

Earnings Release

1Q22



Padtec Holding S.A.
May 12, 2022



Results Webcast

May 13, Friday, 11:30 a.m. (Sao Paulo, Brazil)

Zoom platform

The webcast will be hosted in Portuguese. Access www.padtec.com to add the meeting to your calendar.

Padtec

Investor Relations

ri@padtec.com.br

+55 19 2104-9703

padtec.com

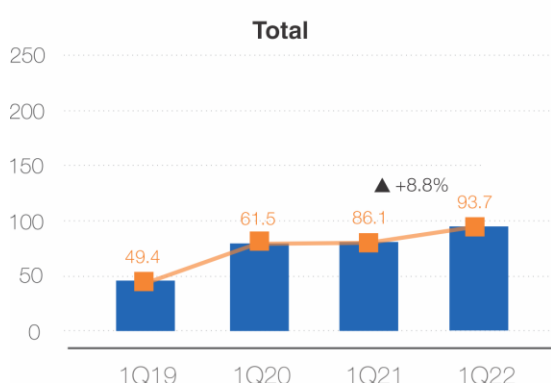


1Q22 Earnings' Release

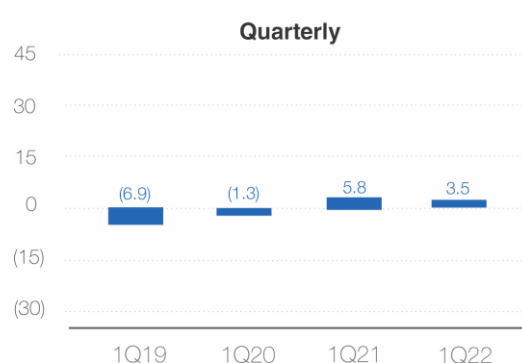
Campinas, SP, May 12, 2022. Padtec Holding S.A. (B3: PDTC3) (and together with its subsidiaries, in particular Padtec S.A., "Company" or "Padtec"), presents its results for the first quarter of 2022 ("1Q22"), in accordance with accounting practices adopted in Brazil and with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). For the purpose of a better comparison with previous periods, the Company presents its website combined consolidated information, considering Padtec S.A. as its wholly-owned subsidiary since January 2018.

- 1Q22 Highlights:

Quarterly Gross Revenue (R\$MM)



Adjusted EBITDA (R\$MM)



Brazilian multinational of high capacity optical transport systems and telecommunications solutions

Essential in the mission-critical ecosystem in telecom infrastructure

Innovative solutions, diversified product portfolio with extensive local R&D

Proximity and partnership with customers both in data transmission equipment and Premium Services

Leadership in the high capacity data connectivity market in Brazil and with a growing global presence

- Gross revenues totaled R\$93.7 million, 8.8% higher than in 1Q21.
- Gross revenues from optical transport systems (DWDM equipment) totaled R\$83.6 million, an increase of 14.9% compared to 1Q21.
- Gross profit of R\$20.7 million (gross margin of 28.4%), 11.5% below 1Q21 (gross margin of 35.2%).
- Negative net result of R\$4.5 million, compared to net income of R\$11.7 million in 1Q21 (a quarter that was positively impacted by R\$12.8 million from discontinued operations).
- EBITDA of R\$3.5 million, with EBITDA margin of 4.9%. In 1Q21, the Company obtained EBITDA of R\$20.3 million and Adjusted EBITDA, discounting non-recurring effects, of R\$5.8 million (Adjusted EBITDA margin of 8.8%).
- EBITDA in 1Q22 was not impacted by non-recurring effect adjustments.
- Allocation of R\$10.6 million in R&D, corresponding to 14% of revenue in 1Q22, compared to R\$9.2 million in 1Q21 (also 14% of revenue in that quarter).
- Capital structure remains solid: net debt of R\$1.7 million, composed of debt of R\$78.3 million and resources in cash and cash equivalents and financial investments in guarantee of R\$76.6 million.
- Obtaining the registration of three new invention patents with the INPI.

- Celebration of three new financing agreements with FINEP, for R&D development, in the total amount of up to R\$53.4 million.
- Hiring of market maker service for PDTC3 shares in B3.

R\$ thousand	Selected Financial Indicators - Combined							
	1Q21	2Q21	3Q21	4Q21	2021	1Q22	2022	
Gross operating revenues	86.133	119.554	120.427	122.658	448.772	93.748	93.748	
Gross profit	23.341	31.958	32.817	34.493	122.609	20.665	20.665	
Net profit	11.721	10.903	4.660	(1.734)	25.550	(4.477)	(4.477)	
Adjusted EBITDA	5.816	15.323	12.837	13.418	47.394	3.531	3.531	
Adjusted EBITDA margin	8,8%	17,1%	14,2%	13,7%	13,8%	4,9%	4,9%	
Gross debt	81.071	79.502	88.212	83.698	83.698	78.334	78.334	
Net debt	11.823	3.981	(8.567)	(15.525)	(15.525)	1.709	1.709	

- Padtec: for an intelligently connected world

People and businesses around the world are still eager for more data consumption and the volume of broadband transmission tends to increase with the start-up of 5G networks. There is no doubt that telecommunications and connectivity are fundamental today and will continue to be so in the days to come.

Padtec is already present in 16 Latin American countries, which together represent about 94% of the region's GDP, with commercial and technical teams in Argentina, Colombia, Chile and commercial representation in the United States of America. Every day, the Company builds the future in the present, accelerating socioeconomic and technological development in the regions where it operates.

The movement verified in recent years in Brazil with regional providers (also called Internet Service Providers or ISPs) is happening in other Latin American countries, which translates into an opportunity for the Company's business. Brazilian domestic ISPs also have a long way to go and thousands of them will require Dense Wavelength Division Multiplexing (DWDM) transmission networks to increase the efficiency of their infrastructures in the coming years. Being a local supplier, who speaks the customer's language and has the same culture, is a competitive advantage that differentiates Padtec from its competitors. In addition to telecommunications operators, Data Center ecosystem (DCs) is also growing. This includes large DCs in the main metropolitan regions and an exponential growth of new EDGE structures, smaller DCs with a more dispersed presence in several territories. This densification is increasingly necessary to meet the requirements of latency (response speed), content storage and processing closer to the demand of customers and connected machines (IOT - Internet of Things) and new 5G networks. This movement will increasingly demand high-capacity data connectivity over optical fibers.

However, the year 2022 has been presenting characteristics that may impact our business: local and global macroeconomic indicators already record an increase in inflation (it is estimated that in Brazil the accumulated IPCA will increase by 12% per year in April); the war in Ukraine and the uncertainties related to how long this conflict will still take and the consequences in that country, in Russia, in neighboring countries and in the rest

of the world; the effects of the lockdown faced in Shenzhen, Shanghai and other Chinese cities since March due to the increase in Covid-19 cases two years after the beginning of the pandemic; cost pressures in logistics chains, fuels and freight prices; uncertainties related to the presidential elections in Brazil; among others. In Brazil, to try to contain local inflation, the Central Bank has applied repeated increases in the SELIC rate, and this ends up increasing the costs of financing obtained in the financial market, hindering the viability of investments to be made by customers.

In order to facilitate the acquisition of products and services, mainly by those customers who do not have direct access to the financing lines available in the market, Padtec has been carrying out, for about three years, financial operations of Vendor and in a credit rights investment fund. Moreover, in December 2021, the Company concluded the structuring of another credit rights investment fund, this time together with BNDES Participações S.A. – BNDESPAR ("BNDESPAR"), which will use funds raised from the Fund for the Technological Development of Telecommunications (Fundo para o Desenvolvimento Tecnológico das Telecomunicações or "FUNTTEL") for the payment of its quotas. The objective of FIDC BNDES is, through the granting of credit to Padtec's customers, to stimulate the process of technological innovation, encourage the training of human resources, foster the generation of jobs and promote the access of small and medium-sized companies to capital resources, in order to increase the competitiveness of the Brazilian telecommunications industry. FIDC BNDES has been available for use by customers since the beginning of April.

In 2022, the Company also started forfait operations, which consist of financing international sales based on the principle of discounting receivables, ensuring a term and better conditions for customers established outside Brazil.

Padtec has credit lines taken with FINEP to be allocated to investments in new products and technologies and whose resources are released according to the disbursements and evidence of the execution of its strategic innovation plan. In March, three more financing agreements were signed with FINEP, aiming at the development of solutions for 5G networks.

In this way, the Company is increasingly close to its customers, important stakeholders, seeking not only to meet their needs, from the planning and design of each solution to the installation, operation, maintenance, monitoring and technical support of the networks, but also to facilitate access to financial resources for their acquisitions. All these actions are taken to contribute to the development of customers, but the scenario for the coming months is challenging.

In April, Padtec hired the services of a market maker for its PDTC3 common shares traded on B3 S.A. – Brasil, Bolsa, Balcão ("B3"), in order to foster the liquidity of these securities. In early May, it launched its Instagram profile (@padtec_oficial): another channel for communication and interaction with the different relationship audiences. The commitment to ESG issues, through the offer of solutions that allow the conduction of essential services and digital inclusion and with production practices committed to the environment, the preservation of resources, the safety of employees and customers and that add value to all its stakeholders, is part of the Company's daily life.

Padtec is a well positioned player in the telecommunications ecosystem and offers increasingly innovative telecommunications solutions and services and in the state-of-the-art of technology, competitively. Thus, it seeks to consolidate its leadership in Brazil and expand its presence abroad.

- The Company's results in 1Q22

Operating Income

In 1Q22, Padtec recorded gross operating revenue of R\$93.7 million, an increase of 8.8% over the revenue registered in 1Q21, R\$86.1 million. Compared to 4Q21, R\$122.7 million, there was a reduction of 23.6%.

For optical transport systems (DWDM equipment), historically the first half of the year tends to be the least heated in terms of revenues, while the second half, so that customers can comply with their annual budgets, is the most heated.

Revenues from optical transport systems totaled R\$83.6 million, or 89% of the total obtained in 1Q22, 14.9% higher than the value recorded in 1Q21, R\$72.7 million, and 24.4% lower than 4Q21, R\$110.5 million. Revenues from Premium Services, including high-tech services that assist in the operation and development of the Company's customer data networks, totaled R\$10.2 million in 1Q22, down 24.2% and 15.9% compared to 1Q21 and 4Q21, respectively.

R\$ thousand	GROSS REVENUES							1Q2022 x	1Q2022 x
	1Q2021	2Q2021	3Q2021	4Q2021	2021	1Q2022	2022	1Q2021	4Q2021
DWDM	72.705	106.303	108.991	110.540	398.539	83.563	83.563	14,9%	-24,4%
Premium Services	13.428	13.250	11.438	12.117	50.233	10.185	10.185	-24,2%	-15,9%
Total Revenues	86.133	119.553	120.427	122.657	448.770	93.748	93.748	8,8%	-23,6%

Gross Margin

Gross profit in 1Q22 totaled R\$20.7 million, with a gross margin of 28.4%, 11.5% down compared to 1Q21, R\$23.3 million, and 40.1% lower than 4Q21, R\$34.5 million. The mix of products and services sold in 1Q22, with lower value added items compared to previous quarters, contributed to the reduction in gross margin. For the coming quarters, the Company expects to reverse this drop and return to the standard recorded in 2020 and 2021, above 30%.

Operating Expenses / Revenues

In 1Q22, administrative expenses totaled R\$6.9 million, 6.6% above 1Q21, R\$6.5 million, and 21.3% below 4Q21, R\$8.8 million.

Commercial expenses totaled R\$8.0 million in the quarter, 3.3% higher than in 1Q21 due to higher travel expenses in 2021. In relation to 4Q21, R\$9.2 million, there was a reduction of 12.5%.

In 1Q22, R\$10.6 million was invested in research and development ("R&D"), an increase of 14.9% compared to 1Q21, R\$9.2 million, and a reduction of 18.7% compared to 4Q21, R\$13 million. As the amount recorded in

the Income Statement shows the effect of deferrals, in that report these expenses totaled R\$8.4 million in 1Q22, compared to R\$5.6 million in 1Q21 and R\$10.9 million in 4Q21. Padtec remains committed to investing in the development of its products.

Changes in the classifications of provisions for tax and labor contingencies and reversals in provisions for doubtful accounts contributed to compose the amount of R\$2.5 million in other operating revenues in 1Q22.

Financial Earnings

In 1Q22, the net financial result was negative by R\$4.3 million, compared to a gain of R\$0.2 million in 1Q21 and a loss of R\$4.8 million in 4Q21.

Financial revenues totaled R\$5.9 million (compared to R\$5.5 million in 1Q21 and R\$4.3 million in 4Q21), positively impacted by revenues from financial investments and exchange variation. Financial expenses amounted to R\$10.2 million (compared to R\$5.3 million in 1Q21 and R\$9.1 million in 4Q21), and interest expenses on loans and financing and exchange variations account for a large part of this amount.

Results from the Period

Padtec had a negative net result of R\$4.5 million in 1Q21, compared to a net profit of R\$11.7 million in 1Q21 and a negative net result of R\$1.7 million in 4Q21.

In 1Q21, the Company recorded, as a result of discontinued operations, R\$12 million related to the receipt of the third and last installment related to the sale of its Submarine Systems division and R\$0.8 million from the sale of the remaining equity interest in Batanga, an investee of former Ideiasnet S.A. There was no result of discontinued operations in 1Q22 nor in 4Q21.

Adjusted EBITDA

The Company considers EBITDA, which corresponds to net income, plus income tax and social contribution, depreciation and amortization expenses and financial results, an important parameter for investors, as it provides relevant information on their operating results and profitability.

	Adjusted EBITDA							
R\$ thousand	1Q21	2Q21	3Q21	4Q21	2021	1Q22	2022	
From EBITDA to Net Income								
Net Income	11.721	10.903	4.660	(1.734)	25.550	(4.477)	(4.477)	
Depreciation & Amortization	3.143	3.899	4.002	4.257	15.301	3.750	3.750	
Net Financial Results	(168)	(328)	4.630	4.770	8.904	4.259	4.259	
Income tax and social contribution	5.613	1.247	(331)	2.235	8.764	(1)	(1)	
EBITDA	20.309	15.721	12.961	9.528	58.519	3.531	3.531	
Fiscal Credits (PIS/Cofins)	(1.736)	-	-	-	(1.736)	-	-	
Net Income from Discontinued Operations and Others	(12.759)	(398)	(124)	-	(13.281)	-	-	
public offering of shares not carried out	-	-	-	3.890	3.890	-	-	
Adjusted EBITDA	5.814	15.323	12.837	13.418	47.392	3.531	3.531	
Adjusted EBITDA Margin	8,8%	17,1%	14,2%	13,7%	13,8%	4,9%	4,9%	

In 1Q22, EBITDA was R\$3.5 million, with an EBITDA margin of 4.9%. In this quarter, there was no adjustment for non-recurring effects, so there is no variation between EBITDA and Adjusted EBITDA.

In 1Q21, the Company's EBITDA was R\$20.3 million. Adjusted EBITDA, after discounting the non-recurring effects of (i) the third installment related to the sale of the Submarine Systems business division carried out in 2019 (net revenue from tax effects), (ii) the sale of the remaining equity interest in Batanga, an investee of former Ideiasnet S.A., and (iii) tax credits qualified for offsetting, resulting from a final favorable decision in the process regarding the exclusion of ICMS from the PIS/Cofins calculation base, was R\$5.8 million. Adjusted EBITDA margin was 8.8%.

EBITDA recorded in 4Q21 reached R\$9.5 million and Adjusted EBITDA in the quarter (excluding the write-off of expenses related to a possible public offering of the Company's shares not held last year) totaled R\$13.4 million. Adjusted EBITDA margin in 4Q21 was 13.7%.

Indebtedness, cash and solid capital structure

In 1Q22, the Company had loans and financing of R\$49.3 million (a reduction of R\$2.8 million compared to the closing of 2021). Funding from Banco Safra, Banco ABC Brasil and Banco Daycoval, in addition to credit lines taken with FINEP (contracts entered into in February 2020 and July 2021) and whose funds are intended for investments in new products and technologies and released according to the disbursements and evidence of the execution of the strategic innovation plan of subsidiary Padtec S.A., make up this amount.

In March 2022, Padtec S.A. and FINEP entered into three more financing agreements with funds from the Telecommunications Technological Development Fund (Fundo de Desenvolvimento Tecnológico das Telecomunicações or Funttel) of the Ministry of Communications, aiming at the development of solutions for 5G networks, in the total amount of R\$53.4 million to be disbursed by 2024. The Company did not record any transfers of these contracts in the first quarter of 2022.

Padtec S.A. issued in December 2020 R\$40.0 million in simple debentures not convertible into shares, of the type with real guarantee, in a single series, for public distribution, placed with restricted efforts under CVM Instruction 476 and maturing in December 2024. The net funds raised through this issue were destined to the reprofiling and lengthening of the Company's debts. The balance of debentures in 1Q22 was R\$28.8 million (compared to R\$31.4 million in 4Q21).

Thus, at the end of March 2022, the Company's total indebtedness, consisting of loans, financing and debentures, totaled R\$78.3 million (a reduction of 6.9% compared to the end of 2021, R\$83.7 million), of which R\$20.5 million (or 26%) was equivalent to short-term obligations and R\$57.9 million (or 74%) to long-term obligations. The average funding cost was 11.3% per year (compared to 9.9% per year in 2021).

R\$ thousand					CONSOLIDATED	
Modality	Agreed Rate	Due Date (Maturity)	Due Date (Maturity)	Guarantee	Mar 31, 2022	Dec 31, 2021
Working Capital - Safra	CDI + 5,53% p.a.	15,56%	04/26//21 until 09/24/24	-	8.599	8.602
Working Capital - Daycoval	CDI + 5,9% to 10,08% p.a.	15,91%	07/29/20 until 09/30/24	Receivables	5.643	7.646
Working Capital - ABC Brasil	CDI + 4,38% p.a.	14,46%	12/23/20 until 05/23/24	Receivables	7.137	7.801
FINEP	TR + 2,80% p.a.	2,84%	02/01/23 until 02/01/40	Bank guarantee	28.145	28.244
					49.524	52.293
Padtec S.A. debentures	CDI + 3,80% p.a.	CDI + 3,80% p.a.	06/21/21 until 12/21/24		28.810	31.405
					78.334	83.698
Current liabilities					20.449	20.633
Non-current liabilities					57.885	63.065
					78.334	83.698

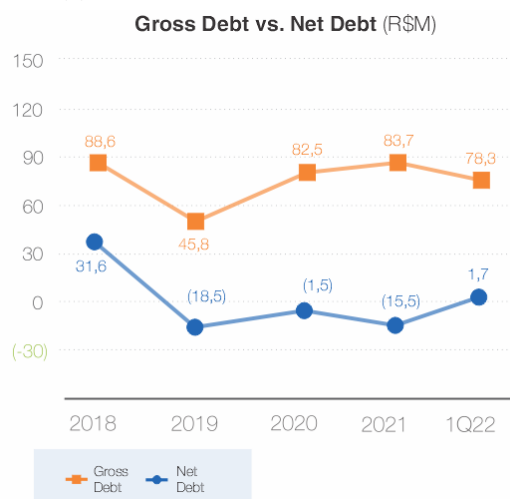
Repayment Schedule by Year of Maturity - R\$ thousand							
	2022	2023	2024	2025	2026	2027 onwards	total
Loan and financing	7.543	8.007	8.009	3.860	2.023	20.082	49.524
Debentures	7.951	10.666	10.193	-	-	-	28.810
Total	15.494	18.673	18.202	3.860	2.023	20.082	78.334

The amounts available in cash and cash equivalents at the end of 1Q21 totaled R\$68.1 million (compared to R\$87.5 million at the end of 4Q21) and the financial investments in guarantee, R\$8.5 million (R\$11.8 million at the end of 4Q21), totaling R\$76.6 million.

The amounts allocated to financial investments as collateral correspond to investments made in quotas of the FIC FIDC OSHER fund, whose purpose is to finance customers and anticipate their receivables, in the CDB of Banco Bradesco, part used as a judicial guarantee insurance and part to guarantee the debt with FINEP and in financial investments with Banco Alfa and Banco do Brasil that also guarantee the debt with FINEP.

In 1Q22, net debt was R\$1.7 million, with a net debt/Adjusted EBITDA ratio of 0.48 and a net debt/net equity ratio of 0.01.

The Company's solid capital structure provides the desired safety to accelerate growth in new geographies, product development and inorganic opportunities.



Co-obligations

In order to facilitate the acquisition of its products and implementation services by customers who do not have direct access to the financing lines available in the market, Padtec carries out financial operations of Vendor and in a credit rights investment fund (FIDC, incorporated in October 2019 and managed by the Sifra Group) and *forfait* operations.

At the end of 1Q22, the Company had in its balance sheet R\$57.7 million pledged as collateral for financing taken by some of its customers. About 64% of these obligations are short-term (36% long-term) and the counterpart of these entries is in current assets and non-current assets. The increase of 25.6% between 1Q22 and 4Q21 is due to the greater provision of financing to customers.

Vendor operations, which consist of granting credits through Financing Promise Agreements entered into between financial institutions and Padtec customers and whose resources are used to purchase the Company's products and implementation services, totaled R\$48.1 million (compared to R\$44.8 million in 4Q21).

The operations carried out through the FIDC, in which Padtec has a 25% stake and has a similar operation to Vendor operations, totaled R\$0.8 million (R\$1.2 million in 4Q21).

And to reach its customers outside Brazil, in 2022 the Company started *forfait* operations with Banco do Brasil, which consist of financing international sales, based on the principle of discounting receivables, ensuring a term and better conditions for its customers. These operations totaled R\$9 million in 1Q22.

Padtec has been carrying out these types of transactions for about three years. The portfolio is quite pulverized, credit has already been granted to more than 30 clients, which contributes to the proper management of financial risk and maintenance of default close to zero. To better mitigate the credit risk of its counterparties, the Company conducts meticulous monitoring with each of its customers.

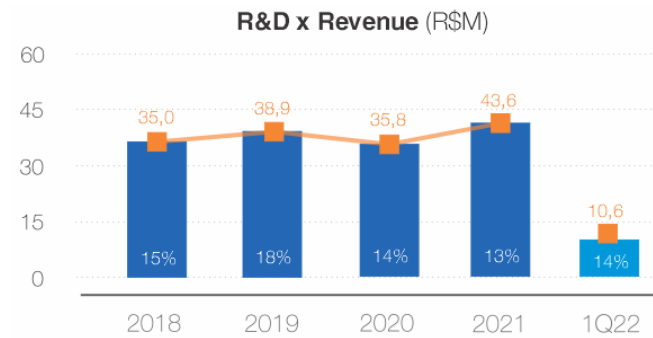
- Investments

The inspiration to innovate is the result of Padtec's own business dynamics, the continuous technological development of the sector and the demands presented by each of its customers. The Company has more than 140 employees in its R&D teams, who work in the areas of software, hardware, product engineering, testing and quality and project management. Padtec also develops partnerships with universities and research centers, which contributes to the expansion and diversification of the range of technological innovations that support the continuous development of the telecommunications ecosystem.

Recently, the Company obtained the registration of three new invention patents at INPI – Instituto Nacional da Propriedade Intelectual, the Brazilian National Institute of Intellectual Property, now holding six registered patents of a total of more than 15 (fifteen) filed. Several of these filed patents were developed in partnership with Unicamp (the State University of Campinas) and the Fundação CPQD.

Two of the newly granted patents present methods for hardware implementation of error correcting codes of Recommendation G.975.1 (forward error correction for high bit-rate DWDM submarine systems) of ITU-T – area of the International Telecommunications Union responsible for coordinating industry-related standardizations, with efficient architecture, low latency and efficiency in the use of logic circuits. The other one has its use in digital electronic circuits with multiple clock domains, for different applications in telecommunications networks.

In 1Q22, the Company invested R\$10.6 million, including R&D expenses and amounts allocated to intangible assets, 14.9% above 1Q21, R\$9.2 million, and 18.7% below 4Q21, R\$13 million.



- Income Statement – Consolidated

	CONSOLIDATED						
	1Q21	2Q21	3Q21	4Q21	2021	1Q22	2022
<i>(in thousand of Brazilian Reais)</i>							
Gross operating revenues	86.133	119.554	120.427	122.658	448.772	93.748	93.748
Sales taxes	(19.854)	(30.185)	(29.956)	(25.037)	(105.032)	(20.991)	(20.991)
Net operating revenues	66.279	89.369	90.471	97.621	343.740	72.757	72.757
Cost of products sold and services rendered	(42.938)	(57.411)	(57.654)	(63.128)	(221.131)	(52.092)	(52.092)
Gross profit	23.341	31.958	32.817	34.493	122.609	20.665	20.665
Operational income (expenses)							
Administrative expenses	(6.462)	(6.535)	(6.016)	(8.756)	(27.769)	(6.889)	(6.889)
Commercial expenses	(7.769)	(7.101)	(7.517)	(9.175)	(31.562)	(8.028)	(8.028)
Research and development expenses	(5.591)	(7.854)	(9.160)	(10.889)	(33.494)	(8.438)	(8.438)
Other operational expenses (income)	888	956	(1.289)	(402)	153	2.473	2.473
	(18.934)	(20.534)	(23.982)	(29.222)	(92.672)	(20.882)	(20.882)
Profit/(losses) before financial income (expenses)	4.407	11.424	8.835	5.271	29.937	(217)	(217)
Financial income	(5.332)	(3.787)	(7.501)	(9.088)	(25.708)	(10.158)	(10.158)
Financial expenses	5.500	4.115	2.871	4.318	16.804	5.899	5.899
Profit/(losses) income tax and social contribution	4.575	11.752	4.205	501	21.033	(4.476)	(4.476)
Income tax and social contribution							
Current	(5.613)	(1.247)	331	(2.235)	(8.764)	(1)	(1)
Deferred	-	-	-	-	-	-	-
Profit in the period from continuing operations	(1.038)	10.505	4.536	(1.734)	12.269	(4.477)	(4.477)
Discontinued operations							
Net income from discontinued operations	12.759	398	124	-	13.281	-	-
Net income from discontinued operations	12.759	398	124	-	13.281	(4.477)	(4.477)
Net profit in the period	11.721	10.903	4.660	(1.734)	25.550	(4.477)	(4.477)

- **Balance Sheet – Consolidated**

(in thousand of Brazilian Reais)

	Consolidated			Consolidated	
	03/31/2022	12/31/2021		03/31/2022	12/31/2021
Assets			Liability		
Current			Current		
Cash and cash equivalents	68.099	87.468	Loans and financing	9.893	10.087
Accounts receivable	78.529	95.121	Debentures	10.556	10.546
Inventories	99.336	81.442	Commercial leasing operations	3.770	4.086
Recoverable taxes	25.127	25.226	Suppliers	63.422	62.497
Sales financing operation	37.009	32.770	Forfeiting	1.022	1.110
Other credits	7.181	4.873	Related parties	100	6
Total current assets	315.281	326.900	Payable taxes and contributions	3.093	9.107
Non-current			Payable taxes and contributions in installment	5.786	7.129
Restricted financial investments	8.526	11.737	Social contributions	27.424	24.660
Sales financing operation	20.748	13.225	General provisions	2.623	2.450
Judicial deposits	1.239	1.373	Sales financing operation	37.009	32.770
Other credits	40	69	Advances from customers	4.397	6.865
Fixed assets	39.024	38.702	Other accounts payable	491	766
Intangible assets	39.790	37.985	Total current liabilities	169.586	172.079
Total non-current assets	109.367	103.091	Non-current		
Total assets	424.648	429.991	Provisions for labor and tax risks	27.393	30.985
			Loans and financing	39.631	42.206
			Debentures	18.254	20.859
			Suppliers	882	1.101
			Commercial leasing operations	21.388	20.023
			Payable taxes and contributions in installment	3.178	1.176
			Sales financing operation	20.748	13.225
			Total non-current liabilities	131.474	129.575

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.