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# Earnings Release

2Q2020

**Padtec Holding S.A.**  
August 14, 2020

**Padtec**

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# 2Q2020 Earnings Release

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Campinas, São Paulo, August 14, 2020. Padtec Holding SA (B3: PDTC3) (“Padtec Holding” or “Company”), today presents its results for the second quarter of 2020 (“2Q20”), in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The Company's quarterly information audited for 2Q20 considers the 34.16% shareholding held in Padtec SA (“Padtec”) until May 31, 2020, the results of which are reflected by the equity method, and 100.00% from June 1, 2020 and, therefore, fully consolidated since that date.

For the purpose of a better comparison with the previous quarters, the Company presents in this report pro-forma information, considering Padtec as its wholly owned subsidiary since January 2019.

- **Conclusion of the Merger of Shares of Padtec S.A.**

The last stage of the successful merger of shares issued by Padtec by the Company, with the consequent conversion of Padtec into its wholly-owned subsidiary, occurred on July 10, 2020, when the shareholders decided on statutory and corporate governance changes in the General Shareholders Meeting, among them the change of name to Padtec Holding SA (formerly Ideiasnet SA) and the change in the trading code of shares in B3, which became PDTC3 (formerly IDNT3). With that, a new cycle began in the Company and in its investee Padtec.

- **Padtec: for a smartly connected world**

Padtec operates in the development, production and sale of high-tech equipment, supplying DWDM (*Dense Wavelength Division Multiplexing*) equipment to the main telecom network operators, regional internet service providers (ISPs), data centers, carriers and the entire technology, information and communication segment (ICT). It is the largest manufacturer of optical transport systems in Latin America with DWDM technology and has an extensive variety of optical equipment in its portfolio (consisting of equipment for corporate access, DCI (Data Center Interconnect), metropolitan networks and multi-terabit networks of land and underwater long-distance). Padtec is present with its solutions in the main telecom networks in Brazil, bringing robustness, quality and reliability to its customers.

It also has a business unit dedicated to highly qualified technical assistance for network projects, installation, systems alignment, technical support and maintenance of highly complex optical equipment. With presence in more than 40 Points Of Presence throughout Brazil and in its international branches, Padtec has its own manpower with all the necessary resources to perform the services in the telecom networks of the main operators throughout the Brazilian territory. In addition to providing services on equipment produced by the Company itself, the Premium Services unit also provides technical assistance for the installation, operation and maintenance of multi-vendor networks (composed of products from other manufacturers of different technologies).

With specialized resources, Padtec has the Network Operations Center (NOC), where it is able to monitor and act remotely on the equipment installed in its customers' networks.

Padtec's technology is constantly evolving, as a result of intense research and development work, making it possible to offer customers increasingly compact solutions that allow the expansion of their transmission capacity in optical fibers hundreds of times.

All this innovation enables the offer of solutions in transport and optical amplification, route protection, traffic aggregation for different protocols and switching, in addition to other solutions that serve the markets of the major operators, integrators, utilities and regional service providers with flexibility and robustness internet services.

Padtec products are present in about 40 countries and, in Latin America, have already illuminated more than 200 thousand kilometers of optical networks.

- **The impacts of the pandemic on Padtec**

Padtec's industry has proved vital in the COVID-19 pandemic that has been plaguing Brazil and the world since the beginning of March 2020. Due to the quarantine imposed on the population, many people working in home offices, students with remote access to schools, and the internet widely used by those prevented from leaving their homes, there has been an increase in data traffic in the last few months, with consumers looking for better internet plans, and impacts throughout the chain of this sector.

The Company developed and implemented a "COVID Plan" in a very efficient way at the beginning of the pandemic. If, on the one hand, it maintained the full functioning of its production lines and the activities of the network operation and maintenance teams in the field, thus ensuring the continuity of internet and telecommunications services, classified as essential activities for the operation of the economy, on the other hand, implemented work from home structure for its management, back office, commercial and technology areas in the third week of March. The health and safety of its employees, partners and customers are among the priorities of the Company, which also hired a medical consultant to answer questions, assess the physical and mental health of employees, and guide the resumption of face-to-face activities at the appropriate time.

Padtec did not record negative impacts on the demand for its products and services due to COVID-19, but in order to preserve its cash and try to minimize future uncertainties, in April it reduced the working hours and salary to approximately 2/3 (two thirds) of its employees for 90 days, as permitted by law in Brazil (in accordance with MP 936).

Padtec develops and produces its products in Brazil, however most of the inputs are imported. The Company has a detailed monitoring of raw material inventories, some of which are critical for the final product, in addition to having a good relationship with its suppliers. As part of the measures taken to reduce the possible impacts of the pandemic, the Company assessed contracted delivery terms and the payment schedule with its international suppliers and did not identify any relevant risks of delays that could impact its operations.

It also carried out the evaluation of contractual conditions with financial institutions related to loans and financing instruments, in order to mitigate any liquidity risks and has been monitoring the default risk of its customers, without registering any impact to date.

Although the technology sector has been less affected by the global crisis than several other sectors of the economy, it is not possible to eliminate the existing risks and accurately identify the challenges that are yet to come. However, there is no doubt that in the new normality, telecommunications and connectivity are fundamental.

- 2Q2020 performance

### Operating Revenue

Gross operating revenue in 2Q2020 totaled R\$ 67.7 million. Sales of DWDM Equipment account for 82.0% of this amount and Premium Services for 18.0% of the revenue earned in the quarter.

In comparison with 1Q2020, gross operating revenue grew by 8.0%, with higher sales in both business lines. In the comparison between 1S2020 and 1S2019, excluding revenues from the Submarine Systems business unit sold in 2019, there was an increase of 7.2%.

| R\$ thousand          | GROSS REVENUES |               |                |               |               |                | 2Q2020 x 2Q2020 x 1S2020 x |             |             |
|-----------------------|----------------|---------------|----------------|---------------|---------------|----------------|----------------------------|-------------|-------------|
|                       | 1Q2019         | 2Q2019        | 1S2019         | 1Q2020        | 2Q2020        | 1S2020         | 2Q2019                     | 1Q2020      | 1S2019      |
| DWDM                  | 35.162         | 61.351        | 96.513         | 50.946        | 55.509        | 106.455        | -9,5%                      | 9,0%        | 10,3%       |
| Premium Service       | 11.634         | 13.430        | 25.063         | 11.699        | 12.152        | 23.852         | -9,5%                      | 3,9%        | -4,8%       |
| Submarine Systems     | 4.072          | 2.908         | 6.980          | -             | -             | -              | -                          | -           | -           |
| <b>Total Revenues</b> | <b>50.868</b>  | <b>77.688</b> | <b>128.556</b> | <b>62.646</b> | <b>67.661</b> | <b>130.307</b> | <b>-12,9%</b>              | <b>8,0%</b> | <b>1,4%</b> |

Padtec's DWDM equipment is sold in the CALA region (Caribbean and Latin America), but sales are mostly concentrated in the Brazilian domestic market.

Padtec has already adapted to the changes brought about by the modification in the Brazilian Law number 19,969 (also called the Computer Law) that occurred in December 2019, effective from April 2020.

Premium Services consist of support services for the operation and maintenance of networks that require greater expertise in optical communication systems and better qualified labor. Padtec's competitive advantage over its competitors is explained by its more than 35 maintenance centers located throughout Brazil, Argentina and Colombia.

Padtec's products and services are present in the networks of major operators and regional internet service providers (ISPs), in addition to other players in this ecosystem. The Company is well positioned in this market segment and has been gaining new customers in the fixed broadband market. The total number of active customers in June 2020 grew by around 36% when compared to the first half of 2019.

## Cost of Goods Sold and Services Rendered

The relationship and commercial involvement of Padtec with its suppliers starts at the stage of development of the technical solution and quotation of the equipment, going until its effective delivery, including the warranty period. The Company has a policy of developing a continuous relationship with its suppliers in order to establish solid partnerships and a supply chain committed to its needs, according to current legislation, in a transparent and ethical manner. Approximately 60% of Padtec's inputs are of imported origin, and therefore subject to exchange rate variation. For domestic inputs, the observed price volatility is lower, since the adjustments are usually annual.

In 2Q2020, costs of products sold and services rendered totaled R\$ 33.0 million, 8.1% below the previous quarter and 21.2% less than in 2Q19.

Although the exchange rate variation observed in the periods has negatively pressured the Company's costs, the reduction in its employees working hours and wages for 90 days, in accordance with MP 936, as permitted by law in Brazil, contributed positively to costs in 2Q2020.

| Costs of Products Sold and Services Rendered |                 |                 |                 |                 |                 |                 | 2Q2020 x      | 2Q2020 x     | 1S2020 x     |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---------------|--------------|--------------|
| R\$ thousand                                 | 1Q2019          | 2Q2019          | 1S2019          | 1Q2020          | 2Q2020          | 1S2020          | 2Q2019        | 1Q2020       | 1S2019       |
| Material                                     | (11.747)        | (23.180)        | (34.927)        | (19.878)        | (18.987)        | (38.864)        | -18,1%        | -4,5%        | 11,3%        |
| Labor  | (10.369)        | (9.009)         | (19.378)        | (9.397)         | (7.568)         | (16.965)        | -16,0%        | -19,5%       | -12,4%       |
| General Manufacturing Costs                  | (10.559)        | (9.755)         | (20.315)        | (6.673)         | (6.489)         | (13.162)        | -33,5%        | -2,8%        | -35,2%       |
| <b>Total</b>                                 | <b>(32.675)</b> | <b>(41.944)</b> | <b>(74.620)</b> | <b>(35.948)</b> | <b>(33.044)</b> | <b>(68.992)</b> | <b>-21,2%</b> | <b>-8,1%</b> | <b>-7,5%</b> |

## Operational Income (Expenses)

Administrative expenses were R\$ 4.5 million in 2Q2020, a 38.1% reduction compared to 1Q2020 (R\$ 7.3 million) and 43.8% over 2Q19 (R\$ 8.0 million).

The effect of the reduction in employees working hours and wages for 90 days mentioned above explains part of this reduction, as it contributed with approximately R\$ 0.8 million in this quarter. Also due to the pandemic, infrastructure and external consultancy expenses were also lower than in previous quarters, bringing a positive impact of approximately R\$ 1 million in 2Q2020. Additionally, since 2018 Padtec Holding has already been reducing its management expenses to the minimum levels necessary for the functioning of a publicly-held company, which also contributed to the decrease in management expenses.

In 2Q20, commercial expenses totaled R\$ 4.7 million, compared to R\$ 5.1 million in 1Q2020 and R\$ 5.4 million in 2Q19. Expenses with international operations (impacted by the exchange rate variation) and higher freight expenses in this quarter were positively offset by the adoption of MP 936 already mentioned above (whose savings amounted to approximately R\$ 1 million) and lower travel expenses due to quarantine imposed by the Covid-19 pandemic.

Research and development expenses totaled R\$ 5.6 million, a reduction of 18.1% compared to 1Q2020 and 9.8% compared to 2Q19, also impacted by lower labor costs (around R\$ 1.9 million, as a result of the application of MP 936) and travel expenses as explained above.

## Financial Result

The financial result in 2Q2020 was composed of financial income of R\$ 2.4 million and financial expenses of R\$ 5.0 million, resulting in a negative financial result of R\$ 2.6 million, in line with the financial result obtained in 1Q2020, negative by R\$ 2.3 million.

Due to the exchange rate variation of the Brazilian Real against the US Dollar between 2Q2020 and 1Q2020, financial expenses decreased by R\$ 3.4 million and financial income decreased by R\$ 3.7 million.

## Quarterly Results

Taking into account the pro forma financial information presented in this report, the Company's net income in 2Q2020 amounted to R\$1.5 million.

## Managerial EBITDA

|   | Managerial EBITDA Pro-Forma |              |              |              |                |            |                |              |              |
|---|-----------------------------|--------------|--------------|--------------|----------------|------------|----------------|--------------|--------------|
|   | 1Q19                        | 2Q19         | 3Q19         | 4Q19         | 1S19           | 2019       | 1Q20           | 2Q20         | 1S20         |
| From EBITDA to Net Income               |                             |              |              |              |                |            |                |              |              |
| <b>Net Income</b>                       | 2.359                       | 4.828        | 5.681        | (1.165)      | 7.187          | 9.092      | (821)          | 1.454        | 633          |
| Depreciation & Amortization             | 1.243                       | 1.308        | 1.308        | 1.409        | 2.551          | 5.268      | 2.874          | 2.681        | 5.555        |
| Net Financial Results                   | 4.637                       | 1.217        | 1.435        | 1.532        | 5.854          | 8.821      | 2.256          | 2.621        | 4.877        |
| Income tax and social contribution      | 1.662                       | (1.854)      | 1.686        | (3.193)      | (192)          | 912        | 1.864          | (888)        | 975          |
| Adjustment to Present Value             | -                           | 692          | -            | 692          | 692            | 692        | -              | -            | -            |
| Net Income from Discontinued Operations | (17.531)                    | -            | (7.609)      | 471          | (17.531)       | (24.669)   | (7.423)        | -            | (7.423)      |
| <b>MANAGERIAL EBITDA</b>                | <b>(7.630)</b>              | <b>6.190</b> | <b>2.501</b> | <b>(254)</b> | <b>(1.439)</b> | <b>116</b> | <b>(1.250)</b> | <b>5.867</b> | <b>4.618</b> |

Managerial EBITDA corresponds to net income, plus income tax and social contribution, depreciation and amortization expenses and financial results. From this figure, were discounted the non-recurring effects of sales of the OTN Switch and Submarine Systems business units made in 2019 and the adjustment to present value of sales financing operations based on the allocated credit assignment principle, which ceased to exist as of 1Q2019 due to the reduction in the financial cycle of receiving these sales.

Padtec believes that EBITDA is an important parameter for investors, as it provides relevant information about operating and profitability results.

Managerial EBITDA reached R\$ 5.9 million in 2Q2020, with a Managerial EBITDA margin of 11.5%.

## Indebtedness

In 2Q2020, Padtec raised funds to strengthen its working capital, however it did not present net debt in the quarter. The funds available in cash and cash equivalents, R\$ 65.2 million, plus financial investments in guarantee, R\$ 14.0 million, exceed the amount of its indebtedness in the quarter, which was R\$ 74.2 million.

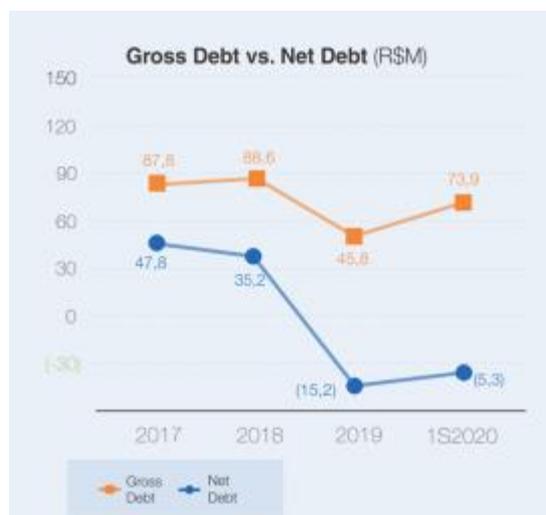
The amounts allocated to financial investments in guarantee correspond to investments made in a Bank Deposit Certificate (or *Certificado de Depósito Bancário* - CDB) from Banco Safra, guarantor of the letter of guarantee, which in turn guarantees the debt taken with BNDES (the Brazilian Development Bank), and in quotas of the investment fund FIC FIDC OSHER, whose purpose is to finance customers and prepay their receivables.

The Company's indebtedness consists of financing from Banco do Brasil, Banco Itaú and Banco Daycoval, in addition to credit lines taken with BNDES (FINEM) and FINEP (a Brazilian public company linked to the Ministry of Science, Technology, Innovations and Communications).

|                                   |                           |                          |                | CONSOLIDATED PRO-FORMA |               |
|-----------------------------------|---------------------------|--------------------------|----------------|------------------------|---------------|
| Modality                          | Agreed Rate               | Due Date (Maturity)      | Guarantee      | Jun 30, 2020           | Jun 30, 2019  |
| <b>Domestic Currency</b>          |                           |                          |                |                        |               |
| Working Capital - Banco do Brasil | CDI + 3.50% to 5.00% p.a. | 05/10/19 until 04/10/22  | -              | 27.738                 | -             |
| Working Capital - Banco do Brasil | CDI + 3.50% to 6.50% p.a. | 08/10/17 until 04/10/22  | -              | -                      | 14.061        |
| Working Capital - Banco Itaú      | CDI + 2.50% p.a.          | 02/29/16 until 07/30/21  | -              | 18.860                 | 22.619        |
| Working Capital - Banco Daycoval  | 10.08% to 14.02% p.a.     | 06/29/20 until 06/29/22  | -              | 15.009                 | -             |
| FINEM - BNDES                     | TJLP + 1.70 p.a.          | 04/15/17 until 01/15/23  | Bank guarantee | 8.357                  | 9.135         |
| FINEP                             | TR + 2.80% p.a.           | 04/15/20 until 02/15/32  | Bank guarantee | 3.901                  | -             |
|                                   |                           |                          |                | <b>73.865</b>          | <b>45.815</b> |
| <b>Foreign Currency</b>           |                           |                          |                |                        |               |
| PPP - Payment protection program  | -                         | 06/ 01/20 until 12/31/21 | -              | 312                    | -             |
|                                   |                           |                          |                | <b>312</b>             | <b>-</b>      |
|                                   |                           |                          |                | <b>74.177</b>          | <b>45.815</b> |
| <b>Current liabilities</b>        |                           |                          |                | 44.372                 | 23.927        |
| <b>Non-current liabilities</b>    |                           |                          |                | 29.805                 | 21.888        |
|                                   |                           |                          |                | <b>74.177</b>          | <b>45.815</b> |

From indebtedness to the end of June 2020, R\$ 74.2 million, 60% (R\$ 44.4 million) correspond to short-term obligations and 40% (R\$ 29.8 million) to long-term obligations.

This scenario is the result of the Company's solid financial and operational management, added to the cash reinforcement obtained from the sale of the Submarine Systems and OTN-Switch business divisions in 2019.

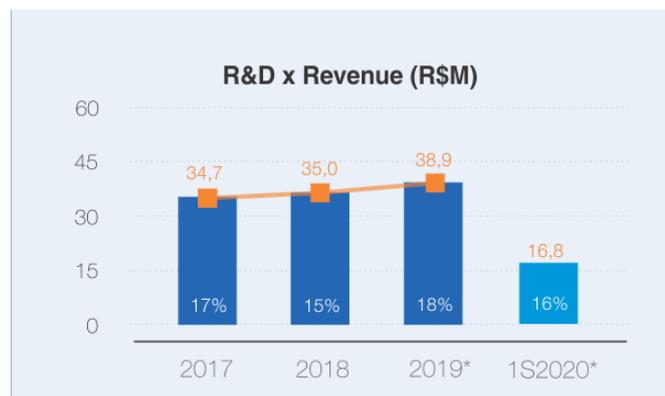


## Investments

Investment in technology is Padtec's differential to remain competitive and at the frontier of knowledge in its area of specialization of optical transmission systems, optical traffic aggregators and optical systems for access networks. The investments are focused on a portfolio of high-performance optical communications systems. In the first half of 2020, the Company invested approximately R\$ 16.8 million in Research and Development (including expenses with R&D and amounts allocated to intangible assets).

Padtec's investments are aimed at: a) maintaining technological parity vis-à-vis global competitors, b) offering solutions in more advanced and robust products and services, aiming at making it increasingly competitive, c) expanding its product portfolio, d) expanding its leadership in the Brazilian market, and e) its geographical expansion, to international markets.

For the coming years, the Company plans to maintain its focus on the development of state-of-the-art technology, with high Brazilian local content, for applications in terrestrial networks, to expand its leadership in the domestic market and to increase its international presence. Thus, it will be able to offer solutions in more advanced and robust products and services, becoming increasingly competitive.



Income Statement – Consolidated Pro-Forma

|   | CONSOLIDATED PRO-FORMA |                 |                 |
|---|------------------------|-----------------|-----------------|
| <i>(in thousand of Brazilian Reais)</i>                   | 1Q20                   | 2Q20            | 1S20            |
| <b>Gross operating revenues</b>                           | <b>62.646</b>          | <b>67.661</b>   | <b>130.307</b>  |
| Sales taxes   | (10.076)               | (13.349)        | (23.425)        |
| Returns and cancellations                                 | (1.171)                | (3.483)         | (4.653)         |
| <b>Net operating revenues</b>                             | <b>51.400</b>          | <b>50.829</b>   | <b>102.229</b>  |
| Cost of products sold and services rendered               | (35.948)               | (33.044)        | (68.992)        |
| <b>Gross profit</b>                                       | <b>15.452</b>          | <b>17.785</b>   | <b>33.237</b>   |
| <b>Operational income (expenses)</b>                      |                        |                 |                 |
| Administrative expenses                                   | (7.269)                | (4.501)         | (11.769)        |
| Commercial expenses                                       | (5.109)                | (4.652)         | (9.761)         |
| Research and development expenses                         | (6.813)                | (5.579)         | (12.392)        |
| Other operational expenses (income)                       | (385)                  | 133             | (252)           |
|   | <b>(19.576)</b>        | <b>(14.598)</b> | <b>(34.174)</b> |
| <b>Profit/(losses) before financial income (expenses)</b> | <b>(4.124)</b>         | <b>3.187</b>    | <b>(937)</b>    |
| Financial income  | (8.377)                | (4.982)         | (13.359)        |
| Financial expenses  | 6.121                  | 2.361           | 8.482           |
| <b>Profit/(losses) income tax and social contribution</b> | <b>(6.380)</b>         | <b>566</b>      | <b>(5.814)</b>  |
| Income tax and social contribution                        |                        |                 |                 |
| Current   | (1.864)                | 888             | (975)           |
| Deferred  | -                      | -               | -               |
| <b>Profit in the period from continuing operations</b>    | <b>(8.243)</b>         | <b>1.454</b>    | <b>(6.790)</b>  |
| <b>Discontinued operations</b>                            |                        |                 |                 |
| Net income from discontinued operations                   | 7.423                  | -               | 7.423           |
| <b>Net income from discontinued operations</b>            | <b>7.423</b>           | <b>-</b>        | <b>7.423</b>    |
| <b>Net profit in the period</b>                           | <b>(821)</b>           | <b>1.454</b>    | <b>633</b>      |

|   | CONSOLIDATED PRO-FORMA |                 |                 |                 |                 |                 |
|---|------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| (in thousand of Brazilian Reais)                          | 1Q19                   | 2Q19            | 3Q19            | 4Q19            | 1S19            | 2019            |
| <b>Gross operating revenues</b>                           | <b>50.868</b>          | <b>77.688</b>   | <b>62.538</b>   | <b>82.491</b>   | <b>128.556</b>  | <b>273.585</b>  |
| Sales taxes   | (8.227)                | (10.541)        | (9.355)         | (12.290)        | (18.768)        | (40.413)        |
| Returns and cancellations                                 | (1.455)                | (2.026)         | (6.843)         | (2.044)         | (3.481)         | (12.368)        |
| <b>Net operating revenues</b>                             | <b>41.186</b>          | <b>65.121</b>   | <b>46.340</b>   | <b>68.157</b>   | <b>106.307</b>  | <b>220.804</b>  |
| Cost of products sold and services rendered               | (32.674)               | (41.946)        | (34.240)        | (44.908)        | (74.620)        | (153.768)       |
| <b>Gross profit</b>                                       | <b>8.512</b>           | <b>23.175</b>   | <b>12.100</b>   | <b>23.249</b>   | <b>31.687</b>   | <b>67.036</b>   |
| <b>Operational income (expenses)</b>                      |                        |                 |                 |                 |                 |                 |
| Administrative expenses                                   | (6.307)                | (8.009)         | (3.200)         | (10.786)        | (14.316)        | (28.302)        |
| Commercial expenses                                       | (5.459)                | (5.415)         | (5.968)         | (6.075)         | (10.874)        | (22.917)        |
| Research and development expenses                         | (5.854)                | (6.186)         | (6.848)         | (7.913)         | (12.040)        | (26.801)        |
| Other operational expenses (income)                       | 235                    | 626             | 5.109           | (830)           | 861             | 5.140           |
|   | <b>(17.385)</b>        | <b>(18.984)</b> | <b>(10.907)</b> | <b>(25.604)</b> | <b>(36.369)</b> | <b>(72.880)</b> |
| <b>Profit/(losses) before financial income (expenses)</b> | <b>(8.873)</b>         | <b>4.191</b>    | <b>1.193</b>    | <b>(2.355)</b>  | <b>(4.682)</b>  | <b>(5.844)</b>  |
| Financial income  | (8.606)                | (5.095)         | (6.772)         | (7.247)         | (13.701)        | (27.720)        |
| Financial expenses  | 3.969                  | 3.878           | 5.337           | 5.715           | 7.847           | 18.899          |
| <b>Profit/(losses) income tax and social contribution</b> | <b>(13.510)</b>        | <b>2.974</b>    | <b>(242)</b>    | <b>(3.887)</b>  | <b>(10.536)</b> | <b>(14.665)</b> |
| Income tax and social contribution                        |                        |                 |                 |                 |                 |                 |
| Current   | (1.662)                | (27)            | 195             | 582             | (1.689)         | (912)           |
| Deferred  | -                      | 1.881           | (1.881)         | 2.611           | 1.881           | -               |
| <b>Profit in the period from continuing operations</b>    | <b>(15.172)</b>        | <b>4.828</b>    | <b>(1.928)</b>  | <b>(694)</b>    | <b>(10.344)</b> | <b>(15.577)</b> |
| <b>Discontinued operations</b>                            |                        |                 |                 |                 |                 |                 |
| Net income from discontinued operations                   | 17.531                 | -               | 7.609           | (471)           | 17.531          | 24.669          |
| <b>Net income from discontinued operations</b>            | <b>17.531</b>          | <b>-</b>        | <b>7.609</b>    | <b>(471)</b>    | <b>17.531</b>   | <b>24.669</b>   |
| <b>Net profit in the period</b>                           | <b>2.359</b>           | <b>4.828</b>    | <b>5.681</b>    | <b>(1.165)</b>  | <b>7.187</b>    | <b>9.092</b>    |

This report may contain projections and/or estimates of future events. The use of the terms "anticipates", "believes", "expects", "estimates", "plans", "predicts", "projects", among others, intends to signal possible trends and statements that, of course, involve uncertainties and risks, and future results may differ from current expectations. Forward-looking statements are based on several assumptions and factors, including economic, market and industry conditions, in addition to operating factors. Any changes in these assumptions and factors may lead to practical results that are different from current expectations. These forward-looking statements should not be fully trusted. Forward-looking statements reflect opinions only on the date they were prepared and presented. The Company is not obliged to update them in the face of new information or new developments. The Company is not responsible for operations that are carried out or for investment decisions that are made based on these projections and estimates. Finally, the pro forma financial information contained in this report has not been audited, and therefore may differ from the final audited results.