

Quarterly Information - ITR

Méliuz S.A.

September 30, 2023
with Independent Auditor's Review Report



Méliuz S.A.

Quarterly Information - ITR

September 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 September 30, 2023, which comprises the statement of financial position as at September 30, 2023 and the related statements of profit or loss and of comprehensive income for the three and nine-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).

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 September 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 nine-month period ended September 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), November 08, 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
September 30, 2023
(In thousands of Reais)

	Notes	Parent Company		Consolidated	
		09/30/2023	12/31/2022	09/30/2023	12/31/2022
Assets					
Current Assets					
Cash and cash equivalents	3.a	151,074	413,667	165,689	455,772
Trade accounts receivable	4	10,424	12,524	19,531	31,180
Marketable securities	3.b	251,094	5,026	253,188	287,614
Recoverable taxes	5	22,722	16,891	23,261	27,734
Custody of crypto-assets	6.1	-	-	9,242	6,707
Crypto-assets portfolio	6.1	-	-	146	102
Other assets	6.2	4,333	7,876	15,531	113,883
		439,647	455,984	486,588	922,992
Assets held for sale:	8	186,746	-	460,140	-
Total current assets		626,393	455,984	946,728	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	14,694	12,994	14,694	12,994
Other assets	6.2	15,195	12,353	2,608	5,456
Long-term assets		84,983	80,441	72,396	91,712
Investments	9	178,528	393,411	1	1
Fixed assets	10	2,247	3,516	2,473	4,605
Commercial leasing - right of use	11	-	-	910	-
Intangible assets	12	7,940	3,082	178,865	338,641
Total non-current assets		273,698	480,450	254,645	434,959
Total assets		900,091	936,434	1,201,373	1,357,951

	Notes	Parent Company		Consolidated	
		09/30/2023	12/31/2022	09/30/2023	12/31/2022
Liabilities					
Current Assets					
Suppliers	14	5,161	6,950	7,382	18,716
Loans and financing		-	-	-	132
Labor and tax obligations	15	17,213	27,206	20,715	41,792
Income tax and social contribution payable	17	967	-	1,724	656
Provision for cashback	16	13,689	16,270	13,689	16,270
Commercial leasing payable	11	-	-	351	-
Outstanding credits and establishments payable	18	-	-	-	356,016
Minimum dividends payable		19	19	19	19
Custody of crypto-assets	6.1	-	-	9,242	6,707
Deferred income	13	5,749	5,749	5,749	5,749
Earn-out payable	19.a.i	23,837	8,034	23,837	8,034
Advances		213	861	225	13,426
Other liabilities		1,010	3,354	1,114	4,097
		67,858	68,443	84,047	471,614
Liabilities related to assets held for sale	8	-	-	273,394	-
Total current liabilities		67,858	68,443	357,441	471,614
Non-current assets					
Commercial leasing payable	11	-	-	639	-
Provision for cashback	16	281	954	281	954
Deferred taxes		-	-	590	873
Labor and tax obligations	15	2,344	3,895	5,521	6,315
Earn-out payable	19.a.i	5,507	28,920	5,507	28,920
Purchase option	19.b	12,794	12,794	12,794	12,794
Deferred income	13	30,180	34,492	30,180	34,492
Provisions for tax, civil and labor risks	21.a	393	450	502	2,789
Other liabilities		-	30	2	2
Total non-current liabilities		51,499	81,535	56,016	87,139
Net Equity					
Capital Stock	20	920,481	920,480	920,481	920,480
Capital Reserve		(27,859)	(39,392)	(27,859)	(39,392)
Other comprehensive income		(3,965)	(3,636)	(3,965)	(3,636)
Accumulated losses		(107,923)	(90,996)	(107,923)	(90,996)
Shareholder's equity attributable to controlling shareholders		780,734	786,456	780,734	786,456
Shareholder's equity attributable to non-controlling shareholders		-	-	7,182	12,742
Total net equity		780,734	786,456	787,916	799,198
Total liabilities and shareholders' equity		900,091	936,434	1,201,373	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 and nine-month periods ended September 30, 2023 and 2022

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

	Notes	Parent Company				Consolidated			
		Three-month period ended on		Nine-month period ended on		Three-month period ended on		Nine-month period ended on	
		09/30/2023	09/30/2022 (Restated)	09/30/2023	09/30/2022 (Restated)	09/30/2023	09/30/2022 (Restated)	09/30/2023	09/30/2022 (Restated)
Continuing operations									
Net revenues	22	54,258	64,411	178,913	200,871	70,420	76,957	226,220	238,725
Operating expenses									
Cashback expenses		(27,006)	(41,499)	(98,272)	(136,847)	(28,885)	(42,596)	(104,213)	(139,800)
Personnel expenses		(15,921)	(30,127)	(60,605)	(91,627)	(20,357)	(35,807)	(74,265)	(107,785)
Commercial and marketing expenses		(2,399)	(2,720)	(8,310)	(12,843)	(5,577)	(4,835)	(17,129)	(18,097)
Software expenses		(1,813)	(5,663)	(8,212)	(18,544)	(2,393)	(6,391)	(10,161)	(20,486)
General and administrative expenses		(965)	(2,988)	(4,901)	(8,011)	(13,223)	(5,579)	(35,655)	(16,101)
Third-party services		(2,120)	(4,800)	(15,914)	(20,149)	(2,436)	(5,213)	(16,689)	(21,459)
Depreciation and amortization		(2,167)	(1,377)	(4,992)	(3,971)	(2,724)	(1,775)	(6,667)	(5,232)
Others		1,406	(953)	3,836	(1,619)	1,551	(1,195)	3,800	(2,731)
		(50,985)	(90,127)	(197,370)	(293,611)	(74,044)	(103,391)	(260,979)	(331,691)
Gross Profit		3,273	(25,716)	(18,457)	(92,740)	(3,624)	(26,434)	(34,759)	(92,966)
Equity Accounting		(627)	(750)	(4,019)	(1,345)	-	-	-	-
Income before financial result and taxes		2,646	(26,466)	(22,476)	(94,085)	(3,624)	(26,434)	(34,759)	(92,966)
Financial results	23	7,771	13,070	28,618	36,361	12,732	13,174	37,433	36,415
Result before income taxes		10,417	(13,396)	6,142	(57,724)	9,108	(13,260)	2,674	(56,551)
Current and deferred income and social contribution taxes	17	(967)	4,668	(967)	19,521	(1,497)	4,196	(2,810)	17,626
Net income (loss) from continuing operations		9,450	(8,728)	5,175	(38,203)	7,611	(9,064)	(136)	(38,925)
Discontinued operations									
Losses from discontinued operations		(2,448)	(8,941)	(22,102)	(13,777)	(2,448)	(8,941)	(22,102)	(13,777)
Net profit (loss) of the period		7,002	(17,669)	(16,927)	(51,980)	5,163	(18,005)	(22,238)	(52,702)
Net income (loss) for the period attributable to:									
Non-controlling shareholders		-	-	-	-	(1,839)	(336)	(5,311)	(722)
Controlling shareholders		-	-	-	-	7,002	(17,669)	(16,927)	(51,980)
Basic and diluted earnings per share (in BRL)		0.08	(0.20)	(0.20)	(0.60)	-	-	-	-
Basic and diluted earnings per share for continued operations (in BRL)		0.11	(0.10)	0.06	(0.44)	-	-	-	-

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

Méliuz S.A.

Comprehensive Income Statements (Loss)

Three and nine-month periods ended September 30, 2023 and 2022

(In thousands of Reais)

	Notes	Parent Company				Consolidated			
		Three-month period ended on		Nine-month period ended on		Three-month period ended on		Nine-month period ended on	
		09/30/2023	09/30/2022	09/30/2023	09/30/2022	09/30/2023	09/30/2022	09/30/2023	09/30/2022
Net profit (loss) of the <i>period</i>		7,002	(17,669)	(16,927)	(51,980)	5,163	(18,005)	(22,238)	(52,702)
Other comprehensive income		(265)	(969)	(329)	(3,580)	(517)	(1,858)	(651)	(6,999)
Currency exchange adjustment of foreign subsidiaries	20	(265)	(926)	(329)	(3,580)	(517)	(1,815)	(651)	(6,999)
Change of investment share		-	(43)	-	-	-	(43)	-	-
Total comprehensive income for the period		6,737	(18,638)	(17,256)	(55,560)	4,646	(19,863)	(22,889)	(59,701)
Comprehensive result of the fiscal year assignable to:									
Non-controlling shareholders		-	-	-	-	(2,091)	(1,225)	(5,633)	(4,141)
Controlling shareholders		-	-	-	-	6,737	(18,638)	(17,256)	(55,560)

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

Méliuz S.A.

Statements of Changes in Shareholders' Equity
 Nine-month periods ended September 30, 2023 and 2022
 (In thousands of Reais)

	Capital Reserve						Retained earnings (loss)	Total	Non-controlling shareholders interests	Total net equity
	Capital Stock	Goodwill on issuance of shares	Options granted	Other reserves	Treasury Stock	Other comprehensive income				
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	148,302	-	-	-	-	-	-	148,302	-	148,302
Capital Reserve	-	(14,467)	-	-	-	-	-	(14,467)	-	(14,467)
Losses for the period	-	-	-	-	-	-	(51,980)	(51,980)	(722)	(52,702)
Options granted	-	-	8,313	-	-	-	-	8,313	-	8,313
Restricted shares granted	-	-	-	-	8,382	-	-	8,382	-	8,382
Share-based payment	-	-	-	-	2,607	-	-	2,607	-	2,607
Currency exchange adjustment	-	-	-	-	-	(3,580)	-	(3,580)	(3,419)	(6,999)
Change of investment share	-	-	-	-	-	-	-	-	-	-
Balances as of September 30, 2022	920,480	(24,219)	12,268	(40,840)	-	(4,821)	(86,383)	776,485	12,434	788,919
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	-	-	-	-	-	-	(16,927)	(16,927)	(5,311)	(22,238)
Recapitalization	1	-	-	-	-	-	-	1	-	1
Options granted	-	-	11,533	-	-	-	-	11,533	-	11,533
Others	-	-	-	-	-	-	-	-	73	73
Currency exchange adjustment	-	-	-	-	-	(329)	-	(329)	(322)	(651)
Balances as of September 30, 2023	920,481	(16,758)	29,739	(40,840)	-	(3,965)	(107,923)	780,734	7,182	787,916

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

Méliuz S.A.

Statements of Cash Flows Nine-month periods ended September 30, 2023 and 2022 (In thousands of Reais)

	Parent Company		Consolidated	
	09/30/2023	09/30/2022	09/30/2023	09/30/2022
Operating Activities				
Earnings before income taxes from discontinued operations	6,142	(57,724)	2,674	(56,551)
Result of the period before taxes from discontinued operations	(22,102)	(13,777)	(22,096)	(13,777)
Earnings before income taxes	(15,960)	(71,501)	(19,422)	(70,328)
Adjustments for:				
Depreciation and amortization	12,573	7,342	15,326	9,212
Gain/loss on disposal of fixed assets	72	972	97	1,013
Net income and interest	7,375	(91)	(1,057)	1,070
Allowance for doubtful accounts	4,481	(1)	3,439	411
Equity	18,540	11,750	-	-
Employee Benefits with Shares Options	11,533	8,313	11,533	8,313
Appropriation of deferred revenue	(4,312)	(3,322)	(4,312)	(3,322)
Provision for cashback	108,632	152,626	108,632	152,626
Provisions for tax, civil and labor risks	(57)	215	(1,818)	997
<i>Earn-Out</i>	(186)	-	(186)	-
Loss with investment	(1)	711	-	711
Settlement of Treasury Stocks	-	8,382	-	8,382
Exchange Variation and Others	(1)	192	359	2,871
Adjusted Result	142,689	115,588	112,591	111,956
Changes in Assets and Liabilities:				
Trade accounts receivable	(2,381)	38,131	(18,933)	63,518
Recoverable taxes	(5,831)	(12,176)	(5,483)	(16,014)
Other assets	5,437	(1,387)	20,797	(52,859)
Deferred income	-	45,000	-	45,000
Suppliers	(1,789)	1,868	(2,151)	2,411
Labor and tax obligations	(11,544)	10,994	(13,120)	13,091
<i>Cashback</i> paid	(111,886)	(174,245)	(111,886)	(174,245)
Outstanding credits and establishments payable	-	-	(104,082)	(1,241)
Other liabilities	(3,022)	(405)	(12,911)	(21,344)
Earn-out paid	(8,035)	-	(8,035)	-
Acquisition of cryptocurrencies	-	-	(44)	(17)
IRPJ and CSLL paid	-	-	(2,010)	(2,512)
Commercial leasing	-	91	-	92
Payment of interest on leases	-	(67)	(32)	(68)
Net cash generated (used) in operating activities	3,638	23,392	(145,299)	(32,232)
Investment activities				
Additions to fixed assets and lease	-	(399)	(133)	(468)
Receipt from sale of fixed assets	544	107	556	101
Additions to intangible	(7,508)	-	(15,068)	(1,625)
Acquisition of assets instrument	-	(34,609)	-	(34,599)
Paid-up capital	1	-	1	-
Cash from business combination	-	-	-	52,124
Acquisition of financial instruments	(259,568)	(5,400)	(36,468)	17,750
Capital increase in subsidiary	-	(36,434)	-	-
Earn-out advance	-	(15,328)	-	(15,328)
Receipt for sale of equity interest	300	-	300	-
Net cash used in investment activities	(266,231)	(92,063)	(50,812)	17,955
Financing activities				
Loan and lease payments	-	(520)	(372)	(6,895)
Receivables from related parties	-	(405)	-	-
Mandatory dividends paid	-	(2)	-	(2)
Net cash used in financing activities	-	(927)	(372)	(6,897)
Effect of exchange variation on exchange adjustment	-	-	(651)	(6,999)
Net change in cash and cash equivalents	(262,593)	(69,598)	(197,134)	(28,173)
Cash and cash equivalents				
At the beginning of the period	413,667	489,256	455,772	514,749
At the end of the period	151,074	419,658	258,638	486,576
Net change in cash and cash equivalents	(262,593)	(69,598)	(197,134)	(28,173)

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

Méliuz S.A.

Statements of Added Value
 Nine-month periods ended September 30, 2023 and 2022
 (In thousands of Reais)

	Parent Company		Consolidated	
	09/30/2023	09/30/2022	09/30/2023	09/30/2022
Revenues				
Gross service revenues	201,919	228,433	319,861	299,209
Other revenues	5,987	3,429	7,655	4,351
Allowance for doubtful accounts	4,481	-	(657)	(411)
	212,387	231,862	326,859	303,149
Inputs purchased from third parties				
Cashback costs	(108,622)	(152,978)	(114,563)	(155,930)
Third-party services	(25,484)	(34,213)	(38,436)	(44,844)
Infrastructure expenses	(10,893)	(21,325)	(24,501)	(33,050)
Others	(9,405)	(11,730)	(81,589)	(34,963)
	(154,404)	(220,246)	(259,089)	(268,787)
Gross Added Value	57,983	11,616	67,770	34,362
Depreciation and amortization	(12,573)	(7,342)	(15,326)	(9,212)
Net Added Value produced	45,410	4,274	52,444	25,150
Added Value received in transfer	21,278	26,150	58,998	51,583
Equity Accounting	(18,540)	(11,750)	-	-
Financial income and exchange variation	39,818	37,900	58,998	51,583
Total added value to distribute	66,688	30,424	111,442	76,733
Distribution of the added value				
Personnel	54,212	78,682	91,001	110,094
Direct compensation	29,464	41,261	59,528	66,517
Benefits	21,986	34,028	26,426	38,430
FGTS	2,762	3,393	5,047	5,147
Taxes, fees and contributions	18,007	2,033	38,060	15,136
Federal	12,202	(6,031)	30,138	5,803
State	7	21	12	27
Municipal	5,798	8,043	7,910	9,306
Remuneration of third-party capital	11,396	1,689	4,619	4,205
Interests	10,776	1,220	3,535	2,933
Rentals	18	86	456	851
Others	602	383	628	421
Remuneration of equity capital	(16,927)	(51,980)	(22,238)	(52,702)
Losses for the period	(16,927)	(51,980)	(16,927)	(51,980)
Non-controlling shareholders interest in retained earnings	-	-	(5,311)	(722)
Distribution of the added value	66,688	30,424	111,442	76,733

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

Méliuz S.A.

Notes to the individual and consolidated interim financial statements
September 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 José Versolato, 111, Bloco B, Sala 3014, Centro, 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, to the end of the executive board tenure, which was in progress, therefore up to September 01, 2023.

On September 01, 2023, the Board of Directors of the Company, approved in the meeting the reelection of Mrs. Michelle Meirelles Ferreira Costa as Chief Financial Officer, and Mr. Márcio Loures Penna as Chief Investor Relations Officer up to August 31, 2024.

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 one (1) common share to hundred (100) common shares and subsequently the split of all its shares in proportion of 1 (one) common share to 10 (ten) common shares, without modifying the Company’s capital stock.

1. Operational Context--Continued

Méliuz S.A.

Notes to the individual and consolidated interim financial statements
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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 September 2023 of BRL 22,900. 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 BRL 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 September 30, 2023, such company does not compose the period's results and presents an impact on the comparative balances only.

Méliuz S.A.

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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 third 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
September 30, 2023
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1. Operational Context--Continued

e) Disposal of the control of Acessopar and Bankly--Continued

On June 01, 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. ("Acessopar").

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).

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

Accordingly, these 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 November 06, 2023.

Méliuz S.A.

Notes to the individual and consolidated interim financial statements
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(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>09/30/2023</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
27	29	Subsequent Events

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Notes to the individual and consolidated interim financial statements
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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
September 30, 2023
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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 01st, 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	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Cash and Banks	3,240	10,356	5,854	36,866
Financial Investments (a)	147,834	403,311	159,835	418,906
Total	151,074	413,667	165,689	455,772

(a) The Company has cash equivalents related to fixed income financial investments indexed to the variation of 100% to 105% 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 September 30, 2023 and December 31, 2022:

	Parent Company		Consolidated	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Cash and Banks	3,240	10,356	5,854	36,866
Financial investments	147,834	403,311	159,835	418,906
	151,074	413,667	165,689	455,772
Cash and cash equivalents attributable a Discontinued operations	-	-	92,949	-
Total	151,074	413,667	258,638	455,772

Méliuz S.A.

Notes to the individual and consolidated interim financial statements

September 30, 2023

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3. Financial Instruments--Continued

b) Marketable securities

	Parent Company		Consolidated	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Government securities (a)	-	-	-	277,639
SCD Collateral (b)	-	-	-	1,202
Financial investments (c)	251,094	5,026	253,188	8,773
Total	251,094	5,026	253,188	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. 18.

(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	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Accounts receivable	10,860	17,441	22,979	42,389
Allowance for doubtful accounts	(436)	(4,917)	(3,448)	(11,209)
Total	10,424	12,524	19,531	31,180

b) Composition of customer balances by maturity

	Parent Company		Consolidated	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Amounts to fall due	8,772	16,978	19,637	29,319
Outstanding amounts				
From 01 to 60 days	1,943	279	2,260	4,835
From 61 to 90 days	11	23	41	1,385
From 91 to 120 days	17	5	71	2,777
From 121 to 180 days	16	34	228	2,587
More than 180 days	101	122	742	1,486
Total	10,860	17,441	22,979	42,389

Méliuz S.A.

Notes to the individual and consolidated interim financial statements
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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)	3,099	4,252
Write-offs (c)	(7,580)	(7,691)
Transfer to asset held for sale	-	(3,992)
Exchange variation (a)	-	(330)
Balance as of September 30, 2023	436	3,448

(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 mainly 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 and BRL 7,290 in consolidated.

5. Recoverable taxes

	Parent Company		Consolidated	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Income and social contribution taxes (a)	13,581	16,831	13,581	17,749
Withholding income tax (b)	7,471	-	7,471	6,717
Other recoverable taxes (c)	1,670	60	2,209	3,268
Total	22,722	16,891	23,261	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.

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Notes to the individual and consolidated interim financial statements
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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 September 30, 2023, cryptocurrency custody is BRL 9,242 (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.

As of September 30, 2023, the own asset portfolio totals BRL 146 (BRL 102 at December 31, 2022), of which BRL 13 is a negative 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
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6. Other assets--Continued

6.2. Other assets

	Parent Company		Consolidated	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Prepaid expenses (a)	1,341	6,003	1,751	14,460
Procedural asset (b)	1,128	1,122	1,128	1,122
Contractual guarantee (c)	-	2,003	-	2,073
Other accounts receivable (d)	2,158	1,019	12,873	93,724
Advance payments (e)	553	454	654	5,478
Other amounts receivable (f)	1,667	1,967	1,667	1,967
Méliuz FIDC (g)	12,653	7,617	-	-
Others	28	44	66	515
	19,528	20,229	18,139	119,339
Current Assets	4,333	7,876	15,531	113,883
Non-current assets	15,195	12,353	2,608	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:

	12/31/2022	Capital contributions	Income for the period	09/30/2023
Méliuz Fundo de Investimento em Direitos Creditórios	7,617	13,500	(8,464)	12,653
Total	7,617	13,500	(8,464)	12,653

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

Income Statements	09/30/2023
Net Revenue	14,390
Operating expenses	(22,827)
Financial results	(27)
Income before taxes	(8,464)
Current and deferred income and social contribution taxes	-
Losses for the period	(8,464)
Balance Sheet	09/30/2023
Total assets	12,701
Total Liabilities	48
Total net equity	12,653

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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] and members of Board of Directors, whose compensation paid in the period ended September 30, 2023 was BRL 8,150 (BRL 4,241 in the period ended September 30, 2022).

The compensation of the Company's key management personnel comprises the short term benefits and incentive plan based on shares. The members of the Company's Board of Directors are not entitled to post-employment benefits, termination benefits or other long-term incentives.

	Consolidated	
	09/30/2023	09/30/2022
Short-term benefits (a)	4,931	3,100
Share-based remuneration	3,219	1,141
Total	8,150	4,241

(a) The Company's short-term benefits are: salaries and directors' fees (not including the employer's social security contribution), bonuses and welfare benefits.

The compensation of the Company's key management personnel is paid in full by Méliuz S.A.

Méliuz S.A.

Notes to the individual and consolidated interim financial statements
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7. Transactions with related parties--Continued

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 September 30, 2023, the only related party that has transactions with Méliuz is Bankly.

	Bankly	
	09/30/2023	12/31/2022
Cash and cash equivalents (a)	6,934	6,926
Accounts receivable	-	507
Other accounts receivable	964	-
Prepaid expenses	-	1,726
Suppliers	-	(470)

	Bankly	
	09/30/2023	09/30/2022
Revenues	(1,343)	-
Expenses	3,703	3,132
Others	(1,130)	-
Financial results	(463)	-

(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
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8. Assets and liabilities held for sale and discontinued operations

On June 01, 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. ("Acessopar").

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 September 30, 2023 are as follows:

	09/30/2023			
	Bankly	Acessopar	Eliminations	Total
Assets				
Current Assets				
Cash and cash equivalents	92,767	182	-	92,949
Trade accounts receivable	4,407	-	-	4,407
Marketable securities	70,894	-	-	70,894
Recoverable taxes	9,894	43	-	9,937
Other assets	98,397	-	-	98,397
Total current assets	276,359	225	-	276,584
Non-current assets				
Long-term receivables				
Deferred taxes	18,168	-	-	18,168
Other assets	4,106	-	-	4,106
Long-term assets	22,274	-	-	22,274
Investments	-	18,231	(18,231)	-
Fixed assets	675	-	-	675
Intangible assets	8,339	-	152,268	160,607
Total non-current assets	31,288	18,231	134,037	183,556
Total assets	307,647	18,456	134,037	460,140

Méliuz S.A.

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Méliuz S.A.

Notes to the individual and consolidated interim financial statements

September 30, 2023

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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 September 30, 2023 are as follows:-- Continued

	09/30/2023			Total
	Bankly	Acessopar	Eliminations	
Liabilities				
Current Assets				
Suppliers	8,932	180	-	9,112
Labor and tax obligations	8,079	-	-	8,079
Outstanding credits and establishments payable	251,934	-	-	251,934
Advances	2,640	-	-	2,640
Other liabilities	132	503	-	635
Total current liabilities	<u>271,717</u>	<u>683</u>		<u>272,400</u>
Non-current assets				
Labor and tax obligations	525	-	-	525
Provisions for tax, civil and labor risks	469	-	-	469
Total non-current liabilities	<u>994</u>	<u>-</u>	<u>-</u>	<u>994</u>
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	-
Accumulated losses	(14,429)	(7,619)	22,048	-
Total net equity	<u>34,936</u>	<u>17,773</u>	<u>(52,709)</u>	<u>-</u>
Total liabilities and shareholders' equity	<u>307,647</u>	<u>18,456</u>	<u>(52,709)</u>	<u>273,394</u>
Assets held for sale, net	<u>54,032</u>	<u>132,714</u>	<u>-</u>	<u>186,746</u>

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 September 30, 2023 is presented below:

	09/30/2023
Added value, intangible assets of contract portfolio and operating license	50,912
Goodwill	101,356
Total	<u>152,268</u>

Méliuz S.A.

Notes to the individual and consolidated interim financial statements

September 30, 2023

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

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

	Three-month period ended on 09/30/2023			
	Bankly	Acessopar	Eliminations	Total
Discontinued operations				
Net revenues	19,496	-	-	19,496
Operating expenses				
Personnel expenses	(5,525)	-	-	(5,525)
Commercial and marketing expenses	(47)	-	-	(47)
Software expenses	(920)	-	-	(920)
General and administrative expenses	(13,775)	(2)	-	(13,777)
Third-party services	(937)	(134)	-	(1,071)
Depreciation and amortization	(351)	-	(2,526)	(2,877)
Others	(2,178)	-	-	(2,178)
	<u>(23,733)</u>	<u>(136)</u>	<u>(2,526)</u>	<u>(26,395)</u>
Gross Profit	<u>(4,237)</u>	<u>(136)</u>	<u>(2,526)</u>	<u>(6,899)</u>
Equity Accounting	-	112	(112)	-
Income before financial result and taxes	<u>(4,237)</u>	<u>(24)</u>	<u>(2,638)</u>	<u>(6,899)</u>
Financial results	4,452	(1)	-	4,451
Result before income taxes	<u>215</u>	<u>(25)</u>	<u>(2,638)</u>	<u>(2,448)</u>
Current and deferred income and social contribution taxes	-	-	-	-
Net profit (loss) of the period	<u>215</u>	<u>(25)</u>	<u>(2,638)</u>	<u>(2,448)</u>
	Nine months periods ended on 09/30/2023			
	Bankly	Acessopar	Eliminations	Total
Discontinued operations				
Net revenues	61,595	-	-	61,595
Operating expenses				
Personnel expenses	(30,743)	-	-	(30,743)
Commercial and marketing expenses	(464)	-	-	(464)
Software expenses	(3,223)	-	-	(3,223)
General and administrative expenses	(48,886)	(6)	-	(48,892)
Third-party services	(2,791)	(82)	-	(2,873)
Depreciation and amortization	(1,074)	-	(7,582)	(8,656)
Others	(6,420)	-	(1)	(6,421)
	<u>(93,601)</u>	<u>(88)</u>	<u>(7,583)</u>	<u>(101,272)</u>
Gross Profit	<u>(32,006)</u>	<u>(88)</u>	<u>(7,583)</u>	<u>(39,677)</u>
Equity Accounting	-	(7,531)	7,531	-
Income before financial result and taxes	<u>(32,006)</u>	<u>(7,619)</u>	<u>(52)</u>	<u>(39,677)</u>
Financial results	17,582	(1)	-	17,581
Result before income taxes	<u>(14,424)</u>	<u>(7,620)</u>	<u>(52)</u>	<u>(22,096)</u>
Current and deferred income and social contribution taxes	(6)	-	-	(6)
Losses for the period	<u>(14,430)</u>	<u>(7,620)</u>	<u>(52)</u>	<u>(22,102)</u>

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

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

	Three-month period ended on 09/30/2022 (restated)			
	Bankly	Acessopar	Eliminations	Total
Discontinued operations				
Net revenues	20,834	-	-	20,834
Operating expenses				
Personnel expenses	(15,452)	-	-	(15,452)
Commercial and marketing expenses	(547)	-	-	(547)
Software expenses	(1,319)	-	-	(1,319)
General and administrative expenses	(11,545)	19	-	(11,526)
Third-party services	(2,473)	(52)	-	(2,525)
Depreciation and amortization	(373)	-	(2,549)	(2,922)
Others	(5,087)	-	-	(5,087)
	(36,796)	(33)	(2,549)	(39,378)
Gross Profit	(15,962)	(33)	(2,549)	(18,544)
Equity Accounting	12	(3,319)	3,319	12
Income before financial result and taxes	(15,950)	(3,352)	770	(18,532)
Financial results	9,590	1	-	9,591
Result before income taxes	(6,360)	(3,351)	770	(8,941)
Current and deferred income and social contribution taxes	-	-	-	-
Losses for the period	(6,360)	(3,351)	770	(8,941)

	Nine months periods ended on 09/30/2022 (restated)			
	Bankly	Acessopar	Eliminations	Total
Discontinued operations				
Net revenues	28,187	-	-	28,187
Operating expenses				
Personnel expenses	(21,619)	-	-	(21,619)
Commercial and marketing expenses	(655)	-	-	(655)
Software expenses	(1,394)	-	-	(1,394)
General and administrative expenses	(16,989)	(24)	-	(17,013)
Third-party services	(3,260)	(103)	-	(3,363)
Depreciation and amortization	(608)	-	(3,372)	(3,980)
Others	(5,845)	-	-	(5,845)
	(50,370)	(127)	(3,372)	(53,869)
Gross Profit	(22,183)	(127)	(3,372)	(25,682)
Equity Accounting	21	(5,364)	5,364	21
Income before financial result and taxes	(22,162)	(5,491)	1,992	(25,661)
Financial results	11,882	2	-	11,884
Result before income taxes	(10,280)	(5,489)	1,992	(13,777)
Current and deferred income and social contribution taxes	-	-	-	-
Losses for the period	(10,280)	(5,489)	1,992	(13,777)

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

(b) The results of discontinued operations for the three- and nine-month periods ended

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September 30, 2023 and 2022 are as follows:--Continued

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 2,448 and BRL 22,102 in the three- and nine-month periods ended September 30, 2023 (BRL 8,941 and BRL 13,777 in the three- and nine-month periods ended September 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 nine-month periods ended September 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:

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

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

	Three-month period ended on 09/30/2022		
	Originally presented	Reclassification	Restated
Continuing operations			
Net revenues	97,791	(20,834)	76,957
Operating expenses			
Cashback expenses	(42,596)	-	(42,596)
Personnel expenses	(51,259)	15,452	(35,807)
Commercial and marketing expenses	(5,382)	547	(4,835)
Software expenses	(7,710)	1,319	(6,391)
General and administrative expenses	(17,105)	11,526	(5,579)
Third-party services	(7,738)	2,525	(5,213)
Depreciation and amortization	(4,697)	2,922	(1,775)
Others	(6,282)	5,087	(1,195)
	<u>(142,769)</u>	<u>39,378</u>	<u>(103,391)</u>
Gross Profit	<u>(44,978)</u>	<u>18,544</u>	<u>(26,434)</u>
Equity Accounting	12	(12)	-
Income before financial result and taxes	<u>(44,966)</u>	<u>18,532</u>	<u>(26,434)</u>
Financial results	<u>22,765</u>	<u>(9,591)</u>	<u>13,174</u>
Result before income taxes	<u>(22,201)</u>	<u>8,941</u>	<u>(13,260)</u>
Current and deferred income and social contribution taxes	4,196	-	4,196
Losses from discontinued operations	<u>(18,005)</u>	<u>8,941</u>	<u>(9,064)</u>
Discontinued operations			
Losses from discontinued operations	-	(8,941)	(8,941)
Losses for the period	<u>(18,005)</u>	<u>-</u>	<u>(18,005)</u>
Loss for the period attributable to:			
Non-controlling shareholders	(336)	-	(336)
Controlling shareholders	(17,669)	-	(17,669)
Basic and diluted earnings per share (in BRL)	<u>(0.02)</u>	<u>-</u>	<u>(0.20)</u>
Basic and diluted earnings per share for continued operations (in BRL)	-	-	(0.10)

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

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

	Nine months periods ended on 09/30/2022		
	Originally presented	Reclassification	Restated
Continuing operations			
Net revenues	266,912	(28,187)	238,725
Operating expenses			
Cashback expenses	(139,800)	-	(139,800)
Personnel expenses	(129,404)	21,619	(107,785)
Commercial and marketing expenses	(18,752)	655	(18,097)
Software expenses	(21,880)	1,394	(20,486)
General and administrative expenses	(33,114)	17,013	(16,101)
Third-party services	(24,822)	3,363	(21,459)
Depreciation and amortization	(9,212)	3,980	(5,232)
Others	(8,576)	5,845	(2,731)
	(385,560)	53,869	(331,691)
Gross Profit	(118,648)	25,682	(92,966)
Equity Accounting	21	(21)	-
Income before financial result and taxes	(118,627)	25,661	(92,966)
Financial results	48,299	(11,884)	36,415
Result before income taxes	(70,328)	13,777	(56,551)
Current and deferred income and social contribution taxes	17,626	-	17,626
Losses from discontinued operations	(52,702)	13,777	(38,925)
Discontinued operations			
Losses from discontinued operations	-	(13,777)	(13,777)
Losses for the period	(52,702)	-	(52,702)
Loss for the period attributable to:			
Non-controlling shareholders	(722)	-	(722)
Controlling shareholders	(51,980)	-	(51,980)
Basic and diluted earnings per share (in BRL)	(0.06)	-	(0.60)
Basic and diluted earnings per share for continued operations (in BRL)	-	-	(0.44)

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Notes to the individual and consolidated interim financial statements

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

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

	09/30/2023		
	Bankly	Acessopar	Total
Net cash from operational activities	(138,887)	(11)	(138,898)
Net cash used in investment activities	208,524	-	208,524
Net cash used in financing activities	-	-	-
Net change in cash and cash equivalents	69,637	(11)	69,626
Cash and cash equivalents			
At the beginning of the period	23,130	193	23,323
At the end of the period	92,767	182	92,949
Net change in cash and cash equivalents	69,637	(11)	69,626
	09/30/2022 (restated)		
	Bankly	Acessopar	Total
Net cash from operational activities	(54,240)	(5)	(54,245)
Net cash generated by investment activities	106,411	201	106,612
Net cash used in financing activities	(5,392)	-	(5,392)
Net change in cash and cash equivalents	46,779	196	46,975
Cash and cash equivalents			
At the beginning of the period	-	-	-
At the end of the period	46,779	196	46,975
Net change in cash and cash equivalents	46,779	196	46,975

9. Investments

- a) The equity interests are summarized as follows:

Investee	Control	Parent Company			
		09/30/2023		12/31/2022	
		Participation	Investment	Participation	Investment
Picodi.com S.A.	Subsidiary	51.2%	111,080	51.2%	116,969
Melhor Plano Internet Ltda.	Subsidiary	100%	27,048	100%	26,212
Promobit Serviços de Tecnologia Digital Ltda.	Subsidiary	100%	22,343	100%	22,236
Alter Pagamentos S.A.	Subsidiary	100%	18,057	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>178,528</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 01, 2023, the investments held in Bankly and Acessopar were reclassified to assets and liabilities held for sale and discontinued operations, according to note 8.

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9. Investments--Continued

b) Equity as of September 30, 2023 and 2022

Investee	09/30/2023			09/30/2022 (restated)		
	Income for the period	Equity accounting method	Equity accounting method of discontinued operations	Income for the period	Equity accounting method	Equity accounting method of discontinued operations
Gana Internet S.A. (a)	-	-	-	(139)	(139)	-
Picodi.com S.A.	(10,871)	(5,560)	-	(1,478)	(756)	-
Melhor Plano Internet Ltda.	1,190	1,190	-	(675)	(675)	-
Promobit Serviços de Tecnologia Digital Ltda.	407	407	-	1,684	1,684	-
Alter Pagamentos S.A.	(55)	(55)	-	(1,458)	(1,458)	-
Acessopar Investimentos Participações S.A. ("Acessopar") (b)	(7,620)	-	(7,620)	(5,489)	-	(5,489)
Acesso Soluções de Pagamentos S.A. ("Bankly") (b)	(14,430)	-	(6,900)	(10,280)	-	(4,916)
Cash3 Corretora de Seguros Ltda. ("Cash3 Corretora") (c)	(1)	(1)	-	(1)	(1)	-
Total as of September 30, 2023	(31,380)	(4,019)	(14,520)	(17,836)	(1,345)	(10,405)

(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, see note 3.

(b) On June 01, 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.

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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								09/30/2023
Picodi.com S.A. (a)	116,969	(5,560)	-	-	-	-	-	(329)	111,080
Melhor Plano Internet Ltda.	26,212	1,190	-	(354)	-	-	-	-	27,048
Promobit Serviços de Tecnologia Digital Ltda.	22,236	407	-	(300)	-	-	-	-	22,343
Alter Pagamentos S.A..	19,146	(55)	-	(1,034)	-	-	-	-	18,057
Acessopar Investimentos e Participações S.A.	145,238	-	(7,620)	-	(4,904)	(132,714)	-	-	-
Bankly	63,610	-	(6,900)	-	(2,678)	(54,032)	-	-	-
Cash3 Corretora de Seguros Ltda (b)	-	(1)	-	-	-	-	1	-	-
Total	393,411	(4,019)	(14,520)	(1,688)	(7,582)	(186,746)	1	(329)	178,528

(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 329 on September 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.

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9. Investments--Continued

c) Movement of investment--Continued

Investee	Permanent Investment	Constitution/ Acquisition of interest	Equity accounting method	Equity accounting method of discontinued operations	Added Value Amortization	Added Value Amortization of discontinued operations	Adjustment Amortization PPA Report (b)	Exchange adjustmen t	Change of interest	Capital Increase	Permanent Investment
	12/31/2021										09/30/2022
Gana Internet S.A.	4,040	-	(139)	-	-	-	-	-	-	-	3,901
Picodi.com S.A. (a)	120,993	-	(756)	-	-	-	-	(3,580)	-	-	116,657
Melhor Plano Internet Ltda.	28,136	-	(675)	-	(354)	-	-	-	-	-	27,107
Promobit Serviços de Tecnologia Digital Ltda. (b)	20,548	-	1,684	-	(301)	-	177	-	-	-	22,108
Alter Pagamentos S.A.	12,175	-	(1,458)	-	(1,033)	-	-	-	-	9,998	19,682
Acessopar Investimentos e Participações S.A.	-	136,774	-	(5,489)	-	(2,182)	-	-	14,867	-	143,970
Bankly (c)	-	53,187	-	(4,916)	-	(1,190)	-	-	(14,867)	36,000	68,214
Cash3 Correto de Seguros Ltda	-	10	(1)	-	-	-	-	-	-	-	9
Total	185,892	189,971	(1,345)	(10,405)	(1,688)	(3,372)	177	(3,580)	-	45,998	401,648

- (a) The permanent investment in Picodi.com S.A. includes 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 3,580 on September 30, 2022.
- (b) According to CPC 15 (R1) - Business Combination, the acquirer has up to one year to reflect any incomplete information or make correction of the accounted values related 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.
- (c) On June 03, 2022, Méliuz made a contribution to a capital increase of BRL 36,000 in Bankly, which resulted in an increase in Méliuz's share after the acquisition, from the initial 35.33% to 47.81% on September 30, 2022.

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9. Investments--Continued

d) Composition of the balance sheet and results of controlled companies on September 30, 2023

Balance Sheet	Picodi	Promobit	Melhor Plano	Alter	Cash3 Corretora
	09/30/2023	09/30/2023	09/30/2023	09/30/2023	09/30/2023
Total assets	22,241	5,591	7,998	10,015	-
Total Liabilities	7,578	2,151	1,531	9,397	-
Total net equity	14,663	3,440	6,467	618	-
Income for the period	09/30/2023	09/30/2023	09/30/2023	09/30/2023	09/30/2023
Net Revenue	15,400	7,603	9,789	125	-
Operating expenses	(26,717)	(6,355)	(7,522)	(187)	(1)
Financial results	212	39	84	43	-
Income before taxes	(11,105)	1,287	2,351	(19)	(1)
Current and deferred income and social contribution taxes	234	(880)	(1,161)	(36)	-
Profit /(loss) for the period	(10,871)	407	1,190	(55)	(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	
		09/30/2023	12/31/2022	09/30/2023	12/31/2022
Computers and peripherals	20%	3,994	5,015	4,318	7,908
Furniture and fixtures (a)	10%/20%	106	120	106	282
Electronic Equipment	20%	295	343	302	359
Plants	10%	3	3	3	3
Total Cost		4,398	5,481	4,729	8,552
Computers and peripherals	20%	(1,943)	(1,755)	(2,047)	(3,610)
Furniture and fixtures (a)	10%/20%	(66)	(65)	(66)	(178)
Electronic Equipment	20%	(142)	(145)	(143)	(159)
Accrued depreciation		(2,151)	(1,965)	(2,256)	(3,947)
Total net fixed assets		2,247	3,516	2,473	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%.

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10. Fixed assets--Continued

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

	Parent Company				09/30/2023
	12/31/2022	Additions	Depreciation	Write-off	
Computers and peripherals	3,260	-	(602)	(607)	2,051
Furniture and fixtures	55	-	(9)	(6)	40
Electronic Equipment	198	-	(42)	(3)	153
Plants	3	-	-	-	3
	3,516	-	(653)	(616)	2,247

	Parent Company				09/30/2022
	12/31/2021	Additions	Depreciation	Write-off	
Computers and peripherals	4,598	348	(854)	(10)	4,082
Furniture and fixtures	217	-	(27)	(101)	89
Electronic Equipment	267	51	(62)	(24)	232
Improvements in third party properties	885	-	(30)	(855)	-
Plants	100	-	(11)	(89)	-
	6,067	399	(984)	(1,079)	4,403

	Consolidated					09/30/2023
	12/31/2022	Additions	Depreciation	Write-off	Transfer asset held for sale	
Computers and peripherals	4,298	129	(875)	(646)	(635)	2,271
Furniture and fixtures	104	-	(19)	(5)	(40)	40
Electronic Equipment	200	4	(43)	(2)	-	159
Plants	3	-	-	-	-	3
	4,605	133	(937)	(653)	(675)	2,473

	Consolidated						09/30/2022
	12/31/2021	Additions	Acquisition of subsidiary	Depreciation	Exchange adjustment	Write-off	
Computers and peripherals	4,772	415	1,015	(1,004)	-	(13)	5,185
Furniture and fixtures	234	-	85	(44)	(3)	(127)	145
Electronic Equipment	267	53	-	(62)	-	(24)	234
Improvements in third party properties	885	-	7	(31)	-	(861)	-
Plants	100	-	-	(11)	-	(89)	-
	6,258	468	1,107	(1,152)	(3)	(1,114)	5,564

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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	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Commercial leasing - right of use	-	2,042	1,174	2,120
Depreciation of commercial leasing	-	(2,042)	(273)	(2,120)
Exchange adjustments	-	-	9	-
Total	-	-	910	-

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

	Parent	Consolidated
	Company	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	-	1,174
Depreciation of commercial leasing	-	(273)
Exchange adjustment	-	9
Balance as of September 30, 2023	-	910

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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	-	1,223
Finance charges	-	32
Principal payments made	-	(240)
Financial charges paid	-	(32)
Exchange adjustments	-	7
Balance as of September 30, 2023	-	990

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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12. Intangible assets

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

	Amortization rates p.a.	Parent Company		Consolidated	
		09/30/2023	12/31/2022	09/30/2023	12/31/2022
Development platform	20%/25%/50%	1,282	1,282	4,463	5,285
Purchased Software	20%	3,295	3,295	3,295	3,357
Use Licenses	33.3%/100%	5,719	1,855	5,719	7,763
Assets under development (c)	56%	323	-	323	-
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
Project under developed	-	3,321	-	6,252	2,379
Total Cost		14,124	6,616	189,887	354,370
Development platform	20%	(1,282)	(1,282)	(1,282)	(1,282)
Purchased Software	20%	(1,463)	(969)	(1,463)	(1,013)
Use Licenses	33.3%/100%	(3,325)	(1,283)	(3,325)	(4,386)
Assets under development (c)	56%	(114)	-	(114)	-
Customer Relationship	6.02%/9.26%	-	-	(1,050)	(714)
Added value - Software	20%/21.82%	-	-	(1,126)	(4,451)
Added value - Technology	18.87%	-	-	(2,662)	(1,663)
Contract Portfolio – Bankly	17.91%	-	-	-	(1,326)
Contract Portfolio – Card	17.91%	-	-	-	(894)
Accrued Amortization		(6,184)	(3,534)	(11,022)	(15,729)
Total net intangible assets		7,940	3,082	178,865	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.

(c) Development capitalization corresponds to completed projects that generate future economic benefits for the Company. Amortization of development assets begins when development is completed and the asset is available for use.

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12. Intangible--Continued

b) Movements in the Company's Intangible Assets

	Parent Company				
	12/31/2022	Additions	Amortization	Write-off	09/30/2023
Purchased Software	2,326	-	(494)	-	1,832
Use Licenses	572	3,864	(2,042)	-	2,394
Assets under development	-	323	(114)	-	209
Website Domain	184	-	-	-	184
Project under developed	-	3,321	-	-	3,321
	3,082	7,508	(2,650)	-	7,940

	Parent Company				
	12/31/2021	Additions	Amortization	Write-off	09/30/2022
Development platform	9	-	(9)	-	-
Purchased Software	2,985	-	(494)	-	2,491
Use Licenses	1,189	-	(490)	-	699
Project Four	711	-	-	(711)	-
Website Domain	184	-	-	-	184
	5,078	-	(993)	(711)	3,374

	Consolidated							
	12/31/2022	Additions	Amortization	Amortization of discontinued operations	Transfer	Transfer asset held for sale	Exchange adjustments	09/30/2023
Development platform	4,003	-	(1,354)	-	631	-	(99)	3,181
Purchased Software	2,344	6,355	(512)	-	-	(6,355)	-	1,832
Assets under development	-	323	(114)	-	-	-	-	209
Use Licenses	3,377	3,864	(2,866)	-	-	(1,981)	-	2,394
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	-	(336)	-	-	-	-	6,119
Added value - Software	26,825	-	(353)	(4,731)	-	(20,501)	-	1,240
Added value - Technology	5,390	-	(999)	-	-	-	-	4,391
Contract Portfolio - Bankly	11,363	-	-	(1,703)	-	(9,660)	-	-
Contract portfolio - Card	7,661	-	-	(1,148)	-	(6,513)	-	-
Operating License	14,241	-	-	-	-	(14,241)	-	-
Project under developed	2,379	4,526	-	-	(631)	-	(22)	6,252
	338,641	15,068	(6,534)	(7,582)	-	(160,607)	(121)	178,865

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12. Intangible--Continued

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

	Consolidated						09/30/2022
	12/31/2021	Additions	Subsidiary Acquisition	Amortization	Write-off	Exchange adjustments	
Development platform	6,561	-	-	(1,226)	-	(1,284)	4,051
Purchased Software	2,984	-	62	(532)	-	-	2,514
Use Licenses	1,189	-	3,449	(858)	-	-	3,780
Gana Platform (a)	3,107	-	-	-	-	-	3,107
Project Four	711	-	-	-	(711)	-	-
Website Domain (b)	4,835	-	-	-	-	-	4,835
<i>Goodwill</i>	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	-	-	(336)	-	-	6,567
Added value - Software	2,068	-	28,911	(2,457)	-	-	28,522
Added value - Technology	6,720	-	-	(998)	-	-	5,722
Contract Portfolio - Bankly	-	-	12,689	(758)	-	-	11,931
Contract portfolio - Card	-	-	8,555	(511)	-	-	8,044
Operating License	-	-	14,241	-	-	-	14,241
Project under developed	337	1,625	-	-	-	(70)	1,892
	<u>184,010</u>	<u>1,625</u>	<u>161,801</u>	<u>(7,499)</u>	<u>(711)</u>	<u>(1,354)</u>	<u>337,872</u>

- (a) Gana Platform is an informative website concerning financial products that Méliuz S.A. started to set up in March 2020, and is a product focused on the publication of advertising materials. On November 16, 2022, 5,003,576 nominative, common shares were sold, without par value, fully subscribed and paid up, representing 100% of Gana's capital stock; see explanatory note no. 1.
- (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	
	09/30/2023	12/31/2022
Current Assets		
Deferred income	<u>5,749</u>	<u>5,749</u>
Non-Current assets		
Deferred income	<u>30,180</u>	<u>34,492</u>

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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 September 30, 2023, BRL 9,071 (BRL 3,322 on September 30, 2022) was recognized.

14. Suppliers

The composition of suppliers is demonstrated in the table below:

	Parent Company		Consolidated	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Suppliers	5,161	6,950	7,382	18,716
Total	5,161	6,950	7,382	18,716
Domestic Market	5,083	6,950	5,357	15,904
Foreign Market	78	-	2,025	2,812

15. Labor and tax obligations

	Parent Company		Consolidated	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Labor Obligations				
Wages	1,540	2,651	2,363	3,554
Labor provisions (a)	4,881	5,170	6,031	8,830
Obligations and charges (b)	5,097	7,367	5,760	10,598
Other Labor Obligations (c)	5,751	11,716	9,164	18,317
Total Labor Obligations	17,269	26,904	23,318	41,299
Tax Obligations				
PIS/COFINS [Program of Social Integration/Contribution for the Financing of Social Security]	882	1,049	976	1,776
Withholding Taxes	991	2,007	1,115	3,202
ISSQN [Tax on Services of Any Nature]	414	1,132	498	1,204
Other taxes	1	9	329	626
Total Tax Obligations	2,288	4,197	2,918	6,808
Total Labor and Tax Obligations	19,557	31,101	26,236	48,107
Current Assets	17,213	27,206	20,715	41,792
Non-current assets	2,344	3,895	5,521	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).

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

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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	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Income Tax	701	-	1,234	463
Social Contribution	266	-	490	193
Total	967	-	1,724	656

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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	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Deferred fiscal assets and liabilities				
Tax loss and negative basis of CSLL	40,014	40,444	40,014	58,612
Present value adjustment on commercial leases	(24)	(24)	(24)	(24)
Depreciations of commercial leasing	(250)	(250)	(250)	(250)
Allowance for doubtful accounts	62	1,586	62	1,586
Procedural contingencies	134	153	134	153
Temporary cashback difference	3,449	4,521	3,449	4,521
Labor provisions	1,891	3,903	1,891	3,903
Stock options	10,957	7,562	10,957	7,562
Adjustment to fair value of Earn Out and Call				
Option	(6,351)	(6,167)	(6,351)	(6,167)
Other provisions	4,922	3,076	4,922	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 September 30, 2023	55,094		55,094	

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17. Income Tax and Social Contribution--Continued

c) Reconciliation of income tax and social contribution expenses

	Parent Company			
	Three-month period ended on		Nine-month period ended on	
	09/30/2023	09/30/2022	09/30/2023	09/30/2022
Income before IRPJ and CSLL from continuing operations	10,417	(13,396)	6,142	(57,724)
Nominal rate	34.00%	34.00%	34.00%	34.00%
IRPJ and CSLL credit (expense) at nominal rate	(3,542)	4,555	(2,088)	19,626
Adjustments in the calculation basis for determining the effective tax rate				
Net amount of permanent additions and exclusions	3,250	113	1,541	(105)
Tax incentives	18	-	18	-
Others	(693)	-	(438)	-
Current income tax and social contribution	(967)	-	(967)	-
Deferred income tax and social contribution	-	4,668	-	19,521
IRPJ and CSLL effective rate	9.3%	(34.8%)	15.7%	(33.8%)
	Consolidated			
	Three-month period ended on		Nine-month period ended on	
	09/30/2023	09/30/2022	09/30/2023	09/30/2022
Income before IRPJ and CSLL from continuing operations	9,108	(13,260)	2,674	(56,551)
Nominal rate	34.00%	34.00%	34.00%	34.00%
IRPJ and CSLL credit (expense) at nominal rate	(3,097)	4,508	(909)	19,227
Adjustments in the calculation basis for determining the effective tax rate				
Net amount of permanent additions and exclusions	2,276	(312)	(1,481)	(1,601)
Tax incentives	18	-	18	-
Others	(694)	-	(438)	-
Current income tax and social contribution	(1,497)	(472)	(2,810)	(1,895)
Deferred income tax and social contribution	-	4,668	-	19,521
IRPJ and CSLL effective rate	16.4%	(31.6%)	105.0%	(31.2%)

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18. Outstanding credits and establishments payable

	Consolidated	
	09/30/2023	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 September 30, 2023, the amount estimated by the Company to be paid is as follows:

- i) *Earn-out* estimated at BRL 23,837 to be paid in 2024 and BRL 68 in 2025;

Retained portion of BRL 4,398 for future contingencies, duly updated according to CDI, in BRL 1,041, totaling the balance of *earn-out* payable in current and non-current liabilities in the period ended September 30, 2023 of BRL 29,344;

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 01, 2023, by BRL 1,514, totaling on September 30, 2023 a remaining balance of BRL 14,694, 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.

19. Earn-out to pay and call options-- Continued

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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 September 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) Capital Stock

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 capital stock 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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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 capital stock became BRL 920,480, represented by 864,924,254 common shares.

On September 08, 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 one (1) common share to hundred (100) common shares and subsequently the split of all its shares in proportion of 1 (one) common share to 10 (ten) common shares, totaling 86,518,044 common shares, without modifying the Company's capital stock.

On August 28, 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 0.51, through the private subscription of 30,549 new shares, totaling 86,548,593 common shares and a share capital of BRL 920,481.

On September 19, 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 0.2, through the private subscription of 11,925 new shares, totaling 86,560,518 common shares and a share capital of BRL 920,481.

On September 30, 2023, the Company's capital stock is BRL 920,481 divided into 86,560,518 common shares.

The Company's major shareholders as of September 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.

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20. Net Equity--Continued

a) Share Capital--Continued

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.

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 R\$ 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 03, 2022, the Company completed their share repurchase program started on May 04, 2021.

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

c) Capital Reserve

The Company's capital reserve at September 30, 2023 is BRL (27,859), 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.

20. Net Equity--Continued

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c) Capital Reserves--Continued

ii) *Stock 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.

<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 01, 2022, May 2, 2022 and May 03, 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.

20. Net Equity--Continued

c) Capital Reserves--Continued

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ii) Call Option *Plan*--Continued

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.

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 0.02	81.45%	0.14%	7.13%	6 years	BRL 44.80
05/03/2021	372,000	BRL 0.02	93.22%	0.14%	6.07%	6 years	BRL 60.60
05/03/2021	907	BRL 0.02	93.22%	0.14%	7.97%	6 years	BRL 60.30
05/17/2021	19,738	BRL 0.02	93.78%	0.14%	8.27%	6 years	BRL 55.30
06/07/2021	1,645	BRL 0.02	94.90%	0.14%	7.96%	6 years	BRL 60.30
07/19/2021	1,971	BRL 0.02	72.07%	0.14%	10.36%	6 years	BRL 100.60
07/30/2021	18,518	BRL 0.02	83.25%	0.14%	8.79%	6 years	BRL 112.20
08/02/2021	17,442	BRL 0.02	72.07%	0.14%	10.36%	6 years	BRL 113.80
09/08/2021	38,462	BRL 0.02	76.93%	0.14%	10.60%	6 years	BRL 32.10
09/20/2021	4,484	BRL 0.02	76.93%	0.14%	10.60%	6 years	BRL 32.10
10/11/2021	2,235	BRL 0.02	76.93%	0.14%	10.60%	6 years	BRL 32.10
10/18/2021	43,725	BRL 0.02	76.93%	0.14%	10.60%	6 years	BRL 32.10
11/01/2021	29,936	BRL 0.02	76.93%	0.14%	10.60%	6 years	BRL 32.10
11/08/2021	5,571	BRL 0.02	76.93%	0.14%	10.60%	6 years	BRL 32.10
12/06/2021	97,617	BRL 0.02	76.93%	0.14%	10.60%	6 years	BRL 32.10
12/20/2021	2,145	BRL 0.02	76.93%	0.14%	10.60%	6 years	BRL 32.10
12/22/2021	3,762	BRL 0.02	76.93%	0.14%	10.60%	6 years	BRL 32.10
12/23/2021	2,533	BRL 0.02	76.93%	0.14%	10.60%	6 years	BRL 32.10
01/17/2022	58,366	BRL 0.02	74.66%	0.00%	11.22%	6 years	BRL 29.10
02/01/2022	123,776	BRL 0.02	71.00%	0.00%	11.22%	6 years	BRL 23.60
03/02/2022	64,818	BRL 0.02	72.12%	0.00%	11.19%	6 years	BRL 25.60
04/01/2022	33,449	BRL 0.02	77.40%	0.00%	11.02%	6 years	BRL 25.60
05/02/2022	5,319	BRL 0.02	77.89%	0.00%	12.16%	6 years	BRL 18.80
05/03/2022	12,943	BRL 0.02	77.89%	0.00%	12.16%	6 years	BRL 17.70
06/30/2022	2,671,940	BRL 0.02	76.26%	0.00%	12.61%	6 years	BRL 19.00
07/01/2022	99,378	BRL 0.02	76.26%	0.00%	12.61%	6 years	BRL 10.80
10/03/2022	281,574	BRL 0.02	75.59%	0.00%	11.53%	6 years	BRL 11.30
11/18/2022	254,887	BRL 0.02	75.97%	0.00%	12.72%	6 years	BRL 11.30
12/05/2022	48,572	BRL 0.02	75.46%	0.00%	12.61%	6 years	BRL 11.20
12/14/2022	11,454	BRL 0.02	75.46%	0.00%	12.61%	6 years	BRL 11.30
02/01/2023	37,600	BRL 0.02	73.52%	0.00%	12.09%	6 years	BRL 11.10
05/01/2023	484,840	BRL 0.02	72.64%	0.00%	10.22%	6 years	BRL 7.81
05/01/2023	8,108	BRL 0.02	72.20%	0.00%	10.23%	6 years	BRL 7.81

20. Net Equity--Continued

c) Capital Reserves--Continued

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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	(55,220)
Canceled	(1,017,300)
Options on 09/30/2023	3,470,400
Options exercisable in 2022	9,600
Options exercisable in 2023	222,993
Options exercisable in 2024	121,194
Options exercisable in 2025	808,934
Options exercisable in 2026	987,500
Options exercisable in 2027	1,116,926
Options exercisable in 2028	203,253
Personnel expenses including charges as of 12/31/2022	17,590
Personnel expenses, compensation as of 09/30/2023	11,533
Personnel expenses, charges as of 09/30/2023	(1,551)

(*) 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.

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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 September 30, 2023 is BRL 329, totaling the balance of BRL 3,965 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.

	Three-month period ended on		Nine-month period ended on	
	09/30/2023	09/30/2022	09/30/2023	09/30/2022
		(Restated)		(Restated)
Number of shares*	86,523,397	83,089,229	86,523,397	83,089,229
Income for the period	7,002	(17,669)	(16,927)	(51,980)
Basic and diluted earnings per share (in BRL)	0.08	(0.21)	(0.20)	(0.63)

	Three-month period ended on		Nine-month period ended on	
	09/30/2023	09/30/2022	09/30/2023	09/30/2022
		(Restated)		(Restated)
Number of shares*	86,523,397	83,089,229	86,523,397	83,089,229
Income for the period from continuing operations	9,450	(8,728)	5,175	(38,203)
Basic and diluted earnings per share (in BRL)	0.11	(0.11)	0.06	(0.46)

(*) Weighted average

The number of shares as of September 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 September 30, 2023 and 2022 the calculation of basic and diluted earnings per share remains the same, due to the ascertained loss for the period.

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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 controlled companies are defendants in some civil, labor, and tax lawsuits with probable loss expectation, which was set apart, totaling BRL 393 on September 30, 2023 in the parent company and BRL 502 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 563 on September 30, 2023 in the parent company and BRL 627 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		Nine-month period ended on	
	09/30/2023	09/30/2022	09/30/2023	09/30/2022
Revenues				
Services Rendering	60,603	73,302	201,919	228,433
ISSQN on services	(1,212)	(2,642)	(5,703)	(8,007)
PIS on services	(915)	(1,114)	(3,086)	(3,488)
COFINS on services	(4,218)	(5,135)	(14,217)	(16,067)
Total Net Revenue	54,258	64,411	178,913	200,871
	Consolidated			
	Three-month period ended on		Nine-month period ended on	
	09/30/2023	09/30/2022 (Restated)	09/30/2023	09/30/2022 (Restated)
Revenues				
Services Rendering	77,255	86,291	250,407	267,657
ISSQN on services	(1,444)	(2,847)	(6,255)	(8,656)
PIS on services	(961)	(1,157)	(3,198)	(3,616)
COFINS on services	(4,430)	(5,330)	(14,734)	(16,660)
Total Net Revenue	70,420	76,957	226,220	238,725

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22. Net Operating Revenue--Continued

On September 30, 2023, the Company has three customers whose net revenues represented, individually, above 10% of their total net revenues, these are BRL 33,950, BRL 26,180 and BRL 18,290 On September 30, 2022, two customers represented BRL 40,359 and BRL 36,938

23. Financial results

	Parent Company			
	Three-month period ended on		Nine-month period ended on	
	09/30/2023	09/30/2022	09/30/2023	09/30/2022
Financial Income				
Assets exchange variation	-	1	-	2
Income from financial investments	12,001	12,401	36,443	34,598
Interest received	698	151	1,784	2,764
Monetary restatement	538	318	1,588	535
Other financial income	-	903	3	903
	13,237	13,774	39,818	38,802
Financial expenses				
Interest paid on late payments	(383)	(305)	(1,649)	(348)
Loan and financing charges	-	(122)	-	(159)
Banking expenses	(287)	(164)	(567)	(1,486)
Units devaluation	(4,654)	-	(8,318)	-
Other financial expenses	(142)	(113)	(666)	(448)
	(5,466)	(704)	(11,200)	(2,441)
Financial Result (a)	7,771	13,070	28,618	36,361

	Consolidated			
	Three-month period ended on		Nine-month period ended on	
	09/30/2023	09/30/2022	09/30/2023	09/30/2022
		(Restated)		(Restated)
Financial Income				
Assets exchange variation	-	1	-	6
Income from financial investments	12,067	12,268	36,619	34,825
Interest received	819	156	2,223	2,774
Monetary restatement	538	318	1,588	536
Other financial income	47	150	128	330
Others	-	903	-	903
	13,471	13,796	40,558	39,374
Financial expenses				
Interest paid on late payments	(413)	(476)	(1,789)	(1,118)
Loan and financing charges	-	(122)	-	(122)
Banking expenses	(330)	139	(810)	(1,194)
Other financial expenses	4	(163)	(526)	(525)
	(739)	(622)	(3,125)	(2,959)
Financial Result (a)	12,732	13,174	37,433	36,415

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

24. Segment information

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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 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 Gana was sold on November 16, 2022. As a result, for purposes of presenting the result for September 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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24. Information by segment--Continued

Income statement by segment

	09/30/2023			
	B2C	B2C	Other segments	Consolidated
	National	International		
Net revenues	186,516	15,400	24,304	226,220
Operating expenses				
Cashback expenses	(98,272)	(5,941)	-	(104,213)
Personnel expenses	(65,018)	(5,163)	(4,084)	(74,265)
Commercial and marketing expenses	(9,478)	(4,732)	(2,919)	(17,129)
Software expenses	(8,836)	(1,087)	(238)	(10,161)
General and administrative expenses	(4,979)	(7,907)	(22,769)	(35,655)
Third-party services	(15,953)	(506)	(230)	(16,689)
Depreciation and amortization	(5,025)	(1,626)	(16)	(6,667)
Others	3,837	243	(280)	3,800
	(203,724)	(26,719)	(30,536)	(260,979)
Gross Profit	(17,208)	(11,319)	(6,232)	(34,759)
Income before financial result and taxes	(17,208)	(11,319)	(6,232)	(34,759)
Financial results	37,121	211	101	37,433
Result before income taxes	19,913	(11,108)	(6,131)	2,674
Current and deferred income and social contribution taxes	(1,846)	234	(1,198)	(2,810)
Net profit / (Loss) of the <i>period</i>	18,067	(10,874)	(7,329)	(136)
	09/30/2022			
	(Restated)			
	B2C	B2C	Other segments	Consolidated
	National	International		
Net revenues	209,283	18,232	11,210	238,725
Operating expenses				
Cashback expenses	(136,847)	(2,701)	(252)	(139,800)
Personnel expenses	(95,370)	(4,510)	(7,905)	(107,785)
Commercial and marketing expenses	(13,545)	(3,739)	(813)	(18,097)
Software expenses	(18,956)	(886)	(644)	(20,486)
General and administrative expenses	(8,877)	(6,296)	(928)	(16,101)
Third-party services	(20,193)	(766)	(500)	(21,459)
Depreciation and amortization	(3,987)	(1,229)	(16)	(5,232)
Others	(5,228)	12	2,485	(2,731)
	(303,003)	(20,115)	(8,573)	(331,691)
Gross Profit	(93,720)	(1,883)	2,637	(92,966)
Equity Accounting	-	-	-	-
Income before financial result and taxes	(93,720)	(1,883)	2,637	(92,966)
Financial results	36,394	218	(197)	36,415
Result before income taxes	(57,326)	(1,665)	2,440	(56,551)
Current and deferred income and social contribution taxes	18,546	186	(1,106)	17,626
Net profit / (Loss) of the <i>period</i>	(38,780)	(1,479)	1,334	(38,925)

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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	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Cash and cash equivalents and Securities	402,168	418,693	418,877	743,386

Classification of Financial Instruments

As of September 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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25. Risk Management and Financial Instruments--Continued

a) General considerations and policies--Continued

Classification of Financial Instruments--Continued

Parent Company

On September 30, 2023	Amortized Cost	Fair value through profit or loss	Total
Financial Assets			
Cash and cash equivalents	151,074	-	151,074
Marketable securities	251,094	-	251,094
Trade accounts receivable	10,424	-	10,424
Other assets	19,528	-	19,528
Earn-out advance	14,694	-	14,694
	<u>446,814</u>	-	<u>446,814</u>
Financial Liabilities			
Suppliers	5,161	-	5,161
Provision for cashback	13,970	-	13,970
Advances	213	-	213
Earn-out payable	-	29,344	29,344
Purchase option	-	12,794	12,794
	<u>19,344</u>	<u>42,138</u>	<u>61,482</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
Provision for cashback	17,224	-	17,224
Advances	861	-	861
Earn-out payable	-	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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25. Risk Management and Financial Instruments--Continued

a) General considerations and policies--Continued

Classification of Financial Instruments--Continued

Consolidated

On September 30, 2023	Amortized cost	Fair value through profit or loss	Total
Financial Assets			
Cash and cash equivalents	165,689	-	165,689
Marketable securities	253,188	-	253,188
Trade accounts receivable	19,531	-	19,531
Other assets	18,139	-	18,139
Custody of crypto-assets	-	9,242	9,242
Crypto-assets portfolio	-	146	146
Earn-out advancement	14,694	-	14,694
	471,241	9,388	480,629
Financial Liabilities			
Suppliers	7,382	-	7,382
Commercial Lease Operations	990	-	990
Advances	225	-	225
Provision for cashback	13,970	-	13,970
Earn-out payable	-	29,344	29,344
Purchase option	-	12,794	12,794
Crypto-assets portfolio	-	9,242	9,242
	22,567	51,380	73,947
On December 31, 2022			
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
Provision for cashback	17,224	-	17,224
Outstanding credits and establishments payable	356,016	-	356,016
Earn-out payable	-	36,954	36,954
Purchase option	-	12,794	12,794
Crypto-assets portfolio	-	6,707	6,707
	405,514	56,455	461,969

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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 7% of the period's revenue. In addition, considering the acquisition of Picodi in February 2021, variations in the Polish zloty may affect the earning 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.

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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 43.80% 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 September 30, 2023</u>	<u>Less than 1 year</u>	<u>1 to 3 years</u>	<u>Total</u>
Suppliers	5,161	-	5,161
Provision for cashback	13,689	281	13,970
Advances	213	-	213
Earn-out payable	23,837	5,507	29,344
Purchase option	-	12,794	12,794
Total	42,900	18,582	61,482

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25. Risk Management and Financial Instruments--Continued

b) Financial Risk Management--Continued

Financial Risk Factors--Continued

b.3) Liquidity Risk--Continued

Consolidated

On September 30, 2023	Less than 1 year	1 to 3 years	Total
Suppliers	7,382	-	7,382
Commercial Lease Operations	351	639	990
Provision for cashback	13,689	281	13,970
Advances	225	-	225
<i>Earn-out payable</i>	23,837	5,507	29,344
Purchase option	-	12,794	12,794
Custody of crypto-assets	9,242	-	9,242
Total	54,726	19,221	73,947

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 September 30, 2023 and December 31, 2022:

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25. Risk Management and Financial Instruments--Continued

c) Capital Management--Continued

Parent Company

	<u>09/30/2023</u>	<u>12/31/2022</u>
(-) Cash and cash equivalents	(151,074)	(413,667)
(-) Marketable securities	(251,094)	(5,026)
Net (cash) debt	(402,168)	(418,693)
Net Equity	780,734	786,456
Leverage ratio	(51.5%)	(53.2%)

Consolidated

	<u>09/30/2023</u>	<u>12/31/2022</u>
(-) Cash and cash equivalents	(165,689)	(455,772)
(-) Marketable securities	(253,188)	(287,614)
(+) Loans and financing	-	132
(+) Lease liabilities	990	-
Net (cash) debt	(417,887)	(743,254)
Net Equity	787,916	799,198
Leverage ratio	(53.0%)	(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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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>09/30/2023</u>
Assets	
CDI rate (%) Bacen	12.75%
Financial investments in cash and cash equivalents	147,834
Marketable securities	251,094
Earn-out advance	14,694
Amounts exposed to the risk of variation in the CDI rate	413,622
Possible adverse scenario (-25%)	(13,184)
Remote adverse scenario (-50%)	(26,368)
Liabilities	
CDI rate (%) Bacen	12.75%
<i>Earn-Out</i>	29,344
Amounts exposed to the risk of variation in the CDI rate	29,344
Possible adverse scenario (-25%)	(935)
Remote adverse scenario (-50%)	(1,871)

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25. Risk Management and Financial Instruments--Continued

d) Sensitivity Analysis--Continued

Consolidated

	<u>Financial Instruments</u> <u>09/30/2023</u>
Assets	
CDI rate (%) Bacen	12.75%
Financial investments in cash and cash equivalents	159,835
Marketable securities	253,188
Earn-out advance	14,694
Amounts exposed to the risk of variation in the CDI rate	427,717
Possible adverse scenario (-25%)	(13,633)
Remote adverse scenario (-50%)	(27,267)
Liabilities	
CDI rate (%) Bacen	12.75%
<i>Earn-Out</i>	29,344
Amounts exposed to the risk of variation in the CDI rate	29,344
Possible adverse scenario (-25%)	(935)
Remote adverse scenario (-50%)	(1,871)

26. Insurance Coverage

The company has insurance contracts with coverage taking into account the nature and degree of risk for amounts considered sufficient to cover possible losses on its assets and/or liabilities.

The maximum insurance coverage is shown below:

	<u>Consolidated</u>	
	<u>09/30/2023</u>	<u>12/31/2022</u>
Interns	10	10
Data protection and cyber responsibility	5,000	5,000
Civil liability of the officers	70,000	40,000
Guarantee	5,442	-
Others	-	154
Total	80,452	45,164

(a) Insurance for each intern in the event of accidental death/total or partial permanent disability.

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

27. Subsequent Events

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On October 20, 2023, the Central Bank of Brazil (BACEN) published Official Letter No. 26364/2023-BCB/Deorf/GTSP3, approving the Company's transfer of corporate control over Acesso Soluções de Pagamentos S.A. - Instituição de Pagamento para o Banco BV S.A.

On November 06, 2023, the Company published a material fact informing that the Company's Board of Directors had approved, subject to the conclusion of the sale of Acesso Soluções de Pagamento S.A. ("Bankly"), to convene a Special Shareholders' Meeting ("AGE") to resolve on the reduction of the Company's capital stock, as it is considered excessive, by means of a cash refund to the shareholders, without the cancellation of shares. After the completion of the sale of Bankly, which is expected to take place by the end of November 2023, the documents relating to the convening of the AGE will be made available in due course.

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Management

ANDRÉ AMARAL RIBEIRO
OFFICER

DÚNIA NEVES RUAS MOURÃO
OFFICER

GABRIEL LOURES ARAÚJO
OFFICER

ISRAEL FERNANDES SALMEN
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