

infra
commerce

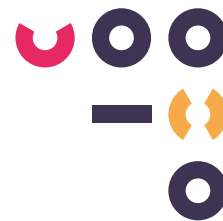
Release
de Resultados

2Q24

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Infracommerce releases 2Q24 results

São Paulo, August 13, 2024: Infracommerce CXaaS S.A., "Infracommerce" or "Company" (B3:IFCM3), elected as the best firm in the category of innovation in solutions and technologies in the E-commerce Brazil 2023 award, announces its results for the second quarter of 2024 (2Q24). The financial information presented below, except where indicated, is in accordance with Brazilian and international accounting standards (IFRS — International Financial Reporting Standards) and in Reais (BRL).

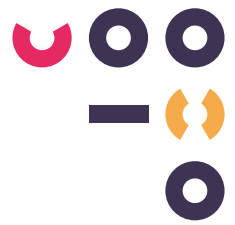
Financial Highlights

-  Total **GMV** (Gross Merchandise Volume) reached **BRL 3.6 billion** in 2Q24, a reduction of 14.84% compared to 2Q23.
-  **Net revenue** totaled **BRL 265.1 million**, down 11.6% compared to 2Q23.
-  **Gross Profit** of **BRL 65.7 million** in 2Q24, with a **gross margin of 24.8%** and a drop of 18.3 p.p. compared to 2Q23.
-  **Adjusted EBITDA** of **-BRL 25.2 million** in 2Q24, a deterioration of 147.7% compared to 2Q23.
-  **Capex** in 2Q24 was **BRL 11 million**, a reduction of 62.7% compared to 2Q23.
-  **We ended the quarter with 2,923 #Infras¹ in 9 countries in Latin America.**

Highlights (BRL million)	2Q24	2Q23	% Δ
GMV	3,682.0	4,323.0	-14.8%
TPV	779.0	1,193.5	-34.7%
Net Revenue	265.1	299.8	-11.6%
Gross profit	65.7	129.2	-49.1%
Gross margin	24.8%	43.1%	-18.3 p.p.
Adjusted EBITDA ²	-25.2	52.9	-147.7%
Adjusted EBITDA Margin ²	-9.5%	17.7%	-27.2 p.p.
EBITDA (-) Capex (-) Expenses Anticipation of Receivables from Clients (-) Rent	-61.0	-20.0	205.0%

¹ Does not include temporary workers and third parties from Brazil and Latam.

² Adjusted for non-recurring events. For more information, see page 6



Message from Management

As expected and noted in the last income release, we remain in 2Q24 below what we consider to be the appropriate indicators for Infracommerce. However, we continue with the necessary adjustments and revisions that have the potential to bring the Company to satisfactory levels of profitability in the future.

A significant part of these adjustments is the impairment related to past acquisitions. This is a non-cash effect, but necessary to reflect the current reality of investments made in the M&As, resulting in an accounting loss of R\$1.4 billion.

The strategic reassessment plan—supported by a renowned consultancy—has made progress and resulted in both key guidelines for the future and an immediate action plan. The top immediate priority is to rebalance the Company's capital structure, with a focus on restructuring capital allocation and managing debt. We will direct Infracommerce towards cash management and control, readjusting the financial cycle by extending payment terms to suppliers and reducing advances.

From a strategic perspective, it is crucial to refocus on the core business, simplifying operations and aiming for profitability through the optimization of the client portfolio, correct pricing execution, and disengagement from unprofitable clients. Adapting the logistics infrastructure to ensure greater operational efficiency is part of the directive to focus on efficiency and productivity in operations and corporate structure. Finally, the reduction of indirect expenses is another ongoing action aimed at adapting to the company's size.

As a subsequent and significant event for the execution of the plan detailed here, we announced, alongside the income reports, the signing of a non-binding Memorandum of Understanding (MOU) with the main creditors for the restructuring of debts related to the Brazilian operation. This includes the potential sale of assets or the issuance of new debt instruments to ensure the firm's liquidity in both the short and long term, which, we reiterate, is the immediate top priority.

Ivan Murias, CEO of Infracommerce CXaaS S.A.

Payouts

The income statements and operating data presented in the following charts should be read in conjunction with the quarterly results comments presented later. All numbers are compared to the same period of the previous year and have been rounded to the nearest thousand, however, they may present differences when compared to the financial statements due to decimal places.

Statement of profit and loss (in BRL million)	2024	2023	% Δ
Net Revenue	265.1	299.8	-11.6%
Cost of services rendered	(199.4)	(170.6)	16.9%
Gross profit	65.7	129.2	-49.1%
<i>Gross margin</i>	24.8%	43.1%	-18.3 p.p.
Commercial, administrative expenses and impairment	(1,549.6)	(133.5)	1060.8%
Other operating revenues (expenses), net	(3.3)	2.3	-244.3%
EBIT	(1,487.2)	(2,0)	74260.4%
Financial expenses	(64.7)	(68.9)	-6.0%
Financial revenue	19.1	18.8	1.8%
Net financial income	(45.6)	(50.1)	-9.0%
Profit (Loss) before taxes	(1,532.8)	(52.1)	2842.0%
Current income tax	(3.1)	(0.5)	520.0%
Deferred tax	0.2	0.2	0.0%
Profit (Loss) for the year	(1,535.6)	(52.4)	2830.6%
<i>Net Margin</i>	-579.3%	-17.5%	-561.8 p.p.
Non-recurring expenses	1,235.2	12.9	9475.2%
Impairment	1,376.4	--	n.a.
Non-operating expenses (amortization of capital gains – M&As)	12.5	12.5	0.0%
Profit (Loss) for the year Adjusted	(146.7)	(39.9)	267.7%
<i>Adjusted Net Margin</i>	-55.3%	-13.3%	+3.2 p.p.

Operational highlights	2024	2023	% Δ
GMV (In BRL million)	3,682.0	4,323.0	-14.8%
TPV (in BRL million)	779.0	1,193.5	-34.7%
Take Rate	7.2%	6.9%	+0.3 p.p.
Equivalent employees - full time	2,923	3,795	-23.0%

Net Revenue

At the end of the second quarter of 2024, Infracommerce's **net revenue** totaled **BRL 265.1 million**, representing a drop of 11.6% compared to the same period in 2023. Part of this drop is due to the loss of significant clients and the exit of costly clients in Brazil, as well as the impact of M&As and inflation in Latin America.

Operating costs and expenses

Costs and expenses (In BRL million)	2Q24	2Q23	% Δ
Cost of services rendered	(199.4)	(170.6)	16.9%
Commercial and administrative expenses	(1,549.6)	(133.5)	1060.8%
Other operating revenues (expenses), net	(3.3)	2.3	-244.3%
Total costs and expenses	(1,752.3)	(301.8)	480.6%

Total operating costs and expenses registered a significant increase in 2Q24. The **costs of services rendered amounted to BRL 199.4 million**, equivalent to an increase of 16.9% compared to 2Q23, due to adjustments between commercial and administrative expenses, which were reclassified as service costs. **Commercial and administrative expenses** increased significantly due to impairment, in the amount of BRL 1.376 billion.

Gross Profit

In 2Q24, the **gross profit** was **BRL 65.7 million** and the **gross margin** was **24.8%**, a drop of 49.1% compared to the 2Q23 gross profit.

This performance is linked to a mix of lower-margin revenues, increased restructuring expenses, the termination of burdensome client agreements, and the impairment of intangible assets.

EBITDA (EARNINGS BEFORE INTEREST, INCOME TAX, DEPRECIATION AND AMORTIZATION)

EBITDA (in BRL million)	2Q24	2Q23	% Δ
Profit (Loss) for the year	(1,535.6)	(52.4)	2830.6%
Depreciation	43.6	42.0	3.8%
Financial income (expenses), net	45.6	50.1	-9.0%
Current and deferred tax	2.8	0.3	842.7%
EBITDA	(1,443.6)	40.0	-3709.0%
<i>EBITDA margin</i>	<i>-544.6%</i>	<i>13.4%</i>	<i>-558.0 p.p.</i>
Expenses related to mergers and acquisitions	6.9	3.9	76.9%
Expenses related to ILP programs	(4.8)	1.0	-580.0%
Impairment	1,376.0	--	n.a.

Others	40,3	8.0	403.8%
Non-recurring events	1,418.4	12.9	10895.3%
Adjusted EBITDA	(25.2)	52.9	-147.7%
<i>Adjusted EBITDA margin</i>	<i>-9.5%</i>	<i>17.7%</i>	<i>-27.2 p.p.</i>

At the end of the second quarter of 2024, the Company recorded an adjusted EBITDA, excluding non-recurring expenses, of **negative BRL 25.2 million**. This result reflects lower revenue and a reduction in the anticipation of client revenues.

The adjusted EBITDA margin in the quarter was -9.5%, 27.2 p.p. below the same period of the previous year. The EBITDA performance and EBITDA margin were impacted by the lower Gross Profit recorded and restructuring expenses.

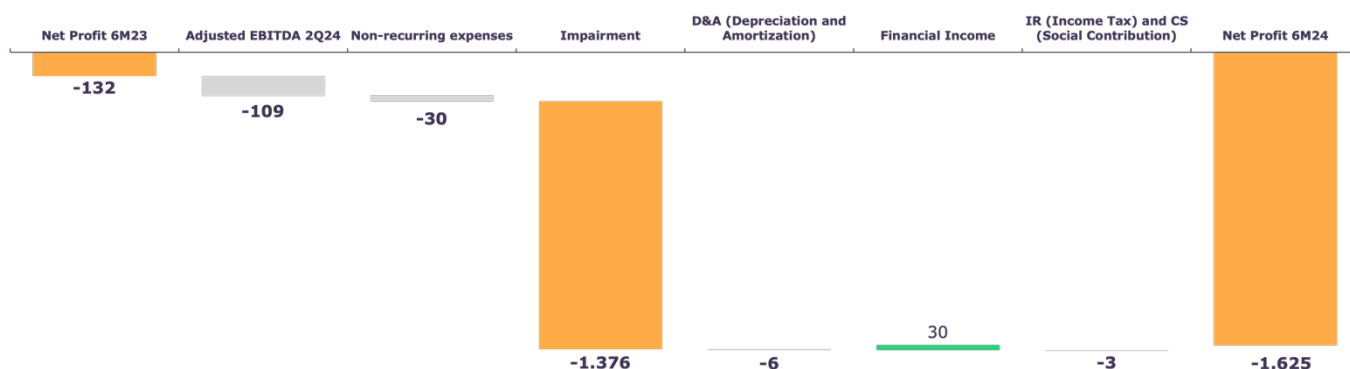
Financial Income

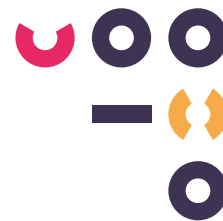
Financial income (expenses), net (In BRL million)	2Q24	2Q23	% Δ
Financial expense	(64.7)	(68.9)	-6.0%
Financial revenue	19.1	18.8	1.8%
Net financial income	(45.6)	(50.1)	-9.0%

At the end of the second quarter of 2024, the financial income was formed by an **expense of BRL 64.7 million**, an improvement of 6.0% compared to 2Q23, due to the lower volume of prepayment of receivables. Additionally, there was a **financial income of BRL 19.1 million**, representing a growth of nearly 2.0% compared to the same period in 2023.

Net Profit/Loss

In the first half of 2024, a **net loss** was recorded, as detailed below:





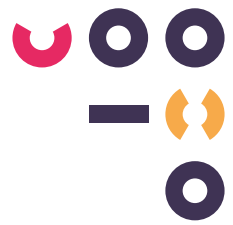
- In the reassessment of assets, a 100% impairment of the goodwill recorded at the time of acquisitions was identified, along with a partial reduction in other assets. Therefore, the Company recognized BRL 1.376 billion in impairment expenses in its results for the 2Q24.
- Non-recurring expenses, mostly with a non-cash effect, include provisions related to lawsuits from previous years (BRL 40 million), restructuring expenses (BRL 10 million), and positive effects from M&A, Stock Options, and other factors.
- Lower expenses with card advances had a positive impact on the financial income.

Liquidity and net debt

Liquidity (In BRL million)	2Q24	2Q23	% Δ	4Q23	% Δ
Cash	121.0	225.6	-46.4%	424.2	-71.5%
Loans and financing	(685.0)	(648.5)	5.6%	(703.3)	-2.6%
Net debt	(564.0)	(422.9)	33.4%	(279.1)	102.1%
M&A installments	(26.0)	(182.0)	-85.7%	--	n.a.
Net debt + M&A	(590.0)	(604.9)	-2.5%	(279.1)	111.4%

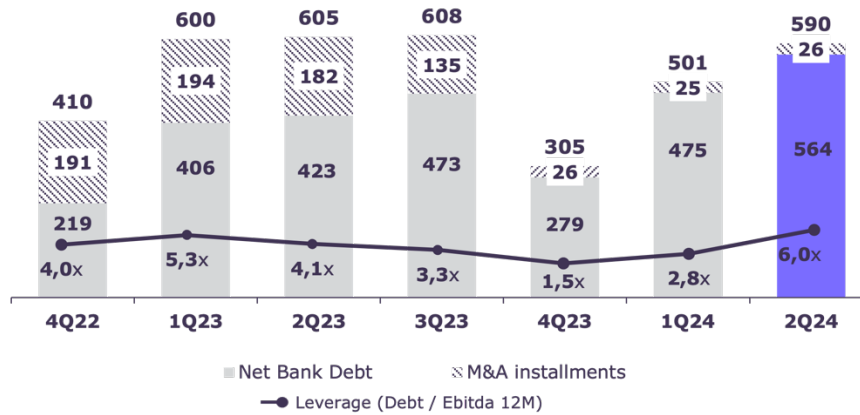
The Company ended the quarter with a **cash** position of **BRL 121.0 million**, while the balance of **bank loans and financing** increased by 5.6% compared to 2Q23, totaling **BRL 685.0 million**. We ended the quarter with a **net debt** of **BRL 564.0 million**, 33.4% higher than in 2Q23, due to cash consumption and interest amortization. The cash consumption observed was largely due to the high volume of advances made in the first quarter, resulting in a significant short-term liability.

The balance of **M&A installments** decreased by **BRL 156.0 million** in the same period, a drop of 85.7% in the outstanding balance. It is worth highlighting that the balance of **net debt + M&A installments** was reduced by **2.5%** compared to 2Q23, resulting in the Company's leverage being as follows:



Total Net Debt

(BRL million)



Capex

Capex (In BRL million)	2Q24	2Q23	% Δ
Infrastructure	(3.0)	(4.0)	-25.0%
Technology	(8.0)	(25.6)	-68.7%
Total Capex	(11.0)	(29.5)	-62.7%

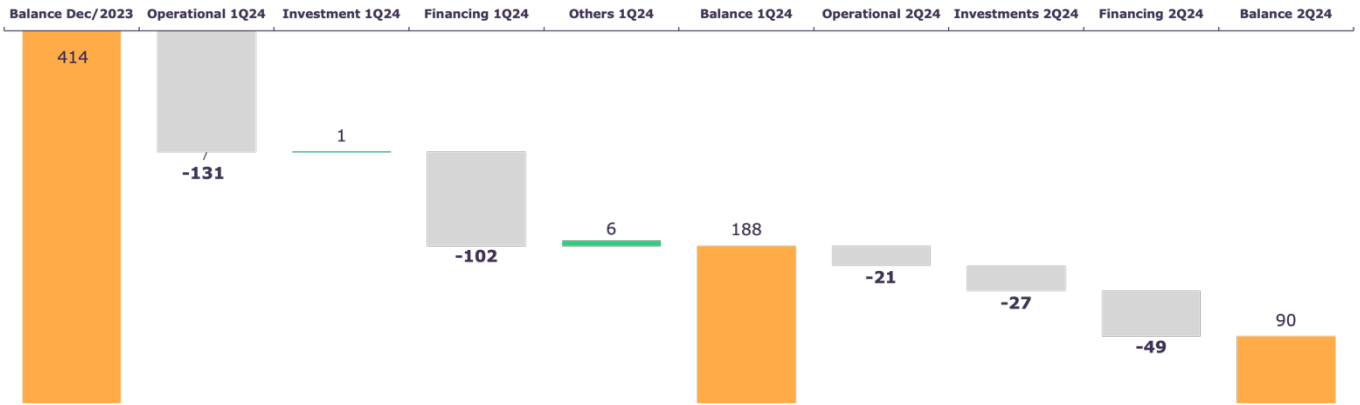
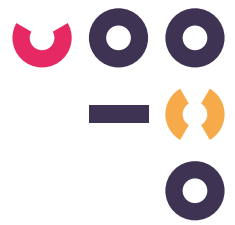
In 2Q24, the Company's total Capex was BRL 11 million, composed of:



- BRL 3.0 million in logistics infrastructure**, decreasing 25.0% compared to 2Q23, due to reductions in investments in platform and technology;
- BRL 8.0 million in technology**, decreasing 68.7%, compared to 2Q23, due to reductions in investments in platform and technology.

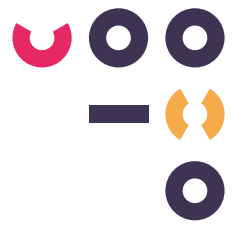
Cash flow

At the end of the second quarter of 2024, Infracommerce showed an **operational cash flow** with effects from reduced anticipation of receivables, reduction of onerous agreements, and lower impact of phasing of initiatives to reduce expenses and improve cash flow.

See the flow below:



- 
Investment in 1Q24 with the sale of the FDIC (Federal Deposit Insurance Corporation) and 2Q24 without this effect, in addition to the reduction in financial investment earnings.
- 
Financing activities with the main impact on reducing debt principal payments.



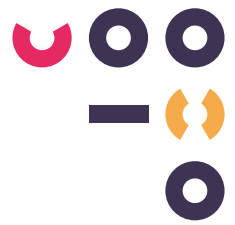
Relationship with the independent auditors

In accordance with the Brazilian Security and Exchange Commission (CVM) instruction No. 381/03, we inform you that the Company consulted the accounting firm KPMG Auditores Independentes to ensure compliance with the rules issued by the Instrumentality, as well as the Law governing the accounting profession, established through Decree-Law 9.295/46 and subsequent amendments.

Compliance with the regulations governing the exercise of professional activity issued by the Federal Accounting Council (CFC) and the technical guidelines issued by the Institute of Accounting Firms of Brazil (IBRACON) were also observed.

The Company has adopted the fundamental principle of preserving the independence of the accountants, ensuring that they do not influence the accounting of their own services, nor have they participated in any management function of the Company.

KPMG Auditores Independentes was hired to perform accounting services for the current year and review the quarterly information for the same year.



Results check

Wednesday, August 14, 2024

10:00 a.m. (Brasília time) | 09:00 a.m. (EST)

Webcast: ri.infracommerce.com.br

About Infracommerce

Infracommerce is a white-label digital ecosystem that operates on the concept of Customer Experience as a Service (CXaaS). The Company offers digital solutions from platforms and data to logistics and payouts that simplify the digital operations of firms of any type of business, from the luxury market to large retailers and industries. With a presence in Brazil, Mexico, Panama, Ecuador, Colombia, Peru, Chile, Argentina, and Uruguay, and around 3,500 employees, the Company was awarded the Best Digital Solutions Firm by the Brazilian Electronic Commerce Association. For more information, go to ri.infracommerce.com.br.

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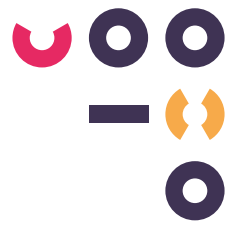
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Balance sheet

(BRL million)	2Q24	2Q23	% Δ	4Q23	% Δ
Assets					
Current					
Cash and cash equivalents	90.1	207.8	-56.6%	414.1	-78.2%
Financial Investments	30.9	17.8	73.6%	10.1	206.3%
Accounts receivable	439.6	481.5	-8.7%	496.0	-11.4%
Advances from suppliers	89.0	107.0	-16.8%	123.6	-28.0%
Recoverable taxes	47.3	105.0	-55.0%	60.0	-21.2%
Recoverable income tax and social security contribution	15.3	1.0	1425.7%	17.7	-13.8%
Prepaid expenses	6.4	3.0	113.9%	5.4	18.9%
Other financial assets	--	--	n.a.	--	n.a.
Other accounts receivable	11.0	3.8	188.8%	5.0	119.9%
Derivative financial instruments	--	--	n.a.	--	n.a.
Total current assets	729.5	926.9	-21.3%	1,131.8	-35.5%
Non-current					
Loan receivables from related parties	--	--	n.a.	--	n.a.
Other accounts receivable	70.2	70.3	-0.2%	70.7	-0.7%
Recoverable taxes	41.9	35.5	17.9%	37.2	12.6%
Court deposits	158.2	178.9	-11.6%	181.4	-12.8%
Investments	--	--	n.a.	--	n.a.
Property, plant, and equipment	100.0	101.1	-1.1%	98.8	1.2%
Intangible assets	445.5	1,905.5	-76.6%	1,869.7	-76.2%
Deferred Taxes	--	--	n.a.	--	n.a.
Right of Use	52.1	90.9	-42.7%	53.7	-3.0%
Total non-current assets	867.8	2,382.2	-63.6%	2,311.6	-54.1%
Total assets	1,597.3	3,309.1	-51.7%	3,443.4	-48.0%
Liabilities					
Current					
Loans and financing	155.4	150.3	3.4%	218.1	-28.7%
Debentures	118.1	66.6	77.4%	82.6	43.0%
Lease	25.4	40.1	-36.7%	23.9	6.2%
Suppliers	328.5	433.1	-24.1%	549.7	-40.2%
Withdrawal risk	25.7	16.7	53.8%	31.1	-17.3%
Advance from clients	0.0	--	n.a.	1.1	-98.1%
Salaries, charges, and holiday provision	61.9	64.3	-3.8%	49.8	24.3%
Taxes payable	21.1	21.8	-3.3%	15.1	39.9%
Financial instruments	5.5	--	n.a.	32.4	-83.1%
Accounts payable for the business combination	15.2	99.6	-84.8%	16.0	-5.1%
Other accounts payable	22.7	9.6	136.3%	7.6	200.5%
Total current liabilities	779.4	902.1	-13.6%	1,027.2	-24.1%
Non-current					
Loans and financing	169.9	81.0	109.7%	85.9	97.7%
Debentures	242.4	350.6	-30.8%	316.7	-23.5%
Taxes payable	150.9	172.4	-12.5%	161.8	-6.7%
Leases	33.4	59.2	-43.6%	34.9	-4.4%
Deferred taxes	1.4	2.3	-38.8%	1.9	-24.0%
Liabilities for non-controlling interest	61.6	--	n.a.	49.8	23.7%
Accounts payable for the business combination	9.7	82.7	-88.3%	10.3	-6.5%
Salaries, charges, and holiday provision	4.6	--	n.a.	14.3	-67.9%
Other accounts payable	31.2	35.1	-11.1%	37.4	-16.7%
Provision for accounting insolvency	--	--	n.a.	--	n.a.
Provisions for contingencies	116.3	82.1	41.7%	83.3	39.6%
Deferred liabilities	--	--	n.a.	--	n.a.
Financial instruments	--	124.6	-100.0%	--	n.a.
Total non-current liabilities	821.5	990.0	-17.0%	796.4	3.1%
Total equity	(3.6)	1,416.9	-100.3%	1,619.9	-88.3%
Total liabilities and equity	1,597.3	3,309.0	-51.7%	3,443.5	-48.0%

Cash flow statement

(BRL million)	6H24	6H23	% Δ
Cash flow from operating activities			
(Loss) Profit for the year	(1,626.0)	(132.3)	1129.0%
Non-cash adjustments:			
Depreciation	86.0	80.4	7.0%
Financial expenses	54.4	48,6	11.9%
Expenses with M&As	(12.7)	8.1	-256,8%
Others	1,436.0	(5.7)	-25293,0%
Variations in operating assets and liabilities	(62.2)	(0.8)	7675,0%
Variation of the assets	106.9	89.5	25.9%
Variation of the liabilities	(196.5)	(34.6)	467,9%
Cash flows used in operating activities	(151.8)	54.2	-380,1%
Cash flows from investment activities			
Acquisition of property, plant, and equipment	(7.6)	(9.1)	-16.9%
Acquisition of intangible assets	(19.4)	(52.6)	-63.0%
Redemption of financial investments	2.9	(1.8)	-261.1%
Acquisition of shareholding in a subsidiary	--	2.6	-100.0%
Sale of interest in subsidiaries, net of cash	23.0	--	n.a.
Cash flow used in investment activities	(26.8)	(60.9)	-55.9%
Cash flows from financing activities			
Capital increase	0.2	0.3	-33.0%
Fundraising of loans and borrowings	212.2	239.4	-11.6%
Principal and interest payouts - loans and debentures	(266.5)	(204.6)	30.2%
Principal and interest payouts - leasing	(17.6)	(26.9)	-34.6%
Transaction costs of prepayment of receivables	(30.7)	(57.9)	-46.9%
Acquisition of shareholding in a subsidiary	(7.2)	(14.7)	-51.0%
Issuance cost - loans and debentures	(4.6)	--	n.a.
Fundraising from debentures	--	--	n.a.
Withdrawal risk payment	(36.8)	--	n.a.
Net cash flow from financing activities	(151.0)	(64.4)	134.5%
Net increase (decrease) in cash and cash equivalents	(329.7)	(71.1)	363,7%
Cash and cash equivalents at the beginning of the period	414.1	278.9	48.5%
Effect of foreign exchange variation on cash and cash equivalents	5.6	--	n.a.
Cash and cash equivalents at the end of the period	90.1	207.8	-56.6%
Net increase (decrease) in cash and cash equivalents	(329.7)	(71.1)	363.7%



Glossary

CAPEX: Amount invested in the acquisition (or introduction of improvements) of capital goods.

Customer Experience as a Service (CXaaS): Valuing the consumer experience across all customer relationship channels.

GMV (Gross Merchandise Volume): Gross transaction volume of goods in our ecosystem.

EBITDA: Business earnings before interest, taxes, depreciation, and amortization.

TPV (Total Payment Volume): Volume transacted by payment methods.

This document may contain certain statements and information related to Infracommerce CXAAS S.A., alone or together with other companies in its economic group ("Company"), which reflect the current views and/or expectations, estimates, or projections of the Company and its management with respect to its performance, its business, and future events. Forward-looking statements include, without limitation, any statement that contains predictions, indications, or estimates and projections about future results, performance, or goals, as well as words such as "we believe," "we anticipate," "we expect," "we foresee," and "we project," among other words with similar meaning. Although the Company and its management believe that such forward-looking statements are based on reasonable assumptions, they are subject to risks, uncertainties, and future events and are issued in light of information that is currently available on the date they are issued. Such forward-looking statements speak only as of the date on which they were issued, and the Company is not responsible for publicly updating or revising them after the distribution of this document, for any reason, including as a result of new information or future events.

Various factors, including the aforementioned risks and uncertainties, may cause the forward-looking circumstances and events discussed in this document not to occur, and, as a result, the Company's future results may differ materially from those expressed or suggested in these forward-looking statements. Forward-looking statements involve risks and uncertainties and are not guarantees of future events. Therefore, investors should not make any investment decisions based on any forward-looking statements contained herein.

The market and competitive position information, including any market projections mentioned throughout this document, were obtained through internal research, market research, public domain information, and business publications. Although we have no reason to believe that any such information or reports are inaccurate in any material respect, such information has not been independently verified. The Company is not responsible for the veracity of such information.

Certain percentages and other amounts included in this document have been rounded for ease of presentation. The scales of the results graphs can appear in different proportions, to optimize the demonstration. Therefore, the numbers and charts presented may not represent the arithmetic sum and adequate scale of the numbers that precede them and may differ from those presented in the financial statements.

The separate and consolidated quarterly information has been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the accounting practices generally accepted in Brazil (BR GAAP).