

Conference Call Transcript
Méliuz
4Q23 Results

Fernanda Tolentino:

Good morning, everyone, and thank you for joining us for one more earnings result webcast. We will now begin the earnings result webcast for 4Q23.

Our conference call is being translated simultaneously into English. If you wish to change languages, please click on the “interpretation” button at the bottom of the screen.

My name is Fernanda, I am part of the IR team. Joining me at this conference are Márcio Penna, Director of Investor Relations, Gabriel Loures, Growth Director and André Amaral, Director of Strategy, Shopping and Data.

This event is being recorded and we will post it on our IR site. The material that is being presented here is already available at the Result Center and on the CVM portal.

After the presentation, we will go on to the question and answer session. Should you wish to pose a question, please raise your hand by clicking on the button at the bottom of the screen.

I wish you all a good call. Márcio, you have the floor.

Márcio Penna:

Thank you, Fernanda. A good day to all of you. It is very good to be here with you for the 4Q23 and the full year consolidated. As you know, 2023 was a year for the adjustment of route. After moving away from a cycle with enormous investments, we needed to show the market that Méliuz was able to walk on its own feet, generate cash and go back to having a positive image to begin a new investment cycle.

And it was more than probable that the Company was able to do this. Thanks to all of Méliuz's employees, we restructured the cost and expense part, a robust change. We spoke to our suppliers and we also altered the Top Line of the operation, improving revenues, of course, optimizing our margins and, at the end, we had various surprising results, above what we had planned.

Our goal for the year was to reach EBITDA, the controlling party, at a break-even position close to zero and we were able to get to R\$15 million, which of course is highly positive, showing what we are able to do. And we are ready for the new challenge this year to grow sustainably, to continue to generate cash and maintain positive margins.

We would like to extend our thanks to all of the associates and employees at Méliuz that doubtlessly allowed this to happen. This is only part of our path, there is a great deal to do. The year 2024 will be challenging with new challenges for growth, and we have to base ourselves on this positive margin and operational results.

Having said that, I would like to share the presentation. As I mentioned, we were able to deliver the main goal of the year. The adjusted EBITDA of the parent company was very positive for the 4Q23, leveraged by the Top Line financial services and the shopping results were very good.

We reached R\$22.5 million for the EBITDA of the parent company, a growth of 191%, reversing the losses of the 4Q22. We left from -R\$93.8 for the parent company and reached R\$15.7 million positive this year.

We insisted on putting the last 12 months, with the close of the 1st, 2nd and 3rd quarters, to avoid seasonality and to see the path that we have tread throughout the year. This was something that we did step by step. As we always say, there is no silver bullet. We had to focus on the operation, decrease costs and expenses and, of course, focus on the Top Line.

We have the adjusted net result as well. We delivered R\$31 million for the 4Q23 compared to -R\$18.4 million of losses in the 4Q22. You are aware that we have a robust cash position, financial revenues and we were able to reach R\$30 million in EBITDA in the parent company.

For the annual figures, things are similar. We reverted the loss that we had last year, of -R\$35.5 million, reaching a positive EBITDA for the parent company of R\$46.9 million. The main driver for this success and reaching the break-even of the Company, without a doubt, was the Top Line, the margin of Shopping Brazil.

As you have always seen throughout the quarters, we have been optimizing our margins with a net take rate above two percentage points. We achieved an improvement in margins between 4Q22 and 4Q23 of 59%, reaching R\$35.8 million in 4Q23 and, in the annual view, we had a growth of 42%, going from R\$74 million in 2022 to R\$105.3 million in 2023.

Not less important: we restructured costs and expenses throughout the year. It was a very difficult process. We had to review all suppliers, many had to leave the Company, but this was a carefully carried out work.

We went from costs and expenses in 4Q22 of R\$109.8 million, reaching R\$86.7 million in 4Q23, which, due to cashback expenses, is the highest of the year. In the annual vision, we left R\$420.4 million of costs and expenses and reached R\$337 million in the year.

As you can see in the graph, we made R\$86.7 million in costs and expenses this quarter. Throughout 2023, we reduced around R\$83 million in costs and expenses. Basically, we removed a quarter of costs and expenses from our base. Therefore, we begin 2024 with a much more asset light base, ready to face new scenarios, whether they are adverse or for growth, which is what we expect.

Another good news of the year was that after two years of the acquired companies, Promobit and Melhor Plano, we began to achieve better results. In 2021, when we bought the companies, we had R\$15.7 million of revenue growth, and we reached R\$26.6 million this year, an increase of 70%. It is not different with EBITDA. We began with R\$1.8 million in 2021 to R\$5.5 million in 2023, a growth of 200%.

Nothing different here from what we did inside Méliuz. We acted on the Top Line, we carried out several partnerships to ensure they were efficient and, of course, we cut costs and expenses that were not necessary at the time.

Finally, when we speak about financial services, you will see that there was a significant enhancement of our figures and this should persist throughout 2024. We concluded the Bankly divestment and we are now focusing on digital accounts and credit cards with BV. In the last



quarter, we had 278.5 thousand accounts and we reached 915.4 thousand accrued at the end of the quarter.

To be very transparent, it is true that a percentage of these accounts are the migration of our own Méliuz accounts to the partnership with BV, but the large majority here refers to new credit cards. Of these 915.4 thousand, the absolute majority refers to new accounts.

We see the same in credit cards. At the end of 3Q23, we had 19.8 thousand cards. We now have an accrued number of 48.7 thousand cards, a growth of 146%.

If we stop speaking about 2023 and focus on the year 2024, our goal for this year is very clear: to maintain operational efficiency and optimize margin and net take rate of the core business of 2% and request for new growth avenues.

Beginning in 2024, we want to grow sustainably and, for that, we have some important pillars. First of all, we will focus on the growth of Shopping Brazil, maintaining the margin and net take rate above 2% and we are going to seek growth within the Shopping Brazil avenue.

The second is innovation in core businesses, launching products that generate recurrence and revenues for Méliuz and, of course, that will lead to incremental results for users and partners. And the third pillar is the ramp up of financial services. After the sale of Bankly, we and BV started to focus a lot on the operation. We have the digital account and card operation ramping up and we have the escalation of new products to happen throughout this year.

These three pillars will be sustained by operational efficiency, a highly robust structure that is asset light for costs and expenses, and this will be the foundation for the growth of the Company going forward.

We have some products that we have already launched and are seeking to gain more representation within Méliuz. First we have Méliuz Ads, which already has a very good performance. This quarter was very good for Méliuz Ads, because of the seasonality and because of Black Friday, which are advertising spaces. It presented a revenue that was 35% higher compared to 2022.

The most important thing is that we have received a lot of praise from our partners, stating that it has made a difference for the users who can click on these spaces and conclude their purchase.

Méliuz Prime is still not very representative, we are at the beginning, but we believe it will grow significantly during 2024. It is a monthly or annual subscription that users can make with Méliuz and receive a series of benefits, such as double cashback in some selected stores. We have received feedback from our users and we have enhanced this operation, and doubtlessly this will be on the growth.

Most of the users who have subscribed to Méliuz Prime have done so annually and not by month, which is very positive. So besides the recurring revenues, what is important for Méliuz is to show the user that they can buy from other stores that they had not imagined and have recurrent revenues to use the app recurrently and carry out purchases in stores that they are not used to buying from.

Once again, the basic pillar for all of this to happen are improvements and optimizations. Our

app is highly praised by the users, but it never comes to an end, it is always under development. We are always attentive to the market for enhancement and we receive the feedback of users to improve that contact that we have generated through our platform.

Regarding our partnership with BV, it is worth highlighting that in the last year many things happened within this financial services ecosystem. We began 2023 carrying out an agreement with BV for the sale of Bankly, a sale of our shares and also partnership for some of our products. So we focused on the bureaucratic issue of contracts.

In the second half of the year, we effectively started putting the app to work. The banking infrastructure that underlies the app belongs to BV, and the presentation in the app is very user friendly, it is created by Méλιuz. We were able to do this in the second half of the year.

And there is a third stage, which was the consolidation of the divestment of Bankly that happened in November of last year, and that enabled us to focus on the operation, which was what we wanted from the beginning. Therefore, I can say that we are at a point in time where we have the best phase of our partnership with BV. We are both attempting to see how this operation works, the new accounts and the credit card, and we are planning to create new products.

We are already in the planning phase for new products and others are under development, such as the Cofrinho, which is the income from the account balance and on-board insurance. Between the second and third quarters, we should be able to launch these new products that will doubtlessly bring us more users and make sure that the app is used more recurrently.

We are in a very good phase, but this is merely the beginning, there is a lot to happen and leverage. We expect a great deal from this partnership with BV and we are very optimistic that 2024 will be the year to ramp up this operation.

In terms of Picodi, International Shopping, the representation of the cashback operation has been increasing, which was one of our goals. If we look at the total net revenue, 50% comes from the cashback operation, which is very positive. However, we have had some challenges throughout this year in terms of organic traffic.

2024 will be highly challenging for Shopping International. We have to put Picodi at the very top of the selection when you are carrying out a survey. It will be a year in which we have to continue on with the growth of the cashback operations, that have a good evolution, but return to having the organic traffic that we imagined and expected and that was happening previously.

Therefore, we remain confident with this operation, knowing that Picodi will become a new Méλιuz in some European countries in a few years. However, we have a way to go until then. In a very transparent way, we are informing the market about this, knowing that these are challenges that are completely within our remit at Méλιuz and Picodi's management.

Finally, throughout the last quarters, we have spoken to analysts and investors about capital allocation. We announced the divestment of Bankly, we spoke about the capital reduction on the net amount received and this is what has been done.

We have had a good cash generation in 4Q23 because of the divestment of Bankly. This amount has been used for a reduction of cost expenses and legal consultancy and we are returning this to our shareholders as well.

We end the year 2023 with a cash balance of R\$664.3 million. We have the R\$210 million foreseen as divestment and this is not the only divestment foreseen for this year. We have something that has been explained in our release, another divestment that will fall in the first half of the year. We hope that our capital will stand at R\$454.3 million.

I would like to remind you about the main dates. On March 31st, the legal period of 60 days in the Brazilian Corporation Law ends for those who desire this money. We believe that this will not happen, as our Company has no debt.

On April 1st, the shareholders who have shares from Méliuz will be entitled to this capital reduction. On April 2nd, the Ex rates of the capital reduction will materialize minus the 2.41. And on April 11th, payment is made to those shareholders who were in our base on April 1st.

With this, I would like to end the presentation and we can proceed to the question and answer session.

Ricardo, BTG Pactual:

Good morning, everybody. I have three questions. First of all, if you could compare the number of active buyers on Shopping Brazil before the pandemic and how it stands presently, both in terms of absolute value and engagement, if the number of purchases per year has changed. The pandemic enabled a leap that is not recurrent, but it would be interesting if you could compare your figures with those before the pandemic.

In relation to your partnership with BV, what can we expect in terms of the pace of origination of new credit cards and accounts for the coming quarters, based on comparison with the level of 4Q23 and, of course, excluding the effect of the cancellation of old accounts?

Finally, what can we expect in terms of net take rate comparing 2024 and 2023, considering not only your Core Business but also those new products? Is there room for expansion and how relevant will it be? Thank you.

Márcio Penna:

Thank you, Ricardo. I will begin answering it, André, and please feel free to add to the answer.

Regarding recurring users: before the pandemic, if you look at our data that was published in our reference form, on average, in Brazil, a user will carry out four purchases a year, while a Méliuz's buyer would buy 7.4 or 7.5 times a year.

This has been updated in the reference form of 2022 and we do not observe significant changes. We will still publish this information for 2023, so we do not have this data finalized, but from what we can see internally, there have been no major changes in this regard. I will not mention a figure, but my expectation is that there haven't been any major changes in this regard.

Regarding the net take rate, the forecast of the Company is that we will continue seeking growth, but maintaining the margin optimization. In other words: those 2% or more of the net take rate is what we expect throughout 2024 as a whole.

Our quest for growth has a fundamental pillar, which is the following: growth since day zero has to come with a positive EBITDA. We do not want to make investments that demand a great deal of cash that will lead to losses further ahead. So, these are investments that will not erode Méliuz's main operation and also do not require a large initial investment. Since day zero, in the Core Business, the net take rate expected despite seasonality for 2024 will be above those 2%.

André, perhaps you want to answer the part regarding financial services.

André Amaral:

Yes. Thank you for the question, Ricardo. This was a quarter for the ramp up of our operation. We have four chapters in our partnership with BV. The first, as Márcio mentioned in the results presentation, consisted in the closing of the agreement of the sale of Bankly, closing BV's shareholding in Méliuz and starting the integrations.

I remind you that we had everything transacted via Bankly's bank as a service and that, behind the scenes, the financial institution had access to payments. During the first semester, we had work that was not easy, which was to migrate everything we had for those payments to the BV bank.

Once this was concluded in the first half of the year, in the second half of the year we began with the new accounts and cards that had been opened at Acesso. We did this in phases, as was mentioned in previous releases, along with BV. In the second semester, we carried out the necessary developments to also make the listing.

We operated for some time with Acesso as a financial institution, we opened up cards and accounts with Acesso. There was a development that also lasted around a semester, throughout the second half of last year, in which we were able to prepare our product not only to open new accounts and cards at BV, but also to convert the legacy account into a card that previously was in Acesso for the financial institution BV. All of this was done by Bankly's bank as a service, which continues to be the banking infrastructure behind our products.

There are still some resources to be taken, but they are marginal, so since this was practically completed in the second half of the year, we are now in the stage of scaling up the opening of digital accounts and credit cards.

We started this little by little, like every product we make at Méliuz. Now, we have had significant speed to guarantee the opening of accounts and that any problems were resolved, optimizing the user flow and their experience from opening the card request to the service part, to finally move at speed, which we have not yet achieved. We are at an escalating pace of account and card opening, which is this third chapter.

We went through the integration with BV, the listing and now we are in the process of opening accounts and cards. Beginning in the second half of the year, we will start new accessory products for account and card profitability. Márcio mentioned two that are already under development, which are insurance and interest-bearing accounts. And then we will enter the fourth phase, which is to add more products and services for our users and, obviously, monetize the partnership for Méliuz and BV.

Long story short, we were on the phase of scaling up this pace and we are still moving towards reaching that cruising speed that has not been totally fulfilled in 4Q23, when we were still in this

ramp up stage.

Ricardo:

That was very clear. Now, if you allow me a follow-up: you spoke a great deal about this moment of speeding up growth, but could you comment on which are the actions that fall under your control to enhance the GMV? This is, of course, an exogenous factor, as it depends on the performance of e-commerce, but what would you be able to do with it?

André Amaral:

To speak about Shopping and GMV, as you mentioned, of course, there are outside factors that we do not control, which is the pace of Brazilian e-commerce itself. But there are some factors that are at home and that we can anticipate.

One thing that we never stop doing is our optimizations in our products. We have a team that is focused on growth and, within this, we have several initiatives that go through development, communication, the commercial part that negotiates better launches. That is an ongoing thing, we have been doing this since the beginning. I think this is perhaps one of our competitive advantages.

What we have learned over these 12 years as a Company is how to improve user funnels, how to improve the product and how to have the best app for users to make purchases. It is not only about creating partnerships with stores, we have to optimize the conditions, see which is the best cashback we give to users and which are the best communications to send to users. And this is something that we do permanently.

We have an entire structure, an entire team looking for these funnel improvements and conversions, which is something that never ends. We were able to observe that, even in adverse scenarios, which was 2023 for Brazilian e-commerce, side by side with our partners, we enabled them to navigate through this adverse macroeconomic scenario and we created campaigns to acquire new users and campaigns to optimize their sales.

So this work involves product, commercial engineering, growth and this partnership with our partners for the best campaigns and the optimization of our user's products. This guarantees better conversion rates, better campaigns, better conditions and ancillary things.

Citing two products that were mentioned by Márcio: Méliuz Prime is a new tool launched at the end of last year that guarantees a better retention of users, in addition to guaranteeing margins. It guarantees more valuable users that engage with the ecosystem for Méliuz and partners.

Méliuz Ads is something that has generated a great deal of value for our users. We have spaces because of the calls that enable us to foster communication and to develop Méliuz to implement. We have a good margin in this operation and partners are seeing more value in it, because once they invest in Méliuz Ads, they can see the results it generates. This increases the competition for our partners to carry out more campaigns.

Meanwhile, it generates a virtuous circle and this will enable us, as Márcio said, to continue to grow without putting aside at least 2% in net take rate, even though the macro scenario may be challenging.

William, Itaú:

Good morning, Márcio and André. Congratulations on your result and thank you for the presentation. I have a question thinking about the future, about that new cycle of growth that you have mentioned here.

I believe that the work of 2023 was very well done and you now can speed up once again. Now, to be able to do this, I would like to understand how your investment will be made in this new cycle, whether you are going to use part of your cash or the totality of the cash left over from the divestment of Bankly and if the investments will be made in new products or if you are thinking about M&As.

Finally, I know it is difficult to answer this now, but do you believe you will have some cash left over to pay out to shareholders after your investment cycle in 2024?

Márcio Penna:

Thank you for the question, William, and thank you for being here. Our growth for this year is based on organic growth, so it is the growth that André commented on about Shopping Brazil, about bringing in new products and enhancing our cashback operation further and, of course, the financial services through our partnership with BV.

You have noticed that we have a robust cash position. A percentage of this cash will be withdrawn because of the capital reduction. It is not the only planned reduction, we have the acquisition of Picodi also for 2025. It is important for the market to notice these expenses that do not take place in the short term, but will of course be happening at a given moment. Despite all of this, it is evident that we will have a surplus of cash that will enable us to run the operation quite calmly.

The Company has always studied new growth verticals that have synergy with what we currently operate inorganically, and this is no different.

There is nothing today that we would like to disclose to the market, even for regulatory reasons, but the Company continues to carry out its studies to see if there is something in the market that makes sense for us to bring in, whether in the online or offline world, and that it starts from that pillar that we commented on during our presentation, something that from day zero will already increase our EBITDA and that we do not need to make a strong investment to have a long-term return. So, these studies will continue.

Of course, as soon as we have something more solid, we will duly communicate it to the market. If there is nothing in that direction, if there is a cash surplus and if it becomes necessary to reduce capital, repurchase shares or pay out dividends in the future, it is too early to refer to this. There is nothing being discussed within the Company referring to this.

Eventually, if there is no inorganic acquisition, this will be debated at the end of the year and we will update the market.

Leandro, UBS:

Good morning, Márcio, André and Fernanda. Congratulations on the results and thank you for the space. My question is about Méliuz Ads.

You talked about the 35% year-on-year growth, if I am not mistaken, but in our coverage we have other players who refer to the penetration of that revenue in total GMV. I know you are still at the incipient phase of Méliuz Ads, but could you give us an idea of how Méliuz Ads is penetrating GMV and how far you imagine it can go?

The second question is still about Méliuz Ads: what is the EBITDA margin of the business, and is it accretive for the consolidated margins? That is all. Thank you.

Márcio Penna:

Thank you, Leandro, for the question. I knew this question would come up, but, unfortunately, the Company still does not disclose this information. What I can say is that the revenues of Méliuz Ads have gained representation within the revenue of Méliuz.

Between 2022 and 2023, Méliuz Ads' revenues grew 35%, but it still is not very representative without the entire ecosystem, even within the Shopping Brazil ecosystem. There is room for it to grow in the following quarters and years.

This issue of penetration and margin is something that unfortunately we do not disclose yet, sorry about that. But as we are dealing with a product that is a space within our app, you can consider that we have a price for the developer, the marketing issue and publishing, but the margins are very good. As any publication, anything with ads and payments do generate high margins.

More important than that is to highlight how well this has been seen by our partners. It has been growing in the Méliuz ecosystem because the partners have noticed that a click on that advertising campaign that we hold has generated a return for them. Users are clicking on this and there has been a return.

So we are not only thinking about margins and revenues, we are also thinking about benefits for the users as well as for partners, and doubtlessly this will enhance representation in the coming quarters and years. I apologize for not being able to share more information.

Alexandre, Morgan Stanley:

Good morning, everyone. Thank you for taking my question. Márcio, you had commented about the fact that you have organized things, especially in terms of profitability, and now you are focusing on reaccelerating the growth of margins. But you also mentioned that you would not be willing to put aside the net take rate, at least not at this point of time. I want to understand, in this reacceleration speech, how much is implicit in a reacceleration of the e-commerce market as a whole?

And, perhaps related to this, what is the appetite of companies to start investing more in marketing tools, through Méliuz and other players too? Thank you.

André Amaral:

As you mentioned, Alexandre, a basic assumption is to maintain the net take rate for the critical conditions of cashback, this will be maintained. What we cannot put aside are the results that we began to see in 4Q23 and the full year 2023, from sales generated by partners.

I think one of the qualitative views that we can follow is the fact that our partner base remains very robust. We have commented on this since the IPO, on how partners see the value in Méliuz, and I think the biggest proof of this is the continuity. Not only the continuity of this partner base, but its growth.

And an increased investment through time. Of course, there are seasons of market campaigns and macroeconomics as a whole. And we have faced several different periods in the last three years.

But when we follow up on the campaigns that we hold, most of them are literally sold out, especially what we call special campaigns. This shows the special appetite of our partners, in addition to the fact that they are, on a recurring and continuous basis, investing with us, which proves that we have generated this result for them.

In addition to organic growth, what we have already remarked for some time and that we would like to reinforce is the size of the Méliuz ecosystem, where everything interacts. Today, as we mentioned, we have digital accounts, which are reaching almost one million accounts, but we are referring to a universe of more than 30 million users on Méliuz. We have a highly heterogeneous space that we can explore with highly diverse products.

We talked a lot about Shopping, but we have other products in financial services, starting with digital accounts and cards, and these things are starting to interact. This generates a very promising flywheel and helps us to generate results from Shopping, which helps generate results from financial services. And so this continues to grow organically.

Of course, besides that cashback, we also hold campaigns and strategies for acquisition. We already have a robust base for digital accounts, users and Brazil Shopping, but we continue to work with organic acquisition strategies for new users and in our balance, although this is not expressive, it used to be higher. We are focused on the immediate profitability of the investments paid out.

The expenses for marketing show this. We are extremely aware, guaranteeing that there will be a rapid payback on this. That line item will not explode during 2024, but it is a channel.

This is something that we have reiterated throughout the years and it is important to reinforce it: there is no silver bullet. We are optimizing our actions and we are selling all of this to our partners. And there is a pillar of paid marketing, which is not our main pillar, but, of course, it is important. Each channel, each user acquisition has to guarantee its profitability, the shopping generating higher profitability for our financial services and vice versa.

The sum of all this is what ensures that we continue to generate value for users and our partners.

Alexandre:

That was very clear. If you allow me a follow up, I found your comment very interesting about the campaigns that you launch, that they are rapidly sold out. But when we look at GMV trends in 4Q23, the drop in GMV for Brazil year on year, if we look at Méliuz and Promobit, was somewhat worse than in 3Q23, and the base of comparison in 4Q23 was relatively weaker than in 3Q23.

I simply wanted to understand if you have some internal measurement of the share of wallet of consumers who use Méliuz versus other players in relation to the cashback policy.

My question, besides that base of comparison, besides that drop year on year in GMV, when we look at these changes year on year and compare the spread with what Neo Trusts reports, which I think is the best measure to look at the Méliuz market, there still seems to be a significant spread here. So I would like to understand your mindset on that dynamic on the part of the consumer and on the part of your clients, the retailers which seem to be in a healthy situation.

André Amaral:

We monitor not only the cohorts of old users, but also new ones, to observe their retention and stemming. This is internal data that we do not disclose, but we monitor. Briefly, we can say that we were unable to see major changes in the behavior of users in our base.

There is certainly an exogenous impact on the Company and, as you mentioned, on the market itself. Although 4Q22 already had a slowdown in the market as a whole, which we followed, we saw 4Q23 also having this slowdown across the market. Obviously this impacted us, which is what the numbers show.

Márcio Penna:

We do this monitoring. Alexandre, you have to be careful with the numbers you see. Neo Trust is an excellent proxy, but it probably has Mercado Livre's number, which is not one of our partners. Our internal management model is analyzed with each partner, and it is different from those proxies that the market can follow as a whole.

Now, the Black Friday period in 2023 was indeed somewhat worse than the Black Friday period in 2022. But we did see a reaction from the market. In 2024, at the beginning of the year, we have that perception of an improvement.

We monitor users by partners as well as our competitors and the important thing here is market share, which we are not worried about because we are not having problems such as losing users to competitors.

André Amaral:

I do not know if everyone follows the Méliuz app, but Mercado Livre recently became a partner. It has not yet explored the cashback tool, but has recently become a player that uses affiliate marketing mechanisms in the market as a whole. But you can be sure that we maintain conversations with them and with all players in the sector.

Fernanda Tolentino:

We now close the question and answer session. I would like to give the floor to Márcio to make his final considerations.

Márcio Penna:

Thank you, Fernanda. I would like to thank everyone once again for being here and give you one last piece of news. One of our acquired companies, Promobit, which until then had its founder as CEO, is making a transition, and the new CEO is a Méliuz employee who has been with us since 2016, Daniela Fagundes.

She is an excellent and capable person, in addition to being the first female CEO within a CASH3 Group company. We are very happy and I am sure that she will perform very well within Promobit, just as Tavares performs in Melhor Plano, bringing great growth.

Not least, Dani was promoted to CEO of Promobit and she is eight months pregnant. I just wanted to share with you this really cool news.

I would like to thank you for your presence, knowing that the next quarters will be challenging, but with new challenges, challenges of growth, maintaining our profitability.

We are available to answer any questions you may have throughout the day. Thank you.

Fernanda Tolentino:

Thank you all. Meliuz's 4Q23 results webcast is now closed. See you next time.