

# RESULTS PRESENTATION 2Q22



# Overview

**Bernardo Lustosa**  
**CEO**

# Equilibrium Plan



## Main deliveries

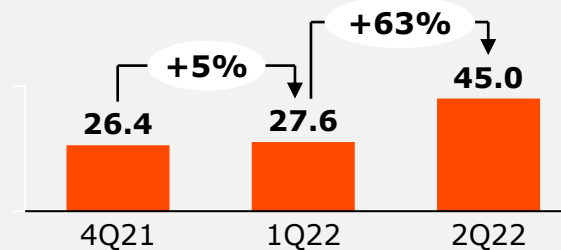
- ✓ Review of **margins, contracts** and **pricing**
- ✓ **Cloud processing** optimization
- ✓ Focus on **Operation productivity** and **efficiency**
- ✓ **Avaya** dialer rollout
- ✓ **Expense** structure review
- ✓ War room for fraud control:
  - Projected indicators recent vintages under controlled in the massified portfolio
  - Focus on solving specific customers



## Tangible Results

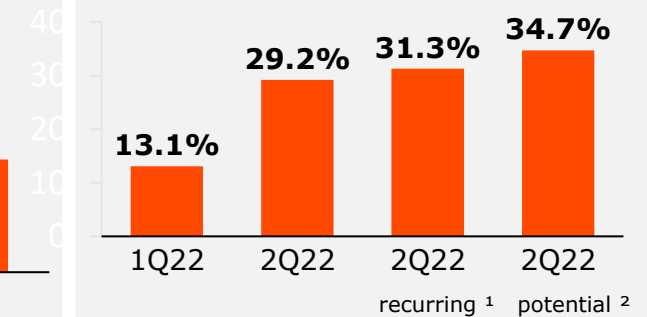
### New Sales Resumption

ARR New Sales – R\$ MM



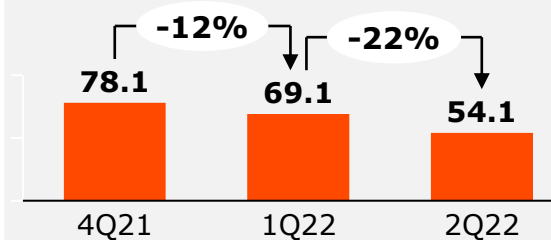
### Gross Margin

%

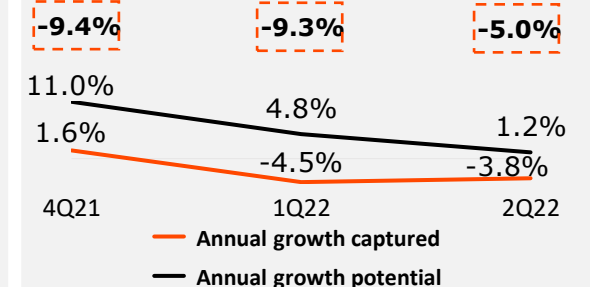


### Expense Efficiency

Recurring Expenses – R\$ MM



### E-commerce Brasil Growth



GAP Reported vs Potential Growth



1. Adjusted for termination; 2. Adjusted for discounts granted and chargeback recognized above the average relative level observed in 202

# Recent achievements



## Developments and Innovations

- ✓ New Liveness implementation – **Biometrics**
- ✓ **Project Flow**: implementation and optimization
  - Positioning in Real Time products (Ex: digital goods)
  - Promotes better risk management
- ✓ **Harmony 2**
  - Management squads specialization
  - Better customer service and SLA



## Credit Score

- ✓ **Brand repositioning, communication and pricing**
- ✓ Focus on top of the funnel solutions
- ✓ **TrustBook**: customization Environment →
  - Ks improvement
  - Shorter delivery time
- ✓ **New commercial strategy**:
  - Sandbox: Customer Trial
  - POCs: focusing on sales anticipation



## Long Tail, Alliances and Partnerships

- ✓ More than **100 thousand** entities served in long tail and alliances
- ✓ **Long Tail**: Service automation (i.e: WhatsApp)
- ✓ **Alliances**: CRM integration
  - Enhance registration, synergy and capture of opportunities
- ✓ **Partnership Program**: in structuring for better segmentation and compensation



## Explore

- ✓ **New commercial strategy**: adjustment in profile and methodology

<b>Threat-X</b>	<b>Business Trust</b>
<ul style="list-style-type: none"><li>▪ New pricing</li><li>▪ Advances in OSINT</li><li>▪ 2x MRR in 6 months</li><li>▪ 20 customers</li></ul>	<ul style="list-style-type: none"><li>▪ 4x MRR in 6 months</li><li>▪ 20 customers</li></ul>



## People, Diversity and Culture

- ✓ **Diversity and Inclusion**
  - **Diversity and inclusion policy** approved in July
  - **GPTW Women's Certification**
  - Partnership with **Special Opportunities** and **TransEmpregos**
  - **"ASL"** in internal events and **"ASL"** courses
- ✓ **Culture and Social**:
  - **ClearTech**: Hiring Talent and Expanding the Program
  - **E-sports** Championship
- ✓ **First Governance Report**

# Highlights – 2Q22

R\$ **123 MM**

**Total Net Revenue**  
**+10% YoY** (reported)  
**+13% YoY** (potential)

R\$ **34 MM**

**Fraud Application Revenue**  
**(Onboarding)**  
**+31% YoY**

R\$ **73 MM**

**E-commerce Brazil Revenue**  
Reported: **-4% YoY**; **+25% QoQ**  
Potential: **+1% YoY**; **+23% QoQ**

R\$ **16 MM**

**International E-commerce Revenue**  
**+55% YoY** (BRL)  
**+66% YoY** (USD)

R\$ **45.0 MM**  
**+63% QoQ**

**Total ARR<sup>2</sup> New Sale**

R\$ **-22 MM QoQ**  
**-14% QoQ**

**Costs and expenses efficiency gains <sup>1</sup>**

R\$ **-1.6 MM**  
R\$ **+36 MM**  
**-1.5%**

**Adjusted EBITDA BR QoQ**  
**Adjusted EBITDA BR Margin**

**1.7%**

**Annualized Churn 6M22**  
**Vs. 2,1% in 2021**

1. Recurring; 2. Annual Recurring Revenue;





# 2Q22 Results

**Alexandre Mafra Guimarães**  
**CFO**

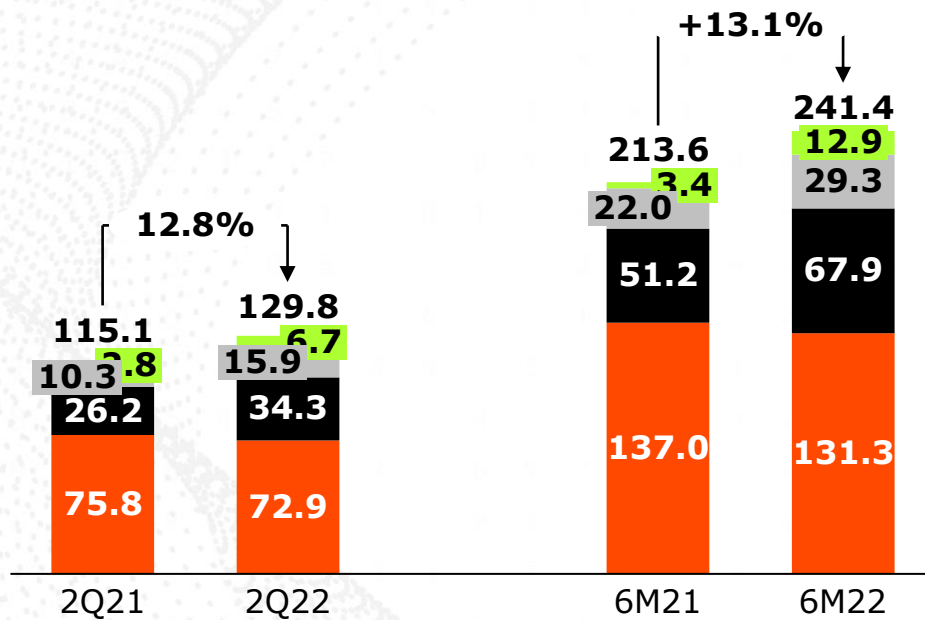
## Subsequent Events

- **Right of withdrawal –Beta Learning Acquisition;**
- **Long term incentive plan hedge program via Swap;**
- **ESM approved for city change.**



# Net Revenues

**Net Revenues**  
R\$ MM



■ Revenue adjustments<sup>(1)</sup>
■ Fraud Application  
■ International E-commerce
 ■ E-commerce Brazil

Annual Growth - Net Revenue	2Q22 / 2Q21	6M22 / 6M21
<b>Brazil</b>		
E-commerce BR reported	-3.8%	-4.1%
E-commerce BR potential <sup>1</sup>	+1.2%	+2.8%
Fraud Application	+30.8%	+32.6%
<b>International</b>		
E-commerce Int. (BRL)	+54.9%	+33.0%
E-commerce Int. (USD)	+66.4%	+41.7%
<b>Total reported</b>	<b>+9.7%</b>	<b>+8.7%</b>
<b>Total potential<sup>1</sup></b>	<b>+12.8%</b>	<b>+13.1%</b>



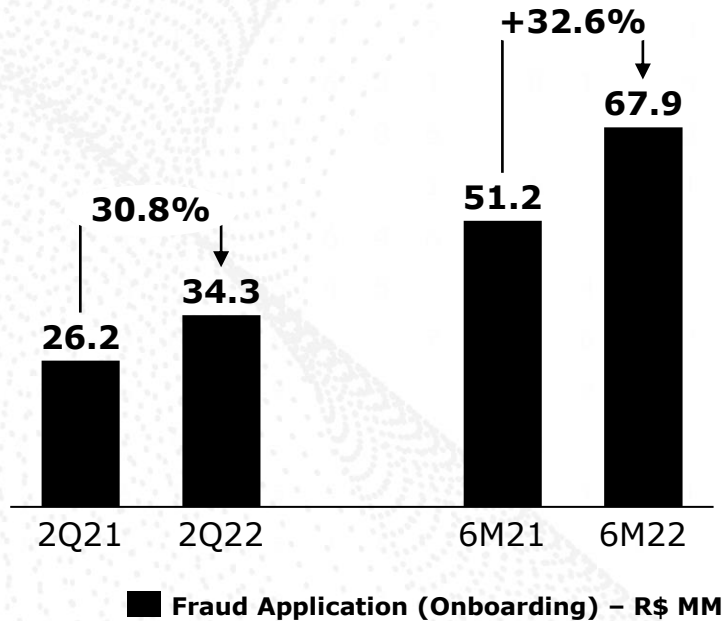
(1) Revenue adjustments refer to the Brazil e-commerce business and reflect discounts granted and chargeback recognized above the average relative level observed in 2020



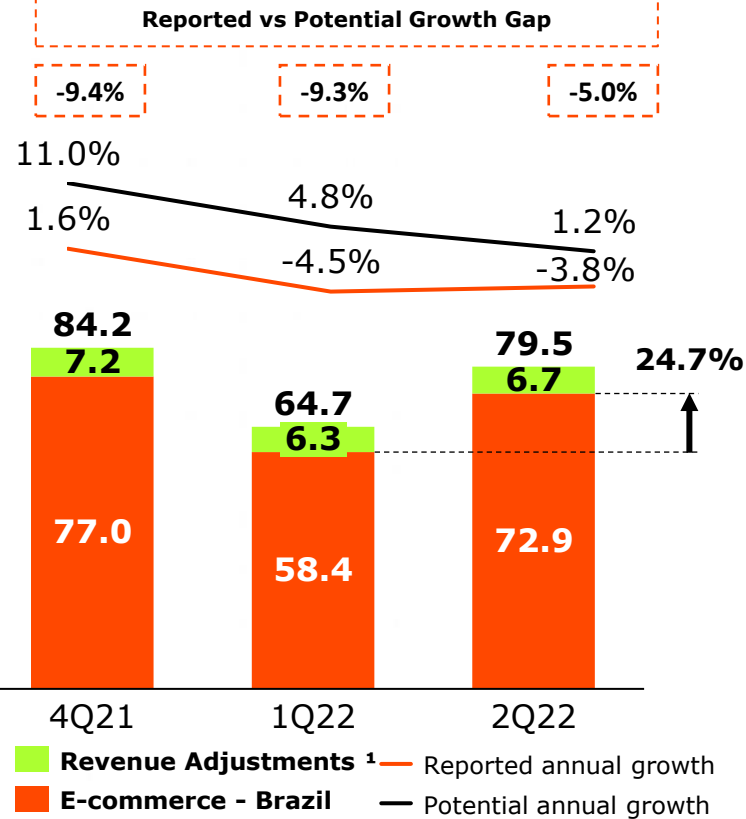
# Net Revenue - Main highlights

R\$ MM; %

**Fraud Application:** Maintenance of solid annual growth

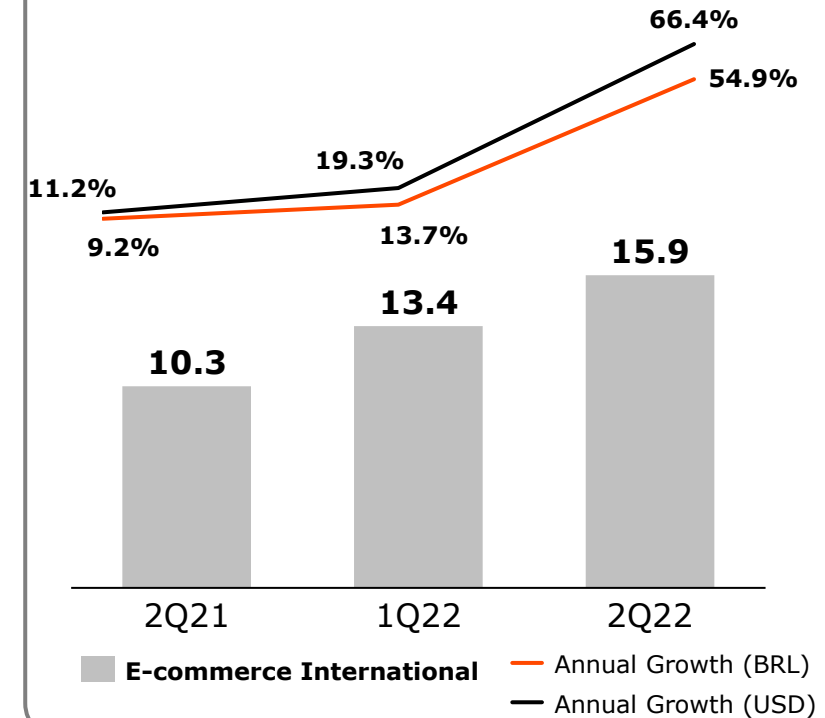


**E-commerce Brazil:** Fraud impact normalization trend



- ✓ Growth +25% QoQ due to seasonality and fraud normalization;
- ✓ Potential x Reported growth gap reduction

**E-commerce International:** acceleration of annual growth rate to 55%

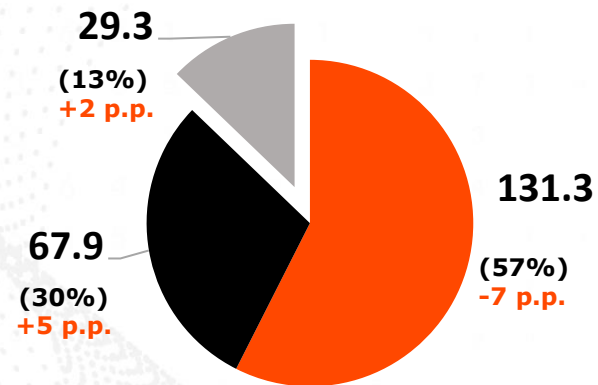


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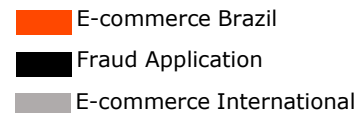
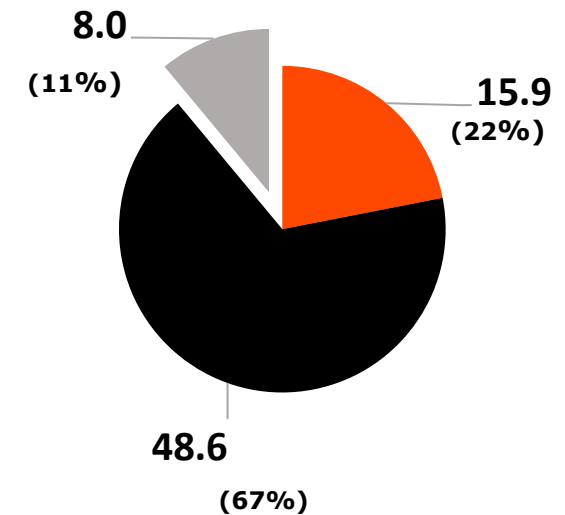
# Potential for Fraud Application (Onboarding)

**Fraud Application is the main driver of growth in New Sales**

**REVENUES BREAKDOWN**  
(R\$ MM; Share %; Var p.p YoY) – 6M22



**ARR<sup>1</sup> NEW SALES BREAKDOWN**  
(R\$ MM; Share %) – 6M22



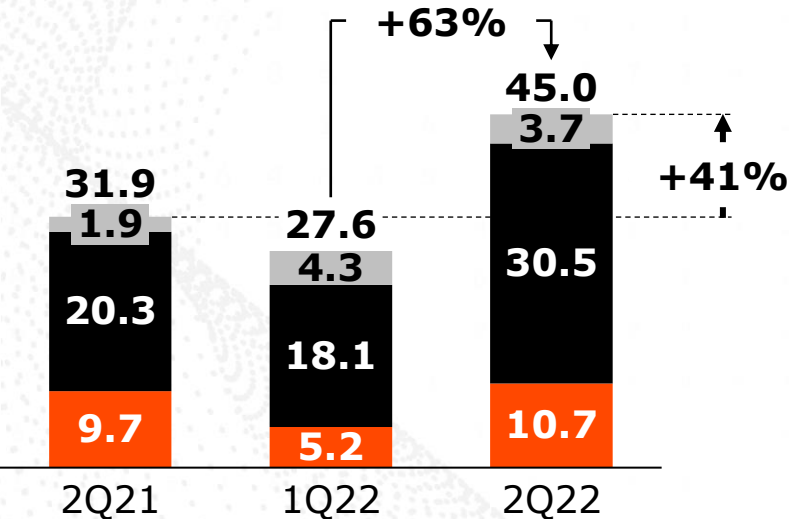
1. Annual Recurring Revenue

# Revenue Operating Indicators

**New Sales ARR of R\$ 45.0 MM, customers growth of 1,693 and low churn maintenance**

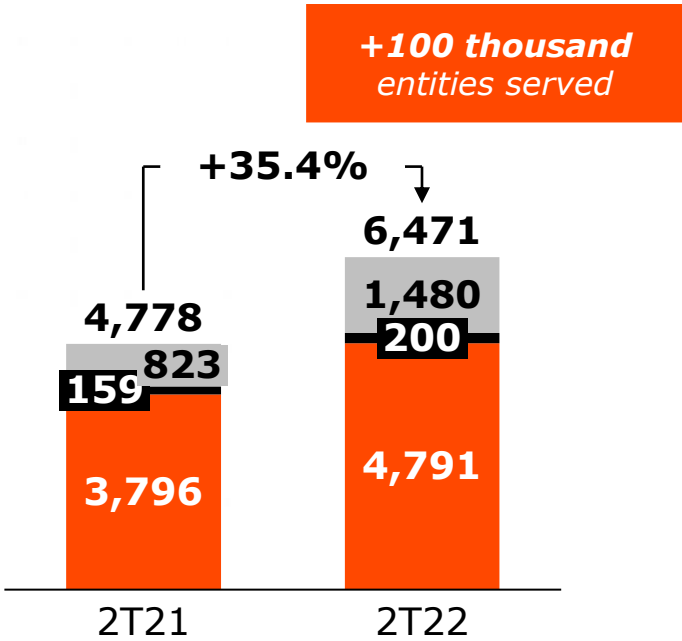
## ARR<sup>1</sup> New Sales

R\$ MM



E-commerce International
  Fraud Application
  E-commerce Brazil

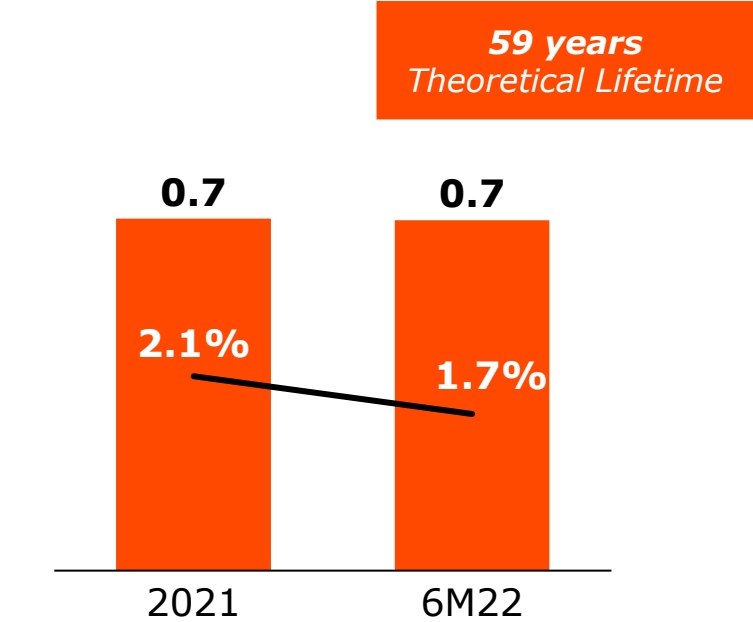
## Customers



**+100 thousand entities served**

## Churn and Churn-rate annualized

(R\$ MM; %)



**59 years Theoretical Lifetime**

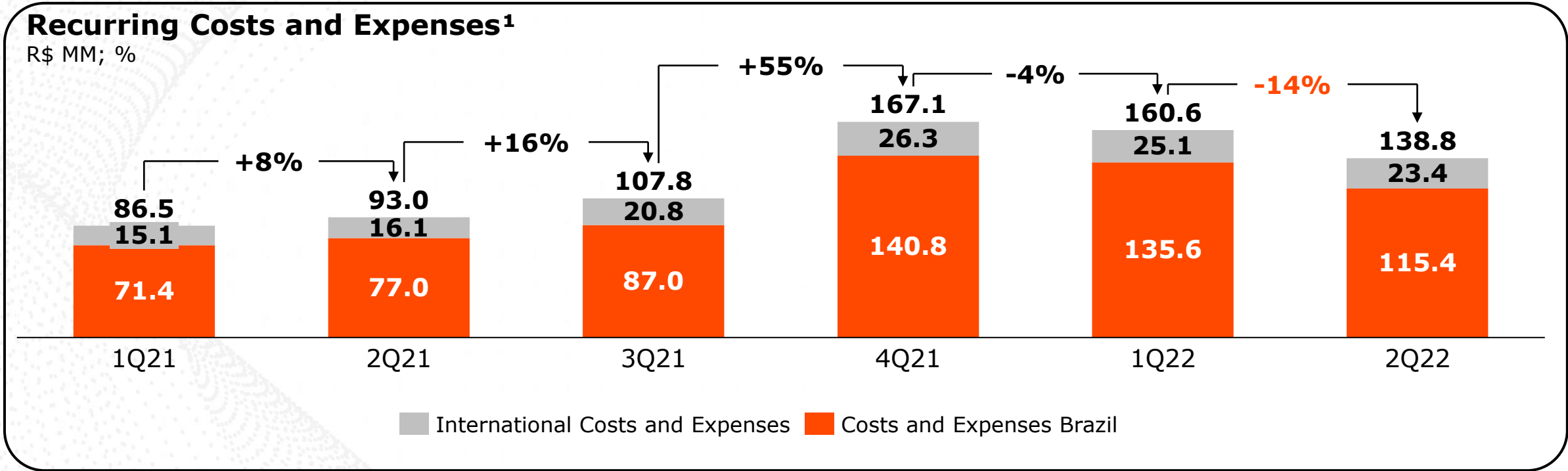
Churn Rate
  Financial Churn



(1) Annually Recurring Revenue

# Recurring Costs and Expenses<sup>1</sup>

**Recurring costs and expenses with a quarterly decrease of 14% or R\$22 million, reflecting the Equilibrium Plan**

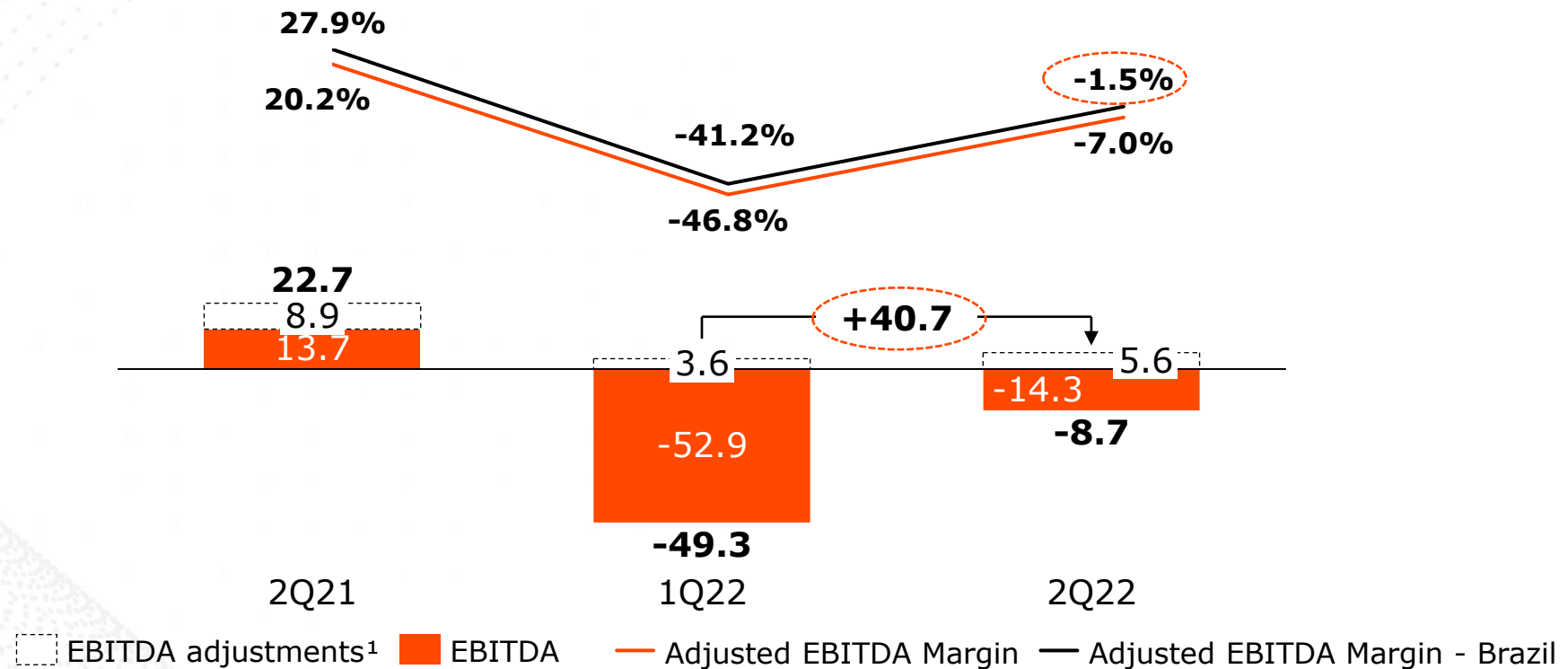


(1) Adjustments to: Cloud duplicity (2021), IPO Expenses (2021), Terminations (2022), International Patent Acquisition (2022), Tax Adjustment (2022) and Long-Term Incentive Plan (2021 and 2022)

# Adjusted EBITDA and Adjusted EBITDA Margin

R\$ MM; %

**Adjusted EBITDA improvement of R\$41 million in the quarter with Adjusted EBITDA Margin Brasil of -1.5% (-R\$1.6 million) in 2Q22**

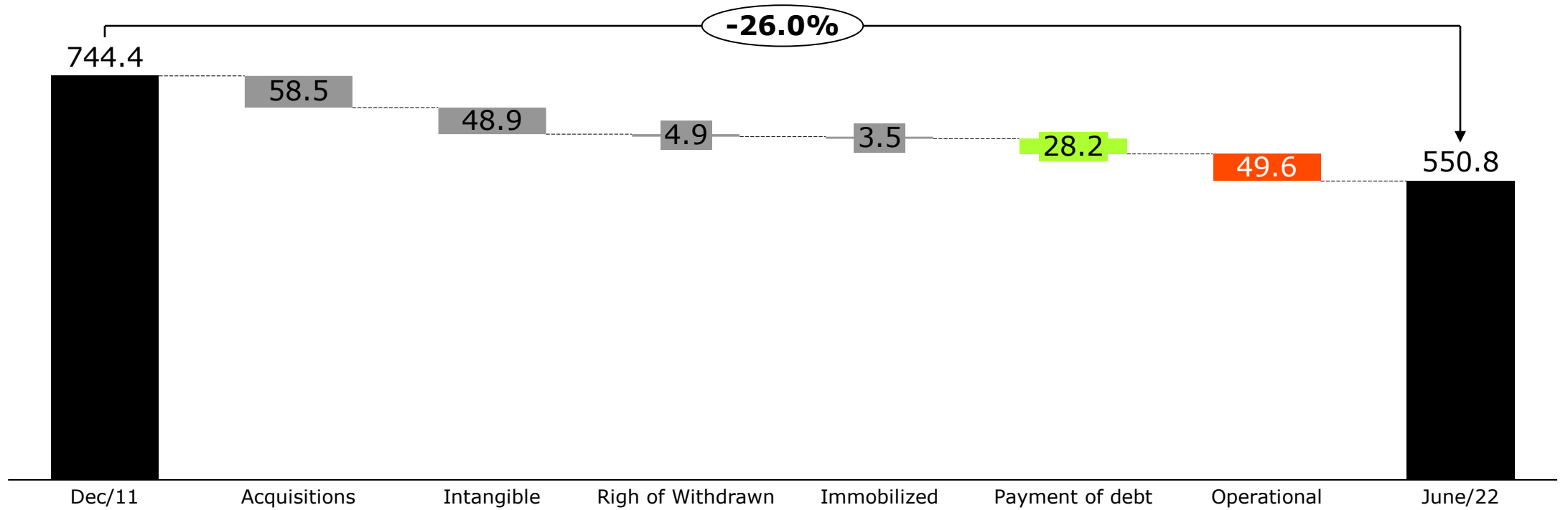


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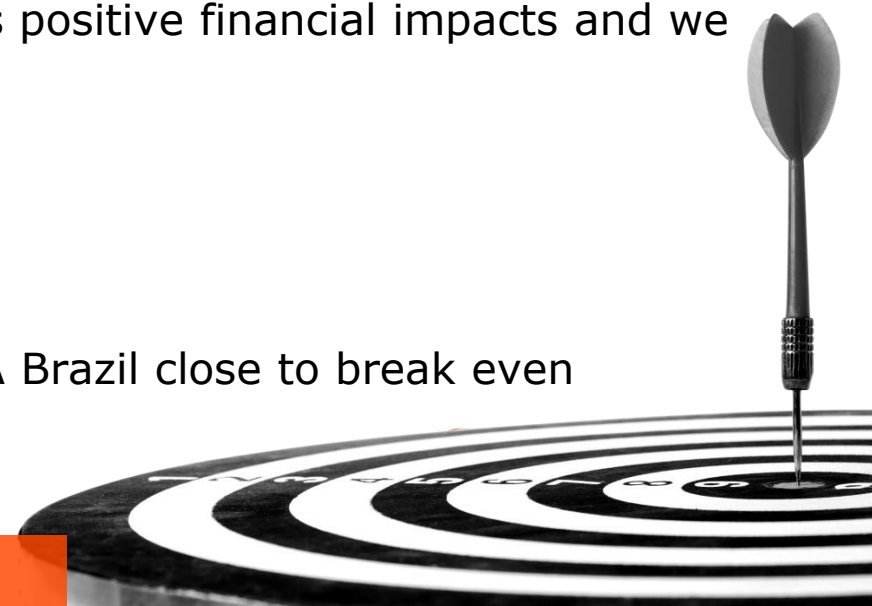
# Cash Flow

R\$ MM



## Final Message

- **Solid operational indicators maintenance** (new sales, number of customers and churn)
- **Maintenance of annual growth above 30% in Fraud Application (Onboarding)**
- **Systemic Risk:** Challenging year in e-commerce base revenue (usage-based SaaS)
- **We are controlling the fraud attack level:**
  - E-commerce Brazil grows 25% QoQ
  - Reducing the impact of fraud in e-commerce growth Brazil
- **We know how to pivot** – Equilibrium Plan launched in April already has positive financial impacts and we will still be capturing efficiency opportunities.
  - Recurring costs and expenses reduced R\$22 million in the quarter
  - Gross Margin improvement **+16 p.p. in the quarter**
  - R\$41 million improvement in adjusted EBITDA with adjusted EBITDA Brazil close to break even
- **We remain focused on investments to make the company more technological**



# Q&A