

# Earnings Release

1Q24

**Padtec Holding S.A.**  
May 8th, 2024



## Results Webcast

Thursday, May 9th, 2024, at 10:00 a.m. (São Paulo, Brazil time)  
Zoom platform

The webcast will be hosted in Portuguese. Access  
[www.padtec.com](http://www.padtec.com) to add the meeting to your calendar.

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# Earnings Release 1Q24

Campinas, SP, May 8, 2024. Padtec Holding S.A. (B3: PDMC3) (and together with its subsidiaries, in particular Padtec S.A., "Company" or "Padtec") presents its results for the first quarter of 2024 ("1Q24") and the twelve months ended March 31, 2024 ("LTM 1Q24"), following accounting practices adopted in Brazil and with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). For a better comparison with previous periods, the Company presents combined consolidated information on its website, considering Padtec S.A. as its wholly-owned subsidiary since January 2018.

- **1Q24 Highlights:**

- Good results in the first tests carried out in real networks with prototypes of new dual disaggregated transponders (standalone) with up to 800 Gb/s per optical channel (1.6 Tb/s in total) for medium, long, and ultra-long distances. The launch of LightPad Max, a new generation of Padtec transponders, is scheduled for 1H24.
- Additionally, Padtec is in the advanced stages of installing a manufacturing unit to produce its own pluggable (coherent transceivers with high transmission capacity). This equipment will be intended for the Company's internal consumption and, indirectly, will contribute to increasing the presence of its high-capacity DWDM solutions in metropolitan networks, new demands in large-scale data centers, and the so-called EDGE Data Centers.
- The performance of the Services, Software, and Platforms BU contributes to offsetting the momentary saturation of stocks on the networks experienced by the Equipment/DWDM area.
- The new service, software, automation, and outsourcing solutions Padtec offers help customers perform their activities more efficiently.
- In the Equipment/DWDM BU, the FIDC Funntel and the FINEP Aquisição Inovadora Telecom financing line (offered by FINEP, the Brazilian Federal Government Funding Authority for Studies and Projects) enable customers to take advantage of favorable conditions for acquiring Padtec equipment.
- Net revenue of R\$58.4 million in 1Q24 and R\$347.9 million in LTM 1Q24, impacted by seasonality and high-capacity stocks in customer networks.
- Gross profit of R\$14.9 million in 1Q24 (gross margin of 25.5%) and R\$117.7 million in LTM 1Q24 (gross margin of 33.8%).
- Negative EBITDA of R\$6.2 million (negative EBITDA margin of 10.7%) in 1Q24, impacted by restructuring costs and headcount adjustments. In LTM 1Q24, EBITDA totaled R\$42.2 million (EBITDA margin of 12.1%).
- Continuous control and action on production costs and other expenses contribute to the Company's competitiveness and ability to generate profits.
- Internal estimates indicate that the restructuring carried out in 1Q24 (renegotiations of contracts with suppliers and reduction in headcount) could add up to R\$30 million in savings over the next 12 months.
- Debt restructuring carried out at the beginning of 2024: aims to maintain cash with greater liquidity availability and create space to support organic growth (customer financing and network as a service - NaaS) and inorganic growth that will contribute to the advancement and diversification of the origins of revenues.
- At the end of March, net debt was R\$99.9 million, with a net debt/LTM EBITDA ratio<sup>1</sup> of 2.37.
- A dividend distribution to shareholders, of R\$0.046 per share (referring to results for the year 2023), was approved<sup>2</sup>. The payment date will be announced in due time through a Notice to Shareholders.

<sup>1</sup> LTM EBITDA corresponds to the sum of EBITDA recorded in the last twelve months.

<sup>2</sup> at the Extraordinary and Ordinary General Meeting held on April 26, 2024.

	R\$ thousand						
	Selected Financial Indicators						
	1Q23	2Q23	3Q23	4Q23	2023	1Q24	LTM 1Q24
Gross Operating Revenues	100.658	118.949	128.248	107.307	455.162	73.537	428.041
Net Revenues	79.164	96.903	103.532	89.088	368.687	58.381	347.904
Gross Profit	28.489	34.892	39.195	28.696	131.272	14.872	117.655
Net Results	677	807	15.540	(1.611)	15.413	(14.542)	194
Net Result per Share (R\$)	0,01	0,01	0,20	(0,02)	0,19	0,00	0,00
EBITDA	7.703	12.862	25.412	10.062	56.039	(6.219)	42.117
EBITDA Margin	9,7%	13,3%	24,5%	11,3%	15,2%	-10,7%	12,1%
Gross Debt	95.508	95.048	104.333	112.455	112.455	131.655	131.655
Net Debt	50.977	62.435	53.576	60.245	60.245	99.864	99.864

- **Results obtained in 1Q24 and the strategy for the near future**

Throughout 2023, Padtec achieved robust results, achieved excellent profitability, maintained a solid capital structure, increasing its revenue sources in new international markets and other lines of services and products. The Company continually adjusts and structures itself to consistently explore its business verticals and achieve more results shortly. At the beginning of the year, in addition to the ongoing alliances for the routers/switches segment with UfiSpace and the software providers IP Infusion and Arrcus, Padtec is advancing the agreement signed with Parallel Wireless to prepare competitive solutions for the mobile market in all its generations, including innovative 5G solutions. These new solutions complement existing offers for current customers and will support the growth of new private networks for the various industrial and agricultural segments in Brazil and other geographies where it already operates.

However, following the escalation of growth in telecommunications networks during the COVID-19 pandemic, the market and the telecommunications equipment value chain have been showing signs of saturation due to adjustments in stocks and capacities. This has been occurring since 2Q23 in connectivity in the last accesses (customer homes and companies), having reached the infrastructure of high-capacity networks at the heart of the networks (the optical backbones) in 2H23 and early 2024. These signs of saturation reflect sales contracting, with corresponding effects on revenues - a situation experienced by several players operating in the telecommunications ecosystem. Thus, in some cases, telecommunications networks end up being used to their maximum limit, as operators and internet providers seek to optimize the allocation of their capital. Macroeconomic and geopolitical challenges add to this scenario and, therefore, this value chain will still face other adjustments throughout 2024.

Padtec has also been going through challenging times since the last months of 2023, with lower sales and, consequently, impacts on its revenues. The scenario experienced in 1Q24 was no different and the Company recorded net revenue of R\$58.4 million, the lowest level since 2Q20. In the comparison between 1Q24 and 1Q23, there was a drop of 26.3% and between 1Q24 and 4Q23, the reduction was 34.5%. Historically, the first quarter is the weakest in terms of sales and revenue, as companies are usually still finalizing their budgets in the first months of the year, to execute investments in the following months. Even with intense and continuous control of production costs and other expenses at the Company, operational cash generation, measured by EBITDA, was impacted in the last two quarters.

Aiming to adjust its operations and activities, and create space to maintain and, eventually, improve its profitability, the Company carried out several renegotiations of contracts with suppliers and underwent a restructuring of its workforce, which resulted in the dismissal of people in all its areas. This restructuring impacted the 1Q24 results, both in cash and provisions.



Padtec conducts its activities through two business units (or "BUs"): Equipment/DWDM, which since last year has included switches and routers, Services, Software, and Platforms. The Equipment/DWDM BU encompasses long-term investments in infrastructure projects, developed for each client, considering their realities and needs. The sales cycle for these projects is relatively extensive and any changes in "sales" can take more than 45 days to be recorded in the Company's revenue.

Through the partnership signed with the companies UfiSpace (from Taiwan) and IP Infusion (from the USA) in 2023, Padtec now has the opportunity to operate in the switches and routers market, which is huge and quite challenging, by offering solutions more integrated with its customers in Brazil and Latin America. A few days ago, Padtec announced a new commercial partnership: with the North American Arrcus, which acts as a software provider for large data center networks (hyperscale) and also for edge network infrastructure and multi-cloud routing and switching.

Through the alliance with Parallel Wireless, an undisputed leader of solutions in open-run environments (solutions with a more open and competitive protocol), Padtec will help pave the private networks market in Brazil and Latin America.

Still, as part of the growth strategy in this BU, Padtec continues to expand the core product line in photonics and offer new lines of equipment and products that can complement the portfolio to increase its share of purchases made by customers. The prototype tests and approvals of the new line of disaggregated dual transponders in live customer networks demonstrate the capacity and competitiveness of LightPad Max, which surpassed all comparable competitors in high-performance solutions in regional operator backbone networks, with great optical performance. The launch of this new generation of transponders is scheduled for 1H24.

The installation of a factory that will produce the Company's own plug-in devices is at an advanced stage. These pluggable, initially, will be aimed at internal use and indirectly, will increase Padtec's presence in metropolitan networks, large-scale data centers, and EDGE Data Centers.

In the Services, Software, and Platforms BU, the Company's objective is to expand the monetization of its expertise in the delivery of more consultative solutions, improve the efficiency and operation of networks through a greater offer of solutions based on software, automation, rational outsourcing (also known as BPO) to help customers operate more efficiently, remote service solutions using AI technology, and strengthening partnerships in cyber security solutions to make customer networks increasingly secure and adapted to new realities and current legislation.

Padtec remains attentive to inorganic growth opportunities that make it possible to accelerate its growth and add skills and technologies, in Brazil and other geographies.

### **Operating Income**

In 1Q24, Padtec recorded gross operating revenue (excluding returns and cancellations) of R\$73.6 million, a reduction of 26.9% compared to 1Q23, and R\$428.0 million in LTM 1Q24, a drop of 6.0% compared to the year 2023.

Net revenue totaled R\$58.4 million in 1Q24, 26.3% lower than in 1Q23, and R\$347.9 million in LTM 1Q24, 5.6% less than in 2023.



NET REVENUES							
R\$ thousand	1Q23	2Q23	3Q23	4Q23	2023	1Q24	LTM 1Q24
DWDM Brazil	53.209	57.968	65.488	51.756	228.421	35.502	210.714
DWDM Foreign Market	11.347	23.379	23.478	20.961	79.165	11.652	79.470
Services, Softwares & Platforms	14.608	15.557	14.566	16.369	61.100	11.227	57.719
<b>Total Revenues</b>	<b>79.164</b>	<b>96.904</b>	<b>103.532</b>	<b>89.086</b>	<b>368.687</b>	<b>58.381</b>	<b>347.904</b>

Net revenues obtained from the DWDM business unit in Brazil fell by 33.3% in 1Q24 about 1Q23 and by 7.8% in the comparison between LTM 1Q24 and 2023. Revenues obtained from the DWDM business unit in the foreign market grew 2.7% between 1Q24 and 1Q23, remaining stable between LTM 1Q24 and 2023 (+0.4%).

In the Services, Software, and Platforms segment, net revenues in 1Q24 were 23.1% lower than in 1Q23 and 5.5% lower in LTM 1Q24 compared to 2023.

### **Gross Profit**

The Company is permanently focused on controlling its production costs and benefits from producing and developing many of its products locally, in Campinas – São Paulo state. Thus, even with the impact of the staff adjustment carried out in March, with the payment of severance pay, it recorded in 1Q24 a gross profit of R\$14.9 million and a gross margin of 25.5%. In LTM 1Q24, the gross margin was 33.8%.

### **Operating Expenses/Income**

The cost restructuring and the reduction in the number of direct employees resulted in significant one-off disbursements recorded in 1Q24 in administrative, commercial, and research and development expenses. Certainly, these necessary adjustments will contribute to the profitability projected by Padtec for the year 2024. However, these expenses totaled R\$23.3 million in 1Q24 (10.6% less than in 1Q23) and R\$101.4 million in LTM 1Q24 (2.7% reduction over 2023).

Changes in the classification of provisions relating to amounts receivable from customers and provisions for doubtful debts contributed to other operating expenses totaling R\$3.0 million in 1Q24.

### **Financial Result**

Even considering the significant restructuring in the cost structure, the net financial result was negative by R\$3.0 million in 1Q24, compared to losses of R\$0.9 million in 1Q23.

### **Results from the Period**

In 1Q24, results were negative at R\$14.5 million. Considering LTM 1Q24, Padtec's results totaled a gain of R\$0.2 million - due to the rationales already presented above concerning the seasonality of revenues and the organizational restructuring implemented.

### **EBITDA**

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

	EBITDA						
R\$ thousand	1Q23	2Q23	3Q23	4Q23	2023	1Q24	LTM 1Q24
From EBITDA to Net Income							
<b>Net Income</b>	677	807	15.540	(1.611)	15.413	(14.542)	194
Depreciation & Amortization	6.134	6.298	6.660	6.771	25.863	5.279	25.008
Net Financial Results	892	5.772	2.203	5.829	14.696	3.030	16.834
Income tax and social contribution	-	(15)	1.009	(927)	67	14	81
<b>EBITDA</b>	<b>7.703</b>	<b>12.862</b>	<b>25.412</b>	<b>10.062</b>	<b>56.039</b>	<b>(6.219)</b>	<b>42.117</b>
<b>EBITDA Margin</b>	<b>9,7%</b>	<b>13,3%</b>	<b>24,5%</b>	<b>11,3%</b>	<b>15,2%</b>	<b>-10,7%</b>	<b>12,1%</b>

In 1Q24, EBITDA was negative R\$6.2 million (negative EBITDA margin of 10.7%), compared to R\$7.7 million in 1Q23 (EBITDA margin of 9.7%). In LTM 1Q24, EBITDA totaled R\$42.1 million (EBITDA margin of 12.1%), compared to R\$56.0 million recorded in 2023 (EBITDA margin of 15.2%).

Internal estimates indicate that the restructuring carried out in 1Q24 (renegotiations of contracts with suppliers and reduction in headcount) could add up to R\$30 million in savings over the next 12 months.

### Debt, cash, and capital structure

At the end of 1Q24, loans and financing totaled R\$131.7 million. Seeking to maintain its cash with greater liquidity availability, Padtec settled the export credit note (NCE) raised with Banco Votorantim in 2023 and concluded the raising of another NCE with this same financial institution, also in the amount of R\$32 million. This new transaction, in addition to enabling debt extension, resulted in a cost reduction - which went from CDI + 1.65% per year to CDI + 1.49% per year. Additionally, the Company obtained two other new loans: R\$ 10.3 million in a forfait with Banco do Brasil (maturity period of 36 months, at a rate of 8.30% per year, with quarterly payments of interest and principal) and R\$ 8.3 million in an import financing line (FINIMP) with Banco Votorantim (single maturity in October 2024 and rate of 4.50% per year linear, plus exchange rate variation).

The Company's debt also includes credit lines taken out with FINEP (eight contracts signed in 2020, 2021, and 2022) whose resources are intended for investments in new products, software developments, and technologies, being released according to disbursements and evidence of the execution of the strategic innovation plan of the subsidiary Padtec S.A.

At the end of 1Q24, the capital structure was made up of 85% long-term loans and financing and 15% short-term loans and financing. In 1Q24, the average funding cost was 5.7% per year – remaining unchanged concerning the year 2023.

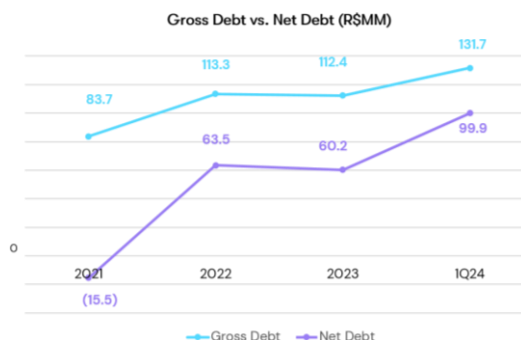
R\$ thousand					CONSOLIDATED	
Modality	Agreed Rate	Annual Average Effective Rate	Due Date (Maturity)	Guarantee	Mar 31, 2024	Dec 31, 2023
<b>Brazilian Currency</b>						
FINEP	TR + 2.30% and 2.80% p.a.	3.01%	02/15/20 until 12/15/42	Bank Guarantee	80.928	81.284
<b>Foreign Currency</b>						
FINIMP - Banco Votorantim	exchange variation + 4.5% p.a.	4.59%	01/09/24 until 10/28/24	Receivables	8.269	-
NCE - Votorantim	exchange variation + 8.55% p.a.	8.55%	07/26/23 until 06/27/26	Escrow Account	-	31.171
NCE - Votorantim	exchange variation + 8.55% p.a.	7.80%	03/28/24 until 03/29/28	Escrow Account	32.127	-
Banco do Brasil - Forfait	8.30% p.a.	8.62%	03/28/24 until 01/24/27/25	-	10.331	-
					<b>131.655</b>	<b>112.455</b>
<b>Current liabilities</b>					19.304	13.374
					14,7%	11,9%
<b>Non-current liabilities</b>					112.351	99.081
					85,3%	88,1%
					<b>131.655</b>	<b>112.455</b>



Repayment Schedule by Year of Maturity - R\$ thousand							
	2024	2025	2026	2027	2028	2029 onwards	total
Loan and financing	16.545	16.400	18.189	14.304	8.354	57.863	131.655

In March 2024, the amounts available in cash and cash equivalents totaled R\$30.0 million (R\$50.5 million at the end of 2023), and financial investments in guarantee, R\$1.8 million (without changes to December 2023), totaling R\$31.8 million.

Net debt was R\$99.9 million, with a net debt/LTM EBITDA<sup>3</sup> ratio of 2.37 and a net debt/equity ratio of 0.72.



Padtec's capital structure enables the Company to conduct its operations safely and sustainably, making it possible to accelerate its growth in new geographies, encourage financing for its customers, and the development of new products and solutions to better meet the demands presented by the telecommunications ecosystem.

### Co-obligations

To facilitate the acquisition of its products and implementation services by customers who do not have direct access to financing lines available on the market, Padtec carries out financial operations based on the principle of credit assignment and discounts on receivables. Among these financing lines, *FINEP Aquisição Inovadora Telecom* (offered by FINEP, the Brazilian Federal Government Funding Authority for Studies and Projects) stands out and allows customers to use very favorable conditions to purchase Padtec equipment.

Since 2017, more than 30 customers have already obtained credit using these transactions. To mitigate the credit risk of its counterparties, adequately manage financial risk, and maintain default rates close to zero, the Company carries out detailed monitoring with each of these customers.

At the end of 1Q24, Padtec had on its balance sheet R\$89.5 million given as a guarantee for financing taken out by some of its clients. Around 53% of these obligations are short-term (47% long-term) and the counterpart of these entries is registered in current assets and non-current assets.

<sup>3</sup> LTM EBITDA corresponds to the sum of EBITDA recorded in the last twelve months.



Financial Transactions - Co-obligations		
R\$ thousand	1Q24	2023
Vendor	59.099	62.561
Forfait	30.377	29.338
<b>Total</b>	<b>89.476</b>	<b>91.899</b>
Short Term	40.380	39.008
	53,2%	42,4%
Long Term	49.096	52.891
	46,8%	57,6%
<b>Total</b>	<b>89.476</b>	<b>91.899</b>

## **FIDC Funttel Padtec**

In addition to the instruments mentioned above, the Company has a credit rights investment fund jointly with BNDES Participações S.A. – BNDESPAR (BNDESPAR). FIDC Funttel Padtec began in 2Q22 and has BNDESPAR as its senior shareholder (80% stake) and Padtec S.A. as its subordinate shareholder (20%). The fund's objective is to grant credit to Padtec's customers to stimulate the process of technological innovation, encourage the training of human resources and job creation, and promote access to small and medium-sized companies to capital resources, to increase the competitiveness of the Brazilian telecommunications industry.

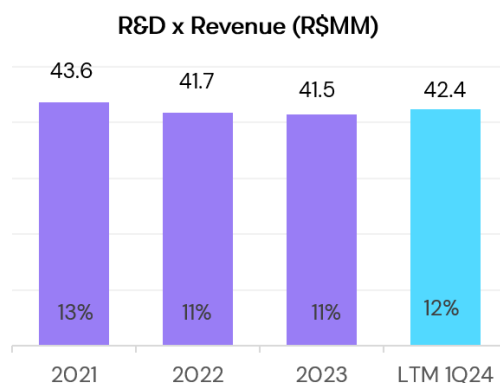
By the end of 1Q24, the fund's shareholders made available R\$25 million, and credits of R\$30 million were granted to twenty Padtec customers (and of this amount, around 75% remain outstanding).

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

- **Investments**

Padtec constantly seeks to improve its products and services and thus meet the demands of the telecommunications and technology segments with high levels of quality and in the shortest possible time. The products and services offered by the Company, developed internally or through partnerships, have a high level of technological content, great flexibility, and high levels of robustness, quality, and reliability.

In 1Q24, investments in research and development ("R&D") amounted to R\$10.9 million, and in the LTM 1Q24, R\$42.4 million (representing 12.2% of net revenue in the period). As the value recorded in the Income Statement reflects the effect of deferrals, in that report, these expenses total R\$8.5 million in 1Q24 and R\$36.2 million in the LTM 1Q24.





- Income Statement – Consolidated**

	CONSOLIDATED						
<i>(in thousand of Brazilian Reais)</i>	1Q23	2Q23	3Q23	4Q23	2023	1Q24	LTM 1Q24
<b>Gross operating revenues</b>	<b>100.658</b>	<b>118.949</b>	<b>128.248</b>	<b>107.307</b>	<b>455.162</b>	<b>73.537</b>	<b>428.041</b>
Sales taxes	(21.494)	(22.046)	(24.716)	(18.219)	(86.475)	(15.156)	(80.137)
<b>Net operating revenues</b>	<b>79.164</b>	<b>96.903</b>	<b>103.532</b>	<b>89.088</b>	<b>368.687</b>	<b>58.381</b>	<b>347.904</b>
Cost of products sold and services rendered	(50.675)	(62.011)	(64.337)	(60.392)	(237.415)	(43.509)	(230.249)
<b>Gross profit</b>	<b>28.489</b>	<b>34.892</b>	<b>39.195</b>	<b>28.696</b>	<b>131.272</b>	<b>14.872</b>	<b>117.655</b>
<b>Operational income (expenses)</b>							
Administrative expenses	(7.373)	(8.213)	(7.273)	(8.401)	(31.260)	(6.452)	(30.339)
Commercial expenses	(9.007)	(8.924)	(8.580)	(8.946)	(35.457)	(8.424)	(34.874)
Research and development expenses	(9.724)	(9.339)	(9.670)	(8.753)	(37.486)	(8.466)	(36.228)
Other operational expenses (income)	(816)	(1.852)	5.080	695	3.107	(3.028)	895
	<b>(26.920)</b>	<b>(28.328)</b>	<b>(20.443)</b>	<b>(25.405)</b>	<b>(101.096)</b>	<b>(26.370)</b>	<b>(100.546)</b>
<b>Profit/(losses) before financial income (expenses)</b>	<b>1.569</b>	<b>6.564</b>	<b>18.752</b>	<b>3.291</b>	<b>30.176</b>	<b>(11.498)</b>	<b>17.109</b>
Financial income	(6.713)	(8.965)	(4.003)	(11.421)	(31.102)	(6.488)	(30.877)
Financial expenses	5.821	3.193	1.800	5.592	16.406	3.458	14.043
	-	-	-	-	-	-	-
<b>Profit/(losses) income tax and social contribution</b>	<b>677</b>	<b>792</b>	<b>16.549</b>	<b>(2.538)</b>	<b>15.480</b>	<b>(14.528)</b>	<b>275</b>
Income tax and social contribution		15					15
Current	-	-	(1.009)	927	(67)	(14)	(96)
Deferred	-	-	-	-	-	-	-
<b>Net profit in the period</b>	<b>677</b>	<b>807</b>	<b>15.540</b>	<b>(1.611)</b>	<b>15.413</b>	<b>(14.542)</b>	<b>194</b>

## • Balance Sheet – Consolidated

(in thousand of Brazilian Reais)

	Consolidated			Consolidated	
	03/31/24	12/31/23		03/31/24	12/31/23
<b>Assets</b>			<b>Liability</b>		
<b>Current</b>			<b>Current</b>		
Cash and cash equivalents	29.937	50.456	Loans and financing	19.304	13.374
Marketable securities	4.112	9.920	Derivative Financial Instruments	776	1.671
Accounts receivable	140.117	125.809	Commercial leasing operations	5.189	5.882
Inventories	123.538	102.196	Suppliers	67.215	57.395
Recoverable taxes	27.919	30.141	Related parties	412	400
Sales financing operation	40.380	39.008	Payable taxes and contributions	3.285	4.643
Other credits	9.551	6.909	Payable taxes and contributions in installment	796	1.055
<b>Total current assets</b>	<b>375.554</b>	<b>364.439</b>	Social contributions	27.710	27.274
<b>Non-current</b>			Dividends payable	3.674	3.674
Accounts receivable	5.323	4.766	General provisions	2.066	2.411
Restricted financial investments	1.854	1.754	Sales financing operation	40.380	39.008
Sales financing operation	49.096	52.891	Advances from customers	1.334	1.447
Judicial deposits	1.123	1.151	Other accounts payable	1.229	1.208
Other credits	204	23	<b>Total current liabilities</b>	<b>173.370</b>	<b>159.442</b>
Fixed assets	39.351	40.422	<b>Non-current</b>		
Intangible assets	53.242	51.060	General provisions	479	507
<b>Total non-current assets</b>	<b>150.193</b>	<b>152.067</b>	Provisions for labor and tax risks	16.521	16.058
<b>Total assets</b>	<b>525.747</b>	<b>516.506</b>	Loans and financing	112.351	99.081
			Suppliers	508	508
			Commercial leasing operations	11.678	13.071
			Payable taxes and contributions in installment	1.143	1.299
			Sales financing operation	49.096	21.109
			Liabilities - FIDC Senior Shares	21.586	52.891
			<b>Total non-current liabilities</b>	<b>213.362</b>	<b>204.524</b>
			<b>Total liabilities</b>	<b>386.732</b>	<b>363.966</b>
			<b>Equity</b>		
			Capital stock	138.439	138.439
			Capital reserve	3.193	3.193
			Income reserve	10.965	10.965
			Accumulated loss	(14.542)	-
			Goodwill on capital transaction	599	599
			Other comprehensive income	361	(656)
			<b>Total of shareholders' equity</b>	<b>139.015</b>	<b>152.540</b>
			<b>Total of liabilities and shareholders' equity</b>	<b>525.747</b>	<b>516.506</b>

This report may contain projections and/or estimates of future events. The use of the terms "anticipates", "believes", "expects", "estimates", "plans", "predicts", and "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.