



EARNINGS
RELEASE

2Q21

Conference call in Portuguese

With simultaneous translation into English

August 17, 2021

11:00 AM Brasília | 10:00 AM EST

Portuguese

+55 11 3181-8565

+55 11 4090-1621

[Click here](#) to access the webcast

English

+1 412 717-9627

[Click here](#) to access the webcast



The financial statements were prepared in accordance with the rules of the Brazilian Securities and Exchange Commission (CVM) and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The operating and financial information is presented based on consolidated figures in Brazilian Reais (R\$). Sums may differ due to rounding. Non-financial data such as volume, quantity and average price in reais were not examined by the independent auditors.

2Q21 Highlights

- ▶ **Gross revenue:** R\$92.3 million, up 90% over 2Q20 and 25% higher than in 1Q21. Gross Revenue increased 78% in 1H21 over 1H20.
- ▶ **Adjusted EBITDA:** R\$32.6 million, up 54% over 2Q20 and 41% higher than in 1Q21. Adjusted EBITDA in 1H21 was 38% higher than in 1H20.
- ▶ **New Cities:** During 2Q21, Company started new operations in 21 cities, totaling 54 cities.
- ▶ **Homes Connected (HCs):** 333 thousand subscribers in June 2021, representing a growth of 108% compared to the same period in 2020 and 31% higher than in March 2021.
- ▶ **Homes Passed (HPs):** 1.6 million Homes Passed in June 2021, a 182% growth over the same period in 2020 and 43% higher than in March 2021.
- ▶ **Acquisitions:** +2 acquisitions
C-Lig: +47 thousand subscribers
 (Closed in May 2021)
Starnet: +20 thousand subscribers
 (Signed in May 2021 and closed in August 2021. Second quarter numbers were not impacted by Starnet's acquisition)

Financial highlights

R\$ '000	1Q21	2Q21	2Q20	Δ R\$ '000	Δ % QoQ	Δ % YoY	1H21	1H20	Δ R\$ '000	Δ %
Gross Revenue	73,690	92,290	48,618	43,672	25%	90%	165,980	93,325	72,655	78%
Adjusted EBITDA	23,150	32,645	21,150	11,495	41%	54%	55,795	40,305	15,490	38%
EBITDA Margin (%)	40%	44%	55%	n.a.	4 p.p.	(11) p.p.	43%	55%	n.a.	(12) p.p.
Net Income	5,274	(1,260)	7,085	(8,345)	(124%)	(118%)	4,014	8,475	(4,461)	(53%)
Net Margin (%)	9%	-2%	18%	n.a.	(11) p.p.	(20) p.p.	3%	12%	n.a.	(8) p.p.

Operational highlights

'000	1Q21	2Q21	2Q20	Δ R\$ '000	Δ % QoQ	Δ % YoY
Subscribers EoP	254	333	160	173	31%	108%
Net Adds (in the period)	25	32	14	17.8	29%	124%
Homes Passed EoP	1,107	1,581	561	1,020	43%	182%
Cities (#)	33	54	17	37	64%	218%

► Contents

Message from the CEO	1
Operational Performance	2
Homes Passed (HPs)	2
Homes Connected (HCs)	3
Economic and Financial Performance	4
Gross Revenue	4
Adjusted EBITDA	4
Financial Result	5
Depreciation and Amortization	5
Cash Flow	6
Indebtedness	7
Acquisitions	8
Appendix	9
Consolidated Balance Sheet	9
Consolidated Income Statement	10
Consolidated Cash Flow	11



Message from the CEO

It is with great pleasure that I present the quarterly results for first time since Desktop has become a publicly held company.

In this past quarter, we maintained a very accelerated growth pace, both in terms of revenue, number of subscribers and in network expansion.

The Company's Gross Revenue was R\$ 92.3 million in 2Q21, 90% higher than in 2Q20. On a six-month basis, Gross Revenue increased 78% in 1H21 over 1H20. The Company's Adjusted EBITDA totaled R\$32.6 million in the quarter, 54% higher than in 2Q20

We also reached the mark of 333 thousand subscribers in June 2021, growing 108% over the same period in 2020 and 31% higher than in March 2021. We also reached 1.6 million Homes Passed, a 182% growth in relation to June 2020 and 43% higher than in March 2021. We ended 2Q21 with coverage in 54 cities.

Complementing our organic growth, we also concluded the acquisition of C-Lig in the quarter, with 47 thousand subscribers, and signed the acquisition of StarNet, with 20 thousand subscribers. Through these transactions, we expanded our presence to 21 new cities in countryside of the state of São Paulo, in line with our expansion strategy to grow in adjacent regions, where we were able to quickly capture the highest possible volume of synergies.

The Company maintained its focus to provide the best service to its subscribers, maintaining its classification as "Great" in the *Reclame Aqui* ranking during the quarter, with an average score of 8.3. The absolute majority of our quality indicators increased due to the reinforcement of our Customer Experience structure and new implementations made in automation and digitization, always maintaining a close relationship with our customers and agile services.

During the quarter, the Company successfully prepared itself for its IPO process, which was executed on July 21, 2021, when Desktop-Sigmanet Comunicação Multimídia S.A. began trading its shares on the stock exchange under the ticker DESK3 on B3. This milestone consolidates even more our 24-year history of recurring growth and constant evolution. I would like to thank all our employees, shareholders and partners for their admirable work in achieving this goal, while simultaneously sustaining our extremely strong growth pace, maintaining the high level of quality in providing services to our subscribers, which is one of Desktop's characteristics.

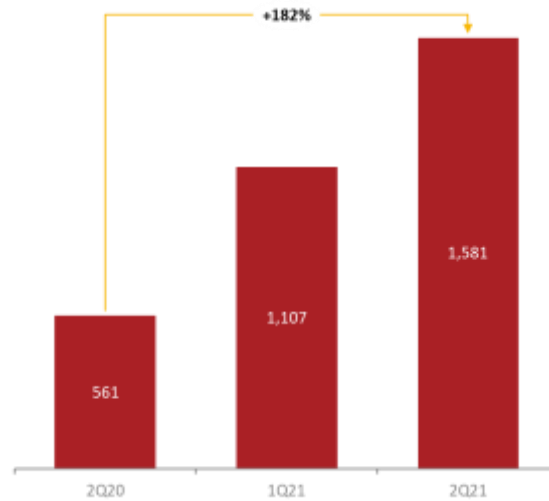
Denio Alves Lindo
CEO

Operational Performance

Homes Passed (HPs)

The number of Homes Passed continues to grow at a fast pace, reaching 1,581 thousand homes in June 2021, 182% higher than the same period in 2020.

Figure 1- Homes Passed (HPs) – ('000)



In 2Q21, Desktop reached a total of 54 cities in the State of São Paulo. This corresponds to a growth of approximately 3x over the number of cities served in 2Q20 and 1.6x over 1Q21. All the new cities are located in the state of São Paulo, in line with Desktop's strategy to expand to regions that are adjacent to the Company's operations.

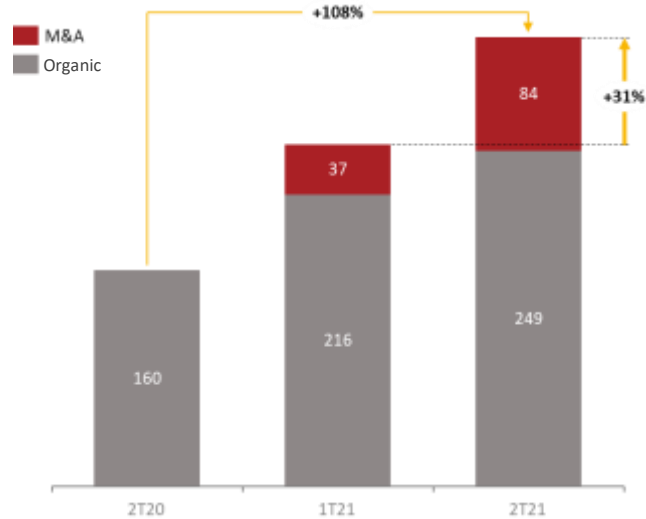
Cities (#)	2Q20	1Q21	2Q21
Total	17	33	54

Homes Connected (HCs)

The Company's client base grew 108% over 2Q20, reaching 333 thousand connected homes. Compared to the end of 1Q21, the subscriber base increased 31%. Considering only organic growth, the Company expanded 55% versus the end of 2Q20 and by 15% over 1Q21.

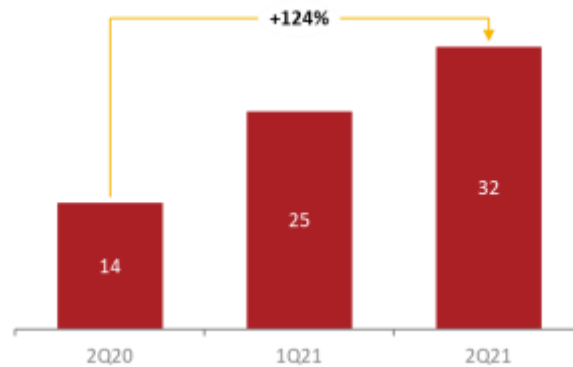
In terms of inorganic growth, the evolution in the quarter was due to the conclusion of the acquisition of C-Lig, in May 2021, which added 47 thousand subscribers to Desktop's client base.

Figure 2 - Connected Homes - ('000)



The strong commercial effort and evolution in Desktop's network expansion also showed results in 2Q21. Considering the net additions in the organic subscriber base in the periods, the Company added 32 thousand subscribers in 2Q21 (excluding M&As), a 124% growth over 2Q20 and 29% higher than in 1Q21.

Figure 3 - Net Organic Additions - ('000)



Economic and Financial Performance

Gross Revenue

Gross Revenue was R\$92.3 million in 2Q21, up 90% over 2Q20 and 25% higher than in 1Q21. Gross Revenue increased 78% in 1H21 over 1H20, reaching R\$166.0 million.

R\$ '000	1Q21	2Q21	2Q20	Δ R\$ '000	Δ % QoQ	Δ % YoY	1H21	1H20	Δ R\$ '000	Δ %
Gross Revenue	73,690	92,290	48,618	43,672	25%	90%	165,980	93,325	72,655	78%
(-) Sales tax	(16,046)	(18,801)	(10,137)	(8,664)	17%	85%	(34,847)	(19,799)	(15,048)	76%
Net Revenue	57,644	73,489	38,481	35,008	27%	91%	131,133	73,526	57,607	78%
(-) Cost of services	(13,846)	(18,880)	(8,480)	(10,400)	36%	123%	(32,726)	(16,068)	(16,658)	104%
Gross Profit	43,798	54,609	30,001	24,608	25%	82%	98,407	57,458	40,949	71%
<i>Gross Margin (%)</i>	<i>76%</i>	<i>74%</i>	<i>78%</i>	<i>n.a.</i>	<i>(2) p.p.</i>	<i>(4) p.p.</i>	<i>75%</i>	<i>78%</i>	<i>n.a.</i>	<i>(3) p.p.</i>

Adjusted EBITDA

Adjusted EBITDA totaled R\$32.6 million in 2Q21, up 54% over 2Q20. EBITDA margin was 44% in 2Q21.

Compared to 1Q21, the Company's Adjusted EBITDA increased 41%, with 4% expansion in EBITDA margin. The increase in EBITDA margin from 1Q21 to 2Q21 was due to (i) the gradual dilution in costs and expenses with the Company's new managerial structure and (ii) increase in the participation of mature cities in the consolidated result.

Comparing on a Year over Year basis, the EBITDA margin was lower mainly due to (i) the relevant participation of projects in maturation phase in the consolidated result, leading to the anticipation of interconnection and connectivity costs, marketing, as well as customer service, operational and commercial expenses in preparation for the expected growth in 2021; and (ii) personnel expenses also increased to adapt the Company's managerial level for the accelerated growth.

The Company discloses its Adjusted EBITDA excluding other non-recurring operating income (expenses) as it understands these items should not be considered in the recurring operating cash flow calculation.

Adjusted EBITDA is calculated from net income (loss), plus depreciation and amortization, income taxes, net financial result and other non-operating or non-recurring income/expenses, such as one-off services from third parties, write-off of fixed assets and Stock Options expenses.

Non-recurring third-party services totaled R\$9.5 million in 2Q21, mainly referring to (i) one-off expenses for M&A transactions, such as transaction fees and advisors' expenses, totaling R\$ 4.5 million in 2Q21; (ii) and IPO related expenses, which totaled R\$ 1.5 million in 2Q21; and (iii) contracts with related parties that were terminated before the IPO that totaled R\$ 3 million in 2Q21.

R\$ '000	1Q21	2Q21	2Q20	Δ R\$ '000	Δ % QoQ	Δ % YoY	1H21	1H20	Δ R\$ '000	Δ %
Net Income	5,274	(1,260)	7,085	(8,345)	(124%)	(118%)	4,014	8,475	(4,461)	(53%)
Financial result	(4,909)	(7,903)	(1,500)	(6,403)	61%	427%	(12,812)	(2,377)	(10,435)	439%
Income tax	(3,215)	(3,379)	(3,015)	(364)	5%	12%	(6,594)	(4,751)	(1,843)	39%
Depreciation and amortization	(8,271)	(12,097)	(4,568)	(7,529)	46%	165%	(20,368)	(8,777)	(11,591)	132%
EBITDA (Instr. CVM 527/2012)¹	21,669	22,119	16,168	5,951	2%	37%	43,788	24,380	19,408	80%
<i>EBITDA Margin (%)</i>	<i>38%</i>	<i>30%</i>	<i>42%</i>	<i>n.a</i>	<i>(8) p.p.</i>	<i>(12) p.p.</i>	<i>33%</i>	<i>33%</i>	<i>n.a</i>	<i>0 p.p.</i>

Non-recurring and/or non-operating expenses

Third-party non-recurring services	(1,481)	(9,522)	(4,982)	(4,540)	543%	91%	(11,003)	(8,564)	(2,439)	28%
Asset Retirement	--	--	--	--	--	--	--	(7,361)	7,361	(100%)
Stock Option Plan	--	(1,004)	--	(1,004)	--	--	(1,004)	--	(1,004)	
Adjusted EBITDA²	23,150	32,645	21,150	11,495	41%	54%	55,795	40,305	15,490	38%
<i>Adjusted EBITDA Margin (%)</i>	<i>40%</i>	<i>44%</i>	<i>55%</i>		<i>4 p.p.</i>	<i>(11) p.p.</i>	<i>43%</i>	<i>55%</i>		<i>(12) p.p.</i>

¹ EBITDA calculated according to CVM 527/2012 instruction. (= from the sum of net income, income taxes, financial result and depreciation).

² Adjusted EBITDA excluding non-recurring items that mustn't be considered to calculate the operating cash flow.

Financial Result

Financial Result totaled R\$7.9 million in 2Q21, up 427% over 2Q20. This was due to the increase in the Company's indebtedness, including the issuance of debentures in the amount of R\$194 million in 1Q21.

R\$ '000	1Q21	2Q21	2Q20	Δ R\$ '000	Δ % QoQ	Δ % YoY	1H21	1H20	Δ R\$ '000	Δ %
Financial result										
(+) Financial revenue	950	2,891	722	2,169	204%	300%	3,841	1,606	2,235	139%
(-) Financial expense	(5,859)	(10,794)	(2,222)	(8,572)	84%	386%	(16,653)	(3,983)	(12,670)	318%
Net Financial result	(4,909)	(7,903)	(1,500)	(6,403)	61%	427%	(12,812)	(2,377)	(10,435)	439%

Depreciation and Amortization

Depreciation and Amortization totaled R\$12.1 million in 2Q21, up 165% over 2Q20. This growth was the result of higher investments in network expansion and customer installation.

R\$ '000	1Q21	2Q21	2Q20	Δ R\$ '000	Δ % QoQ	Δ % YoY	1H21	1H20	Δ R\$ '000	Δ %
Depreciation and amortization	(7,878)	(11,511)	(4,377)	(7,134)	46%	163%	(19,389)	(8,411)	(10,978)	131%
Amortization - right of use	(393)	(586)	(191)	(395)	49%	207%	(979)	(366)	(613)	167%
Depreciation and amortization	(8,271)	(12,097)	(4,568)	(7,529)	46%	165%	(20,368)	(8,777)	(11,591)	132%

Cash Flow

Desktop's Operating Cash in 1H21 was a positive R\$97.4 million, compared to a positive R\$50.5 million in 1H20. The positive variation was mainly due the Company's significant increases in sales.

Desktop's Investment Cash in 1H21 was a negative R\$343.9 million, compared to a negative R\$55.5 million in 1H20. This increase was due to the Company's accelerated investment pace in customer activation, infrastructure and M&As.

R\$ '000	1H21	1H20	Δ R\$ '000	Δ %
BoP - Cash Balance	54,941	8,560	46,381	542%
Cash flow from operating activities	97,356	50,480	46,876	93%
Cash flow from investing activities	(343,922)	(55,469)	(288,453)	520%
Cash flow from financing activities	226,255	(596)	226,851	(38062%)
Net increase (decrease) in cash and cash equivalents	(20,311)	(5,585)	(14,726)	264%
EoP - Cash Balance	34,630	2,975	31,655	1064%

Indebtedness

The Company ended 2Q21 with a Gross Debt of R\$422.8 million, 1,171% higher than the Gross Debt of R\$33.3 million in 2Q20. The variation reflects the issue of debentures and hiring of long-term loans and financings to support Desktop's growth.

Indebtedness

R\$ '000	1H21	1H20	2Q21 (-) 2Q20	
			Δ R\$ '000	Δ %
Gross Debt				
(-) Debenture	191,568	--	191,568	--
(-) Loans and financing	231,216	33,252	197,964	595%
Total Gross Debt	422,784	33,252	389,532	1171%
(-) Cash and cash equivalents + Financial investments	(94,213)	(2,975)	(91,238)	3067%
Net Debt	328,571	30,277	298,294	985%
Net Debt/LTM Adjusted EBITDA	3,2	0,5		

With the cash proceeds from the IPO, executed on July 21, 2021, Desktop's increased its net cash position by R\$683 million, totaling R\$ 354,6 million, which allows for a wide coverage of its short and long-term commitments.

Indebtedness - Proforma

R\$ '000	2Q21 Proforma
Gross Debt	
(-) Debenture	191,568
(-) Loans and financing	231,216
Total Gross Debt	422,784
(-) Cash and cash equivalents + Financial investments	(94,213)
(-) Cash and cash equivalents from the IPO	(683,182)
Net Debt	(354,611)
Net Debt/LTM Adjusted EBITDA	(3.4)

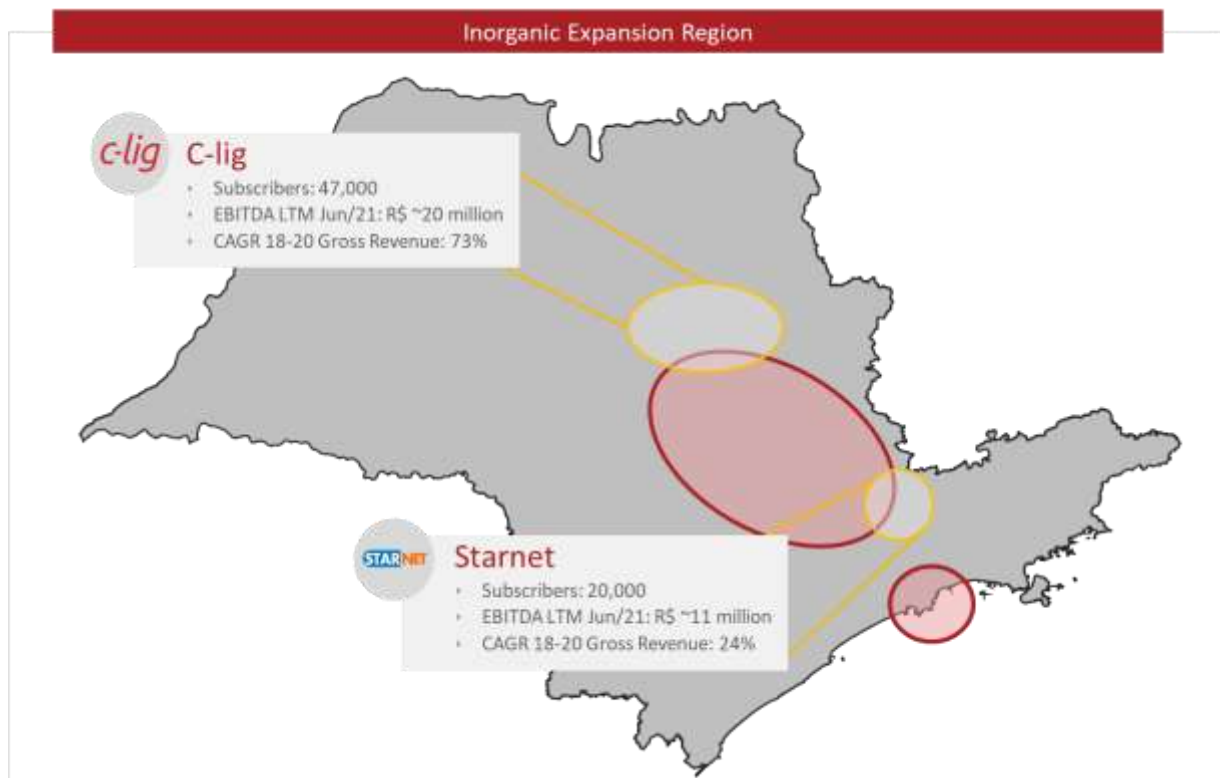
Acquisitions

In 2Q21, we had an important advancement in our M&A agenda, with (i) the conclusion of the acquisition of C-LIG and (ii) the signing of the Purchase and Sale Agreement with Starnet (with later closing in August 2021).

On May 31, 2021, the Company concluded the acquisition of 70% (seventy percent) of the share capital of C-Lig Telecomunicações S.A., a telecom operator and fiber optic broadband internet provider with headquarters in the city of São Carlos. With 46,500 subscribers and total gross revenue of approximately R\$50 million in the last twelve months ended June 30, 2021, C-Lig provides services in the countryside of the State of São Paulo, in the municipalities of Araraquara, São Carlos, Américo Brasiliense and surrounding regions.

On May 21, 2021, Desktop signed the Purchase and Sale Agreement with Starnet Telecomunicações Ltda. With 20,130 subscribers and total gross revenue of approximately R\$30 million in the last twelve months ended June 30, 2021, Starnet provides services in the countryside of the State of São Paulo, in the municipalities of Atibaia, Mairiporã, Bom Jesus dos Perdões, Jarinu, Piracaia and Nazaré Paulista.

Both acquisitions are in line with Desktop's inorganic growth strategy to acquire assets that: (i) are in geographic areas adjacent to the Company's current operations; (ii) have strong dominance in their operating market; and (iii) have potential to continue organic growth post-transaction.



Appendix

Consolidated Balance Sheet

R\$ Thousands		2T21	2T20
Assets			
Current assets			
	Cash and cash equivalents	34,630	2,975
	Financial investments	57,638	3,656
	Trade receivables	41,952	21,574
	Trade receivables - related parties	767	-
	Taxes recoverable	8,122	3,266
	Income tax and social contribution	702	1,965
	Other Assets	9,938	1,941
Total current assets		153,749	35,377
Noncurrent assets			
	Financial investments	1,945	1,876
	Judicial deposits	1,710	508
	Taxes recoverable	26,325	8,262
	Deferred income tax and social contribution	35,004	1,479
	Other Assets	8,190	2,729
	Investments	24,812	-
	Property and equipment	450,686	93,530
	Right-of-use assets	13,734	4,833
	Intangible assets	81,524	9,118
Total noncurrent assets		643,930	122,335
Total Assets		797,679	157,712
Liabilities and equity			
Current liabilities			
	Trade payables	74,640	20,578
	Trade payables - related parties	7,178	-
	Loans and borrowings	52,505	18,003
	Debentures	3,274	-
	Social and labor obligations	17,203	4,868
	Taxes payable	34,592	9,619
	Taxes payable in installments	1,540	3,634
	Lease liabilities	1,965	573
	Other payables	2,160	776
Total current liabilities		195,057	58,051
Noncurrent liabilities			
	Trade payables - related parties	28,872	-
	Loans and borrowings	178,711	15,249
	Debentures	191,568	-
	Lease liabilities	12,943	4,719
	Provision for contingencies	1,486	31
	Other payables	1,705	-
Total noncurrent liabilities		415,285	19,999
Total liabilities		610,342	78,050
Equity			
	Share capital	74,820	28,249
	Advance for future capital increase	-	3,911
	Capital reserve	36,582	-
	Income reserve	65,597	39,027
	Retained earnings	4,037	8,475
Equity attributable to owners of the Company		181,036	79,662
	Equity attributable to noncontrolling interests	6,301	-
Total equity		187,337	79,662
Total liabilities and equity		797,679	157,712

Consolidated Income Statement

R\$ Thousands	2Q21	2Q20	Δ R\$ '000	Δ % YoY	1H21	1H20	Δ R\$ '000	Δ %
Gross Revenue	92,290	48,618	43,672	90%	165,980	93,325	72,655	78%
(-) Sales tax	(18,801)	(10,137)	(8,664)	85%	(34,847)	(19,799)	(15,048)	76%
Net Revenue	73,489	38,481	35,008	91%	131,133	73,526	57,607	78%
(-) Cost of services	(18,880)	(8,480)	(10,400)	123%	(32,726)	(16,068)	(16,658)	104%
Gross Profit	54,609	30,001	24,608	82%	98,407	57,458	40,949	71%
<i>Gross Margin (%)</i>	74%	78%	(4) p.p.		75%	78%	(3) p.p.	
(-) Commercial expenses	(5,414)	(2,054)	(3,360)	164%	(11,747)	(3,362)	(8,385)	249%
(-) General and administrative	(22,708)	(8,598)	(14,110)	164%	(34,035)	(16,319)	(17,716)	109%
(+/-) Other income (expenses), net	1,004	59	945	1602%	1,242	(4,995)	6,237	(125%)
(-) Depreciation and amortization	(12,097)	(4,568)	(7,529)	165%	(20,368)	(8,777)	(11,591)	132%
(-) Loss due to impairment of accounts receivable	(5,372)	(3,240)	(2,132)	66%	(10,079)	(8,402)	(1,677)	20%
(-) Financial Result	(7,903)	(1,500)	(6,403)	427%	(12,812)	(2,377)	(10,435)	439%
EBIT	2,119	10,100	(7,981)	(79%)	10,608	13,226	(2,618)	(20%)
(+/-) Income tax	(3,379)	(3,015)	(364)	12%	(6,594)	(4,751)	(1,843)	39%
Net Income	(1,260)	7,085	(8,345)	(118%)	4,014	8,475	(4,461)	(53%)
<i>Net Margin (%)</i>	-2%	18%	(20) p.p.		3%	12%	(8) p.p.	
Adjusted EBITDA (R\$ Thousands)	2Q21	2Q20	Δ R\$ '000	Δ % YoY	1H21	1H20	Δ R\$ '000	Δ %
Net Income	(1,260)	7,085	(8,345)	(118%)	4,014	8,475	(4,461)	(53%)
Financial result	(7,903)	(1,500)	(6,403)	427%	(12,812)	(2,377)	(10,435)	439%
Income tax	(3,379)	(3,015)	(364)	12%	(6,594)	(4,751)	(1,843)	39%
Depreciation and amortization	(12,097)	(4,568)	(7,529)	165%	(20,368)	(8,777)	(11,591)	132%
EBITDA (Instr. CVM 527/2012)¹	22,119	16,168	5,951	37%	43,788	24,380	19,408	80%
<i>EBITDA Margin (%)</i>	30%	42%	(12) p.p.		33%	33%	0 p.p.	
Non-recurring and/or non-operating expenses								
Third-party non-recurring services	(9,522)	(4,982)	(4,540)	91%	(11,003)	(8,564)	(2,439)	28%
Asset Retirement	-	-	-	-	-	(7,361)	7,361	(100%)
Stock Option Plan	(1,004)	-	(1,004)	-	(1,004)	-	(1,004)	-
Adjusted EBITDA²	32,645	21,150	11,495	54%	55,795	40,305	15,490	38%
<i>Adjusted EBITDA Margin (%)</i>	44%	55%	(11) p.p.		43%	55%	(12) p.p.	

¹ EBITDA calculated according to CVM 527/2012 instruction. (= from the sum of net income, income taxes, financial result and depreciation)

² Adjusted EBITDA excluding non-recurring items that mustn't be considered to calculate the operating cash flow.

Consolidated Cash Flow

R\$ Thousands	1S21	1S20	Δ R\$ mil	Δ %
BoP - Cash Balance	54,941	8,560	46,381	542%
Cash flows from operating activities				
Profit before income tax and social contribution	10,608	13,226	(2,618)	-20%
Adjustments for:				
Provisions for interest on loans, borrowings and leases	9,024	2,907	6,117	210%
Loss due to reduction to recoverable amount of accounts	10,079	8,402	1,677	20%
Provision for contingencies	1,138	11	1,127	10245%
Depreciation and amortization	19,389	8,440	10,949	130%
Amortization of right-of-use assets	979	366	613	167%
Income from financial investments	(709)	(168)	(541)	322%
Stock option plan	1,004	-	1,004	0%
Debenture's commissions appropriation	104	-	104	0%
Write-off of property and equipment and intangible assets	591	17,416	(16,825)	-97%
Adjusted profit before income tax and social contribution	52,207	50,600	1,607	3%
Variation in assets and liabilities				
Trade receivables	(22,777)	(8,189)	(14,588)	178%
Taxes recoverable	(16,553)	(1,184)	(15,369)	1298%
Other assets	(12,246)	(1,526)	(10,720)	702%
Judicial deposits	(1,112)	79	(1,191)	-1508%
Trade payables	49,370	9,764	39,606	406%
Social and labor obligations	9,037	2,806	6,231	222%
Taxes payables	22,053	2,695	19,358	718%
Related parties	27,553	(1,664)	29,217	-1756%
Other payables	(1,139)	(38)	(1,101)	2897%
Net cash generated from operations	106,393	53,343	53,050	99%
Income tax and social contribution paid	(2,763)	(1,658)	(1,105)	67%
Interest paid	(6,274)	(1,205)	(5,069)	421%
Net cash from operating activities	97,356	50,480	46,876	93%
Cash flows from investing activities				
Acquisition of financial investments	(130,545)	(21,188)	(109,357)	516%
Redemption of financial investments	98,382	21,175	77,207	365%
Acquisition of investment	(24,812)	-	(24,812)	0%
Acquisition of property and equipment and intangible assets	(294,973)	(55,457)	(239,516)	432%
Net cash used in investing activities	(351,948)	(55,470)	(296,478)	534%
Cash and cash equivalents arising from mergers	8,026	1	8,025	802500%
Net cash used in investing activities after mergers	(343,922)	(55,469)	(288,453)	520%
Cash flows from financing activities				
Proceeds from loans, borrowings and debentures	239,047	474	238,573	50332%
Repayment of loans, borrowings and debentures	(14,438)	(4,366)	(10,072)	231%
Commissions on debentures	(2,536)	-	(2,536)	0%
Payment of lease liabilities	(1,306)	(615)	(691)	112%
Noncontrolling interests	5,488	-	5,488	0%
Advance for future capital increase	-	3,911	(3,911)	-100%
Net cash from financing activities	226,255	(596)	226,851	-38062%
Net increase (decrease) in cash and cash equivalents	(20,311)	(5,585)	(14,726)	264%
EO P - Cash Balance	34,630	2,975	31,655	1064%

Disclaimer

Some statements contained herein may refer to expectations on future results. Such statements are subject to known and unknown risks and uncertainties that may cause such expectations to not materialize or to differ significantly from what was expected. These risks include, among others, changes in future demand for the Company's products, changes in factors that affect prices for domestic and international products, changes in cost structure, changes in market seasonality, changes in prices practiced by competitors, exchange rate variations, changes in the political-economic scenario in Brazil and other emerging and international markets. Statements on future expectations have not been reviewed by the independent auditors



Investor Relations

ri@desktop.net.br

www.ri.desktop.com.br

