

Coordinator: Good morning, ladies and gentlemen, welcome to the ClearSale conference where the results for the first quarter of 2023 will be discussed.

All participants are connected with listeners only, later the Q&A session will be opened, when then, instructions to participate will be given.

The video and presentation are being broadcast simultaneously over the internet webcast and the recording will be available on the company's IR website at: ri.clear.sale. The presentation of the slides that will be used will also be available on the company's investor relations website and on the CVM website.

Before proceeding, I would like to clarify that any statements that may be made during this conference regarding business prospects are forecasts based on management's current expectations. These expectations are subject to change due to macroeconomic conditions, market risks and other factors. The forward-looking statements are not performance guarantees, they involve risks, uncertainties, and assumptions, as they refer to future events and, therefore, depend on circumstances that may or may not occur.

General economic conditions, industry conditions and other operating factors could affect the company's future results and could lead to results that differ materially from those expressed in such forward-looking statements.

With us today are therefore Dr. Bernardo Carvalho Lustosa, Mr. Eduardo Mônaco, CEO, Mr. Alexandre Mafra, CFO, and Mr. Renan Ikemoto, Investor Relations Officer.

Initially, Dr. Bernardo Lustosa will comment on the ClearSale transition process and Eduardo Mônaco will comment on the operational strategic highlights during the period. Subsequently, Mr. Alexandre Mafra will comment on ClearSale's financial results and after that everyone will be available, along with Mr. Renan, to answer any questions that may be asked.

Now then I would like to pass the floor to Dr. Bernardo Carvalho Lustosa. Bernardo, may you proceed, please.

Bernardo Lustosa: Good morning, everyone, it's a pleasure to open another release of Clear's results. This time it's a little different because I'm announcing here the transition announced in November 2022 where I leave the position of CEO of the company and pass it on to Eduardo Mônaco, who takes over as of today, and who will make the disclosure of the results then is him, and I wanted to say that I make this transition with extreme tranquility, with a feeling of accomplishment, as I closed the last disclosure of the year 2022 with the result of the Balance Plan and with extreme gratitude, it is not just the CEO cycle that

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ends at ClearSale, it's a whole life cycle that formally started in 2008, and I would like to tell you a little about it.

It's a story that begins in 2018 with the creation of the first artificial intelligence algorithms for ClearSale's fraud prevention, which I personally did, starting the network effect that would lead ClearSale to what it is today, a data company that has the largest and smartest data lake for fraud and risk prevention in general in Brazil.

On this journey, we created a very strong culture and have maintained a culture of learning, trust, freedom, belief in our employees that I am passing on today.

So, in 2018, when I took over as CEO of ClearSale, I focused on professionalizing the company, professionalizing the commercial area, maintaining and adapting that culture that I said, product adjustments and architectures, mainly Application Fraud products and the creation from the Open Innovation area, which today is Explorer, which has products like ThreatX, cyber security, etc. Also in this part, in response to a desire of society, we made a big move to bring governance to the company through the process of going public at B3, which took place in July 2021, where I focused so much on building governance together with the team and also in the company's succession planning with the construction of a C-level, which I think has a unique excellence in the market, and the succession that is completed today when I finally hand over the position of CEO to Eduardo Monaco.

So, since November when the transition to the market was announced, I have focused more on the strategic part of the company, revisiting the positioning of existing BUs and also working on the New Ventures BU, which is building the products that will take the company to higher levels and also in the succession with the support to the executive area, to Eduardo, so that we could make a smooth transition as it is.

So, folks, it is with great peace of mind and happiness that I hand over the position of CEO to Eduardo Mônico, who has already been working there on a day-to-day basis along with Alexandre Mafra from ClearSale and now takes over as CEO. I wish, then, Eduardo, all the luck in the world. I know a lot about his competence, it will be fundamental for an increasingly professional management of ClearSale, I have full confidence that all the trust that we have placed in him for the company's coming years will be reciprocated.

And now, just like that, he's going to present the company's results to you. I'm going to call Eduardo here, who's going to talk about the first quarter of this year. Thank you very much.

Eduardo Mônico: First, good morning, everyone, it's a great pleasure to be here with you again. I would like to start by thanking Bernardo for all the teaching and support throughout this journey of almost 4 years together at ClearSale, I would also like to thank all the trust and support of our Board of Directors and also our entire executive team, I hope to be able to maintain all the legacy that Bernardo gave us and still keep ClearSale as a great risk reference in the digital environment.

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Let's start today's presentation by making a highlight and showing the highlights of this new structure of business units that we implemented since the beginning of the year, which still maintains a transversal support area in each of its specialties, providing all our service and our expertise.

I wanted to start by highlighting a few things from the global E-commerce business unit. First, our investment in componentization has been increasingly reflected in new sales and we see this clearly in this quarter's numbers, where approximately a quarter of our new sales are already present in the digital segments through a componentized offer, with a speech much more adherent to this segment. All of this has been aligned since our planning process, where we focused very much on our go-to-market in digital segments, such as, for example, tickets, tourism, food delivery, where we already see the results appearing and a lot is also happening within our commercial process.

We have also been doing some studies on how our products adhere to the financial segment, especially the issuers segment. We have seen a great opportunity for our information to also help issuers in their transactional process. Also, in this pillar, we have been focusing quite a lot, I just got back from Mexico, in our international structure seeking all the synergies and expertise of this new organization, and our current focus has been very much on profitability and reduction of flaring Of box. This is an intense process that we have been doing and that in the short term it is painful, and we can already see that in this year's results.

Then I would like to go through a transversal structure, which has also made great improvements, one of the important things is our risk control in this quarter, however, we have also made a huge effort in one of our strategic pillars of dominance in data so that we optimize the use of our data on all possible business fronts. ClearSale, as you know, is the company that knows the most about the Brazilian digital consumer and more and more we have focused on using all our data for all our components and solutions, obtaining the best results.

In addition, this pillar also deals with how we can obtain more data in this environment, and an interesting example to bring to you, and making a link with the other business unit, our Application Fraud business unit, we just developed, we are on the market with a new version of our Credit Score, a digital Credit Score that uses the power of our data lake to show how we can include more consumers in this credit environment, and we have had an improvement substantial in our separation between good and bad customers, called KS here, where we managed to have many cases where we significantly evolved the result that we generate for our customers.

Moreover, we continue our work on improving our components, not only from a technical point of view in generating value, but also how we reach this market in each of its pains and opportunities. Two examples to mention for you are: significant evolutions that we have made in our orange fraud process, the combination of components that resolve this pain; and also validating a credit card registered in a wallet, for example, making sure that that person's credit card is not a stolen credit card in a data leakage process, for example.

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In addition, we are also strengthening our go-to-market in this business unit. We have simplified our portfolio, using language that is more in line with the market and looking for solutions that continue to generate value.

Organizational structure changes have also been made intensely to seek more and more agility and flexibility. An example of this is the growing proximity between our solutions team, or sales engineer, and our team that does the back tests, which uses all the strength of our data.

I would like to move on to our New Ventures business unit structure, the last business unit that I would like to discuss with you. We have been doing a lot of constant research to increase synergy with Beta, a company that we acquired about 2 years ago, we have structured a consulting team, it has been demanded by our customers to help them with the challenges of managing risk and systems implementation, and we structured this business unit to provide services to our customers, and we strengthen and make official our theses for future growth.

In addition to credit, which I already mentioned in the Application Fraud BU, we invest here in 2 new theses, an embedded finance thesis, with huge focus on Pix, mainly on transactional Pix and on installment Pix, but which also seeks innovations through of the digital real, or digital identity, a project we have been working on in partnership with other companies. In addition, our well-known cybersecurity thesis continues to grow and gain strength through our anti-phishing, brand monitoring and data leakage components.

In our structure, there are other transversal structures that we have in our new organization that continue to gain traction. Growth, our structure that focuses on our commercial and marketing strategy continues to benefit from this transversal vision, and an example that I would like to cite is our Key Accounts, who are increasingly able to deeply understand our client's challenges and offer them products from our 2 business units.

Furthermore, in the corporate area, we continue to capture our company's energies and efficiency. One of the examples I would like to mention is a significant improvement in the quality of our information, in addition to the implementation of SAP in the international market.

Coming to this quarter's results, I would like to start with the financial and operational highlights and soon Mafra will give us all the details of our result. In this quarter, we managed to achieve revenue growth of 18.2% compared to the same period last year, even facing a challenging scenario in E-commerce and in the macroeconomic scenario. We also achieved a growth in new revenue of 34.4%, reaching R\$37.1 million, this result derived from our componentization strategy. Furthermore, revenue was helped by good control of our fraud indicators. So, we managed to achieve an improvement in EBITDA of 37 million compared to the same period last year, and even in a seasonally weak scenario of this quarter we reached a positive EBITDA in Brazil.

In the international scenario, this quarter, as I said earlier, was reflected in our balance strategies for this market. Moreover, it is worth highlighting our cash

generation, 25.8 million operating cash generation and a very healthy cash position.

I would now like to invite Alexandre Mafra to share with you all the details of our result. Mafra.

Alexandre Mafra: Thank you, Monaco. Good morning everyone and thank you for coming. It is with pleasure that I present the financial results for the quarter. Just like Eduardo, I would like to reiterate my thanks to Bernardo for his trust and for all the knowledge shared during the one year that I have been at ClearSale.

Speaking of revenue, on slide 7, we have a consolidated view of revenue and segments. On the left side, we see our first quarter of '23 with annual revenue growth of 18.2%, even higher than the previous quarter. This growth was driven by E-commerce Brazil, which grew 26.6% against the same period of the previous year. In this quarter, we continued to strictly control our charge back levels and benefited from the addition of 143 new customers, in addition to 6.6 million ARR from new sales.

In Application Fraud, we observed a reduction in annual growth of 3.1% in the year – remembering that we are absorbing the impact of contract rollover and we had a concentration of one-off churns. In international E-commerce, we had a strong acceleration of annual revenue growth to 35.4% in reais and 36.2% in dollars, due to a good addition of 46 customers even with forced churn.

Going to slide 8, operating revenue indicators, I now present our operating indicators that started the year with a solid performance. Our ARR New Sales was R\$37.1 million in the first quarter of '23, 34.4% above the first quarter of last year. Here, I would like to highlight the new sales in E-commerce in Brazil, where more than a quarter come from digital services, mainly tickets, which is directly related to our componentization.

In customers, we had a growth of 210 customers in the quarter, ending this quarter with 7,785 customers. Regarding the annualized churn for the first quarter, you can see that we had an increase compared to the end of 22, growing 1.8 percentage points, reaching 3.2%.

Firstly, it is worth mentioning that part of this increase is directly related to a concentration of churn from 3 Application Fraud customers, one of which was due to business discontinuity. Secondly, it is important to clarify that the churn annualization effect assumes that we would have another 3 quarters equal to the first quarter in churn magnitude, which we see as unlikely, in other words, we expect this churn to be diluted throughout the year.

Moving now to slide 9, operating costs, I recall initially our cost reduction trend over 22', the fourth quarter having the seasonal effect of Black Friday and Christmas. In the first quarter of 23', our total recurring cost reached R\$79.6 million pressured by the impact of the collective bargaining. In addition, this quarter, we have a forecast of R\$4.1 million for bonuses and PPR (Program of Participation in the Results), which did not occur in 22. Therefore, we compare the annual growth

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of 18.2% in revenue with a drop of 9.7% in total recurring costs, or a drop of 14.3% in recurring costs excluding PPR.

In addition, this quarter marks the beginning of a deep work to increase the disclosure of information to the market, bringing here the main lines that make up our cost. We can see that the annual drop in costs is due to the 18.9% drop in supplier costs and the 20.4% drop in labor costs. These reductions are a consequence of the intense work on the Balance Plan, which began in April 22.

It is worth mentioning that we had an accounting reclassification of R\$3.2 million for telephony which went from SG&A to COGS, that is, disregarding this reclassification, the drop in suppliers would be even greater at 31.6%. These suppliers' decreases in labor are partially offset by the 35% increase in other costs, which reflect the turnaround process in the international mentioned by Monaco.

In international E-commerce, we have focused on a profitable customer portfolio, cleaning out unprofitable customers, which in turn has pressured our fraud level in this quarter, but which brings a more sustainable business in the short and medium term.

Going now to slide 10, selling, general and administrative expenses, as well as costs, I emphasize our trend of reducing expenses throughout 22, and the fourth quarter of 22 had the seasonal effect of commission on commercial bonuses and provision one-off credit of R\$5.6 million of an important national E-commerce. In the first quarter of '23, our recurring expenses dropped to R\$57.6 million, and we had provision for bonuses and PPR of R\$2.3 million.

Here, I also compare our revenue growth of 18.2% with the reduction in total recurring expenses of 13.7%, or a decrease of 17.1% excluding profit sharing. In expenses, we also improved our disclosure, highlighting selling, administrative, ADA (Allowance for Doubtful Accounts) and other expenses. In all lines we have an annual reduction in expenses, mainly in general and administrative, which reduced 37.3% in the year. The other line benefited from the accounting reclassification. Excluding this reclassification, we would have a slight increase of R\$1 million.

Moving now to slide 11, we bring the views of gross profit and recurring EBITDA. As a result of everything we discussed, we reached a gross margin of 42.7% in Brazil and -2.5% in the international and 36.1% in the consolidated for the first quarter of 2023. Here we highlight what our margin would be excluding PPR provision, which did not occur in 22 for comparative purposes. Our recurrent EBITDA margin in Brazil, despite the weak seasonality in the first quarter, was positive, reaching 1.2%, being higher than the second quarter of 22. Excluding the PPR provision, the recurrent EBITDA margin in Brazil would be 7.1%, on the international front, we see a downward trend in the recurring EBITDA margin, a reflection of the turnaround process that I just explained, which we mentioned earlier.

Going now to slide 12, the first point I would like to emphasize is the continuity of operating cash generation in the quarter, which was R\$25.8 million, mainly reflecting the receipt of the flow originated in the fourth quarter. We had 8.8

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million in debt amortization, 3.7 million in investment in the new office and a Capex of R\$25.6 million in the quarter.

Here, we also improved our transparency, demonstrating that 21.7 million were earmarked for the development of new solutions, which is our R&D, 1.8 million for software licenses and 2.1 million for earnout from acquisitions, among others.

Finally, our cash position ended March 31 at a healthy level of R\$467.2 million. For 23, we will continue with discipline and seek to maintain operating cash generation.

I would now like to call on Monaco for final considerations. Thank you all.

Eduardo Mônaco: Thank you, Mafra. Before going into the Q&A session, I would like to bring you some highlights to wrap up the presentation. First, I would like to highlight the management transition process that has ended, and I would like to highlight: first, our increasingly global structure; second, our reorganization by business unit, which already brings perceptible benefits to the market and to our solutions; and, third, once again thank Bernardo for the generous transition process.

I would like to highlight our revenue growth even in a challenging scenario, as said. Our profitability continues in our on-track process, as we have been doing and showing over the last few quarters, and we are increasingly facing the challenges that we face in terms of balance in the result and in the international market.

In addition, it is worth highlighting our healthy cash position and operating cash generation of 25.8 million this quarter.

With that, we end the presentation here, we are now available for questions and answers.

Q&A Session

Coordinator: Thank you guys for the presentation. Well, folks, so now, as Monaco already said, we are starting the Q&A block for investors and analysts. I'm going to make the usual deal with you, there's a little button on the left side of your screen, I ask you to send all questions in that Q&A button, OK?

Available to answer your questions are Eduardo Mônaco, Alexandre Mafra and Renan Ikemoto. We already have some questions here, let me just access my platform and then you feel free to send them in the meantime.

The first question is from Arnon Shirazi – and I apologize in advance if I mispronounce someone's last name here –, he is from Santander:

"Guys, how is new product development and related go-to-market advancements going?"

Eduardo Mônaco: Hello everyone, good morning everyone. Arnon, thanks for the question. It is a very relevant question at a time when we are facing several factors, first because over the last few years, as we have been saying, we have carried out a very important process in ClearSale's history of transforming ClearSale into a platform of technological components for that we, based on these new data or technology components, manage to address more and more markets and new markets.

When we look at the result of this quarter of new sales, we already see a very interesting result in this process where we managed to bring a quarter of our sales in e-commerce, in the international E-commerce BU, quite in line with our go-to-market strategy going to relevant segments where we did not have dominance, but showing our power to manage to find a market fit for a very relevant product, we are talking about tickets, food delivery, and aviation. Three major segments that we have entered and all in digital goods.

Furthermore, we have relevant developments in the Application Fraud BU where we are starting to develop more components and bundles. So, relevant examples: orange fraud, we have credit card validation products when it is embedded in a wallet; and we also have our New Ventures BU where we have been developing more and more other components, in particular credit products, cybersecurity products, anti-phishing, brand monitoring and also products linked to the thesis that the people call embedded finance, which has a lot to do with Pix fraud, Pix installments and other major disruptions that are happening in the means of payment.

So, product development continues, our "market fit" increases and we are more and more prepared to package this and sell it in the appropriate go-to-market as planned since the beginning of the year. So, I think it's been a very important trajectory, you saw how much the new sale contributed to this year's result in a scenario like this challenging year and we have seen not only in the E-commerce results, but also in the general results how much the macro scenario has affected the year, so for us new revenue is very important to collaborate in a year where our expectation of base growth is much more conservative.

Coordinator: Perfect, guys, thank you. We have one more question here, from Flávio, from Bank of America. In fact, he has 3 questions in one, let's go:

"When should we see the benefits of the international e-commerce turnaround process? When should EBITDA reach breakeven? And any revenue growth expectations for the year?"

Alexandre Mafra: Let's start answering backwards, in anticipation of revenue, and I'm going to pick up a little bit of what Monaco just said. I think we are very happy with the advances we are seeing in terms of new sales, especially with regard to the penetration of new products recently developed in our annual sales.

So, this part of this new sale is going very well, within our expectations. On the other hand, we have been following very closely the results of the main E-commerces in Brazil, you have seen this, clothing companies with digital sales

that are also relevant. I think that we don't have an expectation that base revenue will come in a positive way.

So, I think that having said that, the company over the Equilibrium Project last year and over this first quarter as well and looking forward, the company is much more prepared to, if necessary, stay longer below the waterline. So, yes, we have a positive expectation of new sales, but we do not have a positive expectation when we talk about base revenue, at least in the short term.

On the other hand, efforts are being made to balance effectively so that we can have peace of mind that it is necessary to last longer under the waterline with a very disciplined control of costs and expenses.

May we go to the other 2?

Coordinator: Do you want me to repeat it or not?

Alexandre Mafra: Please.

Coordinator: Let's go, reading here: "When should we observe the benefits of the international E-commerce turnaround process, when should EBITDA reach breakeven and any expectation of revenue growth for the year?"

Eduardo Mônaco: When we talk about the international, I think it is a very relevant topic for us, we have taken this issue very seriously this year and it starts with our structuring of the company by business units and now with a global level. We used to have the international unit separated from the unit in Brazil, we unify these 2 operations and we already capture, throughout this first quarter, important synergy results within the process, from administrative and financial synergies, to management synergies, such as, for example, a greater merger between the international risk management team with the one in Brazil, taking all the expertise of a team that, for example, already controlled our charge back crisis in Brazil last year by joining efforts with the team who knows a lot about the international market.

Another example is a synergy in the growth process. I was in the Mexican market 2 weeks ago, getting to know and exploring a lot there, talking to many partners, customers, banks, payment providers because it is a very important market, big where we need to adjust our sails a little, like us we did successfully in Brazil. And this work comes from a side, as I said, from synergy, but also from an important side of gross margin control so that we can optimize our results of control of charge back and variable costs in the operation.

This work is being done, we had a tougher first quarter due to some... we "clustered" our customer base and found some groups where we needed to carry out strong renegotiations and/or withdraw customers from our portfolio and the result came in this quarter, but we are already starting to see a more efficient result projection for the next quarters when we talk about the gross margin point of view.

So, I think we are in this scenario, we see that throughout the year we will get results, we are already getting some results, and we do not give guidance, as you know, but we see a positive trend and improvement in the reduction of international cash burn.

Coordinator: Perfect, Edu, thank you. Guys, just remembering our agreement, if you want to send us any questions, just send them the Q&A button on the left side of your screen, which Eduardo Mônico, Alexandre Mafra and Renan Ikemoto are available to answer, it's OK?

We don't have any other questions for now, so I'll give you a few minutes so you can think and ask your question, and I'll come back here as soon as we have, okay? Feel free to ask.

Folks, as we are not receiving any new questions, I will now pass the floor to our Board for the final considerations and then we will come back here for the final part.

Eduardo Mônico: Cool, Felipe, thanks. Thank you to everyone who attended the conference.

I would like to start with the final consideration by thanking Bernardo once again, all the members of the ClearSale Board of Directors, our entire ClearSale team and the investors for their confidence in this succession process, which was carried out, as we announced to the market, with quite calm, over many years of understanding and knowing ClearSale, I've been here for 4 years, we've completed this process now, I'm very happy with the new role, aware of the challenges, we're in a very challenging year for everyone, we are, on the other hand, due to everything we conducted last year with a company that is much more prepared and ready for the challenges we are experiencing.

We had a first quarter with expressive results, we managed a significant growth in revenues and also a very expressive control in the burning of cash, as a result of what we have been doing, in addition to a result of new sales also as a result of our componentization strategy, technology and products.

So, thank you all and see you in 3 months again.

Alexandre Mafra: Thank you guys. Great week.

Coordinator: Perfect, everyone, so we end our videoconference here. We appreciate everyone's participation, have a great day and see you next time.