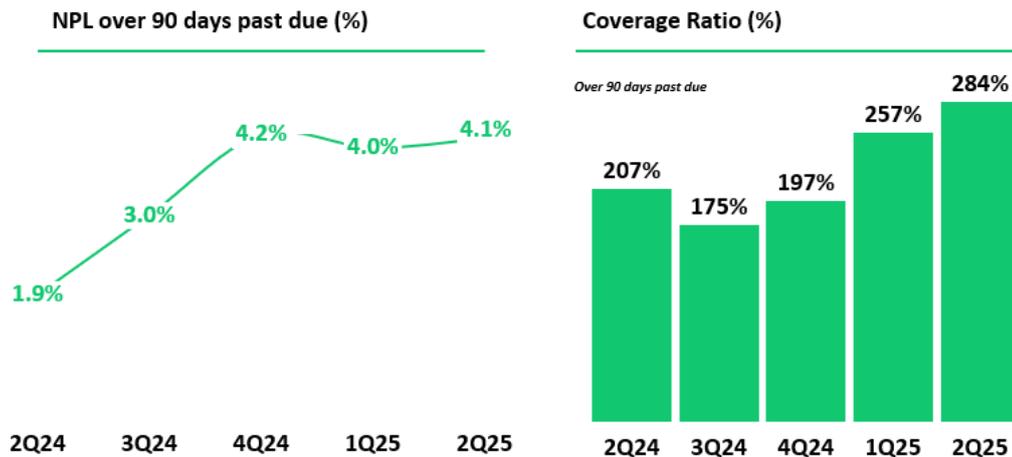
% over credit card portfolio



### 2.4. Asset Quality and Portfolio Coverage

In 2Q25, NPLs over 90 days accounted for 4.1% of the portfolio, slightly above the 4.0% recorded in the previous quarter but still below the 4.2% observed in 4Q24. These levels reflect natural and expected variations in a maturing credit portfolio and are in line with the Company's strategy of balancing risk mitigation with profitability, while maintaining portfolio quality and credit discipline.

Additionally, to align with our prudent credit management strategy, the Company has adopted a conservative approach to provisioning. Since the start of 2025, our provisions have been significantly higher than in previous quarters, mainly because of the Brazilian Central Bank Resolution 4,966 and the rapid growth of our credit portfolio. In 2Q25, we concluded the period with a past due balance coverage ratio exceeding 90 days, which stands at 284%. When considering the total credit portfolio in 2Q25, our overall coverage ratio finished at 12%.



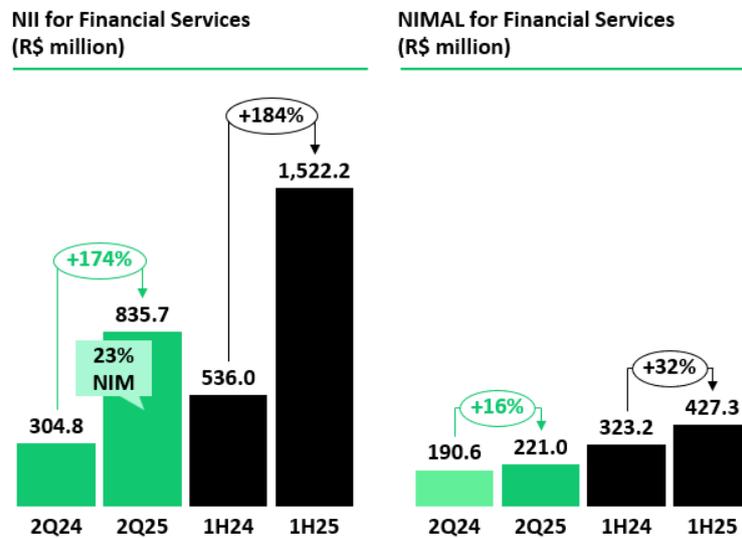
Note (1): The loss absorption ratio is calculated by dividing the credit loss allowance expenses by the total credit revenue net of funding costs

### 2.5. Net Interest Income (NII) and Net Margin After Losses (NIMAL) for Financial Services

We continued expanding our net interest income (NII) for financial services, which totaled R\$835.7 million in the second quarter of 2025 compared to R\$304.8 million in the second quarter of 2024. In 1H25, our NII for financial services was R\$1.5 billion compared to R\$536.0 million in 1H24. Our annualized net

interest margin (NIM), calculated by multiplying 2Q25 NII by four and dividing by the average credit portfolio (the average of March and June 2025), reached 23% in the second quarter of 2025.

Net interest margin after losses (NIMAL) for financial services closed at R\$221.0 million in the second quarter of 2025, compared to R\$190.6 million in the second quarter of 2024, an increase of 16% year-over-year. In 1H24, NIMAL for financial services totaled R\$427.3 million compared to R\$323.2 million in 1H24, an expansion of 32% year-over-year.

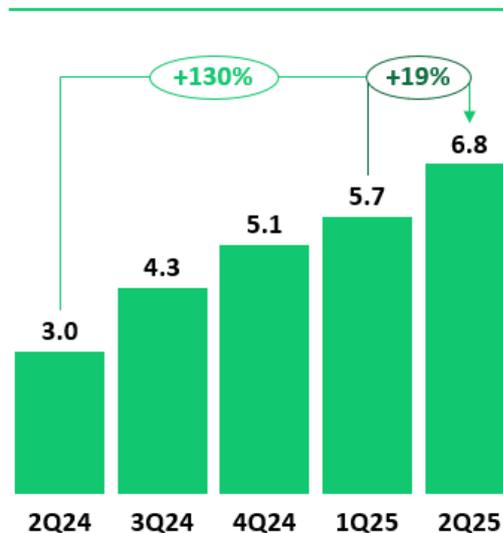


## 2.6. Insurance

We continued to present strong deliveries in our insurance product distribution business, growing across all categories: wallet, cell phone, life, invoices, FGTS, loan protection, and various other categories

As of June 2025, we had almost 7 million active insurance policies in our portfolio, representing an increase of 130% when compared to 2Q24 and 19% compared to the previous quarter.

Active Insurance Policies (in millions)



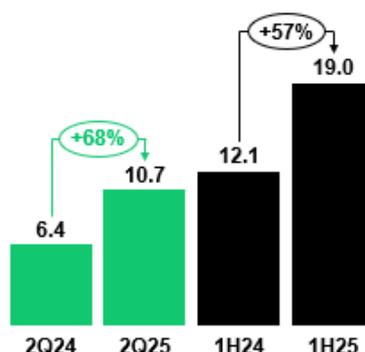
## 3. Small and Medium-Sized Businesses

We have observed notable growth in the transaction volume captured by our merchant acquiring platform. In the second quarter of 2025, we recorded a transaction volume of R\$10.7 billion, which reflects



a 68% increase compared to the previous year. For the six months ended June 30, 2025, the Merchant Acquiring TPV totaled R\$19.0 billion, an increase of 57% when compared to 1H24.

Merchant Acquiring TPV (R\$ billion)



## Financial Performance

### 1. Net Revenues

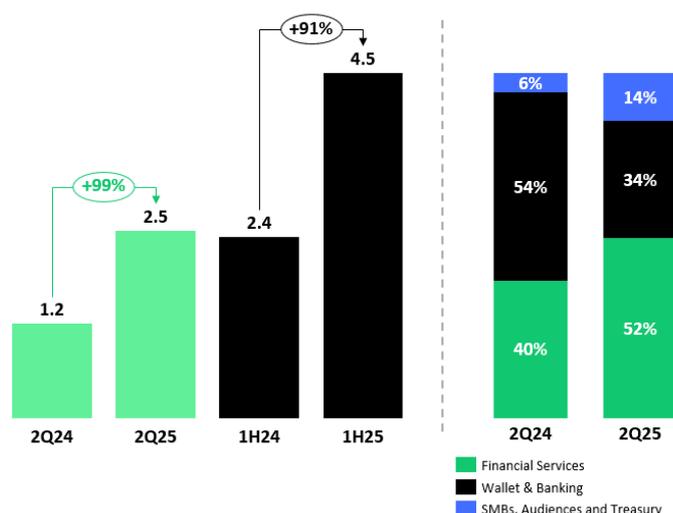
Our total net revenues reached R\$2.5 billion in the second quarter of 2025 and R\$4.5 billion in 1H25. This represents a 99% increase compared to the second quarter of 2024 and a 91% increase compared to 1H24. Additionally, we are further diversifying our revenue mix. Wallet & Banking revenues, which once represented 80% of the Company's total net revenues, currently represent 34% in 2Q25, a decrease of 18 percentage points when compared to 2Q24.

Although the Wallet & Banking revenues have declined in terms of representativeness, the segment continues to show robust growth. In 2Q25, total revenue and financial income from our Wallet & Banking operations totaled R\$962 million, an increase of 34% in the year-over-year comparison. For the six months ended June 30, 2025, Wallet & Banking revenues totaled R\$1.8 billion, an increase of 29% year-over-year. The increase in both periods of comparison was mainly due to the higher customer engagement in the platform, followed by the rise in the number of transactions per consumer and the higher penetration of credit cards embedded in our platform as a source of funds.

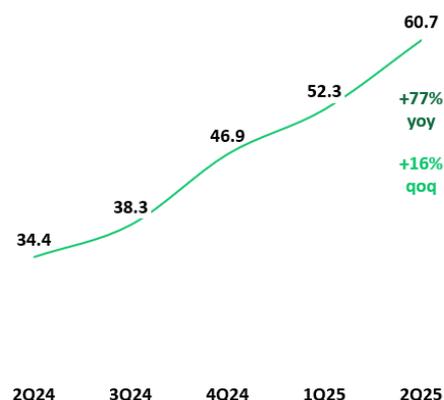
On the other hand, revenues from our Financial Services segment continue to present increased representativeness in our total net revenues. In 2Q25, revenues from our credit, insurance, and investment products accounted for 52% of total net revenues, marking a 12-percentage point increase from 2Q24

Additionally, the average revenue per active consumer (ARPAC) rose to R\$60.7 in the second quarter of 2025, reflecting a 77% increase compared to the same period last year and a 16% increase compared to the previous quarter.

**Net Revenues (R\$ billion) and Revenue Mix<sup>(1)</sup> (%)**



**ARPAC (R\$ / Active Consumer)<sup>(2)</sup>**



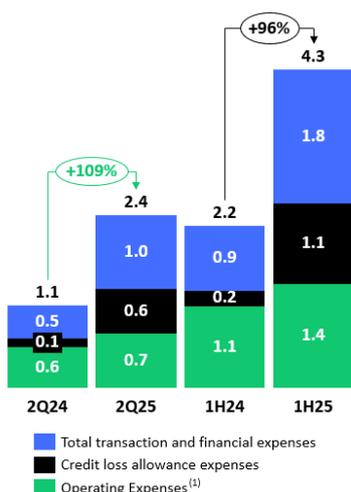
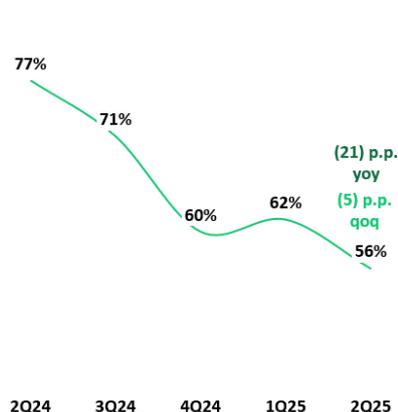
Note (1): The revenue mix includes total net revenues before reallocation of intercompany revenues and expenses. (2) "ARPAC" per active consumer comprises total net revenues divided by the average number of active customers at the beginning and end of the period.

## 2. Cost and Expenses

Total costs and expenses reached R\$2.4 billion in the second quarter of 2024 and R\$4.3 billion for the six months ended June 30, 2025. This represents an increase of 109% for the quarter and 96% for the first half of the year compared to the same period last year. The increase in the second quarter of 2025 can be mainly explained by:

- I. Increase of credit loss allowance expenses in R\$500 million from R\$114.2 million in 2Q24 to R\$614.7 million in 2Q25. The increase was mainly due to the growth of our credit portfolio, combined with the introduction of Resolution 4,966 by the Brazilian Central Bank, which determines the adoption of a much more conservative forward-looking approach in estimating expected credit losses, especially for banks that are growing their credit portfolios, which is our case.
- II. Increase in interest and other financial expenses in R\$517 million from R\$325.5 million in 2Q24 to R\$842.3 million in 2Q25. The higher interest rates in Brazil can mainly explain the expansion during the period (an increase of 450 bps in the year-over-year comparison, from 10.50% in June 2024 to 15.00% in June 2025). Additionally, the higher interest expenses during the last twelve months can also be attributed to the increase in PicPay CDs distribution through third-party channels as part of our strategy to diversify our funding portfolio. In 2Q25, our cost of funding reached 90% over CDI.
- III. Increase in personnel expenses in R\$71 million from R\$253.7 million in 2Q24 to R\$325.2 billion in 2Q25. The increase was primarily due to higher expenses with salaries in the year-over-year comparison. For the six months ending June 30, 2025, the increase was also attributed to higher provisions for bonuses related to employee performance and distribution of results.
- IV. Increase in depreciation and amortization in R\$46 million from R\$60.7 million in 2Q24 to R\$107.1 million in 2Q25. The increase was mainly due to higher amortization of internally developed software and software use licenses.

We achieved a significant improvement in our operating efficiency ratio, primarily due to growth in our net revenues and other income. For the second quarter of 2025, our efficiency ratio reached 56%, improving by 21 percentage points when compared to the same period of the previous year.

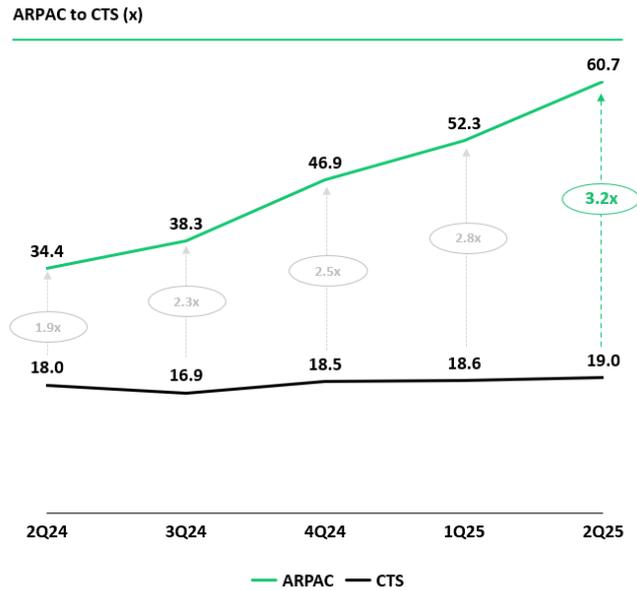
**Cost and Expenses<sup>(1)</sup> (R\$ billion)**

**Efficiency Ratio<sup>(2)</sup> (%)**

**Cost to Serve (R\$ / Active Consumer)**


Notes: (1) Composed by transaction expenses, interest and other financial expenses, credit loss allowance, technology expenses, marketing expenses, personnel expenses, administrative expenses, depreciation and amortization, and other expenses. (2) Total Costs and expenses, excluding credit loss allowance and interest and other financial expenses, divided by total revenue net of financial expenses plus other income. Note: (1) Quarterly Cost to Serve is equal to the sum of transaction, technology, marketing (excluding customer acquisition expenses), personnel, and administrative expenses divided by the average quarterly active customers from the beginning and the end of the period.

Our quarterly average cost to serve (CTS) was R\$19.0 per quarterly active consumer in the second quarter of 2025, an increase of 6% year-over-year and practically stable sequentially. On a monthly basis, i.e., average CTS per quarterly active consumer divided by three, our CTS reached R\$6.3 per quarterly active consumer in the second quarter of 2025 compared to R\$6.0 per quarterly active consumer in the same period of the prior year. This increase is mainly due to higher variable costs, such as transaction expenses and personnel expenses, during the period. Even with a slight increase, our cost to serve remains the lowest in the market, more than 10 times lower than the unitary costs of traditional financial institutions in Brazil.

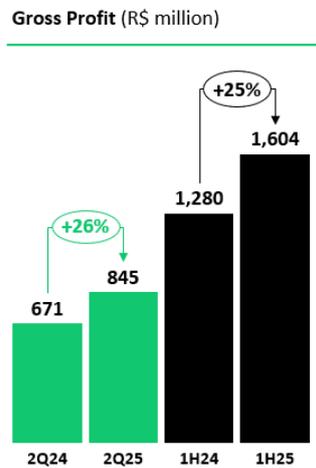
We define the average cost to serve per quarterly active consumer as the sum of transaction expenses, technology expenses, marketing expenses (excluding customer acquisition expenses), personnel expenses, and administrative expenses divided by the average number of quarterly active consumers during the period. The average number of quarterly active consumers is defined as the average of the number of quarterly active consumers on the period end date of the immediately prior period and the number of quarterly active consumers on the period end date of the current period.

Below, we present our ARPAC to CTS ratio. As can be noticed, our revenue per active customer in the second quarter of 2025 was more than 3 times higher than our cost to serve

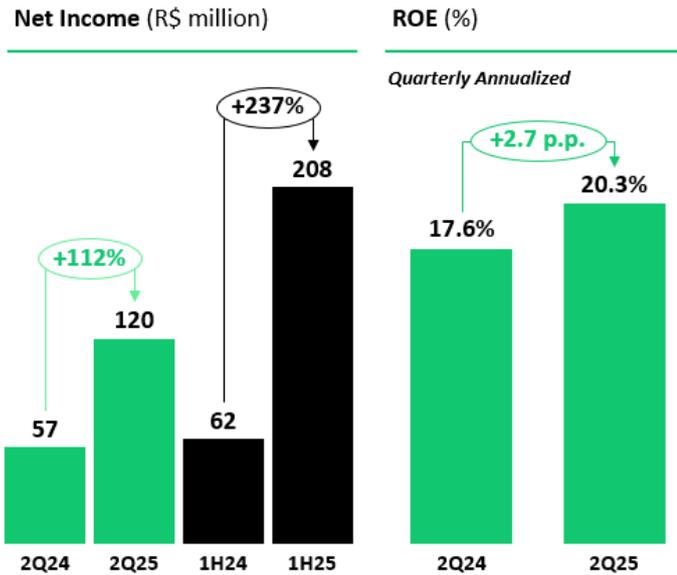


### 3. Profitability

Gross profit reached R\$845 million in the second quarter of 2025, and R\$1.6 billion for the six months ended June 30, 2025, reflecting increases of 26% and 25% year-over-year, respectively. This growth was primarily driven by the expansion of our total net revenues. Still, it was partially offset by the increase in financial expenses and upfront provisioned credit losses, as explained in the section above.



In the second quarter of 2025, net income reached R\$120 million, an increase of 112% compared to the same period in the previous year. For the six months ended June 30, 2025, net income totaled R\$208 million, representing an expansion of 237% compared to 1H24. It is important to note that, in only 6 months, our net income represented more than 80% of the net income achieved in the entire previous year.



Note: (1) Quarterly Annualized Return On Equity is equal to the net income from the second quarter of each period multiplied by four and divided by the average shareholders' equity, considering the beginning and the end of the period.

Additionally, our quarterly annualized return on equity (ROE) reached 20.3% in 2Q25, representing a 3-percentage point increase compared to 2Q24.

## 2.6. Liquidity and Capital Ratio

Our current capital ratio, as of July 2025, is 11.50%. The company monitors and forecasts its capital needs to maintain compliance with regulatory requirements and internal target capital ratios, maintaining constant communication with its controlling shareholders to ensure timely fulfillment of capital needs.



# Financials



## Unaudited condensed consolidated statements of profit or loss

Thousand of Brazilian reais	Three-month period ended June 30,			Six-month period ended June 30,		
	2025	2024	Variation	2025	2024	Variation
Net revenue from transaction activities and other services	337,728	328,855	2.7%	739,075	629,564	17.4%
Financial income	2,130,941	908,290	134.6%	3,793,524	1,744,106	117.5%
<b>Total revenue and financial income</b>	<b>2,468,669</b>	<b>1,237,145</b>	<b>99.5%</b>	<b>4,532,599</b>	<b>2,373,670</b>	<b>91.0%</b>
Transaction expenses	(158,080)	(126,682)	24.8%	(342,596)	(233,195)	46.9%
Interest and other financial expenses	(851,083)	(325,536)	161.4%	(1,491,003)	(648,041)	130.1%
<b>Total transaction and financial expenses</b>	<b>(1,009,163)</b>	<b>(452,218)</b>	<b>123.2%</b>	<b>(1,833,599)</b>	<b>(881,236)</b>	<b>108.1%</b>
<b>Credit loss allowance expenses</b>	<b>(614,700)</b>	<b>(114,241)</b>	<b>438.1%</b>	<b>(1,094,836)</b>	<b>(212,835)</b>	<b>414.4%</b>
<b>Gross profit</b>	<b>844,806</b>	<b>670,686</b>	<b>26.0%</b>	<b>1,604,164</b>	<b>1,279,599</b>	<b>25.4%</b>
Technology expenses	(125,098)	(134,086)	(6.7)%	(238,000)	(222,118)	7.1%
Marketing expenses	(98,277)	(70,589)	39.2%	(252,514)	(154,403)	63.5%
Personnel expenses	(325,217)	(253,727)	28.2%	(585,539)	(525,022)	11.5%
Administrative expenses	(98,900)	(89,149)	10.9%	(162,014)	(143,308)	13.1%
Depreciation and amortization	(107,145)	(60,730)	76.4%	(210,837)	(121,940)	72.9%
Other expenses	(10,250)	(4,868)	110.6%	(21,475)	(5,094)	321.5%
Other income	26,139	51,744	(49.5)%	48,889	52,544	(7.0)%
<b>Profit before income taxes</b>	<b>106,058</b>	<b>109,282</b>	<b>(2.9)%</b>	<b>182,674</b>	<b>160,257</b>	<b>14.0%</b>
Current income tax	(265,834)	(113,129)	135.0%	(453,379)	(214,867)	111.0%
Deferred income tax	280,040	60,470	363.1%	479,064	116,436	311.4%
<b>Total Income Tax and Social Contribution Expense</b>	<b>14,206</b>	<b>(52,658)</b>	<b>n.a.</b>	<b>25,685</b>	<b>(98,431)</b>	<b>n.a.</b>
<b>Profit for the period</b>	<b>120,264</b>	<b>56,624</b>	<b>112.4%</b>	<b>208,359</b>	<b>61,826</b>	<b>237.0%</b>

## Unaudited condensed consolidated statements of financial position

ASSETS (thousand of Brazilian Reais)	June 30, 2025	December 31, 2024
<b>Cash and cash equivalents</b>	<b>5,106,399</b>	<b>7,471,673</b>
<b>Financial assets</b>	<b>25,390,428</b>	<b>16,875,509</b>
<b>Financial assets measured at fair value through other comprehensive income</b>	<b>5,112,110</b>	<b>3,099,077</b>
Financial Investments	5,112,110	3,099,077
<b>Financial assets at fair value through profit or loss</b>	<b>69,331</b>	<b>100,051</b>
Financial Investments	39,491	45,864
Derivative Instruments	29,840	54,187
<b>Financial assets measured at amortized cost</b>	<b>20,208,987</b>	<b>13,676,381</b>
Trade receivables	5,024,331	3,877,167
Consumer Loans	14,173,452	9,578,148
Other receivables	1,011,204	221,066
<b>Prepaid expenses</b>	<b>231,941</b>	<b>141,805</b>
<b>Other assets</b>	<b>11,663</b>	<b>4,371</b>
<b>Tax assets</b>	<b>2,156,959</b>	<b>1,778,853</b>
Current income tax assets	1,115,318	1,212,615
Deferred tax assets	1,041,641	566,238
<b>Legal deposits</b>	<b>944</b>	<b>667</b>
<b>Property, plant and equipment</b>	<b>110,318</b>	<b>74,334</b>
<b>Right of use assets – leases</b>	<b>38,502</b>	<b>43,032</b>
<b>Intangible assets</b>	<b>1,043,693</b>	<b>927,414</b>
<b>TOTAL ASSETS</b>	<b>34,090,847</b>	<b>27,317,658</b>

LIABILITIES (thousand of Brazilian Reais)	June 30, 2025	December 31, 2024
<b>Financial liabilities at fair value through profit or loss</b>	<b>15,393</b>	<b>-</b>
Derivative financial instruments	15,393	-
<b>Financial liabilities measured at amortized cost</b>	<b>30,327,230</b>	<b>24,274,008</b>
Third-party funds	24,769,107	20,203,988
Trade payables	4,801,364	3,365,265
Obligations to FIDC quota holders	756,759	704,755
<b>Labor obligations</b>	<b>505,101</b>	<b>535,434</b>
<b>Taxes payable</b>	<b>624,136</b>	<b>648,205</b>
<b>Lease liability</b>	<b>48,505</b>	<b>53,136</b>
<b>Provision for legal and administrative claims</b>	<b>29,517</b>	<b>17,484</b>
<b>Other liabilities</b>	<b>17,379</b>	<b>25,524</b>
<b>Total Liabilities</b>	<b>31,567,261</b>	<b>25,553,791</b>
<b>Equity</b>	<b>2,523,586</b>	<b>1,763,867</b>
Share premium reserve	1,952,267	1,406,563
Fair value reserve	(17,703)	(22,610)
Retained earnings	403,695	224,633
Non-Controlling interests	185,327	155,281
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>34,090,847</b>	<b>27,317,658</b>

## Unaudited condensed consolidated statements of cash flows

For the six-month period ended June 30,		
Thousand of Brazilian reais	2025	2024
<b>Profit for the period</b>	<b>208,359</b>	<b>61,826</b>
<b>Adjustments for</b>		
Income tax and social contribution expenses	(25,685)	98,431
Labor provisions	42,632	40,109
Depreciation/amortization	210,837	122,110
Provision for legal and administrative claims	12,033	5,661
Chargeback (release) / provision	(16,536)	(10,377)
Credit loss allowance	1,094,836	212,835
Write-off / loss on disposal of intangible assets	-	88,573
Interest accrued on thlrd-party funds	166,992	265,441
Interest accrued on consumer loans	(1,103,369)	(263,097)
Interest accrued on FIDC senior quotas	(59,257)	-
Interest accrued on financial investments	(287,339)	(124,280)
<b>Variations in operating assets and liabilities</b>		
Financial Invesments	(1,714,414)	(378,062)
Derivative financial instruments	39,740	-
Trade receivables and other receivables	(1,920,766)	65,549
Consumer loans	(5,588,833)	(3,726,049)
Prepaid expenses	(90,136)	(41,122)
Other assets	(382,724)	(434,768)
Third-party funds	5,205,940	1,945,991
Labor obligations and taxes payable	313,567	280,422
Trade payables and other liabilities	1,431,547	1,614,830
Obligations to FIDC FGTS quota holders	111,261	-
Legal and administrative claims	-	(4,690)
Interest received	1,002,061	389,116-
Interest paid	(813,607)	(330,079)
Income tax and social contribution paid	(384,916)	(262,158)
<b>Net cash from (used in) operating activities</b>	<b>(2,547,777)</b>	<b>(383,788)</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(45,671)	(21,082)
Acquisition of intangible assets	(312,899)	(248,709)
Acquisition of credit card operations	-	(1,815,000)
<b>Net cash (used in) investing activities</b>	<b>(358,570)</b>	<b>(2,084,791)</b>
<b>Cash flows from financing activities</b>		
Share capital increase	545,704	-
Issuance of non-controlling interests	-	100,000
Payment of loans	-	1,826
Payment of leases	(4,631)	(6,538)
<b>Net cash (used in) financing activities</b>	<b>541,073</b>	<b>95,288</b>
Net decrease in cash and cash equivalents	(2,365,274)	(2,373,291)
Cash and cash equivalents at the beginning of the period	7,471,673	7,379,049
Cash and cash equivalents at the end of the period	5,106,399	5,005,758



# About PicPay

## Investor Relations

Founded in Vitoria (ES) in 2012, PicPay was the forerunner in offering QR Code and instant payments for consumers and businesses. PicPay became one of the largest fintechs in Brazil, offering a wide range of financial services, including day-to-day payments, credit cards, loans, insurance, and investments for millions of consumers and businesses in a digital-first, simple, and secure way.

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