

Earnings Release

3Q2023

Padtec Holding S.A.
November 09, 2023



Results Webcast

November 10, Friday, 10:00 a.m. (São Paulo)

Zoom platform

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

The Padtec logo, featuring the word "padtec" in a lowercase, sans-serif font. The letter "p" is stylized with a vertical bar on its left side. The logo is centered within a large, light-colored, curved graphic element that resembles a stylized arch or a wide smile.

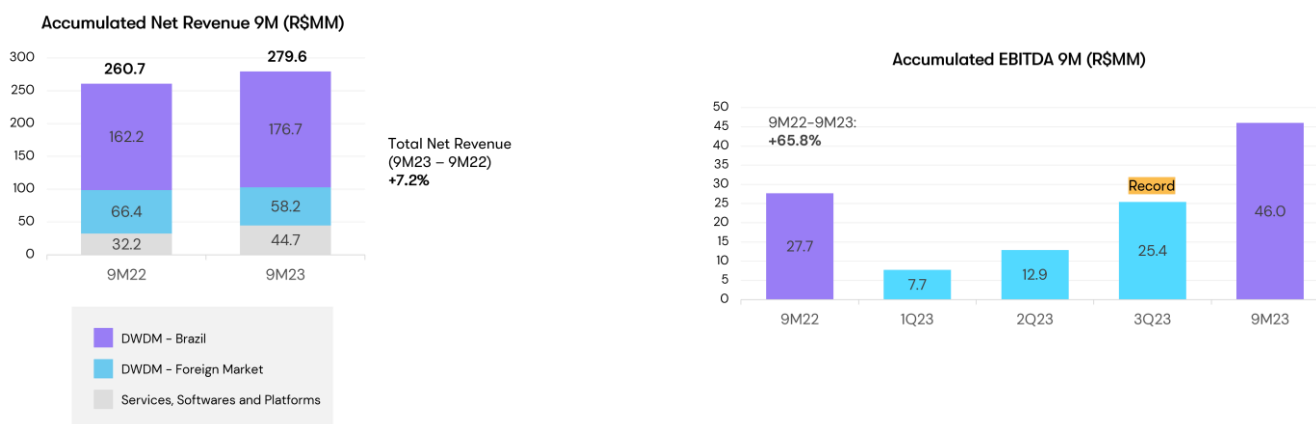
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Earnings Release 3Q23

Campinas, SP, November 09, 2023. Padtec Holding S.A. (B3: PDTC3) (and together with its subsidiaries, in particular Padtec S.A., "Company" or "Padtec"), presents its results for the third quarter of 2023 ("3Q23") (and first nine month of 2023, "9M23"), in accordance with accounting practices adopted in Brazil and the 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 on its website combined consolidated information, considering Padtec S.A. as its wholly owned subsidiary since January 2018.

- **Highlights:**



- Brazilian multinational, leader in the high capacity data connectivity market in Brazil with a growing presence in the Latin American and global markets.
- Recognized as the best option in proximity, partnership and ethical relationship with customers.
- Demand for Padtec solutions in Brazil resumes growth and remains stable in the foreign market.
- Excellent results in 3Q23 with quarterly records¹ in gross profit, gross margin, net income and EBITDA.
- Net revenues of R\$103.5 million in 3Q23, 6.8% above 2Q23.
- Net revenues of R\$279.6 million in 9M23, an increase of 7.2% over 9M22.
- Optical transport systems (DWDM equipment) - Brazil: R\$65.5 million in net revenues in 3Q23 and R\$176.7 million in 9M23.
- Optical transport systems (DWDM equipment) - foreign market: R\$23.5 million in net revenues in 3Q23 and R\$58.2 million in 9M23.
- Services, Softwares and Platforms: R\$14.6 million in net revenues in 3Q23 and R\$44.7 million in 9M23.
- Record gross profit of R\$39.2 million in 3Q23, with a record gross margin of 37.9%. In 9M23, gross profit totaled R\$102.6 million (gross margin of 36.7%).
- Record EBITDA of R\$25.4 million in 3Q23 (EBITDA margin of 24.5%), nearly double 2Q23.
- EBITDA of R\$46 million in 9M23 (EBITDA margin of 16.4%), +65.8% compared to 9M22.
- Record net income of R\$15.5 million in 3Q23, net income per share of R\$0.20.
- In 9M23, net income totaled R\$17 million and net income per share was R\$0.21 (four times higher than 9M22, R\$0.05).
- Investments of R\$31.1 million in R&D in 9M23, 11% of net revenue in the period.
- Debt restructuring successfully completed in 2Q23 resulted in reduced financial costs and longer terms.
- Solid capital structure with net debt of R\$53.6 million in September 23, composed of debt of R\$104.3 million and resources in cash and cash equivalents and financial investments in guarantee of R\$50.8 million.
- LightPad Max: new product platform for DWDM networks scheduled for launch in 1H24.
- Partnership with FYCO aims to expand Padtec's presence in Mexico.

¹ Considers combined consolidated results (Padtec S.A. + Ideiasnet S.A.) since January 2019.

- Association with the Tower Automation Alliance, the first initiative fully dedicated to creating a standard for the automation of the management of critical telecommunications infrastructures.
- Extraordinary shareholders general meeting convened on November 23rd to resolve, among other issues, the reduction of the Company's capital stock to fully absorb the balance of accumulated losses.

R\$ thousand	Selected Financial Indicators									
	1Q22	2Q22	3Q22	4Q22	1H22	2022	1Q23	2Q23	3Q23	9M23
Gross Operating Revenues	93.748	103.470	121.398	136.674	197.218	455.290	100.658	118.949	128.248	347.855
Net Revenues	72.757	84.892	103.096	104.980	157.649	365.725	79.164	96.903	103.532	279.599
Gross Profit	20.665	28.152	33.290	34.762	48.817	116.869	28.489	34.892	39.195	102.576
Net Results	(4.477)	(3.787)	12.218	5.800	(8.264)	9.754	677	807	15.540	17.024
Net Result per Share (R\$)	(0,06)	(0,05)	0,16	0,07	0,05	0,12	0,01	0,01	0,20	0,21
EBITDA	3.533	5.224	18.976	16.866	8.757	44.598	7.703	12.862	25.412	45.977
EBITDA Margin	4,9%	6,2%	18,4%	16,1%	5,6%	12,2%	9,7%	13,3%	24,5%	16,4%
Gross Debt	78.334	93.857	93.111	113.321	93.857	113.321	95.508	95.048	104.333	104.333
Net Debt	1.709	20.650	49.995	63.489	20.650	63.489	50.977	62.435	53.576	53.576

- **A connected world. Wherever you are**

Padtec offers products and services that bring together and connect people, contributing to the development of society and the economy, the design of new futures and an increasingly sustainable world.

In September, the Company announced a new platform of products for DWDM networks developed to meet the demands of increasing transmission capacity, due to the increased use of applications and services. LightPad Max is a complete line of new generation transponders with very high data transmission capacity, with up to 1.2 Tb/s per optical channel (or 2.4 Tb/s in total), in a mechanics of only 1U in height. The first product of the new line will be a dual disaggregated (or standalone) transponder of up to 800 Gb/s per optical channel (1.6 Tb/s in total), for medium, long and ultra-long distances. The main objective of the LightPad Max, scheduled for launch in 1H24, is to reduce the cost per bit transmitted in coherent, energy-efficient optical systems. The development of this new generation of products is part of Padtec's commitment to technological innovation, the result of massive investment in research and development.

In recent weeks, Padtec announced its partnership with FYCO, a global company specialized in technological solutions for the telecommunications sector, aiming to expand its presence in the Mexican market, in addition to contributing to the training of professionals in the telecommunications sector through education projects in partnership with FYCO Learning – FYCO's academic institution accredited by the Fiber Broadband Association (FBA). The Company also joined the Tower Automation Alliance (TAA), founded in 2020 and the first initiative fully dedicated to creating a standard for automating the management of critical telecommunications infrastructures. TAA members work together to develop solutions that help the telecommunications industry achieve 100% digital operations.

- **Company's result in 3Q23**

Padtec's business model is divided into two business units: Equipment/DWDM and Services, Softwares and Platforms. The Equipment/DWDM business unit encompasses the projects developed for each customer, considering their realities and needs. The sales cycle of these projects is relatively extensive and any changes in "sales" may take more than 45 days to be accounted for in the Company's revenues. The Services, Softwares and Platforms unit brings greater recurrence and predictability in its revenues.



The results that have been recorded by Padtec confirm its speed in adapting to new scenarios presented by the telecommunications ecosystem, macroeconomic and geopolitical challenges, as well as discipline in the allocation of its resources.

Operating Income

The demand for Padtec solutions continues to be heated. However, it is important to consider that in the segment of high capacity optical equipment/DWDM the sales cycle is relatively extensive and any changes in "sales" may take more than 45 days to be accounted for in the billing data.

The Company recorded gross operating revenue (excluding returns and cancellations) of R\$128.3 million in 3Q23, an increase of 7.8% compared to 2Q23, R\$119 million, and 5.6% over 3Q22, R\$121.4 million. In 9M23, it totaled R\$347.9 million, 9.2% higher than the same period in 2022.

Net revenue in the quarter was R\$103.5 million, 6.8% higher than 2Q23, R\$96.9 million, and in line with 3Q22, R\$103.1 million. In 9M23, net revenue totaled R\$279.6 million, 7.2% more than in 9M22, R\$260.7 million.

R\$ thousand	NET REVENUES									
	1Q22	2Q22	3Q22	4Q22	9M22	2022	1Q23	2Q23	3Q23	9M23
DWDM Brazil	54.770	55.738	51.656	82.240	162.164	244.403	53.209	57.968	65.488	176.665
DWDM Foreign Market	8.782	18.707	38.869	10.856	66.357	77.213	11.347	23.379	23.478	58.204
Services, Softwares & Platforms	9.205	10.447	12.571	11.886	32.223	44.109	14.608	15.557	14.566	44.731
Total Revenues	72.757	84.892	103.095	104.982	260.744	365.725	79.164	96.904	103.532	279.600

Revenues from regional telecommunications service providers (also called Internet Service Providers or ISPs) account for about half of the revenue earned with DWDM equipment in Brazil in 9M23. In the Services, Softwares and Platforms segment, much of the increase in revenues verified throughout 2023 is justified by new contracts, in addition to renewals with traditional customers.

Gross Profit

In 3Q23, gross profit was a record²: reaching R\$39.2 million, 12.3% higher than in 2Q23, R\$34.9 million, and 17.7% higher than in 3Q22, R\$33.3 million. In 9M23, gross profit reached R\$102.6 million, 24.9% more than in 9M22, R\$82.1 million.

The Company recorded a gross margin of 37.9% in 3Q23, the best result obtained in recent years³. In 9M23, the gross margin was 36.7%, 5.2 percentage points above 9M22 (31.5%). This result proves the Company's operational efficiency, always in the search for continuous improvement.

Operating Expenses / Incomes

Administrative, commercial and research and development expenses totaled R\$25.5 million in 3Q23. In 9M23, these expenses totaled R\$78.1 million - labor expenses and social charges account for about 57% of this amount - and were 5.5% higher than in 9M22 (R\$74.1 million).

Changes in the classifications of provisions for tax, labor, civil contingencies and provisions for amounts receivable from customers, payments of indemnities in labor claims, in addition to the receipt of R\$5.4 million from the second and last indemnity installment of a civil lawsuit in which Ideiasnet S.A. was a party, contributed to other operating revenues of R\$5.1 million in 3Q23 (totaling R\$2.4 million in 9M22).

² Considers combined consolidated results (Padtec S.A. + Ideiasnet S.A.) since January 2019.

³ Considers combined consolidated results (Padtec S.A. + Ideiasnet S.A.) since January 2019.

Financial Result

The net financial result was negative by R\$2.2 million in 3Q23, compared to losses of R\$5.8 million in 2Q23, when the prepayment of debentures was made, and R\$1.9 million in 3Q22. In 9M23, the net financial result was negative by R\$8.9 million, compared to losses of R\$11.1 million in 9M22.

Results from the Period

In 3Q23, net income reached the record mark⁴ of R\$15.5 million, compared to net income of R\$0.8 million in 2Q23 and R\$12.2 million in 3Q22. Net income per share in 3Q23 was R\$0.20.

Considering the accumulated in the first nine months of both years, net income reached R\$17 million in 9M23 compared to R\$4 million in 9M22. Net income per share in 9M23, R\$0.21, was more than four times higher than in 9M22, R\$0.05.

	9M22	9M23
Net Result (R\$ thousand)	3.954	17.024
Net Result per Share (R\$)	0,05	0,21

In addition to the accounting result, the Company presents below its Adjusted Net Income, disregarding, as it does in the Adjusted EBITDA, the non-recurring effects. In 9M22 there was no adjustment for non-recurring effects and, therefore, there is no variation between net income and adjusted net income. However, in 2023, the Adjusted Net Income brings the reversal of the amounts received as compensation for a civil lawsuit in which Ideiasnet S.A. was a party - R\$1 million in 2Q23 and R\$5.4 million in 3Q23.

	Adjusted Net Result									
R\$ thousand	1Q22	2Q22	3Q22	4T22	9M22	2022	1Q23	2Q23	3Q23	9M23
From Net Result to Adjusted Net Result										
Net Result	(4.477)	(3.787)	12.218	5.800	3.954	9.754	677	807	15.540	17.024
Write-Offs of Other Credits	-	-	-	2.264	-	2.264	-	-	-	-
Civil Suit Indemnity	-	-	-	-	-	-	-	(1.000)	(5.400)	(6.400)
Adjusted Net Result	(4.477)	(3.787)	12.218	8.064	3.954	12.018	677	(193)	10.140	10.624

EBITDA and 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	1Q22	2Q22	3Q22	4Q22	1H22	2022	1Q23	2Q23	3Q23	9M23
From EBITDA to Net Income										
Net Income	(4.477)	(3.787)	12.218	5.800	(8.264)	9.754	677	807	15.540	17.024
Depreciation & Amortization	3.750	4.185	4.852	4.651	7.935	17.438	6.134	6.298	6.660	19.092
Net Financial Results	4.259	4.918	1.906	5.956	9.177	17.038	892	5.772	2.203	8.867
Income tax and social contribution	1	(92)	-	459	(91)	368	-	(15)	1.009	994
EBITDA	3.533	5.224	18.976	16.866	8.757	44.598	7.703	12.862	25.412	45.977
Write-Offs of Other Credits	-	-	-	1.979	-	1.979	-	-	-	-
Civil Suit Indemnity	-	-	-	-	-	-	-	(1.000)	(5.400)	(6.400)
Adjusted EBITDA	3.533	5.224	18.976	18.845	8.757	46.577	7.703	11.862	20.012	39.577
EBITDA Margin	4,9%	6,2%	18,4%	16,1%	5,6%	12,2%	9,7%	13,3%	24,5%	16,4%
Adjusted EBITDA Margin	4,9%	6,2%	18,4%	18,0%	5,6%	12,7%	9,7%	12,2%	19,3%	14,2%

⁴ Considers combined consolidated results (Padtec S.A. + Ideiasnet S.A.) since January 2019.

In 3Q23, EBITDA also recorded a quarterly record⁵: R\$25.4 million (EBITDA margin of 24.5%), almost double the amount recorded in 2Q23 (R\$12.9 million) and an increase of 33.9% over 3Q22. In 9M23, EBITDA reached R\$46 million (EBITDA margin of 16.4%), 65.8% above 9M22 (EBITDA of R\$27.7 million and EBITDA margin of 10.6%).

Adjusted EBITDA in 3Q23, after the reversal of the amount received as compensation for the civil lawsuit mentioned above, totaled R\$20 million (Adjusted EBITDA margin of 19.3%), totaling R\$39.6 million in 9M23 (Adjusted EBITDA margin of 14.2%). In 9M22 there was no adjustment for non-recurring effects and, therefore, there is no variation between EBITDA and Adjusted EBITDA.

Debt, cash and capital structure

At the end of September, loans and financing totaled R\$104.3 million, composed of Banco Votorantim's NCE and credit lines taken with FINEP (eight contracts entered into in 2020, 2021 and 2022) whose funds are destined to investments in new products, software and technology developments, being released according to the disbursements and evidence of the execution of the strategic innovation plan of subsidiary Padtec S.A. In 3Q23, FINEP released R\$8 million.

The funds raised in the debt restructuring completed in April were allocated to the settlement of loans and financing that were outstanding with private institutions and debentures issued by Padtec S.A. in 2020, reducing by 16.1% the total amount of indebtedness in 2Q23 (R\$95 million) compared to the outstanding position in December 2022 (R\$113.3 million). This restructuring also brought positive impacts to the debt profile, with the lengthening of maturities and improvements in short-term liquidity.

At the end of September, the capital structure had more than 90% of long-term obligations, while short-term obligations represent only 9.3% of total indebtedness, compared to 30% in December 2022. The average funding cost was 6.3% per year, compared to 8.6% per year in 2022.

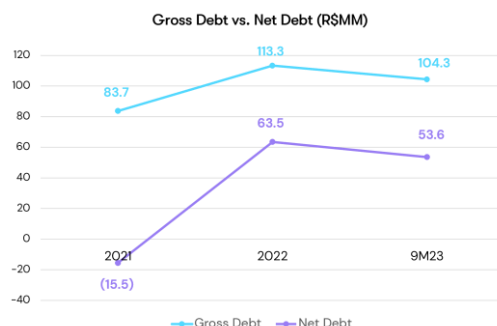
R\$ thousand						CONSOLIDATED	
Modality	Agreed Rate	Annual Average Effective Rate	Due Date (Maturity)	Guarantee	Sept 30, 2023	Dec 31, 2022	
Brazilian Currency							
FINEP	TR + 2,30% and 2,80% p.a.	3.94%	02/15/20 until 12/15/42	Bank Guarantee	71.835	62.788	
Working Capital - Safra	CDI + 5,53% p.a.	19.33%	10/22/20 until 09/23/25	-	-	6.752	
Working Capital - Daycoval	CDI + 5,9% p.a.	19.72%	10/29/20 until 09/30/24	Receivables	-	3.007	
Working Capital - ABC Brasil	CDI + 4,38% p.a.	18.13%	12/23/20 until 05/23/24	Receivables	-	5.130	
FINIMP - credit letter	10,14% p.a.	10.14%	03/20/23	Credit Letter	-	14.687	
					71.835	92.364	
Padtec S.A. debentures	CDI + 3,80% p.a.	16.60%	03/21/21 until 12/21/24		-	20.957	
Foreign Currency							
NCE - Votorantim	exchange variation + 8.55% p.a.		07/26/23 until 06/27/26	Escrow Account	32.498	-	
					104.333	113.321	
Current liabilities					9.704	34.112	
Non-current liabilities					94.629	79.209	
					9,3%	30,1%	
					90,7%	69,9%	
					104.333	113.321	

Repayment Schedule by Year of Maturity - R\$ thousand							
	2023	2024	2025	2026	2027	2028 onwards	total
Loan and financing	2.426	12.374	20.383	9.904	4.665	54.581	104.333

⁵ Considers combined consolidated results (Padtec S.A. + Ideiasnet S.A.) since January 2019.

The amounts available in cash and cash equivalents totaled R\$49.3 million (R\$49.6 million at the end of 2022) and the financial investments as collateral, R\$1.5 million (R\$0.2 million in December 2022), totaling R\$50.8 million.

In 3Q23, net debt was R\$53.6 million, with a net debt/LTM EBITDA ratio⁶ of 0.85 and a net debt/equity ratio of 0.35.



Padtec's capital structure allows the Company to conduct its operations in a safe and sustainable manner, enabling the acceleration of its growth in new geographies, fostering financing for its customers and the development of new products and solutions to better meet the demands arising from the telecommunications ecosystem.

Co-obligations

At the end of September, the operations made available by Padtec to facilitate the acquisition of its implementation products and services by customers who do not have direct access to the financing lines available in the market totaled R\$101.5 million. Short-term obligations account for about 40% of this amount. The counterpart of the entries is recorded in current assets and non-current assets.

Financial Transactions - Co-obligations		
R\$ thousand	4Q22	3Q23
Vendor	50.371	65.533
FIDC Sifra	31	-
Forfait	26.835	36.006
Total	77.237	101.539
Short Term	41.125	40.400
	53,2%	39,8%
Long Term	36.112	61.139
	46,8%	60,2%
Total	77.237	101.539

Through these transactions based on the principle of credit assignment and receivables discounts, credits have already been granted to more than 30 customers since 2017. The Company carries out a thorough monitoring with each of its customers in order to mitigate the credit risk of its counterparties. The fact that the portfolio is widely dispersed also contributes to the proper management of financial risk and maintenance of defaults close to zero.

FIDC Funttel Padtec

In addition to the instruments informed above, Padtec has a credit rights investment fund in conjunction with BNDES Participações S.A. – BNDESPAR (BNDESPAR). The operations of FIDC Funttel Padtec have as

⁶ LTM EBITDA corresponds to the sum of EBITDA recorded in the last twelve months.

senior shareholder BNDESPAR (with an 80% interest) and a shareholder subordinated to subsidiary Padtec S.A. (20%) started in 2Q22 and the objective of the fund is, through the granting of credit to Padtec's customers, to stimulate the process of technological innovation, encourage the training of human resources, foster job creation and promote the access of small and medium-sized companies to capital resources, in order to increase the competitiveness of the Brazilian telecommunications industry.

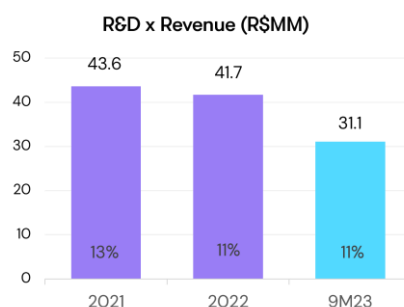
By the end of September 2023, the fund's shareholders made available R\$25 million and credits in the amount of R\$19.9 million were granted to eighteen Padtec customers (and of this amount, about 78% remains outstanding).

FIDC Funttel Padtec is consolidated into the Company in accordance with the rules of Technical Pronouncement CPC 36 (R3) Consolidated Statements, correlated to International Accounting Standards – IFRS 10 (IASB - BV 2012). However, for the purposes of this Results Release, the values of FIDC Funttel Padtec are not considered for the calculations and analyzes presented in the section "Indebtedness, cash and capital structure".

- **Investments**

Padtec focuses on the continuous improvement of its solutions, in order to offer products with a high level of technological content, capable of contributing positively to the business of its customers.

In 3Q23, investments in research and development ("R&D") were R\$10.4 million, compared to R\$10.8 million in 2Q23 and R\$9.5 million in 3Q22. As the amount recorded in the Income Statement presents the effect of deferrals, in that report these expenses totaled R\$9.7 million in 3Q23, R\$9.4 million in 2Q23 and R\$8.9 million in 3Q22.



In 9M23, investments in R&D totaled R\$31.1 million, 11% of net revenue in the period.

As part of the commitment to continuously invest in the evolution of its product line and offer the market solutions at the forefront of technology in optical communication systems, ready to meet the current and future demands of the telecommunications ecosystem, the Company announced a new product platform for DWDM networks - LightPad Max - whose launch is scheduled for 1H24.

Padtec already holds the registration of eleven invention patents with the National Institute of Intellectual Property - INPI and awaits the approval of seven other applications filed (the last of which was filed in 3Q23). Partnerships with universities and research centers also favor the increase and diversification of the range of technological innovations that support the continuous development of solutions developed by the Company.

Income Statement – Consolidated

(in thousand of Brazilian Reals)	CONSOLIDATED						CONSOLIDATED			
	1Q22	2Q22	3Q22	4Q22	9M22	2022	1Q23	2Q23	3Q23	9M23
Gross operating revenues	93.748	103.470	121.398	136.674	318.616	455.290	100.658	118.949	128.248	347.855
Sales taxes	(20.991)	(18.578)	(18.302)	(31.694)	(57.871)	(89.565)	(21.494)	(22.046)	(24.716)	(68.256)
Net operating revenues	72.757	84.892	103.096	104.980	260.745	365.725	79.164	96.903	103.532	279.599
Cost of products sold and services rendered	(52.092)	(56.740)	(69.806)	(70.218)	(178.638)	(248.856)	(50.675)	(62.011)	(64.337)	(177.023)
Gross profit	20.665	28.152	33.290	34.762	82.107	116.869	28.489	34.892	39.195	102.576
Operational income (expenses)										
Administrative expenses	(6.889)	(8.247)	(7.643)	(6.383)	(22.779)	(29.162)	(7.373)	(8.213)	(7.273)	(22.859)
Commercial expenses	(8.028)	(8.754)	(7.884)	(7.890)	(24.666)	(32.556)	(9.007)	(8.924)	(8.580)	(26.511)
Research and development expenses	(8.438)	(9.235)	(8.941)	(8.065)	(26.614)	(34.679)	(9.724)	(9.339)	(9.670)	(28.733)
Other operational expenses (income)	2.473	(877)	5.302	(210)	6.898	6.688	(816)	(1.852)	5.080	2.412
	(20.882)	(27.113)	(19.166)	(22.548)	(67.161)	(89.709)	(26.920)	(28.328)	(20.443)	(75.691)
Profit/(losses) before financial income (expenses)	(217)	1.039	14.124	12.215	14.946	27.161	1.569	6.564	18.752	26.885
Financial income	(10.158)	(10.691)	(7.580)	(7.587)	(28.429)	(36.016)	(6.713)	(8.965)	(4.003)	(19.681)
Financial expenses	5.899	5.773	5.674	1.631	17.346	18.977	5.821	3.193	1.800	10.814
Profit/(losses) income tax and social contribution	(4.476)	(3.879)	12.218	6.259	3.863	10.122	677	792	16.549	18.018
Income tax and social contribution	-	-	-	-	-	-	-	15	-	-
Current	(1)	92	-	(459)	91	(368)	-	-	(1.009)	(994)
Deferred	-	-	-	-	-	-	-	-	-	-
Profit in the period from continuing operations	(4.477)	(3.787)	12.218	5.800	3.954	9.754	677	807	15.540	17.024
Discontinued operations										
Net income from discontinued operations	-	-	-	-	-	-	-	-	-	-
Net income from discontinued operations	-	-	-	-	-	-	-	-	-	-
Net profit in the period	(4.477)	(3.787)	12.218	5.800	3.954	9.754	677	807	15.540	17.024

Balance Sheet – Consolidated

(in thousand of Brazilian Reals)	Consolidated		Consolidated	
	09/30/2023	12/31/2022	09/30/2023	12/31/2022
Assets				
Current				
Cash and cash equivalents	49.304	49.620		
Marketable securities	10.940	3.703		
Accounts receivable	123.333	134.999		
Inventories	112.951	93.435		
Recoverable taxes	35.375	34.330		
Sales financing operation	40.400	41.125		
Other credits	7.959	5.494		
Total current assets	380.262	362.706		
Non-current				
Accounts receivable	15.920	13.267		
Restricted financial investments	1.453	212		
Sales financing operation	61.139	36.112		
Judicial deposits	1.066	1.167		
Other credits	58	409		
Fixed assets	38.361	37.571		
Intangible assets	46.404	45.175		
Total non-current assets	164.401	133.913		
Total assets	544.663	496.619		
Liability				
Current				
Loans and financing			9.704	23.595
Derivative Financial Instruments			1.309	-
Debentures			-	10.517
Commercial leasing operations			6.339	6.044
Suppliers			69.203	68.223
Related parties			93	344
Payable taxes and contributions			8.855	14.541
Payable taxes and contributions in installment			1.490	1.931
Social contributions			31.131	22.774
General provisions			2.711	2.689
Sales financing operation			40.400	41.125
Advances from customers			8.065	1.458
Other accounts payable			1.360	355
Total current liabilities			180.660	193.596
Non-current				
Provisions for labor and tax risks			16.529	19.308
Loans and financing			94.629	68.769
Debentures			-	10.440
Suppliers			508	522
Commercial leasing operations			14.205	18.909
Payable taxes and contributions in installment			1.455	2.016
Liabilities - FIDC Senior Shares			21.415	10.393
Sales financing operation			61.139	36.112
Other accounts payable			875	875
Total non-current liabilities			210.755	167.344
Total liabilities			391.415	360.940
Equity				
Capital stock			199.219	199.211
Accumulated losses			(43.756)	(60.780)
Goodwill on capital transaction			599	599
Other comprehensive income			(2.814)	(3.351)
Total of shareholders' equity			153.248	135.679
Total of liabilities and shareholders' equity			544.663	496.619

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.