

POSITIVO

1Q21 RESULTS

MAY 12, 2021

B3: POSI3

VIDEOCONFERENCE

MAY 13, 2021

10:30 AM (BRAZIL TIME)

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Webcast em Português

Webcast em Inglês

The videoconference will be held by webcast, in portuguese, with simultaneous translation into english.

for better viewing, it is recommended to use google chrome or firefox browsers

POSITIVO TECNOLOGIA REACHED 85% GREATER REVENUE IN THE FIRST QUARTER AND EXPANDS ITS BRANDS PORTFOLIO

- Consolidated gross revenue in 1Q21 reaches R\$809 million, an increase of 85% vs. previous year and maintains the new level of activity for the next quarters
- Adjusted EBITDA of R\$61.3 million in 1Q21 and a 9.1% margin on net revenue, reversing the negative result for the same period last year
- Net Income of R\$56 million in 1Q21 exceeds the result of 1Q20 by 1,175%
- Recent licensing and incorporation of the **Compaq** computer brand operations in the Brazilian territory allows the fulfillment of Positivo Tecnologia's offering portfolio, which starts to serve all audiences as from 2Q21

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Curitiba, March 15, 2021 - Positivo Tecnologia SA ("Positivo" or "Company"; B3: POSI3), one of the largest technology developers and manufacturers based on hardware in Latin America, announces its results for the fiscal year 2020 and the fourth quarter of 2020 ("4Q20"). The financial information presented below, except where otherwise indicated, is in accordance with IFRS (International Financial Reporting Standards) accounting standards. Amounts in Reais (R \$)

"The first quarter of 2021 confirmed our favorable expectations for this year of 2021. We are still experiencing a strong demand in our market, especially those arising from remote and hybrid work, in addition to homeschooling. This first quarter was especially challenging. We were successful in overcoming the limited supply of inputs and increasing our profitability, even in the face of price increases for electronic components. We expanded our channels and capillarity in Retail and managed to increase our sales volumes.

Our effort proved to be rewarding both in the Consumer segment and in the Corporate & Public Institutions segments, which allowed us to record an 85% increase in revenue compared to the same period in 2020. We are confident in the prospects for this year and remain firm in our strategy of consolidating Positivo Tecnologia as one of the largest technology companies in Brazil", said **Hélio Bruck Rotenberg, founder and CEO at Positivo Tecnologia.**

Information for contacting the Investor Relations team and the press contact, as well as the Legal Notice are indicated on page 41 of this document

MORE HIGHLIGHTS OF 1Q21

- BALANCED SALES GROWTH.** The return of personal computer consumption kept revenue levels high in the quarter, with sales reaching R\$ 809.5 million in 1Q21, 85% higher than the same period in 2020. Consumer segment showed strong growth of 152% in 1Q21 vs 1Q20. Public Institutions segment presented a recovery, with revenues growing 43.1% compared to 1Q20. The growth of the Corporate segment occurred in line with the strategy of developing corporate channels and advances in Positivo as a Service (HaaS), with sales 12.8% higher than last year's same period.
- CONTINUITY OF DIGITAL TRANSFORMATION.** Sales through its own and third-party online channels continued to expand and reached 54% of Consumer segment's revenue in 1Q21, representing an increase of 184% vs. 1Q20. To capture and leverage the great change in consumer habits of Brazilian consumers after the pandemic, the Company modernized its e-commerce platforms, reinforced specialized structures dedicated to serving online channels with the Agile Methodology and increased its investments in digital marketing.
- STRENGTHENING THE BRAND PORTFOLIO WITH A GREATER PENETRATION IN ALL CONSUMER SEGMENTS.** Positivo Tecnologia started to develop a complete product portfolio, including new brands in the customer portfolio, to reach from the Brazilian middle class, in which the company has always stood out, to the most demanding market segments, in which its participation used to be relatively low until recently. A good example is the strong growth of 92% in volume in 1Q21 vs 1Q20 of the Vaio brand, which is focused on Classes A and B and more demanding Corporate customers. We also highlight the licensing of the Compaq brand, which will allow Positivo Tecnologia to leverage its participation in the segment of intermediate computers.
- IMPROVED PROFITABILITY IN 1Q21. THE** heated demand combined with i) a portfolio more adherent to the needs of consumers; ii) great capacity for reaction in the supply chain; and iii) a better performance in the distribution channels allowed an increase in profitability, with a Gross Margin of 23.2% (vs 19.6% calculated in T20) and adjusted EBITDA reaching R\$ 61 million in 1Q21 with a margin of 9.1% (+ 724% vs 1Q20).



1Q21 RESULTS HIGHLIGHTS DO 1T21: PRINCIPAIS INDICADORES

Key Indicators

Values in thousands of reais, except percentages. Consolidated Results.

	1T20	1T21	Var.
Gross Revenue	437.458	809.483	85,0%
Net Revenue	378.566	676.470	78,7%
Gross Profit	74.266	156.761	111,1%
% of Net Revenue	19,6%	23,2%	3,6 p.p.
Adjusted EBITDA ⁽¹⁾	(9.832)	61.378	724,3%
% of Net Revenue	(2,6%)	9,1%	11,7 p.p.
Net profit	4.373	55.757	1175,0%
% of Net Revenue	1,2%	8,2%	70,9 p.p.
(=)Net Debt / EBITDA LTM	1,6x	1,1x	0,5x

(1) It does not include non-recurring items and includes equity results of Positivo BGH, of which Positivo Tecnologia holds 50% and have operations in Argentina, Ruanda and Quenia, in addition to the startup called HiLab.



MANAGEMENT MESSAGE

The year 2021 begins under the main context of the demand for hardwares at a new level, not only in Brazil, but throughout the world, sustained by the structural behavioral changes coming from the “new normal” of home office and hybrid work, and new penetration of technology in all sectors, particularly in education. In addition, we have gained an increasing momentum in our Business Model Transformation, by accelerating the adoption of new technologies such as IoT, HaaS, among others, which became part of the reality of the lives of consumers, companies, and public institutions.

With our revenue reaching almost 100% growth versus 2020, we continue to operate at a turnover level of over R\$ 800 million in 1Q21, with a scale that allows us to consolidate healthy levels of operating profitability as indicated by our gross profit margin of 23.2% and EBITDA of 9.1% in the quarter. In the last 12 months, our net revenue, EBITDA and net income reached R\$ 2,525, R\$ 233 and R\$ 247 million respectively, historically strong results.

With the discussion on the new level of demand already consolidated by the certainty of a more permanent and not just cyclical secular movement, attention is now focused on the challenges of changes in the supply chain, stressed not only by the inequality imposed by the pandemic, but also by the new level of demand, now extended to several sectors that increasingly need electronic components. Despite these challenges, we are intensifying our Transformation process now focused

on expanding our portfolio of hardware brands to our segments of operation and soon, strengthening our service offer to these various segments.

























Regarding this matter, the licensing and incorporation of Compaq brand operations in Brazilian territory, consolidates Positivo Tecnologia as a large multi-brand platform for manufacturing, distributing, and providing hardware solutions with various configurations and prices. In addition, still in the quarter we completed our investment in EuNerd, a startup of technical assistance services that strengthens our Technical Assistance area to consumers and companies, our customers.

An important highlight of the quarter, we had the election of Adriana Muratore as Board Member, an executive with a strong background and experience in the Brazilian retail and consumer sectors, which represents a substantial improvement in our corporate governance and an important support in the diversification of our businesses. Our Board has four independent members and other five representing the controlling shareholders.

We remain vigilant in taking care of our employees, with the administrative areas mostly working from home, and especially our teams of workers who are tirelessly engaged in manufacturing products in three sites: Curitiba, Ilhéus and Manaus. We closely monitor the health conditions in these locations, acting actively and providing all the necessary support to jointly overcome the impacts of this extending pandemic.

1Q21 BUSINESS PERFORMANCE

As informed in the 4Q20 earnings release, we briefly recapitulate the current business model of Positivo Tecnologia and how the Company identifies and segments its audiences and its product and service lines:

PRODUCTS AND SERVICES		BUSINESS UNITS		
		CONSUMER	CORPORATE	PUBLIC INSTITUTIONS
CORE BUSINESS	COMPUTERS			
	MOBILE PHONES			
	TABLETS			
	OTHER RELATED (PERIPHERALS, MP, ETC.)			
AVENUES FOR GROWTH	ELECTRONIC BALLOT BOXES	—	—	
	SERVERS (PS&S)	—		
	SMALL RETAIL		—	—
	SMART HOME - IoT			—
	EDUCATIONAL TECHNOLOGY	—		
	HARWARE AS A SERVICE - HaaS	—		
	PAYMENT SOLUTIONS	—		



STARTUPS FOCUSED ON VALUE CAPTURE AND INNOVATION

CORPORATE VENTURE CAPITAL (CVC)



INVESTMENTS IN 11 STARTUPS:

Hilab, Agrosmart, @tech, Euner, Ambar Liv and others

The following pages we highlight the performance of each of these business units during 1Q21:

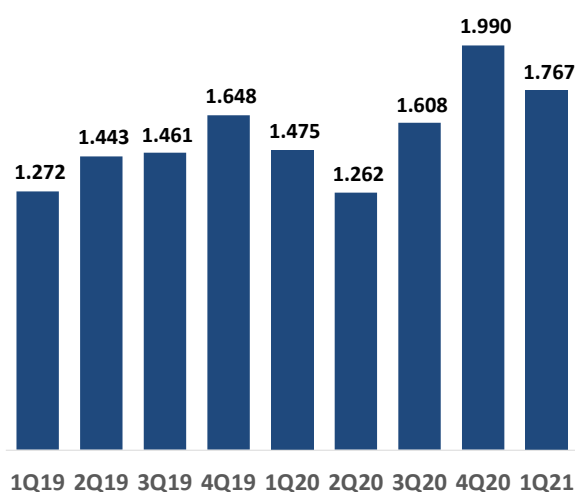
CONSUMER

A recent research published by IDC indicates that the global computer market continues to expand and is expected to reach 357 million units in 2021. This estimate is based on above-forecast shipments in the first quarter and represents an annual increase of 17 million compared to the 340 million forecast indicated at the end of 2020, representing an increase of 18% compared to the 302 million units in 2020.



The strong demand for computers is a consequence of the phenomena and adaptations motivated by Covid-19, such as remote work (home office) and especially in hybrid work, distance education (distance learning and homeschooling), telehealth, entertainment/online videogames, e-commerce, digital transactions, etc.

Quarterly PC Consumption - Brazil
(million units)



Source: IDC e Inteligência de Mercado Positivo

It is a global effect and occurs in all regions and countries, including Brazil. We reaffirm the belief that this is a movement that goes beyond the period of the pandemic, as the computer has returned to being personal and essential in people's lives, which could sustain the growth of Positivo Tecnologia for several years.

In Brazil, we had a total volume of 1.77 million computers sold in 1Q21, 19.8% higher than the volume sold in 1Q20 (1.47 million). This volume of computers sold in Brazil was limited by the challenges that manufacturers have encountered in the base components of the industry, such as chipsets and

screens. Therefore, there is still a higher demand than the current offer of products. It is important to mention that retailer's inventory levels at the end of 1Q21 are even lower than those achieved at the end of 4Q20, which were already the lowest recorded in the Company's historical series.

The performance of this business unit in 1Q21 was very favorable, reaching gross revenue of R\$ 500 million (vs. R\$ 198 million in 1Q20) and approaching the revenue recorded in the last quarter of 2020 of R\$ 532 million.

Outros elementos de destaque dessa unidade de negócios:

- **DIGITAL TRANSFORMATION OF DISTRIBUTION CHANNELS.** There was a 184% growth in sales of Positivo Tecnologia products on online channels in 1Q21 versus the same period in 2020, reaching a share of 54% of Consumer revenues in 1Q21. These channels include online retailers (1P), market place operations (3P) and the company's own e-commerce sites. This growth was sustained by the migration and modernization of the e-commerce platform, the greater commercial and marketing focus, in addition to the strengthening of specialized and dedicated structures for this channel.
- **EXTENSION OF THE PORTFOLIO OF HIGHER AFFINITY PRODUCTS WITH BRAZILIAN HIGH AND MEDIUM-HIGH CLASS.** New line of Vaio notebooks with greater refinement and specifications allowed for a growth of 92% in 1Q21 vs 1Q20. The licensing and incorporation of the Compaq brand will enable Positivo Tecnologia to gain a share in the intermediate market segment, as in Core i3, in which it currently has less than 6% of the total consumer market. "Positivo Casa Inteligente", with well-designed products, easy to install (Do It Yourself - DIY), user experience and superior quality were responsible for the strong growth of the category and its user base surpassing 308 thousand unique users at the end of 1Q21 (27% growth compared to 4Q20). This base is mainly comprised of class A / B customers (approximately 70% of the total).



- **EXPANSION IN THE CONSUMPTION TABLET MARKET.** In 1Q21, revenue grew by 177% vs. 1Q20. This category benefited from a higher demand, a lower offer of products due to the departure of competitors and a search for products of better specification.

CORPORATE



GROSS REVENUE
R\$ 122
MILLION

GROWTH OF
13%
IN 1Q21 SALES

This segment proved to be more challenging in 2020, and it started 2021 with a greater degree of the market's confidence from the companies, and with a budget already adjusted to the new reality, indicating greater investments in technology compared to 2020.

The Corporate segment shows a strong focus on employee mobility and modernization of the infrastructure to support the new remote environment.

The segment showed a strong trend for notebooks compared to desktops, following the movement started with the pandemic in 2020, as predicted by the IDC for the year 2021.

With a portfolio more adherent to the new scenario with more notebook models from the Positivo, Vaio and future Compaq lines, we are ready to meet this growing demand in 2021.

This segment presented gross revenue of R\$ 122 million (R\$ 108 million in 2020), with growth of 13% vs the same period of the previous year.

PUBLIC INSTITUTINS

GROSS REVENUE

R\$ 188

MILLION

EM 1Q21

CONTRACTED PURCHASES BACKLOG

R\$ 932

MILLION

AT THE END OF 1Q21

The Public Institutions segment grew by 43% in 1Q21 vs 1Q20, with the resumption of the market, especially for education customers and public banks.

The **contracted purchases backlog**, added to the forecast of contracting by public institutions at the end of March 2021, already reaches R\$ 932 million, against R\$ 690 million in the same period in 2020, which confirms the market resumption.

In addition to the amount of the contracted purchases Backlog above, this Business Unit also serves the supply of Electronic Ballot Boxes, which has orders for 225 thousand machines (or an approximate revenue of R\$ 925 million) confirmed for delivery and billing in 2021 and 2022.

The Public Institutions segment posted gross revenue of R\$ 188 million (R\$ 131 million in 2020).



ADVANCES IN STRUCTURED AVENUES FOR GROWTH

The revenue values of the segments considered here as Avenues for Growth are already included in the three business units commented on pages 7 to 10.

We also emphasize that the product and service segments recognized as Avenues of Growth in Positivo Tecnologia's strategic planning grew by 63% vs. the same period last year, totaling R\$ 100 million in revenues. The segments considered encompass the market for Servers (Positivo Servers & Solutions), Small Retail (serving smaller retailers), IoT ("Positivo Casa Inteligente"), Educational Technology, Computer rental/HaaS (Positivo as a Service), Solutions for Payment and Electronic Ballot Boxes.

CORPORATE VENTURE PROGRAM

The structural Corporate Venture Program developed by Positivo Tecnologia, with constant investments in Brazilian startups to capture value and innovation, remained active in this 1Q21. In line with the goal of accelerating startups that operate in different economic segments such as agriculture, improving IT operational efficiency and laboratory analysis, on March 24, 2021, we made a new capital injection to the startup "Encontre Um Nerd S.A." (Eunerd), increasing its holding to 20%. Eunerd provides information technology services to companies using BPO (Business Process Outsourcing) and RPA (Robot Process Automation) tools



ECONOMIC-FINANCIAL PERFORMANCE

REVENUE

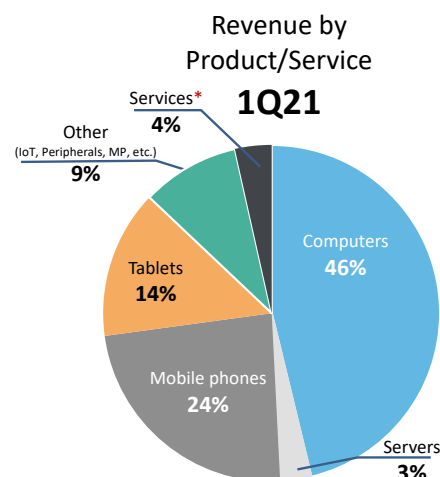
Revenues from Products and Services

Values in thousands of reais, except percentages. Consolidated Results

	1Q20	1Q21	Var.
(+) Computers	267.364	452.474	69,2%
Notebooks	170.945	349.057	104,2%
Desktops	96.419	103.417	7,3%
(+) Servers	35.213	29.167	(17,2%)
(+) Mobile Phones	83.267	61.945	(25,6%)
Feature Phone	11.480	13.527	17,8%
Smartphones	71.788	48.419	(32,6%)
(+) Tablets	12.369	139.379	1026,8%
(+) Internet of Things (IoT)	4.556	10.366	127,5%
(+) Other Products (peripherals, MP, etc.)	14.074	81.832	481,4%
(=) Gross Revenue from Products	416.844	775.164	86,0%
% % of Consolidated Gross Revenue	95,3%	95,8%	0,5 p.p.
(+) HaaS	6.748	8.532	26,4%
(+) Educational Technology Services	3.189	2.410	(24,4%)
(+) Technical Assistance Services	894	8.593	861,5%
(+) Other Services	9.783	14.783	51,1%
(=) Gross Revenue from Services (B)	20.614	34.319	66,5%
% of Consolidated Gross Revenue	4,7%	4,2%	(0,5 p.p.)
(=) Consolidated Gross Revenue (A+B)	437.458	809.483	85,0%
(-) Tax on sales	(77.588)	(152.981)	(97,2%)
(-) Investment grant, returns and commercial agreements	18.696	19.968	(6,8%)
(=) Deductions from Gross Revenue (C)	(58.892)	(133.013)	(125,9%)
% of Consolidated Gross Revenue	(13,5%)	(16,4%)	(3,0 p.p.)
(=) Consolidated Net Revenue (A+B+C)	378.566	676.470	78,7%
% of Consolidated Gross Revenue	86,5%	83,6%	(3,0 p.p.)

Positivo Tecnologia's gross revenue in 1Q21 totaled R\$809.5 million, an increase of 85%, which is mainly due to the combination of growth in computers, tablets, and peripheral products (see the next page).

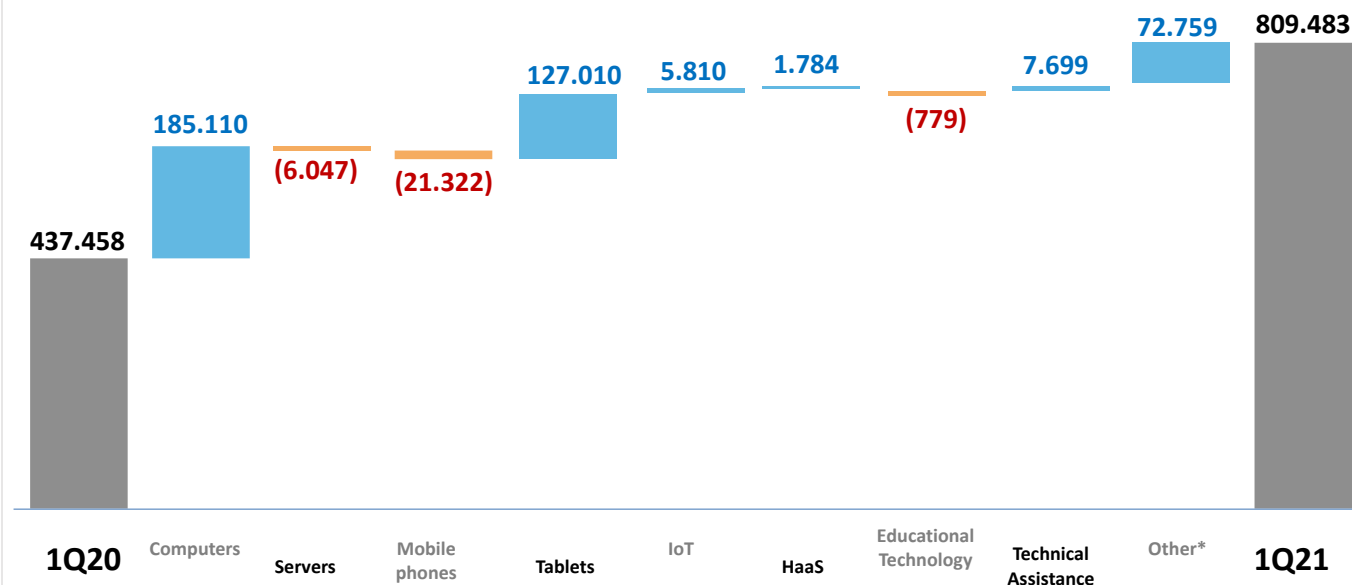
On the right we can see the distribution of total gross revenue by product/service.



* includes HaaS, Educational Technology, Technical Assistance and other

Gross Revenue Evolution (1Q21 vs 1Q20)

Amounts in millions of reais



* Other: Peripheral Products, especially projectors for public institutions.

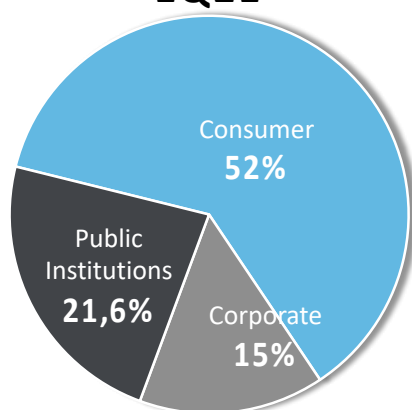


Net Revenue per Business Unit
Management financial information. Values in thousands of reais, except the percentages. Consolidated Results.

	1Q20	1Q21	Var.
Gross Revenue	437.458	809.483	85,0%
<i>Consumer</i>	198.037	499.619	152,3%
<i>Corporate</i>	107.918	121.679	12,8%
<i>Public institutions</i>	131.503	188.186	43,1%
	1T20	1T21	
% of Gross Revenue	100%	100%	
<i>Consumer</i>	45%	62%	
<i>Corporate</i>	25%	15%	
<i>Public institutions</i>	30%	23%	

Revenue by
Business Unit

1Q21



Positivo Tecnologia's Consolidated Gross Revenue in 1Q21 was R\$ 809.5 million, an increase of 85% compared to 1Q20. The Company's performance is mainly due to the excellent volume of sales of computers, servers, tablets, and cellphones in the period. Public institutions have an extremely fast schedule, which has been even more intensified for the next quarters of 2021 combined with the increase in prices after passing on increases in input costs to products sold at retail. The distribution of revenue by business unit in 1Q21 was as shown in the left side illustration.

GROSS PROFIT



Production and service costs were R\$519.7 million in 1Q21. It represents an increase of 70.8% in relation to 1Q20 and resulted in a Gross Profit of R\$156.8 million, accompanied by a Gross Margin of 23.2%.

Considering the net hedge adjustment of inputs, Gross Profit totaled R\$168 million in 1Q21, an increase of 156.6% in the period, accompanied by an Adjusted Gross Margin of 24.8%.

GROSS PROFIT

Values in thousands of reais, except percentages. Consolidated Results.

	1Q20	1Q21	Var.
(+) Consolidated Gross Revenue	437.458	809.483	85,0%
(-) Discounts and Deductions	(58.892)	(133.013)	(125,9%)
(=) Consolidated Net Revenue (D)	378.566	676.470	78,7%
(-) Raw Material and Labor	(302.245)	(517.440)	(71,2%)
(-) Other Product Inputs	(21)	-	100,0%
(-) Cost of Services Provided	(27)	(59)	(118,5%)
(-) Depreciation and Amortization	(2.007)	(2.210)	(10,1%)
(=) Cost of Products and Services (E)	(304.300)	(519.709)	(70,8%)
(=) Gross Profit (D+E)	74.266	156.761	111,1%
% of Consolidated Net Revenue	19,6%	23,2%	3,6 p.p.
(+) Raw material Hedge (1) (F)	(8.800)	11.253	227,9%
(=) Adjusted Gross Profit (D+E+F)	65.466	168.014	156,6%
% of Consolidated Net Revenue	17,3%	24,8%	7,5 p.p.

Note 1: More information on the Company's hedge operations is available in Note 32 - Derivative Financial Instruments, together with the Consolidated Financial Statements

OPERATIONAL EXPENSES



Selling Expenses in 1Q21 were R\$90.5 million, representing 13.4% of net revenue (1.9 pp less than in 1Q20). It is a result of the 1.3 pp reduction in commissions and marketing expenses as a % of consolidated net revenue due to a better product mix in 2021.

General and Administrative Expenses in 1Q21 totaled R\$24.5 million, representing 3.6% of net revenue. It is a reduction of 3.7 pp. result of the strong control of fixed costs that the Company carries out.

OPERATIONAL EXPENSES

Values in thousands of reais, except percentages. Consolidated Results

	1Q20	1Q21	Var.
Gross Profit	74.266	156.761	111%
(-) Sales Commissions	(7.268)	(9.386)	(29%)
(-) Advertising and Marketing	(12.199)	(16.905)	(39%)
(-) Technical Assistance and Warranty	(14.970)	(30.864)	(106%)
(-) Freight	(7.805)	(11.844)	(52%)
(-) Research and Development	(4.857)	(11.381)	(134%)
(-) Depreciation and Amortization	(2.170)	(3.376)	(56%)
(-) Other Expenses	(8.465)	(6.726)	21%
Sales Expenses	(57.734)	(90.482)	(57%)
% of Consolidated Net Revenue	15,3%	13,4%	1,9 p.p.
(-) Salaries, Charges and Benefit	(15.532)	(21.787)	(40%)
(-) Depreciation and Amortization	(7.018)	(3.552)	49%
(-) Other General Expenses	(5.294)	869	-
General and Administrative Expenses	(27.844)	(24.470)	12%
% of Consolidated Net Revenue	7,9%	7,0%	1,0 p.p.
(+) Equity Income	(1.681)	(873)	48%
(+) Other net operating income (expenses)	36	(1.367)	-
(=) EBIT (G+H+I)	(12.957)	39.569	-
% of Consolidated Net Revenue	(3,7%)	11,3%	15,0 p.p.
(+) Depreciação e Amortização	11.925	10.556	(11,5%)

ADJUSTED EBITDA



Adjusted EBITDA in 1Q21 was R\$61.3 million, with a margin of 9.1% (+11.7 p.p.). This performance reverses the negative result of 1Q20, reflecting the expressive increase in revenue for the period, as well as the combination of other factors: better product mix and pass-through of the increase in raw material costs due to the exchange rate appreciation, in the price of products and services sold and fixed cost management.

Adjusted EBITDA

Values in thousands of reais, except the percentages. Consolidated Results.

	1Q20	1Q21	Var.
EBIT	(12.957)	39.569	-
% of Consolidated Net Revenue	(3,4%)	5,8%	9,3 p.p.
(-) Depreciation and Amortization	11.925	10.556	11,5%
(=) EBITDA	(1.032)	50.125	-
% of Consolidated Net Revenue	(0,3%)	7,4%	7,7 p.p.
(+) Hedge of Raw Materials	(8.800)	11.253	-
(=) Adjusted EBITDA	(9.832)	61.378	-
% of Consolidated Net Revenue	(2,6%)	9,1%	11,7 p.p.

FINANCIAL RESULT

Financial expenses totaled R\$30.9 million in 1Q21, which represents an increase of 18.9%, mainly due to the need for financing of inputs to supply the increase in sales volume in 1Q21.

Financial income was R\$6.9 million in 1Q21, mainly due to the reduction in the CDI rate in the period vs 1Q20.

The result of foreign exchange variation generated a gain of R\$41 million in 1Q21, following the appreciation of the dollar mark price in the period, in addition to the position of derivative instruments contracted on a recurring basis, in accordance with the Company's foreign exchange protection policy.



Financial Result

Values in thousands of reais, except the percentages. Consolidated Results.

	1Q20	1Q21	Var.
(+) Financial Revenues (J)	11.336	6.899	(39,1%)
(-) Financial Expenses (K)	(25.973)	(30.894)	(18,9%)
(=) Pre-Exchange Variation Financial Result (J+K)	(14.637)	(23.995)	(63,9%)
(+) Exchange Variation (L)	34.576	40.998	18,6%
(=) Financial Results (J+K+L)	19.939	17.003	(14,7%)

Note 1: More information is available in Note 27 - Financial Result, together with the Consolidated Financial Statements of 1Q21.

NET PROFIT

Net Income in 1Q21 reached R\$55.8 million, a result significantly better than the result obtained in 1Q20 (R\$ 4.4 million).

Operating profit before financial result, grew 405%, when compared to the same period of the previous year. On the other hand, revenue from net exchange variation increased R\$6.4 million compared to the first quarter of 2020, totaling R\$ 41 million, an increase of 18%.

The increase in profit before the financial result, added to the duly controlled financial expense and the net foreign exchange variation, contributed to the achievement of this expressive net profit, in line with the Company's expectations.

CAPITAL STRUCTURE AND INDEBTEDNESS

Positivo Tecnologia ended 1Q21 with a cash position of R\$525.5 million. During the period, the Company maintained the liability management procedures, by taking lines that resulted in a reduction in the cost of funding and an extension of the debt profile. Considering the cash position, net debt increased by 37%, registering a net debt of R\$265.2 million, which, with the improvement in cash generation and the 98% increase in LTM Adjusted EBITDA, resulted in a significant improvement in the indicator of the Net Debt/Adjusted EBITDA multiple of 1.1x (1.6x in 1Q20).

Net Debt and Cash

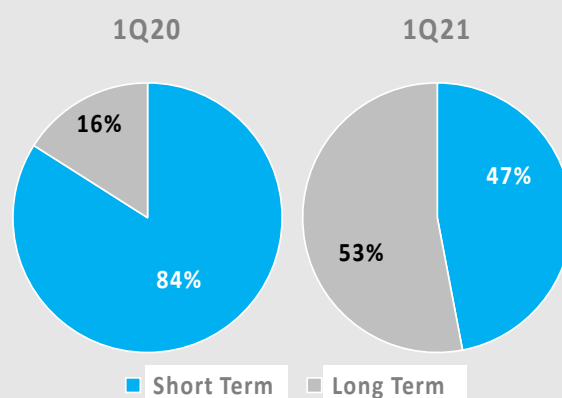
Managerial financial information. Values in thousands of reais, except percentages. Consolidated Results.

	1Q20	1Q21	Var.
(-) Loans and Financing - Short Term	651.698	375.343	42,4%
(-) Loans and Financing - Long Term	122.514	416.008	(239,6%)
(-) Derivative Financial Instruments	(114.677)	(617)	99,5%
(=) Indebtedness (A)	659.535	790.734	(19,9%)
(+) Cash and Cash Equivalents	465.865	525.485	12,8%
(=) Total Cash (B)	465.865	525.485	12,8%
(=) Net Debt (A-B)	193.670	265.249	(37,0%)
(÷) Adjusted EBITDA LTM	117.400	233.421	98,8%
(=) Net Debt / Adj. EBITDA LTM	1,6x	1,1x	0,5x

Debt Profile - Distribution between short and long term	1Q20	1Q21	Var.
Loans and Financing - Short Term	84,2%	47,4%	36,7 p.p.
Loans and Financing - Long Term	15,8%	52,6%	(36,7 p.p.)

DEBT PROFILE:

The Company concluded, on 03/10/2021, the placement of an issue of simple debentures in the amount of R\$300 million. These debentures have a term of 4 years and an average duration of 23 months, which allowed for an extension in the debt profile and better diversification of financing sources. The proceeds from this funding were mainly used to settle short-term financing, as shown in the illustration.



FINANCIAL STATEMENTS – ASSETS

ASSET	Parent Company		Consolidated	
	1Q 21	1Q 20	1Q 21	1Q 20
CURRENT ASSETS				
Cash and cash equivalents	435.613	500.734	525.485	544.162
Derivative financial instruments	29.767	4.474	29.767	4.474
Accounts receivable	552.930	540.810	638.628	698.044
Inventories	661.917	558.483	821.237	645.750
Accounts receivable with related parties	76.567	66.633	21.777	20.410
Taxes to be recovered	146.799	178.156	151.904	183.356
IRPJ and CSLL	41.023	35.435	41.795	37.680
Miscellaneous advances	46.654	37.343	68.894	48.753
Other credits	36.280	27.225	37.600	28.608
	2.027.550	1.949.293	2.337.087	2.211.237
NON-CURRENT ASSETS				
Long-term Assets				
Accounts receivable				
Taxes to be recovered	275.401	275.380	275.448	275.415
Deferred tributes	-	-	761	599
Other credits	61.233	60.984	61.820	61.571
	336.634	336.364	338.029	337.585
Investment in subsidiaries	218.518	200.629	-	-
Jointly controlled enterprise investment ("joint venture")	-	-	39.135	38.538
Investment in affiliates and others	19.736	18.001	56.267	53.154
Net Property, Plant & Equipment	72.989	73.590	86.550	86.298
Intangible	37.400	40.336	95.218	97.823
	348.643	332.556	277.170	275.813
	685.277	668.920	615.199	613.398
TOTAL ASSET	2.712.827	2.618.213	2.952.286	2.824.635

FINANCIAL STATEMENTS – LIABILITIES

LIABILITIES AND SHAREHOLDERS' EQUITY	Parent Company		Consolidated	
	1Q 21	1Q 20	1Q 21	1Q 20
CURRENT LIABILITIES				
Suppliers	514.240	484.963	635.513	562.210
Loans and financing	345.122	437.298	375.343	461.373
Derivative financial instruments	-	8.727	-	8.727
Wages and charges payable	32.872	30.756	35.857	33.263
Rental liabilities	8.610	8.452	9.466	9.292
Provisions	133.804	124.143	151.802	141.362
Provisions for tax, labor and civil risks	6.037	5.412	6.037	5.412
Tributes to be collected	12.149	23.656	19.671	32.037
Dividends payable	48.210	48.609	48.210	48.609
Deferred revenue	7.383	7.492	7.383	7.492
Accounts payable with related parties	6.065	7.477	665	1.213
Other accounts payable	23.887	45.569	31.170	59.942
	1.138.379	1.232.554	1.321.117	1.370.932
NON- CURRENT LIABILITIES				
Loans and financing	399.841	279.061	416.008	301.561
Rental liabilities	26.708	28.921	29.406	31.839
Provisions	20.338	19.306	20.338	19.306
Provision for tax, labor and civil risks	35.184	34.497	35.184	34.497
Accounts payable with related parties	5.627	-	3.567	4.393
Short liabilities in subsidiaries and joint ventures	457	1.273	457	457
Other accounts payable	540	687	28.357	28.512
	488.695	363.745	533.317	420.565
TOTAL LIABILITIES	1.627.074	1.596.299	1.854.434	1.791.497
SHAREHOLDERS' EQUITY				
Capital	721.670	721.670	721.670	721.670
Capital reserve	119.567	119.411	119.567	119.411
Profit reserve	210.712	211.233	210.712	211.233
Equity valuation adjustment	(9.160)	(17.075)	(9.160)	(17.075)
Treasury shares	(11.918)	(13.325)	(11.918)	(13.325)
Profit for the period	54.882	-	54.882	-
Shareholders' equity attributable to shareholders	1.085.753	1.021.914	1.085.753	1.021.914
Participation of non-controlling shareholders	-	-	12.099	11.224
Total shareholders' equity	1.085.753	1.021.914	1.097.852	1.033.138
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2.712.827	2.618.213	2.952.286	2.824.635

INCOME STATEMENTS - ANNUAL

INCOME STATEMENTS	Quarter Ended			
	Trimestres findos em			
	Parent Company		Consolidated	
	1Q 21	1Q 20	1Q 21	1Q 20
GROSS SALES REVENUE				
Sale of products	733.700	365.330	775.164	416.844
Sale of services	12.945	20.614	34.319	20.614
	<u>746.645</u>	<u>385.944</u>	<u>809.483</u>	<u>437.458</u>
SALES DEDUCTIONS				
Returns and commercial discounts	(26.235)	(9.081)	(35.825)	(10.123)
VPC and Rebate	(21.798)	(8.507)	(21.615)	(8.662)
Taxes and contributions	(68.504)	(34.625)	(75.573)	(40.107)
	<u>(116.537)</u>	<u>(52.213)</u>	<u>(133.013)</u>	<u>(58.892)</u>
NET REVENUE	630.108	333.731	676.470	378.566
COST OF PRODUCTS SOLD AND SERVICES PROVIDED	(496.557)	(270.572)	(519.709)	(304.300)
GROSS PROFIT	133.551	63.159	156.761	74.266
Sales expenses	(87.660)	(53.207)	(90.482)	(57.734)
General and administrative expenses	(22.382)	(25.665)	(24.470)	(27.844)
Other net operating income (expenses)	(674)	(484)	(1.367)	36
Equity in income of subsidiaries and associated companies	12.784	(10.488)	(873)	(1.681)
	<u>(97.932)</u>	<u>(89.844)</u>	<u>(117.192)</u>	<u>(87.223)</u>
RESULT BEFORE FINANCIAL REVENUES AND EXPENSES AND TAXES ON PROFIT	35.619	(26.685)	39.569	(12.957)
Financial revenues	5.139	10.789	6.899	11.336
Financial expenses	(28.229)	(23.847)	(30.894)	(25.973)
Exchange variation, net	42.353	43.428	40.998	34.576
	<u>19.263</u>	<u>30.370</u>	<u>17.003</u>	<u>19.939</u>
RESULT BEFORE TAXES ON PROFIT	54.882	3.685	56.572	6.982
Current income tax and social contribution	-	-	(978)	(24)
Deferred income tax and social contribution	-	(277)	163	(2.585)
	<u>-</u>	<u>(277)</u>	<u>(815)</u>	<u>(2.609)</u>
NET INCOME FOR THE YEAR	54.882	3.408	55.757	4.373
Attributable to Controllers	N/A	N/A	54.882	3.408
Attributable to non-Controllers	N/A	N/A	875	965
EARNINGS PER SHARE - R\$				
Basic	N/A	N/A	0,4483	0,0276
Diluted	N/A	N/A	0,4480	0,0275

CASH FLOW STATEMENTS

CASH FLOW STATEMENT	Parent Company		Consolidated	
	1Q 21	1Q 20	1Q 21	1Q 20
CASH FLOW FROM OPERATING ACTIVITIES				
Net income for the period	54.882	3.408	55.757	4.373
Reconciliation of net income with cash (applied) obtained in operations:				
Depreciation and amortization	9.820	10.443	10.556	11.925
Equity	-	-	-	-
Equity	(12.784)	10.488	873	1.681
Gain at fair value and adjustment to present value	(33.021)	(62.441)	(32.885)	(65.219)
Provision (Reversal) for tax, labor and civil risks	1.312	(2.817)	1.312	(2.817)
Provision for doubtful accounts	233	486	269	486
Provision (Reversal) for losses on inventories	5.629	(4.184)	6.750	(3.458)
Deferred provisions and revenues	10.584	232	11.363	(4.181)
Stock options	343	89	343	89
Charges on loans and right of use	11.779	16.239	13.360	17.259
Exchange variation	5.957	15.807	8.608	27.523
Interest on taxes	(228)	(5.105)	(228)	(5.105)
Gains in lawsuits	-	-	-	-
Income tax and social contribution (Current and Deferred)	-	277	815	2.609
	54.506	(17.078)	76.893	(14.835)
(Increase) decrease in assets:				
Accounts receivable	(11.840)	(166.965)	59.659	(157.509)
Inventories	(108.815)	(41.281)	(181.548)	(90.863)
Taxes to be recovered	25.748	(7.735)	26.327	(9.210)
Income Tax and Social Contribution	-	-	-	-
Miscellaneous advances	(6.409)	(1.817)	(14.929)	3.151
Accounts receivable from related parties	(5.719)	3.398	(2.741)	3.141
Other credits	(9.076)	684	(4.941)	7.147
Increase (decrease) in liabilities:				
Suppliers	26.477	(20.053)	67.038	17.893
Tax obligations	(11.507)	4.046	(12.366)	7.999
Income tax and social contribution, paid	-	-	-	-
Other accounts payable	(19.714)	3.823	(21.610)	2.095
Payment of interest on loans and right of use	(18.657)	(9.106)	(18.897)	(10.032)
	(139.512)	(235.006)	(104.008)	(226.188)
Net cash invested in operating activities	(85.006)	(252.084)	(27.115)	(241.023)
CASH FLOW FROM INVESTMENT ACTIVITIES				
Capital payment - invested	-	-	-	-
Capital payment - invested	-	-	(1.000)	(9.000)
Acquisition of investments	-	-	-	-
Acquisition of fixed assets	(3.445)	(2.408)	(4.857)	(3.248)
Increase in intangible	(3.086)	(4.785)	(4.035)	(4.846)
Net cash invested in investment activities	(6.531)	(7.193)	(9.892)	(17.094)
CASH FLOW FROM FINANCING ACTIVITIES				
Increase in share capital	-	335.773	-	335.773
Payment by acquisition of subsidiary	-	-	(4.723)	-
Dividend payments	(399)	-	(399)	-
Borrowing	310.001	90.011	310.001	90.011
Share repurchase	-	-	-	-
Loan amortization	(281.830)	(115.577)	(283.358)	(159.753)
Payment of lease agreements	(2.055)	(1.844)	(2.259)	(2.014)
Share repurchase	-	-	-	-
Resources from the exercise of stock options	699	394	699	394
Net cash generated by financing activities	26.416	308.757	19.961	264.411
Exchange variation on cash and cash equivalents	-	-	(1.631)	(1.143)
CASH INCREASE AND CASH EQUIVALENTS IN THE FINANCIAL YEAR	(65.121)	49.480	(18.677)	5.151
Cash and cash equivalents at the beginning of the period	500.734	390.817	544.162	460.714
Cash and cash equivalents at the end of the period	435.613	440.297	525.485	465.865
CASH INCREASE AND CASH EQUIVALENTS IN THE FINANCIAL YEAR	(65.121)	49.480	(18.677)	5.151

About Positivo Tecnologia S.A.



MORE THAN
1.900
EMPLOYEES IN
3
PRODUCTION UNITS

Founded in 1989, Positivo Tecnologia offers products and services that involve the development, manufacture and distribution of hardware, software and solutions, including computers and peripherals, servers, tablets, mobile phones, educational technologies, payment systems, Internet of Things' (IoT) based devices, in addition to special projects for the development of hardware on demand (eg electronic ballot boxes, digital TV converters, customized mobile phones, among others) and digital advertising services.

These solutions are distributed through physical retail, e-commerce, corporate (including schools) and public institutions (municipal, state, federal and other government entities).

It offers after-sales support throughout the Brazilian territory through a network of more than 250 accredited companies of specialized technical assistance.

Positivo Tecnologia employs more than 1,800 employees in its 3 production and administrative units in the states of Amazonas, Bahia and Paraná and in specialized offices in Taiwan and China, as well as operations in Argentina, Kenya and Rwanda.



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LEGAL NOTICE

The managerial financial information contained in this document, as well as other non-accounting information of the Company presented in this Results Report, has not been reviewed by the independent auditors. Some of the statements contained herein are based on the current assumptions and perspectives of the Company's management that could cause material variations between results, performance and future events. Actual results, performance and events may differ significantly from those expressed or implied by these statements, as a result of several factors, such as general and economic conditions in Brazil and other countries: interest and exchange rate levels, changes in laws and regulations and general competitive factors (on a global, regional or national basis). For additional information on factors that may result in results different from those estimated by the Company, please consult the reports filed with the Securities and Exchange Commission - CVM.

GLOSSARY

ABINEE - Associação Brasileira da Indústria Elétrica e Eletrônica

ANÁLISE VERTICAL ou AV- When related to the income statement, it consists of a percentage of the total net revenue; when related to the asset account in the balance sheet, it consists of a percentage of the total asset; and when related to the liability account in the balance sheet, it consists of a percentage of the total liability.

ORDER BACKLOG (or contracted purchases) - All customer orders that have been received but have not yet been fulfilled. Order portfolio not yet fulfilled.

BACKLOG OF CONTRACTED PURCHASES - In the public sector, it refers to the completed bidding processes and where the bidding agencies still need to issue the supply orders that are still being served. Portfolio of bids won and not yet fulfilled.

CAGR - Compound annual growth rate.

CAPEX (*Capital Expenditure*) - Acquisition of tangible and intangible assets for non-current assets.

EBITDA - EBITDA corresponds to earnings before net financial expenses (income), IRPJ and CSLL and depreciation and amortization. The calculation of EBITDA does not correspond to an accounting practice adopted in Brazil, does not represent cash flow for the periods presented and should not be considered a substitute for net income, as an indicator of our operating performance or a substitute of cash flow as an indicator of liquidity. EBITDA does not have a standardized meaning and our definition of EBITDA may not be the same or comparable to the definition of EBITDA or Adjusted EBITDA used by other companies.

ADJUSTED EBITDA - Adjusted EBITDA corresponds to EBITDA plus the portion related to the investment subsidy that was accounted for as deferred income in current liabilities and that will be recognized in the result as the mandatory investments in R & D related to this amount are amortized, as well as the exclusion of amortizations deferred revenue. The purpose of this adjustment is to communicate to the market how the results would be considering the

totality of the investment subsidy incurred in the period.

E-COMMERCE - A form of commerce where transactions are carried out using electronic equipment connected to data transmission networks, such as computers and mobile phones.

HAAS OR HARDWARE AS A SERVICE - It is an innovative business model, a fully managed solution for the IT equipment distribution and commercialization process, without the customer having to invest capital in the purchase of equipment. In this business model, Positivo Tecnologia sells packages that include equipment, installation, configuration, maintenance and technical support, all for a monthly fee. In a practical way, a pre-determined contract is signed between the hardware supplier and the customer, where Positivo Tecnologia is responsible for IT.

HARDWARE - Physical part of the computer or set of electronic components, integrated circuits and boards, which communicate through busbars.

HOMESCHOOLING - The concept of homeschooling is characterized by the proposal of home or home education. His proposal is in line with the frequency of children in an institution, be it a public, private or cooperative school.

IDC - International Data Corporation - International research company that follows the computer market..

IFRS- International Financial Reporting Standards, corresponding to international accounting standards.

IPSOS - Company active in the segment of marketing research, advertising, media, consumer satisfaction and public and social opinion research.

INTERNET - Conglomerate of computer networks on a global scale that allows access to information and data transfer.

GRAY MARKET - Market formed by the sales made by small and medium assemblers of computers whose production has a certain degree of smuggled parts and, still, by the sales of companies that do not have incentive of PPB - Basic Productive Process.

Glossário

CORPORATE MARKET - Market formed by sales made to small, medium and large private companies, whether by direct sales force, resellers or outsourced agents.

PUBLIC INSTITUTIONS MARKET - Market formed by sales made by bodies and entities belonging to the direct or indirect administration of the various spheres of the Brazilian Government.

PUBLIC BIDDING MARKET - Market formed by sales made by bodies and entities belonging to the direct or indirect administration of the various spheres of the Brazilian Government.

CONSUMER OR RETAIL MARKET - Market formed by sales made to domestic users (individuals), micro and small companies, which are served by retail chains.

OFFICIAL MARKET - Market for the sale of computers excluding the participation of the Gray Market.

TOTAL MARKET - It is the sum of the Official Market plus the Gray Market.

MESA EDUCACIONAL ("MESA" MEANS TABLE IN PORTUGUESE) - Computer for education, forming an environment for learning. Set of devices that can be connected to a computer plus software.

OPEX (operational expenditure) - refers to operating expenses. In this case, the company would be purchasing a computer for a service that will deliver the computer, update, training and monitoring

PC (PERSONAL COMPUTER) - comprising desktops, notebooks and servers.

PORTAL - Electronic Internet portal.

EDUCATIONAL PORTAL - Electronic Internet portal for educational purposes.

HARDWARE SEGMENT - The Company's business unit focused on the manufacture of desktops, notebooks and servers, developed in product lines and solutions specifically targeted to each market that the Company serves.

EDUCATIONAL TECHNOLOGY SEGMENT - The Company's business unit focused on the provision of integrated services, including software, installation, computer equipment, as well as technical and pedagogical support, mainly for public and private educational institutions and for the domestic market.

SOFTWARE - Sequence of instructions to be followed and / or executed in the manipulation, redirection or modification of a data / information or event.

TABLET - Clipboard device with touch screen.

TAM - *Total Addressable Market* or *Total Available Market*. TAM is defined as "the existing revenue opportunity available for a product or service" and is often calculated as the market size from general to specific, deducting market segments that are not addressable and / or possibly served.

TSE - *Tribunal Superior Eleitoral* - The Superior Electoral Court is the highest body of the Brazilian Electoral Justice, which also comprises one Regional Electoral Court in each of the 26 states and the Federal District of the country, as determined by Article 118 of the Constitution of Brazil.