

2024 Earnings Release

March 2025



PicPay

Official Partner of
Stake F1® Team KICK Sauber

PicPay Increases Net Revenue by more than 60% and Net Income by more than 7x in 2024

PicPay Reports 2024 Operating and Financial Results

Total Accounts	Total TPV	Credit Portfolio
60.2M As of Dec/24	R\$421.0B 2024 FY	R\$10.6B As of Dec/24
+14% yoy	+55% yoy	+18x yoy
Net Revenue	Gross Profit	Net Income
R\$5.6B 2024 FY	R\$2.8B 2024 FY	R\$251.8M 2024 FY
+61% yoy	+53% yoy	+7x yoy

Message From the Management

We proudly present PicPay's results for the fourth quarter and the entire year of 2024. As we previously disclosed, we have posted impressive results in terms of growth and profitability, establishing ourselves as one of the fastest-growing digital banks in the Brazilian financial industry and globally.

2024 was the year of consolidating our digital banking strategy. Our strategy to go beyond payments was remarkable; throughout the year, we grew our financial services platform, achieving 44% of the total net revenues compared to 10% in the previous year. We scaled our credit operations by issuing more than 11 million credit cards, originating nearly 7 billion reais in personal loans, and growing a healthy and balanced portfolio between secured and unsecured products. We also reached 5.1 million active policies in insurance products. Our complete financial services platform has enabled us to become the largest digital wallet, second largest digital bank and the seventh-largest financial institution in the country in terms of total customers, according to data provided by the Brazilian Central Bank as of December 31, 2024.

For 2024, we recorded 5.6 billion reais in net revenues, a 61% increase in net revenue, and growth exceeding 90% in Q4, showing our ability to accelerate revenue growth throughout 2025. Our ARPAC (Average Revenue per Active Customer) reached 47 reais in Q4, a 75% increase compared to last year, driven by significant diversification in the business between wallet revenues and financial income from credit products. Additionally, we saw a very healthy and balanced combination between asset-light revenues vs credit revenues. Our cost to serve reached 18.5 reais per customer, one of the lowest costs to serve in the market, which drove the company to deliver a net income of 252 million reais —a 7-fold increase in net income compared to 2023 —and reach an annualized ROE of 19% in Q4. In 2025, we continue to expect scale, growth through diversification, and expansion of our profitability.



Finally, before diving into the details of the evolution of each business segment, we are thrilled to announce that PicPay has been recognized as the best digital bank in Brazil at iBest 2024 through popular vote. This award validates our commitment to simplifying the financial lives of millions of Brazilians. It motivates us to continue innovating and improving our products and services, with the goal of providing our customers with the best user experience and security. Additionally, we concluded 2024 by celebrating our first-place win in the “Reclame Aqui” award in the “Online Payments” category for the second consecutive year, as well as our first-place win in the “Online Loans” category. These results reinforce that we are on the right track, focused on delivering an efficient, secure, and problem-solving user experience, thanks to the ongoing effort of our dedicated team and the technological innovations we continue to implement.

A. Wallet & Banking

Wallet & Banking TPV totaled R\$107.8 billion in the fourth quarter of 2024, an increase of 45% compared to 2023. For the twelve-month period, TPV reached R\$371.7 billion, growing 58% compared to the previous year.

During 2024, we have continued to have a powerful presence regarding Pix transactions in the country. As of December 31, 2024, 11% of all Pix transactions originated from or concluded at a PicPay account. Furthermore, as of December 31, 2024, we have registered over 77 million Pix keys in our platform, reflecting a 28% growth compared to December 31, 2023.

Total deposits reached R\$20 billion as of December 31, 2024, reflecting a 53% increase compared to December 31, 2023. We can attribute this growth to three main reasons: (i) the increase of 58% of the cash-in in the digital wallet, which totaled R\$378 billion in 2024, proving that our customers are getting more confident to consider PicPay as their primary financial services platform; (ii) the expansion of our piggy banks, which doubled in terms of balance when compared to 2023, totaling R\$6 billion in 2024, with more than 15 million piggy banks created; and (iii) the beginning, as of July 2024, of the distribution of PicPay's CDs through third-party platforms as an essential initiative aligned with our strategy to increase our funding resources.

It is essential to highlight that throughout 2024, we made several efforts focused on innovation to simplify and speed up our customers' payment journey and the user experience in the digital wallet. Among the various initiatives, we can highlight:

1. The launch of the **PicPay Assistant**, a solution that uses generative artificial intelligence to process Pix transactions via messages, audio, and images on WhatsApp securely and quickly;
2. The launch of **salary portability with open finance**. With a simplified journey, this technology allows employees to choose the institution that offers the best advantages for their financial lives without needing extra information, such as the employer's Tax ID;
3. Aiming to make life easier for millions of families, in May 2024, we launched the **underage account**, an account for minors connected to their parents' accounts. This account offers a personalized experience and robust features such as Pix, prepaid cards, and piggy banks.
4. After being the forerunners in enabling **Pix transactions directly through the Google Wallet** without requiring customers to open the app, we introduced **Pix transactions by proximity also through the Google Wallet**. PicPay's consumers were the first to benefit from this innovation. With Pix by proximity, we were able to promote inclusion, as previously, this type of payment could only be made by those with a debit or credit card;
5. In addition to those transactional features launched during the year, we also launched a **Security Center** in our app, enabling customers to manage all the account protection tools we offer in one place. Users can view their security level and discover ways to enhance their protection.

Additionally, we recently launched the first **AI-powered vehicle hub** from a bank in Brazil, offering a personalized solution for managing vehicle-related debts. With this new feature, customers can centralize



all information and services related to their vehicles in the same app where they already manage their finances.

B. Financial Services

In 2024, marked as the first full operating year of our credit business, we achieved significant growth while maintaining sustainable margins and diligent risk management in our credit portfolio. Our credit operation is built on top of a massive quantity of credit behavioral data that we can capture through our digital wallet transactional robustness, which has approximately 44 million credit cards registered on file, and our positioning in open finance, with almost 9 million active consents received within our Account Aggregator feature as of December 31, 2024.

Our behavioral-oriented credit models have three times more accuracy when compared to traditional credit models that utilize data provided by common market suppliers. As a result, we have expanded our customer base by offering pre-approved credit limits up to 2.5 times the amount we would achieve using market data. Additionally, since the inception of our credit models, we have tracked more than 33 million pre-eligible customers to offer credit card limits and more than 13 million pre-eligible customers to receive personal loan offers.

Throughout the year, we enhanced our credit offering through a tiered approach. For customers whose information was insufficient to offer higher credit limits, we adopted a strategy focused on offering secured cards, with limits collateralized by balances invested in PicPay's piggy banks, as well as unsecured credit cards with micro and small limits. As we gained more confidence in our customers' transactional and credit behavior, we increased credit card limits using a gamification approach.

In 2024, we issued more than 11 million credit cards, with secured cards accounting for 68% of the total issuance. It is worth mentioning that, in 2024, we launched the "Extra Limit" feature, which enables customers to increase their credit card limits based on the amount saved in the card's piggy banks and their transactional and credit behavior history.

As of December 31, 2024, our total credit portfolio reached R\$10.6 billion, 18 times compared to December 31, 2023. In 2024, focusing on profitability and relying on our credit model efficiency, we increased our exposure to unsecured credit products such as personal loans and unsecured credit cards. Due to that, unsecured credit products represented 56% of the total portfolio, while secured products such as FGTS loans and payroll loans accounted for 44%. Although we increased this exposure, we have adopted a conservative approach, presenting a coverage ratio of 197% over the 90-day past-due credit balance. Regarding the quality of our assets, our early delinquency ratio considering NPLs from 15 to 90 days past due reached 4.61%, in line with the average of the market and still below our digital peers.

It is worth mentioning that those NPL figures are in line with our expectations, given the increase in our unsecured credit portfolio. We have been observing good trends and healthy asset quality levels from all of our customers' cohorts.

Going forward, our insurance business finished 2024 with the milestone of more than 5 million active insurance policies distributed in our platform, representing an increase of almost four times compared to December 31, 2023. In 2024, we launched several new insurance products, including pharmacy and residential assistance, loan protection, and protected credit card invoice insurance.

C. Small and Medium-Sized Businesses

Our Merchant Acquiring Total Payment Volume totaled R\$39 billion in 2024, an increase of 33% compared to 2023. Our merchant-acquiring platform offers various payment solutions, including e-wallets, Pix, QR Codes, e-commerce, and POS Terminals. We plan to target existing customers who are also SMB owners—currently, 8 million out of our 60 million accounts are SMB owners—focusing on the penetration of acquiring, corporate benefits, and banking products within the SMB base.



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.

D. Enhanced AI Use Cases in our operations

In 2024, our company established itself as one of the top 10 global users of OpenAI's technology, providing a client-facing solution that serves millions of customers each month. This significant achievement highlights our leadership in leveraging cutting-edge AI solutions to enhance user experience and improve our company's efficiency. By integrating AI into our offerings, we are not only meeting customer expectations but also positioning ourselves as leaders in this rapidly evolving industry.

We have fully embraced the power of artificial intelligence in our marketing strategies, with some campaigns now being created 100% by AI. From concept development to content creation and personalized targeting, AI is at the core of how we engage with our customers. This has allowed us to significantly reduce time-to-market for campaigns while ensuring the relevance and personalization of our messaging.

Additionally, our AI-driven operations have resulted in an impressive consumption of over 5 billion OpenAI tokens, showcasing the scale and intensity of our demand.

One of the key innovations enhancing our user experience is our PicPay AI Assistant, embedded in WhatsApp and in our own messaging features. Since its launch, it has supported over 6 million customers. With our AI assistant, customers can easily make instant payments and perform other tasks directly through WhatsApp using text, audio, or even photos.

E. Marketing and Brand Initiatives

In September 2024, we innovated by launching a marketing campaign created entirely with 100% generative artificial intelligence (GenAI). Our AI team created each element presented in the video from predefined prompts, including the soundtrack and the voiceover. The people appearing in the video were all generated by GenAI without any traditional audio or image recording.

We also launched our national marketing campaign with the slogan "With PicPay, the experience is different." This campaign aims to showcase our ability to go beyond payment solutions and establish a comprehensive financial ecosystem. Our offerings include payments, loans, credit cards, investments, and various other financial services, all designed to deliver an enhanced user experience and foster innovation within the app.

Additionally, we are very proud to announce our sponsorship of the Stake F1® Team KICK Sauber, debuting in Formula 1. Furthermore, it is the team with the only Brazilian racing driver on the grid: Gabriel Bortoleto, who has made history as the first Brazilian full-time racing driver in the category since 2017. The sponsorship, which covers all 24 races of the championship in 21 countries, reinforces PicPay's positioning at the forefront of technology, high performance, innovation, and design, and scales our brand to global visibility.

Finally, I would like to thank our 60 million customers, our more than 4,500 employees, and our shareholders for their support. We feel that we are just at the beginning of our journey.

Eduardo Chedid

Chief Executive Officer

Performance in the Period

Operating Performance

1. Wallet & Banking

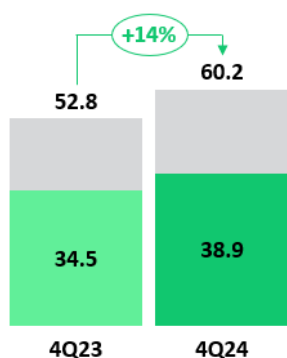
We closed the fourth quarter of 2024 with 60.2 million registered consumers, a 14% increase year over year. Quarterly active consumers who opened the app and/or made at least one financial transaction and/or generated revenue reached 38.9 million in the fourth quarter of 2024, an increase of 13% compared to 34.5 million in the fourth quarter of 2023.

In the fourth quarter of 2024, total cash-in reached R\$110.2 billion, representing a 43% year-over-year growth. For the full year, the total cash inflow was R\$377.7 billion, a 58% 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.

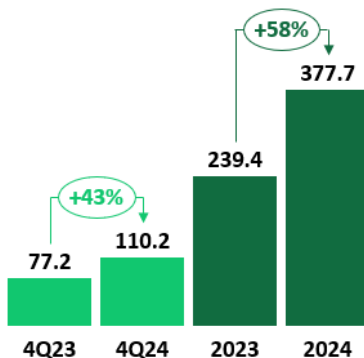
As of December 31, 2024, total deposits reached R\$20.0 billion, marking a 53% increase year over year. This growth is primarily attributed to the expansion of our piggy bank deposits, which amounted to R\$6.4 billion in the fourth quarter of 2024, up 110% from R\$3.1 billion in the same quarter of 2023. Additionally, in June 2024, we started distributing our CDBs through third-party platforms, further contributing to the rise in deposits.

Consumers (millions)

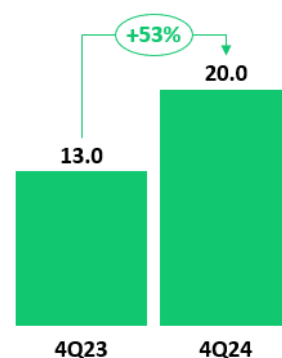
■ Active consumers



Total Cash-In (R\$ billion)

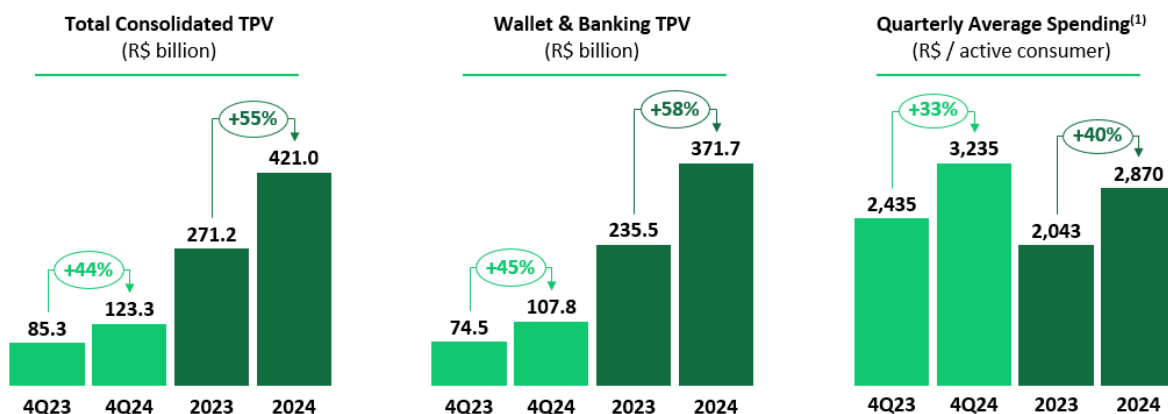


Deposits (R\$ billion)



In the fourth quarter of 2024, our total payment volume (TPV) reached R\$123.3 billion, a 44% increase compared to the fourth quarter of 2023. For the full year, the total consolidated TPV amounted to R\$421.0 billion, reflecting a 55% growth compared to the previous year. The Wallet & Banking segment represented 87% of the total consolidated TPV in the third quarter and 88% in the twelve months ending December 31, 2024, reaching R\$107.8 billion in the fourth quarter of 2024, a 45% year-over-year increase. Additionally, Wallet & Banking TPV totaled R\$371.7 billion for the full year, representing a 58% growth compared to the previous year.

As we enhance our ecosystem, we have observed increased consumer engagement. In the fourth quarter of 2024, the average quarterly spending reached R\$3,235 per active consumer, reflecting a 33% year-over-year increase. Additionally, for the twelve months ended December 31, 2024, the average spending was R\$2,870 per active consumer, representing a 40% year-over-year growth.



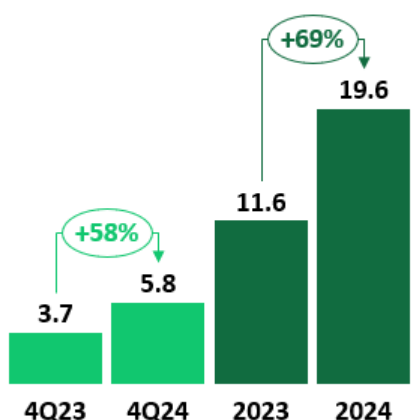
Note (1): Quarterly average spending is calculated by the total consolidated TPV divided by the average quarterly active consumers at the beginning and the end of the period.

We have observed a significant increase in the adoption of PIX credit within our digital wallet, as it opens up 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 fourth quarter of 2024, TPV for PIX Credit reached R\$5.8 billion, reflecting a 58% increase compared to last year. In 2024, PIX Credit TPV amounted to R\$19.6 billion, indicating a year-over-year growth of 69%. Furthermore, transactions from persons to merchants (P2M) accounted for 38% of the total PIX Credit TPV during the twelve months ending December 31, 2024.

As of December 31, 2024, our PIX coverage, which accounts for transactions where PicPay originated or received the transaction (excluding transactions between PicPay accounts), reached 10.9%.

PIX Credit TPV (R\$ billion)



2. Financial Services

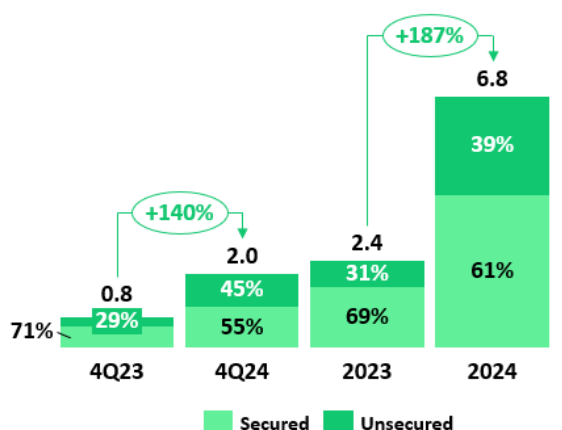
2.1. Loans

Total loan origination, including both our own and third-party loans, reached R\$2.0 billion in the fourth quarter of 2024 and R\$6.8 billion in 2024. This represents an impressive year-over-year increase of 140% and 187%, respectively.

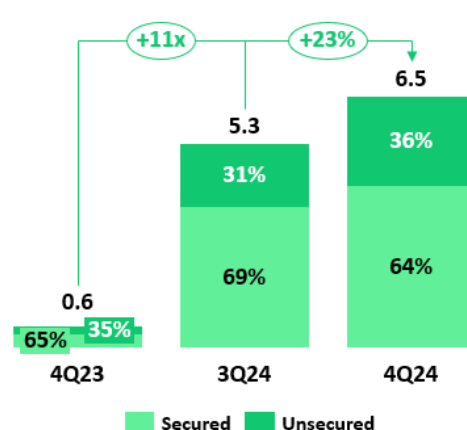
In terms of secured products, they accounted for 55% of origination in the fourth quarter and 61% for the twelve-month period ending December 31, 2024.

Our loan portfolio totaled R\$6.5 billion in the fourth quarter of 2024, an increase of 23% quarter over quarter and more than 11 times when compared to the fourth quarter of 2023. Secured loans represented 64% of the total loan portfolio during the period.

Loan Origination (R\$ billion)



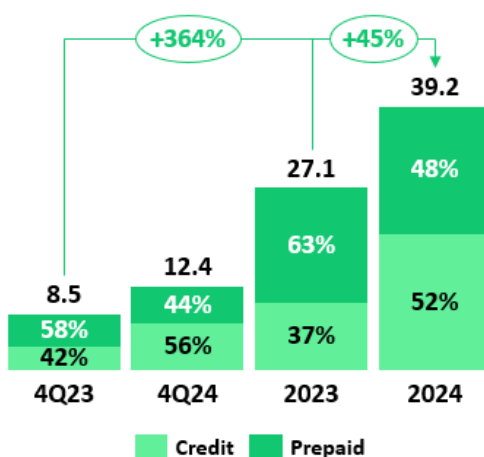
Loan Portfolio (R\$ billion)



2.2. Credit Cards

In the fourth quarter of 2024, TPV from PicPay Cards reached R\$12.4 billion, reflecting a 47% increase compared to the same period last year. In 2024, we achieved a total of R\$39.2 billion, which represents a 45% 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 fourth quarter of 2024, the average penetration of PicPay Cards accounted for 25% of the total TPV from credit cards in our entire ecosystem, up from 11% in the same period last year.

PicPay Card TPV (R\$ billion)



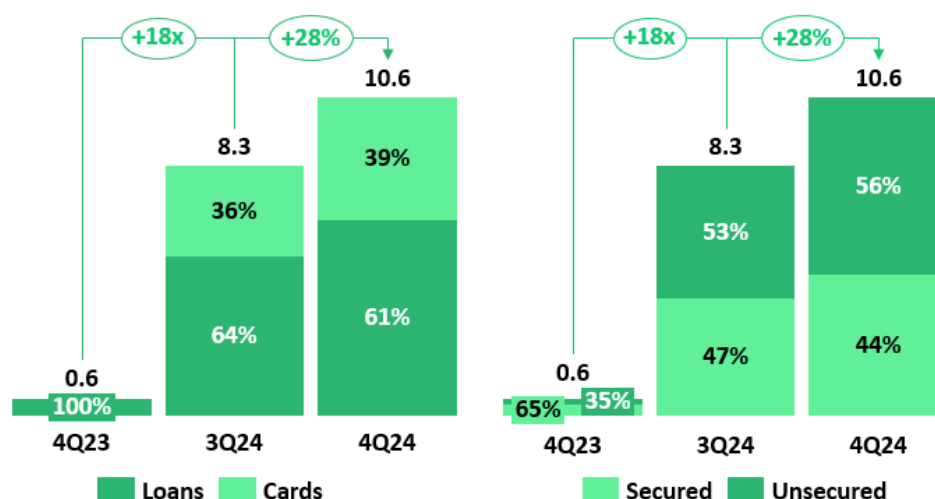
We have adopted a strategy that focuses on issuing cards with low initial limits, as well as secured cards. This conservative approach to credit card offerings aligns with our goals of profitability and maintaining control over delinquency rates. By utilizing these products, we aim to better understand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

Our Credit Card Portfolio reached R\$4.1 billion in the fourth quarter of 2024, representing a 84% increase compared to the first quarter of 2024.

2.3. Total Credit Portfolio

Our credit portfolio reached R\$10.6 billion in the fourth quarter of 2024, a 28% increase from the previous quarter and more than 18 times the portfolio presented in the fourth quarter of 2023.

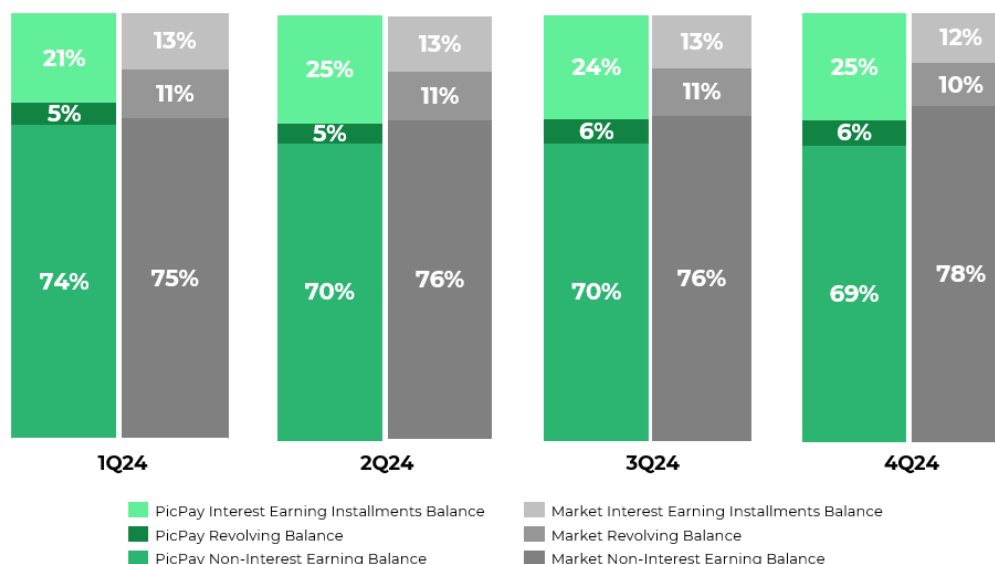
Total Credit Portfolio (R\$ billion)



PicPay's interest-earning portfolio, which includes interest-earning installments and revolving balances, accounted for 31% of its total credit card portfolio compared to 22% 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

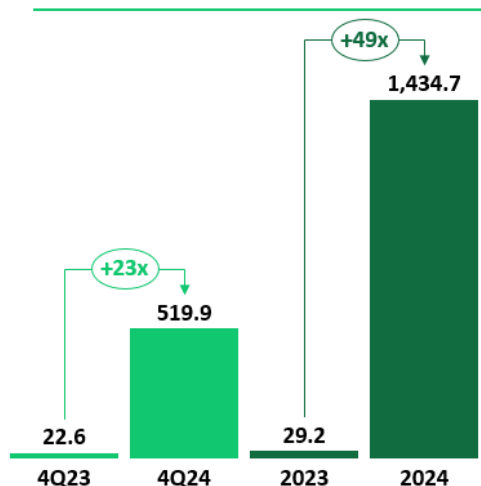


2.4. Net Interest Income (NII) and Net Margin After Losses (NIMAL) for Financial Services

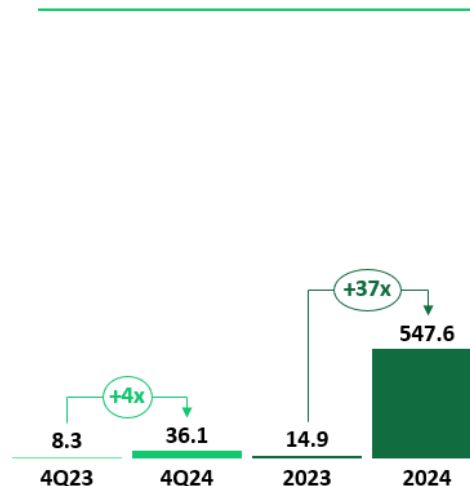
We continued expanding our net interest income (NII) for financial services, which totaled R\$519.9 million in the fourth quarter of 2024 compared to R\$22.6 million in the fourth quarter of 2023. In 2024, our NII for financial services was R\$1.4 billion compared to R\$29.2 million in 2023. Our annualized net interest margin (NIM), which is 4Q24 NII multiplied by four and divided by the average credit portfolio (average of September and December 2024), reached 22% in the fourth quarter of 2024.

Net interest margin after losses (NIMAL) for financial services closed at R\$36.1 million in the fourth quarter of 2024 compared to R\$8.3 million in the fourth quarter of 2023. In 2024, NIMAL for financial services totaled R\$547.6 million compared to R\$14.9 million in 2023.

NII for Financial Services (R\$ million)



NIMAL for Financial Services (R\$ million)

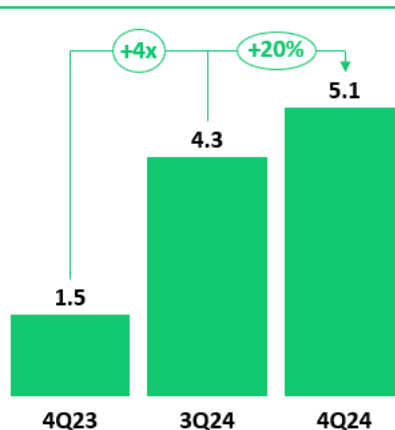


2.5. Insurance

We are performing strongly in our insurance product distribution business, consistently growing across all categories: wallet, cell phone, life, invoices, FGTS, loan protection, and the newly launched pharmacy and residential assistance insurance.

As of December 2024, we had over 5 million active insurance policies in our portfolio, representing a more than fourfold increase from December 2023.

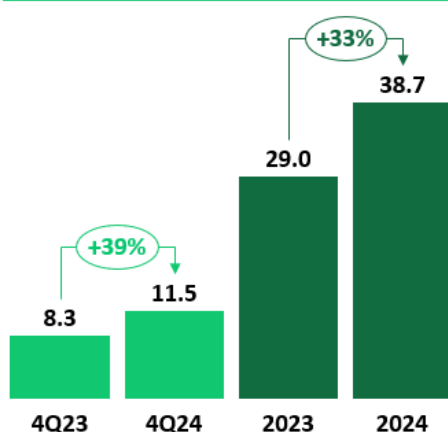
Active Insurance Policies (in millions)



3. Small and Medium-Sized Businesses

In our analysis of the small and medium-sized businesses segment within our ecosystem, we have observed notable growth in the transaction volume captured by our merchant acquiring platform. In the fourth quarter of 2024, we recorded a transaction volume of R\$11.5 billion, which reflects a 39% increase compared to the previous year. In 2024, Merchant Acquiring TPV reached R\$38.7 billion, marking a 33% year-over-year growth. Additionally, even in its early stages, the volume from our merchant-acquiring platform already accounts for nearly 1% of the Brazilian market.

Merchant Acquiring TPV (R\$ billion)



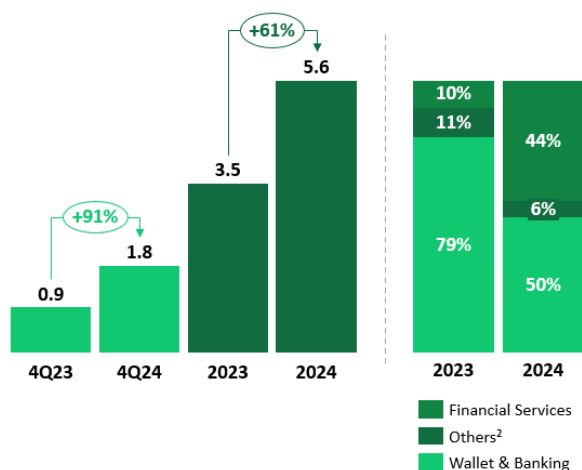
Financial Performance

1. Net Revenues

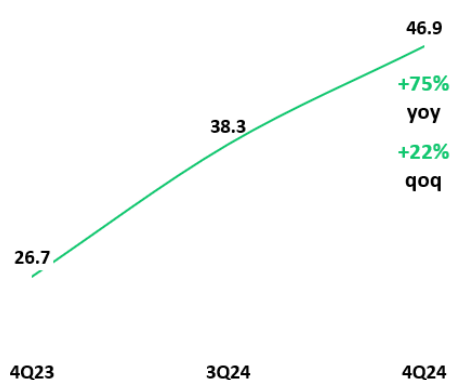
Our total net revenues reached R\$1.8 billion in the fourth quarter of 2024 and R\$5.6 billion in 2024. This represents a 91% increase compared to the fourth quarter of 2023 and a 61% increase compared to 2023. Additionally, the average revenue per active consumer (ARPAC) rose to R\$46.9 in the fourth quarter of 2024, reflecting a 75% increase compared to the same period last year and a 22% increase compared to the previous quarter. This growth is primarily attributed to the diversification of our revenue streams over the twelve months ending December 31, 2024, mainly due to the accelerated origination of our credit products and the distribution of insurance products.

It is also worth mentioning that we maintain a healthy balance in our revenue mix, comprising fee revenues, financial income from asset-light products (such as installment fees charged for wallet transactions with third-party credit cards), and financial income from credit products originated from our own balance sheet.

Net Revenues (R\$ billion) and Revenue Mix⁽¹⁾ (%)



ARPAC (R\$ / Active Consumer)



Note (1): The revenue mix includes total net revenues before reallocations of intercompany revenues and expenses. (2) Others comprise Small & Medium-Sized Businesses, Audiences & Ecosystem Integration, and Institutional revenue streams.

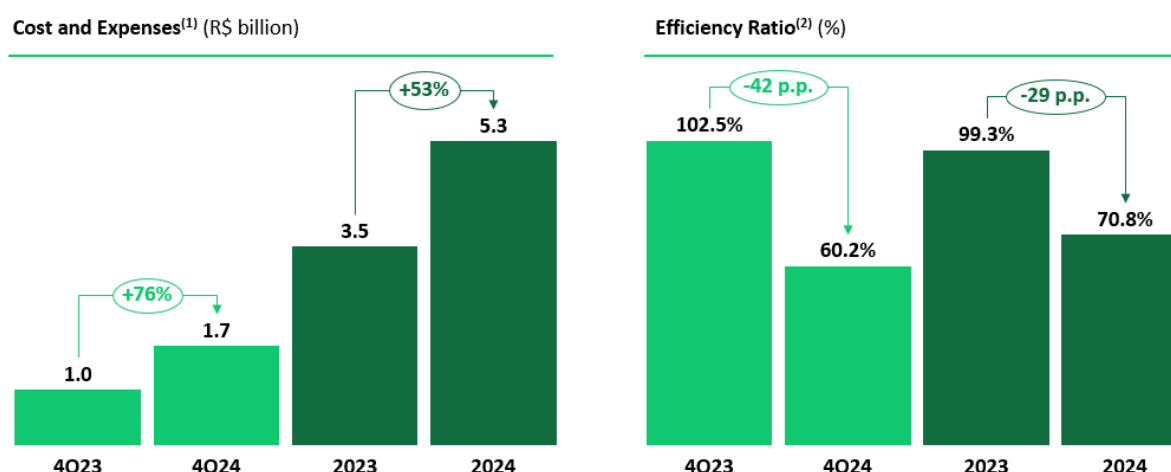
2. Cost and Expenses

Total costs and expenses reached R\$1.7 billion in the fourth quarter of 2024 and R\$5.3 billion for the twelve months ending December 31, 2024. This represents an increase of 76% for the quarter and 53%

for the twelve-month period compared to the same period last year. For the full year, the increase can primarily be attributed to:

- I. Increase of credit loss allowance expenses in R\$873 million from R\$14.3 million in 2023 to R\$887 million in 2024. It is important to note that this 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 from R\$1.2 billion in 2023 to R\$1.4 billion in 2024, representing a rise of R\$226 million. The increase can be mainly attributed to higher costs related to the remuneration of PicPay Bank CDs contracted by our consumers, followed by the increase of deposits and the distribution of fixed-term CDs through third-party platforms. Although our cost of funding over CDI remained stable, reaching 87% as of December 2024.
- III. Increase in personnel expenses from R\$879 million in 2023 to R\$1.1 billion in 2024, a rise of R\$211 million. The increase was primarily due to salaries and benefits combined with higher provisions for bonuses related to employee performance and distribution of results.
- IV. Increase in technology expenses from R\$312 million in 2023 to R\$509 million in 2024, a rise of R\$197 million. The increase was primarily driven by higher software expenses and information technology services, resulting from the expansion of our transacting operations in the digital wallet, as well as the enhancement of our credit models to offer credit products to a broader customer base.

We achieved a significant improvement in our operating efficiency ratio, primarily due to growth in our net revenues and other income. For the fourth quarter and the full year of 2023, our costs and expenses accounted for 102.5% and 99.3% of total revenues, respectively. By comparison, these figures dropped to 60.2% and 70.8% for the fourth quarter and the twelve months ending December 31, 2024.

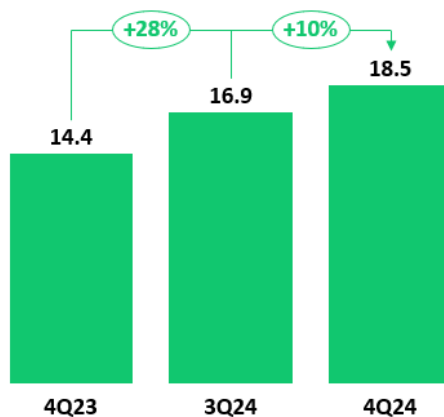


Notes: (1) Composed by transaction expenses, interest and other financial expenses, credit loss allowance, technology expenses, marketing expenses, personnel expenses, administrative expenses, depreciation and amortization, and other expenses. (2) Total Costs and expenses, excluding credit loss allowance and interest and other financial expenses, divided by total revenue net of financial expenses plus other income.

Our quarterly average cost to serve (CTS) was R\$18.5 per quarterly active consumer in the fourth quarter of 2024, an increase of 9% quarter-over-quarter and 28% year-over-year. On a monthly basis, i.e. average CTS per quarterly active consumer divided by three, our CTS reached R\$6.2 per quarterly active consumer in the fourth quarter of 2024 compared to R\$4.8 per quarterly active consumer in the same period of the prior year. This increase is mainly due to higher personnel, marketing, and transaction expenses during the period.

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.

Quarterly Cost to Serve (R\$ / Active Consumer)⁽¹⁾

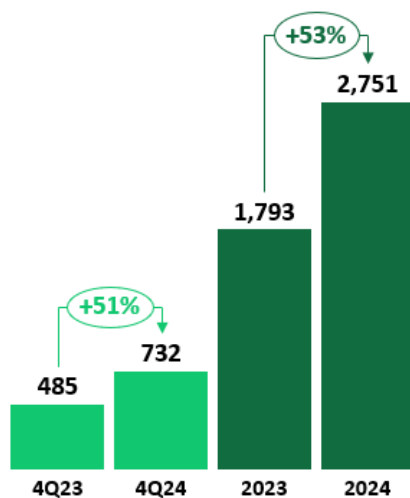


Note: (1) Quarterly Cost to Serve is equal to the sum of transaction, technology, marketing (excluding customer acquisition expenses), personnel, and administrative expenses divided by the average quarterly active customers from the beginning and the end of the period.

3. Profitability

Gross profit reached R\$732 million in the fourth quarter of 2024, and R\$2.8 billion for the full year, reflecting increases of 51% and 53% year-over-year, respectively. This growth was primarily driven by the expansion of our total net revenues, which offset the rise in transaction costs and interest and other financial expenses.

Gross Profit (R\$ million)



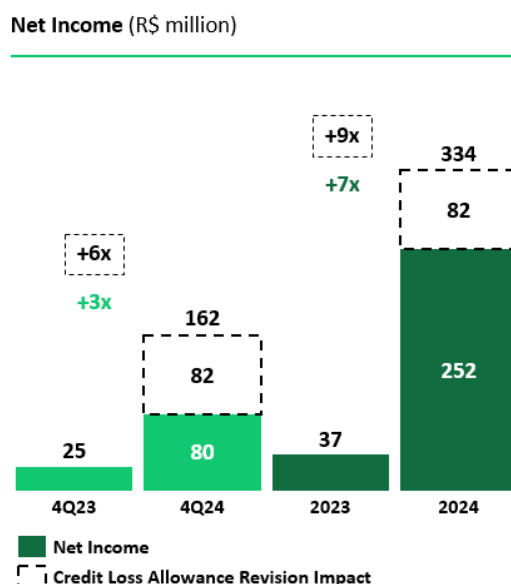
In the fourth quarter of 2024, net income reached R\$80 million, a threefold increase from the same period in the previous year. For the full year, net income totaled R\$252 million, representing a sevenfold increase compared to 2023.

It is essential to highlight that in Q4, we revisited our IFRS 9 model, increasing our credit loss provisions mainly due to Resolution 4,966, introduced by the Brazilian Central Bank in December 2024,

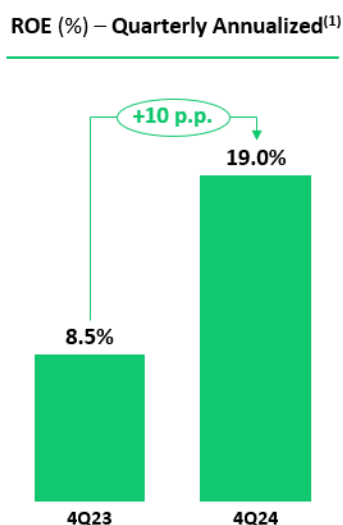
which establishes a new and more conservative accounting standard for Brazilian banks concerning credit losses.

As a result, we revisited and increased our credit loss provisions, which are frontloaded mainly for banks that are still scaling their credit portfolios. As a consequence, we observed slight drops in our accounting profit margins in the first moment. Still, we expect provision curves to stabilize in the coming periods based on the performance of our customers' cohorts and our ability to manage credit risk, reverting those expenses into higher net margins. Currently, we have not observed any deterioration in asset quality, and all cohorts continue to deliver very healthy performance.

We incurred an impact of R\$82 million on our net income for both the quarterly and annualized periods. Excluding the effects from the new resolution, our net income for 4Q24 and 2024 would totaled, respectively, R\$162 million and R\$334 million, increasing 6 and 9 times for each comparison.



Our quarterly annualized return on equity (ROE) reached 19.0% in 4Q24, representing a 10 percentage point increase compared to 4Q23.



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



Financials

Unaudited Financial Statements

Income Statement (In thousands of Brazilian Reais)	Three-month period ended December 31,			Year ended December 31,		
	2024	2023	Variation	2024	2023	Variation
Net revenue from transaction activities and other services	518,936	298,474	74%	1,524,048	1,059,936	44%
Financial income	1,267,388	638,064	99%	4,046,096	2,398,710	69%
Total revenue and financial income	1,786,324	936,538	91%	5,570,144	3,458,646	61%
Transaction expenses	(137,568)	(129,505)	6%	(493,676)	(438,539)	13%
Interest and other financial expenses	(433,321)	(307,843)	41%	(1,438,664)	(1,212,478)	19%
Total transaction and financial expenses	(570,889)	(437,348)	31%	(1,932,340)	(1,651,017)	17%
Credit loss allowance expenses	(483,527)	(14,290)	3,284%	(887,025)	(14,290)	6,107%
Gross profit	731,908	484,900	51%	2,750,779	1,793,339	53%
Technology expenses	(126,979)	(67,722)	88%	(508,600)	(312,098)	63%
Marketing expenses	(106,667)	(88,319)	21%	(333,180)	(312,560)	7%
Personnel expenses	(304,438)	(262,354)	16%	(1,090,833)	(879,362)	24%
Administrative expenses	(60,523)	(52,275)	16%	(234,423)	(136,659)	72%
Depreciation and amortization	(85,252)	(66,490)	28%	(292,911)	(169,823)	72%
Other expenses	(4,622)	(1,748)	164%	(33,013)	(4,638)	612%
Other income	19,324	23,468	(18)%	88,153	23,468	276%
Profit before income taxes	62,752	(30,540)	n.a.	345,972	1,667	n.a.
Current income tax	(219,852)	(32,927)	568%	(545,603)	(50,815)	974%
Deferred income tax	236,906	88,827	167%	451,419	86,503	422%
Total Income Tax and Social Contribution Expense	17,054	55,900	(69)%	(94,184)	35,688	n.a.
Profit for the period	79,806	25,360	215%	251,788	37,355	574%

Relationship with independent auditors. Our company informs that during the year ended December 31, 2024, the independent auditors only provided external audit services for which they were hired, as previously established in the contract. The total amount of audit fees was R\$3,432 thousand.

Unaudited Financial Statements

ASSETS	December 31, 2024	December 31, 2023
(in thousands of Brazilian Reais)		
Cash and cash equivalents	7,589,651	7,379,049
Financial assets	16,757,532	6,867,599
Financial assets measured at fair value through other comprehensive income	3,099,077	2,574,863
Financial Investments	3,099,077	2,574,863
Financial assets at fair value through profit or loss	100,051	176,717
Financial Investments	45,864	176,717
Derivative Instruments	54,187	-
Financial assets measured at amortized cost	13,558,404	4,116,019
Trade receivables	3,877,167	3,429,602
Consumer Loans	9,578,148	560,459
Other receivables	103,089	125,958
Prepaid expenses	141,805	72,189
Other assets	4,370	7,573
Tax assets	1,778,853	608,498
Current income tax assets	1,212,615	515,169
Deferred tax assets	566,238	93,329
Legal deposits	667	457
Property, plant and equipment	74,334	30,117
Right of use assets – leases	43,032	48,653
Intangible assets	927,414	768,747
TOTAL ASSETS	27,317,658	15,782,882

LIABILITIES	December 31, 2024	December 31, 2023
(in thousands of Brazilian Reais)		
Financial liabilities measured at amortized cost	24,274,007	13,960,888
Third-party funds	20,203,988	13,312,290
Trade payables	3,365,264	648,598
Obligations to FIDC quota holders	704,755	-
Labor obligations	535,434	437,665
Taxes payable	648,205	111,141
Lease liability	53,136	58,652
Provision for legal and administrative claims	17,484	11,063
Other liabilities	25,524	-
Total Liabilities	25,553,790	14,579,409
Equity	1,763,867	1,203,473
Share capital	-	1,687
Share premium reserve	1,406,563	-
Additional paid-in capital	-	1,749,566
Capital reserve	-	529,027
Fair value reserve	(22,610)	(113)
Other reserve	-	194,910
Retained earnings / (Accumulated Losses)	224,633	(1,167,125)
Non-Controlling interests	155,281	(104,479)
TOTAL EQUITY AND LIABILITIES	27,317,658	15,782,882

Unaudited Financial Statements

Cash Flow (In thousands of Brazilian Reais)	2024	2023
Profit for the period	251,788	37,356
Adjustments for		
Income tax and social contribution expenses	94,184	(35,688)
Labor provisions	16,757	20,128
Depreciation/amortization	292,911	169,449
Provision for legal and administrative claims	16,328	10,255
Chargeback (release) / provision	(22,298)	-
Credit loss allowance	887,025	14,290
Write-off / loss on disposal of intangible assets	91,879	5,201
Loss (or gain) on disposal of property, plant, and equipment	-	1,004
Interest accrued on third-party funds	1,317,486	-
Interest accrued on consumer loans	(1,537,416)	(27,297)
Interest accrued on FIDC senior quotas	(3,245)	-
Interest accrued on financial assets	(269,850)	(240,580)
Variations in operating assets and liabilities		
- financial assets	(146,008)	(941,079)
- derivative instruments	(54,187)	-
- trade receivables and other receivables	(402,398)	(62,352)
- consumer loans	(6,552,298)	(533,162)
- prepaid expenses	(69,616)	(26,318)
- other assets	(1,160,875)	(386,227)
- third-party funds	6,891,698	4,263,635
- labor obligations and taxes payable	905,463	271,119
- change in trade payables and other obligations	2,745,518	266,373
- obligations to FIDC quota holders	832,777	-
- legal and administrative claims	(9,907)	(6,104)
Interest paid	(1,325,623)	(1,147,784)
Income tax and social contribution paid	(381,571)	(85,251)
Net cash from (used in) operating activities	2,408,522	1,566,968
Cash flows from investing activities		
Acquisition of subsidiaries net of cash acquired	-	(7,946)
Acquisition of common control subsidiaries net of cash acquired	-	(27,031)
Acquisition of property, plant and equipment	(60,809)	(4,664)
Acquisition of intangible assets	(521,244)	(497,434)
Acquisition of credit card operations	(1,815,000)	-
Acquisition of FIDC subordinated quotas	(128,022)	-
Net cash (used in) investing activities	(2,525,075)	(537,075)
Cash flows from financing activities		
Share Capital Increase	105,556	-
Issuance of non-controlling interests	230,000	-
Payment of leases	(8,402)	(12,245)
Net cash from (used in) financing activities	327,154	(12,245)
Net decrease in cash and cash equivalents	210,601	1,017,648
Cash and cash equivalents at the beginning of the period	7,379,049	6,361,401
Cash and cash equivalents at the end of the period	7,589,651	7,379,049
Net decrease in cash and cash equivalents	210,601	1,017,648



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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