

Corporate Presentation

Mar-22



PAGS

LISTED

NYSE

The road so far

R\$ 951 Billion

Consolidated TPV
2016 to 2021

R\$ 7.7 Billion

AuC + Deposits
Dec-21

R\$ 1.9 Billion

Total Credit Portfolio
Dec-21



21.9 Million

PagBank Clients
Dec-21

7.7 Million

Active Merchants
Dec-21

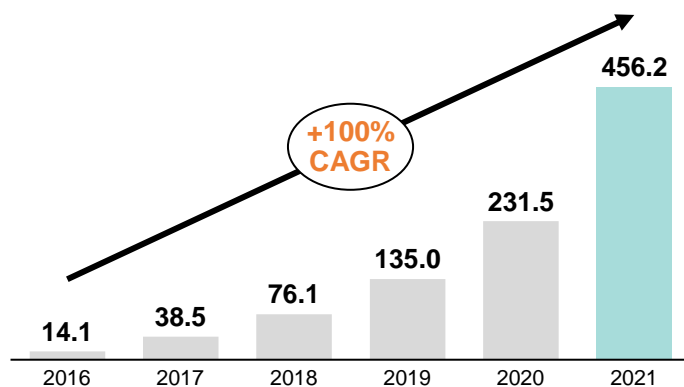
12x more profits

Net Income
Non-GAAP | 2021 vs. 2016

Outstanding performance in the last 6 years

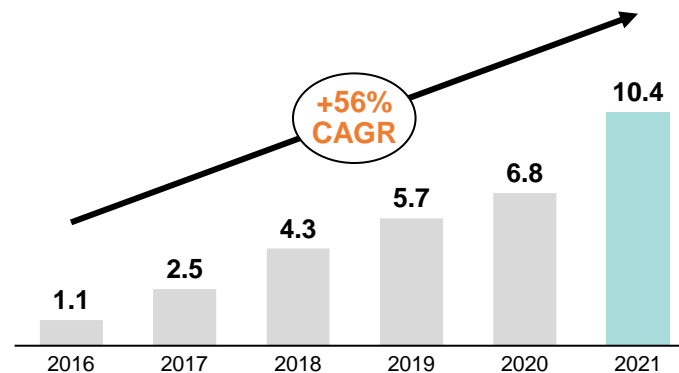
TPV

R\$ Billion



NET REVENUE

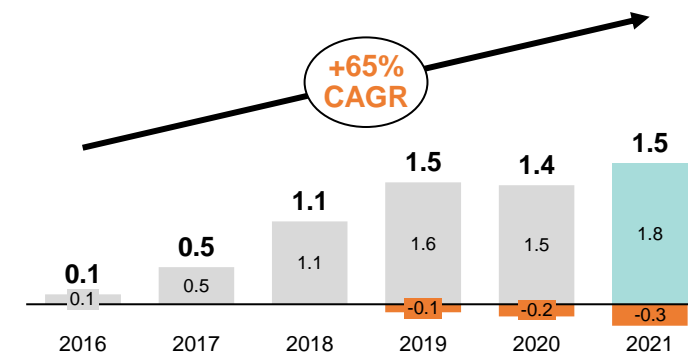
R\$ Billion



NET INCOME¹

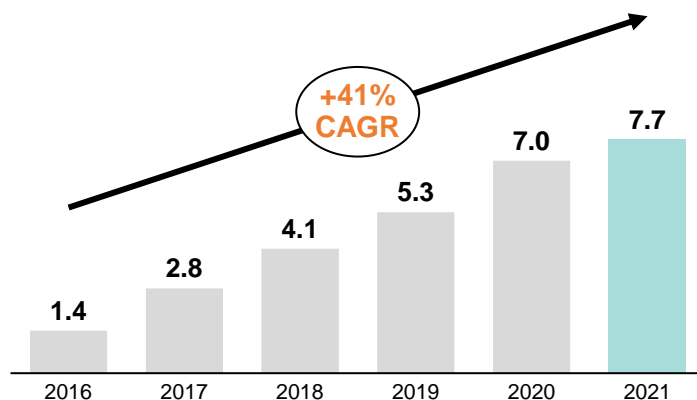
R\$ Billion

PagSeguro PagBank



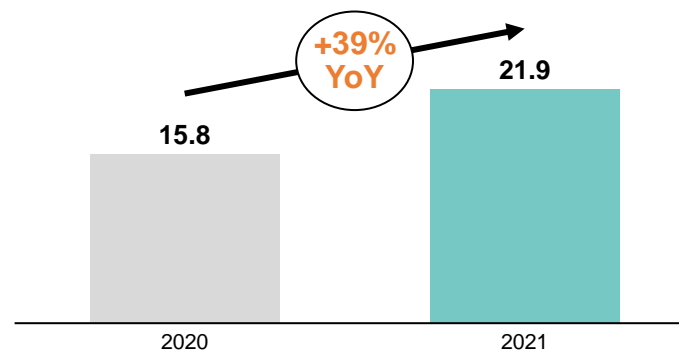
ACTIVE MERCHANTS

Million



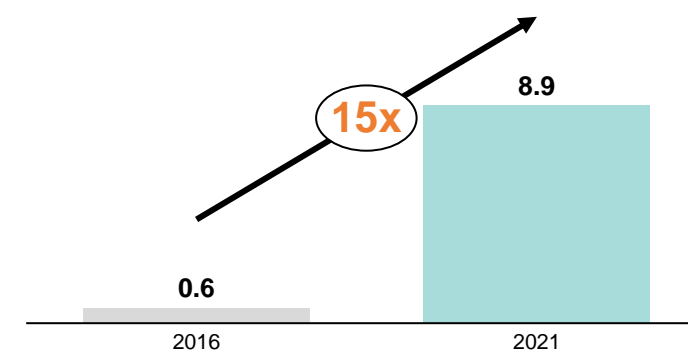
PAGBANK CLIENTS

Million

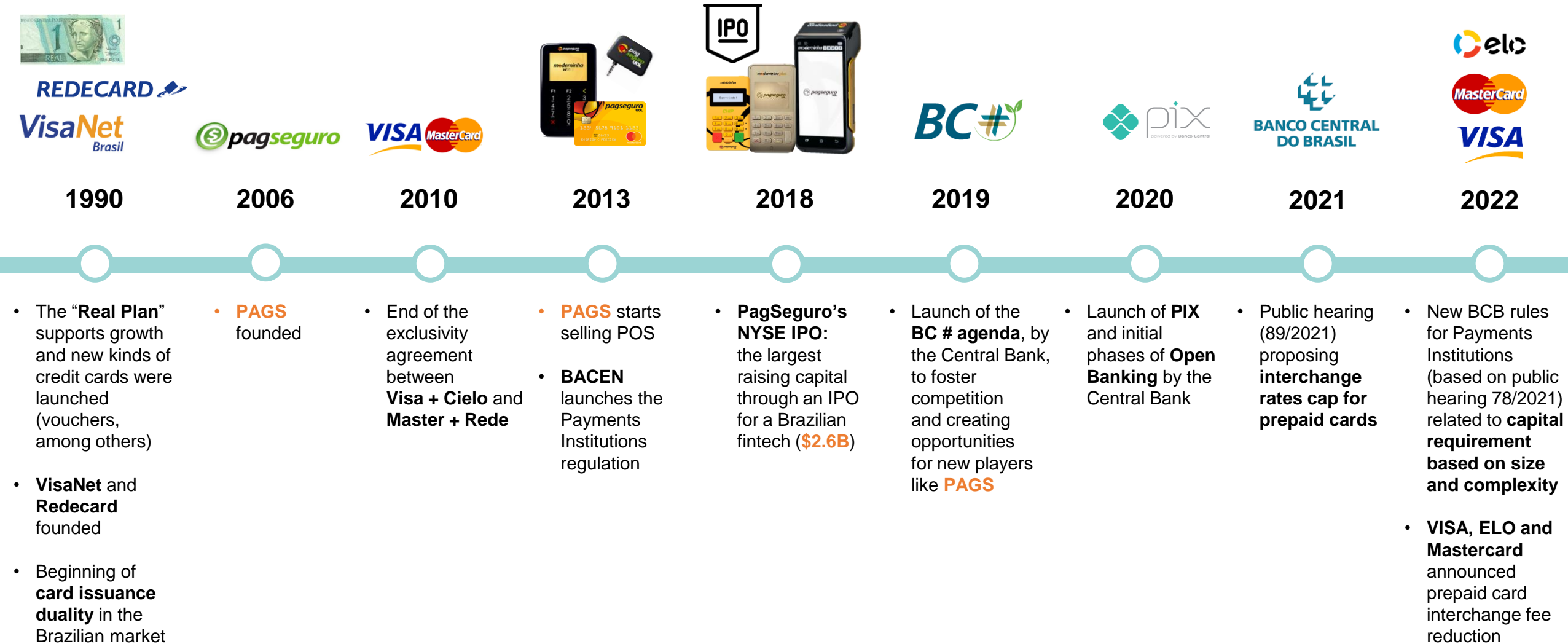


CASH POSITION

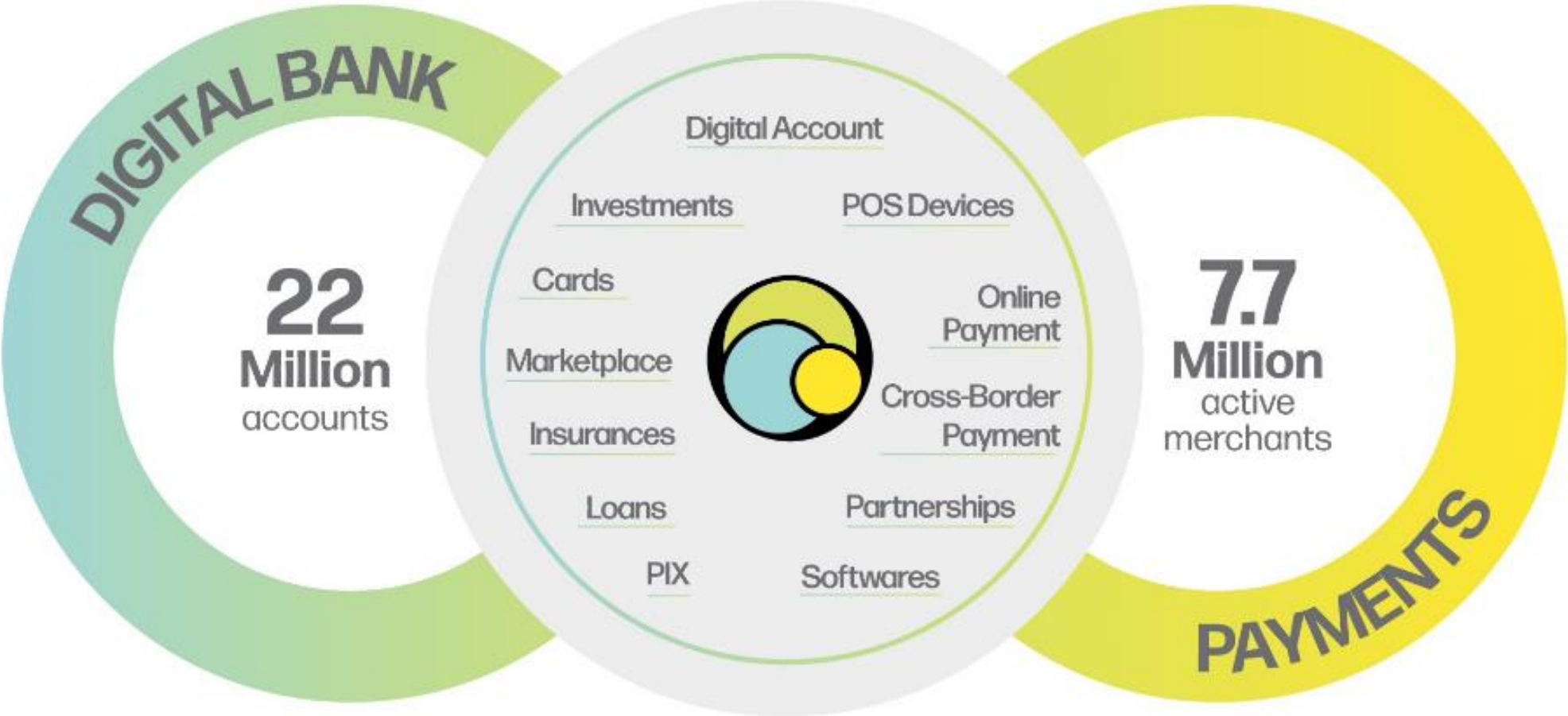
R\$ Billion



Brazilian Payments Timeline



PAGS at a glance



PAGS' Strategy and Competitive Advantages

OUR STRATEGY

Profitable growth with efficiency in Payments

Revenue diversification with PagBank's consolidation

Development of PAGS' (PagBank PagSeguro) ecosystem

Establishing 360° Safety

Valuing people

OUR COMPETITIVE ADVANTAGES



Tech-DNA + Digital born



Mobile First



Complete banking platform + Payments



Most profitable payment company



Incumbent legacy

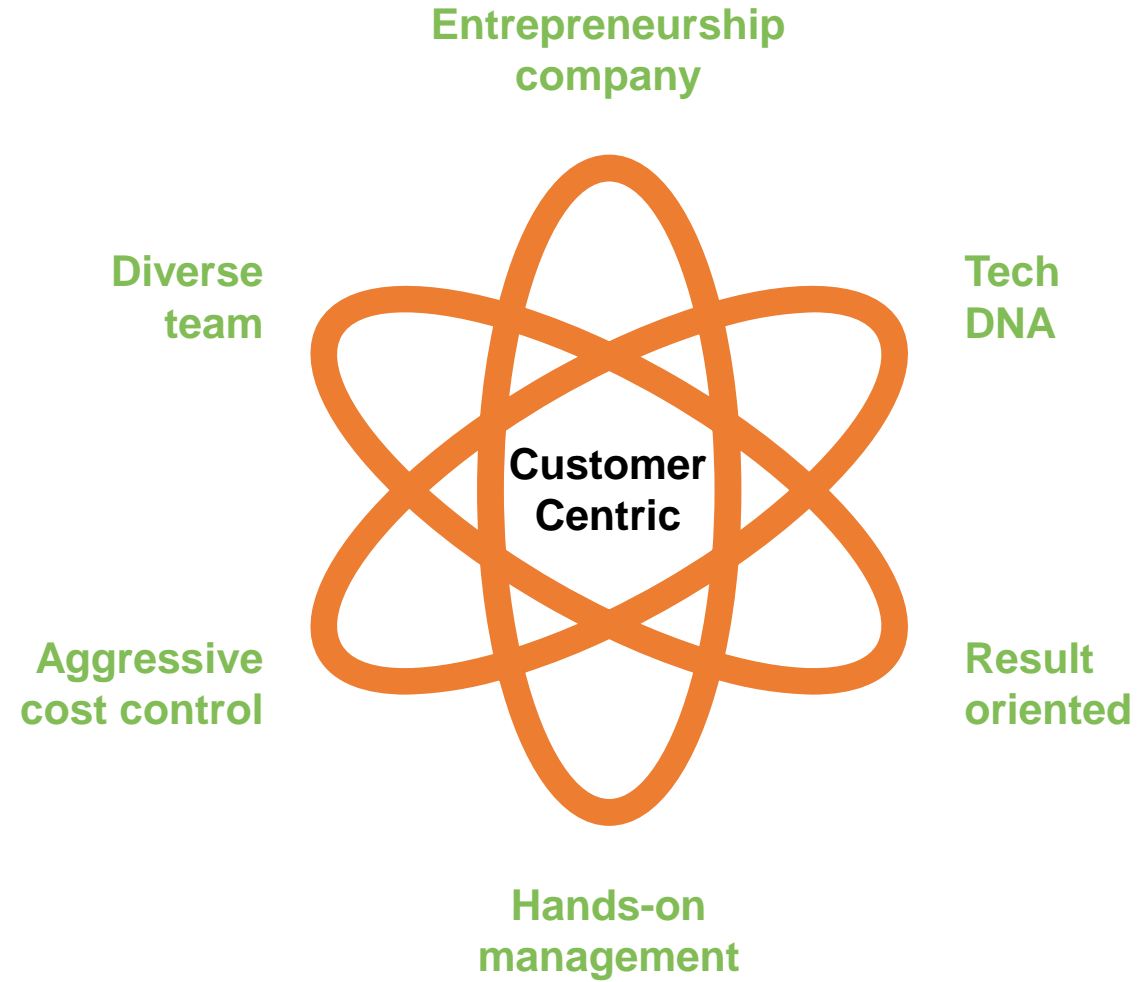


UOL's 90% reach among Brz internet audience



7,000 computer engineers at UOL Group

PAGS' Culture



Complete set of solutions and payments methods

Largest product portfolio with 4 POS device suppliers

 PagSeguro TEF



Minizinha NFC



 moderninha
Wifi



 Moderninha Plus 2



moderninha Pro



moderninha
smart



Most Profitable Brazilian Acquirer

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



10%

of TPV market share

.....

30%

of Revenue Pool

.....

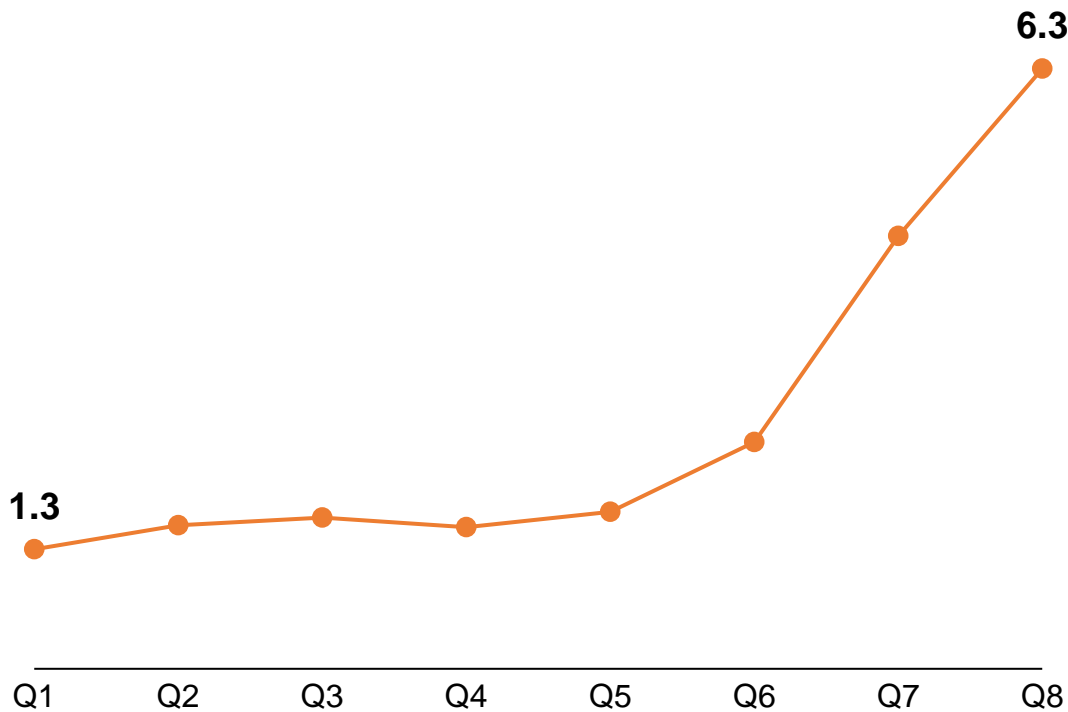
45%

of Profit Pool

Healthy returns encourages to keep investing

ARPU¹

Merchants with PagBank / Merchants without PagBank



Payback²

4

quarters

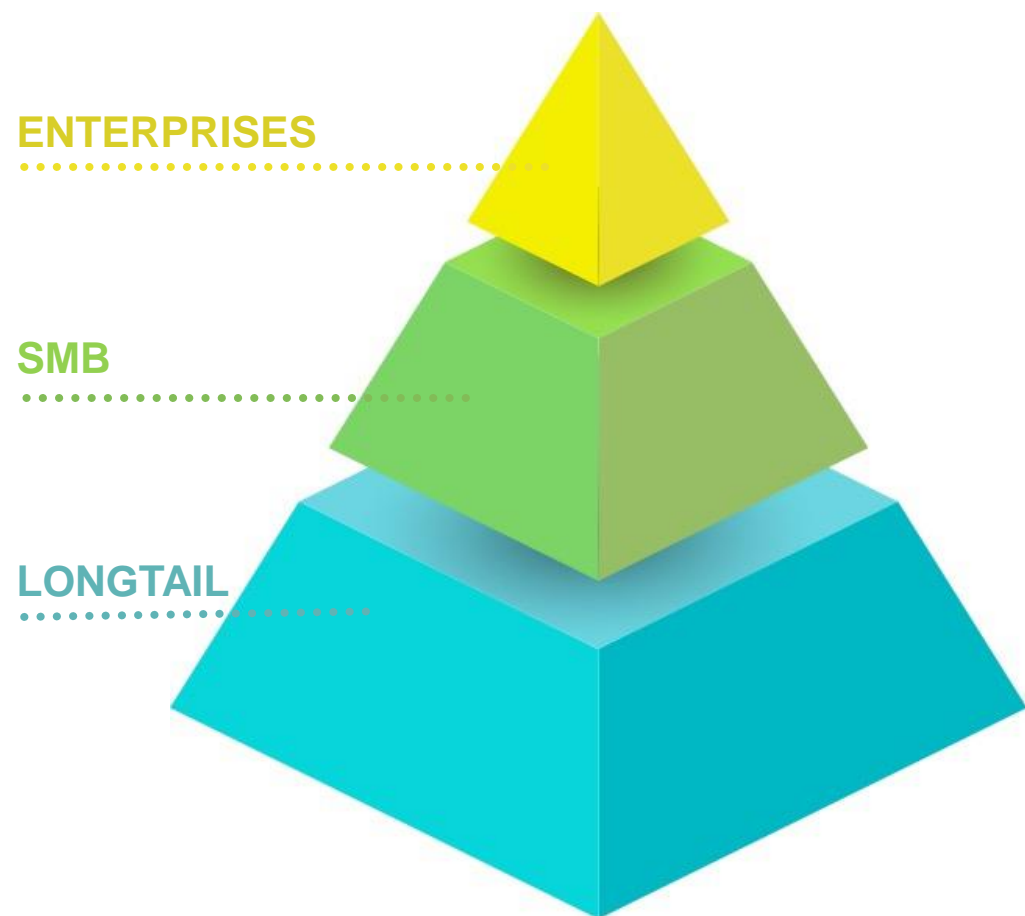
ROI²

4x to 7x

Varying according to cohorts after
11 quarters

1. ARPU: Longtail clients only;
2. As of 2018 and 2019;

Moving upmarket is easier than the opposite



PAGS' winning strategy



Local player aware of the **opps/risks**



First mover and **>90% online audience coverage (UOL)** drives **scalability** lowering **CAC**



Mobile first experience: **no bureaucracy**



Robust infrastructure to serve longtail extended to larger merchants



Tech-DNA supports competitive pricing policies and **healthy LTV**

There is a unique opportunity ahead of us...



R\$ 4B

Acquiring Profit Opportunity

.....



Banking opportunity

30x

bigger than Acquiring

.....

R\$ 120B

Banking Profit Opportunity

...in a highly concentrated Brz financial industry

Brazilian Total Credit Portfolio¹
2021



93% concentrated in
6 largest banks

Incumbent Legacies



1st

preserving the **status quo**
and their **existing profits**



2nd

IT platforms (built 20 to 30 years ago)
not integrated



1. Source: Brazilian Central Bank and companies' public information.

PagBank enrich our ecosystem, offering financial services to increase revenues and merchants' loyalty

>75% of Longtail merchants use PagBank

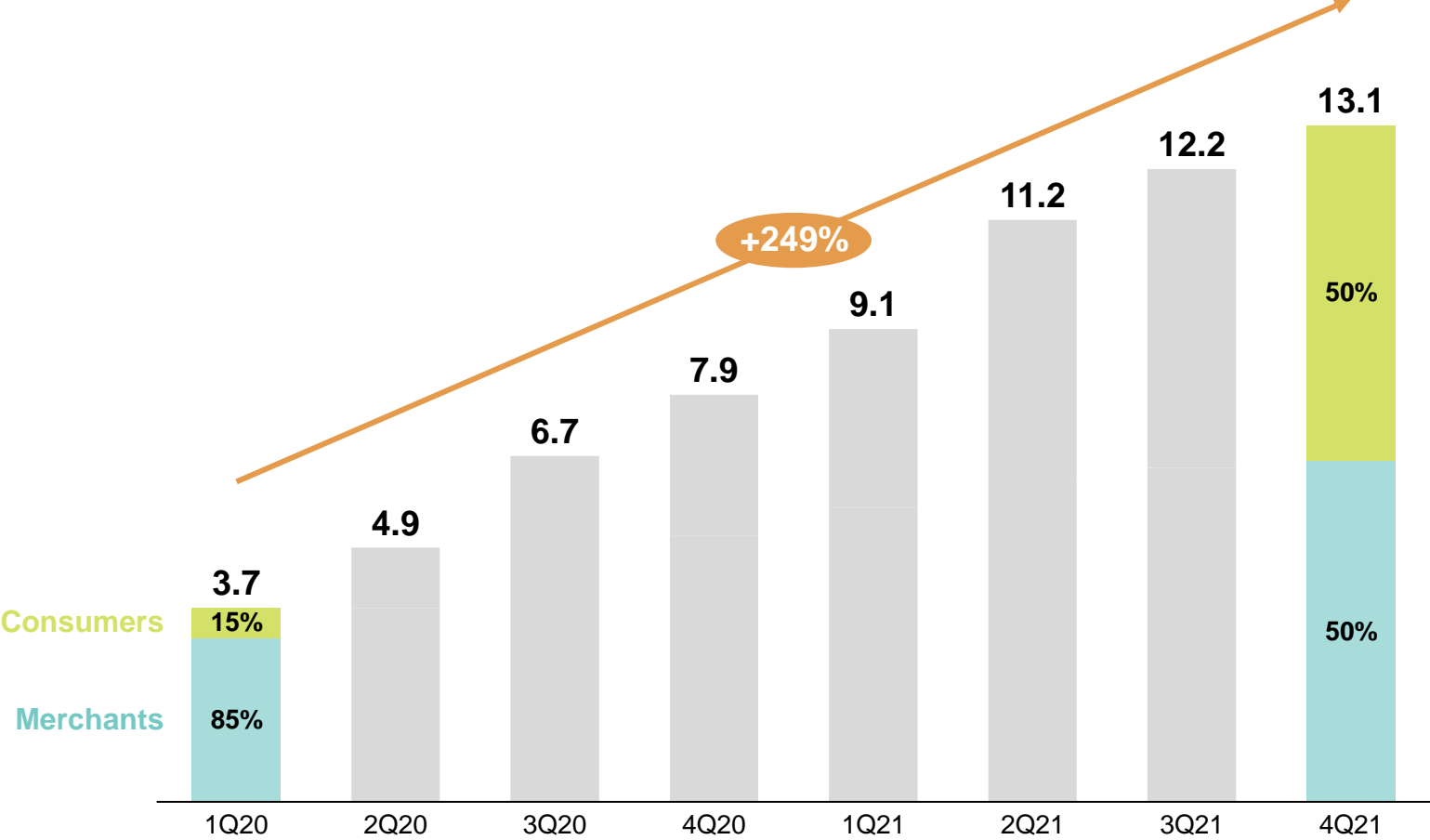
	Merchants without PagBank	Merchants with PagBank
ARPU ¹	100	475
CHURN	100	78
NPS	100	136

1. Date: Sep-21. Considering longtail customers only.

Banking clients using PagBank more than ever

PagBank Active Users¹

million of users



~50% of customers consider PagBank as their main bank account²

PagBank Share of Pix Transactions³ of 9%

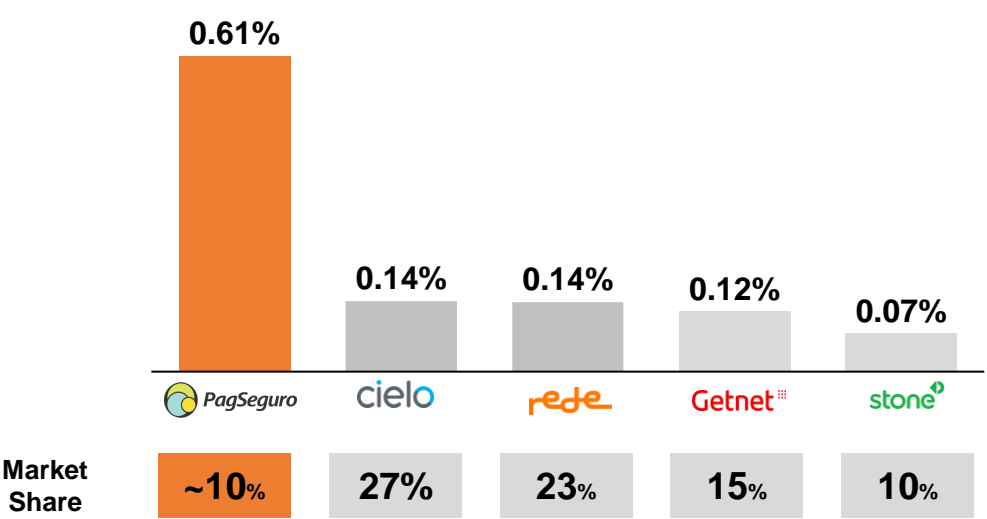
Active customers use on average 2.8 different products per month⁴

1. Active merchants using one additional digital account feature/service beyond acquiring and consumers with a balance in their digital account on the last day of the month;
2. Based on monthly research with PagBank customers;
3. Based on December 2021;
4. As of 4Q21.

PAGS: A powerful two-sided businesses

Payments

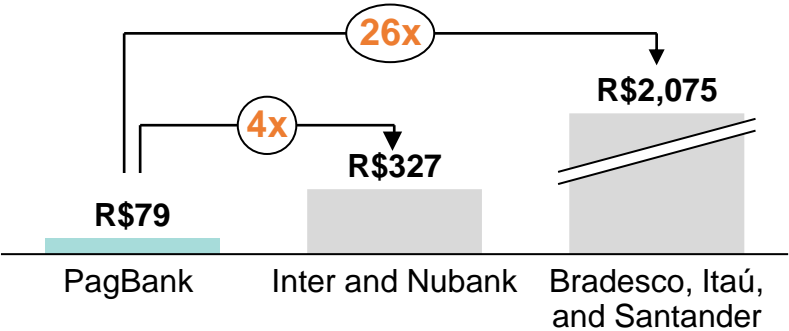
2021 Net Income Yield¹



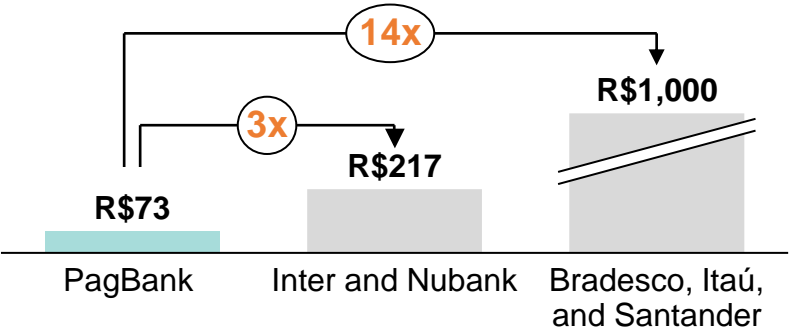
The highest profitability

Financial Services

Average Revenue per User (ARPU)²



Opex per Client³



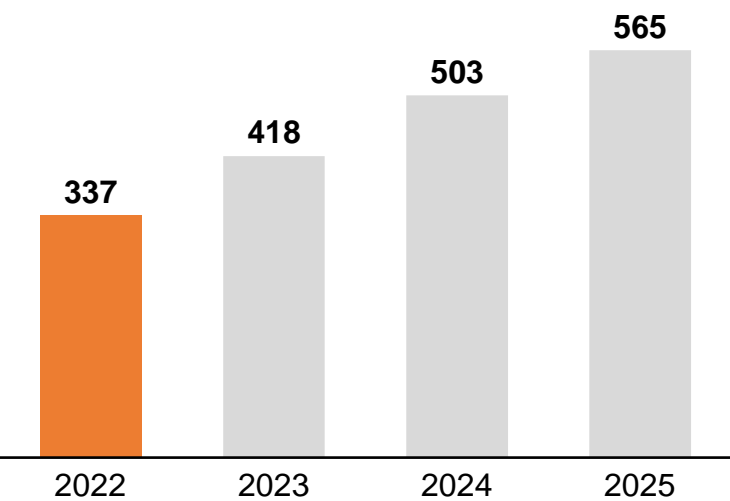
PagBank ARPU is 4x smaller than Digital Banks' and 26x smaller than Incumbents Banks' ARPU

1. Non-GAAP Net Income / Acquiring TPV. Based on companies' public information;
2. ARPU: LTM Revenue (Financial and Services) / (Active client last 5 quarters average). Source: Companies' public information.
3. Opex per Client: LTM Operation Expenses / (Active client last 5 quarters average). Source: Companies' public information.

Analysts Consensus

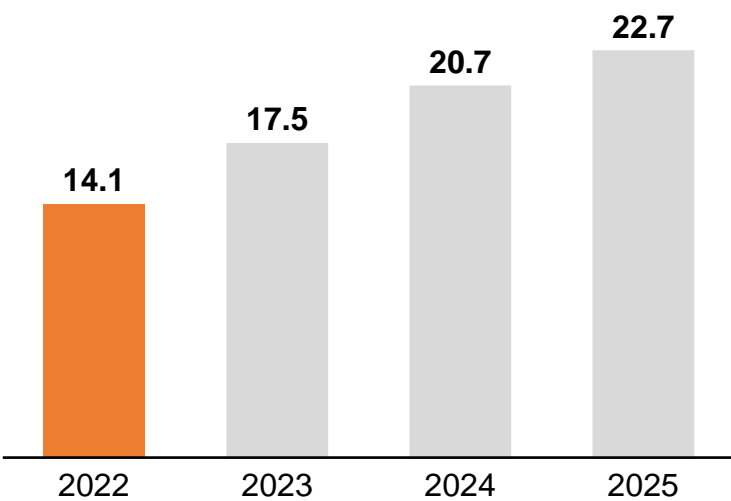
PagSeguro TPV

R\$ Billion



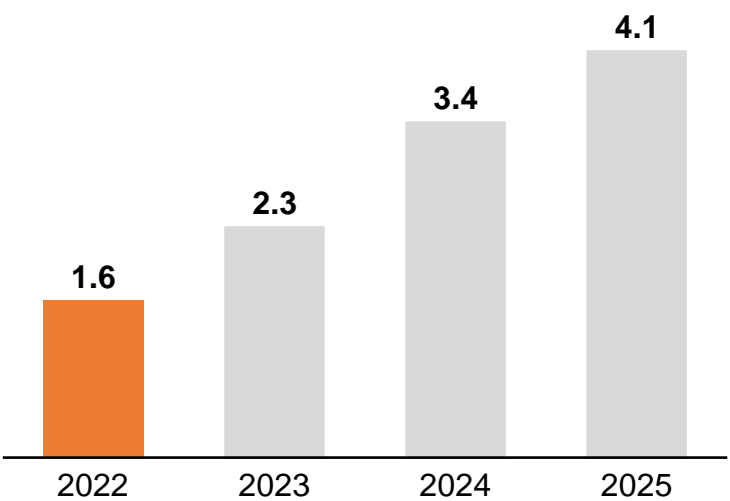
Total Revenue

R\$ Billion



Non-GAAP Net Income

R\$ Billion



ESG: A history of social inclusion

Release of our 1st Sustainability Report



2020 Highlights

PAGS reached **100% of Brazilian territory coverage**

Empowering women businesses: +50% of our active clients

>70% of our active merchants did not accept electronic payments before PAGS

Democratizing investments by providing options from R\$ 1.00

MICRO-MERCHANTS

+25% are under 30 years old running their first business

+40% formalize their business after subscribe our services

16% are above 50 years old, helping to complement their retirements

2021 Achievements



UN Global Compact
signed by our CEO



GHG Inventory
for 2019 and 2020



Women on Board Award
43% of women on
PagBank PagSeguro Board



WEPS
empowering diversity
and gender equality



ESG Committee
Composed by Directors and
Senior Executives



ESG Website
Creating an open channel to
inform all the stakeholders

[Click here](#) to access
our ESG page

2022 Goals

First GRI Essentials Sustainability Report

Reporting GHG emissions data in CDP

Establishing goals to be net zero carbon

Applying for the GPTW

GHG Inventory verified by third-party



Supplemental Information



Glossary

Active Merchants: At least one transaction in the last twelve months.

Adjusted EBITDA: GAAP Net Income + Income Tax and Social Contribution – Other Financial Income + Depreciation and Amortization + FX Expenses + M&A Expenses + LTIP Expenses. Please see the Supplemental Information for a reconciliation of this adjusted financial measure.

Gross Profit

- **PagSeguro:** (MDR Revenue + Prepayment Revenue) – (Transaction Costs + Card Scheme Fee + Financial Expenses).
- **PagBank:** (Net Interest Income + Revenue from Services) – Provision for Losses.

Gross Take Rate

- **PagSeguro:** (Net Revenue from Transaction Activities and Other Services + Financial Income) / PagSeguro TPV. Excluding revenues and costs originated by membership fees.
- **PagBank:** (Net Interest Income + Revenue from Services) / PagBank Monetizable TPV.

Net Interest Income: Interest Income – Cost of Funding + Float.

Net Take Rate

- **PagSeguro:** (Net Revenue from Transaction Activities and Other Services + Financial Income - Transaction Costs) / PagSeguro TPV. Excluding revenues and costs originated by membership fees.
- **PagBank:** (Net Interest Income + Revenue from Services - Transaction Costs) / PagBank Monetizable TPV.

Non-GAAP numbers: Non-GAAP financial measure. Please see the Slide 28 for a reconciliation of this non-GAAP financial measure to the most directly comparable GAAP financial measure.

PagBank Clients: Number of bank accounts registered at Brazilian Central Bank.

PagBank Active Clients: Active clients using one additional digital account feature/service beyond acquiring and consumers with a balance in their digital account on the last day of the month.

PagInvest AUC: CDs actively invested by clients, Investment Funds, Treasury Bonds and Equities.

Recurrent Measures: Excluding one-time effects that may affect company's results.

Total Deposits: Balance Accounts + PagInvest AUC.

Total Payment Volume: PagSeguro TPV + PagBank TPV.

- **PagSeguro:** Includes PagSeguro's TPV, which is the value of payments successfully processed through our end-to-end digital banking ecosystem, net of payment reversals, not including PagBank TPV.
- **PagBank:** Includes prepaid card top-ups, cash cards spending, credit cards, mobile top-ups, wire transfers to third-party, cash-in through *boletos*, bill payments, tax collections, P2P transactions, QR Code transactions, credit underwriting, Super App and GMV

Operating Figures

R\$ Million	2018	2019	2020	2021
Total Payment Volume	76,141.9	135,009.9	231,511.0	456,169.8
PagSeguro	76,141.9	114,818.7	161,532.9	252,086.4
PagBank	-	20,191.2	69,978.0	204,083.4

# Million	2018	2019	2020	2021
Active Merchants	4.2	5.3	7.1	7.7
PagBank Active Users	-	2.8	8.0	13.1
Merchants	-	2.4	5.2	6.6
Consumers	-	0.4	2.8	6.5

R\$ Million	2018	2019	2020	2021
Total Credit Portfolio	-	-	611.6	1,907.0
Working Capital Loan	-	-	330.8	1,069.7
Credit Cards	-	-	257.3	726.1
Others	-	-	23.5	111.2

Income Statement | Non-GAAP

NON-GAAP R\$ Million	2018	2019	2020	2021
Net Revenue from Transaction Activities and Other Services	2,267.1	3,376.0	4,508.7	6,784.8
Net Revenue from Sales	374.6	146.0	0.0	0.0
Financial Income	1,414.5	2,030.5	2,177.4	3,514.4
Other Financial Income	147.2	126.4	128.6	149.5
Total Revenue and Income	4,203.4	5,678.9	6,814.7	10,448.7
Interchange and Card Scheme Fee (ITC)	(1,162.7)	(1,680.0)	(2,117.8)	(3,697.0)
Total Revenue and Income (ex-ITC)	3,040.7	3,998.9	4,696.8	6,751.7
Cost of Sales and Services	(2,084.9)	(2,705.8)	(3,752.2)	(5,747.3)
Selling Expenses	(351.1)	(565.1)	(616.4)	(1,522.6)
Administrative Expenses	(222.4)	(299.2)	(369.9)	(517.1)
Financial Expenses	(13.2)	(38.2)	(109.2)	(790.6)
Other Expenses, Net	(8.1)	(1.9)	22.9	9.3
Total Costs and Expenses	(2,679.7)	(3,610.2)	(4,824.8)	(8,568.3)
Total Costs and Expenses (ex-ITC)	(1,516.9)	(1,930.2)	(2,706.9)	(4,871.3)
Depreciation and Amortization	(95.4)	(128.3)	(376.3)	(768.6)
Adjusted EBITDA	-	-	2,237.5	2,555.3
EBT	1,523.8	2,068.7	1,989.9	1,880.5
Current Income Tax and Social Contribution	(187.7)	(24.5)	(62.8)	(119.8)
Deferred Income Tax and Social Contribution	(267.2)	(574.2)	(492.6)	(335.4)
Income Tax and Social Contribution	(454.9)	(598.7)	(555.5)	(455.2)
Net Income Non-GAAP	1,068.9	1,470.0	1,434.4	1,425.3
Non recurring adjustments	0.0	0.0	(55.6)	120.8
Net Income Non-GAAP Recurring	1,068.9	1,470.0	1,378.8	1,546.1

Expenses Breakdown

GAAP R\$ Million	2018	2019	2020	2021
Transactions Costs	(1,246.5)	(1,854.0)	(2,773.4)	(4,321.2)
Card Interchange	(1,037.4)	(1,387.4)	(1,680.4)	(3,044.3)
Card Scheme Fees	(125.4)	(292.6)	(437.4)	(652.7)
Others	(83.7)	(174.0)	(655.6)	(624.1)
Cost of Goods Sold	(567.8)	(395.0)	0.0	0.0
Marketing and Advertising	(375.5)	(476.7)	(510.8)	(791.1)
Personnel Expenses	(546.8)	(398.9)	(619.1)	(1,074.2)
Financial Expenses	(31.2)	(38.1)	(109.2)	(790.6)
Chargebacks	(71.5)	(200.6)	(288.3)	(664.3)
Depreciation and Amortization	(95.4)	(128.3)	(376.3)	(768.6)
Other (Expenses) Income, Net	(182.4)	(275.2)	(362.6)	(550.7)
Total Costs and Expenses	(3,117.1)	(3,766.8)	(5,039.8)	(8,960.7)
Total Costs and Expenses (ex-ITC)	(1,870.6)	(1,912.9)	(2,266.4)	(4,639.5)

GAAP R\$ Million	2018	2019	2020	2021
Cost of Sales and Services	(2,144.7)	(2,733.2)	(3,772.3)	(5,775.9)
Card Interchange	(1,037.4)	(1,387.4)	(1,680.4)	(3,044.3)
Card Scheme Fees	(125.4)	(292.6)	(437.4)	(652.7)
Others	(982.0)	(1,053.3)	(1,654.4)	(2,078.9)
Selling Expenses	(351.4)	(566.0)	(617.5)	(1,523.9)
Administrative Expenses	(581.7)	(427.3)	(563.8)	(877.3)
Financial Expenses	(31.2)	(38.1)	(109.2)	(790.6)
Other (Expenses) Income, Net	(8.1)	(1.8)	22.9	7.3
Total Costs and Expenses	(3,117.1)	(3,766.5)	(5,039.8)	(8,960.4)
Total Costs and Expenses (ex-ITC)	(972.4)	(1,033.3)	(1,267.6)	(3,184.5)

Adjusted EBITDA

R\$ Million	2020	2021
Net Income GAAP	1,292.2	1,166.3
Income Tax and Social Contribution	482.4	321.7
Depreciation and Amortization	376.3	768.6
Other Financial Income, Net	(128.6)	(77.3)
Other Financial Income	(166.9)	(158.8)
Exchange Rate Expenses	38.3	81.5
Adjusted EBITDA GAAP	2,022.3	2,179.4
Non-GAAP Total Expenses	215.2	376.0
LTIP Expenses	207.0	370.5
Others	8.2	5.5
Adjusted EBITDA	2,237.5	2,555.3
Non-Recurring Expenses	(84.3)	183.1
Tax Provision Reversal	(84.3)	0.0
PagBank Digital Losses	0.0	44.4
PagPhone Write-Off	0.0	138.7
Recurring Adjusted EBITDA	2,153.2	2,738.4

Balance Sheet

R\$ Million	2018	2019	2020	2021
Assets	11,417.3	14,582.2	22,324.3	31,075.8
Current Assets	11,042.1	13,548.4	19,247.1	26,719.3
Cash and Cash Equivalents	2,763.1	1,404.0	1,640.1	1,794.4
Financial Investments	0.0	1,349.7	979.8	782.6
Accounts Receivable	8,104.7	10,477.2	16,043.0	23,428.5
Derivative Financial Instruments	0.0	0.0	0.0	0.0
Receivables from Related Parties	0.0	0.0	0.0	0.0
Inventories	88.6	61.9	30.4	49.5
Taxes Recoverable	65.7	171.6	389.0	469.5
Other Receivables	20.1	84.1	164.8	194.8
Non-Current Assets	375.2	1,033.9	3,077.2	4,356.5
Judicial Deposits	1.5	5.7	7.4	40.2
Accounts Receivable	0.0	29.9	33.6	228.9
Financial Investments	0.0	0.0	0.0	0.0
Prepaid Expenses	1.0	7.2	10.3	11.7
Deferred Income Tax and Social Contribution	0.0	0.0	83.3	120.8
Investment	0.0	1.5	16.4	15.7
Property and Equipment	67.1	400.0	1,802.6	2,289.1
Intangible Assets	305.6	589.6	1,123.6	1,650.2

R\$ Million	2018	2019	2020	2021
Liabilities and Equity	11,417.3	14,582.2	22,324.3	31,075.8
Current Liabilities	4,710.8	5,893.1	11,574.5	19,002.9
Payables to Third Parties	4,324.2	5,326.3	10,101.5	13,217.1
Trade Payables	167.2	256.3	335.5	578.0
Payables to Related Parties	28.9	22.2	58.3	543.6
Derivative Financial Instruments	0.0	0.0	0.0	14.3
Borrowings	0.0	0.0	0.0	1,005.8
Deposits	0.0	0.0	572.0	3,056.4
Salaries and Social Charges	73.9	106.8	175.2	259.7
Taxes and Contributions	80.1	124.0	26.0	63.9
Provision for Contingencies	7.0	11.8	17.1	27.7
Dividends Payable and Interest on own Capital	0.0	0.0	0.0	0.0
Deferred Revenue	0.0	42.5	186.2	162.6
Other Liabilities	29.5	3.1	102.6	73.7
Non-Current Liabilities	132.1	674.2	1,422.4	1,570.7
Deferred Income Tax and Social Contribution	132.1	630.9	1,132.6	1,391.8
Provision for Contingencies	0.0	0.0	11.7	13.9
Deposits	0.0	0.0	194.1	77.6
Deferred Revenue	0.0	26.0	27.3	17.3
Other Liabilities	0.0	17.3	56.6	70.2
Equities	6,574.4	8,014.9	9,327.5	10,502.2
Share Capital	0.0	0.0	0.0	0.0
Net Parent Investment	0.0	0.0	0.0	0.0
Capital Reserve	5,688.1	5,781.5	5,784.3	6,076.3
Other Comprehensive Income	0.0	(0.2)	0.5	0.6
Legal Reserve	0.0	0.0	0.0	0.0
Equity Valuation Adjustments	(7.3)	(22.4)	(22.4)	(22.4)
Profit Retention Reserve	909.3	2,274.9	3,566.5	4,732.6
Profit of the Period	0.0	0.0	0.0	0.0
Treasury Shares	(39.5)	(41.3)	(13.6)	(285.0)
Non-controlling interests	23.8	22.4	12.1	0.0

Cash Flow

GAAP R\$ Million	2018	2019	2020	2021
Earnings before Income Taxes	1,217.6	1,912.5	1,774.7	1,488.0
Expenses (Revenues) not affecting Cash	454.8	325.2	728.1	2,193.4
Changes in Operating Assets and Liabilities	(3,626.7)	(2,192.5)	(570.5)	(3,775.0)
Income Tax and Social Contribution paid	(203.6)	(88.2)	(46.4)	(76.8)
Interest Income received	394.6	522.5	266.7	1,068.4
Interest Paid	0.0	0.0	0.0	0.0
Net Cash provided by (used in) Operating Activities	(1,763.2)	479.6	2,152.7	898.0
Net Cash provided by (used in) Investing Activities	(44.3)	(1,820.8)	(1,861.5)	(1,470.9)
Net Cash provided by (used in) Financing Activities	4,503.8	(17.9)	(55.1)	727.2
Increase (Decrease) in Cash and Cash Equivalents	2,696.3	(1,359.1)	236.1	154.3
Cash and Cash Equivalents at the beginning of the Period	66.7	2,763.0	1,403.9	1,640.0
Cash and Cash Equivalents at the end of the Period	2,763.0	1,403.9	1,640.0	1,794.3

PagBank Reconciliation

Reported R\$ Million	2020	2021
Total Revenues and Income	540.0	846.4
Adjusted EBITDA	(199.8)	(379.2)

Reconciliation R\$ Million	2020	2021
Total Revenues and Income	540.0	846.4
Adjusted EBITDA	(199.8)	(379.2)

Reconciliation + Float + CoF R\$ Million	2020	2021
Total Revenues and Income	564.2	916.9
Adjusted EBITDA	(151.7)	(251.9)

PagBank P&L R\$ Million	2020	2021
Credit Portfolio	611.6	1,907.0
Adjusted EBITDA	(151.7)	(251.9)

Brazilian Retail Banking Industry

#	Financial Institutions	Net Income GAAP		Net Revenue		Credit Portfolio	
		R\$ Billion	%	R\$ Billion	%	R\$ Billion	%
1	Itaú	25.0	21.1%	195.5	25.5%	1,027.3	22.6%
2	Bradesco	21.9	18.5%	139.1	18.1%	812.7	17.9%
3	BB	19.7	16.6%	153.4	20.0%	874.9	19.2%
4	CEF	17.3	14.6%	69.7	9.1%	867.6	19.1%
5	Santander	15.0	12.6%	118.5	15.4%	536.5	11.8%
6	BTG	7.8	6.6%	13.9	1.8%	120.5	2.6%
7	Safrá	5.6	4.7%	25.5	3.3%	154.8	3.4%
8	XP Inc.	3.6	3.0%	12.1	1.6%	10.2	0.2%
10	Daycoval	1.4	1.2%	6.9	0.9%	46.7	1.0%
11	PAGS	1.1	1.0%	10.5	1.4%	1.9	0.0%
12	Banrisul	0.9	0.8%	10.2	1.3%	41.0	0.9%
14	Inter	0.1	0.1%	3.0	0.4%	18.6	0.4%
15	Nubank	(0.9)	-0.8%	9.2	1.2%	36.6	0.8%
Total		118.5	100.0%	767.4	100.0%	4,549.4	100.0%
TOP6 Banks		106.7	90.0%	690.1	89.9%	4,239.5	93.2%

Non-GAAP Financial Measures; Forward-Looking Statements

This presentation includes certain non-GAAP measures. We present non-GAAP measures when we believe that the additional information is useful and meaningful to investors. These non-GAAP measures are provided to enhance investors' overall understanding of our current financial performance and its prospects for the future. Specifically, we believe the non-GAAP measures provide useful information to both management and investors by excluding certain expenses, gains and losses, as the case may be, that may not be indicative of our core operating results and business outlook. These measures may be different from non-GAAP financial measures used by other companies. The presentation of this non-GAAP financial information, which is not prepared under any comprehensive set of accounting rules or principles, is not intended to be considered separately from, or as a substitute for, our financial information prepared and presented in accordance with IFRS as issued by the IASB. Non-GAAP measures have limitations in that they do not reflect all the amounts associated with our results of operations as determined in accordance with IFRS. These measures should only be used to evaluate our results of operations in conjunction with the corresponding GAAP measures. You can find the reconciliation of these non-GAAP measures to the most directly comparable GAAP measures for historical periods in our earnings release of November 11, 2021 available on our website: <https://investors.pageseguro.com>.

This presentation also includes “forward-looking statements” within the meaning of the U.S. federal securities laws. Statements contained herein that are not clearly historical in nature are forward-looking, and the words “anticipate,” “believe,” “continues,” “expect,” “estimate,” “intend,” “project” and similar expressions and future or conditional verbs such as “will,” “would,” “should,” “could,” “might,” “can,” “may,” or similar expressions are generally intended to identify forward-looking statements. Forward-looking statements may include, but are not limited to, statements regarding our projected financial and operational results, medium-term outlook and future growth of our business, the impact and timing of products launches and acquisitions, and capital allocation. Our actual results could differ materially from those predicted or implied by forward-looking statements. We cannot guarantee that such statements will prove correct. These forward-looking statements speak only as of the date hereof and are based on our current plans, estimates of future events, expectations and trends (including trends related to the global and Brazilian economies and capital markets, as well as the continuing economic, financial, political and public health effects of the coronavirus, or the COVID-19, pandemic) that affect or may affect our business, financial condition, results of operations, cash flow, liquidity, prospects and the trading price of our Class A common shares, and are subject to several known and unknown uncertainties and risks, many of which are beyond our control. As consequence, current plans, anticipated actions and future financial position and results of operations may differ significantly from those expressed in any forward-looking statements in this presentation. You are cautioned not to unduly rely on such forward-looking statements when evaluating the information presented. In light of the risks and uncertainties described above, the future events and circumstances discussed in this presentation might not occur and are not guarantees of future performance. Because of these uncertainties, you should not make any investment decision based upon these estimates and forward-looking statements. We assume no obligation to update such forward-looking statements. To obtain further information on factors that may lead to results different from those forecast by us, please consult the reports we file with the U.S. Securities and Exchange Commission (SEC) and in particular the factors discussed under “Forward-Looking Statements” and “Risk Factors” in our annual report on Form 20-F.