

Quarterly Information - ITR

Méliuz S.A.

June 30, 2023
with Independent Auditor's Review Report



Méliuz S.A.

Quarterly Information - ITR

June 30, 2023

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A free translation from Portuguese into English of Independent Auditor’s Review Report on quarterly information prepared in Brazilian currency in accordance with NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information (ITR) and the rules issued by the Brazilian Securities and Exchange Commission (CVM)

Independent auditor’s review report on quarterly information

To the
Shareholders, Board of Directors and Officers
Méliuz S.A.
São Bernardo do Campo - SP

Introduction

We have reviewed the parent company and consolidated interim financial information of Méliuz S.A. (the “Company”), contained in the Quarterly Information Form (ITR) for the quarter ended June 30, 2023, which comprises the statement of financial position as at June 30, 2023 and the related statements of profit or loss and of comprehensive income for the three and six-month periods then ended, and statements of changes in equity and of cash flows for the three-month period then ended, including the explanatory notes.

The executive board is responsible for the preparation of the parent company and consolidated interim financial information in accordance with Accounting Pronouncement NBC TG 21 and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in accordance with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of the Quarterly Information Form (ITR). Our responsibility is to express a conclusion on this parent company and consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with the Brazilian and International Standards on Review Engagements (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the parent company and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated interim financial information included in the quarterly information referred to above was not prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information (ITR), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).

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Emphasis of matter - Restatement of interim financial information corresponding values

As mentioned in note 2.3 and 8 of the parent company and consolidated interim financial information, as a result of the disposal of Bankly's control on June 1, 2023, the interim financial information of Méliuz S.A. for the quarter ended June 30, 2022, presented for comparability purposes, has been adjusted and restated to present the B2B (Business to Business) operating segment as a discontinued operation as required by NBC TG 31 and IFRS 5 Non-Current Assets Held for Sale and Discontinued Operation. Our conclusion is not qualified in respect of this matter.

Other matters

Statements of value added

The quarterly information referred to above includes the parent company and consolidated statements of value added (SVA) for the six-month period ended June 30, 2023, prepared under the responsibility of the Company's executive board and presented as supplementary information for the purposes of IAS 34. These statements were subject to review procedures performed together with the review of the quarterly information, in order to determine whether they are reconciled with the parent company and consolidated interim financial information and accounting records, as applicable, and whether their form and content are in accordance with the criteria provided for in NBC TG 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that these statements of value added were not prepared, in all material respects, in accordance with the criteria set forth by this Standard and consistently with the parent company and consolidated interim financial information taken as a whole.

Belo Horizonte (MG), August 8, 2023.

ERNST & YOUNG
Auditores Independentes S/S Ltda.
CRC SP-015199/O



Bruno Costa Oliveira
Accountant CRC BA-031359/O

Méliuz S.A.

Balance sheets
June 30, 2023
(In thousands of Reais)

	Notes	Parent Company		Consolidated	
		06/30/2023	12/31/2022	06/30/2023	12/31/2022
Assets					
Current Assets					
Cash and cash equivalents	3.a	48,206	413,667	59,704	455,772
Trade accounts receivable	4	23,038	12,524	32,567	31,180
Marketable securities	3.b	328,734	5,026	336,071	287,614
Recoverable taxes	5	24,236	16,891	24,779	27,734
Custody of crypto-assets	6.1	-	-	10,227	6,707
Crypto-assets portfolio	6.1	-	-	153	102
Other assets	6.2	6,305	7,876	19,102	113,883
		430,519	455,984	482,603	922,992
Assets held for sale:	8	189,194	-	439,566	-
Total current assets		619,713	455,984	922,169	922,992
Non-current assets					
Long-term receivables					
Deferred taxes	17.b	55,094	55,094	55,094	73,262
Earn-out advance	19.a.ii	14,168	12,994	14,168	12,994
Other assets	6.2	17,091	12,353	2,767	5,456
Long-term assets		86,353	80,441	72,029	91,712
Investments	9	179,982	393,411	1	1
Fixed assets	10	2,466	3,516	2,708	4,605
Commercial leasing - right of use	11	-	-	1,032	-
Intangible assets	12	3,830	3,082	175,482	338,641
Total non-current assets		272,631	480,450	251,252	434,959
Total assets		892,344	936,434	1,173,421	1,357,951

	Notes	Parent Company		Consolidated	
		06/30/2023	12/31/2022	06/30/2023	12/31/2022
Liabilities					
Current Assets					
Suppliers	14	3,618	6,950	5,857	18,716
Loans and financing		-	-	-	132
Labor and tax obligations	15	18,932	27,206	22,322	41,792
Income tax and social contribution payable	17	-	-	571	656
<i>Cashback</i>	16	14,713	16,270	14,713	16,270
Commercial leasing payable	11	-	-	326	-
Outstanding credits and establishments payable	18	-	-	-	356,016
Minimum dividends payable		19	19	19	19
Custody of crypto-assets	6.1	-	-	10,227	6,707
Deferred income	13	5,749	5,749	5,749	5,749
Earn-out payable	19.a.i	27,965	8,034	27,965	8,034
Advances		317	861	367	13,426
Other liabilities		1,231	3,354	1,364	4,097
		72,544	68,443	89,480	471,614
Liabilities related to assets held for sale	8	-	-	250,372	-
Total current liabilities		72,544	68,443	339,852	471,614
Non-current assets					
Commercial leasing payable	11	-	-	779	-
<i>Cashback</i>	16	765	954	765	954
Deferred taxes		-	-	917	873
Labor and tax obligations	15	2,423	3,895	5,123	6,315
Earn-out payable	19.a.i	1,239	28,920	1,239	28,920
Purchase option	19.b	12,794	12,794	12,794	12,794
Deferred income	13	31,617	34,492	31,617	34,492
Provisions for tax, civil and labor risks	21.a	389	450	487	2,789
Other liabilities		-	30	2	2
Total non-current liabilities		49,227	81,535	53,723	87,139
Net Equity	20				
Capital Stock		920,480	920,480	920,480	920,480
Capital Reserve		(31,282)	(39,392)	(31,282)	(39,392)
Other comprehensive income		(3,700)	(3,636)	(3,700)	(3,636)
Accumulated losses		(114,925)	(90,996)	(114,925)	(90,996)
Shareholder's equity attributable to controlling shareholders		770,573	786,456	770,573	786,456
Shareholder's equity attributable to non-controlling shareholders		-	-	9,273	12,742
Total net equity		770,573	786,456	779,846	799,198
Total liabilities and shareholders' equity		892,344	936,434	1,173,421	1,357,951

The explanatory notes are an integral part of the interim parent company and consolidated financial statements.

Méliuz S.A.

Income statements

Three-month periods ended June 30, 2023 and 2022

(In thousands of Reais, except basic and diluted earnings per share)

Notes	Parent Company				Consolidated				
	Three-month period ended on		Six-month period ended on		Three-month period ended on		Six-month period ended on		
	06/30/2023	06/30/2022 (Restated)	06/30/2023	06/30/2022 (Restated)	06/30/2023	06/30/2022 (Restated)	06/30/2023	06/30/2022 (Restated)	
Continuing operations									
Net revenues	22	55,523	59,546	124,655	136,460	72,152	71,722	155,800	161,768
Operating expenses									
Cashback expenses		(32,751)	(42,659)	(71,266)	(95,348)	(35,060)	(43,698)	(75,328)	(97,204)
Personnel expenses		(19,038)	(35,758)	(44,684)	(61,500)	(23,642)	(41,287)	(53,908)	(71,978)
Commercial and marketing expenses		(2,528)	(4,289)	(5,911)	(10,123)	(5,358)	(5,949)	(11,552)	(13,262)
Software expenses		(1,137)	(6,831)	(6,399)	(12,881)	(1,828)	(7,399)	(7,768)	(14,095)
General and administrative expenses		258	(2,133)	(3,936)	(5,023)	(13,084)	(5,083)	(22,432)	(10,522)
Third-party services		(9,653)	(11,700)	(13,794)	(15,349)	(9,888)	(12,242)	(14,253)	(16,246)
Depreciation and amortization		(1,755)	(1,363)	(2,825)	(2,594)	(2,315)	(1,772)	(3,943)	(3,457)
Others		2,709	(1,514)	2,430	(666)	2,616	(1,991)	2,249	(1,536)
		(63,895)	(106,247)	(146,385)	(203,484)	(88,559)	(119,421)	(186,935)	(228,300)
Gross Profit		(8,372)	(46,701)	(21,730)	(67,024)	(16,407)	(47,699)	(31,135)	(66,532)
Equity Accounting		(2,076)	(1,065)	(3,392)	(595)	-	-	-	-
Income before financial result and taxes		(10,448)	(47,766)	(25,122)	(67,619)	(16,407)	(47,699)	(31,135)	(66,532)
Financial results	23	6,363	13,485	20,847	23,291	10,865	13,494	24,701	23,241
Result before income taxes		(4,085)	(34,281)	(4,275)	(44,328)	(5,542)	(34,205)	(6,434)	(43,291)
Current and deferred income and social contribution taxes	17	-	11,438	-	14,853	(768)	10,889	(1,313)	13,430
Losses from discontinued operations		(4,085)	(22,843)	(4,275)	(29,475)	(6,310)	(23,316)	(7,747)	(29,861)
Discontinued operations									
Losses from discontinued operations		(9,222)	(4,836)	(19,654)	(4,836)	(9,222)	(4,836)	(19,654)	(4,836)
Losses for the period		(13,307)	(27,679)	(23,929)	(34,311)	(15,532)	(28,152)	(27,401)	(34,697)
Loss for the period attributable to:									
Non-controlling shareholders		-	-	-	-	(2,225)	(473)	(3,472)	(386)
Controlling shareholders		-	-	-	-	(13,307)	(27,679)	(23,929)	(34,311)
Basic and diluted earnings per share (in BRL)		(0.15)	(0.32)	(0.28)	(0.40)	(0.18)	(0.33)	(0.32)	(0.40)
Basic and diluted earnings per share for continued operations (in BRL)		(0.05)	(0.26)	(0.05)	(0.34)	(0.07)	(0.27)	(0.09)	(0.35)

The explanatory notes are an integral part of the interim financial statements.

Méliuz S.A.

Income statements comprehensive
 Three-month periods ended June 30, 2023 and 2022
 (In thousands of Reais)

	Notes	Parent Company				Consolidated			
		Three-month period ended on		Six-month period ended on		Three-month period ended on		Six-month period ended on	
		06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Losses for the period		(13,307)	(27,679)	(23,929)	(34,311)	(15,532)	(28,152)	(27,401)	(34,697)
Other comprehensive income		87	487	(64)	(2,611)	171	915	(134)	(5,141)
Currency exchange adjustment of foreign subsidiaries	20	87	444	(64)	(2,654)	171	872	(134)	(5,184)
Change of investment share		-	43	-	43	-	43	-	43
Total comprehensive income for the period		(13,220)	(27,192)	(23,993)	(36,922)	(15,361)	(27,237)	(27,535)	(39,838)

The explanatory notes are an integral part of the interim parent company and consolidated financial statements.

Méliuz S.A.

Statements of Changes in Shareholders' Equity Six-month period ended June 30, 2023 and 2022 (In thousands of Reais)

	Capital Reserve						Total	Non-controlling shareholders interests	Total net equity	
	Capital Stock	Goodwill on issuance of shares	Options granted	Other reserves	Treasury Stock	Other comprehensive income				Retained earnings (loss)
Balances as of December 31, 2021	772,178	(9,752)	3,955	(40,840)	(10,989)	(1,241)	(34,403)	678,908	16,575	695,483
Paid-up capital	148,215	-	-	-	-	-	-	148,215	-	148,215
Capital Reserve	-	(14,430)	-	-	-	-	-	(14,430)	-	(14,430)
Losses for the period	-	-	-	-	-	-	(34,311)	(34,311)	(385)	(34,696)
Options granted	-	-	3,222	-	-	-	-	3,222	-	3,222
Restricted shares granted	-	-	-	-	8,382	-	-	8,382	-	8,382
Share-based payment	-	-	-	-	2,607	-	-	2,607	-	2,607
Currency exchange adjustment	-	-	-	-	-	(2,654)	-	(2,654)	(2,530)	(5,184)
Change of investment share	-	-	-	-	-	43	-	43	-	43
Balances as of June 30, 2022	920,393	(24,182)	7,177	(40,840)	-	(3,852)	(68,714)	789,982	13,660	803,642
Balances as of December 31, 2022	920,480	(16,758)	18,206	(40,840)	-	(3,636)	(90,996)	786,456	12,742	799,198
Losses for the period	-	-	-	-	-	-	(23,929)	(23,929)	(3,472)	(27,401)
Options granted	-	-	8,110	-	-	-	-	8,110	-	8,110
Others	-	-	-	-	-	-	-	-	73	73
Currency exchange adjustment	-	-	-	-	-	(64)	-	(64)	(70)	(134)
Balances as of June 30, 2023	920,480	(16,758)	26,316	(40,840)	-	(3,700)	(114,925)	770,573	9,273	779,846

The explanatory notes are an integral part of the interim parent company and consolidated financial statements.

Méliuz S.A.

Statements of Cash Flows Six-month period ended June 30, 2023 and 2022 (In thousands of Reais)

	Parent Company		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Operating Activities				
Earnings before income taxes from discontinued operations	(4,275)	(44,328)	(6,434)	(43,291)
Result of the period before taxes from discontinued operations	(19,654)	(4,836)	(19,654)	(4,836)
Earnings before income taxes	(23,929)	(49,164)	(26,088)	(48,127)
Adjustments for:				
Depreciation and amortization	7,882	3,417	9,721	4,515
Gain/loss on disposal of fixed assets	76	(4)	103	19
Net income and interest	2,961	(224)	(681)	943
Allowance for doubtful accounts	4,877	74	4,528	630
Equity	17,989	4,608	-	-
Employee Benefits with Shares Options	8,110	3,222	8,110	3,222
Appropriation of deferred revenue	(2,875)	(1,886)	(2,875)	(1,886)
Provision for cashback	78,869	107,385	78,869	107,385
Provisions for tax, civil and labor risks	(61)	259	(1,684)	1,145
<i>Earn-Out</i>	(186)	(15,328)	(186)	(15,328)
Loss with investment	(1)	-	-	-
Settlement of Treasury Stocks	-	10,989	-	10,989
Exchange Variation and Others	-	187	128	1,884
Adjusted Result	93,712	63,535	69,945	65,391
Changes in Assets and Liabilities:				
Trade accounts receivable	(15,391)	23,171	(25,635)	51,342
Recoverable taxes	(7,345)	(10,017)	(7,934)	(11,473)
Other assets	3,469	(1,905)	14,739	(14,186)
Deferred income	-	45,000	-	45,000
Suppliers	(3,332)	2,001	(296)	1,096
Labor and tax obligations	(9,746)	7,277	(11,154)	8,957
<i>Cashback</i> paid	(80,615)	(129,993)	(80,615)	(129,993)
Outstanding credits and establishments payable	-	-	(131,835)	(17,971)
Other liabilities	(2,697)	(2,593)	(12,280)	(19,882)
Earn-out paid	(8,035)	-	(8,035)	-
Acquisition of cryptocurrencies	-	-	(51)	95
IRPJ and CSLL paid	-	-	(1,352)	(1,945)
Payment of interest on leases	-	(37)	(22)	(37)
Net cash generated (used) in operating activities	(29,980)	(3,561)	(194,525)	(23,606)
Investment activities				
Additions to fixed assets and lease	-	(372)	(133)	(493)
Received from sale of fixed assets	531	4	542	16
Additions to intangible	(2,004)	-	(4,209)	(1,127)
Acquisition of assets instrument	-	(34,599)	-	(34,599)
Cash from business combination	-	-	-	52,124
Acquisition of financial instruments	(334,208)	(97,025)	(185,663)	(90,367)
Capital increase in subsidiary	-	(36,000)	-	-
Advance payment for future capital increase	-	(400)	-	-
Received from sale of equity interest	200	-	200	-
Net cash used in investment activities	(335,481)	(168,392)	(189,263)	(74,446)
Financing activities				
Loan and lease payments	-	(341)	(292)	(6,569)
Receivables from related parties	-	(404)	-	-
Mandatory dividends paid	-	(2)	-	(2)
Net cash used in financing activities	-	(747)	(292)	(6,571)
Effect of exchange variation on exchange adjustment	-	-	(134)	(5,183)
Net change in cash and cash equivalents	(365,461)	(172,700)	(384,214)	(109,806)
Cash and cash equivalents				
At the beginning of the period	413,667	489,256	455,772	514,749
At the end of the period	48,206	316,556	71,558	404,943
Net change in cash and cash equivalents	(365,461)	(172,700)	(384,214)	(109,806)

The explanatory notes are an integral part of the interim parent company and consolidated financial statements.

Méliuz S.A.

Statements of added value
Six-month period ended June 30, 2023 and 2022
(In thousands of Reais)

	Parent Company		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Revenues				
Gross service revenues	141,316	155,131	220,602	189,600
Other revenues	4,523	1,889	5,917	1,955
Allowance for doubtful accounts	4,878	(74)	(10)	(628)
	150,717	156,946	226,509	190,927
Inputs purchased from third parties				
Cashback costs	(78,723)	(107,385)	(82,786)	(109,241)
Third-party services	(20,403)	(26,459)	(28,739)	(31,518)
Infrastructure expenses	(8,879)	(14,522)	(18,558)	(17,852)
Others	(8,764)	(6,849)	(56,638)	(16,521)
	(116,769)	(155,215)	(186,721)	(175,132)
Gross Added Value	33,948	1,731	39,788	15,795
Depreciation and amortization	(7,881)	(3,417)	(9,722)	(4,515)
Net Added Value produced	26,067	(1,686)	30,066	11,280
Added Value received in transfer	8,591	20,421	40,825	28,814
Equity Accounting	(17,989)	(4,608)	-	-
Financial income and exchange variation	26,580	25,029	40,825	28,814
Total added value to distribute	34,658	18,735	70,891	40,094
Distribution of the added value				
Personnel	40,619	53,504	69,183	67,669
Direct compensation	22,310	27,167	45,719	38,242
Benefits	16,555	24,100	19,862	26,613
FGTS	1,754	2,237	3,602	2,814
Taxes, fees and contributions	12,138	(2,295)	25,652	3,485
Federal	7,546	(7,696)	19,683	(2,532)
State	7	19	9	19
Municipal	4,585	5,382	5,960	5,998
Remuneration of third-party capital	5,830	1,837	3,457	3,637
Interests	5,450	1,520	2,694	3,041
Rentals	18	55	383	311
Others	362	262	380	285
Remuneration of equity capital	(23,929)	(34,311)	(27,401)	(34,697)
Losses for the period	(23,929)	(34,311)	(23,929)	(34,311)
Non-controlling shareholders interest in retained earnings	-	-	(3,472)	(386)
Distribution of the added value	34,658	18,735	70,891	40,094

The explanatory notes are an integral part of the interim parent company and consolidated financial statements.

Méliuz S.A.

Notes to the parent company and consolidated interim financial statements

June 30, 2023

(In thousands reais, unless otherwise stated)

1. Operational Context

a) The Company

Méliuz S.A. (“Company” or “Méliuz”), is a publicly traded corporation, listed on B3 S.A. (B3), under the acronym CASH3, with headquarters at Rua Jose Versolato, 111, Block B, room 3014, Downtown, São Bernardo do Campo - SP, was incorporated on August 11, 2011, has as its corporate purpose the exploration of a virtual portal intended for the disclosure and dissemination of brands, products, services and other advertising and publicity materials, including the lease of virtual advertising space for the insertion of texts, drawings and other materials. The Company’s purpose is also to explore, on a secondary and eventual basis, activities of business intermediation and interest in other companies.

The Cash3 Group consists of the following subsidiaries:

<u>Investee</u>	<u>Control</u>	<u>Participation</u>
Picodi.com S.A.	Subsidiary	51.2%
Melhor Plano Internet Ltda.	Subsidiary	100%
Promobit Serviços de Tecnologia Digital Ltda.	Subsidiary	100%
Alter Pagamentos S.A.	Subsidiary	100%
Acessopar Investimentos Participações S.A. (“Acessopar”)	Subsidiary	100%
Acesso Soluções de Pagamento S.A. (“Bankly”)	Subsidiary	47.81%

On March 15, 2023, the resignation of Mr. Luciano Cardoso Valle, as Chief Financial and Investor Relations Officer was approved at the meeting of by the Company’s Board of Directors, electing in replacement, on March 23, 2023, Ms. Michelle Meirelles Ferreira Costa as Chief Financial Officer, and Mr. Márcio Loures Penna as Chief Investor Relations Officer. The elected officers will complete the current term of office, therefore, until September 1st, 2023.

b) Reverse splits and splits of shares

On April 28, 2023, the Company’s Extraordinary General Meeting approved the reverse split of all its shares, in the proportion (1) common share to hundred (100) common shares and subsequently the split of all its shares in proportion of 1 common share to 10 common shares, without modifying the Company’s capital stock.

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

1. Operational Context--Continued

c) Business Combination

i) *Cash3 Corretora de Seguros Ltda. ("Cash3 Corretora")*

In July 2022, the Company incorporated the subsidiary Cash3 Corretora, and is the holder of the shares representing 100% of the total and voting share capital of said subsidiary, in compliance with the provisions contained in Accounting Pronouncement IFRS 10/CPC 36 - Consolidated Statements. On May 29, 2023 Cash3 Corretora was terminated.

ii) *Méliuz Fundo de Investimento em Direitos Creditórios ("FIDC")*

In March 2022, a total of 27,500 junior subordinated shares ("Shares") were subscribed to the Méliuz Fundo de Investimento em Direitos Creditórios ("FIDC"), set up for an indefinite time, with the specific purpose of concentrating the operation to accelerate receivables in the Bankly's credit system and with a paid-up capital in March 2023 of BRL 19,400. The concept of full consolidation was applied for the FIDC.

iii) *Gana Internet S/A ("Gana")*

On November 16, 2022, a private instrument of purchase and sale of shares was entered into by and among Méliuz S.A ("Seller"), Lucas Tavares Vieira da Costa ("Buyer") and Gana Internet S/A ("Intervening Consenting Party"). The parties have agreed, under the terms and conditions set forth in the Agreement, on the sale and transfer by Seller to Buyer of 5,003,576 (five million three thousand five hundred seventy-six) nominative, common shares, with no par value, fully subscribed and paid up, representing 100% of Gana's share capital with all the rights they represent.

Buyer assumed the obligation to pay to Seller the total amount of R\$ 2,000. The sale was approved at a Board of Directors Meeting on November 16, 2022.

Due to the sale transaction, for purposes of presentation of the results on June 30, 2023, such company does not compose the period's results and presents an impact on the comparative balances only.

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

1. Operational Context--Continued

d) War in Ukraine

The countries whose operations are most impacted by the war, Russia, Ukraine and Belarus, represented approximately 9% of Picodi's total revenue during the 2023 second quarter, an increase of about 2 p.p. compared to the same period of the previous year, but still below the average of 13% for the period prior to the beginning of the conflict. Thus, we understand the operation in these markets, even though it has not recovered to the same level as the pre-war period, follows a trend of stability after adapting to the new scenario.

We are continuously monitoring the effects of the war on Picodi's results and, so far, we consider that there is no impact on the Company's financial health and cash.

e) Disposal of the control of Acessopar and Bankly

In May 2022, the Company carried out a business combination transaction, through which it became the holder of the shares representing 100% of the total and voting capital stock of Acessopar Investimentos e Participações S.A. ("Acessopar"), thus resulting in obtaining control of Acessopar (investee) by the Company, in accordance with the provisions contained in Accounting Pronouncement IFRS 10/CPC 36 - Consolidated Statements.

Also in May 2022, the Company converted the convertible loans it had with Acesso Soluções de Pagamentos S.A. ("Bankly"), in the amount of BRL 53,187, into interest, and became the holder of the shares representing 35.33% of Bankly's total and voting share capital, thus obtaining control of the investee, according to the provisions contained in Accounting Pronouncement IFRS 10/CPC 36 - Consolidated Statements.

On December 30, 2022, the Company signed a Memorandum of Understanding with Banco Votorantim S.A. ("Bank BV"), whereby the parties agreed that they will negotiate the sale of the Bankly control to Bank BV during a period up to 90 days from the memorandum execution.

On March 31, 2023, the Company entered into an amendment to said Memorandum of Understanding to reflect the change in the transaction structure and to extend the deadline for submitting the final documents agreed for approval by the applicable governance levels of the parties involved.

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

1. Operational Context--Continued

e) Disposal of Bankly- continued

On June 1, 2023, the definitive investment agreement was entered into for the sale to Banco Votorantim S.A. ("Banco BV") of all shares held by the Company issued by Acesso Soluções de Pagamento S.A. ("Bankly") and up to 100% of the shares issued by Acessopar Investimentos e Participações S.A.

After signing the definitive investment agreement between the parties, the Company concluded that, on June 30, 2023, the pre-requirements of CPC 31 / IFRS 5 - Non-Current Assets Held for Sale and Discontinued Operation were met and the balances of Bankly and Acessopar were reclassified to assets held for sale and discontinued operation, as shown in explanatory note 8.

2. Accounting Policies

2.1. Basis of preparation and presentation of the financial statements

The interim financial information was prepared in keeping with *International Accounting Standard No. 34, Interim Financial Reporting* issued by the *International Accounting Standards Board - IASB*, Accounting Pronouncement No. 21 (R1) - "CPC 21", which covers the interim financial statements and the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR).

This interim financial information was prepared following principles, practices and criteria consistent with those implemented in the preparation of the financial statements as of December 31, 2022.

Accordingly, this interim financial information should be read in conjunction with these financial statements, approved by Management on March 10, 2023.

The Management declares that all relevant information specific to the interim financial information, and only them, are being evidenced and correspond to the information used by the Management to fulfill its duties.

The Company's Executive Board and Board of Directors authorized the issuance of this interim parent company and consolidated Financial Information on August 4, 2023.

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

2. Accounting Policies--Continued

2.1. Basis of preparation and presentation of statements--Continued

Correlation between the Explanatory Notes disclosed in the Annual Financial Statements and Interim Financial Information

<u>Numbers of Explanatory Notes</u>		<u>Title of Explanatory Notes</u>
<u>06/30/2023</u>	<u>12/31/2022</u>	
1	1	Operational Context
2	2	Accounting Policies
-	3	Amalgamation
3	4	Financial Instruments
4	5	Trade accounts receivable
5	6	Recoverable taxes
-	7	Loans and contracts receivable
6	8	Other assets
7	9	Transactions with related parties
8	-	Assets and liabilities held for sale and discontinued operations
-	10	Advances
9	11	Investments
10	12	Fixed assets
11	13	Commercial Lease Operations
12	14	Intangible assets
13	15	Deferred income
14	16	Suppliers
15	17	Labor and tax obligations
16	18	Provision for cashback
17	19	Income Tax and Social Contribution
18	20	Outstanding credits and establishments payable
19	21	Earn-out payable
20	22	Net Equity
21	23	Provisions for tax, civil and labor risks
22	24	Net Operating Revenue
23	25	Financial results
24	26	Information by segments
25	27	Risk management and financial instruments
26	28	Insurance Coverage
-	29	Subsequent Events

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

2. Accounting Policies--Continued

2.2. Added Value Statement (“VAS”)

The presentation of the parent company and consolidated Statement of Added Value (“DVA”), prepared pursuant to CPC 09, is required by Brazilian corporate law and accounting practices adopted in Brazil, applicable to publicly-held companies. IFRSs do not require the presentation of this statement, therefore, it is being presented as additional information, notwithstanding the set of interim consolidated financial information.

2.3. Assets and liabilities held for sale and discontinued operations

The Company classifies a non-current asset as held for sale when its book value will be recovered primarily through a sale transaction rather than through continued use. These non-current and held-for-sale assets are measured at the lower of their book value and the net fair value of selling expenses. Selling expenses are represented by incremental expenses directly attributable to the sale, excluding financial expenses and taxes on profit.

Classification criteria for non-current assets held for sale are met when the sale is highly probable and the asset or group of assets held for sale is available for immediate sale in its current conditions, subject only to such terms as are customary and usual for sale of such assets held for sale. The appropriate hierarchical level of management of the Company is committed to the asset sale plan, and a firm program has been initiated to locate a buyer and complete the plan within one year from the date of classification.

Assets and liabilities classified as held for sale are presented separately as current items on the balance sheet.

Discontinued operations are excluded from results of continuing operations and are presented as a single amount in profit or loss after taxes from discontinued operations in the income statement.

Additional disclosures are set forth in Note 8. All other notes to the interim financial information include amounts for continuing operations, except when mentioned otherwise.

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

2. Accounting Policies--Continued

2.4. New pronouncements issued

There is no standard and amendment which are effective for annual periods beginning on or after January 1st, 2023, that materially affect the Company's interim accounting information. The Company has decided not to adopt in advance any other standard, interpretation or amendment that has been issued but is not in effect yet.

3. Financial Instruments

a) Cash and cash equivalents

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Cash and Banks	3,793	10,356	5,966	36,866
Financial Investments (a)	44,413	403,311	53,738	418,906
Total	48,206	413,667	59,704	455,772

(a) The Company has cash equivalents related to fixed income financial investments indexed to the variation of 100% to 107% of the Interbank Deposit Certificates ("CDIs"), and can be redeemed within 90 days with the issuer of the instrument itself without loss of the contracted remuneration.

For the purposes of the cash flow statement, the balance of cash and cash equivalents is composed of the following balances as of June 30, 2023 and December 31, 2022:

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Cash and Banks	3,793	10,356	5,966	36,866
Financial investments	44,413	403,311	53,738	418,906
	48,206	413,667	59,704	455,772
Cash and cash equivalents attributable a Discontinued operation	-	-	11,854	-
Total	48,206	413,667	71,558	455,772

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

3. Financial Instruments--Continued

b) Marketable securities

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Government securities (a)	-	-	-	277,639
SCD Collateral (b)	-	-	-	1,202
Financial investments (c)	328,734	5,026	336,071	8,773
Total	328,734	5,026	336,071	287,614

- (a) Amounts referring to the investment in Treasury Financial Bills (LFT), of subsidiary Bankly, to guarantee the balance of customers for the operation of prepaid electronic currency. See explanatory note No. 17.
- (b) On October 20, 2020, Bankly filed with the Central Bank the request for the opening of SCD (Direct Credit Company). According to Article 29, Section II of Resolution 4.656/18 and Article 2, Section II of Circular Letter 3,898/18, an investment in LFT of BRL 1,012 was made to comply with the process requirements. Bankly will no longer apply for the SCD license and the amount was redeemed in 2023 first quarter.
- (c) Amounts referring to financial investment in CDB with liquidity above 90 days and that, therefore, does not meet the requirements of CPC 03 for classification as cash and cash equivalents.

The exposure of Company and their subsidiaries to interest rate risks and the sensitivity analysis for financial assets and liabilities are disclosed in Explanatory Note 25.

4. Trade accounts receivable

a) Composition of accounts receivable

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Accounts receivable	23,078	17,441	35,251	42,389
Allowance for doubtful accounts	(40)	(4,917)	(2,684)	(11,209)
Total	23,038	12,524	32,567	31,180

b) Composition of customer balances by maturity

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Amounts to fall due	22,576	16,978	33,272	29,319
Outstanding amounts				
From 01 to 60 days	392	279	1,028	4,835
From 61 to 90 days	2	23	97	1,385
From 91 to 120 days	46	5	70	2,777
From 121 to 180 days	57	34	183	2,587
More than 180 days	5	122	601	1,486
Total	23,078	17,441	35,251	42,389

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

4. Trade accounts Receivable--(Continued)

c) Movement of the allowance for doubtful accounts

	Parent Company	Consolidated
Balance as of December 31, 2021	253	1,323
Acquisition of subsidiary	-	1,940
Constitutions	4,664	8,892
Write-offs	-	(810)
Exchange variation (a)	-	(136)
Balance as of December 31, 2022	4,917	11,209
Balance as of December 31, 2022	4,917	11,209
Constitutions (b)	2,703	3,163
Write-offs (c)	(7,580)	(7,691)
Transfer to asset held for sale	-	(3,992)
Exchange variation (a)	-	(5)
Balance as of June 30, 2023	40	2,684

(a) Refers to the difference in the exchange rate for consolidation of subsidiaries located abroad with a functional currency other than the Real.

(b) The amount refers to PECLD, set up for 100% of the receivables from the Americanas group, BRL 2,670 at parent company and BRL 3,097 in consolidated.

(c) The amount refers mainly to the actual write-off of outstanding securities with the Americanas group that had been provisioned both in 2022 and in the 2023 first quarter, in the amount of BRL 7,180, which were sold to third parties.

5. Recoverable taxes

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Income and social contribution taxes (a)	17,801	16,831	17,801	17,749
Withholding income tax (b)	4,962	-	4,962	6,717
Other recoverable taxes (c)	1,473	60	2,016	3,268
Total	24,236	16,891	24,779	27,734

(a) Amounts of Income Tax and Social Contribution referring to negative balance and/or overpaid.

(b) It comprises amounts of IRRF to be recovered on revenue and financial investments incurred in the tax year and previous years.

(c) At parent company, amounts referring to federal taxes paid by estimation and overpaid. In the Consolidated, they refer mainly to Picodi's taxes and fees.

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

6. Other assets

6.1. Crypto-assets

6.1.1. Custody

The subsidiary Alter is a company specialized in crypto-assets trading, and since 2018 has been working to improve users' experience in the use of cryptocurrencies in everyday financial transactions.

These amounts are offset against assets and liabilities as they represent a balance held in custody by Alter with an impact on a balance to be returned to customers.

As of June 30, 2023, cryptocurrency custody is BRL 10,227 (BRL 6,707, on December 31, 2022), 100% of Bitcoin.

6.1.2. Own Portfolio

The Company also has an asset balance to carry out the operation of buying and selling cryptocurrencies and cryptoback campaigns (the act of earning cryptocurrencies back in some operations) to its users.

The Company's portfolio consists of Bitcoin (BTC), Ethereum (ETH) and Binance Coin (BNB).

As of June 30, 2023, the own asset portfolio totals BRL 153 (BRL 102 at December 31, 2022), of which BRL 69 is a positive variation in the quotation for the period, recorded in the result.

The Company records the balances of crypto assets converted into functional currency on the closing date.

Additionally, the Company maintains crypto assets only for its operations mentioned above. There is no cryptocurrency balance intended for investment and/or speculation.

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

6. Other assets--Continued

6.2. Other assets

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Prepaid expenses (a)	909	6,003	1,270	14,460
Procedural asset (b)	1,128	1,122	1,128	1,122
Contractual guarantee (c)	-	2,003	-	2,073
Other accounts receivable (d)	4,688	1,019	16,997	93,724
Advance payments (e)	412	454	629	5,478
Other amounts receivable (f)	1,767	1,967	1,767	1,967
Méliuz FIDC (g)	14,453	7,617	-	-
Others	39	44	78	515
	23,396	20,229	21,869	119,339
Current Assets	6,305	7,876	19,102	113,883
Non-current assets	17,091	12,353	2,767	5,456

(a) Prepaid expenses such as software licenses and other contractual payments in advance.

(b) The Company has receivables related to the refund of amounts paid for contracts not fulfilled by the counterparty. The Company has a high probability of collection, with victories in the judicial sphere.

(c) Security held in accordance with the service rendering contract to maintain the operation of cell phone recharging and Gift Card. According to the negotiation carried out, the amount was refunded in the period.

(d) In the consolidated, they refer to amounts referring to credit rights with substantial acquisition of risk from the FIDC. In the parent company, they refer to operations with Bankly.

(e) It refers to labor advances and advances to suppliers.

(f) It refers to the sale of Gana; see explanatory note 1.

(g) Amounts refer to FIDC units resulting from the contributions made to the Fund and resulting from the period, as shown below:

	Capital			06/30/2023
	12/31/2022	contributions	Financial results	
Méliuz Fundo de Investimento em Direitos Creditórios	7,617	10,500	(3,664)	14,453
Total	7,617	10,500	(3,664)	14,453

FIDC's financial information as of June 30, 2023 is as follows:

Income Statements		06/30/2023
Net Revenue		9,999
Operating expenses		(13,645)
Financial results		(18)
Income before taxes		(3,664)
Current and deferred income and social contribution taxes		-
Losses for the period		(3,664)
Balance Sheet		06/30/2023
Total assets		14,495
Total Liabilities		42
Total net equity		14,453

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

7. Transactions with related parties

7.1. Transactions

The operations with related parties refer to expense apportionment.

The expense apportionment transactions were established based on conditions defined between the parties, in a current account contract, with monthly settlement.

7.2. Remuneration of Key Management Personnel

The Company's key management personnel include statutory officers [appointed pursuant to bylaws], whose compensation paid in the period ended June 30, 2023 was BRL 1,936 (BRL 1,174 in the period ended June 30, 2022).

The compensation of the Company's key management personnel is paid in full by Méliuz S.A. The officers also participate in the Company's call option program.

7.3. Other transactions between related parties

The following table presents the total value of the transactions that were entered into with related parties. As of June 30, 2023, the only related party that has transactions with Méliuz is Bankly.

	Bankly	
	06/30/2023	12/31/2022
Cash and cash equivalents (a)	8,281	6,926
Accounts receivable	-	507
Other accounts receivable	2,880	-
Prepaid expenses	-	1,726
Suppliers	-	(470)

	Bankly	
	06/30/2023	06/30/2022
Revenues	(1,343)	-
Expenses	3,819	-
Others	(1,130)	-
Financial results	(216)	-

(a) It refers to the balance on Méliuz's digital accounts at Bankly.

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

8. Assets and liabilities held for sale and discontinued operations

On June 1, 2023, the definitive investment agreement was entered into for the sale to Banco Votorantim S.A. ("Banco BV") of all shares held by the Company issued by Acesso Soluções de Pagamento S.A. ("Bankly") and up to 100% of the shares issued by Acessopar Investimentos e Participações S.A.

The total amount of the sale was BRL 210,000, which will be paid at the closing of the transaction, subject to usual adjustments, such as variations in working capital and net debt position.

On April 25, 2023, the Company's shareholders were offered, under the terms and for the purposes of article 253, items I and II, of the Brazilian Corporation Law, 30 days period to exercise the preemptive right to subscribe for the shares issued by Acessopar (CASH1). The exercise period ended on May 25, 2023 and the total exercised was less than 1% of Acessopar's capital.

After signing the definitive investment agreement between the parties, the Company concluded that, on June 30, 2023, the pre-requirements of CPC 31 / IFRS 5 - Non-Current Assets Held for Sale and Discontinued Operation were met and the balances of Bankly and Acessopar were reclassified to assets held for sale and discontinued operation.

(a) The main classes of assets and liabilities classified as held for sale as of June 30, 2023 are as follows:

	06/30/2023			
	Bankly	Acessopar	Eliminations	Total
Assets				
Current Assets				
Cash and cash equivalents	11,669	185	-	11,854
Trade accounts receivable	6,280	-	-	6,280
Marketable securities	137,206	-	-	137,206
Recoverable taxes	10,845	43	-	10,888
Other assets	95,209	-	-	95,209
Total current assets	261,209	228	-	261,437
Non-current assets				
Long-term receivables				
Deferred taxes	18,168	-	-	18,168
Other assets	757	-	-	757
Long-term assets	18,925	-	-	18,925
Investments	-	18,119	(18,119)	-
Fixed assets	750	-	-	750
Intangible assets	3,658	-	154,796	158,454
Total non-current assets	23,333	18,119	136,677	178,129
Total assets	284,542	18,347	136,677	439,566

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

8. Assets and liabilities held for sale and discontinued operations -continued

(a) The main classes of assets and liabilities classified as held for sale as of June 30, 2023 are as follows: - Continued

	06/30/2023			Total
	Bankly	Acessopar	Eliminations	
Liabilities				
Current Assets				
Suppliers	12,511	47	-	12,558
Labor and tax obligations	8,856	-	-	8,856
Outstanding credits and establishments payable	224,181	-	-	224,181
Advances	3,009	-	-	3,009
Other liabilities	-	503	-	503
Total current liabilities	248,557	550	-	249,107
Non-current assets				
Labor and tax obligations	647	-	-	647
Provisions for tax, civil and labor risks	618	-	-	618
Total non-current liabilities	1,265	-	-	1,265
Net Equity				
Capital Stock	186,527	40,593	(227,120)	-
Capital Reserve	-	42,813	(42,813)	-
Other comprehensive income	(137,162)	(58,014)	195,176	-
Accrued losses	(14,645)	(7,595)	22,240	-
Total net equity	34,720	17,797	(52,517)	-
Total liabilities and shareholders' equity	284,542	18,347	(52,517)	250,372
Assets held for sale, net	-	-	-	189,194

The eliminations refer to the transactions between Bankly and Acessopar, substantially represented by the elimination of investment, as well as intangibles related to the acquisition of Bankly and Acessopar recorded by the Company which breakdown on June 30, 2023 is presented below:

	06/30/2023
Added value, intangible assets of contract portfolio and operating license	53,440
Goodwill	101,356
Total	154,796

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

8. Assets and liabilities held for sale and discontinued operations -continued

- (b) The results of discontinued operations for the three- and six-month periods ended June 30, 2023 and 2022 are as follows:

	Three-month period ended on June 30, 2023			
	Bankly	Acessopar	Eliminations	Total
Discontinued operations				
Net revenues	27,070	-	-	27,070
Operating expenses				
Personnel expenses	(10,687)	-	-	(10,687)
Commercial and marketing expenses	(154)	-	-	(154)
Software expenses	(933)	-	-	(933)
General and administrative expenses	(24,271)	(2)	-	(24,273)
Third-party services	(809)	53	-	(756)
Depreciation and amortization	(357)	-	(2,529)	(2,886)
Others	(1,923)	-	-	(1,923)
	(39,134)	51	(2,529)	(41,612)
Gross Profit	(12,064)	51	(2,529)	(14,542)
Equity Accounting	-	(3,520)	3,520	-
Income before financial result and taxes	(12,064)	(3,469)	991	(14,542)
Financial results	5,320	-	-	5,320
Result before income taxes	(6,744)	(3,469)	991	(9,222)
Current and deferred income and social contribution taxes	-	-	-	-
Losses for the period	(6,744)	(3,469)	991	(9,222)
	Six-month period ended 06/30/2023			
	Bankly	Acessopar	Eliminations	Total
Discontinued operations				
Net revenues	42,099	-	-	42,099
Operating expenses				
Personnel expenses	(25,218)	-	-	(25,218)
Commercial and marketing expenses	(417)	-	-	(417)
Software expenses	(2,303)	-	-	(2,303)
General and administrative expenses	(35,111)	(4)	-	(35,115)
Third-party services	(1,854)	52	-	(1,802)
Depreciation and amortization	(722)	-	(5,057)	(5,779)
Others	(4,243)	-	-	(4,243)
	(69,868)	48	(5,057)	(74,877)
Gross Profit	(27,769)	48	(5,057)	(32,778)
Equity Accounting	-	(7,643)	7,643	-
Income before financial result and taxes	(27,769)	(7,595)	2,586	(32,778)
Financial results	13,130	-	-	13,130
Result before income taxes	(14,639)	(7,595)	2,586	(19,648)
Current and deferred income and social contribution taxes	(6)	-	-	(6)
Losses for the period	(14,645)	(7,595)	2,586	(19,654)

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

8. Assets and liabilities held for sale and discontinued operations -continued

(b) The results of discontinued operations for the three- and six-month periods ended June 30, 2023 and 2022 are as follows:

	Three- and six-months periods ended on 06/30/2022			
	Bankly	Acessopar	Eliminations	Total
Discontinued operations				
Net revenues	7,353	-	-	7,353
Operating expenses				
Cashback expenses	-	-	-	-
Personnel expenses	(6,167)	-	-	(6,167)
Commercial and marketing expenses	(108)	-	-	(108)
Software expenses	(75)	-	-	(75)
General and administrative expenses	(5,444)	(43)	-	(5,487)
Third-party services	(787)	(51)	-	(838)
Depreciation and amortization	(235)	-	(823)	(1,058)
Others	(758)	-	-	(758)
	(13,574)	(94)	(823)	(14,491)
Gross Profit	(6,221)	(94)	(823)	(7,138)
Equity Accounting	9	(2,045)	2,045	9
Income before financial result and taxes	(6,212)	(2,139)	1,222	(7,129)
Financial results	2,292	1	-	2,293
Result before income taxes	(3,920)	(2,138)	1,222	(4,836)
Current and deferred income and social contribution taxes	-	-	-	-
Losses for the period	(3,920)	(2,138)	1,222	(4,836)

The eliminations refer to the transactions between Bankly and Acessopar, substantially represented by the elimination the equity, as well as intangibles amortization related to the acquisition of Bankly and Acessopar recorded by the Company.

In the parent company's income statements, the equity income of Bankly and Acessopar and the amortization of intangibles related to the acquisition of these subsidiaries in the total amounts of BRL 9,222 and BRL 19,654 in the three- and six-month periods ended June 30, 2023 (BRL 4,836 and BRL 4,836 in the three- and six-month periods ended June 30, 2022), respectively, were reclassified and presented as a result of discontinued operations.

As required by CPC 31 / IFRS 5, the income statements for the three- and six-month periods ended June 30, 2022, presented for comparability purposes, have been adjusted and are being restated to present the B2B (*Business to Business*) operating segment as discontinued operations. The effects of the restatement are presented below:

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

8. Assets and liabilities held for sale and discontinued operations -continued

(b) The results of discontinued operations for the three- and six-month periods ended June 30, 2023 and 2022 are as follows:

	Three-month period ended on 06/30/2022		
	Originally presented	Reclassification	Restated
Continuing operations			
Net revenues	79,075	(7,353)	71,722
Operating expenses			
Cashback expenses	(43,698)	-	(43,698)
Personnel expenses	(47,454)	6,167	(41,287)
Commercial and marketing expenses	(6,057)	108	(5,949)
Software expenses	(7,474)	75	(7,399)
General and administrative expenses	(10,570)	5,487	(5,083)
Third-party services	(13,080)	838	(12,242)
Depreciation and amortization	(2,830)	1,058	(1,772)
Others	(2,749)	758	(1,991)
	(133,912)	14,491	(119,421)
Gross Profit	(54,837)	7,138	(47,699)
Equity Accounting	9	(9)	-
Income before financial result and taxes	(54,828)	7,129	(47,699)
Financial results	15,787	(2,293)	13,494
Result before income taxes	(39,041)	4,836	(34,205)
Current and deferred income and social contribution taxes	10,889	-	10,889
Losses from discontinued operations	(28,152)	4,836	(23,316)
Discontinued operations			
Losses from discontinued operations	-	(4,836)	(4,836)
Losses for the period	(28,152)	-	(28,152)
Loss for the period attributable to:			
Non-controlling shareholders	(473)	-	(473)
Controlling shareholders	(27,679)	-	(27,679)
Basic and diluted earnings per share (in BRL)	(0.03)	-	(0.33)
Basic and diluted earnings per share for continued operations (in BRL)	-	-	(0.27)

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

8. Assets and liabilities held for sale and discontinued operations -continued

(b) The results of discontinued operations for the three- and six-month periods ended June 30, 2023 and 2022 are as follows: - Continued

	Six-month period ended 06/30/2022		
	Originally presented	Reclassification	Restated
Continuing operations			
Net revenues	169,121	(7,353)	161,768
Operating expenses			
Cashback expenses	(97,204)	-	(97,204)
Personnel expenses	(78,145)	6,167	(71,978)
Commercial and marketing expenses	(13,370)	108	(13,262)
Software expenses	(14,170)	75	(14,095)
General and administrative expenses	(16,009)	5,487	(10,522)
Third-party services	(17,084)	838	(16,246)
Depreciation and amortization	(4,515)	1,058	(3,457)
Others	(2,294)	758	(1,536)
	<u>(242,791)</u>	<u>14,491</u>	<u>(228,300)</u>
Gross Profit	(73,670)	7,138	(66,532)
Equity Accounting	9	(9)	-
Income before financial result and taxes	(73,661)	7,129	(66,532)
Financial results	25,534	(2,293)	23,241
Result before income taxes	(48,127)	4,836	(43,291)
Current and deferred income and social contribution taxes	13,430	-	13,430
Losses from discontinued operations	(34,697)	4,836	(29,861)
Discontinued operations			
Losses from discontinued operations	-	(4,836)	(4,836)
Losses for the period	(34,697)	-	(34,697)
Loss for the period attributable to:			
Non-controlling shareholders	(386)	-	(386)
Controlling shareholders	(34,311)	-	(34,311)
Basic and diluted earnings per share (in BRL)	(0.04)	-	(0.40)
Basic and diluted earnings per share for continued operations (in BRL)	-	-	(0.35)

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

8. Assets and liabilities held for sale and discontinued operations -continued

(c) The cash flows statements from discontinued operations for the six-month period ended June 30, 2023 and 2022 are as follows:

	06/30/2023		
	Bankly	Acessopar	Total
Net cash from operational activities	(158,634)	(8)	(158,642)
Net cash used in investment activities	147,173	-	147,173
Net cash used in financing activities	-	-	-
Net change in cash and cash equivalents	(11,461)	(8)	(11,469)
Cash and cash equivalents			
At the beginning of the period	23,130	193	23,323
At the end of the period	11,669	185	11,854
Net change in cash and cash equivalents	(11,461)	(8)	(11,469)
	06/30/2022		
	Bankly	Acessopar	Total
Net cash from operational activities	(25,989)	(2)	(25,991)
Net cash generated by investment activities	95,006	201	95,207
Net cash used in financing activities	(5,392)	-	(5,392)
Net change in cash and cash equivalents	63,625	199	63,824
Cash and cash equivalents			
At the beginning of the period	-	-	-
At the end of the period	63,625	199	63,824
Net change in cash and cash equivalents	63,625	199	63,824

9. Investments

a) The equity interests are summarized as follows

Investee	Control	Parent Company			
		06/30/2023		12/31/2022	
		Participation	Investment	Participation	Investment
Picodi.com S.A.	Subsidiary	51.2%	113,269	51.2%	116,969
Melhor Plano Internet Ltda.	Subsidiary	100%	26,438	100%	26,212
Promobit Serviços de Tecnologia Digital Ltda.	Subsidiary	100%	21,843	100%	22,236
Alter Pagamentos S.A.	Subsidiary	100%	18,432	100%	19,146
Acessopar Investimentos Participações S.A. ("Acessopar") (a)	Subsidiary	100%	-	100%	145,238
Acesso Soluções de Pagamento S.A. ("Bankly") (a)	Subsidiary	47.81%	-	47.81%	63,610
			<u>179,982</u>		<u>393,411</u>

(a) In the consolidated, Acessopar Investimentos Participações S.A. holds a 52.19% interest in Bankly. As Méliuz is the parent company of Acessopar, the total control of Bankly belongs to the Company. On June 1, 2023, the investments held in Bankly and Acessopar were reclassified to assets and liabilities held for sale and discontinued operations, according to note 8.

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

9. Investments--Continued

b) Equity as of June 30, 2023 and 2022

Investee	06/30/2023		06/30/2022 (restated)			
	Income for the period	Equity	Equity equivalence of discontinued operations	Income for the period	Equity accounting method	Equity accounting method of discontinued operations
Gana Internet S.A. (a)	-	-	-	(125)	(125)	-
Picodi.com S.A.	(7,108)	(3,636)	-	(485)	(248)	-
Melhor Plano Internet Ltda.	463	463	-	(505)	(505)	-
Promobit Serviços de Tecnologia Digital Ltda.	(193)	(193)	-	1,181	1,181	-
Alter Pagamentos S.A.	(25)	(25)	-	(1,046)	(898)	-
Acessopar Investimentos Participações S.A. ("Acessopar")(b)	(7,595)	-	(7,595)	(2,138)	-	(2,138)
Acesso Soluções de Pagamentos S.A. ("Bankly") (b)	(14,644)	-	(7,002)	(3,920)	-	(1,875)
Cash3 Corretora de Seguros Ltda. ("Cash3 Corretora") (c)	(1)	(1)	-	-	-	-
Total as of June 30, 2023	(29,103)	(3,392)	(14,597)	(7,038)	(595)	(4,013)

(a) On November 16, 2022, a total of 5,003,576 common shares were sold, registered, with no par value, fully subscribed and paid up, representing 100% of Gana's share capital.

(b) On June 1, 2023, the investments held in Bankly and Acessopar were reclassified to assets and liabilities held for sale and discontinued operations, according to note 8.

(c) In this period the company ascertained a loss higher than the amount of the initial contribution and, thus, due to the investment loss, the investment balance was reset to zero. Cash3 Corretora was closed, see explanatory note no. 1.

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

9. Investments--Continued

c) Investment movement

Investee	Permanent Investment	Equity accounting method	Equity accounting method of discontinued operations	Added Value Amortization	Added Value Amortization of discontinued operations	Transfer asset held for sale	Loss with investment	Exchange adjustment	Permanent Investment
	12/31/2022								06/30/2023
Picodi.com S.A. (a)	116,969	(3,636)	-	-	-	-	-	(64)	113,269
Melhor Plano Internet Ltda.	26,212	463	-	(237)	-	-	-	-	26,438
Promobit Serviços de Tecnologia Digital Ltda.	22,236	(193)	-	(200)	-	-	-	-	21,843
Alter Pagamentos S.A..	19,146	(25)	-	(689)	-	-	-	-	18,432
Acessopar Investimentos e Participações S.A.	145,238	-	(7,595)	-	(3,269)	(134,374)	-	-	-
Bankly	63,610	-	(7,002)	-	(1,788)	(54,820)	-	-	-
Cash3 Corretora de Seguros Ltda (b)	-	(1)	-	-	-	-	1	-	-
Total	393,411	(3,392)	(14,597)	(1,126)	(5,057)	(189,194)	1	(64)	179,982

(a) The permanent investment in Picodi.com S.A. comprises currency exchange adjustments arising from the translation of balance sheets pursuant to CPC 02 (R2) - Effects of changes in exchange rates and translation of financial statements in the amount of BRL 64 on June 30, 2023.

(b) Cash3 Corretora was incorporated on July 18, 2022. In this period the company ascertained a loss higher than the amount of the initial contribution and, thus, the balance was reset to zero, causing a loss with investment. Cash3 Corretora was closed, see explanatory note no. 1.

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

9. Investments--Continued

d) Composition of the balance sheet and results of investees at June 30, 2023

Balance Sheet	Picodi	Promobit	Melhor Plano	Alter	Cash3 Corretora
	06/30/2023	06/30/2023	06/30/2023	06/30/2023	06/30/2023
Total assets	26,636	4,722	7,152	11,047	-
Total Liabilities	7,692	1,882	1,413	10,399	-
Total net equity	18,944	2,840	5,739	648	-
Income for the period	06/30/2023	06/30/2023	06/30/2023	06/30/2023	06/30/2023
Net Revenue	10,727	4,581	5,737	101	-
Operating expenses	(17,843)	(4,271)	(4,638)	(152)	(1)
Financial results	81	28	41	59	-
Income before taxes	(7,035)	338	1,140	8	(1)
Current and deferred income and social contribution taxes	(73)	(531)	(677)	(33)	-
Profit /(loss) for the period	(7,108)	(193)	463	(25)	(1)

The goodwill generated on acquisitions, comprising the amount of the difference paid by the Company in relation to the fair value of the acquired companies' equity, is attributable mainly to the skills and technical talent of the workforce, as well as the synergies expected from the integration of the entity into the Company's existing business. Goodwill on the parent company balance sheet, classified as "investments" is the same as that classified as an "intangible" asset on the consolidated balance sheet. The disclosures and impairment analysis are presented in explanatory note no. 12.

10. Fixed assets

a) Details of the fixed assets of Company and controlled companies are shown in the following tables:

	Depreciation rates p.a.	Parent Company		Consolidated	
		06/30/2023	12/31/2022	06/30/2023	12/31/2022
Computers and peripherals	20%	4,008	5,015	4,332	7,908
Furniture and fixtures (a)	10%/20%	113	120	113	282
Electronic Equipment	20%	295	343	302	359
Plants	10%	3	3	3	3
Total Cost		4,419	5,481	4,750	8,552
Computers and peripherals	20%	(1,758)	(1,755)	(1,846)	(3,610)
Furniture and fixtures (a)	10%/20%	(67)	(65)	(67)	(178)
Electronic Equipment	20%	(128)	(145)	(129)	(159)
Accrued depreciation		(1,953)	(1,965)	(2,042)	(3,947)
Total net fixed assets		2,466	3,516	2,708	4,605

(a) All Brazilian companies of the group depreciate 10% per year. Only the subsidiary Picodi, with headquarters in Poland, has a depreciation rate of 20%.

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

10. Fixed assets--Continued

b) Movements in the Company's fixed assets and their controlled companies

	Parent Company				06/30/2023
	12/31/2022	Additions	Depreciation	Write-off	
Computers and peripherals	3,260	-	(409)	(601)	2,250
Furniture and fixtures	55	-	(6)	(3)	46
Electronic Equipment	198	-	(28)	(3)	167
Plants	3	-	-	-	3
	<u>3,516</u>	<u>-</u>	<u>(443)</u>	<u>(607)</u>	<u>2,466</u>

	Parent Company				06/30/2022
	12/31/2021	Additions	Depreciation	Write-off	
Computers and peripherals	4,598	345	(570)	-	4,373
Furniture and fixtures	217	-	(18)	-	199
Electronic Equipment	267	27	(42)	-	252
Improvements in third party properties	885	-	(21)	-	864
Plants	100	-	(7)	-	93
	<u>6,067</u>	<u>372</u>	<u>(658)</u>	<u>-</u>	<u>5,781</u>

	Consolidated					06/30/2023
	12/31/2022	Additions	Depreciation	Write-off	Transfer asset held for sale	
Computers and peripherals	4,298	129	(595)	(639)	(707)	2,486
Furniture and fixtures	104	-	(12)	(3)	(43)	46
Electronic Equipment	200	4	(28)	(3)	-	173
Plants	3	-	-	-	-	3
	<u>4,605</u>	<u>133</u>	<u>(635)</u>	<u>(645)</u>	<u>(750)</u>	<u>2,708</u>

	Consolidated						
	12/31/2021	Additions	Acquisition of subsidiary	Depreciation	Exchange adjustment	Write-off	06/30/2022
Computers and peripherals	4,772	385	1,015	(622)	(3)	-	5,547
Furniture and fixtures	234	-	85	(29)	(26)	(3)	261
Electronic Equipment	267	29	-	(42)	-	-	254
Improvements in third party properties	885	-	7	(21)	(6)	-	865
Plants	100	-	-	(7)	-	-	93
	<u>6,258</u>	<u>414</u>	<u>1,107</u>	<u>(721)</u>	<u>(35)</u>	<u>(3)</u>	<u>7,020</u>

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Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

11. Commercial Lease Operations

The Company have evaluated their contracts and recognized a right-of-use and a lease liability for the following contracts containing leases:

- Lease of the building used as Picodi's office and administrative headquarters.

The Company chooses to use the exemptions provided in the standard for short-term leases (i.e., leases with a term of 12 months or less) without an option to purchase and for low-value items. As such, when they occur, these leases are recognized as an expense in other operating expenses on a straight-line basis over the lease term.

The discount rates were obtained with reference through quotations of financings, of assets with similar characteristics, by the Company with financial institutions.

Assets

a) *Right of Use*

The right of use asset was measured at cost, composed of the initial measurement value of the lease liability and depreciated on a straight-line basis until the end of the lease term, which is 40 months.

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Commercial leasing - right of use	-	2,042	1,214	2,120
Depreciation of commercial leasing	-	(2,042)	(182)	(2,120)
Exchange adjustments	-	-	-	-
Total	-	-	1,032	-

b) *Movement of the commercial leasing - right of use*

	Parent Company	Consolidated
	Properties	
Balance as of December 31, 2021	1,554	1,554
Additions	124	202
Depreciation of commercial leasing	(482)	(560)
Lease write-off	(1,196)	(1,196)
Balance as of December 31, 2022	-	-
Additions	-	1,214
Depreciation of commercial leasing	-	(182)
Balance as of June 30, 2023	-	1,032

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

11. Commercial Lease Operations--Continued

Liabilities

a) *Commercial leasing payable*

The recognized lease liability was measured at the present value of the minimum payments required under the agreements, discounted at the Company's incremental borrowing rate.

The Company's incremental borrowing rate applied to the lease liability recognized in the balance sheet at the date of initial application is 4.12% p.a., over the lease term.

Finance charges are recognized as finance expense and appropriated based on the actual discount rate over the remaining term of the agreements.

	Parent Company	Consolidated Properties
Balance as of December 31, 2021	1,501	1,501
Additions	124	204
Finance charges	67	68
Principal payments made	(520)	(600)
Financial charges paid	(67)	(68)
Lease write-off	(1,105)	(1,105)
Balance as of December 31, 2022	-	-
Additions	-	1,265
Finance charges	-	22
Principal payments made	-	(160)
Financial charges paid	-	(22)
Balance as of June 30, 2023	-	1,105

The Company does not provide real estate as collateral for any of its operations.

The Company, in accordance with IFRS 16/CPC 06 (R2), in the measurement and re-measurement of its lease liability and right of use, proceeded to use the discounted cash flow technique without considering the projected future inflation in the flows to be discounted, according to the prohibition imposed by IFRS 16/CPC 06 (R2). This prohibition may cause relevant distortions in the information to be provided, given the current reality of long-term interest rates in the Brazilian economic environment.

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Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

12. Intangible assets

a) Details of the Company's intangible assets are shown in the following tables:

	Amortization rates p.a.	Parent Company		Consolidated	
		06/30/2023	12/31/2022	06/30/2023	12/31/2022
Development platform	20%/25%/50%	1,282	1,282	5,024	5,285
Purchased Software	20%	3,295	3,295	3,295	3,357
Use Licenses	33.3%/100%	3,860	1,855	3,859	7,763
Website domain (a)	-	184	184	4,475	4,475
Goodwill (b)	-	-	-	114,107	215,463
Brand – Picodi (a)	-	-	-	24,802	24,802
Brand – Melhor Plano (a)	-	-	-	4,380	4,380
Brand – Promobit (a)	-	-	-	5,483	5,483
Customer Relationship	6.02%/9.26%	-	-	7,169	7,169
Added value - Software	20%/21.82%	-	-	2,366	31,276
Added value - Technology	18.87%	-	-	7,053	7,053
Contract Portfolio – Bankly	17.91%	-	-	-	12,689
Contracts Portfolio – Card	17.91%	-	-	-	8,555
Operation License	-	-	-	-	14,241
Projects under development ("R&D")	-	-	-	2,535	2,379
Total Cost		8,621	6,616	184,548	354,370
Development platform	20%	(1,282)	(1,282)	(1,282)	(1,282)
Purchased Software	20%	(1,299)	(969)	(1,299)	(1,013)
Use Licenses	33.3%/100%	(2,210)	(1,283)	(2,210)	(4,386)
Customer Relationship	6.02%/9.26%	-	-	(938)	(714)
Added value - Software	20%/21.82%	-	-	(1,008)	(4,451)
Added value - Technology	18.87%	-	-	(2,329)	(1,663)
Contract Portfolio – Bankly	17.91%	-	-	-	(1,326)
Contracts Portfolio – Card	17.91%	-	-	-	(894)
Accrued Amortization		(4,791)	(3,534)	(9,066)	(15,729)
Total net intangible assets		3,830	3,082	175,482	338,641

(a) Site domain, Brand – Picodi, Melhor Plano and Promobit and Operating License are intangible assets with an indefinite useful life and, therefore, not subject to amortization.

(b) Goodwill generated in the acquisitions of subsidiaries are BRL 78,797 from Picodi, BRL 7,716 from Promobit, BRL 14,961 from Melhor Plano and BRL 12,633 from Alter.

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Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

12. Intangible--Continued

b) Movements in the Company's Intangible Assets

	Parent Company				
	12/31/2022	Additions	Amortization	Write-off	06/30/2023
Purchased Software	2,326	-	(330)	-	1,996
Use Licenses	572	2,004	(926)	-	1,650
Website Domain	184	-	-	-	184
	3,082	2,004	(1,256)	-	3,830

	Parent Company				
	12/31/2021	Additions	Amortization	Write-off	06/30/2022
Development platform	9	-	(9)	-	-
Purchased Software	2,985	-	(330)	-	2,655
Use Licenses	1,189	-	(338)	-	851
Project Four	711	-	-	-	711
Website Domain	184	-	-	-	184
	5,078	-	(677)	-	4,401

	Consolidated							
	12/31/2022	Additions	Amortization	Amortization of discontinued operations	Transfer	Transfer asset held for sale	Exchange adjustments	06/30/2023
Development platform	4,003	-	(904)	-	652	-	(9)	3,742
Purchased Software	2,344	1,396	(342)	-	-	(1,402)	-	1,996
Use Licenses	3,377	2,004	(1,477)	-	-	(2,255)	-	1,649
Website Domain (b)	4,475	-	-	-	-	-	-	4,475
Goodwill	215,463	-	-	-	-	(101,356)	-	114,107
Brand – Picodi	24,802	-	-	-	-	-	-	24,802
Brand – Melhor Plano	4,380	-	-	-	-	-	-	4,380
Brand – Promobit	5,483	-	-	-	-	-	-	5,483
Customer Relationship	6,455	-	(224)	-	-	-	-	6,231
Added value - Software	26,825	-	(234)	(3,155)	-	(22,078)	-	1,358
Added value - Technology	5,390	-	(666)	-	-	-	-	4,724
Contract Portfolio - Bankly	11,363	-	-	(1,136)	-	(10,227)	-	-
Contract portfolio - Card	7,661	-	-	(766)	-	(6,895)	-	-
Operating License	14,241	-	-	-	-	(14,241)	-	-
Projects under development ("R&D")	2,379	809	-	-	(652)	-	(1)	2,535
	338,641	4,209	(3,847)	(5,057)	-	(158,454)	(10)	175,482

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Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

12. Intangible--Continued

b) Movements in the Company's Intangible Assets--Continued

	Consolidated					06/30/2022
	12/31/2021	Additions	Subsidiary Acquisition	Amortization	Exchange adjustments	
Development platform	6,561	-	-	(841)	(979)	4,741
Purchased Software	2,984	-	62	(186)	-	2,860
Use Licenses	1,189	-	3,449	(604)	-	4,034
Gana Platform (a)	3,107	-	-	-	-	3,107
Project Four	711	-	-	-	-	711
Website Domain (b)	4,835	-	-	-	-	4,835
Goodwill	114,107	-	93,894	-	-	208,001
Brand – Picodi	24,802	-	-	-	-	24,802
Brand – Melhor Plano	4,380	-	-	-	-	4,380
Brand – Promobit (c)	5,306	-	-	177	-	5,483
Customer Relationship	6,903	-	-	(224)	-	6,679
Added value - Software	2,068	-	28,911	(752)	-	30,227
Added value - Technology	6,720	-	-	(665)	-	6,055
Contract Portfolio - Bankly	-	-	12,689	(186)	-	12,503
Contract portfolio - Card	-	-	8,555	(125)	-	8,430
Operating License	-	-	14,241	-	-	14,241
Projects under development ("R&D")	337	1,127	-	-	(51)	1,413
	<u>184,010</u>	<u>1,127</u>	<u>161,801</u>	<u>(3,406)</u>	<u>(1,030)</u>	<u>342,502</u>

- (a) Gana Platform is an informative website concerning financial products that Méliuz S/A started to build in March 2020, and is a product focused on the publication of advertising materials, on November 16, 2022, a total of 5,003,576 nominative, common shares were sold, with no par value, fully subscribed and paid up, representing 100% of Gana's share capital; see explanatory note no 1 (ix).
- (b) The website Domain refers to domains purchased by the parent company and the subsidiary Melhor Plano for use in their operations. The domain's useful life is linked to business continuity; therefore, it has an indefinite useful life.
- (c) According to CPC 15 (R1) - Business Combination, the purchaser has up to one year to reflect any incomplete information or correct the accounted values referring to the acquisitions. The useful life of the Brand – Promobit was changed in the Report of allocation of the price paid to indefinite, BRL 177 of the accrued amortization until the period being reversed.

The intangible assets with defined useful life are amortized by the straight-line method considering the consumption pattern of these rights.

13. Deferred income

Liabilities	Parent Company and consolidated	
	06/30/2023	12/31/2022
Current Assets		
Deferred income	<u>5,749</u>	5,749
Non-Current assets		
Deferred income	<u>31,617</u>	34,492

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Notes to the individual and consolidated interim financial statements - Continued

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(In thousands reais, unless otherwise stated)

13. Deferred Income--Continued

In December 2021, Méliuz entered into an agreement with Bankly to implement the incentive program for card portfolios in the postpaid credit modality, which will be issued and managed by Bankly, for the exclusive use of Méliuz. To implement this scope, Bankly negotiated with Mastercard Brasil Soluções de Pagamento Ltda. ("Mastercard") a partnership to implement the benefits program for cards with the Mastercard flag.

Revenue will be recognized on an accrual basis over the contract term starting in January 2022. Up to June 30, 2023, BRL 7,634 (BRL 1,885 on June 30, 2022) was recognized.

14. Suppliers

The composition of suppliers is demonstrated in the table below:

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Suppliers	3,618	6,950	5,857	18,716
Total	3,618	6,950	5,857	18,716
Domestic Market	3,618	6,950	3,845	15,904
Foreign Market	-	-	2,012	2,812

15. Labor and tax obligations

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Labor Obligations				
Wages	1,908	2,651	2,768	3,554
Labor provisions (a)	5,342	5,170	6,420	8,830
Obligations and charges (b)	5,396	7,367	6,026	10,598
Other Labor Obligations (c)	5,082	11,716	8,017	18,317
Total Labor Obligations	17,728	26,904	23,231	41,299
Tax Obligations				
PIS/COFINS [Program of Social Integration/Contribution for the Financing of Social Security]	1,756	1,049	1,818	1,776
Withholding Taxes	1,014	2,007	1,153	3,202
ISSQN [Tax on Services of Any Nature]	857	1,132	912	1,204
Other taxes	-	9	331	626
Total Tax Obligations	3,627	4,197	4,214	6,808
Total Labor and Tax Obligations	21,355	31,101	27,445	48,107
Current Assets	18,932	27,206	22,322	41,792
Non-current assets	2,423	3,895	5,123	6,315

(a) Amount composed of provision for vacation and Christmas bonus.

(b) Amount made up mainly of Stock Options charges; see explanatory note no 19 c).

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Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

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(c) Amount made up of employment terminations, union dues, premium provision and loans consigned to employees.

(d)

16. Provision for cashback

Cashback represents the amount the Company understands will be paid at some point to customers who have made and completed purchases of the services offered by Méliuz, according to the terms and conditions of the cashback program.

The model for measuring this value considers what will be paid to users according to descriptive statistics and historical data. The high correlation of the data is demonstrated by a regression model, which is used to predict the future costs of cashback redeemed from the moment it is confirmed to a user. In this way, the cashback amount is set apart based on the best probability of it being redeemed in the future over the user's lifetime on Méliuz.

The Company reviews the statistical model every six months to adjust, when relevant, the reference factor of the provision so that it fits the most current *cashback* redemption behavior and profile known by the Company. To this end, the model curve is compared to the actual redemption data, and the amount of *cashback* redeemed from a cashback confirmation date is then monitored at the level of each confirmed monthly *cashback* harvest for the entire period possible for redemption in accordance with the Cashback Program Terms and Conditions. From the redemption values in each month elapsed from the confirmation for the most recent confirmed *cashback* harvests known, the change in the redemption profile and the due adjustments of the provision curve are made when necessary.

Of the amount set apart, the amount requested for redemption by users, once the terms and conditions of the cashback program have been met, is settled by bank transfer.

17. Income Tax and Social Contribution

a) Income tax and social contribution payable

The balances of income tax and social contribution recorded in current liabilities refer to taxes due by the Company subject to taxable income, opting for the annual regime.

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Income Tax	-	-	401	463
Social Contribution	-	-	170	193
Total	-	-	571	656

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Notes to the individual and consolidated interim financial statements - Continued

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(In thousands reais, unless otherwise stated)

17. Income Tax and Social Contribution--Continued

b) Deferred Taxes

The Company has income and social contribution tax credits, constituted on balances of tax losses, negative basis of social contribution and temporary differences, at the rates of 25% and 9%, respectively, as follows:

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Deferred fiscal assets and liabilities				
Tax loss and negative basis of CSLL	42,626	40,444	42,626	58,612
Present value adjustment on commercial leases	(24)	(24)	(24)	(24)
Depreciations of commercial leasing	(250)	(250)	(250)	(250)
Allowance for doubtful accounts	(73)	1,586	(73)	1,586
Procedural contingencies	132	153	132	153
Temporary cashback difference	3,916	4,521	3,916	4,521
Labor provisions	1,649	3,903	1,649	3,903
Stock options	9,819	7,562	9,819	7,562
Adjustment to fair value of Earn Out and Call Option	(6,351)	(6,167)	(6,351)	(6,167)
Other provisions	3,360	3,076	3,360	3,076
Commercial leasing payments	290	290	290	290
Total net assets presented in the balance sheet	55,094	55,094	55,094	73,262
Balance as of December 31, 2022	55,094		55,094	
Effects allocated to results	-		-	
Balance as of June 30, 2023	55,094		55,094	

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Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

17. Income Tax and Social Contribution--Continued

c) Reconciliation of income tax and social contribution expenses

	Parent Company			
	Three-month period ended on		Six-month period ended on	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Income before IRPJ and CSLL from continuing operations	(4,085)	(34,281)	(4,275)	(44,328)
Nominal rate	34.00%	34.00%	34.00%	34.00%
IRPJ and CSLL credit (expense) at nominal rate	(2,158)	11,656	1,454	15,072
Adjustments in the calculation basis for determining the effective tax rate				
Net amount of permanent additions and exclusions	1,270	(218)	(1,710)	(219)
Others	888	-	256	-
Current income tax and social contribution	-	-	-	-
Deferred income tax and social contribution	-	11,438	-	14,853
IRPJ and CSLL effective rate	0.0%	33.4%	0.0%	33.5%
	Consolidated			
	Three-month period ended on		Six-month period ended on	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Income before IRPJ and CSLL from continuing operations	(5,542)	(34,205)	(6,434)	(43,291)
Nominal rate	34.00%	34.00%	34.00%	34.00%
IRPJ and CSLL credit (expense) at nominal rate	1,884	11,630	2,188	14,719
Adjustments in the calculation basis for determining the effective tax rate				
Net amount of permanent additions and exclusions	(3,541)	(741)	(3,757)	(1,289)
Others	888	-	256	-
Current income tax and social contribution	(768)	(549)	(1,313)	(1,423)
Deferred income tax and social contribution	-	11,438	-	14,853
IRPJ and CSLL effective rate	(13.9%)	31.8%	(20.4%)	31.0%

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Notes to the individual and consolidated interim financial statements - Continued

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18. Outstanding credits and facilities payable

	Consolidated	
	06/30/2023	12/31/2022
Credit values of prepaid cards (a)	-	151,707
Payment schedule for purchasers (b)	-	110,004
Other amounts held in custody (c)	-	94,305
Total	-	356,016

- (a) Balance available in payment accounts managed by Bankly and basically covers amounts due to holders of prepaid cards issued by Bankly.
- (b) Open transactions made by payment accounts and comprise the amounts transacted by the holders of prepaid cards issued by Bankly to be settled with the network of acquirers of these transactions.
- (c) Balance available in payment accounts managed by Bankly, amounts to be returned for canceled, blocked and unidentified accounts, as well as amounts from international operations carried out by payment accounts to be settled.

The outstanding credit balances and facilities payable are the operation of subsidiary Bankly and were transferred to liabilities held for sale, according to explanatory note No. 8.

19. Earn-out payable and call options

a) Earn-out payable

The investments made by Méliuz in the companies Promobit, Melhor Plano, Alter and Acessopar include installments of earn-out to be paid according to the performance of the investees and amounts retained for future payments.

As of June 30, 2023, the amount estimated by the Company to be paid is as follows:

- i) *Earn-out* estimated at BRL 23,838 to be paid in 2024 and BRL 67 in 2025;

Retained portion of BRL 4,398 for future contingencies, duly updated according to CDI, in BRL 901, totaling the balance of *earn-out* payable in current and non-current liabilities in the period ended June 30, 2023 of BRL 29,204;

- ii) On May 30, 2022, an anticipation of *earn-out* of BRL 15,328 was made for the acquisition of Acessopar, updated according to CDI as of January 1, 2023, by BRL 988, totaling on June 30, 2023 a remaining balance of BRL 14,168, net of BRL 2,148 of the respective *earn-out* payable, according to the balance of anticipation of *earn-out* in non-current assets.

According to the agreement signed with Acessopar, if the amount due by Méliuz is higher than the amount of the adjusted earn-out advance, the balance calculated should be paid by Méliuz. If the amount is lower than the amount of the adjusted earn-out advance, the respective difference will be due and paid to Méliuz, within up to forty-five (45) days from the calculation notification.

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Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

19. Earn-out payable and call options-- Continued

b) Call option

In February 2021, the Company acquired 51.2155% of the shares representing the share capital of Picodi.com S/A, by means of a share purchase agreement that set out call and put options on the remaining 48.8% of the subsidiary's capital stock, for non-controlling shareholders and the Company, respectively, and that can be exercised between September 30, 2024 and September 30, 2025, with their exercise price being subject to certain performance criteria to be reached until the start date of the period's window.

Méliuz' obligation to buy the shares from the put option owners (non-controlling shareholders) under the agreement meets the definition of a financial liability, since the Company does not have an unconditional right to avoid the obligation when exercised by the non-controlling shareholders.

As this is an obligation to purchase their own equity instruments this financial liability was initially recognized at the present value of the redemption amount and re-classified from the net equity (as capital reserve); see explanatory note 22 ii). Subsequently, it started to be measured at fair value through income as provided for in CPC 48 / IFRS 9 – Financial Instruments.

As of June 30, 2023, the balance of this financial liability, which is updated annually, amounts to BRL 12,794 (BRL 12,794 as of December 31, 2022).

20. Net Equity

a) Share capital

On May 30, 2022, at the Company's Special General Meeting, the capital increase of BRL 148,215 was approved through the issuance of 61,246,071 common shares, nominative with no par value, within the limit of the authorized capital, as a result of the approval of the incorporation of shares of Acessopar. Thus, the Company's share capital became BRL 920,393, represented by 864,916,071 common shares.

At this same Special General Meeting, forty-eight (48) subscription bonuses were approved to the former members of Acessopar that may result in the subscription, by their holders, of up to 3,277,883 common, nominative shares, in case of exercise.

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Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

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20. Net Equity--Continued

a) Share Capital--Continued

On August 16, 2022, at the Company's Special General Meeting, the capital increase of BRL 87 was approved through the issuance of 8,183 registered common shares, nominative with no par value, within the limit of the authorized capital, as a result of the completion of the incorporation of Alter's shares. Thus, the Company's share capital became BRL 920,480, represented by 864,924,254 common shares.

On September 8, 2022, at the Board of Directors meeting, the Company's capital increase was approved, within the limit of the authorized capital, in the total amount of BRL 12.81, through the private subscription of 7,685 new shares, totaling 864,931,939 common shares and a share capital of BRL 920,480.

On February 10, 2023, at the Board of Directors meeting, the Company's capital increase was approved, within the limit of the authorized capital, in the total amount of BRL 0.41, through the private subscription of 248,504 new shares, totaling 865,180,443 common shares and a share capital of BRL 920,480.

On April 28, 2023, the Company's Extraordinary General Meeting approved the reverse split of all its shares, in the proportion (1) common share to hundred (100) common shares and subsequently the split of all its shares in proportion of 1 common share to 10 common shares, a total of 86,518,044 common shares, without modifying the Company's capital stock.

On June 30, 2023, the Company's capital stock is BRL 920,480 divided into 86,518,044 common shares.

The Company's major shareholders as of June 30, 2023 are: Israel Fernandes Salmen (12.8% of shares), ORG INVESTMENTS LLC (5.1% of shares), Lucas Marques Peloso Figueiredo (1.7% of shares) and André Amaral Ribeiro (0.5% of shares). The remaining shareholders total 79.9% of the shares.

As communicated to the market, ORG INVESTMENTS LLC is owned by the director and controller Ofli Campos Guimarães. ORG is a signatory to the Shareholders' Agreement of Company and Mr. Ofli is Chairman of the Company's Board of Directors.

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Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

20. Net Equity--Continued

b) Treasury Stock

In April 2022, 208,442 treasury shares were transferred in the form of restricted shares to one of the directors of the management as remuneration, equivalent to BRL 1,757. Also in April 2022, there was the remaining payment of intangible *Muambator* in the total of 732,759 shares, equivalent to BRL 2,607. The initial debt related to the purchase of this intangible was accounted for by BRL 2,550, causing a discount in the operation.

On May 12, 2022, restricted shares were granted to the Company's officers as compensation for a total of 1,337,861 shares, corresponding to BRL 6,625.

On November 3, 2022, the Company completed their share repurchase program started on May 4, 2021.

As of June 30, 2023, there are no treasury shares.

c) Capital Reserve

The Company's capital reserve on June 30, 2023 is (BRL 31,282 of which:

i) *Goodwill on issuance of shares*

In April 2022, the Company made a payment in restricted shares to one of its directors with a premium of BRL 242. In the same month, there was a payment in shares to settle the debt of the intangible *Muambator* that generated a discount of BRL 56.

In May 2022, the acquisition of subsidiary ACESSOPAR through share exchange caused a discount of BRL 7,155. In August 2022, upon completion of the incorporation of Alter, a negative goodwill of BRL 36 was generated.

ii) *Call Option Plan*

The Company approved in the minutes of the meeting of the Board of Directors, the following grants of share options, according to the list initialed by all and filed, at the Company's headquarters, within the scope of the SOP Plan.

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

20. Net Equity--Continued

c) Capital Reserves--Continued)

ii) Call Option *Plan*--Continued

<u>RCA date</u>	<u>Approved Grants</u>
02/25/2021	1,834,368
05/03/2021	381,066
06/07/2021	195,882
07/30/2021	179,364
10/29/2021	1,054,760
11/29/2021	401,408
12/14/2021	963,431
01/05/2022	129,241
02/02/2022	1,735,041
03/09/2022	648,180
04/14/2022	275,900
05/23/2022	241,214
07/14/2022	27,713,175
10/17/2022	1,655,654
10/18/2022	1,160,088
11/18/2022	2,841,699
12/05/2022	95,098
12/14/2022	114,544
02/01/2023	376,000
05/01/2023	4,929,478

Additionally, in the RCA of May 23, 2022, the re-ratification of 241,214 options granted was approved, distributed to the beneficiaries on April 1, 2022, May 2, 2022 and May 3, 2022, under the SOP Plan.

The stock options can be exercised in up to 6 years from the grant date, with a vesting period of 5 years, with 30% release as from the third anniversary, 60% as from the fourth anniversary and 100% as from the fifth anniversary. Or up to 3 years from the grant date, with a 1-year vesting period.

Each option will entitle the Beneficiary to acquire one (1) common share issued by the Company, at an exercise price of BRL 0.002 (two hundredths of a Real) per share.

Under the Plan, the beneficiaries will be entitled, subject to certain conditions, to acquire shares of the Company, which are equivalent to up to 5% of the total number of common shares issued by the Company.

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Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

20. Net Equity--Continued

c) Capital Reserves--Continued

ii) Call Option *Plan*--Continued

Assumptions for recognition of share compensation expense

Shares are measured at fair value on the grant date and the expense is recognized in the income statement as “personnel expenses” throughout the period in which the right to exercise the option is acquired, matched against the corresponding increase in shareholders’ equity (in capital reserves). The fair value of the options granted was estimated using the “Binomial” options pricing model. In the following table we present the details of this information:

Grant date	Total call options granted	Exercise price	Estimated annual volatility	Dividend expected on shares	Weighted average risk-free interest rate	Maximum maturity	Fair value at grant date
02/25/2021	1,784,730	BRL 0.002	81.45%	0.14%	7.13%	6 years	BRL 44.80
05/03/2021	372,000	BRL 0.002	93.22%	0.14%	6.07%	6 years	BRL 60.60
05/03/2021	907	BRL 0.002	93.22%	0.14%	7.97%	6 years	BRL 60.30
05/17/2021	19,738	BRL 0.002	93.78%	0.14%	8.27%	6 years	BRL 55.30
06/07/2021	1,645	BRL 0.002	94.90%	0.14%	7.96%	6 years	BRL 60.30
07/19/2021	1,971	BRL 0.002	72.07%	0.14%	10.36%	6 years	BRL 100.60
07/30/2021	18,518	BRL 0.002	83.25%	0.14%	8.79%	6 years	BRL 112.20
08/02/2021	17,442	BRL 0.002	72.07%	0.14%	10.36%	6 years	BRL 113.80
09/08/2021	38,462	BRL 0.002	76.93%	0.14%	10.60%	6 years	BRL 32.10
09/20/2021	4,484	BRL 0.002	76.93%	0.14%	10.60%	6 years	BRL 32.10
10/11/2021	2,235	BRL 0.002	76.93%	0.14%	10.60%	6 years	BRL 32.10
10/18/2021	43,725	BRL 0.002	76.93%	0.14%	10.60%	6 years	BRL 32.10
11/01/2021	29,936	BRL 0.002	76.93%	0.14%	10.60%	6 years	BRL 32.10
11/08/2021	5,571	BRL 0.002	76.93%	0.14%	10.60%	6 years	BRL 32.10
12/06/2021	97,617	BRL 0.002	76.93%	0.14%	10.60%	6 years	BRL 32.10
12/20/2021	2,145	BRL 0.002	76.93%	0.14%	10.60%	6 years	BRL 32.10
12/22/2021	3,762	BRL 0.002	76.93%	0.14%	10.60%	6 years	BRL 32.10
12/23/2021	2,533	BRL 0.002	76.93%	0.14%	10.60%	6 years	BRL 32.10
01/17/2022	58,366	BRL 0.002	74.66%	0.00%	11.22%	6 years	BRL 29.10
02/01/2022	123,776	BRL 0.002	71.00%	0.00%	11.22%	6 years	BRL 23.60

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03/02/2022	64,818	BRL 0.002	72.12%	0.00%	11.19%	6 years	BRL 25.60
04/01/2022	33,449	BRL 0.002	77.40%	0.00%	11.02%	6 years	BRL 25.60
05/02/2022	5,319	BRL 0.002	77.89%	0.00%	12.16%	6 years	BRL 18.80
05/03/2022	12,943	BRL 0.002	77.89%	0.00%	12.16%	6 years	BRL 17.70
06/30/2022	2,671,940	BRL 0.002	76.26%	0.00%	12.61%	6 years	BRL 19.00
07/01/2022	99,378	BRL 0.002	76.26%	0.00%	12.61%	6 years	BRL 10.80
10/03/2022	281,574	BRL 0.002	75.59%	0.00%	11.53%	6 years	BRL 11.30
11/18/2022	254,887	BRL 0.002	75.97%	0.00%	12.72%	6 years	BRL 11.30
12/05/2022	48,572	BRL 0.002	75.46%	0.00%	12.61%	6 years	BRL 11.20
12/14/2022	11,454	BRL 0.002	75.46%	0.00%	12.61%	6 years	BRL 11.30
02/01/2023	37,600	BRL 0.002	73.52%	0.00%	12.09%	6 years	BRL 11.10
05/01/2023	484,887	BRL 0.002	72.64%	0.00%	10.22%	6 years	BRL 7.81
05/01/2023	8,110	BRL 0.002	72.20%	0.00%	10.23%	6 years	BRL 7.81

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Notes to the individual and consolidated interim financial statements - Continued

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20. Net Equity--Continued

c) Capital Reserves--Continued)

ii) Call Option *Plan*--Continued

Assumptions for recognition of share compensation expense--Continued

Call options transactions

	<u>SOP Plan</u>
Options on 12/31/2022*	4,012,372
Granted	530,548
Exercised	(24,675)
Canceled	(763,288)
Options on 06/03/2023	3,754,956
Options exercisable in 2022	9,600
Options exercisable in 2023	216,195
Options exercisable in 2024	110,441
Options exercisable in 2025	904,362
Options exercisable in 2026	1,084,987
Options exercisable in 2027	1.226,116
Options exercisable in 2028	203,255
Personnel expenses including charges as of 12/31/2022	17,590
Personnel expenses, compensation as of 06/30/2023	8,110
Personnel expenses, charges as of 06/30/2023	(1,472)

(*) The number of shares as of December 31, 2022 is being restated considering the effects of the reverse split of all shares, in the proportion of one (1) common share to one hundred (100) common shares and the stock split, in the proportion of one (1) common share to ten (10) common shares, approved by the General Meeting on April 28, 2023.

iii) *Other Reserves*

Corresponds to the initial recognition of the amount regarding the option to buy the remaining interest in Picodi's stock capital, as detailed in note 18.

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

20. Net Equity--Continued

d) Other comprehensive income

Corresponds to the accumulated effect of exchange conversion from the functional currency to the original currency of the foreign subsidiary's financial statements, calculated on corporate investments held abroad and accounted for under the equity method. This accumulated effect will be reversed to income for the year as a gain or loss upon disposal or write-off of the investment. The effect on the net equity in the period ended June 30, 2023 is BRL 64, totaling the balance of BRL 3,700 in other comprehensive income (BRL 3,636 as of December 31, 2022).

e) Earnings per share

i) *Basic and diluted*

Basic earnings per share is calculated by dividing the net income attributable to the Company's shareholders by the weighted average number of common shares outstanding during the year.

	<u>06/30/2023</u>	<u>06/30/2022</u> (Restated)
Number of shares*	86,518,044	86,491,607
Income for the period	(23,929)	(34,311)
Basic and diluted earnings per share (in BRL)	(0.28)	(0.40)
	<u>06/30/2023</u>	<u>06/30/2022</u> (Restated)
Number of shares*	86,518,044	86,491,607
Income for the period from continuing operations	(4,275)	(29,475)
Basic and diluted earnings per share (in BRL)	(0.05)	(0.34)

(*) Weighted average

The number of shares as of June 30, 2022 is restated considering the effects of the reverse split of all shares, in the proportion of one (1) common share to one hundred (100) common shares and the stock split, in the proportion of one (1) common share to ten (10) common shares, approved by the General Meeting on April 28, 2023.

On June 30, 2023 and 2022 the calculation of basic and diluted earnings per share remains the same, due to the ascertained loss for the period.

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

21. Provisions for tax, civil and labor risks

a) Provision for Lawsuits

The Company and its subsidiaries are defending themselves against labor, civil and tax lawsuits. Thus, surveys, evaluations and quantifications of the lawsuits were made with its legal advisors. The Company and its subsidiaries are liable in some civil, labor, and tax lawsuits with probable loss expectation, which was set apart, totaling BRL 389 on June 30, 2023 in the parent company and BRL 487 in the consolidated (on December 31, 2022 the amount was BRL 450 in the parent company and BRL 2,789 in the consolidated).

b) Judicial Contingent Liabilities

In addition to the provisions recorded, there are other contingent liabilities of a civil nature, which expected loss assessed by the company's legal counsels is regarded as possible, in the amount of approximately BRL 448 on June 30, 2023 in the parent company and BRL 493 in the consolidated (on December 31, 2022 the amount was BRL 170 in the parent company and BRL 2,770 in the consolidated).

22. Net Operating Revenue

	Parent Company			
	Three-month period ended on		Six-month period ended on	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Revenues				
Services Provision	62,545	67,802	141,316	155,131
ISSQN on services	(1,618)	(2,468)	(4,491)	(5,365)
PIS on services	(964)	(1,033)	(2,171)	(2,374)
COFINS on services	(4,440)	(4,755)	(9,999)	(10,932)
Total Net Revenue	55,523	59,546	124,655	136,460
	Consolidated			
	Three-month period ended on		Six-month period ended on	
	06/30/2023	06/30/2022 (Restated)	06/30/2023	06/30/2022 (Restated)
Revenues				
Services Rendering	79,518	80,414	173,152	181,366
ISSQN on services	(1,783)	(2,678)	(4,811)	(5,809)
PIS on services	(995)	(1,072)	(2,237)	(2,459)
COFINS on services	(4,588)	(4,942)	(10,304)	(11,330)
Total Net Revenue	72,152	71,722	155,800	161,768

22. Net Operating Revenue - continued

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Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

On June 30, 2023, the Company has three customers whose net revenues represented, individually, above 10% of their total net revenues, these are BRL 26,738, BRL 18,262 and BRL 13,207. On June 30, 2022, two customers represented BRL 32,740 and BRL 23,037

23. Financial results

	Parent Company			
	Three-month period ended on		Six-month period ended on	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Financial Income				
Active exchange variation	-	-	-	1
Income from financial investments	11,465	13,294	24,442	22,197
Interest received	590	1,375	1,086	2,613
Monetary restatement	535	137	1,050	217
Other financial income	1	-	3	-
	12,591	14,806	26,581	25,028
Financial expenses				
Interest paid on late payments	(1,226)	(9)	(1,266)	(43)
Loan and financing charges	-	(21)	-	(37)
Banking expenses	(129)	(1,109)	(280)	(1,322)
Units devaluation	(4,529)	(4)	(3,664)	(4)
Other financial expenses	(344)	(178)	(524)	(331)
	(6,228)	(1,321)	(5,734)	(1,737)
Financial Result (a)	6,363	13,485	20,847	23,291
	Consolidated			
	Three-month period ended on		Six-month period ended on	
	06/30/2023	06/30/2022 (Restated)	06/30/2023	06/30/2022 (Restated)
Financial Income				
Assets exchange variation	-	-	-	5
Income from financial investments	11,524	13,504	24,552	22,557
Interest received	737	1,378	1,404	2,618
Monetary restatement	547	138	1,050	218
Other financial income	81	84	81	180
	12,795	15,104	27,087	25,578
Financial expenses				
Interest paid on late payments	(1,303)	(339)	(1,376)	(642)
Loan and financing charges	-	-	-	-
Banking expenses	(281)	(1,077)	(480)	(1,333)
Other financial expenses	(346)	(194)	(530)	(362)
	(1,930)	(1,610)	(2,386)	(2,337)
Financial Result (a)	10,865	13,494	24,701	23,241

(a) We present, in the income statements, the net value of the financial result.

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

24. Segment information

The information per segment was prepared considering the criteria used by the chief operating decision-maker in evaluating performance, in making decisions regarding the allocation of resources for investment and other purposes, considering the regulatory environment and the similarities between products and services.

The operations of Méliuz are basically divided into the following segments: B2C (Business to Customers) *Domestic*, B2C (Business to Customers) International, B2B (*Business to Business*) and other segments.

The measurement of the management result by segment takes into account all revenues and expenses ascertained by the companies that make up each segment, as per the distribution presented below.

National B2C Segment (Business to Customers)

The B2C National segment comprises the income of Méliuz, including e-commerce, Gift Card, Recharge, Méliuz Invoice, digital account, credit card and payments operations and Promobit results.

International B2C Segment (Business to Customers)

Understands the results of Picodi's international operation.

B2B (Business to Business) segment - discontinued operations

Composed essentially of the subsidiaries Bankly and Acessopar, including *Banking as a Service* (BaaS) operations, fully presented as discontinued operations, see note 8.

Other segments

Presents the operations of the subsidiaries Gana, Melhor Plano, Alter and FIDC, which are analyzed by the Management separately from the other segments.

The Company does not manage its assets and liabilities by segment.

Subsidiary Ghana was sold on November 16, 2022. As a result, for purposes of presenting the result for June 30, 2023, said company do not compose the disclosed result, only in the comparative period. The other companies are kept in this explanatory note for purposes of consolidation of parent company and consolidated interim financial information.

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Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

24. Information by segment-- Continued

Income statement by segment

	06/30/2023			
	B2C National	B2C International	Other segments	Consolidated
Net revenues	129,236	10,727	15,837	155,800
Operating expenses				
Cashback expenses	(71,266)	(4,062)	-	(75,328)
Personnel expenses	(47,631)	(3,495)	(2,782)	(53,908)
Commercial and marketing expenses	(6,823)	(3,225)	(1,504)	(11,552)
Software expenses	(6,833)	(767)	(168)	(7,768)
General and administrative expenses	(3,865)	(4,871)	(13,696)	(22,432)
Third-party services	(13,821)	(342)	(90)	(14,253)
Depreciation and amortization	(2,847)	(1,086)	(10)	(3,943)
Others	2,430	3	(184)	2,249
	(150,656)	(17,845)	(18,434)	(186,935)
Gross Profit	(21,420)	(7,118)	(2,597)	(31,135)
Income before financial result and taxes	(21,420)	(7,118)	(2,597)	(31,135)
Financial results	24,538	81	82	24,701
Result before income taxes	3,118	(7,037)	(2,515)	(6,434)
Current and deferred income and social contribution taxes	(531)	(73)	(709)	(1,313)
Losses for the period	2,587	(7,110)	(3,224)	(7,747)
	06/30/2022 (Restated)			
	B2C Nacional	B2C International	Other segments	Consolidated
Net revenues	142,215	12,372	7,181	161,768
Operating expenses				
Cashback expenses	(95,348)	(1,604)	(252)	(97,204)
Personnel expenses	(63,861)	(2,992)	(5,125)	(71,978)
Commercial and marketing expenses	(10,464)	(2,335)	(463)	(13,262)
Software expenses	(13,162)	(559)	(374)	(14,095)
General and administrative expenses	(5,908)	(4,167)	(447)	(10,522)
Third-party services	(15,382)	(502)	(362)	(16,246)
Depreciation and amortization	(2,604)	(841)	(12)	(3,457)
Others	(668)	9	(877)	(1,536)
	(207,397)	(12,991)	(7,912)	(228,300)
Gross Profit	(65,182)	(619)	(731)	(66,532)
Income before financial result and taxes	(65,182)	(619)	(731)	(66,532)
Financial results	23,294	146	(199)	23,241
Result before income taxes	(41,888)	(473)	(930)	(43,291)
Current and deferred income and social contribution taxes	14,190	(14)	(746)	13,430
Losses for the period	(27,968)	(487)	(1,676)	(29,861)

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Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

25. Risk management and financial instruments

a) General Considerations and Policies

The Company contracts operations involving financial instruments, when applicable, all recorded in equity accounts, which are intended to meet its operational and financial needs.

The management of these financial instruments is carried out by means of policies, definition of strategies, and establishment of control systems, and is monitored by the Company's management.

The treasury procedures defined by the policy in effect include monthly projection routines and assessment of the Company's currency exposure, on which management's decisions are based.

Financial investments

In accordance with the established policy for financial investments, the Company's management elects the financial institutions with which contracts may be entered into, according to the evaluation of the credit rating of the counterparty in question, maximum percentage of exposure per institution according to the rating and maximum percentage of the bank's net equity.

	Parent Company		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Cash and cash equivalents and Securities	376,940	418,693	395,775	743,386

Classification of Financial Instruments

As of June 30, 2023 and December 31, 2022, there is no difference between cost values and fair values. The financial instruments were summarized and classified as follows:

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Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

25. Risk Management and Financial Instruments--Continued

a) General considerations and policies--Continued

Classification of Financial Instruments--Continued

Parent Company

On June 30, 2023	Amortized Cost	Fair value through profit or loss	Total
Financial Assets			
Cash and cash equivalents	48,206	-	48,206
Marketable securities	328,734	-	328,734
Trade accounts receivable	23,038	-	23,038
Other assets	23,396	-	23,396
Earn-out advance	14,168	-	14,168
	<u>437,542</u>	-	<u>437,542</u>
Financial Liabilities			
Suppliers	3,618	-	3,618
Cashback	15,478	-	15,478
Advances	317	-	317
Earn-Out	-	29,204	29,204
Purchase option	-	12,794	12,794
	<u>19,413</u>	<u>41,998</u>	<u>61,411</u>

On December 31, 2022	Amortized cost	Fair value through profit or loss	Total
Financial Assets			
Cash and cash equivalents	413,667	-	413,667
Marketable securities	5,026	-	5,026
Trade accounts receivable	12,524	-	12,524
Other assets	20,229	-	20,229
Earn-out advancement	12,994	-	12,994
	<u>464,440</u>	-	<u>464,440</u>
Financial Liabilities			
Suppliers	6,950	-	6,950
Cashback	17,224	-	17,224
Advances	861	-	861
Earn-Out	-	36,954	36,954
Purchase option	-	12,794	12,794
	<u>25,035</u>	<u>49,748</u>	<u>74,783</u>

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Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

25. Risk Management and Financial Instruments--Continued

a) General considerations and policies--Continued

Classification of Financial Instruments--Continued

Consolidated

On June 30, 2023	Amortized cost	Fair value through profit or loss	Total
Financial Assets			
Cash and cash equivalents	59,704	-	59,704
Marketable securities	336,071	-	336,071
Trade accounts receivable	32,567	-	32,567
Other assets	21,869	-	21,869
Custody of crypto-assets	-	10,227	10,227
Crypto-assets portfolio	-	153	153
Earn-out advancement	14,168	-	14,168
	464,379	10,380	474,759
Financial Liabilities			
Suppliers	5,857	-	5,857
Commercial Lease Operations	1,105	-	1,105
Advances	367	-	367
<i>Cashback</i>	15,478	-	15,478
Earn-out payable	-	29,204	29,204
Call option	-	12,794	12,794
Crypto-assets portfolio	-	10,227	10,227
	22,807	52,225	75,032

On December 31, 2022	Amortized cost	Fair value through profit or loss	Total
Financial Assets			
Cash and cash equivalents	455,772	-	455,772
Marketable securities	287,614	-	287,614
Trade accounts receivable	31,180	-	31,180
Other assets	119,339	-	119,339
Custody of crypto-assets	-	6,707	6,707
Crypto-assets portfolio	-	102	102
Earn-out advancement	12,994	-	12,994
	906,899	6,809	913,708
Financial Liabilities			
Suppliers	18,716	-	18,716
Loans and financing	132	-	132
Advances	13,426	-	13,426
<i>Cashback</i>	17,224	-	17,224
Outstanding credits and facilities payable	356,016	-	356,016
Earn-out payable	-	36,954	36,954
Call option	-	12,794	12,794
Crypto-assets portfolio	-	6,707	6,707
	405,514	56,455	461,969

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

25. Risk Management and Financial Instruments--Continued

b) Financial risk management

Financial risk factors

The Company's activities expose it to various financial risks, namely: market risk (including currency and interest rate risk), credit risk and liquidity risk. The Company's risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on financial performance.

Risk management is carried out by the Company's treasury, and the policies must be approved by the Board of Directors. Treasury identifies, assesses and contracts financial instruments in order to protect the Company against possible financial risks, mainly arising from exchange and interest rates.

b.1) Market Risk

The Company is exposed to market risks arising from its business activities. These market risks mainly involve the possibility of changes in foreign exchange and interest rates.

i) Exchange risk

Exchange rate risk refers to changes in the US dollar, euro and Polish zloty exchange rates that could cause the Company to incur unexpected losses, leading to a reduction in assets.

The Company has a low volume of operations in US Dollars and Euros, representing essentially 8% of the period's revenue. In addition, considering the acquisition of Picodi in February 2021, variations in the Polish zloty may affect the measurement of the Company's revenue.

ii) Interest rate risk

The Company's interest rate risk arises from financial investments, bonds and securities, earn-out advances, earn-out payable, and short- and long-term loans and financing, if any. The Company's management has a policy of keeping the indexes of its exposure to lending and borrowing interest rates linked to floating rates. Short-term investments and loans and financing are adjusted by the post-fixed CDI, according to contracts signed with financial institutions.

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

25. Risk Management and Financial Instruments--Continued

b) Financial Risk Management--Continued

Financial Risk Factors--Continued

b.2) Credit Risk

The credit risk is based on the concentration of revenue that the Company has of 46.7% in three customers, the remainder being spread over hundreds of end customers, with whom the Company has a direct relationship. The result of this credit management is reflected under the heading Allowance for doubtful accounts, as shown in note 4.

The Company is subject to credit risks related to the financial instruments contracted in the management of its business. They consider the risk of non-settlement of operations held in financial institutions with which they operate, which are considered by the market to be top ranking ones.

b.3) Liquidity Risk

Management continually monitors the forecasts of the liquidity requirements of the Company and its subsidiaries to ensure that it has sufficient cash to meet operating needs, investment plans and financial obligations.

The Company invests excess cash in financial assets with post-fixed interest rates and with daily liquidity (CDBs of financial institutions that fall within the investment policy approved by management).

The following table summarizes the maturity profile of the Company's consolidated financial liabilities:

Parent Company

<u>On June 30, 2023</u>	<u>Less than 1 year</u>	<u>1 to 3 years</u>	<u>Total</u>
Suppliers	3,618	-	3,618
Cashback	14,713	765	15,478
Advances	317	-	317
Earn-Out	27,965	1,239	29,204
Call option	-	12,794	12,794
Total	46,613	14,798	61,411

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued
June 30, 2023
(In thousands reais, unless otherwise stated)

25. Risk Management and Financial Instruments--Continued

b) Financial Risk Management--Continued

Financial Risk Factors--Continued

b.3) Liquidity Risk--Continued

Consolidated

On June 30, 2023	Less than 1 year	1 to 3 years	Total
Suppliers	5,857	-	5,857
Commercial Lease Operations	326	779	1,105
Cashback	14,713	765	15,478
Advances	367	-	367
Earn-out payable	27,965	1,239	29,204
Call option	-	12,794	12,794
Custody of crypto-assets	10,227	-	10,227
Total	59,455	15,577	75,032

c) Capital management

The Company's businesses suggest maintaining a high amount of cash and cash equivalents in order to encourage cash outflows to meet short-term obligations, mainly cashback.

The main objectives of capital management are: (i) ensure the Company's going concern; (ii) ensure maximization of returns on financial investments; (iii) maximize shareholder return; and (iv) ensure the Company's competitive advantage in raising funds.

The Company manages its capital structure and adjusts it considering changes in economic conditions. The capital is monitored based on the Company's indebtedness ratio, which corresponds to the net debt divided by shareholders' equity, and the net debt is composed of the lease amount, plus loans and financing, if any, reduced by cash and cash equivalents, and securities.

The table below presents the company's debt ratio at June 30, 2023 and December 31, 2022:

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

25. Risk Management and Financial Instruments--Continued

c) Capital Management--Continued

Parent Company

	<u>06/30/2023</u>	<u>12/31/2022</u>
(-) Cash and cash equivalents	(48,206)	(413,667)
(-) Marketable securities	(328,734)	(5,026)
Net (cash) debt	(376,940)	(418,693)
Net Equity	770,573	786,456
Leverage ratio	(48.9%)	(53.2%)

Consolidated

	<u>06/30/2023</u>	<u>12/31/2022</u>
(-) Cash and cash equivalents	(59,704)	(455,772)
(-) Marketable securities	(336,071)	(287,614)
(+) Loans and financing	-	132
(+) Lease liabilities	1,105	-
Net (cash) debt	(394,670)	(743,254)
Net Equity	779,846	799,198
Leverage ratio	(50.6%)	(93.0%)

d) Sensitivity Analysis

The sensitivity analysis of the financial instruments was prepared under the terms of CVM Instruction 475/08, with the purpose of estimating the impact on the fair value of the financial instruments operated by the Company, considering three scenarios in the risk variable considered: most likely scenario, in the Company's evaluation; deterioration of 25% (possible adverse scenario) in the risk variable; deterioration of 50% (remote adverse scenario).

For being grounded on statistical simplifications, the estimates presented do not necessarily reflect the amounts ascertainable in the next financial statements. The use of different methodologies could have a material effect on the estimates presented.

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Notes to the individual and consolidated interim financial statements - Continued

June 30, 2023

(In thousands reais, unless otherwise stated)

25. Risk Management and Financial Instruments--Continued

d) Sensitivity Analysis--Continued

Additionally, the Company must present in its sensitivity analysis of financial instruments the risks that may generate material losses directly or indirectly considering the following elements, as determined by CVM Instruction 475/08:

- The probable scenario is defined as the scenario expected by the Company's management and referenced by an independent external source;
- The possible adverse scenario considers a 25% deterioration in the main risk variable determining the fair value of financial instruments; and
- The remote adverse scenario considers a 50% deterioration in the main risk variable determining the fair value of financial instruments.

The probable scenario adopted by the Company is the maintenance of market levels.

Under the Company's analysis, the financial instruments exposed to interest rate variation risk correspond to financial investments in CDBs and fixed income investment funds, classified as cash equivalents and financial investments.

Parent Company

	<u>Financial Instruments</u> <u>06/30/2023</u>
Assets	
CDI rate (%) Bacen	13.75%
Financial investments in cash and cash equivalents	44,413
Marketable securities	328,734
Earn-out advance	14,168
Amounts exposed to the risk of variation in the CDI rate	387,315
Possible adverse scenario (-25%)	(13,314)
Remote adverse scenario (-50%)	(26,628)
Liabilities	
CDI rate (%) Bacen	13.75%
<i>Earn-Out</i>	29,204
Amounts exposed to the risk of variation in the CDI rate	29,204
Possible adverse scenario (-25%)	(1,004)
Remote adverse scenario (-50%)	(2,008)

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued
June 30, 2023
(In thousands reais, unless otherwise stated)

25. Risk Management and Financial Instruments--Continued

d) Sensitivity Analysis--Continued

Consolidated

	<u>Financial Instruments</u> <u>06/30/2023</u>
Assets	
CDI rate (%) Bacen	13.75%
Financial investments in cash and cash equivalents	53,738
Marketable securities	336,071
Earn-out advance	14,168
Amounts exposed to the risk of variation in the CDI rate	403,977
Possible adverse scenario (-25%)	(13,887)
Remote adverse scenario (-50%)	(27,773)
Liabilities	
CDI rate (%) Bacen	13.75%
<i>Earn-Out</i>	29,204
Amounts exposed to the risk of variation in the CDI rate	29,204
Possible adverse scenario (-25%)	(1,004)
Remote adverse scenario (-50%)	(2,008)

26. Insurance Coverage

The insurances implemented by Company refer to the insurance of interns in the amount of R\$ 10 per intern for instances of accidental death/total or partial permanent disability and insurance for officers and managers with a maximum premium of R\$ 154.

Company also has insurance for data protection and cyber liability with a maximum coverage of R\$ 5,000. In addition, the Company and Bankly possess an insurance to protect the civil liability of the officers with maximum coverage of BRL 70,000.

The Company also has a surety bond with a maximum coverage of BRL 3,840.

The other companies in the group only have social responsibility insurance for their employees.

Méliuz S.A.

Notes to the individual and consolidated interim financial statements - Continued
June 30, 2023
(In thousands reais, unless otherwise stated)

Management

ANDRÉ AMARAL RIBEIRO
OFFICER

GABRIEL LOURES ARAÚJO
OFFICER

ISRAEL FERNANDES SALMEN
OFFICER

LEONARDO BORGES PISANESCHI
OFFICER

MARCIO LOURES PENNA
OFFICER

MAURO ROJAS HERRERA
OFFICER

TÚLIO BRAGA PAIVA PACHECO
OFFICER

MICHELLE MEIRELLES FERREIRA COSTA
OFFICER & ACCOUNTANT - CRC/MG 107.217/O-4