

## Earnings Release 4Q22 and 2022

**Barueri, Monday, March 27, 2023** - ClearSale S.A. ("ClearSale" or "Company") (B3: CLSA3), a company specialized 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 **4th quarter ("4Q22") and fiscal year 2022 ("2022")**. The following financial and operational information, except where otherwise indicated, is presented in reais (R\$), follows international accounting standards (IFRS) and the Brazilian accounting principles. The comparisons refer to the same periods in 2021.

## FINANCIAL AND OPERATIONAL HIGHLIGHTS

- 4Q22 was the **best quarter** of the year in **annual Net Revenue growth**, leading to a **total Net Revenue of R\$509.6 million in 2022**.
- ARR New Sale Record** in 4Q22 and 2022, reaching **R\$76.8 million and R\$174.2 million**, respectively, driven by the sale of components via **cross-sell/up-sell** and in **new verticals**.
- Net addition of 1,802 customers** in **2022** and **Churn-rate** at a record level of **1.4%**.
- Expansion of Gross Margin and EBITDA Margin** in the quarter, even with a 100% PCLD of a national retail customer.

		4Q22	2022
<b>ARR New Sales</b>	E-commerce Brazil	R\$ 36 mm (+267,8%)	R\$ 58,7 mm (+22,8%)
	E-commerce International	R\$ 9,6 mm (+22,2%)	R\$ 20,9 mm (+18,2%)
	Application Fraud	R\$ 31,2 mm (+257,6%)	R\$ 94,5 mm (+13,2%)
	<b>ARR Total</b>	<b>R\$ 76,8 mm (+191,2%)</b>	<b>R\$ 174,2 mm (+16,9%)</b>
<b>CUSTOMERS</b>	E-commerce Brazil	5.524 (+1185)	
	E-commerce International	1.668 (+397)	
	Application Fraud	383 (+220)	
	<b>Total</b>	<b>7.575 (+1802)</b>	
<b>CHURN</b>		<b>1,4%</b>	(-0,7 p.p.)
<b>NET REVENUE</b>	E-commerce BR	R\$ 91,2 mm (+18,4%)	R\$ 303,6 mm (+7,4%)
	E-commerce Int.	R\$ 20,9 mm (+5,3%)	R\$ 66,5 mm (+18%)
	Application Fraud	R\$ 38,8 mm (+13,5%)	R\$ 139,5 mm (+17,8%)
	<b>Net Revenue Total</b>	<b>R\$ 151 mm (+15,1%)</b>	<b>R\$ 509,6 mm (+11,4%)</b>
<b>GROSS PROFIT</b>	Adjusted Gross Profit	R\$ 78,4 mm (+69,8%)	R\$ 201,4 mm (+4,2%)
	Adjusted Gross Margin	51,9% (+16,7 p.p.)	39,5% (-2,7 p.p.)
<b>ADJUSTED EBITDA</b>	Adjusted EBITDA	R\$ 13,1 mm (+R\$ 44,3 mm)	R\$ -33,8 mm (-R\$ 52,2 mm)
	Adjusted EBITDA Margin	8,7% (+32,5 p.p.)	-6,6% (-10,6 p.p.)
	Adjusted EBITDA Brazil	R\$ 27,1 mm (+R\$ 52 mm)	R\$ 6,5 mm (-R\$ 33,6 mm)
	Adjusted EBITDA Margin Brazil	20,9% (+43,2 p.p.)	1,5% (-8,5 p.p.)
<b>ADJUSTED NET INCOME</b>	Adjusted Net Income	R\$ 10 mm (+R\$ 27,2 mm)	R\$ -21,3 mm (-R\$ 24,7 mm)
	Adjusted Net Income Margin	6,6% (+19,8 p.p.)	-4,2% (-4,9 p.p.)

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

Conference call in Portuguese: 03/28/2023 (Tuesday)

(Simultaneous translation into English)

10:00 AM (Brasilia Time)

09:00 AM (US Time (EDT))

Link:

<http://cast.comunique-se.com.br/ClearSale/4Q22>

Investor Relations

Web Site: [ri.clear.sale](http://ri.clear.sale)

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**CLSA**  
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## Earnings Release 4Q22 and 2022

### MESSAGE FROM THE ADMINISTRATION

Dear Shareholders,

The year 2022 was an extremely important year for ClearSale for two main reasons: (i) Despite a very challenging scenario, we managed with the Equilibrium Plan to quickly balance growth with profitability, and (ii) at the same time we deeply structured the Company to take advantage of profitable growth opportunities in the medium and long term.

We entered the first quarter with a "perfect storm" consisting of: (i) discretionary consumption affected by unemployment, post-pandemic K curve recovery, high inflation in basic items, delinquency rate, high interest rates and high household debt level; (ii) difficulties in online retail due to high inflation and return of consumption in the physical world post-pandemic; (iii) increased systemic risk of fraud and (iv) a structure scaled to a level of growth that has been impacted by the aforementioned points. However, with the Balance Plan supported by our muscle memory of a profitable company of more than twenty years solving the fraud, we were able to readjust our adjusted Gross Margin to pre-IPO levels, from 16.4% in 1Q22 to 51.9% in 4Q22. Our adjusted EBITDA Margin grew continuously and consistently from -46.8% in 1Q22 to 8.7% in 4Q22, and the adjusted EBITDA Margin in Brazil reached 20.9% in 4Q22. 4Q22 was the milestone of the consolidation of the balance project along with better seasonality.

At the same time, we have revolutionized the way of doing business and the corporate structure to maximize the value generation in the medium and long term. We have increased our portfolio with several technological components and implemented a componentized and modularized platform, enabling the increase of solutions and variable models of commercialization through offers ranging from a single component to a combination of components or our traditional complete management of customer risk. All this enables the entry into new verticals (digital goods, tickets, airline companies, etc.) and customers whose previous offer was not fully adherent. We've made progress in the customer experience with the launch of MyClear, a self-service logged-in area that brings a better experience and satisfaction to our customers, as well as greater back-office efficiency. Finally, we reshaped our organizational structure into Business Units (E-commerce, Application Fraud and New Ventures), where each unit will have its own head responsible for P&L and for the management of product development, technology, customer success and product marketing that will allow us greater agility in growth with profitability and customer focus.

All this already starts to reflect this quarter where we presented an all-time high total ARR New Sales and customer net addition, while reaching the lowest annual Churn rate in the historical series. This factor, added to the fraud resolution, reflects a consistent acceleration of revenue growth throughout the year, with 4Q22 being the best quarter in annual revenue growth for the year 2022.

We are confident of entering 2023 with a scaled, organized structure, already reaping fruits of the investments made in innovation and componentization, as well as a healthy cash position and positive operating cash generation in the last two quarters.

**Bernardo Lustosa, PhD**

**CEO**

**Eduardo Mônaco**

**President**

## Earnings Release 4Q22 and 2022

# Summarized Income Statement

(R\$million, except percentual)	4Q21	3Q22	4Q22	YoY	QoQ	2021	2022	YoY
<b>Net Revenues reported</b>	<b>131.1</b>	<b>130.2</b>	<b>151.0</b>	<b>+15.1%</b>	<b>+16.0%</b>	<b>457.6</b>	<b>509.6</b>	<b>+11.4%</b>
<b>E-commerce Brazil</b>	<b>77.0</b>	<b>81.0</b>	<b>91.2</b>	<b>+18.4%</b>	<b>+12.6%</b>	<b>282.8</b>	<b>303.6</b>	<b>+7.4%</b>
<b>Application Fraud (Onboarding)</b>	<b>34.2</b>	<b>32.8</b>	<b>38.8</b>	<b>+13.5%</b>	<b>+18.4%</b>	<b>118.4</b>	<b>139.5</b>	<b>+17.8%</b>
<b>E-commerce International (BRL)</b>	<b>19.9</b>	<b>16.3</b>	<b>20.9</b>	<b>+5.3%</b>	<b>+28.2%</b>	<b>56.4</b>	<b>66.5</b>	<b>+18.0%</b>
<i>E-commerce International (USD)</i>	3.6	3.1	4.0	+11.9%	+27.9%	10.4	12.9	+23.8%
<b>Gross Profit</b>	<b>44.0</b>	<b>60.5</b>	<b>76.9</b>	<b>+74.7%</b>	<b>+27.0%</b>	<b>184.3</b>	<b>195.9</b>	<b>+6.3%</b>
Gross Margin <sup>(2)</sup>	33.5%	46.5%	50.9%	+17.4 p.p.	+4.4 p.p.	40.3%	38.4%	-1.8 p.p.
<b>Adjusted Gross Profit <sup>(5)</sup></b>	<b>46.2</b>	<b>62.0</b>	<b>78.4</b>	<b>+69.8%</b>	<b>+26.4%</b>	<b>193.2</b>	<b>201.4</b>	<b>+4.2%</b>
Adjusted Gross Margin <sup>(2)</sup>	35.2%	47.7%	51.9%	+16.7 p.p.	+4.3 p.p.	42.2%	39.5%	-2.7 p.p.
<b>EBITDA <sup>(1)</sup></b>	<b>-49.0</b>	<b>5.1</b>	<b>5.9</b>	<b>n/a</b>	<b>+14.8%</b>	<b>-67.4</b>	<b>-56.3</b>	<b>-16.6%</b>
EBITDA Margin <sup>(2)</sup>	-37.3%	3.9%	3.9%	+41.2 p.p.	-0.0 p.p.	-14.7%	-11.0%	+3.7 p.p.
<b>Adjusted EBITDA <sup>(1) (6)</sup></b>	<b>-31.2</b>	<b>11.1</b>	<b>13.1</b>	<b>n/a</b>	<b>+18.3%</b>	<b>18.4</b>	<b>-33.8</b>	<b>n/a</b>
Adjusted EBITDA Margin <sup>(2)</sup>	-23.8%	8.5%	8.7%	+32.5 p.p.	+0.2 p.p.	4.0%	-6.6%	-10.6 p.p.
<b>Adjusted EBITDA Brazil <sup>(1) (6)</sup></b>	<b>-24.9</b>	<b>19.0</b>	<b>27.1</b>	<b>n/a</b>	<b>+42.9%</b>	<b>40.2</b>	<b>6.5</b>	<b>-83.7%</b>
Adjusted EBITDA Margin Brazil <sup>(2)</sup>	-22.4%	16.7%	20.9%	+43.2 p.p.	+4.2 p.p.	10.0%	1.5%	-8.5 p.p.
<b>Net (Loss) Income</b>	<b>-44.3</b>	<b>2.5</b>	<b>5.2</b>	<b>n/a</b>	<b>+106.9%</b>	<b>-74.5</b>	<b>-37.1</b>	<b>-50.1%</b>
Net Margin <sup>(2)</sup>	-33.8%	1.9%	3.4%	+37.2 p.p.	+1.5 p.p.	-16.3%	-7.3%	+9.0 p.p.
<b>Adjusted Net Income <sup>(3)</sup></b>	<b>-17.3</b>	<b>6.4</b>	<b>10.0</b>	<b>n/a</b>	<b>+54.5%</b>	<b>3.3</b>	<b>-21.3</b>	<b>n/a</b>
Adjusted Net Income Margin <sup>(2)</sup>	-13.2%	5.0%	6.6%	+19.8 p.p.	+1.6 p.p.	0.7%	-4.2%	-4.9 p.p.

<sup>(1)</sup> EBITDA, Adjusted EBITDA and Brazil Adjusted EBITDA are not accounting measures defined by BRGAAP or IFRS, issued by the IASB, do not represent cash flows for the years/periods presented and should not be considered as substitutes or alternatives to net income (loss), as indicators of operating performance, liquidity measures, or as a basis for the distribution of dividends. EBITDA and Adjusted EBITDA have no standard meaning. Brazil Adjusted EBITDA and Brazil Adjusted EBITDA Margin consider the operations of the Parent Company. Other companies may calculate EBITDA and Adjusted EBITDA differently than that calculated by the Company. Includes the effects of the adoption of IFRS 16 (CPC 06-R2) as of January 1, 2019.

<sup>(2)</sup> Gross Margin calculated by dividing Gross Profit by net operating income. Adjusted Gross Margin calculated by the adjusted gross profit division by net operating income. EBITDA margin calculated by Ebitda division by net operating revenue. Adjusted EBITDA Margin calculated by adjusted EBITDA division by net operating income. Brazil Adjusted EBITDA Margin calculated by the Division of Adjusted EBITDA Brazil by Brazil net operating revenue. Net Margin calculated by the division of Net Income by adjusted operating income. Adjusted Net Margin calculated by the division of Adjusted Net Income by net operating income.

<sup>(3)</sup> Adjusted Net Income considers adjustments of: Cloud Duplicity (2021), IPO Expenses (2021), Terminations (2022), International Patent Acquisition (2022), ISS Adjustment (2022), Long-Term Incentive (2021 and 2022), Return of the building (2022), tax benefits (2021 and 2022) as well as the effects of the subsidiary sold in 3Q22.

<sup>(4)</sup> Gross profit adjusted for cloud duplicity and termination costs.

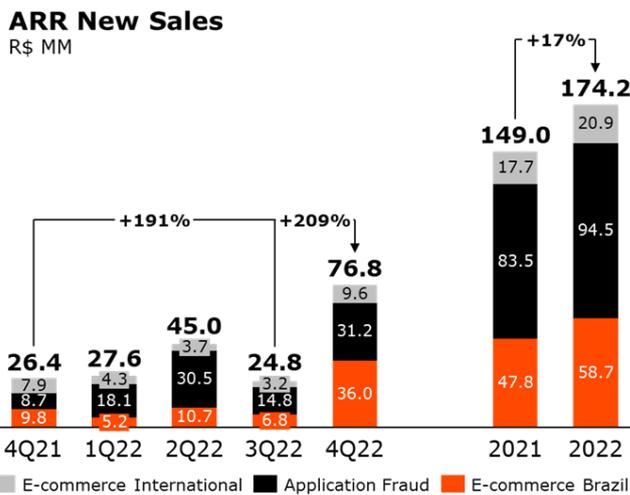
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Earnings Release 4Q22 and 2022

# 1. OPERATIONAL INDICATORS

## 1.1 ARR New Sales

In addition to the growth of the customer base in the solutions already contracted, the Company's revenues are impacted by new customers and, additionally, by new contracts (cross-sell and up-sell) made by already customers. A good indicator for tracking these positive incremental impacts is **the ARR** (Annual Recurring Revenue) **of new sales**. This indicator shows the new annual revenue for the period that will remain in the Company in the futures. The ARR of new sales is calculated as the multiplication **of MRR** (Monthly Recurring Revenue) of **new sales** by twelve, thus projecting the new annual recurring revenue for the next 12 months.



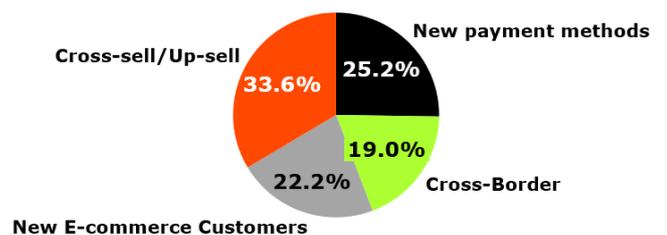
The ARR of New Sales in 4Q22 was R\$76.8 million, a growth of 191% in the year and 209% in the quarter, a record number in the Company's history. Year-to-date, the total ARR New Sales was R\$174.2 million, also a record in history and representing an increase of R\$25.2 million, or 17%, compared to the same period in 2021.

The ARR New Sales of E-commerce Brazil and International E-commerce was R\$36.0 million and R\$9.6 million in 4Q22, respectively, both beating the record in the history of ClearSale, while the ARR New Sales of Application Fraud was R\$31.2 million, the second highest value of this business line in the history of the Company.

The highlight in 2022 was the Application Fraud line that represented 54% of the ARR New Sales, while the E-commerce Brazil and International E-commerce lines were responsible for 34% and 12%, respectively.

It is important to note that the investments made in the development of Flow, a componentized and modularized platform, already show positive reflections considering the new sales made in new means of payments and new verticals.

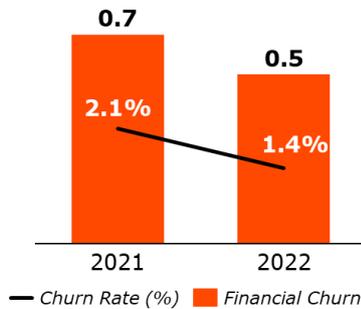
**Breakdown ARR New Sales  
E-commerce Brazil – 4Q22**



## Earnings Release 4Q22 and 2022

### 1.2 Churn and Customers

#### Annualized Churn and Churn-rate (R\$ MM and %)

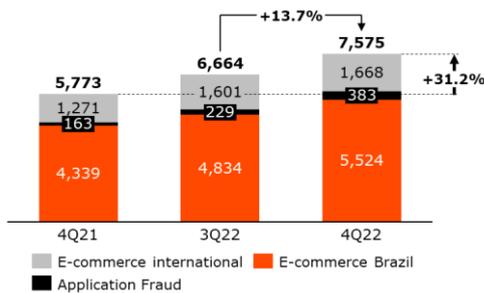


The churn is measured by the ratio between the average MRR of lost customers and the MRR of December of the previous year.

The company's annualized Churn in 2022 was R\$0.5 million and Churn-rate was 1.4%. This indicator showed an improvement of 0.7 p.p. compared to the Churn-rate of 2021 and represents a theoretical lifetime of 71 years.

The result of low Churn, both in absolute value and relative terms, reflects the essentiality of our solutions in the face of the highest risk in the market, as well as the quality in the delivery of products and services and continuous improvement of the platform. ClearSale continues to invest in both the platform and aftermarket to mitigate Churn's risks and keep it at low levels.

#### Customers

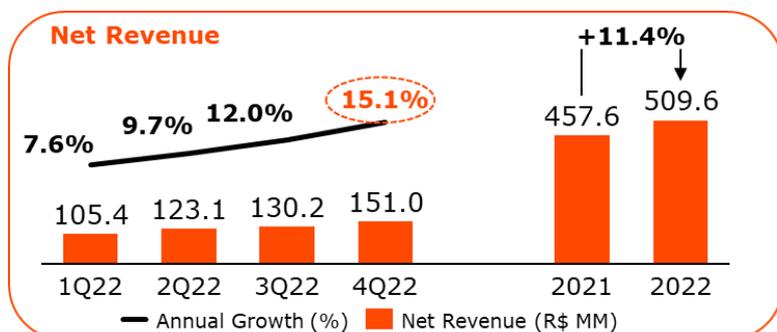


**Number of Customers:** In December/2022, the number of total customers reached 7,575, increment of 1,802 customers (or 31.2%) vs. December/2021 and 911 (or 13.7%) vs. September/2022, representing record net customer additions in both quarter and year. Such performance reflects the sales strategy, reinforcement of the commercial team and investments in development and componentization that increase the portfolio of products and solutions for different segments and means of payment.

## Earnings Release 4Q22 and 2022

# 2. Financial Results

## 2.1 Net Revenue

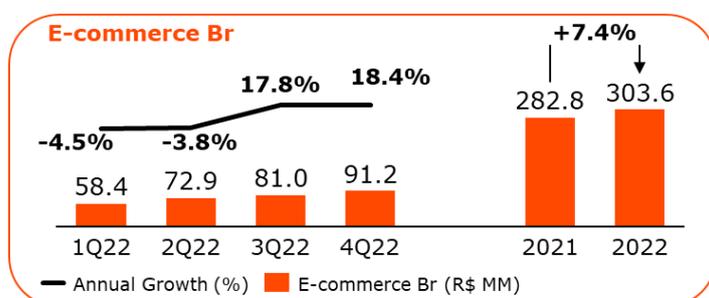


Net Revenue was R\$151 million in 4Q22, an increase of 15.1% compared to the same period of the previous year. It is important to note the acceleration of the annual growth rate throughout the year, reflecting the resolution of the fraud attack and the resumption of new sales.

In 2022, Net Revenue was R\$509.6 million, an increase of 11.4% year-over-year.

(R\$million, except percentual)	4Q21	3Q22	4Q22	YoY	QoQ	2021	2022	YoY
<b>Net Revenues reported</b>	<b>131.1</b>	<b>130.2</b>	<b>151.0</b>	<b>+15.1%</b>	<b>+16.0%</b>	<b>457.6</b>	<b>509.6</b>	<b>+11.4%</b>
<b>E-commerce Brazil</b>	<b>77.0</b>	<b>81.0</b>	<b>91.2</b>	<b>+18.4%</b>	<b>+12.6%</b>	<b>282.8</b>	<b>303.6</b>	<b>+7.4%</b>
<b>Application Fraud (Onboarding)</b>	<b>34.2</b>	<b>32.8</b>	<b>38.8</b>	<b>+13.5%</b>	<b>+18.4%</b>	<b>118.4</b>	<b>139.5</b>	<b>+17.8%</b>
<b>E-commerce International (BRL)</b>	<b>19.9</b>	<b>16.3</b>	<b>20.9</b>	<b>+5.3%</b>	<b>+28.2%</b>	<b>56.4</b>	<b>66.5</b>	<b>+18.0%</b>
<b>E-commerce International (USD)</b>	<b>3.6</b>	<b>3.1</b>	<b>4.0</b>	<b>+11.9%</b>	<b>+27.9%</b>	<b>10.4</b>	<b>12.9</b>	<b>+23.8%</b>

### 2.1.1 E-commerce Brazil

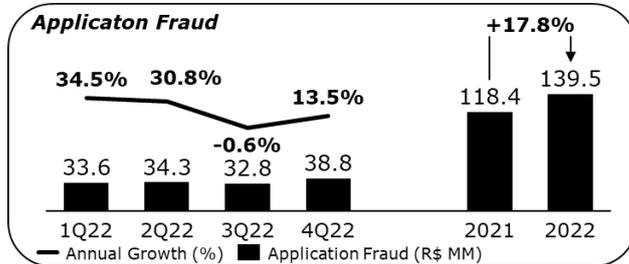


The 4Q22 was the best quarter of 2022 in annual growth for E-commerce Brazil, which grew 18.4% against the same period of the previous year. The slowdown of Black Friday 2022 was partially offset by higher-than-expected activity at Christmas, fraud control and record new sales, particularly in new means of payment and new verticals, as previously demonstrated.

Thus, the revenue from the E-commerce Brazil closed 4Q22 at R\$91.2 million, while in the accumulated of 2022, it was R\$303.6 million, up 7.4% in the year.

## Earnings Release 4Q22 and 2022

### 2.1.2 Application Fraud

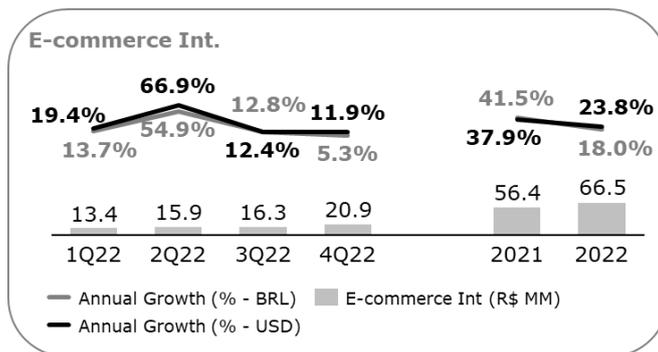


In Application Fraud we observed a resumption of growth in 4Q22, showing growth of 13.5% in the year and 18.4% in the quarter, after a decrease in the previous quarter due to the rollover of contracts focused on better margins.

In 4Q22, the resumption of ARR New Sales, which reached the second highest value in the Company's history, allowed a resumption of growth in both the quarter and the year, maintaining the Gross Margin's gain.

Thus, Application Fraud's revenue was R\$38.8 million in 4Q22, and in the accumulated year it was R\$139.5 million, representing a growth of 17.8% against the same period of the previous year.

### 2.1.3 E-commerce International



In 4Q22, International E-commerce revenues reached USD4.0 million, or R\$20.9 million, an annual growth of 5.3% in real and 11.9% in dollars, maintenance of growth even on a strong comparative basis, after International E-commerce grew above 40% in the previous year for the same period. The 4Q22 also set the record for ARR New Sales for International E-commerce, which contributed to the growth shown.

In the year, the revenue was R\$66.5 million or USD12.9 million, up 18.0% in reais and 23.8% in dollars.

## 2.2 Operating Costs

The Service Standards provided include salaries, charges and benefits, variable compensation of the Technology, Analytics, Products and Operations teams, as well as expenses with technological infrastructure allocated to services provided by third parties, as well as depreciation and amortization.

Recurring Operating Costs (excluding the R\$1.5 million termination effect) without depreciation totaled -R\$72.6 million in 4Q22, a decrease of 14.6% compared to 4Q21. When compared to 3Q22, recurring Operating Costs increased 6.5% reflecting higher variable costs due to seasonality, however growing less than revenues (+15.9% in the quarter). In the year, recurring Operating Costs without depreciation amounted to -R\$308.3 million, up 16.6% against the same period of the previous year.

## Earnings Release 4Q22 and 2022

(R\$million, except percentual)	4Q21	3Q22	4Q22	YoY	QoQ	2021	2022	YoY
<b>Total Operational Costs</b>	<b>-91.2</b>	<b>-74.2</b>	<b>-80.5</b>	<b>-11.7%</b>	<b>+8.6%</b>	<b>-286.3</b>	<b>-333.5</b>	<b>+16.5%</b>
(-) Cloud duplicity	-2.2	0.0	0.0	n/a	n/a	-8.9	0.0	n/a
(-) Terminations	0.0	-1.5	-1.5	n/a	+3.9%	0.0	-5.5	n/a
(-) Depreciation	-4.0	-4.5	-6.4	+59.0%	+41.1%	-13.0	-19.7	+51.5%
<b>Recurring Operational Costs ex depreciation</b>	<b>-84.9</b>	<b>-68.1</b>	<b>-72.6</b>	<b>-14.6%</b>	<b>+6.5%</b>	<b>-264.3</b>	<b>-308.3</b>	<b>+16.6%</b>

### 2.3 Gross Profit and Gross Margin

Adjusted Gross Profit excluding depreciation totaled R\$78.4 million in 4Q22, up 69.8% against 4Q21, and 26.4% against the previous quarter. As a result, the Gross Profit Margin reached 51.9%, up 4.3 p.p. compared to 3Q22. The quarterly improvement in Gross Profit and Gross Margin reflects the positive impacts of the Equilibrium Plan, as well as the improved seasonality. It should be noted that the adjusted Gross Margin already exceeds the margin levels of the pre-IPO (1Q21 and 2Q21).



In the year, adjusted Gross Profit totaled R\$201.4 million, an increase of 4.2% compared to 2021. In 2022, the adjusted Gross Margin reached 39.5%.

(R\$million, except percentual)	4Q21	3Q22	4Q22	YoY	QoQ	2021	2022	YoY
<b>Gross Profit</b>	<b>44.0</b>	<b>60.5</b>	<b>76.9</b>	<b>+74.7%</b>	<b>+27.0%</b>	<b>184.3</b>	<b>195.9</b>	<b>+6.3%</b>
Gross Margin	33.5%	46.5%	50.9%	+17.4 p.p.	+4.4 p.p.	40.3%	38.4%	-1.8 p.p.
<b>Adjusted Gross Profit</b>	<b>46.2</b>	<b>62.0</b>	<b>78.4</b>	<b>+69.8%</b>	<b>+26.4%</b>	<b>193.2</b>	<b>201.4</b>	<b>+4.2%</b>
Adjusted Gross Margin	35.2%	47.7%	51.9%	+16.7 p.p.	+4.3 p.p.	42.2%	39.5%	-2.7 p.p.

### 2.4 Sales, General and Administrative Expenses

Sales, General and Administrative Expenses includes salaries, charges and benefits, variable compensation, depreciation and amortization, as well as outsourced expenses and services related to these areas and utilities (building maintenance and consumption accounts) and other expenses.

Recurring sales, general and administrative expenses ex-depreciation totaled -R\$65,3 million in 4Q22, impacted by the constitution of 100% credit provision for doubtful accounts of R\$5.6 million related to a specific case of a large national E-commerce company that entered into judicial reorganization, excluding such effect, it would totalize -R\$59.6 million, compared to -R\$77.3 million for the same period of the previous year. However, the 4Q21 considered -R\$17.6 million in participation in profits and results, while in 4Q22 there was no provision regarding this, so recurring Sales, General and Administrative Expenses were in line with the previous year, even with a more robust structure in 2022, when compared to the previous year, with CFO and other hires for the new organizational structure.

In the quarter, we saw an increase of -R\$14.3 million, or -R\$8.7 million when we disregarded the effect of the one-off provision, reflecting the seasonal impact due to sales team bonuses, events and year-end expenses that concentrate on the last quarter of the year.

## Earnings Release 4Q22 and 2022

(R\$million, except percentual)	4Q21	3Q22	4Q22	YoY	QoQ	2021	2022	YoY
<b>Total Operational Expenses</b>	<b>-93.7</b>	<b>-58.8</b>	<b>-72.8</b>	<b>-22.3%</b>	<b>+23.9%</b>	<b>-264.6</b>	<b>-261.5</b>	<b>-1.2%</b>
(-) Long-term incentive plan	-15.6	-3.9	-3.9	-75.0%	+1.3%	-48.0	-13.6	-71.6%
(-) Taxes adjustments	0.0	0.0	0.0	n/a	n/a	0.0	1.5	n/a
(-) Terminations	0.0	-0.3	-1.5	n/a	+439.3%	0.0	-2.5	n/a
(-) International patent acquisition	0.0	0.0	0.0	n/a	n/a	0.0	-1.7	n/a
(-) Non-recurring expenses from IPO	0.0	0.0	0.0	n/a	n/a	-39.6	0.0	n/a
(-) Return of the building	0.0	-0.4	-0.3	n/a	-14.4%	0.0	-0.7	n/a
(-) Depreciation	-0.7	-3.4	-1.8	+147.6%	-45.3%	-2.2	-9.4	+323.0%
<b>Total Recurring Operational Expenses ex depreciation</b>	<b>-77.3</b>	<b>-50.9</b>	<b>-65.3</b>	<b>-15.6%</b>	<b>+28.2%</b>	<b>-174.9</b>	<b>-235.2</b>	<b>+34.5%</b>
(-) Allowance for Doubtful Accounts (ADA)	0.0	0.0	-5.6	n/a	n/a	0.0	-5.6	n/a
<b>Total Recurring Operational Expenses ex depreciation and ADA</b>	<b>-77.3</b>	<b>-50.9</b>	<b>-59.6</b>	<b>-22.9%</b>	<b>+17.1%</b>	<b>-174.9</b>	<b>-229.5</b>	<b>+31.3%</b>

## 2.5 EBITDA and Adjusted EBITDA

### 2.5.1 EBITDA and Adjusted EBITDA consolidated

Consolidated EBITDA Reconciliation (R\$million)	4Q21	3Q22	4Q22	YoY	QoQ	2021	2022	YoY
<b>Net income (loss) for the period</b>	<b>-44.3</b>	<b>2.5</b>	<b>5.2</b>	<b>n/a</b>	<b>+106.9%</b>	<b>-74.5</b>	<b>-37.1</b>	<b>-50.1%</b>
(-) Net financial income (expenses)	13.0	13.0	12.7	-2.4%	-2.2%	14.6	56.3	+286.6%
(-) Income tax and social contribution	-3.6	-7.7	-5.2	+43.2%	-33.0%	-6.4	-8.1	+26.9%
(-) Depreciation and amortization	-4.8	-7.9	-8.3	+72.8%	+4.3%	-15.2	-29.1	+90.9%
<b>EBITDA</b>	<b>-49.0</b>	<b>5.1</b>	<b>5.9</b>	<b>n/a</b>	<b>+14.8%</b>	<b>-67.4</b>	<b>-56.3</b>	<b>-16.6%</b>
(-) Non-recurring expenses from IPO	0.0	0.0	0.0	n/a	n/a	-39.6	0.0	n/a
(-) Long-term incentive plan	-15.6	-3.9	-3.9	-75.0%	+1.3%	-48.0	-13.6	-71.6%
(-) Terminations	0.0	-1.8	-3.0	n/a	+70.8%	0.0	-8.0	n/a
(-) Taxes adjustments	0.0	0.0	0.0	n/a	n/a	0.0	1.5	n/a
(-) International patent acquisition	0.0	0.0	0.0	n/a	n/a	0.0	-1.7	n/a
(-) Cloud duplicity	-2.2	0.0	0.0	n/a	n/a	-8.9	0.0	n/a
(-) Return of the building	0.0	-0.4	-0.3	n/a	-14.4%	0.0	-0.7	n/a
(-) Results from subsidiary for sale	0.0	0.0	0.0	n/a	n/a	10.7	0.0	n/a
<b>(=) Adjusted EBITDA</b>	<b>-31.2</b>	<b>11.1</b>	<b>13.1</b>	<b>n/a</b>	<b>+18.3%</b>	<b>18.4</b>	<b>-33.8</b>	<b>n/a</b>
(-) Allowance for Doubtful Accounts (ADA)	0.0	0.0	-5.6	n/a	n/a	0.0	-5.6	n/a
<b>(=) Adjusted EBITDA ex-ADA</b>	<b>-31.2</b>	<b>11.1</b>	<b>18.8</b>	<b>n/a</b>	<b>+68.9%</b>	<b>18.4</b>	<b>-28.2</b>	<b>n/a</b>
<b>Net operating revenues</b>	<b>131.1</b>	<b>130.2</b>	<b>151.0</b>	<b>+15.1%</b>	<b>+16.0%</b>	<b>457.6</b>	<b>509.6</b>	<b>+11.4%</b>
EBITDA Margin	-37.3%	3.9%	3.9%	+41.2 p.p.	-0.0 p.p.	-14.7%	-11.0%	+3.7 p.p.
Adjusted EBITDA Margin	-23.8%	8.5%	8.7%	+32.5 p.p.	+0.2 p.p.	4.0%	-6.6%	-10.6 p.p.
Adjusted EBITDA Margin ex-ADA	-23.8%	8.5%	12.4%	+36.2 p.p.	+3.9 p.p.	4.0%	-5.5%	-9.5 p.p.

Adjusted EBITDA was R\$13.1 million, an improvement of R\$2.0 million compared to 3Q22, reflecting the improved seasonality of the fourth quarter, as well as continued advances in Gross Margin resulting from the Equilibrium Plan and partially offset by the increase in selling, general and administrative expenses, due to the concentration of expenses in the last quarter of the year and the increase in provision for doubtful accounts, as previously commented. Excluding the effect of the provision, adjusted EBITDA would have been R\$18.8 million, an improvement of R\$7.7 million in the quarter.

Adjusted EBITDA was 8.7%, an improvement of 0.2 p.p. compared to 3Q22. By excluding the effects of provision for doubtful accounts, the margin would have been 12.4%, an improvement of 3.9 p.p. in the quarter.

In 2022, adjusted Annual EBITDA totaled -R\$33.8 million, compared to R\$18.4 million in the same period of the previous year. Excluding the effect of the 4Q22 credit provision, adjusted Annual EBITDA would be -R\$28.2 million.

## Earnings Release 4Q22 and 2022

### 2.5.2 Brazil Adjusted EBITDA

Brazil adjusted EBITDA was R\$27.1 million in 4Q22, an improvement of R\$8.1 million compared to the previous quarter, excluding the effect of the provision for doubtful accounts, Adjusted EBITDA Brazil would have been R\$32.8 million. Brazil's Adjusted EBITDA Margin reached 20.9% in 4Q22, an improvement of 4.2 p.p. in the quarter, reflecting the aforementioned impacts, while excluding the effects of the provision, adjusted EBITDA Margin would have been 25.2%, an improvement of 8.5 p.p. in the quarter.

In the year, Brazil's adjusted EBITDA was R\$6.5 million, compared to R\$40.2 million for the same period of the previous year. By excluding the effects of provision, Brazil's adjusted EBITDA would have been R\$12.2 million in 2022.

Adjusted EBITDA Brazil Reconciliation (R\$million)	4Q21	3Q22	4Q22	YoY	YoY	2021	2022	YoY
<b>Net income (loss) for the period</b>	<b>-44.3</b>	<b>2.5</b>	<b>5.2</b>	<b>n/a</b>	<b>+106.9%</b>	<b>-74.5</b>	<b>-37.1</b>	<b>-50.1%</b>
(-) Net financial income (expenses)	13.0	13.0	12.7	-2.4%	-2.2%	14.6	56.3	+286.6%
(-) Income tax and social contribution	-3.6	-7.7	-5.2	+43.2%	-33.0%	-6.4	-8.1	+26.9%
(-) Depreciation and amortization	-4.8	-7.9	-8.3	+72.8%	+4.3%	-15.2	-29.1	+90.9%
<b>EBITDA</b>	<b>-49.0</b>	<b>5.1</b>	<b>5.9</b>	<b>n/a</b>	<b>+14.8%</b>	<b>-67.4</b>	<b>-56.3</b>	<b>-16.6%</b>
(-) Subsidiary EBITDA (ClearSale LLC)	-6.3	-7.9	-14.0	+121.8%	+77.6%	-21.8	-40.3	+85.2%
(-) International Long-term incentive plan	-1.8	-1.1	0.1	n/a	n/a	-9.5	1.5	n/a
(-) International patent acquisition	0.0	0.0	0.0	n/a	n/a	0.0	-1.7	n/a
(-) Non-recurring expenses from IPO	0.0	0.0	0.0	n/a	n/a	-39.6	0.0	n/a
(-) Brazil Long-term incentive plan	-13.8	-2.8	-4.0	-71.2%	+44.1%	-38.5	-15.2	-60.5%
(-) Terminations	0.0	-1.8	-3.0	n/a	+70.8%	0.0	-8.0	n/a
(-) Taxes adjustments	0.0	0.0	0.0	n/a	n/a	0.0	1.5	n/a
(-) Cloud duplicity	-2.2	0.0	0.0	n/a	n/a	-8.9	0.0	n/a
(-) Return of the building	0.0	-0.4	-0.3	n/a	-14.4%	0.0	-0.7	n/a
(-) Results from subsidiary for sale	0.0	0.0	0.0	n/a	n/a	10.7	0.0	n/a
<b>(=) Adjusted EBITDA</b>	<b>-24.9</b>	<b>19.0</b>	<b>27.1</b>	<b>n/a</b>	<b>+42.9%</b>	<b>40.2</b>	<b>6.5</b>	<b>-83.7%</b>
(-) Allowance for Doubtful Accounts (ADA)	0.0	0.0	-5.6	n/a	n/a	0.0	-5.6	n/a
<b>(=) Adjusted EBITDA ex-ADA</b>	<b>-24.9</b>	<b>19.0</b>	<b>32.8</b>	<b>n/a</b>	<b>+72.5%</b>	<b>40.2</b>	<b>12.2</b>	<b>-69.7%</b>
<b>Net operating revenues</b>	<b>111.2</b>	<b>113.8</b>	<b>130.1</b>	<b>+16.9%</b>	<b>+14.3%</b>	<b>401.2</b>	<b>443.1</b>	<b>+10.5%</b>
<i>EBITDA Margin</i>	<i>-44.0%</i>	<i>4.5%</i>	<i>4.5%</i>	<i>+48.5 p.p.</i>	<i>+0.0 p.p.</i>	<i>-16.8%</i>	<i>-12.7%</i>	<i>+4.1 p.p.</i>
<i>Adjusted EBITDA Margin</i>	<i>-22.4%</i>	<i>16.7%</i>	<i>20.9%</i>	<i>+43.2 p.p.</i>	<i>+4.2 p.p.</i>	<i>10.0%</i>	<i>1.5%</i>	<i>-8.5 p.p.</i>
<i>Adjusted EBITDA Margin ex-ADA</i>	<i>-22.4%</i>	<i>16.7%</i>	<i>25.2%</i>	<i>+47.5 p.p.</i>	<i>+8.5 p.p.</i>	<i>10.0%</i>	<i>2.7%</i>	<i>-7.3 p.p.</i>

### 2.6 Financial Results

The Financial Result in 4Q22 was R\$12.7 million, a reduction of R\$0.3 million compared to 3Q22, while in the accumulated of the year the Financial Result was R\$56.3 million compared to R\$14.6 million in the previous year. The quarterly variation is due to the reduction in cash throughout 2022, while in the annual view it is mainly due to the greater volume of resources applied, arising from the IPO, added to the higher average rate of the CDI in the periods.

### 2.7 Net Income

Net Income adjusted for excluding non-recurring costs and expenses was R\$10.0 million in 4Q22, an improvement of R\$3.5 million in the quarter, reflecting the increase in revenues due to improved seasonality and fraud control, as well as the benefits of the Equilibrium Plan, while Net Margin adjusted closed the quarter at 6.6%, an increase of 1.6 p.p. over the previous quarter. By excluding the effects of the provision with doubtful accounts, as previously commented, the adjusted Net Income would have been R\$13.7 million, with an adjusted Net Margin of 9.1%.

## Earnings Release 4Q22 and 2022

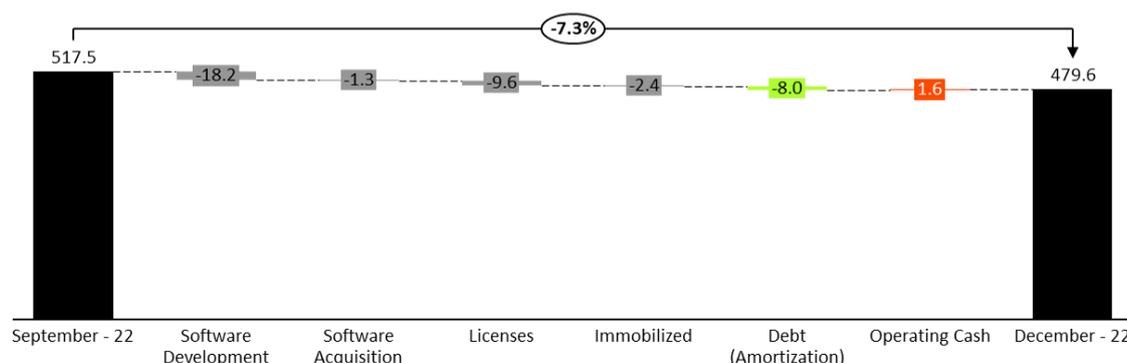
In the year, the Net Loss excluding non-recurring costs and expenses was -R\$21.3 million and the Adjusted Net Margin was -4.2%, excluding the effects of the provision the adjusted Net Loss and the Adjusted Net Margin would have been -R\$17.6 million and -3.5%, respectively.

Adjusted Net Income Reconciliation (R\$million)	4Q21	3Q22	4Q22	YoY	QoQ	2021	2022	YoY
<b>Net income/(loss) from continuing operations</b>	<b>-44.3</b>	<b>2.5</b>	<b>5.2</b>	<b>n/a</b>	<b>+106.9%</b>	<b>-85.1</b>	<b>-37.1</b>	<b>-56.4%</b>
(-) Long-term incentive plan	-15.6	-3.9	-3.9	-75.0%	+1.3%	-48.0	-13.6	-71.6%
(-) Cloud duplicity	-2.2	0.0	0.0	n/a	n/a	-8.9	0.0	n/a
(-) International patent acquisition	0.0	0.0	0.0	n/a	n/a	0.0	-1.7	n/a
(-) Taxes adjustments	0.0	0.0	0.0	n/a	n/a	0.0	1.9	n/a
(-) Terminations	0.0	-1.8	-3.0	n/a	+70.8%	0.0	-8.0	n/a
(-) Return of the building	0.0	-0.4	-0.3	n/a	-14.4%	0.0	-0.7	n/a
(+) Reversal of the tax benefit of non-recurring expenses	9.3	-2.0	-2.5	n/a	+21.3%	-8.0	-6.3	-20.9%
<b>Adjusted Net income/(loss)</b>	<b>-17.3</b>	<b>6.4</b>	<b>10.0</b>	<b>n/a</b>	<b>+54.5%</b>	<b>3.3</b>	<b>-21.3</b>	<b>n/a</b>
(-) Allowance for Doubtful Accounts (ADA)	0.0	0.0	-3.7	n/a	n/a	0.0	-3.7	n/a
<b>Adjusted Net income/(loss) ex-ADA</b>	<b>-17.3</b>	<b>6.4</b>	<b>13.7</b>	<b>n/a</b>	<b>+112.0%</b>	<b>3.3</b>	<b>-17.6</b>	<b>n/a</b>
<b>Net operating revenues</b>	<b>131.1</b>	<b>130.2</b>	<b>151.0</b>	<b>+15.1%</b>	<b>+16.0%</b>	<b>457.6</b>	<b>509.6</b>	<b>+11.4%</b>
Net Margin	-33.8%	1.9%	3.4%	+37.2 p.p.	+1.5 p.p.	-18.6%	-7.3%	+11.3 p.p.
Adjusted Net Margin	-13.2%	5.0%	6.6%	+19.8 p.p.	+1.6 p.p.	0.7%	-4.2%	-4.9 p.p.
Adjusted Net Margin ex-ADA	-13.2%	5.0%	9.1%	+22.2 p.p.	+4.1 p.p.	0.7%	-3.5%	-4.2 p.p.

## 2.8 Cash Flow

In 4Q22, we maintained operating cash generation, as observed in the previous quarter, however it was not sufficient to offset investments, so ClearSale's cash decreased R\$37.9 million compared to September 2022:

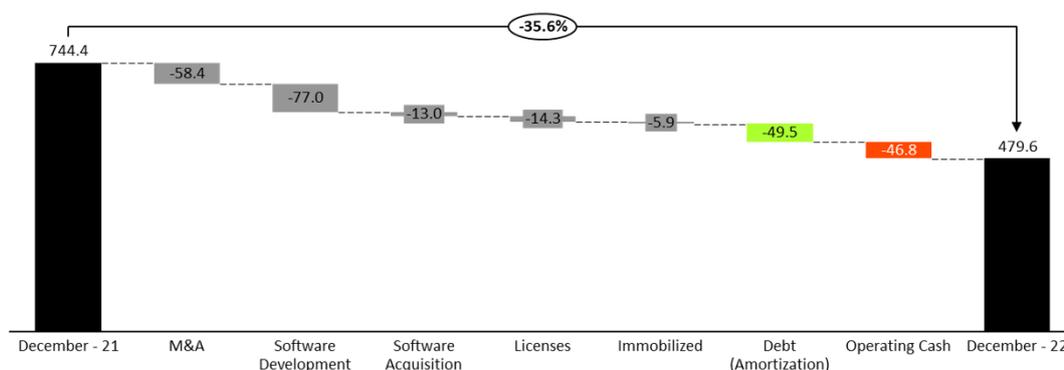
- Investments totaled R\$29.1 million and are mainly related to: (i) R\$18.2 million in software development activation (including Explore, our innovation area), which are important investments in technology to evolve and innovate in our platform and solutions, aiming to maintain our competitive advantage and market leadership, (ii) R\$1.3 million in the acquisition of management systems mainly for SAP implementation and (iii) R\$9.6 million related to licenses and internal developments.
- Investments in fixed assets of R\$2.4 million, mainly related to the construction of the new headquarters.
- Financing totaled R\$8.0 million for debt amortization and lease.
- Operational Cash totaled a positive generation of R\$1.6 million, reflecting the maturation of the balance project initiatives aimed at operational efficiency.



## Earnings Release 4Q22 and 2022

In 2022, ClearSale's position cash decreased by R\$264.8 million compared to its position as of December 31, 2021, and total cash stood at R\$479.6 million. It is worth noting that:

- Investments totaled R\$168.6 million are related to: (i) acquisitions of companies in the amount of R\$58.4 million, of which R\$38.9 million refers to Beta Learning and R\$19.6 million to ChargeBack Ops; (ii) R\$13 million in the acquisition of SAP and Sales Force management and implementation software; (iii) R\$77.0 million software development activation. (iv) R\$14.3 million related to licenses and internal developments.
- Investment of fixed assets of R\$5.9 million mainly related to the construction of the new headquarters.
- Financing totaled R\$49.5 million, mainly explained by debt amortization, including the early discharge of a debt of R\$7.3 million incurred in 2Q22; and
- Operating Cash: Consumption of R\$46.8 million.

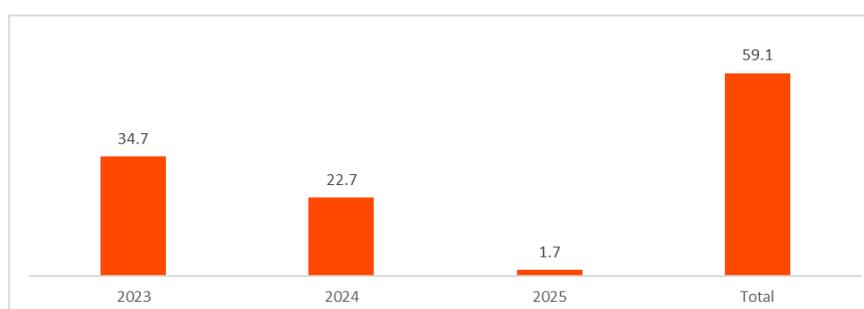


## 2.9 Indebtedness and Amortization

Loans and Financing accounts and Short- and long-term lease liabilities ended December 31, 2022, in the total amount of R\$64.0 million, with an amortization term as below.

Contratcs	R\$ mm
Debts - Banks	59.1
<b>Debt</b>	<b>59.1</b>
Leases	4.8
<b>Total Debt</b>	<b>64.0</b>
Availability (Cash and Cash Equivalents)	479.6
<b>Net Cash / Net Debt</b>	<b>-415.6</b>

### Amortization Schedule (R\$mm)



Earnings Release 4Q22 and 2022

Contacts	Conference Call	CLSA3
<p><b>Bernardo Lustosa</b> CEO</p>	<p><b>Conference Call / webcast</b></p>	
<p><b>Alexandra Mafra</b> CFO</p>	<p><b>Date:</b> March 28,2023</p>	
<p><b>Eduardo Mônaco</b> President</p>	<p><b>Timetable:</b></p>	
<p><b>Renan Ikemoto</b> IRO</p>	<p>10:00 a.m. (Brasília Time)</p>	
<p><b>Lucas Faria</b> IR Coordinator</p>	<p>9:00 a.m. (Eastern Time)</p>	
<p><b>Bruno Ferrete</b> IR Analyst</p>	<p>Conference Call in Portuguese with translation simultaneous into English.</p>	
<p><b>Pedro Cardoso</b> IR Analyst</p>	<p><a href="#">Portuguese</a> / <a href="#">English</a></p>	
<p><b>Press Office</b> Cohn &amp; Wolfe Machine <a href="mailto:clearsale@maquinacohnwolfe.com">clearsale@maquinacohnwolfe.com</a></p>		

## Earnings Release 4Q22 and 2022

### ATTACHMENTS

R\$million	Consolidated			
	4Q22	4Q21	2022	2021
<b>Net Revenues</b>	<b>150,884</b>	<b>131,078</b>	<b>509,641</b>	<b>457,514</b>
Cost of goods sold	(80,435)	(91,148)	(333,428)	(286,275)
<b>Gross Profit</b>	<b>70,449</b>	<b>39,930</b>	<b>176,213</b>	<b>171,239</b>
<b>Operating income/(expenses)</b>				
General, administrative and selling expenses	(72,609)	(91,741)	(261,063)	(233,583)
Income from equity in affiliates	-	-	-	-
Other operating income/expenses net	(183)	(1,971)	(425)	(14,855)
<b>Operating result</b>	<b>(2,343)</b>	<b>(53,782)</b>	<b>(85,275)</b>	<b>(77,199)</b>
Financial expenses	(6,803)	(2,846)	(20,508)	(15,049)
Financial income	19,501	15,910	76,827	29,618
<b>Net income before income tax and social contributions</b>	<b>10,355</b>	<b>(40,718)</b>	<b>(28,956)</b>	<b>(62,630)</b>
Income tax and social contributions	(5,168)	(3,607)	(8,105)	(11,887)
<b>Net income/(loss) from continuing operations</b>	<b>5,187</b>	<b>(44,325)</b>	<b>(37,061)</b>	<b>(74,517)</b>
Net income/(loss) from discontinued operations	-	-	-	-
<b>Net income</b>	<b>5,187</b>	<b>(44,325)</b>	<b>(37,061)</b>	<b>(74,517)</b>

## Earnings Release 4Q22 and 2022

	12/31/2022	12/31/2021	% Chg.
<b>Assets</b>			
<b>Current</b>			
Accounts receivable	479.6	744.4	-35.6%
Derivative financial instruments	137.2	106.4	+28.9%
Recoverable taxes	1.6	1.5	+2.1%
Other assets	32.0	27.2	+17.5%
Related parties	8.5	6.0	+42.4%
Assets held for sale	0.0	0.0	n/a
Total current assets	0.0	0.0	n/a
<b>Total current assets</b>	<b>658.8</b>	<b>885.5</b>	<b>-25.6%</b>
<b>Non-current</b>			
Other assets	2.1	2.1	-0.1%
Derivative financial instruments	0.0	3.1	n/a
Recoverable taxes	0.2	0.2	+30.0%
Related parties	0.0	0.0	n/a
Deferred income tax and social contribution	4.1	8.3	-50.5%
Investments	0.0	0.0	n/a
Fixed assets	20.7	24.1	-14.1%
Intangible	224.5	64.8	+246.7%
Financial investments	5.0	0.0	n/a
Right of use	0.0	0.0	n/a
<b>Total non-current assets</b>	<b>256.7</b>	<b>102.5</b>	<b>+150.5%</b>
<b>Total assets</b>	<b>915.5</b>	<b>988.0</b>	<b>-7.3%</b>
<b>Liabilities and shareholders' equity</b>			
<b>Current</b>			
Loans and financing	35.3	41.0	-13.8%
Lease liability	0.6	3.1	-80.4%
Suppliers	28.7	27.9	+2.6%
Taxes and contributions payable	11.7	11.6	+0.4%
Payroll and related charges	36.5	49.0	-25.5%
Dividends payable	0.0	0.0	n/a
Contingent consideration payable	5.6	0.0	n/a
Related parties	0.0	0.0	n/a
Provisions	10.2	7.0	+46.2%
Phantom shares provision	0.0	0.0	n/a
Advance from clients	0.0	0.0	-21.7%
Other liabilities	0.0	0.2	n/a
Asset held for sale	0.0	0.0	n/a
Liabilities related to assets held for sale	0.0	0.0	n/a
Shares based Payment	3.6	2.7	+37.5%
Derivative financial instruments	0.0	0.0	n/a
<b>Total current liabilities</b>	<b>132.2</b>	<b>142.4</b>	<b>-7.2%</b>
<b>Non-current</b>			
Loans and financing	23.8	61.9	-61.5%
Lease liability	3.0	2.5	+18.9%
Payroll and related charges	2.6	1.1	+131.5%
Phantom shares provision	0.1	0.0	n/a
Taxes and contributions payable	0.0	0.0	n/a
Related parties	0.0	0.0	n/a
Commitment of shares buy back	0.0	0.0	n/a
Shares based payment	2.3	2.6	-11.0%
Deferred taxes	0.0	0.0	n/a
Derivative financial instruments	0.3	0.0	n/a
Contingent consideration payable	5.8	0.0	n/a
Deferred income tax and social contribution	0.0	0.0	n/a
Provisions	0.2	0.2	-5.5%
Provisions due to investments losses	0.0	0.0	n/a
<b>Total non-current liabilities</b>	<b>38.0</b>	<b>68.3</b>	<b>-44.3%</b>
<b>Shareholders' equity</b>			
Joint capital	789.4	789.4	+0.0%
Capital reserves	50.2	51.3	-2.1%
Legal reserves	0.0	0.0	n/a
Earnings reserves	0.0	0.0	n/a
Retained earnings	-92.4	-62.1	+48.8%
Other comprehensive income	-1.9	-1.3	+52.4%
Treasury shares	0.0	0.0	n/a
<b>Total shareholders' equity</b>	<b>745.3</b>	<b>777.3</b>	<b>-4.1%</b>
<b>Total liability and shareholders' equity</b>	<b>915.5</b>	<b>988.0</b>	<b>-7.3%</b>