ClearSale

RELEASE →

RESULTS
1st Quarter of
2024

Conference Call

05/14/2024 (Tuesday)
(Simultaneous translation to English)
10:00 AM (Brasília)
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**Access Here**

IR Contact

Barueri, Monday, **May 13, 2024** - Clear Sale SA ("ClearSale" or "Company") (B3: CLSA3), a company specializing in digital anti-fraud solutions in the most diverse segments and a pioneer in mapping digital consumer behavior in Brazil, presents its results for the 1st quarter of 2024 ("1Q24").

The following financial and operational information follows international accounting standards (IFRS) and Brazilian accounting principles. Comparisons refer to the same periods in 2023.

Financial and Operational Highlights

R$ 9.0 million

+71.4% y/y

New Sales Growth
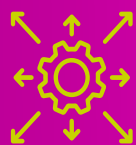
Improvement of:
R$ 23.0 million y/y
R$ 6.4 million q/q

Diligence in Costs and Expenses

+ R$ 10.0 million

Annual increase in EBITDA ex-LTI

Generation of **R$ 2.6 million e** Net cash of **R$ 10.0 million**

Gross and Net Cash Generation and healthy cash position

		1Q24 (y/y)	
New Sales	Transactional Brazil (e-commerce)	R$ 2 mn	(+106.6%)
	International Transactional (e-commerce)	R$ 0.3 mn	(-27.6%)
	Application Fraud	R$ 6.6 mn	(+73.7%)
	Total New Sales	**R$ 9 mn**	**(+71.4%)**
Customers	Transactional Brazil (e-commerce)	5,315	(-43)
	International Transactional (e-commerce)	1,520	(-194)
	Application Fraud	257	(-3)
	Total Customers	**7,092**	**(-240)**
Churn	**Total Churn Rate**	**2.6%**	**(-1.9 p.p)**
Net Revenue	Transactional Brazil (e-commerce)	R$ 63.5 mn	(-14.1%)
	International Transactional (e-commerce)	R$ 15.1 mn	(-16.4%)
	Application Fraud	R$ 33 mn	(+1.2%)
	Total Net Revenue	**R$ 111.6 mn**	**(-10.4%)**
Gross Profit	Gross Profit	R$ 45.5 mn	(+4.1%)
	Gross Margin	40.8%	(+ 5.7 p.p)
EBITDA	EBITDA ex-LTI Consolidated	R$ -3.7 mn	(+R$ 10 mn)
	Consolidated EBITDA Margin	-3.3%	(+ 7.7 p.p)
	EBITDA ex-LTI Brazil	R$ 1.6 mn	(+R$ 1.5 mn)
	Brazil EBITDA Margin	1.7%	(+ 1.6 p.p)
Net Result	Net Result ex-LTI	R$ -5.5 mn	(+R$ 7 mn)
	Net Margin ex-LTI	-5.0%	(+5.1 p.p)

*All comparisons in this table refer to the same period last year (Year-over-Year)

ClearSale

1. MESSAGE FROM ADMINISTRATION

Dear Shareholders,

We are pleased to present the first result for the year 2024, in which we are focused on our 3 main pillars:

I. **Simplification:** a more focused and lighter company, with adjustment of the structural level of costs and expenses.

II. **Scalability with profitability:** more agile and efficient technological infrastructure and scalable components enabling faster sales and implementation with higher margins and reduced need of human analysis in the customer base.

III. **Diversification:** reducing dependence on large traditional e-commerce customers and legacy contracts on application fraud and increasing penetration into new markets with more profitable solutions.

We remain committed to Diversification, with the transition process in our revenue, in which we are reducing dependence on large customers, mainly marketplaces of physical goods delivery. With our strategic positioning - **we are partners and collaborate with our unique expertise to solve fraud in any market and payment method** - added to our 3 main pillars, we are able to be innovative in creating new products to explore and delve into new segments, mainly segments with the highest growth (delivery, tickets, mobility, financial market, insurance, among others). This movement generates a short-term impact on revenue growth but prepares a more resilient and sustainable customer mix.

We know that fraud is dynamic, fraud transforms and fraudsters specialize and evolve. Therefore, it is increasingly necessary to anticipate fraudsters, malicious and criminal acts, and evolve our technologies to combat fraud. Thus, we started the year with **our new manifesto: ClearSale, one step ahead.** Therefore, we seek to make life safer **throughout the digital journey,** mainly by helping companies in the **main** relationship with their customers.

After our strategic restructuring carried out in 3Q23, we entered this year with a much more focused and lean structure. In this way, we were able to show an annual reduction in costs and expenses (excluding LTI) of R$23 million and an increase in EBITDA (excluding LTI) of R$10 million.

In the first quarter, we presented a New Sales of R$ 9.0 million, up 71.4% year over year, and with a net cash generation of R$ 10.0 million, a gross cash generation of R$ 2.6 million, in addition to operating cash generation of R$29.5 million.

Finally, we understand that we have an emblematic quarter, being the first quarter since the IPO in which we have a cash generation, which is very aligned with our 2024 priority of building an accelerated growth company with cash generation.

Eduardo Mônaco
CEO

2. OPERATIONAL INDICATORS

2.1. CUSTOMERS AND CHURN

#; %	1Q24	4Q23	1Q23	QoQ	YoY
Brazil Transactional Customers (e-commerce)	5,315	5,660	5,358	-6.1%	-0.8%
International Transactional Customers (e-commerce)	1,520	1,498	1,714	+1.5%	-11.3%
Application Fraud Clients	257	263	260	-2.3%	-1.2%
Total Active Customers	**7,092**	**7,421**	**7,332**	**-4.4%**	**-3.3%**

In 1Q24, the total number of active customers was 7,092, a quarterly drop of 4.4% or 329 customers, while in the year the drop was 3.3% or 240 customers. This number was impacted by greater rigor in the billing process, with cancellation of defaulting customers, improvement in our database with the consolidation of unique customers and cleaning of the international database.

R$ mn; %	1Q24	2023	vs 2023
Annualized Brazil Financial Churn	0.9	0.8	+3.7%
Annualized Brazil Churn Rate (%)	**2.4%**	**1.9%**	**+ 0.5 p.p**
Annualized International Financial Churn	0.2	1.5	-85.9%
Annualized International Churn Rate (%)	**4.3%**	**23.4%**	**-19.1 p.p**
Total Annualized Financial Churn	1.1	2.3	-53.6%
Total Annualized Churn Rate (%)	**2.6%**	**4.5%**	**-1.9 p.p**

Always seeking to improve the visibility of our business, this quarter we started to incorporate international churn. Thus, the total financial churn in 2023 totaled R$2.3 million or 4.5%, being R$0.8 million or 1.9% in Brazil and R$1.5 million or 23.4% in the International (impacted by base cleaning). In 1Q24, total annualized Churn was R$1.1 million or 2.6%, an improvement of 1.9 p.p compared to 2023.

2.2. GROSS NEW SALES REVENUES

R$ mn ; %	1Q24	1Q23	YoY
New Sales Monthly Recurring Transactional Brazil (e-commerce)	2.0	0.9	+110.2%
New Sales Monthly Recurring International Transaction (e-commerce)	0.3	0.4	-27.6%
New Sales Monthly Recurring Application Fraud	1.8	3.0	-40.4%
Total Monthly Recurring New Sales	**4.1**	**4.4**	**-7.2%**
Non-monthly recurring Transactional Brazil	0.0	0.0	+23.3%
Non-monthly recurring International Transactional	0.0	0.0	n/a
Non-Monthly recurring Application Fraud	4.8	0.8	+520.4%
Non-monthly Recurring Total	**4.9**	**0.8**	**+496.0%**
Total Monthly Recurring + Non-Monthly Recurring	**9.0**	**5.2**	**+71.4%**

From 2024 onwards, we started to show new sales revenues and segregated new sales of non-monthly recurrence, that is, sales that we do not have monthly predictability of consumption, such as batch consultations, batch contracts and consultations for base cleaning, as well as we reprocessed the previous year for comparison purposes.

Total Gross New Sales Revenues were R$9.0 million in 1Q24, showing annual growth of 71.4%, driven by the Monthly Recurring Sales of Transactional Brazil performance, which grew 110.2% in the year, as well as by the non-monthly recurring sales of Application Fraud that grew 520.4% in the year. The International Transactional, we presented a drop of 27.6%, reflecting weaker customer harvests in the months of January/24 and February/24, however with a recovery in March/24.

2.3 MRR NEW SALES

R$ mn ; %	1Q24	1Q23	YoY
MRR New Sales Transactional Brazil (monthly recurrence)	1.0	0.5	+104.7%
MRR New Sales International Transactional (monthly recurrence)	0.3	0.2	+33.5%
MRR New Sales Application Fraud (monthly recurrence)	0.8	1.3	-39.7%
MRR New Sales Total (monthly recurrence)	**2.0**	**2.0**	**+4.0%**
MRR New Sales Transactional Brazil (non-monthly recurrence)	0.0	0.0	+23.3%
MRR New Sales International Transactional (non-monthly recurrence)	0.0	0.0	n/a
MRR New Sales Application Fraud (non-monthly recurrence)	1.6	0.3	+520.4%
MRR New Sales Total (non-monthly recurrence)	**1.6**	**0.3**	**+496.0%**
MRR New Sales Total	**3.7**	**2.2**	**+64.3%**

The MRR New Sales or Monthly Recurring Revenue is calculated based on the average monthly gross revenue from each harvest in the analysis period. The indicator represents an estimate of the recurring revenue that the customers in case will generate for ClearSale on a monthly basis for the coming years.

In 1Q24, the Total MRR New Sales of monthly recurrence was R$2 million, up 4% y/y, with Transactional Brazil up 104.7% y/y, while the Total MRR New Sales of non-monthly recurrence was of R$1.6 million, up 496.0%, driven by the performance of Application Fraud, which showed annual growth of 520.4%. In this way, Total MRR New Sales grew 64.3% in the year, closing 1Q24 at R$3.7 million.

International Transactional was up 33.5% y/y in MRR New Sales, while it fell 27.6% in New Sales Revenues, this effect is explained by a sales concentration effect at the end of the quarter, that is, part of what is considered in the MRR New Sales does not have the effect of the carryover throughout the quarter on the New Sales Revenues indicator.

1. FINANCIAL INDICATORS

1.1. RESULTS REPORT

R$ mn ; %	1Q24	4Q23	1Q23	QoQ	YoY
Transactional Brazil (e-commerce)	63.5	83.2	74.0	-23.6%	-14.1%
Application Fraud	33.0	31.3	32.6	+5.3%	+1.2%
International Transactional (e-commerce)	15.1	19.1	18.1	-21.0%	-16.4%
Net operating revenue	**111.6**	**133.6**	**124.6**	**-16.5%**	**-10.4%**
Salaries, charges and benefits	-38.4	-39.7	-45.1	-3.3%	-14.9%
Services provided by third parties	-15.2	-19.2	-15.3	-20.6%	-0.3%
Other costs	-6.3	-7.6	-13.6	-16.6%	-53.5%
Utilities	-2.7	-2.7	-2.8	+1.0%	-4.4%
PLR	-3.5	-3.5	-4.1	-0.1%	-15.4%
Costs (ex depr.)	**-66.1**	**-72.6**	**-80.9**	**-8.9%**	**-18.3%**
Gross Profit (ex depr.)	**45.5**	**61.0**	**43.7**	**-25.4%**	**+4.1%**
Gross Margin (%)	40.8%	45.7%	35.1%	-4.9 p.p	+ 5.7 p.p
Salaries, charges and benefits	-31.2	-30.4	-37.8	+2.6%	-17.4%
Services provided by third parties	-7.9	-10.7	-9.4	-26.5%	-16.3%
Other expenses	-4.5	-2.9	-5.2	+57.9%	-13.0%
Utilities	-0.8	-1.3	-1.7	-37.3%	-53.4%
Allowance for Doubtful Accounts (ADA)	-2.4	-1.3	-1.0	+87.8%	+144.1%
Participation in Profits and Results (PPR)	-2.3	-2.5	-2.3	-5.7%	+3.1%
Ex-LTI Expenses (ex depr.)	**-49.2**	**-49.1**	**-57.4**	**+0.3%**	**-14.3%**
% Net Revenue	-44.1%	-36.7%	-46.1%	-7.3 p.p	+ 2.0 p.p
EBITDA ex-LTI	**-3.7**	**12.0**	**-13.7**	**n/a**	**-73.1%**
EBITDA margin ex-LTI (%)	-3.3%	8.9%	-11.0%	-12.2 p.p	+ 7.7 p.p
EBITDA ex-LTI Brazil	**1.6**	**14.4**	**0.1**	**-88.6%**	**+1094.2%**
EBITDA margin ex-LTI Brazil (%)	1.7%	12.5%	0.1%	-10.8 p.p	+ 1.6 p.p
LTI (Long-term Incentives)	-3.1	-3.1	-4.9	+1.5%	-35.7%
EBITDA	**-6.8**	**8.9**	**-18.5**	**n/a**	**-63.3%**
EBITDA margin (%)	-6.1%	6.6%	-14.9%	-12.7 p.p	+ 8.8 p.p
Depreciation and amortization	-11.4	-11.4	-10.3	0.0%	+10.5%
Operational result	**-18.2**	**-2.6**	**-28.9**	**+613.6%**	**-36.9%**
Financial income	10.5	12.6	16.1	-16.4%	-34.6%
Financial expenses	-2.9	-4.5	-4.8	-36.3%	-40.2%
Financial result	**7.6**	**8.1**	**11.3**	**-5.3%**	**-32.2%**
Result before IR and CS	**-10.6**	**5.5**	**-17.6**	**n/a**	**-39.8%**
IR and CS	1.9	-0.3	0.2	n/a	+970.0%
Net income	**-8.7**	**5.2**	**-17.4**	**n/a**	**-50.2%**
Net Margin (%)	-7.8%	3.9%	-14.0%	-11.7 p.p	+ 6.2 p.p
Net Result Adjustments	3.1	3.1	4.9	+1.5%	-35.7%
Net Result ex-LTI	**-5.5**	**8.3**	**-12.6**	**n/a**	**-55.9%**
Net Margin ex-LTI (%)	-5.0%	6.2%	-10.1%	-11.2 p.p	+ 5.1 p.p

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1.2. NET REVENUE by SEGMENT

| R$ mn ; %	1Q24	4Q23	1Q23	QoQ	YoY
Transactional Brazil (e-commerce)	63.5	83.2	74.0	-23.6%	-14.1%
Application Fraud	33.0	31.3	32.6	+5.3%	+1.2%
International Transactional (e-commerce) (BRL)	15.1	19.1	18.1	-21.0%	-16.4%
International Transactional (e-commerce) (USD)	3.1	3.9	3.5	-20.9%	-12.2%
Net operating revenue	**111.6**	**133.6**	**124.6**	**-16.5%**	**-10.4%**

Revenue Distribution
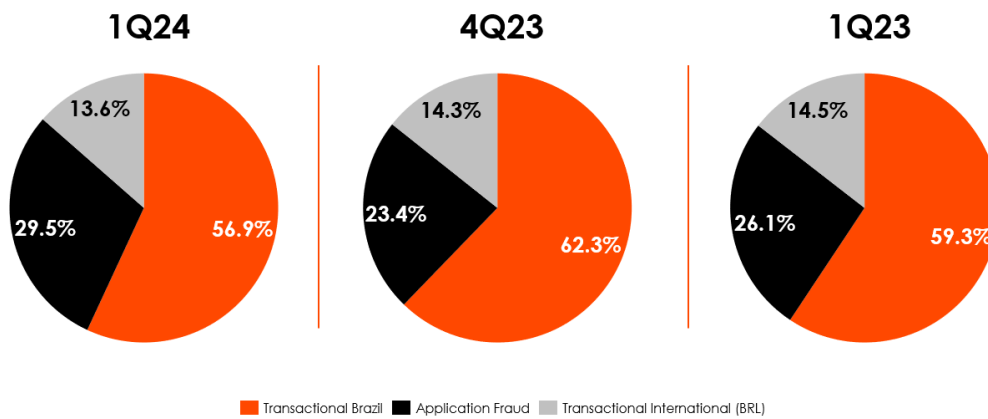
Total net revenue was R$111.6 million in 1Q24, down 10.4% compared to the same period in 2023.
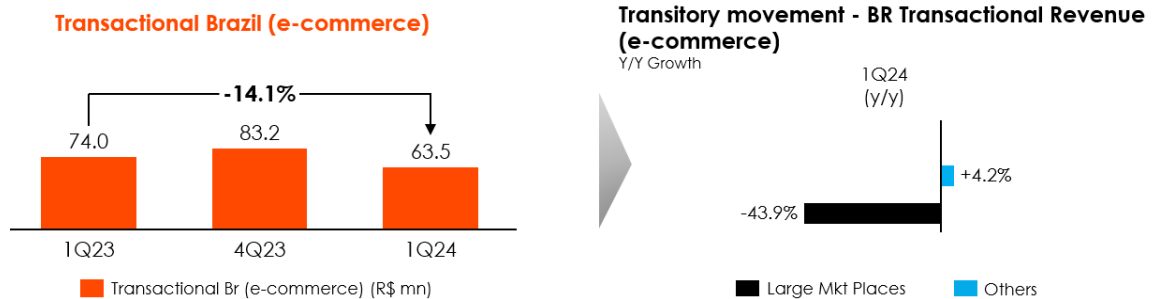
Transactional Brazil (e-commerce) revenue totaled R$63.5 million, an annual drop of 14.1%, explained by the process of componentization/repositioning of solutions (higher margin, at the expense of revenue), trend of GMV and reduction in our revenue in large retailers. While 1Q24 revenues in large markets places fell 43.9% annually, in other customers it was up 4.2%. As a result, we have a transitional process of pressured revenue, but with important effects of reducing dependence on large retailers. On the other hand, we increased our exposure to segments with different economic cycles, making our revenue more resilient in the long term.

Transactional International (e-commerce)

Transactional Int (e-commerce) (R$ mn)   y/y variation in USD
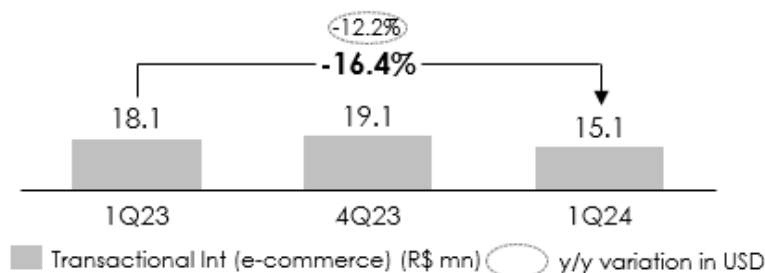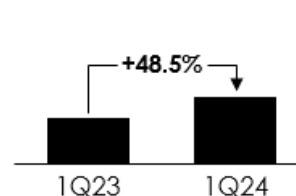
Transactional International (e-commerce), net revenue reached USD 3.1 million or R$ 15.1 million in 1Q24, an annual drop of 12.2% in dollars or 16.4% in reais. The annual drop is explained by exchange rate variation, cleaning of the customer base and focus on regions and new profitable sales.

Application Fraud (R$ mn)
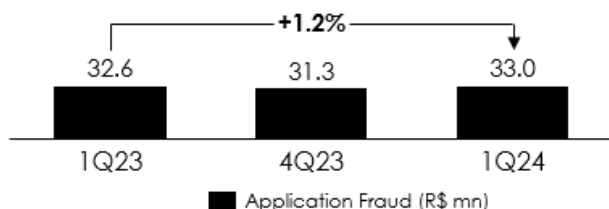
The **Application Fraud** revenue was R$33.0 million in 1Q24, quarterly growth of 5.3% and annual growth of 1.2%. It is important to note that the effect of componentization/repositioning of solutions (higher margin at the expense of revenue) temporarily impacts base revenue, but already reflects an annual growth in consultation volume of 48.5% in 1Q24.

1.3. COSTS OF SERVICES PROVIDED

R$ mn ; %	1Q24	4Q23	1Q23	QoQ	YoY
Salaries, charges and benefits	-38.4	-39.7	-45.1	-3.3%	-14.9%
Services provided by third parties	-15.2	-19.2	-15.3	-20.6%	-0.3%
Utilities	-2.7	-2.7	-2.8	+1.0%	-4.4%
Other costs	-6.3	-7.6	-13.6	-16.6%	-53.5%
PPR	-3.5	-3.5	-4.1	-0.1%	-15.4%
Costs (ex depr.)	**-66.1**	**-72.6**	**-80.9**	**-8.9%**	**-18.3%**
% Net Revenue	-59.2%	-54.3%	-64.9%	-4.9 p.p.	+ 5.7 p.p
Depreciation Costs	-7.7	-7.2	-7.0	+6.1%	+9.9%
Total Accounting Cost (with depr.)	**-73.8**	**-79.8**	**-87.9**	**-7.6%**	**-16.0%**
% Net Revenue	-66.1%	-59.7%	-70.5%	-6.4 p.p	+ 4.4 p.p

In 1Q24, Costs (ex-depr) excluding LTI totaled R$66.1 million, a drop of 8.9% compared to the previous quarter and 18.3% in the year, highlighted by the annual reduction in salaries, charges and benefits, due to continuous improvement of automatic approval and use of our digital components in our approval process and other costs, reflecting international chargeback control.

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1.4. GROSS PROFIT AND GROSS MARGIN

R$ mn ; %	1Q24	4Q23	1Q23	QoQ	YoY
Transactional Brazil (e-commerce)	63.5	83.2	74.0	-23.6%	-14.1%
Application Fraud	33.0	31.3	32.6	+5.3%	+1.2%
International Transactional (e-commerce)	15.1	19.1	18.1	-21.0%	-16.4%
Net operating revenue	**111.6**	**133.6**	**124.6**	**-16.5%**	**-10.4%**
Total Cost (ex depr.)	-66.1	-72.6	-80.9	-8.9%	-18.3%
Gross Profit (ex depr.)	**45.5**	**61.0**	**43.7**	**-25.4%**	**+4.1%**
% Net Revenue	40.8%	45.7%	35.1%	-4.9 p.p	+ 5.7 p.p
Depreciation Costs	-7.7	-7.2	-7.0	+6.1%	+9.9%
Total Accounting Cost (with depr.)	**-73.8**	**-79.8**	**-87.9**	**-7.6%**	**-16.0%**
Accounting Gross Profit (with depr.)	**37.9**	**53.8**	**36.8**	**-29.6%**	**+3.0%**
% Net Revenue	33.9%	40.3%	29.5%	-6.4 p.p	+ 4.4 p.p

In 1Q24, Gross Profit totaled R$45.5 million and Gross Margin was 40.8%, an annual improvement of 4.1% and 5.7 p.p, respectively.

1.5. EXPENSES

R$ mn ; %	1Q24	4Q23	1Q23	QoQ	YoY
Salaries, charges, and benefits	-31.2	-30.4	-37.8	+2.6%	-17.4%
Services provided by third parties	-7.9	-10.7	-9.4	-26.5%	-16.3%
Utilities	-0.8	-1.3	-1.7	-37.3%	-53.4%
ADA	-2.4	-1.3	-1.0	+87.8%	+144.1%
Other expenses	-4.5	-2.9	-5.2	+57.9%	-13.0%
PPR	-2.3	-2.5	-2.3	-5.7%	+3.1%
Expenses Ex-LTI (ex depr.)	**-49.2**	**-49.1**	**-57.4**	**+0.3%**	**-14.3%**
% Net Revenue	-44.1%	-36.7%	-46.1%	-7.3 p.p	+ 2.0 p.p
LTI (Long-term Incentives)	-3.1	-3.1	-4.9	+1.5%	-35.7%
Depreciation and amortization	-3.8	-4.2	-3.4	-10.4%	+11.6%
Total non-recurring	**-6.9**	**-7.3**	**-8.2**	**-5.4%**	**-16.3%**
Total Accounting Expense (with depr.)	**-56.1**	**-56.4**	**-65.6**	**-0.5%**	**-14.6%**
% Net Revenue	-50.2%	-42.2%	-52.7%	-8.1 p.p	+ 2.4 p.p

Expenses ex-LTI totaled R$49.2 million in 1Q24, stable in the quarter and with a drop of 14.3% in the year, with annual drop in Salaries, Services provided by third parties, Utilities and Other expenses, reflecting the benefits from strategic restructuring and expense diligence, partially offset by an increase in ADA due to a temporary difficulty in receiving from customers in Argentina.

In 1Q24, Total Costs and Expenses ex-LTI showed a reduction of R$23.0 million in the year and R$6.4 million in the quarter.

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1.6. EBITDA

R$ mn ; %	1Q24	4Q23	1Q23	QoQ	YoY
Net income	**-8.7**	**5.2**	**-17.4**	**n/a**	**-50.2%**
(-) Financial result	7.6	8.1	11.3	-5.3%	-32.2%
(-) Income tax and social contribution	1.9	-0.3	0.2	n/a	+970.0%
(-) Depreciation and amortization	-11.4	-11.4	-10.3	0.0%	+10.5%
EBITDA	**-6.8**	**8.9**	**-18.5**	**n/a**	**-63.3%**
EBITDA margin (%)	-6.1%	6.6%	-14.9%	-12.7 p.p	+ 8.8 p.p
(-) LTI (Long-term Incentives)	-3.1	-3.1	-4.9	+1.5%	-35.7%
EBITDA ex-LTI	**-3.7**	**12.0**	**-13.7**	**n/a**	**-73.1%**
EBITDA margin ex-LTI (%)	-3.3%	8.9%	-11.0%	-12.2 p.p	+ 7.7 p.p
EBITDA ex-LTI Controlled (ClearSale LLC)	-5.3	-2.4	-13.8	+121.3%	-61.5%
EBITDA ex-LTI Brazil	**1.6**	**14.4**	**0.1**	**-88.6%**	**+1094.2%**
EBITDA margin ex-LTI Brazil (%)	1.7%	12.5%	0.1%	-10.8 p.p	+ 1.6 p.p

In 1Q24, EBITDA ex-LTI was -R$3.7 million, an annual improvement of R$10.0 million, driven by the better performance in Internacional, while EBITDA ex-LTI Brazil totaled R$1.6 million, with an EBITDA Margin of 1.7%, an annual improvement of R$1.5 million and 1.6 p.p, respectively.

1.7. FINANCIAL RESULT

R$ mn ; %	1Q24	4Q23	1Q23	QoQ	YoY
Financial income	10.5	12.6	16.1	-16.4%	-34.6%
Financial expenses	-2.9	-4.5	-4.8	-36.3%	-40.2%
Financial result	**7.6**	**8.1**	**11.3**	**-5.3%**	**-32.2%**

The Financial Result was R$7.6 million in 1Q24, representing a drop of 32.2% compared to the same period in 2023.

Financial revenues totaled R$10.5 million in 1Q24, an annual drop of 34.6%, mainly explained by a lower interest rate and less cash invested.

Financial expenses totaled -R$2.9 million in 1Q24, a reduction of 40.2% compared to the same period in 2023, impacted by debt reduction and passive exchange variation.
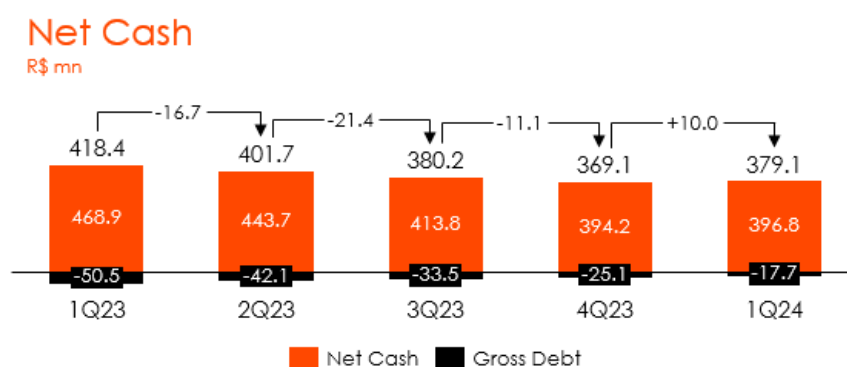
ClearSale

1.8. INCOME TAX AND NET INCOME

R$ mn ; %	1Q24	4Q23	1Q23	QoQ	YoY
Operating Profit before IR and CS	-10.6	5.5	-17.6	n/a	-39.8%
IR and CS (Nominal Rate = 34%)	3.6	-1.9	6.0	n/a	-39.8%
Adjustments to effective rate					
Loss without constitution of deferred	-2.0	-1.7	-5.7	+21.9%	-64.8%
Other net deletions/additions	0.3	3.3	-0.1	-89.4%	n/a
IR and CS expense at effective rates	**1.9**	**-0.3**	**0.2**	**n/a**	**+970.0%**
Effective Tax Rate	-18.2%	-5.0%	-1.0%	-13.1 p.p	-17.1 p.p
Net income	**-8.7**	**5.2**	**-17.4**	**n/a**	**-50.2%**
Net Result Adjustments	3.1	3.1	4.9	+1.5%	-35.7%
Net Result ex-LTI	**-5.5**	**8.3**	**-12.6**	**n/a**	**-55.9%**
Net Margin ex-LTI (%)	-5.0%	6.2%	-10.1%	-11.2 p.p	+ 5.1 p.p

Income tax and social contribution calculated in the quarter totaled R$1.9 million, reflecting an effective rate of -18.2%, mainly due to the non-compensation of the international market loss in the Consolidated result, partially offset by using the Lei do Bem (Law of Right) in Brazil.

Net Result ex-LTI in 1Q24 was -R$5.5 million, reflecting an adjusted net margin of -5.0%, an improvement of 5.1 p.p compared to the same period in 2023.

1.9. CASH FLOW AND CAPEX

The company ended March 31, 2024, with R$379.1 million in Net Cash, a quarterly increase of R$10.0 million, of which:

Net Cash
R$ mn

	1Q23	2Q23	3Q23	4Q23	1Q24
	418.4	401.7	380.2	369.1	379.1
Net Cash	468.9	443.7	413.8	394.2	396.8
Gross Debt	-50.5	-42.1	-33.5	-25.1	-17.7

Change: -16.7 / -21.4 / -11.1 / +10.0

Legend: ■ Net Cash ■ Gross Debt

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i) **Operating Cash:** Operating cash generation of R$29.5 million in the quarter, annual improvement of R$4.0 million due to improved operational efficiency.

Operating Cash Flow
R$ mn
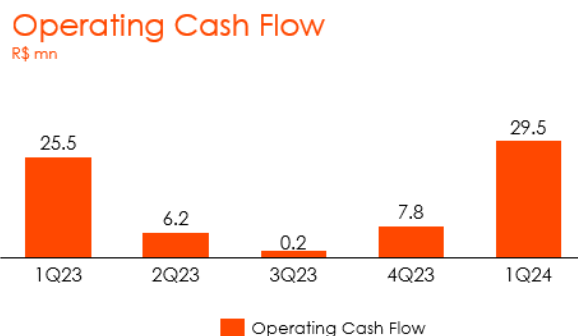
ii) **Cash from Investment Activities:**

R$ mn ; %	1Q24	4Q23	1Q23	QoQ	YoY
Development	-16.7	-18.9	-21.7	-11.5%	-22.8%
% Net Revenue	-15.0%	-14.2%	-17.4%	-0.8 p.p	+ 2.4 p.p
Licenses and Software Acquisition	0.0	-0.5	-2.1	n/a	n/a
Immobilized	0.0	0.0	-3.7	+93.3%	-99.2%
M&A/Others	-3.2	0.0	-0.5	n/a	+582.7%
Total CAPEX	**-20.0**	**-19.4**	**-28.0**	**+2.8%**	**-28.7%**

In the quarter, the company's CAPEX totaled R$ 20.0 million, of which:

a) **Development: R$16.7 million in** software development activation, a drop compared to the same period in 2023 of -22.8%, reflecting the benefits of strategic restructuring. However, we continue to invest to innovate our solution platform, aiming to maintain our competitive advantage and market leadership.

b) **M&A/Others:** R$3.2 million related to the Earnout from the acquisition of Beta Learning.

iii) **Financing:** debt amortization of R$7.0 million in the quarter

Financing Cash Flow
R$ mn
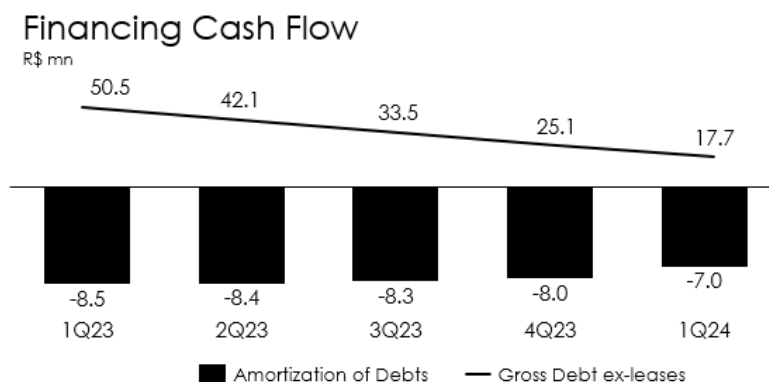
1.10. DEBT AND AMORTIZATION

R$ mn			1Q24
Contract	**Index**	**Rate**	**Balance**
Operation 4131 – Santander	Pre-Fixed	10.82%	10.0
Working capital – Itaú	Post-Fixed	CDI + 3.50%	7.7
Gross Debt			**17.7**
Total Debt			**17.7**
Cash and Cash Equivalent			392.2
Financial investments			4.56
Net Availability			**396.8**
Net Cash			**379.1**

The Company ended March 31, 2024, with Net Availability of R$396.8 million and Net Cash of R$379.1 million, while Loans and Financing accounts ended the same period with a total value of R$17.7 million, with 57% of contract balances being readjusted by pre-fixed indices and 43% by post-fixed indices and amortization period as follows:
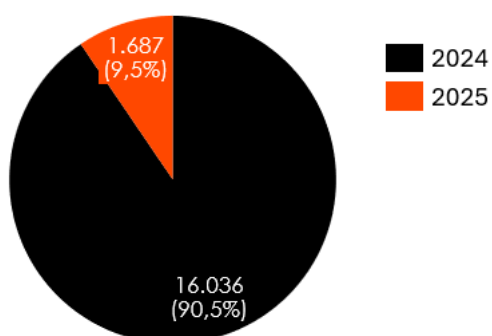
1.11. BALANCE SHEET

1.11.1. Active

R$ mn ; %	03/31/2024	12/31/2023	%Var.
Current assets			
Cash and cash equivalents	392.2	388.8	+0.9%
Financial investments	4.6	5.4	-15.1%
Bills to receive	103.4	118.1	-12.4%
Derivative financial instruments	0.0	0.0	n/a
Taxes to recover	22.4	29.9	-25.1%
Other assets	13.7	14.0	-1.9%
Related parts	0.0	0.0	n/a
Total current assets	**536.3**	**556.1**	-3.6%
Non-current asset			
Financial investments	0.0	0.0	n/a
Other assets	2.3	2.3	+1.7%
Derivative financial instruments	0.0	0.0	n/a
Taxes to recover	0.5	0.4	+22.1%
Related parts	0.0	0.0	n/a
Deferred income tax and social contribution	19.3	17.4	+11.0%
Investments	0.0	0.0	n/a
Immobilized	10.7	14.8	-27.8%
Intangible	300.8	290.1	+3.7%
Total non-current assets	**333.6**	**325.0**	2.6%
Total Assets	**870.0**	**881.2**	**-1.3%**

1.11.2. Passive

R$ mn ; %	03/31/2024	12/31/2023	%Var.
Current liabilities			
Suppliers	27.6	29.1	-5.1%
Loans and financing	17.7	23.4	-24.3%
Lease liability	5.6	6.6	-14.1%
Taxes and contributions to collect	5.4	5.8	-7.6%
Salaries and social charges	70.6	55.9	+26.3%
Contingent consideration payable	0.3	4.2	-93.6%
Provisions	12.4	8.8	+41.7%
Derivative financial instruments	0.0	8.9	n/a
Customer Advance	0.0	0.0	n/a
Other liabilities	0.5	0.5	-5.6%
Share-based payment	0.0	0.2	-95.8%
Total Current Liabilities	**140.0**	**143.3**	-2.3%
Non-current liabilities			
Loans and financing	0.0	1.7	n/a
Lease liability	8.8	9.3	-5.2%
Salaries and social charges	3.1	2.9	+6.1%
Derivative financial instruments	0.0	0.0	n/a
Controlled Phantom Share Provision	0.0	0.0	0.0%
Share-based payment	2.8	2.1	+32.6%
Related parts	0.0	0.0	n/a
Contingent consideration payable	0.0	0.0	n/a
Deferred income tax and social contribution	0.0	0.0	n/a
Provisions	0.5	0.3	+81.8%
Other liabilities	0.6	0.7	-9.7%
Unexpected liability provision	0.0	0.0	n/a
Total non-current liabilities	**15.8**	**16.9**	-6.7%
Net worth			
Share capital	789.4	789.4	0.0%
Actions in Treasury	0.0	0.0	n/a
Capital reserve and options granted	56.2	55.4	+1.4%
Legal reserve	0.0	0.0	n/a
Accumulated Profits (loss)	-120.4	-92.4	+30.3%
Profits (Loss) for the period	-8.7	-28.0	-69.0%
Asset Valuation Adjustments	-2.4	-3.5	-31.0%
Profit reserve	0.0	0.0	n/a
Total net worth	**714.1**	**720.9**	-0.9%
Total liabilities and equity	**870.0**	**881.2**	**-1.3%**

ClearSale

1. GLOSSARY

Application Fraud – Identity authentication and behavior analysis solutions or components, such as: Credit Score, insights , second authentication factor, biometrics, document copying, human analysis. Application Fraud revenues also include revenues from CyberSecurity anti-fraud solutions, such as Threat-X and Business Trust Reputation Score .

Beta Learning - Founded in 2019 and acquired by ClearSale in January 2022, Beta Learning is a company specialized in software development services in various segments and corporate and technical software training and contributes to the growth of ClearSale's technical team, reinforcing the maintenance and development of new products to better serve its customers, mainly for the Application Fraud and New Ventures segments.

Chargeback - With regard to virtual transactions, it is the cancellation of a purchase made using a credit or debit card, which the consumer can request if they are unaware of a charge or part of it. The person responsible for the refund/return is the establishment that makes the sale.

ChargebackOps - Founded in 2015 and headquartered in Utah, United States of America, ChargebackOps is a company specializing in dispute and chargeback management. It was acquired by ClearSale in January 2022, with the aim of increasing synergies in efficiency, revenue and customer relationships both in Brazil and in the international operation.

Churn rate - Churn is measured through the ratio between the average monthly recurring revenue from lost customers and the total monthly recurring revenue from the previous year (month of December) in Brazil. The indicator represents the percentage of our monthly recurring revenues that were lost in the period in question by customers who discontinued with ClearSale.

Customers – Considers the total number of active initiatives and there may be two or more initiatives per customer. From the fourth quarter of 2022, we start to consider the Start customer portfolio, which is a guaranteed product focused on the long-term tail with agile processes.

Cross-sell/Up-Sell - Sales of additional solutions and/or components to the same customer and sales of more complete solutions to the same customer.

Operating Costs - The Costs of Services provided comprise salaries, charges and benefits, variable remuneration of the Technology, Analytics, Products and Operations teams, as well as expenses with technological infrastructure allocated to services provided by third parties, in addition to depreciation and amortization.

Sales, General and Administrative Expenses - These include salaries, charges and benefits, variable remuneration, depreciation, and amortization, as well as expenses and outsourced services related to these areas and utilities (building maintenance and utility bills) and other expenses.

Transactional (E-commerce) - Revenues from anti-fraud solutions that consist of the analysis of transactional authenticity, generally carried out on purchases made in e-commerce.

Flow – Componentized platform that takes us to another level of efficiency and processing agility, allowing the development of solutions that open up new markets such as digital goods, delivery, tickets.

LTI – Long-term incentive program

New Ventures – Business Unit dedicated to innovation with the main objective of ensuring our presence and relevance in a future environment of new technologies and ways of doing business through the creation and exploration of new avenues of growth.

MRR - Monthly Recurring Revenue. It is calculated based on the average gross monthly revenue from each harvest during the analysis period. The indicator represents an estimate of the recurring revenue that the customers in question will generate for ClearSale on a monthly basis for the coming years.

New Sales Revenues – Represents the Gross Sales made from new customers or from cross-sell and up-sell within existing customers.

Equilibrium Plan – Project started in April 2022 with the aim of balancing revenue growth with margin, based on major fronts such as: (i) Review of contracts and anticipation of revenue; (ii) Acceleration of projects to gain productivity and efficiency with a focus on contribution margin; (iii) Performance improvement of customer indicators and Success capture fee ; (iv) Optimization of cloud processing and elimination of redundancies; (v) Acceleration of opportunity in efficiency of administrative expenses and projects and (vi) Application of the plan to the international front.

2. IR CONTACTS

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