

June 02, 2026



# 1Q26

## Earnings Presentation



# Presenters



**Eduardo Chedid**  
Chief Executive Officer



**André Cazotto**  
Investor Relations,  
Strategy and M&A Officer



**Danilo Caffaro**  
Executive Vice President  
of Consumer Banking



**Rodrigo Couto**  
Chief Financial Officer

# Opening Remarks



**André Cazotto**

Investor Relations, Strategy  
and M&A Officer

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# Strong Execution **Leading to Guidance Beat**

METRIC	1Q26 GUIDANCE	1Q26 ACTUAL	GUIDANCE BEAT
Total Credit Portfolio	~R\$26.5B	R\$28.0B	<b>+5.8%</b>
Quarterly Cost of Risk	~3.7%	3.7%	<b>Aligned</b>
Total Revenue and Financial Income	~R\$3,150M	R\$3,512M	<b>+11.5%</b>
Managerial Revenues <sup>(1)</sup>	~R\$3,150M	R\$3,190M	<b>+1.3%</b>
Net Interest Income	~R\$1,650M	R\$1,704M	<b>+3.3%</b>
Gross Profit	R\$1,090M	R\$1,096M	<b>+0.6%</b>
<b>IFRS EBT</b>	~R\$215M	R\$222M	<b>+3.1%</b>
<b>IFRS Net Income</b>	~R\$140M	R\$152M	<b>+8.4%</b>
<b>Adjusted EBT</b>	~R\$235M	R\$248M	<b>+5.7%</b>
<b>Adjusted Net Income</b>	~R\$155M	R\$169M	<b>+9.3%</b>

Note: (1) Considers the total revenue and financial income for the 1Q26 excluding derivative and hedge accounting revenues in the amount of R\$322 million.

# Performance Overview



**Eduardo Chedid**  
Chief Executive Officer

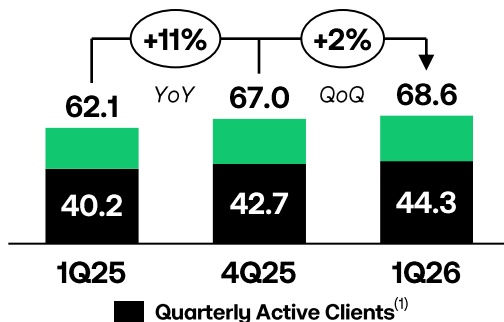
# 1Q26 Results Highlights

## Solid results in operational metrics / Scaling with Consistency



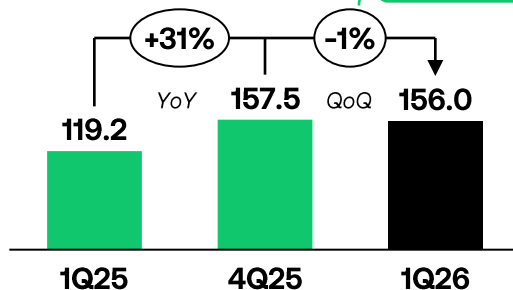
### Total Accounts

in million



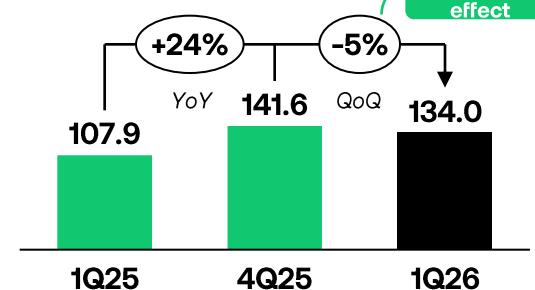
### Consolidated TPV

R\$ billion



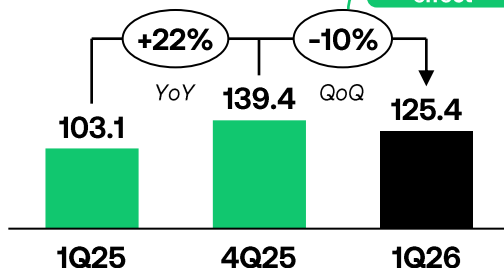
### Wallet & Banking TPV<sup>(2)</sup>

R\$ billion



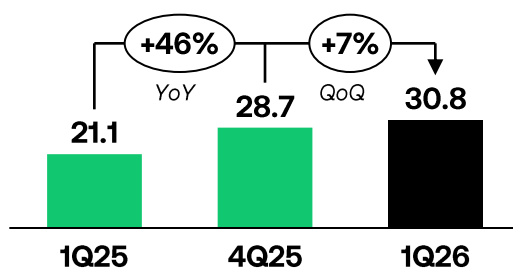
### Total Cash-in<sup>(3)</sup>

R\$ billion



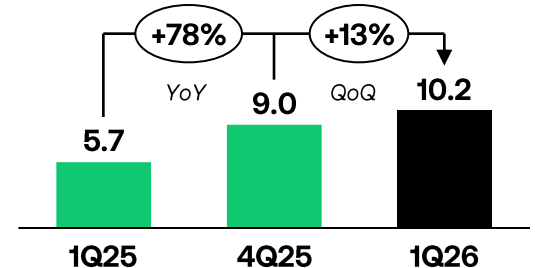
### Consumer Deposits

R\$ billion



### Active Insurance Policies

in million



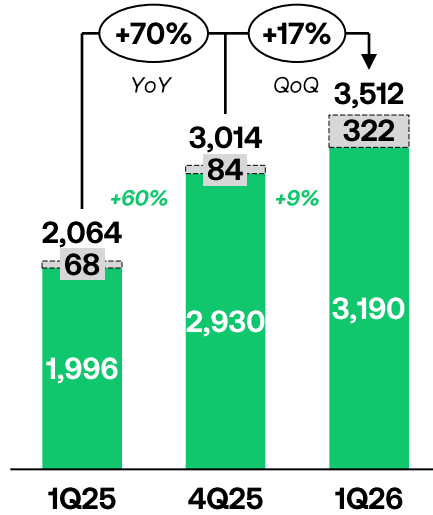
Note: (1) Quarterly Active Clients considers consumers who have opened our app at least once and/or made a financial transaction and/or generated revenues during the preceding three-month period. (2) Wallet & Banking TPV includes the total payment volume generated from our wallet and banking products (P2P, Pix, bill payments, money withdrawal, wire transfers, and international remittance and exchange). (3) Total cash-in includes total funds added to the customers' account balance through Pix, bank slips, payroll portability, P2P payments, and other means.

# 1Q26 Results Highlights

## Solid results in financial metrics / Monetizing at Scale

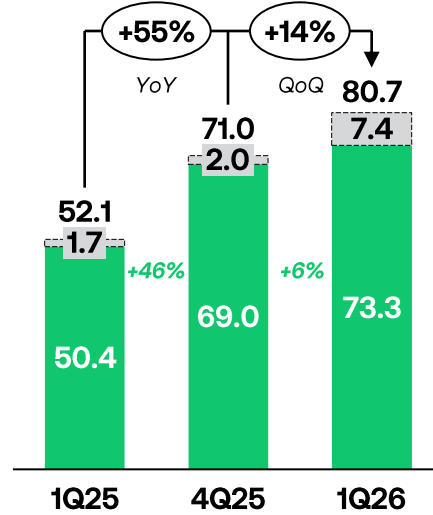
### Total Revenue and Financial Income<sup>(1)</sup>

R\$ million



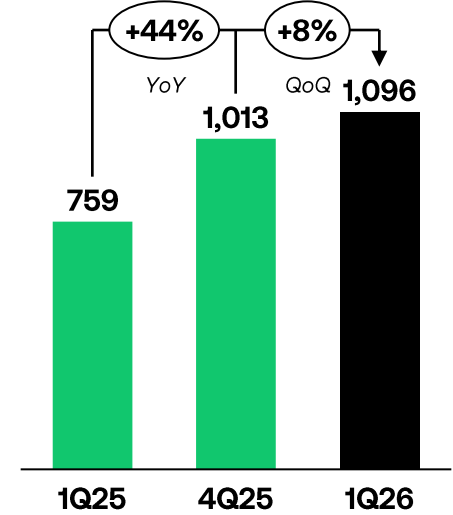
### ARPAC<sup>(2)</sup>

R\$ / active client



### Gross Profit<sup>(3)</sup>

R\$ million



■ Managerial Revenues    ■ Derivative & Hedge Accounting

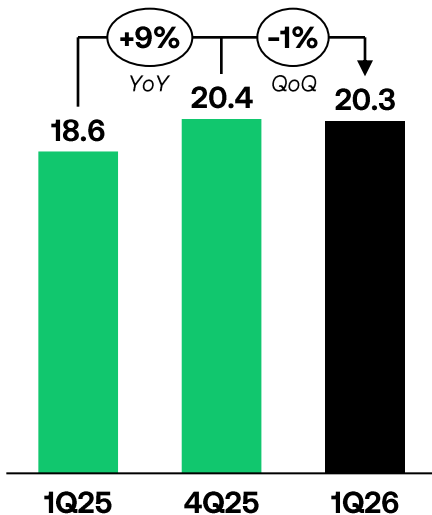
Note: (1) Managerial Revenues is the total net revenue and financial income excluding revenues from derivative and hedge accounting. (2) ARPAC means average revenue per active client. ARPAC is calculated as the total net revenues divided by the average number of active clients in the beginning and end of the period. (3) Gross Profit is equal to the total revenue and financial income minus transaction and financial expenses minus credit loss allowance expenses in the period.

# 1Q26 Results Highlights

## Solid results in financial metrics / Efficiency Compounding

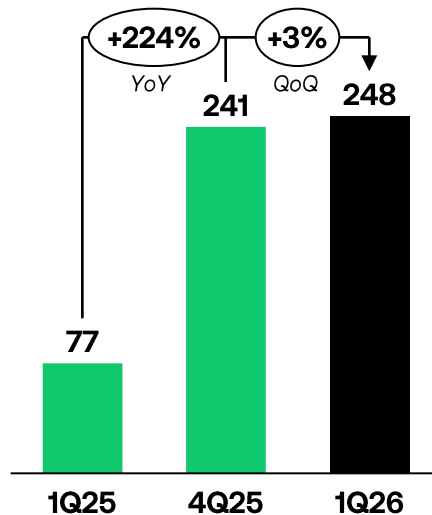
### Cost to Serve<sup>(1)</sup>

R\$ / active client



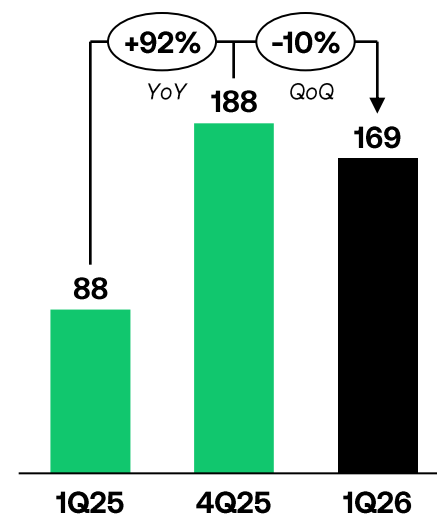
### Adjusted EBT<sup>(2)</sup>

R\$ million



### Adjusted Net Income<sup>(2)</sup>

R\$ million

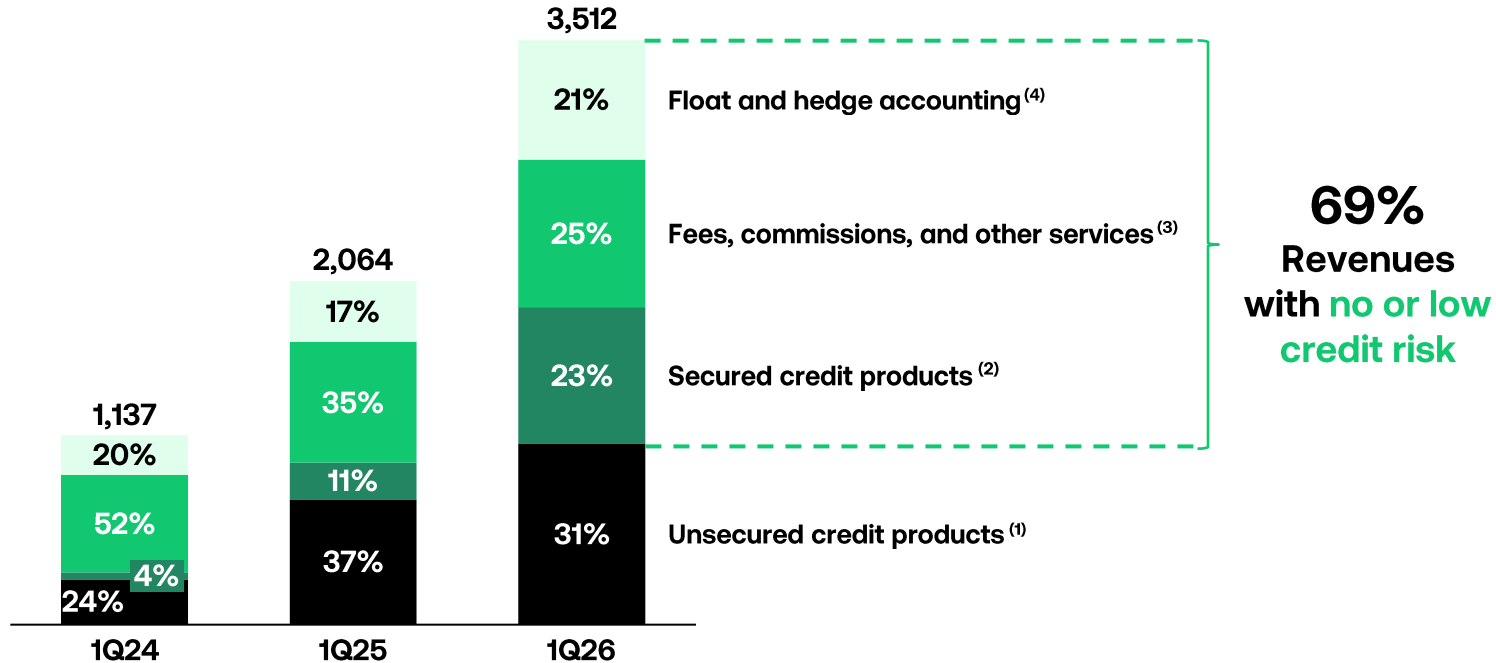


Note: (1) We define the average cost to serve per quarterly active client as the sum of transaction expenses, technology expenses, marketing expenses (excluding customer acquisition expenses), personnel expenses (excluding provision expenses from the share-based long-term incentive plan), and administrative expenses divided by the average number of quarterly active clients during the period. (2) EBT and Net Income for the 1Q26 were adjusted by the expenses of the share-based long-term incentive plan.

# Solid track record with a more resilient and diversified model



## Total Revenue and Financial Income (R\$ MM)



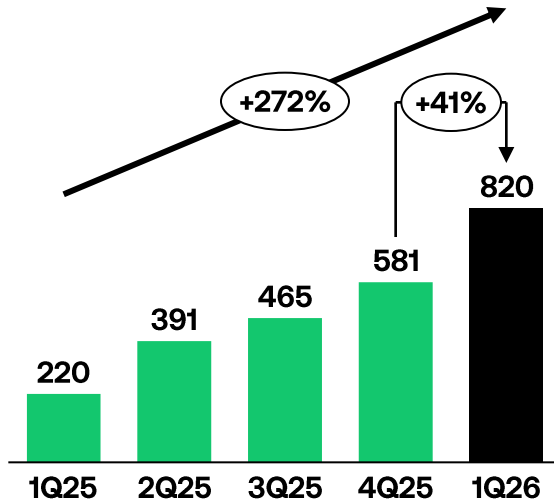
Note: (1) "Unsecured credit products" includes interest revenues from the personal loans and credit cards portfolio. (2) "Secured credit products" includes interest revenues from the private payroll loan, public payroll loan, and FGTS portfolios. (3) "Fees, commissions, and other services" includes total net revenue from transaction activities and other services, as well as financial income originating from the prepayment of third-party credit card transactions conducted by our consumers in the ecosystem. (4) "Float and hedge accounting" is calculated as the difference between total revenue and the sum of unsecured credit products, secured credit products, and fees, commissions, and other services.

# Strong revenue growth, boosted by secured and non-credit revenues



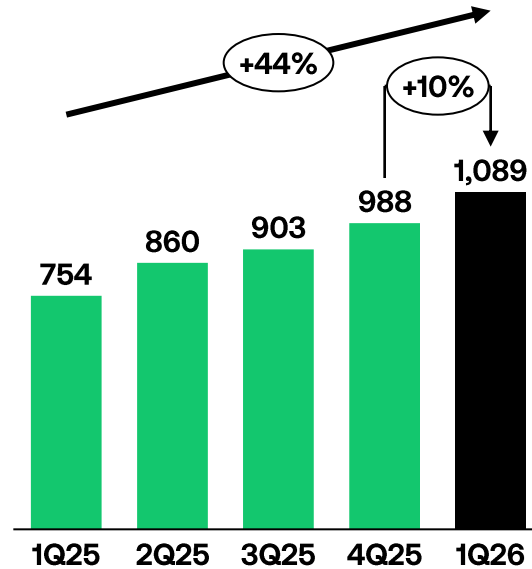
## Secured Credit Revenues<sup>(1)</sup>

in million



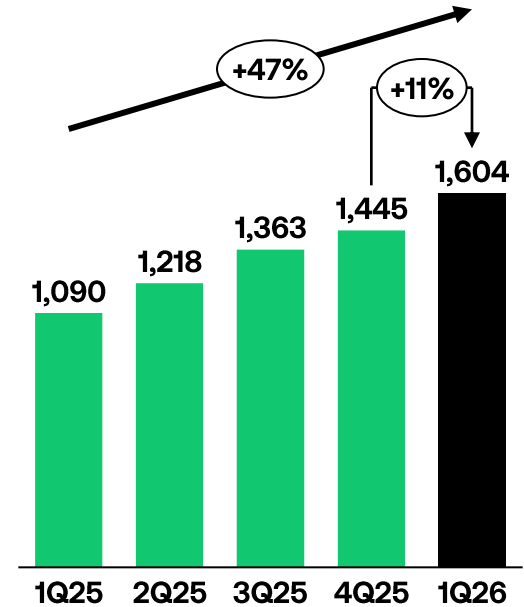
## Unsecured Credit Revenues<sup>(2)</sup>

in million



## Non-Credit Revenues<sup>(3)</sup>

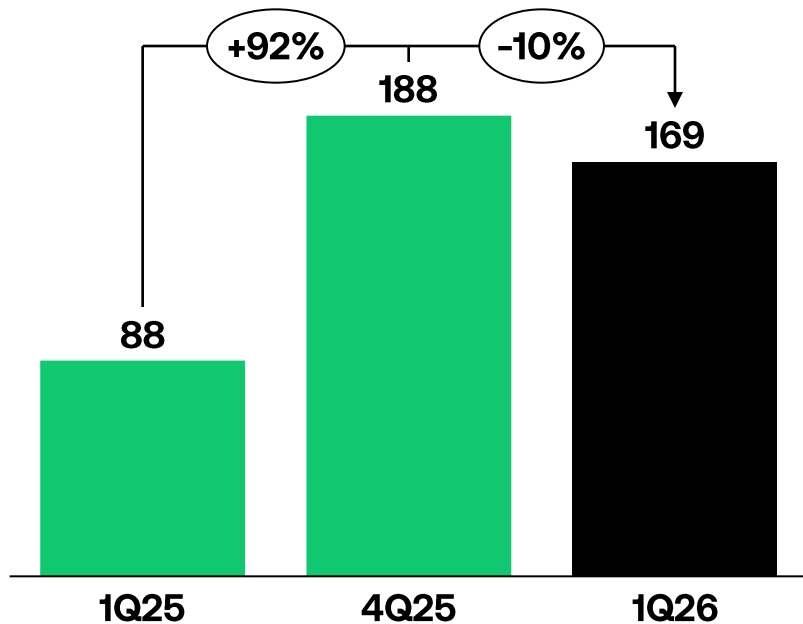
in million



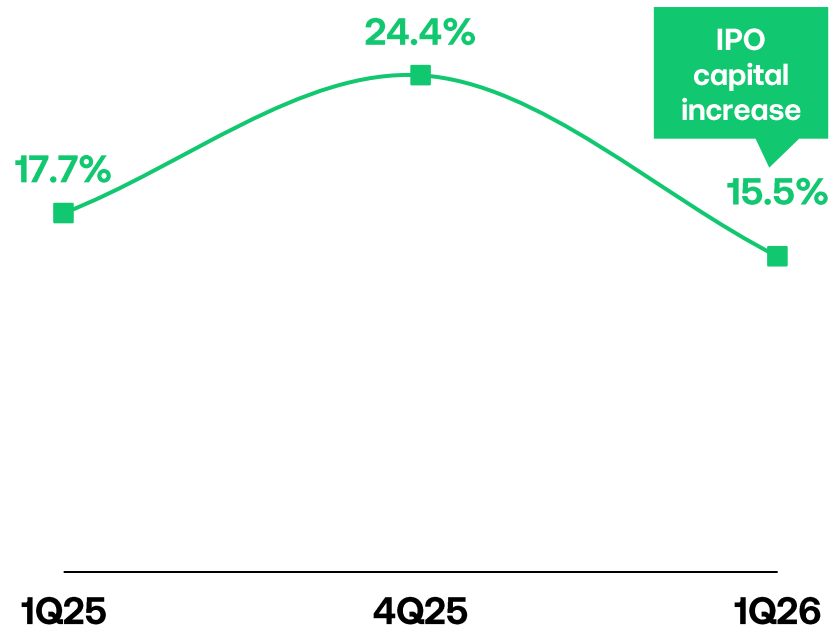
Note: (1) "Secured" includes interest revenues from the private payroll loan, public payroll loan, and FGTS portfolios. (2) "Unsecured" includes interest revenues from the personal loans and credit cards portfolio. (3) Non-Credit revenues include "Fees, commissions, and other services" and "Float and hedge accounting" revenues.

# Despite seasonality and capital increase, ROEs are reaching 15.5%

## Adjusted Net Income<sup>(1)</sup> (R\$ MM)



## Quarterly Annualized Adjusted ROE<sup>(2)</sup> (%)



Note: (1) Adjusted by the expenses of share-based long-term incentive plan expenses. (2) Quarterly Annualized Adjusted ROE is calculated as the adjusted net income for the quarter multiplier by four and then divided by the average adjusted average equity, which is the average considering the beginning and the end of the period.

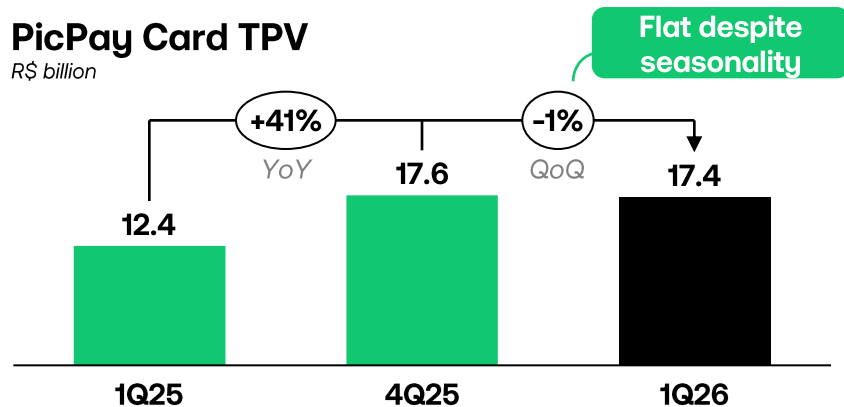
# 1Q26 Results Highlights

## Credit origination and portfolio delivering relevant growth trends



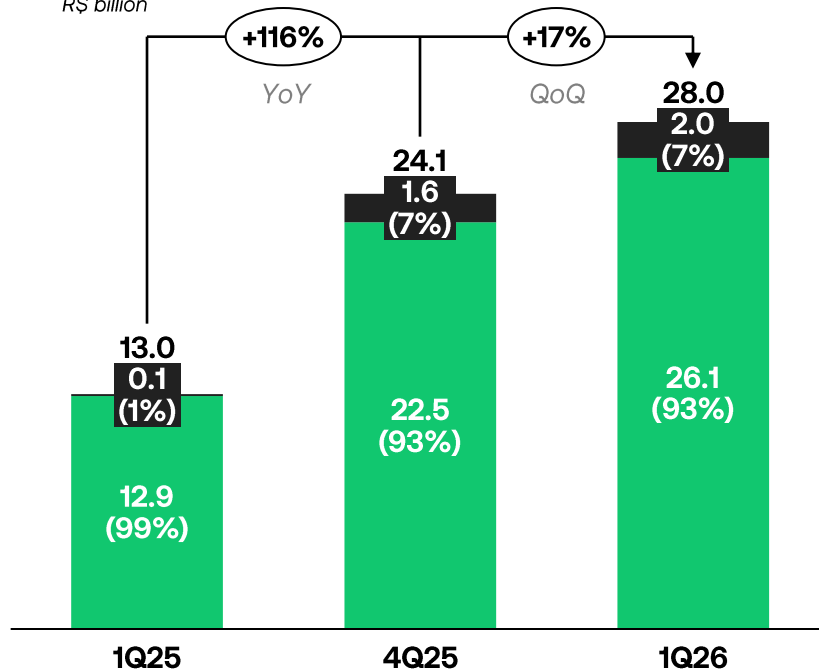
### PicPay Card TPV

R\$ billion



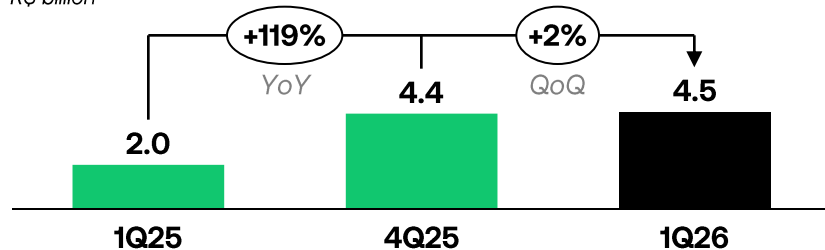
### Total Credit Portfolio

R\$ billion



### Consumer Loans Origination

R\$ billion

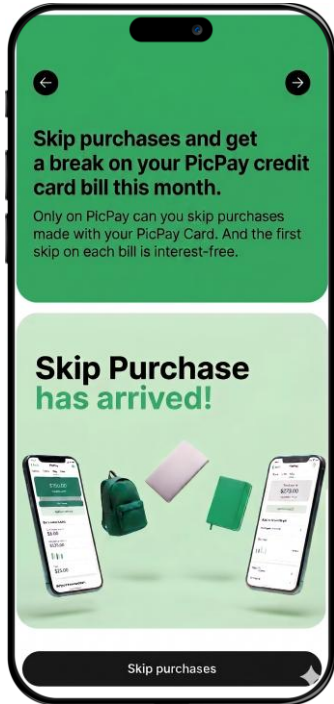


Consumers SMBs and others

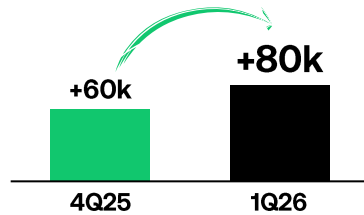
# Recent Releases and Partnerships



## PicPay Card Skip purchases



## SMBs New accounts / month



### Supply Chain Finance

Allow businesses to anticipate receivables and improve their cash cycle.

**R\$693M**  
1Q26 origination



## Strategic Partnership PicPay + TIM (telecom operator)



### Two-way distribution agreement

- PicPay will offer TIM's telecom plans in app
- TIM will offer the PicPay account and credit products to its large base of customers

### Lower CAC Higher Engagement

Partnership is expected to reduce PicPay's CAC by activating new users through TIM's existing infrastructure

## Kovr Acquisition

### CADE (Antitrust Agency)

Transaction approved on May 28<sup>th</sup>, without restrictions



### SUSEP (insurance regulator) and Central Bank

Approval still pending

## New Brand Positioning : “Your Next Bank”



“Your Next Bank” marks PicPay's evolution from a payment platform to a full-service bank — building trust and daily relevance while preserving the simplicity and innovation that set us apart.

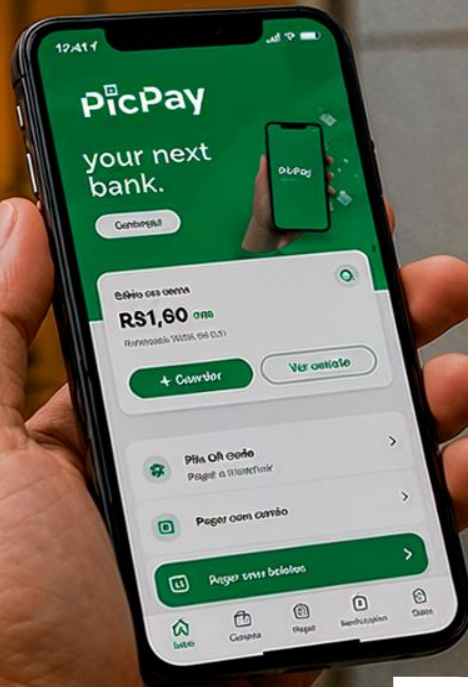
+1.2 B  
impressions

+ 75M  
views



81%

brand favorability  
achieved versus 44%  
average in the financial  
services category



# Your Next Bank

# Credit Overview

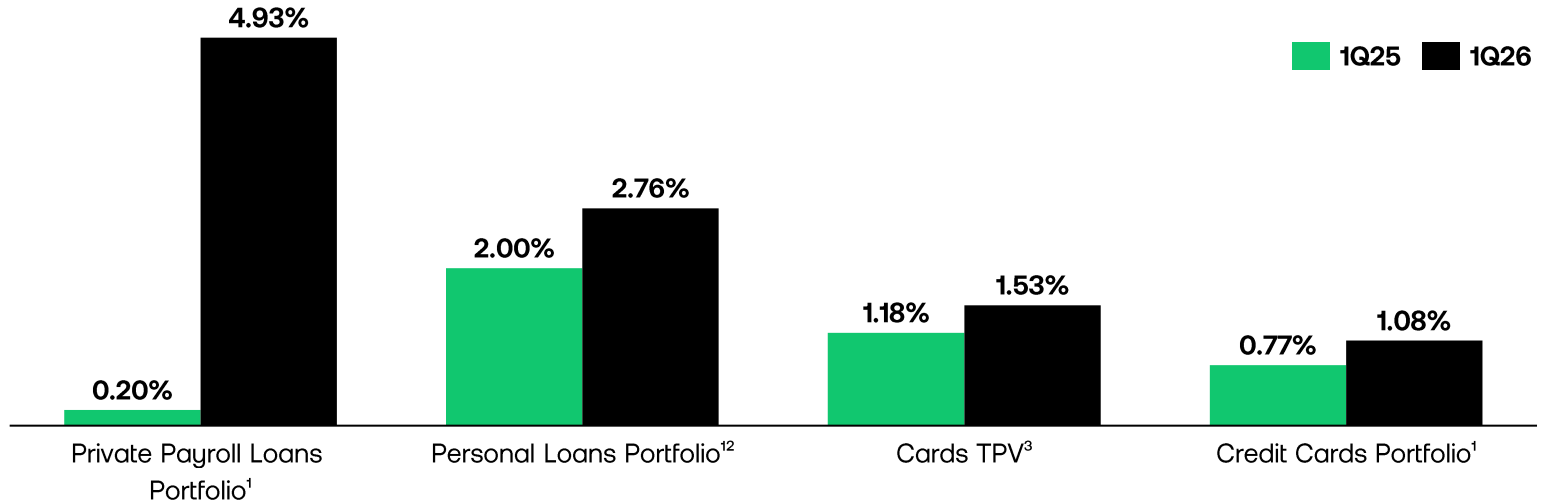


**Danilo Caffaro**

Executive Vice President of  
Consumer Banking

# Significant room to increase credit market share

Market Share<sup>(1)</sup> – 1Q26 (%)

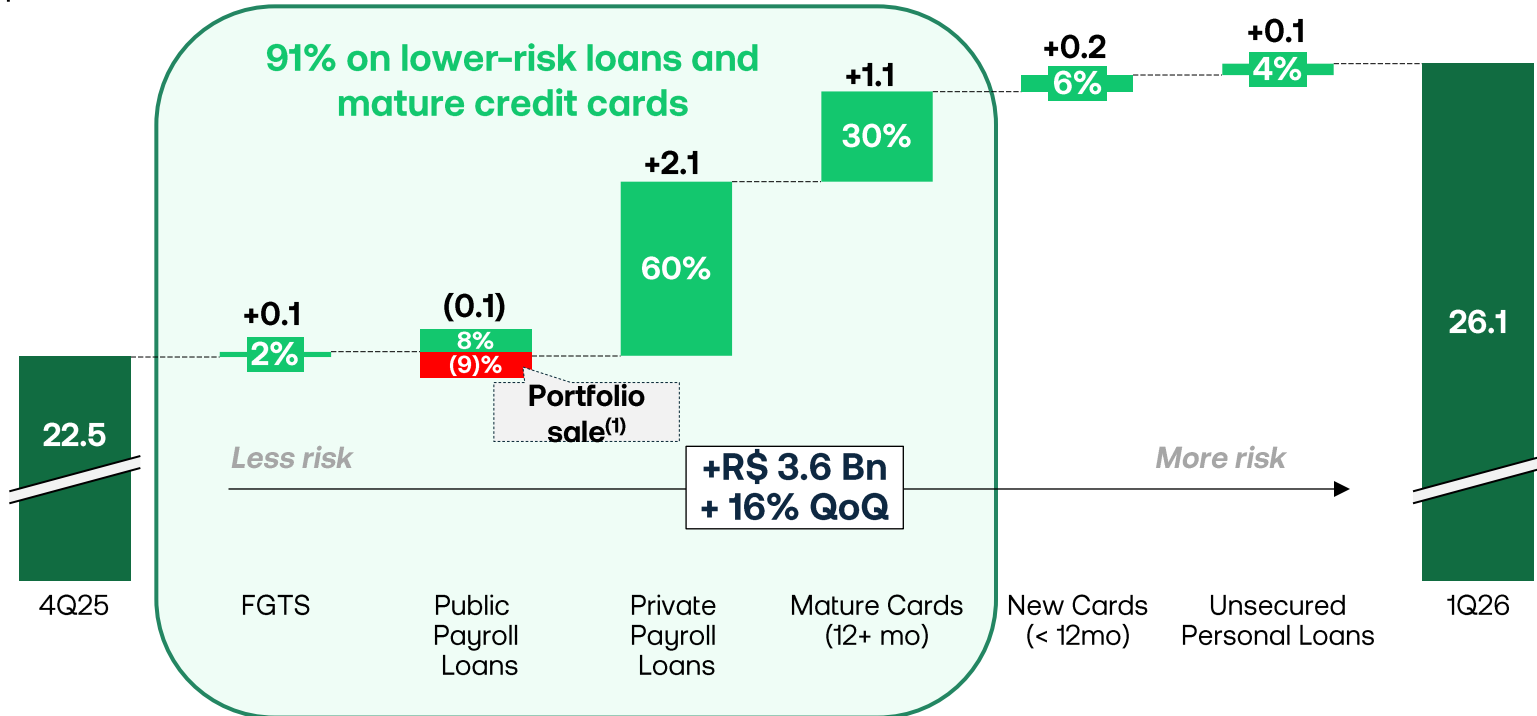


Note: (1) Market data from the Central Bank of Brazil, as of March 2026 and March 2025. (2) Market data from the Central Bank of Brazil as of March 2026 and March 2025, includes personal loans, FGTS, BNPL and renegotiation. (3) Total card TPV in 1Q26 and 1Q25. Market data from ABECS.

# Credit growth driven by secured products and mature credit cards

## Consumer Credit Portfolio Evolution

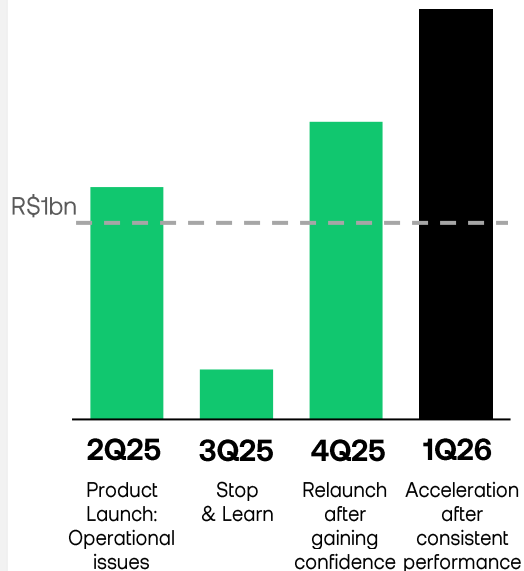
R\$ Bn



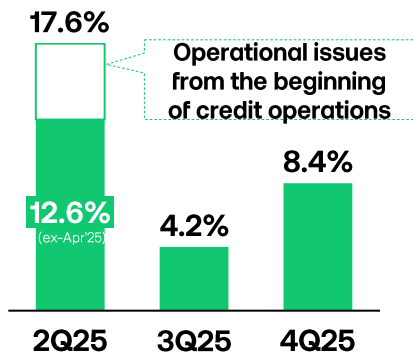
Note: (1) Portfolio sale for the purpose of funding diversification and optimization of unit economics.

# Private Payroll Loans | A more mature product and deeper risk knowledge supported growth acceleration

## Origination



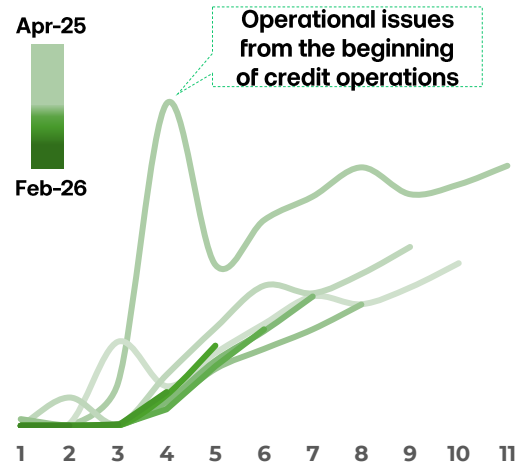
## \$FPD30<sup>(1)</sup>



Operational challenges in the broader private payroll loan market – a new product category for the entire industry, where payroll data integration, employer verification process, and the early ecosystem infrastructure were still maturing.

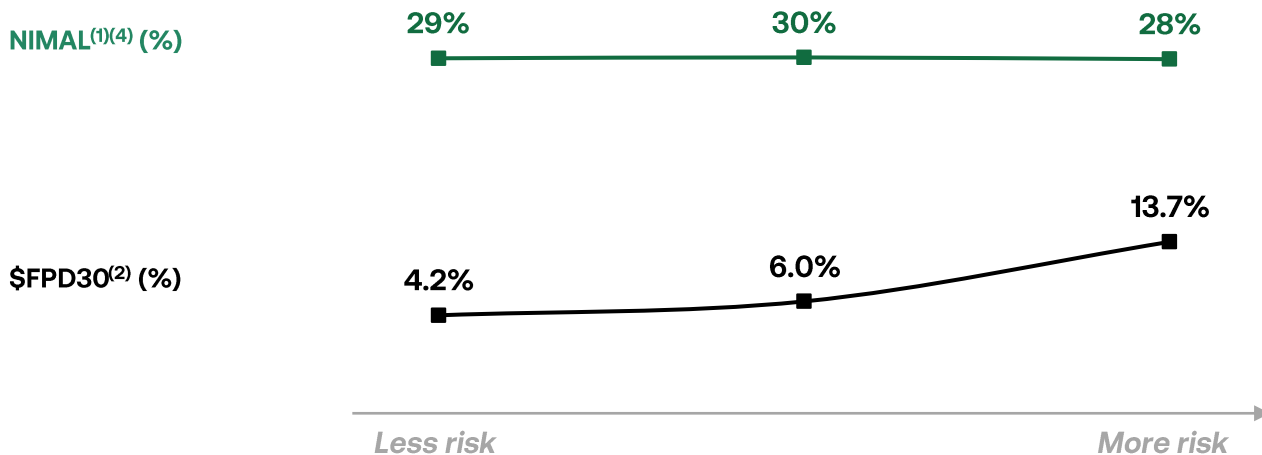
## Delinquency Rate

(% 30 days past due)



Note: (1) First payment default over 30 days. (2) Expected results based on current performance and lifetime projections.

# Private Payroll Loans | Higher-risk expansion has been intentional and driven by strong unit economics, with rapid response to changing risk dynamics



Cumulative Indicators	Marginal ROE <sup>(1)(3)(4)</sup> (%; yearly)	90-100%	100-110%	110-120%
	LA <sup>(1)</sup> (%)	<50%	50-55%	55-60%

Note: (1) NIMAL, ROE, and Loss Absorption (LA) are lifetime projections based on current performance. (2) First payment default over 30 days of 1Q26. (3) ROE: estimated, does not consider fixed expenses. (4) NIMAL and ROE comprise all credit-related revenues, including insurance.

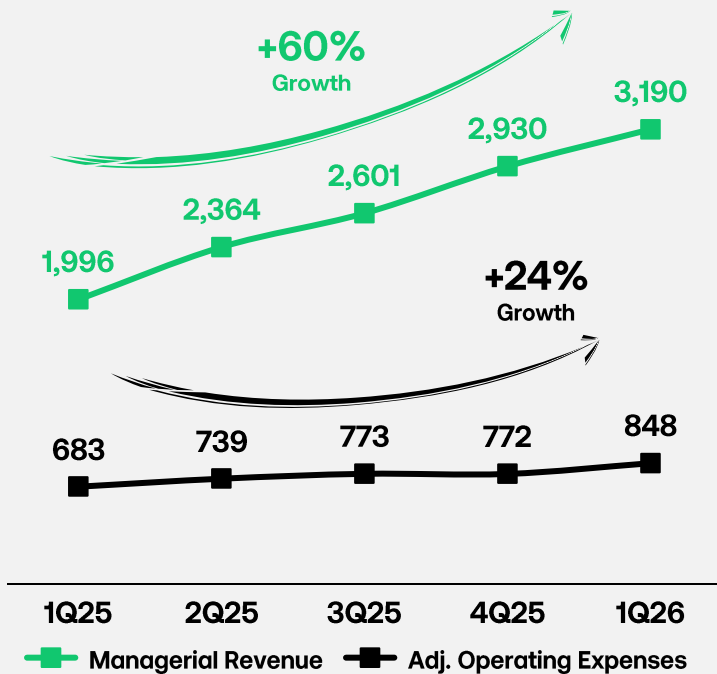
# Financial Results



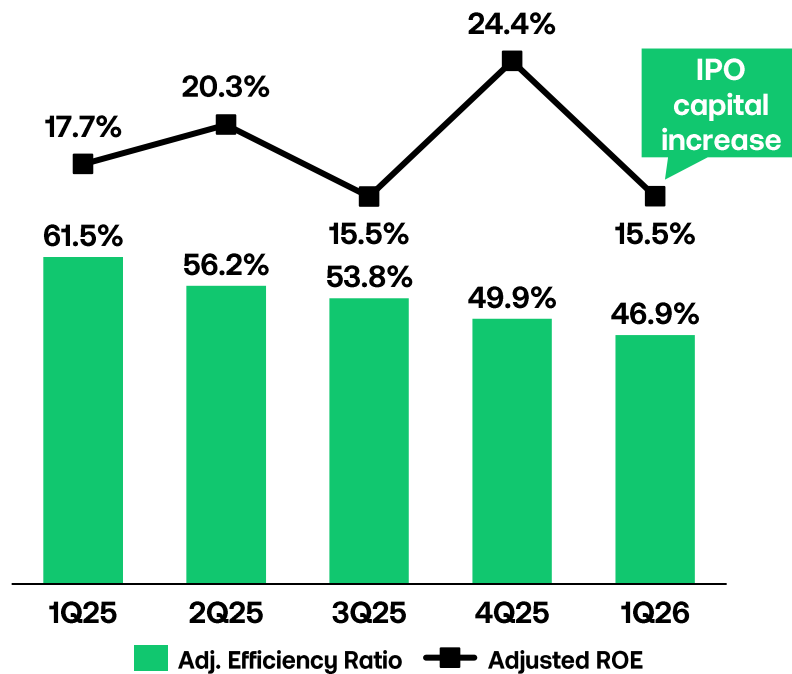
**Rodrigo Couto**  
Chief Financial Officer

# Increasing Profitability Driven by **Fast Revenue Growth and Scale** Gains

**Managerial Revenue<sup>(1)</sup> & Adj. Operating Expenses<sup>(2)</sup>**  
R\$ MM; %



**Adj. Efficiency Ratio<sup>(3)(4)</sup> & Adj. Quarterly Annualized ROE<sup>(5)</sup>**  
%



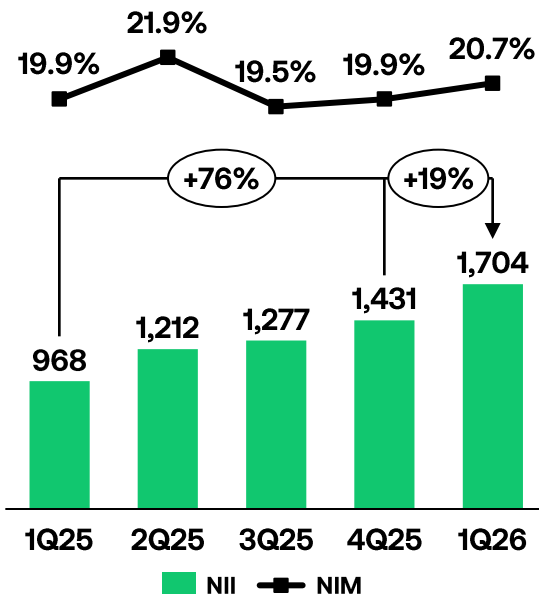
Notes: (1) Managerial revenue is the total net revenue and financial income adjusted by the hedge accounting positive impact for each quarter. (2) Expenses are the sum of technology expenses, marketing expenses, personnel expenses, administrative expenses, depreciation and amortization expenses, and other expenses (income) for the period. (3) Adjusted by the recognition of non-cash expenses related to one-time initial expenses of the share-based long-term incentive plan and the recognition of expenses related to the establishment of provisions for contingencies (expenses related to labor taxes payable on bonuses awarded for employee performance in 2023 and 2024 for which our assessment of the expected outcome has been updated and expenses related to Contribution for Intervention in the Economic Domain ("CIDE") dispute for which our assessment of the expected outcome has been updated). (4) The Efficiency Ratio considers the sum of transactional expenses, technology expenses, marketing expenses, personnel expenses, administrative expenses, and other expenses divided by total revenue and financial income minus interest and other financial expenses, and other income. (5) Adjusted by the aforementioned non-recurring effects plus the recognition of previously unrecognized deferred tax assets based on expectations that PicPay Payment Institution will generate sufficient taxable profit in the future against which the asset can be realized. (6) Quarterly Annualized ROE is calculated as the net income for the quarter multiplied by 4 and then divided by the average equity for the period.

# Financial Margin Expansion



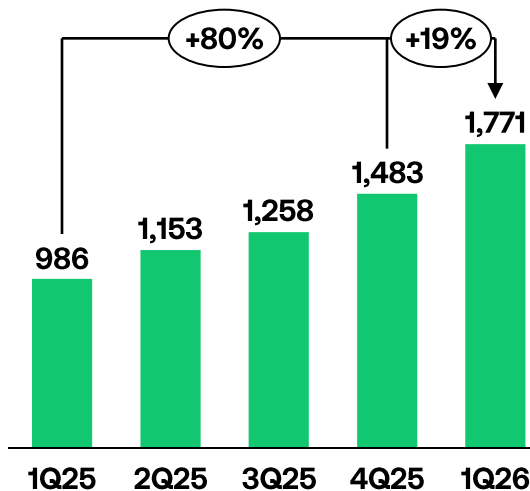
## Net Interest Income (NII)<sup>(1)</sup> & Net Interest Income Margin (NIM)<sup>(2)</sup>

R\$ MM & %



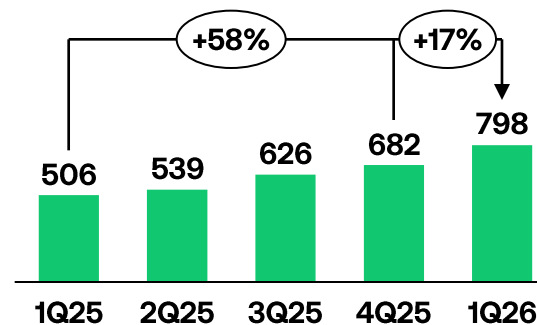
## Margin from Credit products<sup>(3)</sup>

R\$ MM



## Margin from Credit Products After Losses<sup>(4)</sup>

R\$ MM

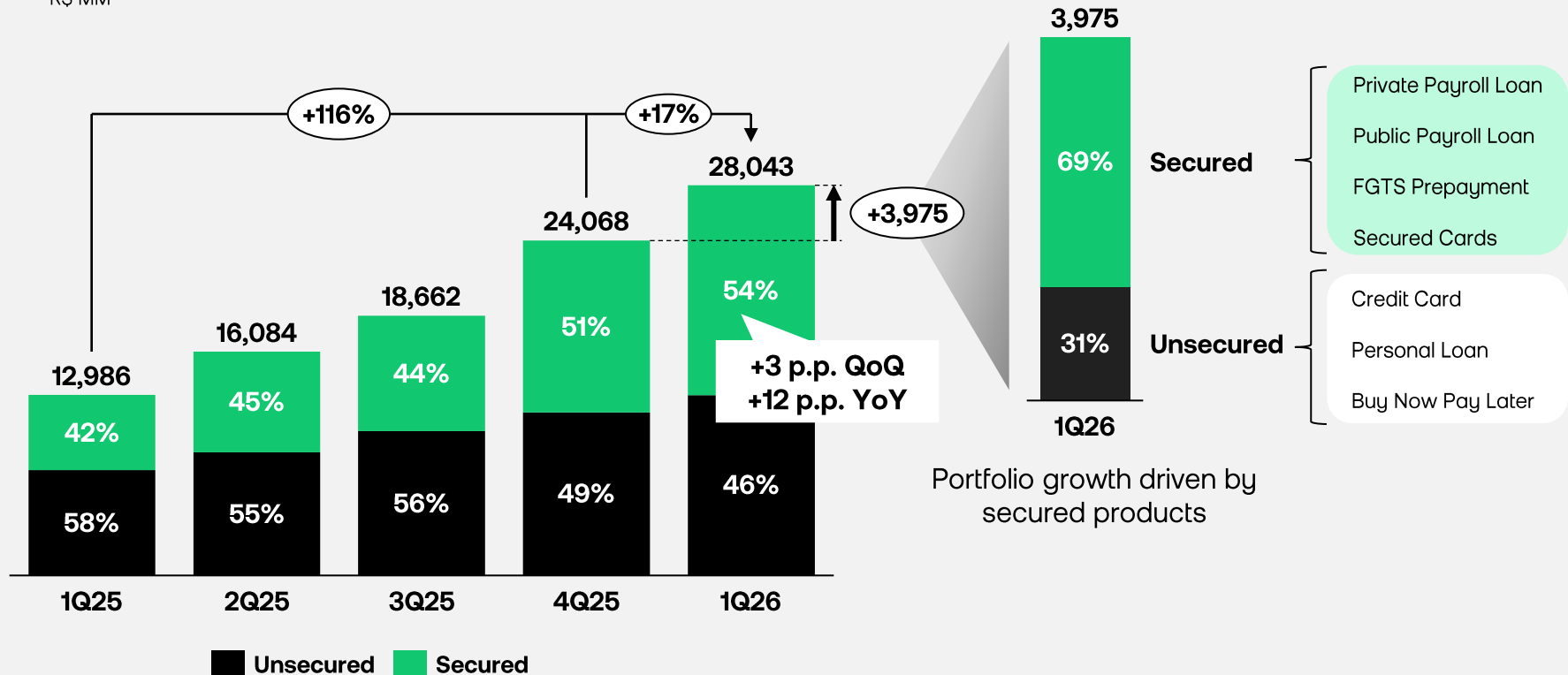


Notes: (1) NII is calculated as financial income less interest and other financial expenses. (2) NIM is calculated as NII multiplied by 4 and then divided by the average of the following balance sheet metrics: (i) cash and cash equivalents; (ii) financial assets at fair value through profit or loss; (iii) financial assets at fair value through other comprehensive income, or OCI; (iv) interest-earning portfolio; (v) other receivables; and (vi) other financial assets at amortized cost. (3) We calculate margin from credit products as the sum of total net revenue from transaction activities and other services and financial income from our credit operations (cards and loans) minus cost of funding from these products. (4) We calculate margin from credit products after losses as margin from credit products minus credit loss allowance expenses.

# Strong Credit Growth Increasingly Focused on Secured Products



**Total Credit Portfolio**  
R\$ MM

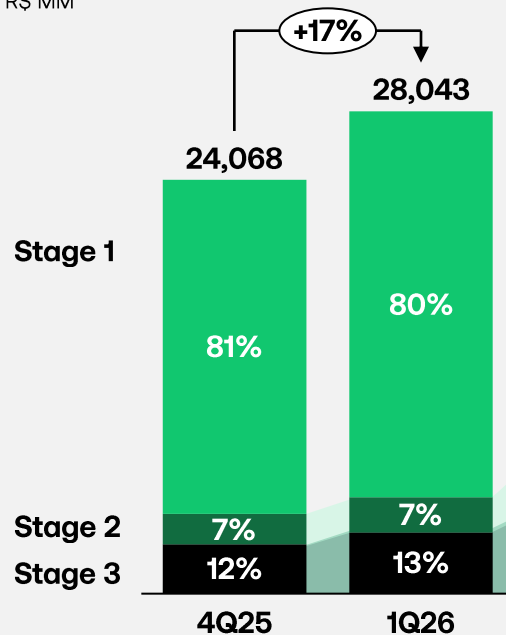


# Portfolio Classification by Stages and Coverage



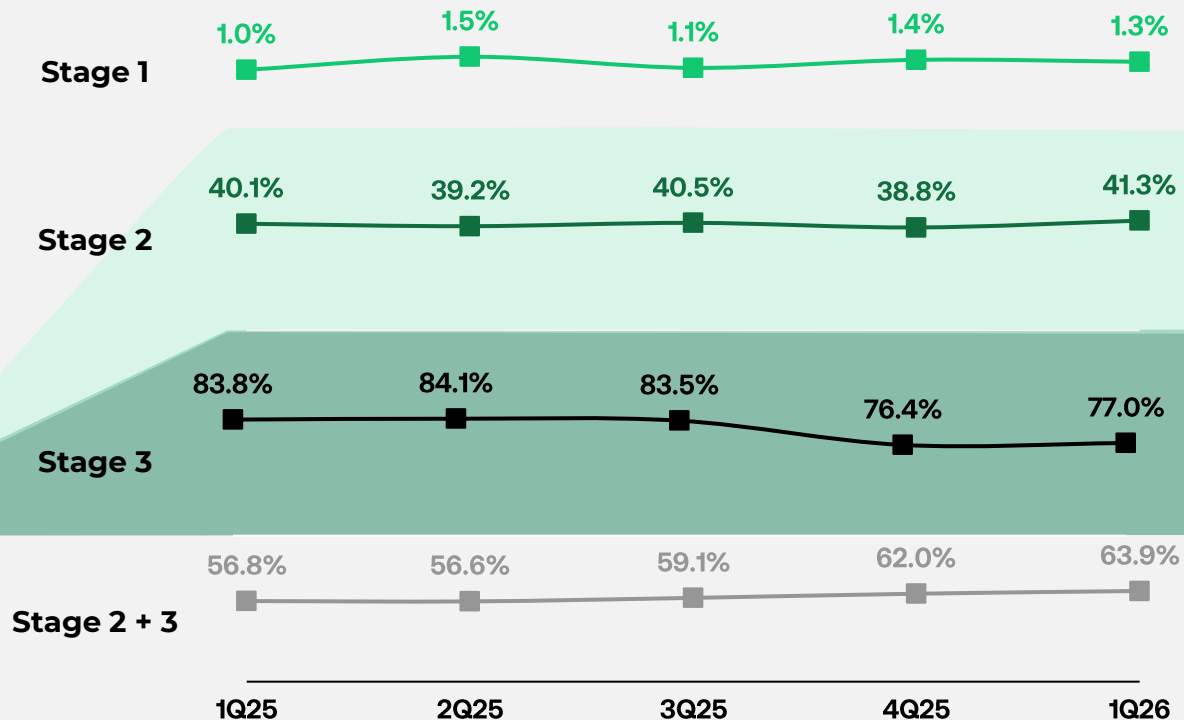
## Total Credit Portfolio

R\$ MM



## Coverage by Stage

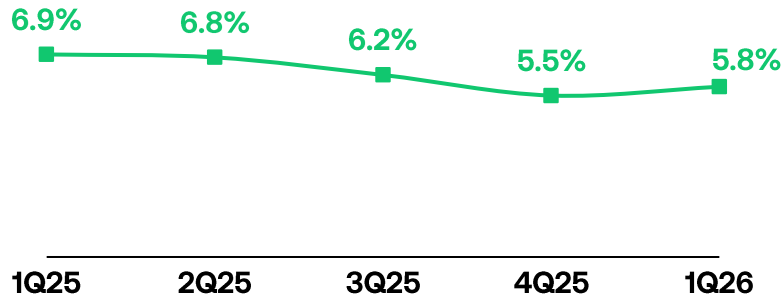
%



Revision of S3 criteria in 4Q25 resulted in reclassification of credits from stage 2 to 3 while maintaining strong coverage of S2+3

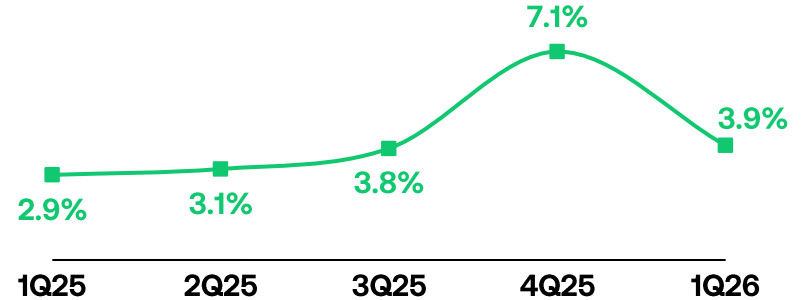
# Evolution of Stage 2 and 3 Formation

## Stage 2 Formation<sup>(1)</sup>



S2 formation rate rose slightly, which is normal in Q1 due to seasonality, but was 110bps lower than on 1Q25

## Stage 3 Formation<sup>(2)</sup>



S3 formation rate came in at 3.9% in 1Q26, confirming the normalization after the methodology adjustment made in 4Q25

Notes: (1) The stage 2 formation rate is calculated considering stage 2 credit balance in the end of the period minus the stage 2 credit balance in the previous period plus write-off in the current period divided by the total credit portfolio in the previous period. (2) The stage 3 formation rate is calculated considering the stage 3 balance in the end of each period minus the stage 3 balance in the previous period plus write-off in the current period divided by the total credit portfolio in the previous period.

# Performance in line with Loss Absorption guidelines, **Stable Cost of Credit, and Higher Portfolio Coverage**



**Loss Absorption Ratio<sup>(1)</sup>**  
%



1Q25 2Q25 3Q25 4Q25 1Q26

At the portfolio level, loss absorption has been running within its expected range

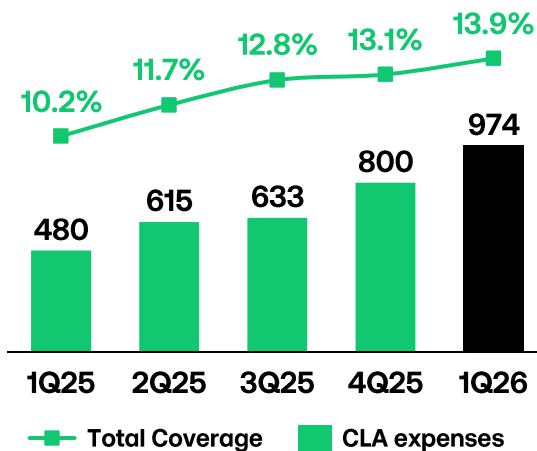
**Quarterly Cost of Risk<sup>(2)</sup>**  
%



1Q25 2Q25 3Q25 4Q25 1Q26

For the 2Q26, we expect cost of risk of 3.7-3.9%

**Credit Loss Allowance Expenses & Total Coverage<sup>(3)</sup>**  
R\$ mm; %



1Q25 2Q25 3Q25 4Q25 1Q26

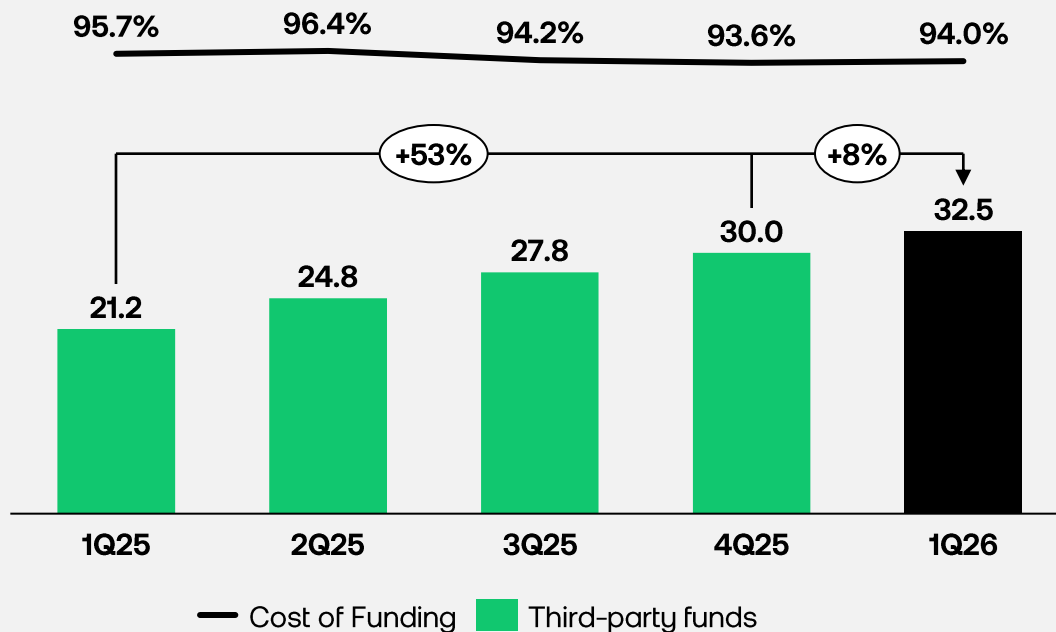
—■ Total Coverage ■ CLA expenses

Increasing portfolio coverage

Note: (1) Represents all the expected losses over all the lifetime credit-related revenues of a given credit concession. (2) Quarterly cost of risk is calculated as the credit loss allowance expenses in the quarter divided by the average total credit portfolio at the beginning and end of the period for each quarter presented. (3) Total coverage is calculated as the total credit loss provision divided by the total credit portfolio.

# Increasing Funding Base **with Stable Cost**

## Third-party funds<sup>(1)</sup> and Cost of Funding<sup>(2)</sup> (R\$ Bn & % of CDI)



### Multiple sources of Funding Growth...

- Digital On platform
- Third-party platforms
  - FIDCs
- Financial Letter of Credit (LC)

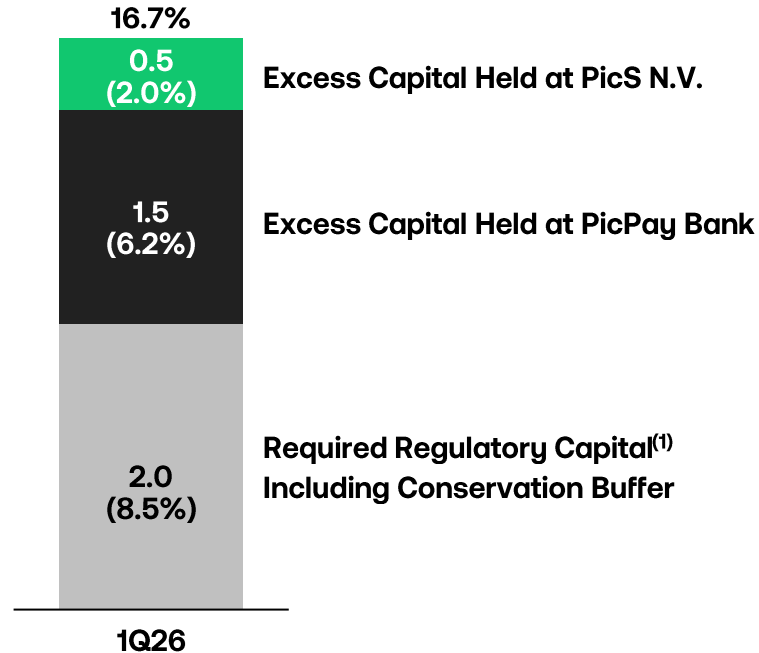
**... and actively seeking other efficient sources of funding in the market**

**In May 2026, we issued PicPay FIDC FGTS II, raising R\$1.25 billion**

Note: (1) Third-party funds include the following: (i) user CDBs and payment accounts; (ii) deposits from corporate customers; (iii) other obligations under financial instruments – such as non-convertible subordinated Financial Letters namely: a fixed-rate senior Financial Letter (R\$ 254 million) and a CDI-indexed subordinated Financial Letter (R\$ 532 million), maturing on December 22, 2027 and December 28, 2039, respectively; (iv) balance of commercial establishments – corporates; (v) financial liabilities under repurchase agreements – LFT.

# Stronger capital base, boosted by IPO Proceeds

**CET1 ratio**  
(R\$ billion; % of RWA)



Note: (1) The required regulatory capital includes the minimum CET1 ratio (4.5%), the capital conservation buffer (2.5%) as well as the portion of the minimum Tier 1 ratio (15%) that can be met with Additional Tier 1 capital instruments (e.g. perpetual subordinated debt), as PicPay is currently fulfilling the entire required Tier 1 ratio, including the conservation buffer, with common equity capital. Once PicPay issues Additional Tier 1 capital instruments sufficient to fulfill the 1.5% requirement, the required CET1 ratio will be 7%.

# Final Remarks



**Eduardo Chedid**  
Chief Executive Officer

# 2Q26 Guidance (ex-Kovr)

	1Q26 RESULTS	2Q26 EXPECTATION	GoQ GROWTH
<b>Total Credit Portfolio</b>	<b>R\$ 28.0B</b>	<b>~R\$ 31.0B</b>	<b>+11%</b>
<b>Quarterly Cost of Risk</b>	<b>3.7%</b>	<b>3.7 – 3.9%</b>	<b>Within Range</b>
<b>Managerial Revenues<sup>(1)</sup></b>	<b>R\$ 3,190M</b>	<b>~R\$ 3,600M</b>	<b>+13%</b>
<b>Net Interest Income</b>	<b>R\$ 1,704M</b>	<b>~R\$ 1,900M</b>	<b>+12%</b>
<b>Gross Profit</b>	<b>R\$ 1,096M</b>	<b>~R\$ 1,150M</b>	<b>+5%</b>
<b>IFRS EBT</b>	<b>R\$ 222M</b>	<b>~R\$ 265M</b>	<b>+19%</b>
<b>Adjusted EBT</b>	<b>R\$ 248M</b>	<b>~R\$ 285M</b>	<b>+15%</b>
<b>IFRS Net Income</b>	<b>R\$ 152M</b>	<b>~R\$ 235M</b>	<b>+55%</b>
<b>Adjusted Net Income</b>	<b>R\$ 169M</b>	<b>~R\$ 245M</b>	<b>+45%</b>

Note: (1) Considers net revenues excluding derivative and hedge accounting revenues for each quarter.

## Resilient Portfolio, Confident Outlook

Although some market credit indicators suggest some deterioration, a closer look at PicPay's portfolio—which is **more resilient by design**—reassures us about our risk-adjusted return policy and our **ability to continue growing profitably**.

01

### Focus on Risk Adjusted Returns

Our strategy is driven by risk-adjusted returns, not by optimizing for the lowest NPLs.

02

### More Resilient Portfolio

More diversified and resilient credit portfolio, combining secured products, mature unsecured cohorts, and transactional-led underwriting

03

### The Power of our Transactional Ecosystem

Through our digital wallet and Open Banking, we are able to leverage proprietary behavioral data and real time engagement signals

04

### Market- Beating performance in private payroll

Reflected in lower FPD metrics demonstrates our better product velocity, digital distribution and operational excellence

**We remain confident in our ability to meet our projections in 2026**

The PicPay logo is located in the top left corner of the image. It consists of the word "PicPay" in a bold, teal-colored font. A small teal square icon with a white dot inside is positioned above the letter "i".

PicPay



Q&A



# Non-IFRS Measures Reconciliation

## Adjusted Profit Before Income Taxes Reconciliation

	1Q26	4Q25	1Q25	ΔQoQ	ΔYoY
	<i>(in R\$ M)</i>			%	
<b>Profit before income taxes</b>	<b>221.7</b>	<b>(33.2)</b>	<b>76.6</b>	<b>n.a.</b>	<b>189.4%</b>
Adjustments:					
Expenses related to share-based long-term incentive plan	26.8	210.1	-	(87.3)%	n.a.
Expenses related to provision for contingencies	-	64.3	-	n.a.	n.a.
<b>Adjusted Profit Before Income Taxes</b>	<b>248.5</b>	<b>241.2</b>	<b>76.6</b>	<b>3.0%</b>	<b>224.3%</b>

# Adjusted Profit Reconciliation

	1Q26	4Q25	1Q25	ΔQoQ	ΔYoY
	<i>(in R\$ M)</i>			%	
<b>Profit for the period</b>	<b>151.7</b>	<b>827.8</b>	<b>88.1</b>	<b>(81.7%)</b>	<b>72.2%</b>
Adjustments:					
Expenses related to share-based long-term incentive plan	17.6	196.1	-	(87.3)%	n.a.
Expenses related to provision for contingencies	-	54.2	-	n.a.	n.a.
Recognition of deferred tax assets	-	(889.9)	-	n.a.	n.a.
<b>Adjusted Profit</b>	<b>169.4</b>	<b>188.2</b>	<b>88.1</b>	<b>(10.0)%</b>	<b>92.3%</b>

 PicPay



Glossary

- **Adjusted Efficiency Ratio:** Efficiency Ratio considers the sum of transactional expenses, technology expenses, marketing expenses, personnel expenses, administrative expenses, and other expenses divided by total revenue and financial income minus interest and other financial expenses, and other income. Adjusted by the aforementioned non-recurring effects plus the recognition of previously unrecognized deferred tax assets based on expectations that PicPay Payment Institution will generate sufficient taxable profit in the future against which the asset can be realized.
- **Adjusted Net Income:** We calculate Adjusted Net Income as our profit for the period/year, adjusted to include or exclude certain non-recurring and/or non-cash items of income and expense, such as: (i) initial recognition of share-based long-term incentive plan expenses; (ii) expenses related to one-time provision for contingencies; and (iii) initial recognition of certain tax assets.
- **Adjusted Operating Expenses:** Expenses are the sum of technology expenses, marketing expenses, personnel expenses, administrative expenses, depreciation and amortization expenses, and other expenses (income) for the period. Adjusted by the recognition of non-cash expenses related to one-time initial expenses of the share-based long-term incentive plan and the recognition of expenses related to the establishment of provisions for contingencies (expenses related to labor taxes payable on bonuses awarded for employee performance in 2023 and 2024 for which our assessment of the expected outcome has been updated and expenses related to Contribution for Intervention in the Economic Domain (“CIDE”) dispute for which our assessment of the expected outcome has been updated.)
- **Adjusted Profit Before Income Taxes (Adjusted EBT):** We calculate Adjusted Profit Before Income Taxes as our profit before income taxes, adjusted to include or exclude certain non-recurring and/or non-cash items of income and expense, such as: (i) initial recognition of share-based long-term incentive plan expenses; and (ii) expenses related to one-time provision for contingencies.
- **Consolidated TPV:** We define total payment volume, or “TPV,” as the aggregate amount of payments, outbound transfers (sending money) and cash-out, net of reversals, successfully completed on our platform. TPV represents the total amount of payments that pass through our ecosystem, and we generate revenue from certain payment transactions as a percentage of TPV.
- **Cost of Funding (% of CDI):** The cost of funding is mainly related to the interest expenses paid to customers who deposit funds in CDB, which are used to lend money to other customers in the form of loans. CDI is the Brazilian interbank deposit rate.
- **Deposits:** We define deposits as the balance of the payment account, CDBs below and above 30 days of maturity, fixed-term CDBs offered by our PicPay Invest platform, and piggy banks (cofrinhos) held by consumers on our platform. Additionally, deposits also include CDBs distributed through third-party platforms.
- **Gross Profit:** We calculate Gross Profit as the total revenue and financial income *minus* total transaction and financial expenses *minus* credit loss allowance expenses.

# Glossary

- **Margin from credit products:** We calculate margin from credit products as the sum of total net revenue from transaction activities and other services and financial income from our credit operations (cards and loans) minus cost of funding from these products.
- **Margin from credit products after losses:** We calculate margin from credit products after losses as margin from credit products minus credit loss allowance expenses.
- **Net Interest Income (NII):** We calculate Net Interest Income (NII) as financial income less interest and other financial expenses.
- **Net Interest Margin (NIM):** NIM is calculated as NII multiplied by 4 and then divided by the average of the following balance sheet metrics: (i) cash and cash equivalents; (ii) financial assets at fair value through profit or loss; (iii) financial assets at fair value through other comprehensive income, or OCI; (iv) interest-earning portfolio; (v) other receivables; and (vi) other financial assets at amortized cost.
- **NIMAL (Net Interest Margin Adjusted for Losses):** Net interest income after credit losses as a percentage of average loan portfolio
- **PicPay Card TPV:** means the total payment volume generated from transactions made with our PicPay Card.
- **Quarterly Active Clients:** means a consumer who has opened our app at least once and/or made a financial transaction and/or generated revenues during the preceding three-month period. Accounts that were voluntarily closed during the preceding three-month period are included in the calculation of total active consumers.
- **Quarterly Annualized ROE:** is calculated as the net income for the quarter multiplied by 4 and then divided by the average equity for the period.
- **Quarterly Average Cost to Serve per Quarterly Active Client (CTS):** We define quarterly average cost to serve per quarterly active client, or “CTS,” as the sum of transaction expenses, technology expenses, marketing expenses (excluding customer acquisition expenses), personnel expenses and administrative expenses during the applicable three-month period divided by the average number of quarterly active clients during the applicable three-month period. The average number of quarterly active clients is defined as the average of the number of quarterly active clients on the end date of the immediately prior three-month period and the number of quarterly active clients on the end date of the current three-month period.
- **Quarterly Average Revenue per Quarterly Active Client (ARPAC):** We define quarterly average revenue per quarterly active client, or “ARPAC,” as the total quarterly revenue and financial income of consumers divided by the average number of quarterly active clients during this period. The average number of quarterly active clients is defined as the average of the number of quarterly active clients on the end date of the immediately prior three-month period and the number of quarterly active clients on the end date of the current three-month period.
- **Stage 2 Formation:** Stage 2 Formation represents the net inflow of Stage 2 exposures during the period. The indicator is calculated by the variation in the Stage 2 balance compared to the previous period, adjusted for operations that migrated from Stage 2 to Stage 3, divided by the total balance of operations in Stage 1 and Stage 2 at the beginning of the period.
- **Stage 3 Formation:** The stage 3 formation rate is calculated considering the stage 3 balance in the end of each period minus the stage 3 balance in the previous period plus

# Glossary



- **Total Accounts:** We define total accounts as the number of PicPay accounts opened by individuals, excluding accounts that have been charged-off, blocked or voluntarily closed by our consumers. Our management uses total accounts data to measure the growth of our brand and to evaluate our market positioning as a financial institution among our main competitors.
- **Total Cash-in:** We define total cash-in as total cash inflows into our digital wallet. To “cash in” means to add funds to the balance of a digital wallet account from outside our platform via transfers from other financial institutions (wire transfers), including via the Brazilian Central Bank’s instant payment system (Pix), via boleto (bank slip), through the receipt of funds via P2P payments, payroll portability, contracting loans or pulling funds from other banks in app through Open Finance (PicPay operating as a payment initiator).
- **Total Credit Portfolio:** We define Total Credit Portfolio as the outstanding end-of-period balance of our credit product receivables, including secured and unsecured consumer loans (such as FGTS loans, payroll loans, and personal loans), and secured and unsecured credit cards (gross of credit loss allowance).
- **Wallet & Banking TPV:** means the total payment volume generated from our wallet and banking product (P2P, cash-out Pix, bill payment, money withdrawal, wire transfers and international remittance & exchange).



Thank you

