

# Earnings Release 1Q22



1Q22

## EARNINGS RELEASE

## STRONG GROWTH IN 1Q22 LEADS TO GROSS REVENUE OF R\$132.0 MILLION

## Financial &amp; Operating Highlights

**Gross Revenue:** R\$132.0 million in 1Q22 (+88% vs. 1Q21). The growth is the result of a greater movement of people and the projects invested during 2021;

**+88%** against  
1Q21

**EBITDA<sup>1</sup> and Margin<sup>1</sup>:** Increase of R\$20.8 million resulted in an EBITDA of R\$9.3 million in 1Q22 (+181% vs. 1Q21), with a margin of 9%;

<sup>1</sup>Adjusted EBITDA and EBITDA Margin – With comments in “Adjusted EBITDA Reconciliation”

**Increase of R\$20.8  
million** against  
1Q21

**Net Loss<sup>2</sup> and Margin<sup>2</sup>:** Addition of R\$10.0 million resulted in a Net Loss of R\$6.3 million in 1Q22 (+61% vs. 1Q21) with a negative net margin of 6%;

<sup>2</sup>Adjusted Net Loss and Net Margin – With comments in “Adjusted Net Profit (Loss)”

**Increase of R\$10.0  
million** against 1Q21

**Street Furniture:** Reached 1.3 thousand panels in 1Q22 (+741 panels vs. 1Q21) as a result of organic and inorganic expansion in this vertical;

**+630 panels** acquisition  
and digitalization in  
Campinas

**Panels Network:** Installation of 2,223 new screens in the quarter. 605 static faces and 25 digital screens were added in Campinas' street furniture in 1Q22;

**63,244**  
panels in 1Q22

Gross Revenue Breakdown (R\$ thousand)	1Q22	1Q21	Δ R\$	Δ %
Buildings	25,327	16,987	8,340	49.1%
Malls	14,724	3,879	10,845	279.6%
Streets	14,802	5,949	8,852	148.8%
Transportation	65,974	36,923	29,051	78.7%
Airports	11,177	6,580	4,598	69.9%
<b>Gross Revenue</b>	<b>132,004</b>	<b>70,318</b>	<b>61,686</b>	<b>87.7%</b>
<b>Net Revenue</b>	<b>109,118</b>	<b>58,048</b>	<b>51,070</b>	<b>88.0%</b>
<b>Adjusted EBITDA</b>	<b>9,336</b>	<b>(11,481)</b>	<b>20,817</b>	<b>181.3%</b>
<i>Adjusted EBITDA Margin</i>	<i>8.6%</i>	<i>-19.8%</i>		<i>+28.3 p.p</i>
<b>Adjusted Net Income (Loss)</b>	<b>(6,322)</b>	<b>(16,276)</b>	<b>9,954</b>	<b>61.2%</b>
<i>Adjusted Net Margin</i>	<i>-5.8%</i>	<i>-28.0%</i>		<i>+22.2 p.p</i>

## Contact IR

Ricardo Winandy  
Chief Financial and Investor  
Relations Officer

Larissa Lordaro  
IR Coordinator

Videoconference call  
May 06, 2022 | 3 pm Brasília | 2 pm EST | 7 pm GMT

[Webcast in Portuguese](#)  
[Webcast in English](#)

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## Main Financial Indicators

In view of the conclusion of the acquisition of Otima in 2022, Eletromidia discloses below its main unaudited Proforma financial information for the first quarter of 2022 and the first quarter of 2021:

R\$ thousand (unaudited Proforma numbers)	1Q22	1Q21	Δ R\$	Δ %
<b>Net Revenue</b>	<b>145,038</b>	<b>74,892</b>	<b>70,146</b>	<b>93.7%</b>
<b>Adjusted EBITDA</b>	<b>24,873</b>	<b>(20,911)</b>	<b>45,784</b>	<b>218.9%</b>
<i>Adjusted EBITDA Margin</i>	17.1%	-27.9%		+45.1 p.p
<b>Adjusted Net Income (Loss)</b>	<b>(1,721)</b>	<b>(25,955)</b>	<b>24,234</b>	<b>93.4%</b>
<i>Adjusted Net Margin</i>	-1.2%	-34.7%		+33.5 p.p

This consolidated unaudited Proforma financial information is presented for informational purposes only and should not be interpreted as an indicative of the Company's future consolidated financial statements or as an effective consolidated statement of profit or loss, if the aforementioned business combination had occurred on January 1, 2022.

Furthermore, additional unaudited or audited information contained in this material reflects the interpretation of the Company's Management on financial information that was prepared in accordance with market practices and for the exclusive purpose of a more detailed and specific analysis of the Company's results. Therefore, such considerations and additional data must also be analyzed and interpreted independently by shareholders and agents, who must make their own analyzes and conclusions about the results disclosed herein. No data or interpretative market analysis carried out by the Company's Management should be treated as a guarantee of performance or future results.





# Message from Management

2022 started with significant accomplishments, advances in innovation, and execution agility. Advances in technology are essential for gaining relevance and the professionalization of the sector. We believe that, as market leaders, we must lead the OOH transformation through the use of data and metrics. The first quarter of 2022 presents essential financial and operational evolutions to the Company, considering the characteristic seasonality of the sector.

The arrival of the recently acquired Company Otima brought much more to Eletromidia than the streets of São Paulo. We showed agility in the integration process of the companies, and we already have 100% of the commercial department working as a single team. We started the digitalization process, which in 2022 will feature digital panels developed with IoT (Internet of things), using technology to generate campaigns with higher quality for our clients.

Otima also brings new ways of advertising with the expertise of the **special projects team that aims to get more creative ads with a more significant impact on campaigns and generate a unique experience for those who circulate by our assets.** An example is a campaign dedicated to the LGBTQIA+ parade, which will provide media coverage to the public on the way to the event. The content that goes beyond the screens will feature the use of sequential panels and themed bus shelters on Avenida Paulista (the main Sao Paulo avenue) and interactive and live broadcasts to the public.

Looking at the digital transformation agenda, **we accelerated the development of Eletromidia Ads:** the out-of-home media planning, buying, and metrics platform, which combines the power of our assets with a layer of sophisticated data and metrics, bringing the experience of our advertisers closer to the digital environment. The internal launch for the early adopters is scheduled to take place at the end of May, and we hope to start collecting more information that will guide us in the product roadmap.

In terms of product innovation, **we launched a new way of advertising on digital out-of-home and talking to millions of people in a single day through Eletromidia Blast.** The new product will make it possible to acquire campaigns on all digital panels and verticals of the Company in a single day or week.

The results presented in 1Q22 reflect the higher circulation of people in external areas due to the easing of restrictive measures in the country's main cities and, consequently, the resumption of the audience in the main verticals of Eletromidia's operations, and the investment in strategic projects throughout 2021. **We reported a Gross Revenue of R\$132.0 million in 1Q22, a growth of 88% over 1Q21.** Adjusted EBITDA reached R\$9.3 million, representing an increase of R\$20.8 million over the negative EBITDA of R\$11.5 million in 1Q21.

On the ESG (Environmental, Social, and Governance) subject, as a first and essential step, we defined our priority material themes based on our sector of activity, which will help with the next phase of defining commitments. They are: (i) **information to customers and users;** (ii) **prevention of corruption and anti-competitive practices;** (iii) **energy consumption and efficiency;** (iv) **waste management;** (v) **dynamics and composition of the Board;** (vi) **social impacts of products and services;** (vii) **respect for human rights standards and prevention of violations;** and (viii) **diversity and inclusion.**

All these movements reinforce our long-term thesis and make us even more confident with the **perspectives for the sector in 2022.** We are increasingly prepared to leverage on market opportunities.

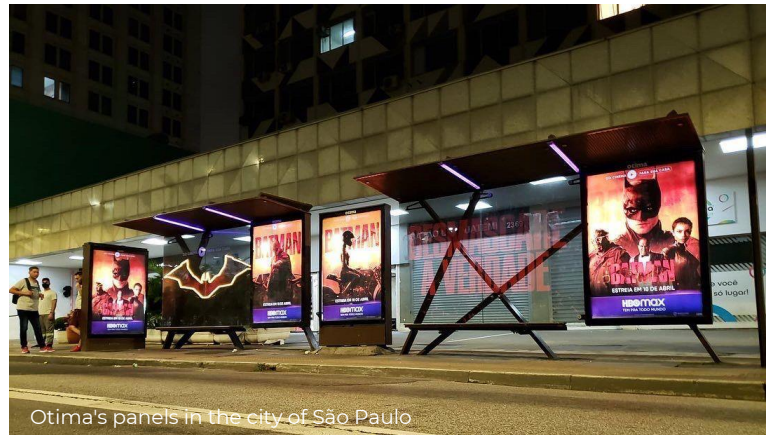
Alexandre Guerrero - CEO



## Recent Events

### Otima is now Eletromidia

On April 4, 2022, we completed the acquisition of Otima. The acquisition reinforces our thesis of expanding into long-term projects with greater profitability. The transaction, which marked Eletromidia's entry into street furniture in the city of São Paulo, completes the Company's operations in the five verticals of the primary advertising market in the country.



Otima's panels in the city of São Paulo

### New Chief Sales Officer (CSO)

In May 2022, continuing the changes to the structure announced in March 2022, we reported the hiring of Mr. Marcelo Pacheco for the position of CSO of the Company.

Marcelo has been working in the commercial area for more than 20 years, with the last years as Commercial Vice-President. He worked in companies such as Editora Abril, ESPN, Facebook, Grupo RBS and WarnerMedia, and holds a bachelor's degree in Electronic Engineering from Mauá, a postgraduate degree in Marketing from ESPM, and an Innovation Strategy degree from Stanford University.



Star + The Simpsons Case – Special Project

## Panels Network

### Organic and inorganic growth leads to 63.2 thousand screens in 1Q22

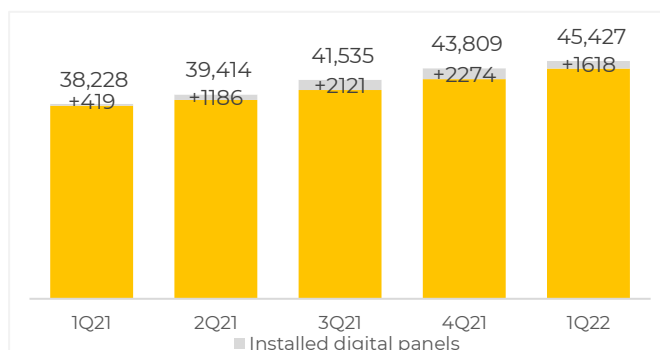
In 1Q22, Eletromidia's panel network reached 63 thousand advertising faces, an increase of 7.8 thousand faces when compared to 1Q21 and 2.2 thousand faces when compared to 4Q21.

The building vertical surpassed the mark of 27.2 thousand digital screens. The growth of 31% and 6%, when compared to 1Q21 and 4Q21, in that order, reflects the growth in the residential buildings division.

In malls, growth in the year and quarter was 10% and 6%, respectively.

In streets, the growth of 120% and 93% is the result of organic and inorganic expansion in this vertical.

The evolution of digital faces is a result of the partnership with a bike-sharing company and the installation of the first digital screens in Campinas. The increase of 605 static faces is a result of the street furniture in Campinas.



# of Panels	1Q22	1Q21	Δ #	Δ %	4Q21	Δ #	Δ %
<b>Buildings</b>	<b>27,211</b>	<b>20,720</b>	<b>6,491</b>	<b>31%</b>	<b>25,704</b>	<b>1,507</b>	<b>6%</b>
Digital	27,211	20,720	6,491	31%	25,704	1,507	6%
Static	-	-	-	-	-	-	-
<b>Malls</b>	<b>1,767</b>	<b>1,607</b>	<b>160</b>	<b>10%</b>	<b>1,674</b>	<b>93</b>	<b>6%</b>
Digital	1,767	1,607	160	10%	1,674	93	6%
Static	-	-	-	-	-	-	-
<b>Streets</b>	<b>1,358</b>	<b>617</b>	<b>741</b>	<b>120%</b>	<b>704</b>	<b>654</b>	<b>93%</b>
Digital	291	155	136	88%	242	49	20%
Static	1,067	462	605	131%	462	605	131%
<b>Transportation</b>	<b>24,643</b>	<b>24,316</b>	<b>327</b>	<b>1%</b>	<b>24,674</b>	<b>(31)</b>	<b>-0.1%</b>
Digital	15,793	15,466	327	2%	15,824	(31)	-
Static	8,850	8,850	-	-	8,850	-	-
<b>Airports</b>	<b>8,265</b>	<b>8,180</b>	<b>85</b>	<b>1%</b>	<b>8,265</b>	<b>-</b>	<b>-</b>
Digital	365	280	85	30%	365	-	-
Static	7,900	7,900	-	-	7,900	-	-
<b>Total</b>	<b>63,244</b>	<b>55,440</b>	<b>7,804</b>	<b>14%</b>	<b>61,021</b>	<b>2,223</b>	<b>4%</b>
Digital	45,427	38,228	7,199	19%	43,809	1,618	4%
Static	17,817	17,212	605	4%	17,212	605	4%
<b>% Digital</b>	<b>72%</b>	<b>69%</b>			<b>72%</b>		
<b>% Static</b>	<b>28%</b>	<b>31%</b>			<b>28%</b>		



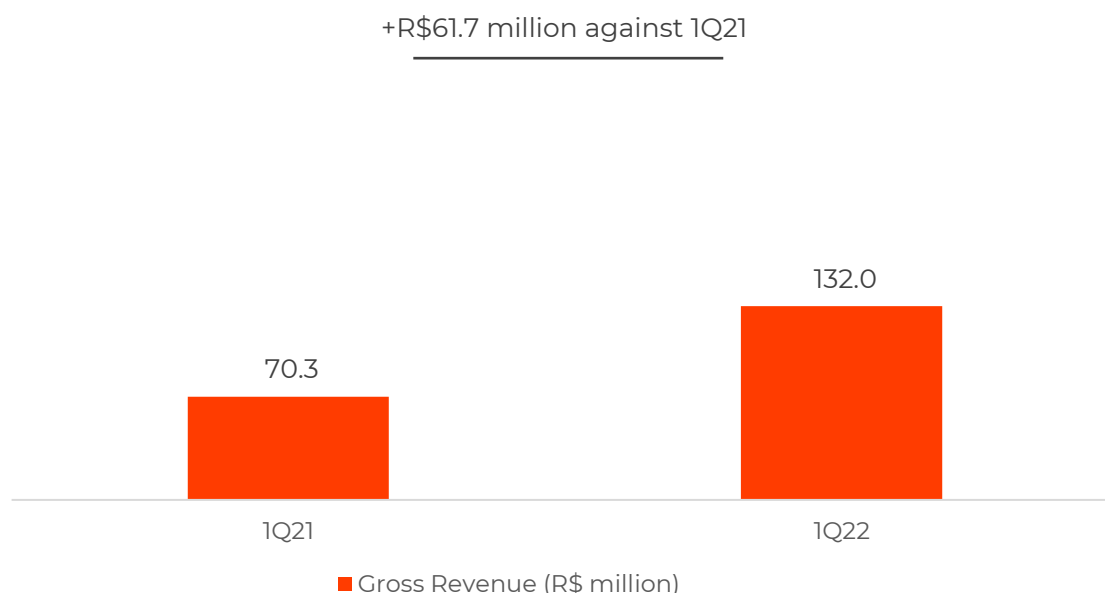
Sao Paulo, May 05, 2022 – Eletromidia S.A. (B3: ELMD3) hereby discloses its results for the fourth quarter of 2022 (1Q22). The following consolidated information was prepared according to the Exchange Commission of Brazil (CVM) rules and the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). The operating and financial information is presented based on consolidated figures in Reais (R\$). Sums may differ due to rounding. Non-financial data such as volume, quantity, average price, average quotation in reais were not examined by the independent auditors.

## Gross Revenue

Eletromidia is an out-of-home media company with an extensive portfolio of assets positioned in prominent locations with high attractiveness for advertisers. Our panels are located in environments that are classified as (i) transportation, (ii) buildings (elevators), (iii) malls, (iv) airports, and (v) streets. Thus, the Company's Gross Revenue is earned through the sale of these spaces for advertisers to run their advertising campaigns.

R\$ thousand	1Q22	1Q21	Δ R\$	Δ %
<b>Gross Revenue</b>	<b>132,004</b>	<b>70,318</b>	<b>61,686</b>	<b>87.7%</b>
(-) Sales Tax	(15,685)	(9,394)	(6,291)	-67.0%
(-) Cancellations	(7,201)	(2,876)	(4,325)	-150.4%
<b>Net Revenue</b>	<b>109,118</b>	<b>58,048</b>	<b>51,070</b>	<b>88.0%</b>
(-) Costs of Services	(83,866)	(48,526)	(35,340)	-72.8%
<b>Gross Profit</b>	<b>25,252</b>	<b>9,522</b>	<b>15,730</b>	<b>165.2%</b>
<i>Gross Margin</i>	23.1%	16.4%		+6.7 p.p

The Gross Revenue totaled R\$132.0 million in 1Q22, an increase of 88% as compared to the Gross Revenue of R\$70.3 million in 1Q21. The increase of R\$61.7 million is an effect of: (i) the investment in panels in the period; (ii) the evolution in all verticals of operation – a reflection of the greater circulation of people in external environments; and (iii) the investment in projects throughout 2021 that already bring results to the Company, such as the concession of Congonhas airport, development in the project of strategic partnership with a bike-sharing company and the operation in Campinas..

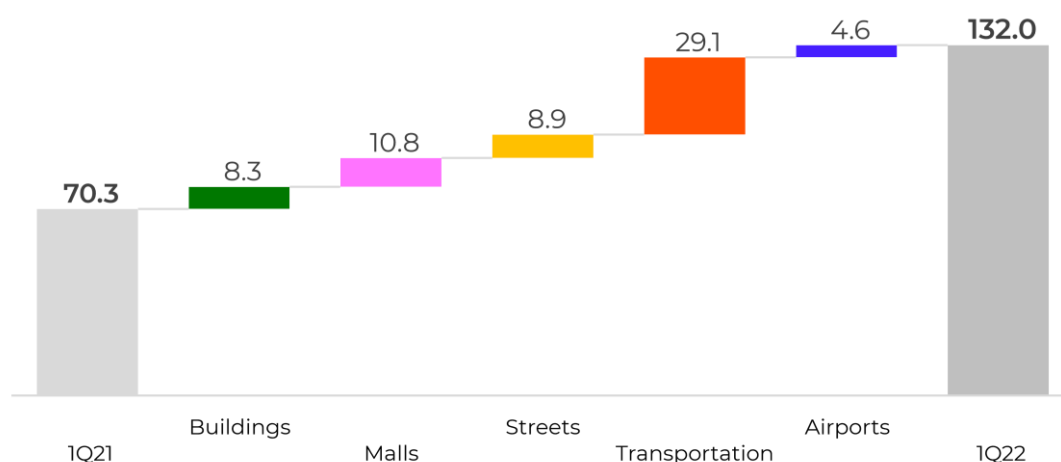


As already mentioned in previous quarters, Eletromidia's results vary from quarter to quarter due to the seasonality of the advertising market. Historically, the Company's revenue is lower in the first quarter of the year –vacation period for most of the population, and the consequent absence of audience at the main urban centers, with a gradual improvement, reaching higher levels at the end of the year – when special dates are celebrated and with a great circulation of people in external environments.

## Gross Revenue Performance by vertical in the quarter

Gross Revenue	Gross Revenue (R\$ thousand)				Gross Revenue (%)		
	1Q22	1Q21	Δ R\$	Δ %	1Q22 (%)	1Q21 (%)	Δ %
Buildings	25,327	16,987	8,340	49.1%	19%	24%	-5.0 p.p
Malls	14,724	3,879	10,845	279.6%	11%	6%	+5.6 p.p
Streets	14,802	5,949	8,852	148.8%	11%	8%	+2.8 p.p
Transportation	65,974	36,923	29,051	78.7%	50%	53%	-2.5 p.p
Airports	11,177	6,580	4,598	69.9%	8%	9%	-0.9 p.p
<b>Total</b>	<b>132,004</b>	<b>70,318</b>	<b>61,686</b>		<b>100%</b>	<b>100%</b>	

## Composition of the Company's Gross Revenue 1Q22 against 1Q21



### Buildings

In 1Q22, the Buildings vertical reports a revenue of R\$25.3 million. The growth of 49%, when compared to the revenue of R\$17.0 million in 1Q21, is a result of the investment in residential buildings and the recovery of commercial buildings, which showed improvement in the last month of the quarter.

### Malls

The revenue from the Malls vertical totaled R\$14.7 million in 1Q22. The increase of 280% or R\$10.8 million, when compared to the same period in 2021, is the result of the flexibilization of restriction measures - part of 1Q21 was impacted by restrictions adopted with the advancement of the COVID-19 pandemic.

### Streets

The Streets division posted revenue of R\$14.8 million, compared to R\$5.9 million in revenue in 1Q21. The 149% growth is a result of: (i) the resumption of the newsstand segment; (ii) the evolution of the partnership with a bike-sharing company over the last few quarters; and (iii) revenue from the street furniture in Campinas.

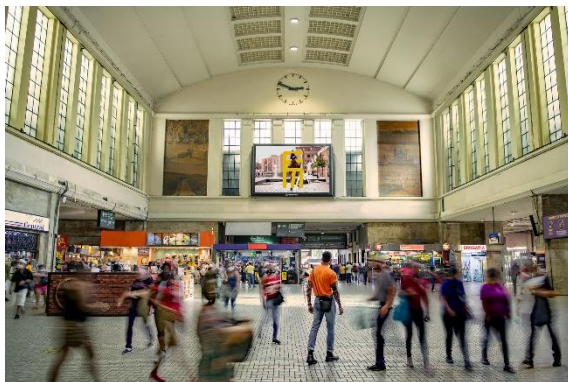


## Transportation

Revenue from the Transportation vertical grew 79% or R\$29.1 million when compared to the same period of 2021. The result is explained by the resumption of almost all projects in this vertical and by the digitalization of CPTM.

## Airports

In 1Q22, revenue from the Airports vertical totaled R\$11.2 million. The 70% increase, when compared to the same period in 2021, reflects the gradual recovery of airports and the start of operations at Congonhas airport.



Display at a train station in Rio de Janeiro

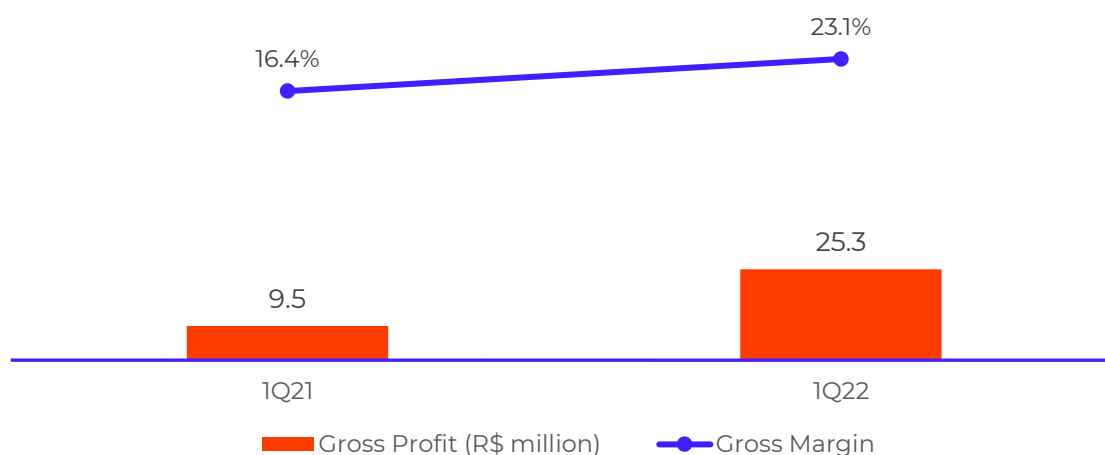
**Note:** During 4Q21, as a result of an improvement in the Company's internal controls, we segregated the Depreciation and Amortization balances into Cost and Expenses lines. In the quarter, the reclassification was R\$11.9 million. For purposes of comparability, we will present the effect of the reclassification in the "Cost of Services", "Gross Profit", and "Operating Expenses" sections in a managerial manner in the release.

## Cost of Services

In 1Q22, the Cost of Services line totaled R\$83.9 million, the increase of R\$35.3 million over the cost in 1Q21 is explained by the higher level of revenue in 2022 and by the reclassification of Depreciation balances that were allocated to General and Administrative Expenses in the amount of R\$11.9 million. To ease the comparison, when we exclude the effect of the reclassification, the cost of services for the quarter would have totaled R\$72.0 million.

## Gross Profit

In 1Q22, Gross Profit reached R\$25.3 million, the growth compared to 1Q21 is due to the higher volume of revenue. The Gross Margin in 1Q22 was 23%, up 7 pp. against the Gross Margin in 1Q21. For ease of comparison, disregarding the previously mentioned depreciation adjustment, comparable Gross Profit for the quarter would total R\$37.2 million, with a margin of 34%.

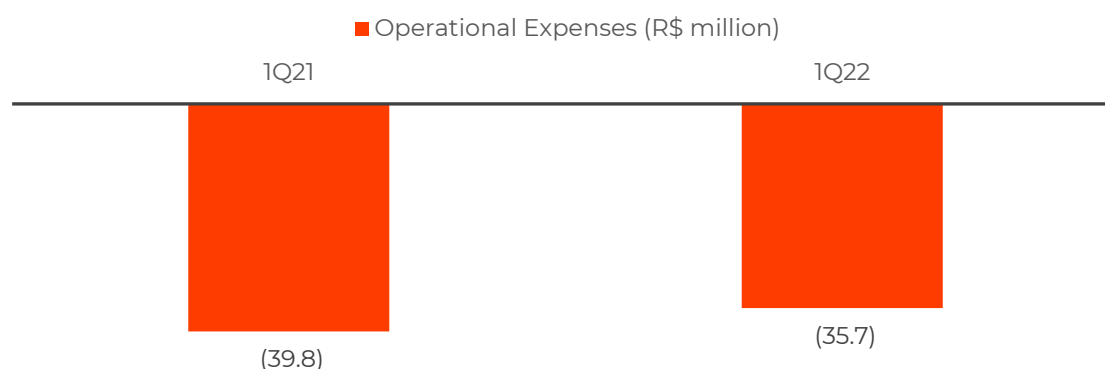


Otima panel campaign on Avenida Paulista – São Paulo

## Operating Expenses

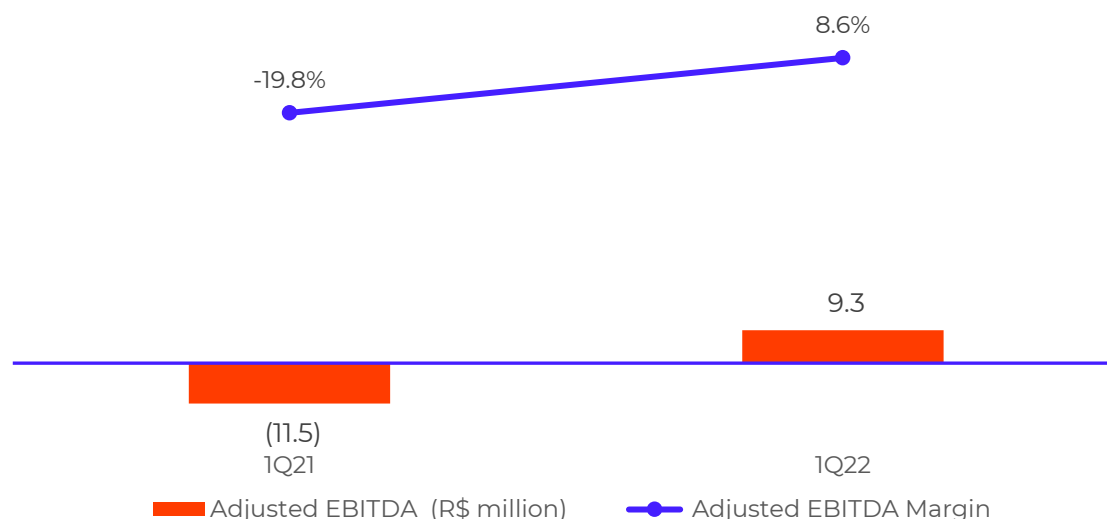
R\$ thousand	1Q22	1Q21	Δ R\$	Δ %
<b>Operating income (expenses)</b>				
(-) Personal, General & Administrative expenses	(26,199)	(33,100)	6,901	20.8%
(-) Selling Expenses	(3,052)	(2,550)	(502)	-19.7%
(+/-) Other income (expenses), net	(6,463)	(4,159)	(2,304)	-55.4%
<b>Total Operating Income (expenses)</b>	<b>(35,714)</b>	<b>(39,809)</b>	<b>4,095</b>	<b>10.3%</b>
<i>SG&amp;A on Net Revenue</i>	<i>-32.7%</i>	<i>-68.6%</i>		<i>+35.8 p.p</i>

Operating Expenses totaled R\$35.7 million in 1Q22. The 10% decrease is explained by the positive impact of the reclassification of Depreciation balances to the Cost of Services line, as mentioned previously. For ease of comparison, disregarding the mentioned depreciation adjustment, comparable Operating Expenses for the quarter would total R\$47.6 million.



## Adjusted EBITDA

In the quarter, adjusted EBITDA totaled R\$9.3 million, an increase of 181% or R\$ 20.8 million when compared to the negative EBITDA of R\$11.5 million in 1Q21. Adjusted EBITDA Margin of 9%, up 28.3 pp. compared with a negative margin of 19.8% in 1Q21.



## Adjusted EBITDA Reconciliation

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

R\$ thousand	1Q22	1Q21	Δ R\$	Δ %
<b>Net Profit (Loss)</b>	<b>(12,469)</b>	<b>(22,292)</b>	<b>9,823</b>	<b>44.1%</b>
(+/-) Finance Income (Costs), Net	8,664	7,642	1,022	13.4%
(+/-) IRPJ & CSLL	(6,657)	(15,637)	8,980	57.4%
(+/-) Depreciation and amortization	18,964	17,377	1,587	9.1%
<b>EBITDA (IN CVM 527/09)</b>	<b>8,502</b>	<b>(12,910)</b>	<b>21,412</b>	<b>165.9%</b>
(+/-) Expenses with Business Combination	395	61	334	546.4%
(+/-) Stock Options Expenses	439	1,148	(709)	-61.8%
(+/-) Other non-recurring	-	219	(219)	-100.0%
<b>Adjusted EBITDA</b>	<b>9,336</b>	<b>(11,481)</b>	<b>20,817</b>	<b>181.3%</b>
<i>Adjusted Ebitda Margin</i>	<i>8.6%</i>	<i>-19.8%</i>		<i>+28.3 p.p</i>

Adjusted EBITDA is calculated from profit (loss), plus depreciation and amortization, income taxes, net financial income, and the result of other non-operating or non-recurring income/expenses, such as expenses per business combination, Stock Options expenses, among others.

Regarding the adjustments made, the Business Combinations line refers to expenses with legal diligence and commissions from financial advisors related to the acquisitions made in the year, such as Otima, NoAlvo, and Moohb. The Stock Options line refers to expenses with the granting of stock options that have been vested in the period.



## Finance Income (Costs), Net

R\$ thousand	1Q22	1Q21	Δ R\$	Δ %
<b>Finance Income (costs)</b>				
(+) Finance Income	13,786	2,708	11,078	409.1%
(-) Finance Costs	(22,450)	(10,350)	(12,100)	-116.9%
<b>Total Finance Income (costs), net</b>	<b>(8,664)</b>	<b>(7,642)</b>	<b>(1,022)</b>	<b>-13.4%</b>

In 1Q22, Finance Income (Costs) was a negative R\$8.7 million. The growth is a result of the increase in the CDI, which impacted the interest incurred on the Debentures and income from financial investments.

## Depreciation and Amortization

In the quarter, Depreciation and Amortization totaled R\$18.9 million, an increase of 9% mainly due to the increase in the depreciation line and in the amortization line, which already includes the amortizations of NoAlvo and Moohb. Depreciation expenses totaled R\$13.6 million, against R\$12.8 million in 1Q21, and Amortization expenses totaled R\$5.3 million in 1Q22, against R\$4.5 million in 1Q21.

Amortizations are calculated on a monthly basis according to the term of the contracts, as established in the appraisal reports and in the Purchase Price Allocation (PPA), with amortizations ranging from 70 to 120 months.

## Adjusted Net Profit (Loss)

Adjusted Net Profit (Loss) is calculated from Net Profit (Loss), excluding: The items listed in the Adjusted EBITDA reconciliation section and the amortization expenses of intangibles arising from the acquisitions of companies that took place in the periods.

R\$ thousand	1Q22	1Q21	Δ R\$	Δ %
<b>Net Profit (Loss)</b>	<b>(12,469)</b>	<b>(22,292)</b>	<b>9,823</b>	<b>44.1%</b>
<i>Net Margin</i>	-11.4%	-38.4%		+27.0 p.p
(+/-) EBITDA adjustments	834	1,429	(595)	-41.6%
(+/-) PPA amortizations	5,313	4,587	726	15.8%
<b>Adjusted Net Profit (Loss)</b>	<b>(6,322)</b>	<b>(16,276)</b>	<b>9,954</b>	<b>61.2%</b>
<i>Adjusted Net Margin</i>	-5.8%	-28.0%		+22.2 p.p

In 1Q22, Adjusted Net Loss was R\$6.3 million, an increase of R\$10.0 million compared to Adjusted Net Profit of R\$16.3 million in 1Q21. The increase in the profit (loss) is the result of the advances and recovery presented throughout this release. The Adjusted Net Margin was -6%, against an Adjusted Net Margin of -28%.



## Cash Flow

R\$ thousand	1Q22	1Q21	Δ R\$	Δ %
<b>Opening balance</b>	<b>580,182</b>	<b>86,135</b>	<b>494,047</b>	<b>573.6%</b>
(+/-) Net Operating Cash	14,013	(20,132)	34,145	169.6%
(+/-) Net Cash Investment	(48,381)	(31,545)	(16,836)	-53.4%
(+/-) Net Cash Financing	(61,364)	662,083	(723,447)	-109.3%
<b>Closing balance</b>	<b>484,450</b>	<b>696,541</b>	<b>(212,091)</b>	<b>-30.4%</b>
Net Cash Generation	(95,732)	610,406	(706,138)	-115.7%

In 1Q22, operating cash generation totaled R\$14.0 million, an increase of 170% compared to the same period in 2021. The increase is a result of the better performance between the sales mix and working capital in the quarter. Excluding interest paid in the quarter, operating cash generation would total R\$47 million in 1Q22.

Investments totaled R\$48.4 million, comprising mainly R\$16.0 million in CAPEX and by the payment of R\$32.8 million related to the acquisition of Moohb.

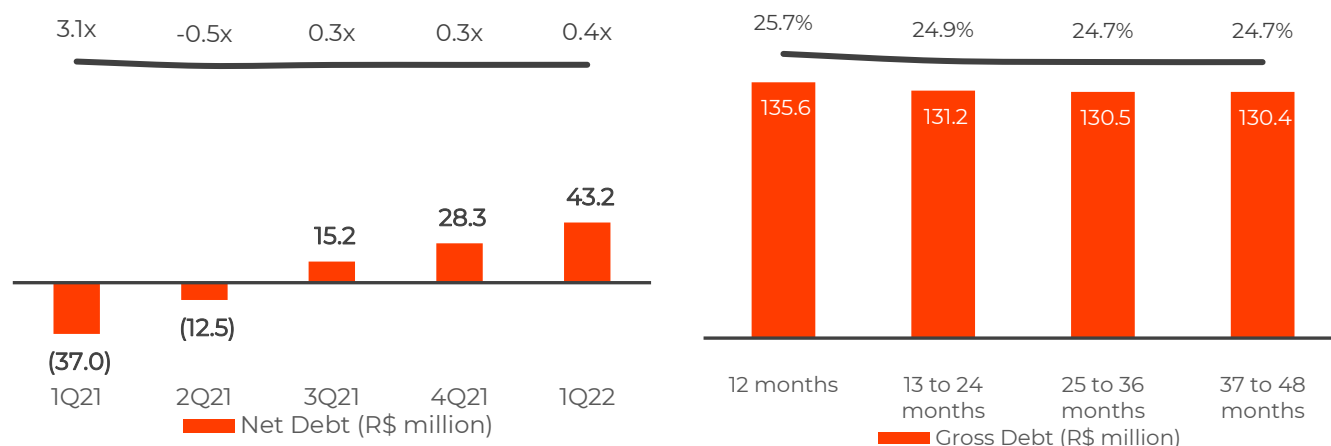
In the quarter, the changes in the Financing Cash are due mainly by the amortization of debentures in the month of March amounting to R\$66 million.

## Indebtedness

R\$ thousand	1Q22	1Q21	Δ R\$	Δ %
<b>Borrowings</b>				
(+) Debentures	524,048	603,943	(79,895)	-13.2%
(+) Borrowings	-	-	-	0.0%
(+) Lease Liabilities	3,649	4,544	(895)	-19.7%
<b>Gross Debt</b>	<b>527,697</b>	<b>608,487</b>	<b>(80,790)</b>	<b>-13.3%</b>
(-) Cash and cash equivalents	(484,450)	(580,182)	95,732	16.5%
<b>Net Debt</b>	<b>43,247</b>	<b>28,305</b>	<b>14,942</b>	<b>52.8%</b>
<b>Equity</b>	<b>761,110</b>	<b>767,511</b>	<b>(6,401)</b>	<b>-0.8%</b>
<i>Net Debt to Equity</i>	<i>0.1x</i>	<i>0.0x</i>		

In 1Q22, Gross Debt reached R\$527.7 million, a reduction of 13% when compared to the Gross Debt of R\$608.5 million in 4Q21. Cash and Cash Equivalents ended the quarter with a balance of R\$484.4 million.

The Company ended the quarter with an Equity of R\$761.4 million, compared to Equity of R\$767.5 in 4Q21.





## Attachment I- Income Statement

R\$ thousand	1Q22	1Q21	Δ R\$	Δ %
<b>Gross Revenue</b>	<b>132,004</b>	<b>70,318</b>	<b>61,686</b>	<b>87.7%</b>
(-) Sales Tax	(15,685)	(9,394)	(6,291)	-67.0%
(-) Cancellations	(7,201)	(2,876)	(4,325)	-150.4%
<b>Net Revenue</b>	<b>109,118</b>	<b>58,048</b>	<b>51,070</b>	<b>88.0%</b>
(-) Costs of Services	(83,866)	(48,526)	(35,340)	-72.8%
<b>Gross Profit</b>	<b>25,252</b>	<b>9,522</b>	<b>15,730</b>	<b>165.2%</b>
<i>Gross Margin</i>	23.1%	16.4%		+6.7 p.p
(-) Personal, General & Administrative expenses	(26,199)	(33,100)	6,901	20.8%
(-) Selling Expenses	(3,052)	(2,550)	(502)	-19.7%
(+/-) Other income (expenses), net	(6,463)	(4,159)	(2,304)	-55.4%
Total Finance Income (costs), net	(8,664)	(7,642)	(1,022)	-13.4%
<b>Profit Before Taxes</b>	<b>(19,126)</b>	<b>(37,929)</b>	<b>18,803</b>	<b>49.6%</b>
(+/-) IRPJ & CSLL	6,657	15,637	(8,980)	-57.4%
<b>Net Profit (Loss)</b>	<b>(12,469)</b>	<b>(22,292)</b>	<b>9,823</b>	<b>44.1%</b>
<i>Net Margin</i>	-11.4%	-38.4%		+27.0 p.p



## Attachment II - Balance Sheet

R\$ thousand	1Q21	4Q21	Δ %
<b>Current Assets</b>			
Cash and cash equivalents	484,450	580,182	-16.5%
Trade receivables	88,388	129,515	-31.8%
Taxes recoverable	20,582	23,031	-10.6%
Advances	15,530	3,505	343.1%
Other	4,606	6,115	-24.7%
<b>Total Current Assets</b>	<b>613,556</b>	<b>742,348</b>	<b>-17.3%</b>
<b>Long-term Assets</b>			
Financial investments	27,436	32,129	-14.6%
Deferred Taxes	70,288	62,800	11.9%
Advances	5,882	10,142	-42.0%
Other	6,183	3,902	58.5%
Property, plant and equipment	179,316	175,348	2.3%
Intangible assets	627,169	598,150	4.9%
Right-of-use assets	3,568	4,297	-17.0%
<b>Total Assets</b>	<b>1,533,398</b>	<b>1,629,116</b>	<b>-5.9%</b>
<b>Current Liabilities</b>			
Trade payables	103,289	104,835	-1.5%
Loans and Financing	135,554	149,986	-9.6%
Labor obligations	24,323	21,826	11.4%
Tax obligations	10,382	24,678	-57.9%
Advances	40,862	38,724	5.5%
Other	13,388	7,027	90.5%
<b>Total Current Liabilities</b>	<b>327,798</b>	<b>347,076</b>	<b>-5.6%</b>
<b>Noncurrent Liabilities</b>			
Loans and Financing	392,143	458,501	-14.5%
Tax obligations	8,238	8,323	-1.0%
Trade payables for acquisition of investments	32,972	35,411	-6.9%
Other	11,137	12,294	-9.4%
<b>Total Noncurrent Liabilities</b>	<b>444,490</b>	<b>514,529</b>	<b>-13.6%</b>
<b>Total Liabilities</b>	<b>772,288</b>	<b>861,605</b>	<b>-10.4%</b>
<b>Equity</b>			
Share capital	218,062	212,801	2.5%
Capital reserve	642,389	641,951	0.1%
Retained earnings (accumulated losses)	(99,679)	(87,241)	-14.3%
<b>Total Equity</b>	<b>760,772</b>	<b>767,511</b>	<b>-0.9%</b>
<b>Total Liabilities and Equity</b>	<b>1,533,060</b>	<b>1,629,116</b>	<b>-5.9%</b>





## Attachment III - Cash Flow

R\$ thousand	1Q21	1Q21	Δ %
<b>Profit (loss) before income tax and social contribution</b>	<b>(19,126)</b>	<b>(37,929)</b>	
<b>Adjustments:</b>			
Interest on borrowings, debentures and leases	18,524	7,741	139.3%
Interest on acquisition of subsidiaries	1,027	-	-
Provision for contingencies	441	304	45.1%
Estimated loss on doubtful receivables	(201)	(1,340)	85.0%
Depreciation and amortization	18,964	17,377	9.1%
Stock Option Plan	438	1,148	-61.8%
Other	4,590	665	590.2%
Provisions	3,911	-	-
<b>Variations in assets and liabilities</b>	<b>19,349</b>	<b>7,092</b>	<b>172.8%</b>
Accounts receivable	41,863	26,505	57.9%
Recoverable taxes	7,501	(2,271)	430.3%
Advances	(12,170)	(454)	-2580.6%
Judicial deposits	143	(150)	195.3%
Other Assets	376	1,315	-71.4%
Suppliers	(1,609)	(11,737)	86.3%
Labor obligations	(1,414)	(1,189)	-18.9%
Taxes payable	(15,807)	1,520	-1139.9%
Advances from clients	297	(2,756)	110.8%
Deferred revenues	1,841	7,744	-76.2%
Related Parties	1,209	-	-
Other liabilities	(2,881)	(11,435)	74.8%
<b>Net cash generated by operating activities</b>	<b>47,917</b>	<b>(4,942)</b>	<b>1069.6%</b>
Income tax and social contribution	(831)	(168)	-394.6%
Interest	(33,073)	(15,022)	-120.2%
<b>Net cash used in operating activities</b>	<b>14,013</b>	<b>(20,132)</b>	<b>169.6%</b>
NoAlvo Acquisition	(32,750)	-	-
Payment for acquisition of subsidiary	(4,500)	(17,358)	74.1%
Restricted financial application	4,693	(144)	3359.0%
Acquisition of property and equipment and intangible assets	(15,824)	(14,043)	-12.7%
<b>Net cash used in investing activities</b>	<b>(48,381)</b>	<b>(31,545)</b>	<b>-53.4%</b>
Loan and financing payments	(66,000)	(1,363)	-4742.3%
Lease liability payment	(774)	(633)	-22.3%
Capital Increase	5,261	45,086	-88.3%
Fundraising from the IPO	-	660,696	-
Expenses with issuance of shares	-	(41,703)	-
Other	149	-	-
<b>Net cash provided by (used in) financing activit</b>	<b>(61,364)</b>	<b>662,083</b>	<b>-109.3%</b>
<b>Net cash increase</b>	<b>(95,732)</b>	<b>610,406</b>	<b>-115.7%</b>
Cash at the beginning of the year	580,182	86,135	573.6%
Cash at the end of the year	484,450	696,541	-30.4%



## Legal warning

Some statements in this document may be statements about future expectations. Such statements are subject to known and unknown risks and uncertainties that may cause such expectations to not materialize or to be substantially different from what was expected. These risks include, among others, changes in the future demand for the Company's products, changes in factors that affect domestic and international prices of products, changes in the cost structure, changes in the seasonality of the markets, changes in prices practiced by competitors, exchange rate variations, changes in the Brazilian political and economic scenario, in the emerging and international markets. The forward-looking statements have not been reviewed by the independent auditors.