



2021 Earnings Release



Results webcast in Portuguese with simultaneous translation into English

08.05.2021 (Thursday)

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São Paulo, August 4, 2021. Sinquia S.A. (B3: SQIA3) ("**Company**"), a provider of technology for the financial system, announces its consolidated results for the second quarter of 2021 ("**2Q21**").

2Q21 Highlights

Innovation strategy

We announced the investment in Celcoin by Torq Ventures, our CVC program;

Consolidation Strategy

We announced the commitment of acquisition of Mercer Brasil's operating management division for closed pension administration.

Capital Structure

We announced a debenture issue of up to R\$250.0 million;

Software ARR

All-time high of R\$272.8 million in 2Q21 **(+81.4% vs. 2Q20)**;

Number of Customers

497 customers at the end of 2Q21 **(+153 vs. 2Q20)**;

Net Revenue

All-time high of R\$87.8 million in 2Q21 **(+77.2% vs. 2Q20)**;

Recurring Revenue

All-time high of R\$82.2 million in 2Q21 **(+88.9% vs. 2Q20)**, 93.6% of the total;

Adjusted EBITDA

All-time high of R\$19.7 million in 2Q21 **(+168.1% vs. 2Q20)**, with a margin of 22.4%.

Disclaimer

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SUMMARY

RETROSPECTIVE	4
MESSAGE FROM MANAGEMENT	6
RECENT EVENTS	8
OPERATIONAL PERFORMANCE	10
Software ARR	10
Number of Customers	10
FINANCIAL PERFORMANCE	11
Net Revenue	11
Recurring Revenues	11
Costs	12
Gross Profit and Gross Margin	12
Software Unit	12
Services Unit	15
Operating Expenses	16
EBITDA and Adjusted EBITDA	18
Financial Result	19
Net Income and Adjusted Cash Profit	19
FINANCIAL POSITION	20
Gross Cash	20
Gross Debt	20
Net Cash	20
CAPITAL MARKET	21
Stock Performance	21
EXHIBIT – FINANCIAL STATEMENTS	23
Exhibit I – Income Statement (Consolidated)	23
Exhibit II – Balance Sheet (Consolidated)	25

RETROSPECTIVE

We are glad to report our 2021 results. We made a lot of progress in our strategic agenda this quarter, as briefly mentioned in the Message from Management and further discussed in Recent Events: the closing of Simply and FEPWeb acquisitions; the partnership with Sensedia; the investment in Celcoin; the commitment of acquisition of Mercer Brasil's operating management division for closed pension administration; the 2nd debenture issue, among others. Before talking about the results, we would like to review some past events.

More than 15 years ago, we saw an opportunity for consolidation in a highly fragmented market and started an acquisition strategy that led us to the top. While no one else saw this huge opportunity, we have already completed three investment cycles, outlined by investments from private equity funds, IPO, and a follow-on.

In September 2019, we raised R\$363 million to finance our acquisition strategy. We intended to use these funds fast, but always respecting our strategic and financial discipline. We intended to conclude the plan in three years, in the meantime, we faced the COVID-19 pandemic and yet were able to deliver it in two years. Since then, we have already made six acquisitions, five direct and indirect investments, and allocated 90% of the funds raised.

In the last two years, Sinquia **grew**. We expanded the customer portfolio by 50%; the number of employees by 40%; the shareholder base by 62%; our shares ADTV by 112%; net revenues by 108%; gross profit by 203%; and EBITDA by 491%. Some of these figures will be even higher with the addition of Mercer Brazil's operating management division for closed pension administration, as mentioned above. We were able to accelerate our organic growth and profitability, and our EBITDA margin overcame the 20%. These are impressive figures that rank us among the fastest-growing technology companies in Brazil. Our shares have appreciated 97%, far above the Ibovespa.

In the last two years, Sinquia **matured**. We expanded our product portfolio for Banks (FX) and Funds (FIDC); we now supply most of the pension institutions in Brazil; we expanded the SaaS offering; we were certified as a great company to work for (GPTW); we joined new B3 indexes; and stepped up in IDC's global ranking.

In the last two years, Sinquia **made progress**. We made two special acquisitions that opened up a new avenue of opportunities: Simply and FEPWeb. They have combined to create Sinquia Digital, a business unit with amazing potential of organic growth, and profitability, contributing to our consolidated numbers exceeding the "Rule of 40".

In the last two years, Sinquia **innovated**. We launched our innovation lab and Torq Ventures, our corporate venture capital ("CVC") program; joined forces with new partners, Distrito, Darwin,

Astella, Parallax, and Sensedia; became a partner in Celcoin, our first direct investment among many to come; we participated in the creation of Pix, and we are becoming a reference in open banking.

A lot has changed, but one thing remained: the feeling that we are just beginning!

We recently announced the second issue of simple debentures of up to R\$250 million, the funds of which will be used to expand market share. We have always planned to leverage the Company before diluting shareholders. We are aware that despite our new fuel, we will not be able to go much further at our current speed and will soon need to refuel.

After 16 years on the road of consolidation and 20 acquisitions, our company is now admired and respected by the industry entrepreneurs (the opposite is also true), many of whom want to join us, and some of them are already shareholders. We strive to build a friendly platform that allows them to go further and faster with Sinqia's support.

The market has reached a moment when consolidation is a path of no return, and our acquisition pipeline has never been so hot. There are many opportunities in the various verticals already supplied by us – Banks, Funds, Pension, and Consortium – as well as in other verticals. There are obvious and others not so obvious opportunities. And we are prepared to maintain our leading role in the consolidation of the market.

For all these reasons, we intend to start our fourth investment cycle soon. The first three made us a leader in the industry, and the next should be even more ambitious and important: we dream to be present in all financial institutions operating in Brazil and to be their main technological partner. The journey is just beginning.

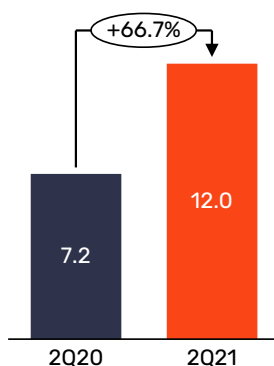
MESSAGE FROM MANAGEMENT

The Annual Recurring Revenue (ARR) from software hit an all-time high of R\$272.8 million in 2021, R\$122.4 million more than in 2020, with a growth of 81.4%. The inorganic increment was R\$104.3 million, derived from the acquisitions of Tree, Fromtis, ISP, Simply, and FEPWeb, while organic growth came to R\$18.1 million, mainly driven by higher sales volume and contracts readjustments. This means an increase of 12.1%, excluding the contribution of the new unit Sinqia Digital, which is growing at expressive rates.

Net revenue hit an all-time high of R\$87.8 million, an addition of R\$38.3 million, and a growth of 77.2% vs. 2020. Inorganic growth was R\$29.5 million, resulting from the same acquisitions, while organic increment was R\$8.7 million, with an evolution both in Software and Services lines. This represents an organic growth of 17.7% vs. 2020, excluding the contribution of the new unit Sinqia Digital.

Speaking of Digital, we would like to demonstrate better its performance: as shown in the chart below, the net revenue from the Digital segment, unaudited in previous periods, increased from R\$7.2 million in 2020 to R\$12.0 million in 2021, significant growth of 66.7%, because (i) its products meet the new requirements of the financial system; (ii) its business strategy is based on the land and expand concept; and (iii) its business model is based on transactional pricing. It is worth noting that such growth still does not reflect the cross-sell with other Company businesses, which is just starting.

Net revenue - Digital (R\$ million)



Recurring revenue hit an all-time high of R\$82.2 million, up 88.9% over 2020. The recurrence percentage reached 93.6%, the highest ever in the Company's history.

Gross profit reached an all-time high of R\$37.5 million, up 123.9% vs. 2020, also with significant increases in Software and Services, and the special contribution of the new unit Sinqia Digital. The gross margin was 42.7%, the highest level in more than three years, growing 8.9p.p.. Due to talent shortage in the technology area, we faced challenges to increase the number of employees

at the speed projected, mainly in R&D, which had a positive impact on gross profit and gross margin performance.

General and administrative expenses totaled R\$19.0 million, up 73.3% over 2Q20, mainly due to the acquisitions. Given that the volume increased at a pace slower than the Company's growth, such expenses accounted for 21.7% of net revenue, a reduction of 0.5p.p..

Consequently, adjusted EBITDA reached an all-time high of R\$19.7 million, up 168.1% vs. 2Q20, with an EBITDA margin of 22.4%, growth of 7.6p.p., finally surpassing the 20.0% projected in the short term. We will establish a new goal in the medium term, with optimization of our organic business, the capture of synergies from the latest acquisitions, and contributions from the next acquisitions, with potentially higher margins.

The total Depreciation and Amortization reached R\$11.6 million, up 108.1% because of the increase from the acquisitions in the period, being half of the volume refers to the amortization of intangible assets; financial result came to a negative R\$2.9 million; and income tax and social contribution totaled R\$0.4 million. Consequently, net income hit an all-time high of R\$4.8 million (8.3x higher), and net margin came to 5.5% (4.3 p.p. higher).

Gross cash totaled R\$154.1 million in 2Q21 and, to reinforce the balance, we announced the Company's second debenture issue in July, of up to R\$250 million, the funds of which will be used to increase market share. Part of these funds have already been allocated to the investments in Celcoin, and the commitment of acquisition of Mercer Brazil's operating management division for closed pension administration; the remained should be soon allocated to the new acquisitions. Net cash came to R\$25.0 million at the end of the quarter.

To take advantage of all the opportunities offered by the market, we plan to capitalize the Company. And we remain focused on our consolidation plan.

RECENT EVENTS

Closing of Simply and FEPWeb acquisitions. In April, we announced the completion of the acquisition of Simply, a specialist in digital onboarding, and FEPWeb, a reference in electronic signature. These companies formed Sinqia Digital, the new unit that has the mission of helping the financial system in digital transformation by (i) providing better customer experience in the consumption of financial services; and (ii) reducing the institution's total cost in the supply of financial services.

Partnership with Sensedia. In May, we entered into a partnership with Sensedia to facilitate the implementation of open banking in Brazil. In this partnership, which includes business and technical cooperation, (i) the Company will contribute with its platforms for Banks, Funds, Pension, and Consortium, used by nearly 500 financial institutions, and (ii) Sensedia will contribute with its renowned API management platform, used by more than 120 customers.

Investment in Celcoin. In July, we announced Torq Ventures' first direct minority investment: Celcoin. The company is a groundbreaker in the concept of open finance in Brazil, assisting more than 170 customers including digital banks, fintechs, loyalty programs, and retailers. The R\$15 million investment was part of a R\$55 million round led by Torq Ventures. The funds will be used to apply for licenses with the Central Bank of Brazil and to expand operations.

Commitment of acquisition of Mercer Brazil's operating management division for closed pension administration. In July, we signed a commitment for the acquisition of Mercer Brazil's operating management division for closed pension administration. The technology-intensive services include customer service, accounting and treasury processing, and risk control, among others. These services are used by more than 50 entities, especially those related to multinational corporations. In the last 12 months ended on December 2020, the company recorded net revenues of R\$32.0 million.

2nd Debenture Issue. In July, we announced the second issue of simple debentures of up to R\$250 million. The funds will be used to expand the Company's market share in software and services provided to the financial sector, through potential acquisitions of equity interest in companies. The debentures will mature in five years and bear interest of 100% of the DI (Interbank Deposit) rate, plus a surcharge of 2.30% p.a.

Accounting Reclassification

In this quarter a few accounting lines were reclassified, aligned with the market practices, as indicated below. Given the immateriality of the changes, we will not resubmit the data already published, but for comparison purposes we present below a table with the adjustments mentioned.

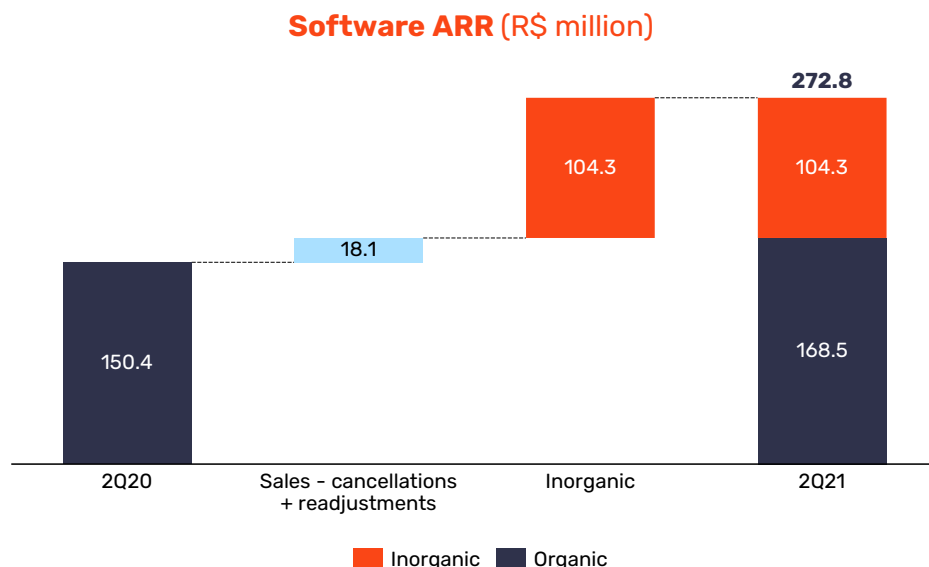
- Reclassification of part of the Depreciation and Amortization line, that were fully accounted in operational expenses, for costs. This reclassification impacted both software and services costs. As a result of this adjustment, on the 2Q21 the D&A represented R\$1.2 million in costs and R\$10.4 million in operating expenses.
- Reclassification of the R&D and Innovation lines, that were accounted in Software costs, to general and administrative expenses. The sum of these two lines on the quarter was R\$2.4 million.

(R\$ '000)	2Q21	2Q20 adjusted	2Q21 x 2Q20	1Q21 adjusted	2Q21 x 1Q21
Cost					
Depreciation and Amortization	1,195	1,526	-21.7%	1,071	11.6%
Expenses					
Depreciation and Amortization	10,430	4,061	156.8%	6,691	55.9%
RD&I	2,361	1,526	54.7%	1,071	120.5%

OPERATIONAL PERFORMANCE

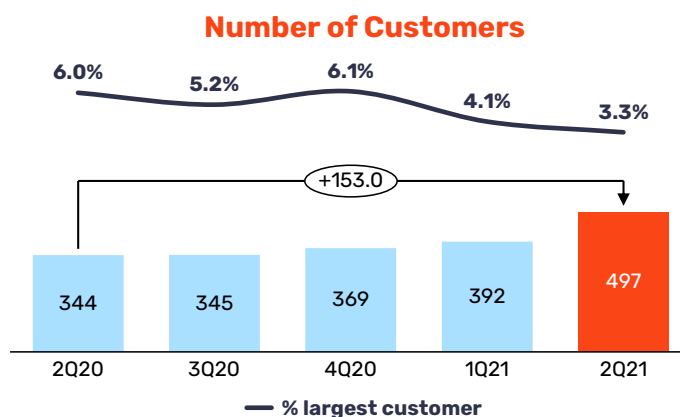
Software ARR¹

In the quarter, it reached an all-time high gross value of R\$272.8 million **(+81.4% vs. 2020)**, compared to the R\$150.4 million recorded in 2Q20, mainly due to the inorganic growth of R\$104.3 million from the acquisitions of Tree, Fromtis, ISP, FEPWeb, and Simply, and organic growth of R\$18.1 million (+12.1% vs. 2Q20).



Number of Customers

The number of customers in the quarter increased to 497 **(+153 vs. 2020)**, due to the addition of new customers from the latest acquisitions and new sales. The largest customer accounted for 3.3% of net revenue (vs. 6.0% in 2Q20), down by 2.7p.p. as a result of portfolio dilution with the entry of new customers and lower revenues in this customer.



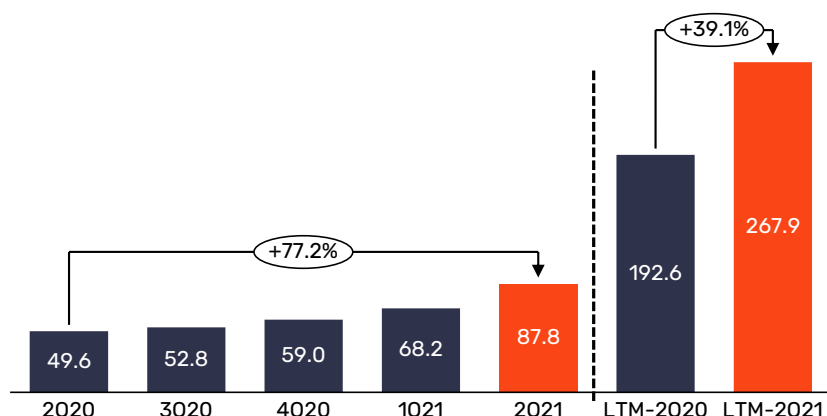
¹ Annualized signed contracts, implemented or not that will generate recurring revenues after the completion of the implementation. The concept of inorganic ARR considers only acquisitions made in the 12 months prior to the current disclosure, i.e. Tree, Fromtis, ISP, FEPWeb, and Simply (acquired in 4Q20 and 1Q21) are considered.

FINANCIAL PERFORMANCE

Net Revenues

All-time high net revenues of R\$87.8 million in 2021 **(+77.2% vs. 2020)**, compared to R\$49.6 million in 2020. Revenue growth was driven by an increase of R\$29.5 million inorganic and R\$8.7 million organic, being R\$5.6 million in Software and R\$3.2 million in Services.

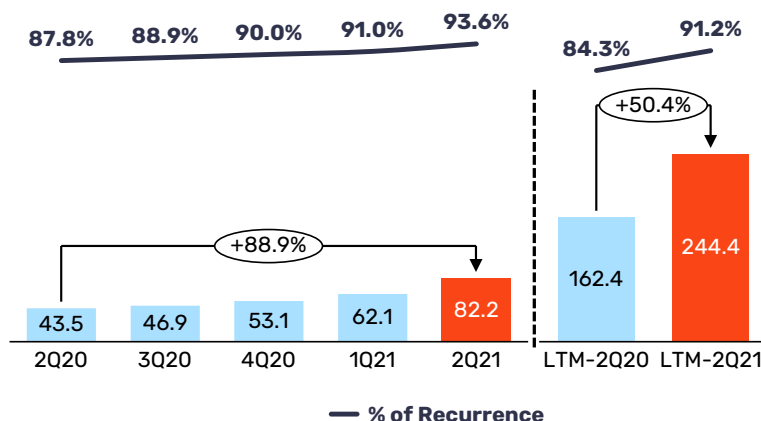
Net Revenue (R\$ million)



Recurring Revenues

All-time high recurring revenues of R\$82.2 million **(+88.9% vs. 2020)**, compared to R\$43.5 million in 2020, accounting for 93.6% of total net revenue (87.8% in 2020), Sinqia's highest level ever, due to the constant effort to achieve an increasingly resilient business model.

Recurring Revenues (R\$ million)



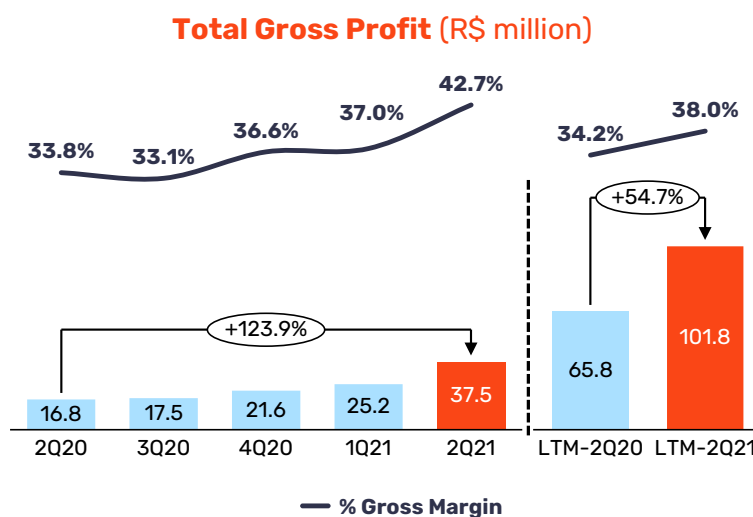
Costs

Costs totaled R\$50.3 million in the quarter **(+53.3% vs. 2020)**, compared to R\$32.8 million in 2020. The increase was mainly due to the inorganic parcel of R\$13.4 million from the acquisitions made in the last 12 months.

As explained above, the portion of the Depreciation and Amortization line, that was accounted in operational expenses, was adjusted under costs and had an impact of R\$1.2 million in the period.

Gross Profit and Gross Margin

Gross profit totaled R\$37.5 million **(+123.9% vs. 2020)**, compared to R\$16.8 million in 2020. The gross margin stood at 42.7% **(+8.9p.p. vs. 2020)**, compared to 33.8% in 2020. The improvements were due to efficiency gains in Software and Services, as detailed below.



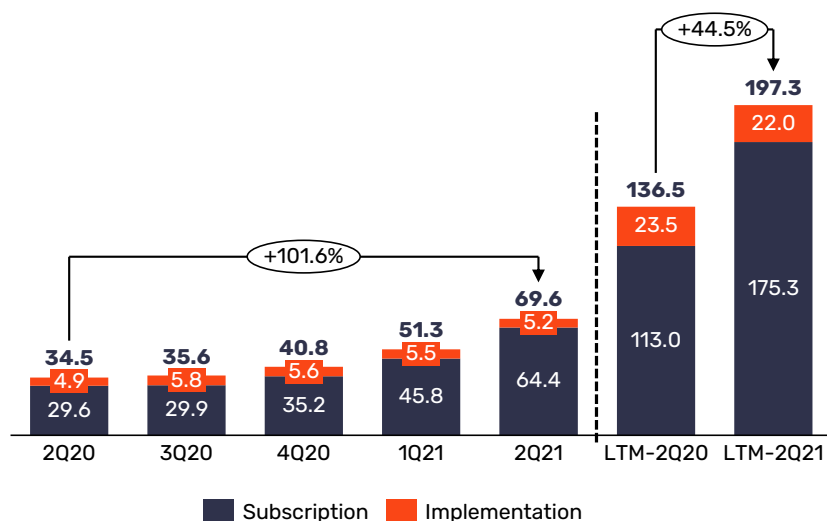
Software Unit

Net Revenues from Software

All-time high net revenues from Software of R\$69.6 million **(+101.6% vs. 2020)**, compared to R\$34.5 million in 2020. Subscription revenues hit an all-time high of R\$64.4 million **(+117.6% vs. 2020)**, compared to R\$29.6 million in 2020. Implementation and Customization revenues totaled R\$5.2 million **(+5.3% vs. 2020)**, compared to R\$4.9 million in 2020. It is worth noting that the performance of the Subscription revenues reflects the improvement in the commercial model in

which new customers start paying for the use of the software upon signing the contract (and no longer upon software installation) and are exempted from Implementation.

Net Revenues from Software (R\$ million)



Organic growth totaled R\$5.5 million, an increase of 16.1% vs. 2Q20, reflecting the conversion of the implementation backlog into revenues and readjustments (by inflation and business volume), especially in Funds **(+46.5% vs. 2Q20)** and Banks **(+22.7% vs. 2Q20)**, due to a more favorable scenario in these verticals, which continue to record the entry of new participants. The R\$29.5 million inorganic growth was due to the acquisitions of Tree, Fromtis, ISP, FEPWeb, and Simply, nonexistent in 2Q20.

Net Revenues from Software (R\$ thousand)

(R\$ '000)	2Q21	2Q20	2Q21 x 2Q20	1Q21	2Q21 x 1Q21	LTM-2Q21	LTM-2Q20	LTM-2Q21 x LTM-2Q20
Net Revenues from Software	69,560	34,502	101.6%	51,260	35.7%	197,282	136,505	44.5%
Banks	23,023	18,759	22.7%	21,656	6.3%	86,069	76,418	12.6%
Funds	6,018	4,107	46.5%	5,387	11.7%	21,557	17,259	24.9%
Pension	9,080	8,691	4.5%	9,094	-0.1%	35,995	32,178	11.9%
Consortium	1,930	2,945	-34.5%	1,741	10.9%	8,305	10,650	-22.0%
Inorganic	29,509	-	n.a	13,382	120.5%	45,357	-	n.a
Digital	11,992	-	n.a	-	n.a	11,992	-	n.a
Others	17,517	-	n.a	13,382	30.9%	33,365	-	n.a

Software Costs

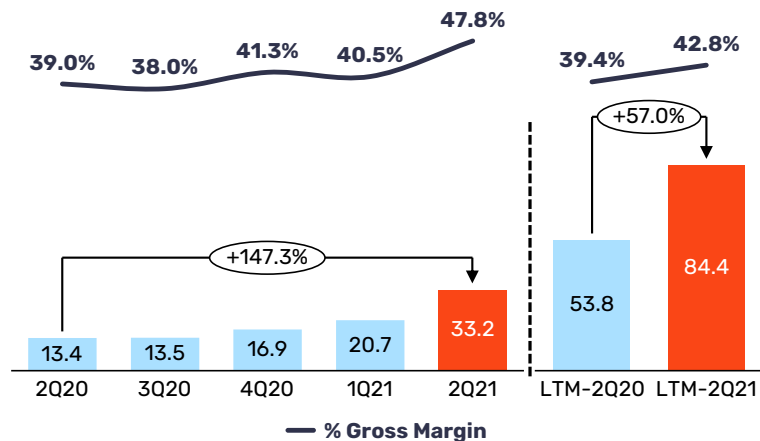
Software costs totaled R\$36.3 million **(+72.4% vs. 2020)**, compared to R\$21.1 million in 2020. Costs grew less than revenues, highlighting efficiency gains. In the quarter, we adjusted the RD&I lines to expenses, which means that the organic growth of R\$1.8 million refers only to operational costs. The inorganic growth of R\$13.4 million was from the acquisition of Tree, Fromtis, ISP, Simply and FEPWeb, nonexistent in the second quarter of the previous year.

The impact of the reclassification of a portion of the Depreciation and Amortization line, mentioned above, was R\$0.5 million in the period.

Gross Profit and Gross Margin from Software

Gross profit from Software hit an all-time high of R\$33.2 million in 2Q21 **(+147.3% vs. 2020)**, compared to R\$13.4 million in 2020, with a Gross Margin of 47.8% **(+8.8 p.p. vs. 2020)**, compared to 39.0% in the same period of the previous year. The best performance of the margin reflects operational improvements, such as the consolidation of Simply and FEPWeb results in the quarter.

Gross Profit from Software (R\$ million)

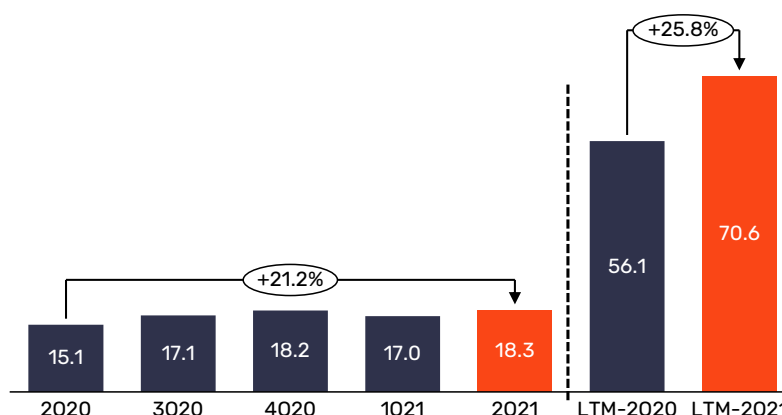


Services Unit

Net Revenues from Services

All-time high net revenues from Services of R\$18.3 million in 2Q21 **(+21.2% vs. 2Q20)**, compared to R\$15.1 million in 2Q20. Recurring Outsourcing revenues totaled R\$17.8 million, accounting for 98% of the total. The unit grew due to the entry of new customers, the increase of managed services in relation to the resources allocated at customers, and the development of customized solutions, resulting from the strong demand for digital transformation in the financial industry.

Net Revenues from Services (R\$ million)



Service Costs

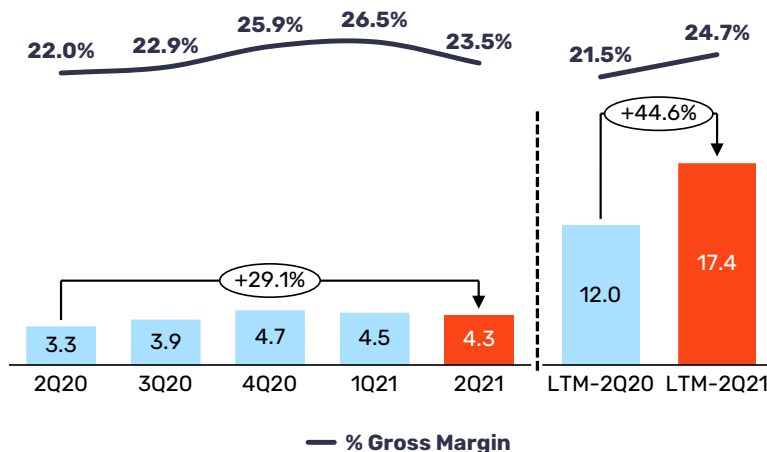
Service costs totaled R\$14.0 million **(+19.0% vs. 2Q20)**, compared to R\$11.7 million in 2Q20, mainly reflecting the hiring of third parties to support the teams. Despite the negative impact of the reclassification of the D&A line, mentioned above, the increase in costs was lower than the revenues, which reflects the efficiency of the managed services model.

Gross Profit and Gross Margin from Services

Gross profit from Services was R\$4.3 million in 2Q21 **(+29.1% vs. 2Q20)**, compared to R\$3.3 million in 2Q20, with a Gross Margin of 23.5% **(+1.4p.p. vs. 2Q20)**, compared to 22.0% in 2Q20. This performance reflects the increase in sales in the period and the major importance of managed services, which have higher added value.

It is worth mentioning that this quarter's gross margin was impacted by the D&A line reclassification. Excluding this effect, the margin would have reached 27.2%.

Gross Profit from Services (R\$ million)



Operating Expenses

Selling, General and Administrative Expenses

SG&A expenses totaled R\$19.0 million in the quarter **(+73.3% vs. 2020)**, compared to R\$11.0 million in 2020, mostly explained by the consolidation of expenses from the acquisitions made in the last 12 months of R\$3.4 million, broken down across several lines that also increased below the revenue growth.

As for organic expenses, the major change was in the Administrative line, in the personnel line, due to higher provisions of bonuses, given the better than expected performance of the Company until now, and due to the bad debt provision accounted in the period.

In addition, given the RD&I lines reclassification from costs to expenses in this quarter, there was an impact of R\$2.4 million. In the table below, we reflected this adjustment also for the previous quarters for the purpose of better comparability.

SG&A Expenses (R\$ thousand)

(R\$ '000)	2021	2020 adjusted	2021 x 2020	1Q21 adjusted	2021 x 1Q21	LTM-2021 adjusted	LTM-2020	LTM-2021 x LTM-2020
SG&A Expenses	19,021	10,979	73.3%	13,899	36.9%	55,324	46,407	19.2%
% of Revenue	21.7%	22.2%	-0.5 p.p.	20.4%	1.3 p.p.	20.7%	24.1%	-3.4 p.p.
Commercial	3,520	2,372	48.4%	3,132	12.4%	12,167	11,559	5.3%
Marketing	470	356	32.1%	575	-18.2%	1,910	2,027	-5.8%
Administrative	5,447	3,209	69.7%	4,083	33.4%	16,778	15,870	5.7%
IT and Facilities	3,597	2,200	63.5%	2,791	28.9%	11,562	11,450	1.0%
M&A	929	1,420	-34.6%	1,795	-48.3%	4,156	2,645	57.1%
RD&I	2,361	1,526	54.7%	1,071	120.5%	6,214	-	n.a
Other expenses	2,698	(104)	n.a	452	496.9%	2,537	588	331.5%

Depreciation and Amortization

Depreciation and amortization totaled R\$10.4 million in 2021 **(+156.8% vs. 2020)**, compared to R\$4.1 million in 2Q20. Depreciation of fixed assets totaled R\$1.8 million **(+28.9% vs. 2020)**, compared to R\$1.7 million in 2Q20, due to the increase in the computers and peripherals, and property lease lines, while the amortization came to R\$8.6 million **(+226.3% vs. 2020)**, compared to R\$2.6 million in 2Q20, due to the addition of intangible assets from the acquisitions made (Tree, Fromtis, ISP, FEPWeb, and Simply), and third-party software right of use.

In the table below we reflected the impact of the D&A adjustment, as mentioned previously, also with the purpose of better comparability.

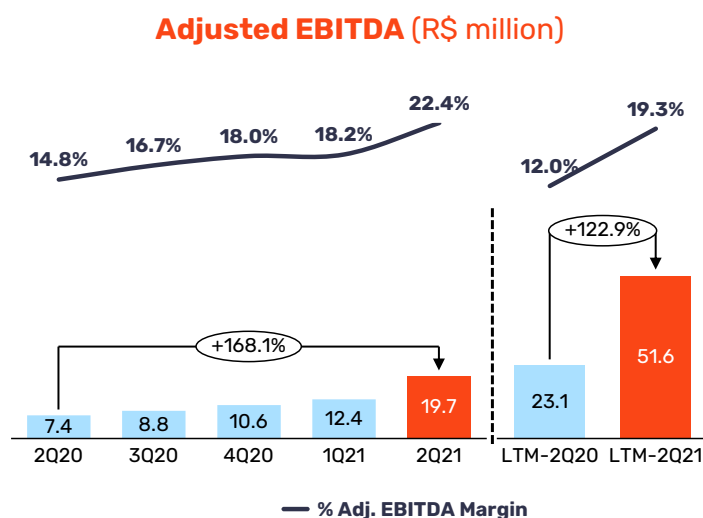
Depreciation and Amortization (R\$ thousand)

(R\$ '000)	2021	2020 adjusted	2021 x 2020	1Q21 adjusted	2021 x 1Q21	LTM-2021 adjusted	LTM-2020	LTM-2021 x LTM-2020
Depreciation and Amortization	10,430	4,061	156.8%	6,691	55.9%	27,237	16,968	60.5%
Depreciation	1,841	1,428	28.9%	1,497	23.0%	6,540	3,108	110.5%
Amortization	8,589	2,633	226.3%	5,194	65.4%	20,697	13,860	49.3%
Acquisitions amortization	5,751	2,066	178.4%	3,259	76.5%	13,749	10,819	27.1%
Other amortizations	2,838	567	400.9%	1,935	46.7%	6,948	3,041	128.4%

At the end of the period, the goodwill balance totaled R\$250.0 million **(+R\$67.6 million vs. 1Q21)**, due to the additions resulting from the acquisitions of Simply and FEPWeb.

EBITDA and Adjusted EBITDA

Adjusted EBITDA hit a new all-time high of R\$19.7 million **(+168.1% vs. 2020)**, compared to R\$7.4 million in 2020, with an all-time high EBITDA margin of 22.4% **(+7.6 p.p. vs. 2020)**, compared to 14.8% in 2020. This performance is explained by the consolidation of the results from Simply and FEPWeb in the quarter, and the gains of scale, mainly due to the capture of synergies from the latest acquisitions, given the diligent control of expenses.



Reconciliation of EBITDA² and Adjusted EBITDA (R\$ thousand)

(R\$ '000)	2Q21	2Q20	2Q21 x 2Q20	1Q21	2Q21 x 1Q21	LTM-2Q21	LTM-2Q20	LTM-2Q21 x LTM-2Q20
EBITDA	19,707	7,308	169.7%	12,422	58.6%	51,550	20,261	154.4%
(+) Extraordinary expenses - earnout	-	-	n.a	-	n.a	-	1,384	n.a
(+) Extraordinary expenses - integration	-	42	n.a	-	n.a	-	1,073	n.a
(+) Extraordinary costs - integration	-	-	n.a	-	n.a	30	423	-92.9%
Adjusted EBITDA	19,707	7,350	168.1%	12,422	58.6%	51,580	23,141	122.9%
Adj. EBITDA Margin	22.4%	14.8%	7.6 p.p.	18.2%	4.2 p.p.	19.3%	12.0%	7.2 p.p.

² EBITDA is a non-accounting measurement prepared by the Company, according to CVM Instruction 527/12, that consists of the net result for the period plus taxes on income, financial result, minority interest, and depreciation and amortization. Adjusted EBITDA corresponds to EBITDA, plus one-off effects from acquisitions and non-recurring events. The "Non-recurring expenses - earn-out" line represents the additional provision for earn-outs; the "Non-recurring expenses - integration" represents one-off termination costs in the corporate areas; and the "Non-recurring costs - integration" represents one-off termination costs in the Software and Services units;

Financial Result

The Company recorded a negative financial result of R\$2.9 million in 2021 (compared to a negative R\$0.4 million in 2020). Financial expenses totaled R\$4.4 million (compared to R\$2.9 million in 2020), mainly due to an increase of liabilities related to the installment's payment of the latest acquisitions. Financial revenues totaled R\$1.5 million (compared to R\$2.5 million in 2020), resulting from cash disbursements related to the cash portion of the acquisitions.

Financial Result (R\$ thousand)

(R\$ '000)	2021	2020	2021 x 2020	1Q21	2021 x 1Q21	LTM-2021	LTM-2020	LTM-2021 x LTM-2020
Financial Result	(2,943)	(415)	609.2%	(2,333)	26.1%	(5,950)	(618)	862.8%
Financial revenues	1,471	2,471	-40.5%	1,379	6.7%	6,454	11,676	-44.7%
Financial expenses	(4,414)	(2,886)	52.9%	(3,712)	18.9%	(12,404)	(12,294)	0.9%

Net Income

Net income totaled R\$4.8 million in 2021 **(+8.3x vs. 2020)**, compared to R\$0.6 million in 2020, reflecting the combination of Company higher revenue level with a diligent expense control.

Excluding the effects highlighted bellow, net income would have reached R\$12.6 million, 3.1x higher than the same period of the previous year.

Adjusted Net Income (R\$ thousand)

(R\$ '000)	2021	2020	2021 x 2020	1Q21	2021 x 1Q21	LTM-2021	LTM-2020	LTM-2021 x LTM-2020
Net income	4,813	580	729.9%	779	518.0%	9,525	2,363	303.2%
(+) Extraordinary effects	-	42	n.a	-	n.a	30	2,880	-99.0%
(+) Intangible Amortization from acquisitions	5,751	2,066	178.4%	3,259	76.5%	13,749	10,819	27.1%
(+) Def. income tax/Social Contr. (goodwill on acquisitions)	2,017	1,436	40.5%	1,496	34.8%	6,299	3,063	105.6%
Adjusted Net Income	12,581	4,124	205.1%	5,534	127.4%	29,603	19,125	54.8%

FINANCIAL POSITION

Gross Cash

Gross cash totaled R\$154.1 million in 2021 **(-R\$79.9 million vs. 1Q21)**, compared to R\$234.0 million in 1Q21, mainly due to cash disbursements related to the cash portion of the acquisitions of Simply and FEPWeb, of R\$33.6 million, and the share buyback, of R\$57.0 million, delivered to the founders of these companies, who became shareholders of Singia. To enable the continuity of our strategic consolidation plan, we announced in July a cash reinforcement through the Company's 2nd debenture issue, of up to R\$250 million.

Gross Debt

Gross debt totaled R\$129.2 million in 2021 **(+R\$1.9 million vs. 1Q21)**, compared to R\$127.3 million in 1Q21, due to higher obligations arising from investment acquisitions, of R\$95.8 million **(+R\$5.0 million vs. 1Q21)**, because of the new obligations related to the installment payments from the acquisition of Simply and FEPWeb, totaling R\$25.7 million, and lower debt balance of our loans, of R\$33.4 million in 2021 **(-R\$3.1 million vs. 1Q21)**.

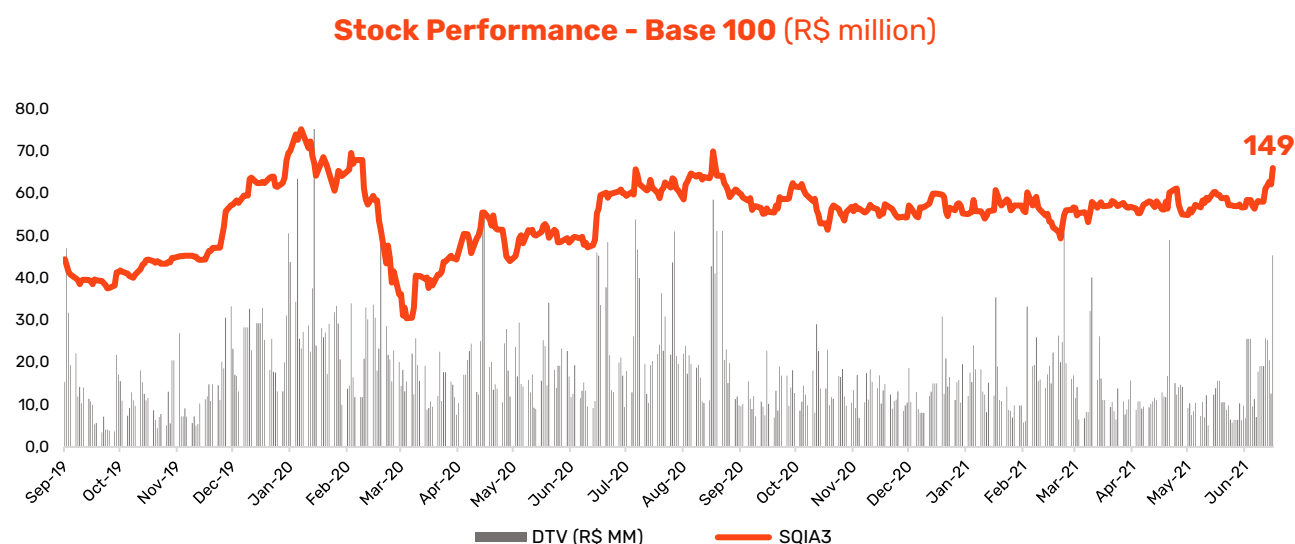
Net Cash

We closed 2021 with net cash of R\$25.0 million **(-R\$81.7 million vs. 1Q21)**, compared to R\$106.7 million in 1Q21.

CAPITAL MARKET

Stock Performance

The Company's shares (NM: SQIA3) closed 2Q21 at R\$24.60 **(+8.5% vs. 1Q21)**, compared to R\$22.68 in 1Q21. The Company's shares appreciated 59.0% from the follow-on (Sep/19) to June 30, 2021.



Market Capitalization

At the end of 2Q21, the Company reached R\$1.7 billion in market capitalization **(+8.5% vs. 1Q21)**, compared to R\$1.6 billion in 1Q21.

Average Daily Trading Volume (ADTV)

Sinqia's average daily trading volume was R\$12.4 million in 2Q21 **(-26.6% vs. 1Q21)**, compared to R\$16.9 million in 1Q21.

Shareholder Base

The shareholder base closed the quarter with 103.100 shareholders **(-8.5% vs. 1Q21)**, compared to R\$112.800 in 1Q21.

Outstanding shares (free float)

We closed the quarter with 83.4% of our shares in free float **(+2.5 p.p. vs. 1Q21)**, compared to 80.9% in 1Q21.

Statement from the Executive Board. According to items V and VI of article 25 of CVM Instruction 480/09, Sinqia S.A.'s Executive Board hereby declares that it has reviewed, discussed, and agreed upon (i) the opinions expressed in the independent auditors' report, and (ii) the Financial Statements for the period ended June 30, 2021.

EXHIBIT – FINANCIAL STATEMENTS
Exhibit I – Income Statement (Consolidated)

(R\$ '000)	2021	2020	2021 x 2020	1Q21	2021 x 1Q21	LTM-2021	LTM-2020	LTM-2021 x LTM-2020
Gross Revenues	98,568	55,824	76.6%	76,789	28.4%	301,144	216,852	38.9%
Software	78,020	38,852	100.8%	57,691	35.2%	221,762	153,699	44.3%
Subscription	71,859	33,314	115.7%	51,424	39.7%	195,465	127,231	53.6%
Implementation	6,161	5,538	11.2%	6,267	-1.7%	26,297	26,468	-0.6%
Services	20,549	16,972	21.1%	19,097	7.6%	79,382	63,153	25.7%
Outsourcing	20,082	15,694	28.0%	18,358	9.4%	77,233	55,541	39.1%
Projects	467	1,278	-63.5%	739	-36.9%	2,149	7,612	-71.8%
Sales taxes	(10,751)	(6,263)	71.7%	(8,549)	25.8%	(33,277)	(24,223)	37.4%
Software	(8,466)	(4,350)	94.6%	(6,431)	31.6%	(24,486)	(17,195)	42.4%
Subscription	(7,466)	(3,719)	100.8%	(5,618)	32.9%	(20,174)	(14,188)	42.2%
Implementation	(1,000)	(631)	58.5%	(813)	23.0%	(4,312)	(3,007)	43.4%
Services	(2,285)	(1,913)	19.4%	(2,118)	7.9%	(8,791)	(7,028)	25.1%
Outsourcing	(2,238)	(1,754)	27.6%	(2,039)	9.8%	(8,144)	(6,148)	32.5%
Projects	(47)	(159)	-70.4%	(80)	-40.8%	(647)	(880)	-26.5%
Net Revenues	87,818	49,561	77.2%	68,239	28.7%	267,867	192,630	39.1%
Software	69,553	34,502	101.6%	51,260	35.7%	197,276	136,505	44.5%
Subscription	64,393	29,595	117.6%	45,806	40.6%	175,292	113,044	55.1%
Implementation	5,161	4,907	5.2%	5,454	-5.4%	21,984	23,461	-6.3%
Services	18,264	15,059	21.3%	16,979	7.6%	70,591	56,125	25.8%
Outsourcing	17,845	13,940	28.0%	16,319	9.3%	69,089	49,393	39.9%
Projects	420	1,119	-62.5%	660	-36.4%	1,502	6,732	-77.7%
Net Revenues	87,818	49,561	77.2%	68,239	28.7%	267,867	192,630	39.1%
Recurring	82,229	43,535	88.9%	62,126	32.4%	244,373	162,437	50.4%
Variable	5,589	6,026	-7.3%	6,114	-8.6%	23,495	30,193	-22.2%
% of Recurrence	93.6%	87.8%	5.8 p.p.	91.0%	2.6 p.p.	91.2%	84.3%	6.9 p.p.
Costs	(50,286)	(32,800)	53.3%	(42,990)	17.0%	(166,045)	(126,829)	30.9%
Software	(36,313)	(21,060)	72.4%	(30,510)	19.0%	(112,870)	(82,743)	36.4%
Services	(13,974)	(11,740)	19.0%	(12,480)	12.0%	(53,174)	(44,086)	20.6%
Outsourcing	(13,688)	(10,957)	24.9%	(11,814)	15.9%	(51,228)	(39,554)	29.5%
Projects	(286)	(783)	-63.5%	(667)	-57.1%	(1,946)	(4,532)	-57.1%
Gross profit	37,531	16,761	123.9%	25,249	48.6%	101,823	65,801	54.7%
Gross margin	42.7%	33.8%	8.9 p.p.	37.0%	5.7 p.p.	38.0%	34.2%	3.9 p.p.
Software	33,248	13,442	147.3%	20,750	60.2%	84,412	53,762	57.0%
Software gross mg.	47.8%	39.0%	8.8 p.p.	40.5%	7.3 p.p.	42.8%	39.4%	3.4 p.p.
Services	4,284	3,319	29.1%	4,500	-4.8%	17,412	12,039	44.6%
Services gross mg.	23.5%	22.0%	1.4 p.p.	26.5%	-3.0 p.p.	24.7%	21.5%	3.2 p.p.
Outsourcing	4,151	2,983	39.1%	4,507	-7.9%	17,856	9,839	81.5%
Outsourcing gross mg.	23.3%	21.4%	1.9 p.p.	27.6%	-4.4 p.p.	25.8%	19.9%	5.9 p.p.
Projects	134	336	-60.3%	(7)	n.a	(444)	2,200	n.a
Projects gross mg.	31.8%	30.0%	0.1 p.p.	-1.0%	32.9 p.p.	-29.6%	32.7%	n.a
Expenses	(29,451)	(15,040)	95.8%	(20,590)	43.0%	(82,561)	(64,759)	27.5%
% of net revenues	33.5%	30.3%	3.2 p.p.	30.2%	3.4 p.p.	30.8%	33.6%	-2.8 p.p.
General/administrative	(19,021)	(10,979)	73.3%	(13,899)	36.9%	(55,324)	(46,407)	19.2%
% of net revenues	21.7%	22.2%	-0.5 p.p.	20.4%	1.3 p.p.	20.7%	24.1%	-3.4 p.p.
Depreciation/amort.	(10,430)	(4,061)	156.8%	(6,691)	55.9%	(27,237)	(16,968)	60.5%
% of net revenues	11.9%	8.2%	3.7 p.p.	9.8%	2.1 p.p.	10.2%	8.8%	0.2 p.p.
EBIT	8,081	1,721	369.6%	4,660	73.4%	19,263	1,042	1749.6%
Financial result	(2,943)	(415)	609.2%	(2,333)	26.1%	(5,950)	(618)	862.8%
Financial income	1,471	2,471	-40.5%	1,379	6.7%	6,454	11,676	-44.7%
Financial expenses	(4,414)	(2,886)	52.9%	(3,712)	18.9%	(12,404)	(12,294)	0.9%
EBT	5,138	1,306	293.4%	2,327	120.8%	13,313	424	3043.6%
Income tax/social contribution	462	(745)	n.a	(1,548)	n.a	(2,969)	1,924	n.a
Current	(5,766)	(731)	688.8%	(2,622)	119.9%	(10,994)	(4,241)	159.2%
Deferred	6,228	(14)	n.a	1,074	479.9%	8,025	6,165	30.2%
Results after IT and SC	5,600	561	898.3%	779	619.1%	10,344	2,348	340.7%
Minority interest	(787)	19	n.a	-	0.0%	(819)	15	n.a
Net income	4,813	580	729.9%	779	518.0%	9,525	2,363	303.2%
Net margin	5.5%	1.2%	4.3 p.p.	1.1%	4.3 p.p.	3.6%	1.2%	1.9 p.p.

EBITDA	19,707	7,308	169.7%	12,422	58.6%	51,550	20,261	154.4%
<i>EBITDA margin</i>	<i>22.4%</i>	<i>14.7%</i>	<i>7.7 p.p.</i>	<i>18.2%</i>	<i>4.2 p.p.</i>	<i>19.2%</i>	<i>10.5%</i>	<i>8.7 p.p.</i>
<i>(+) Extraordinary expenses</i>	-	42	n.a	-	n.a	-	2,457	n.a
<i>(+) Extraordinary costs</i>	-	-	n.a	-	n.a	30	423	-92.9%
Adjusted EBITDA	19,707	7,350	168.1%	12,422	58.6%	51,580	23,141	122.9%
<i>Adj. EBITDA Margin</i>	<i>22.4%</i>	<i>14.8%</i>	<i>7.6 p.p.</i>	<i>18.2%</i>	<i>4.2 p.p.</i>	<i>19.3%</i>	<i>12.0%</i>	<i>7.2 p.p.</i>

Net income	4,813	580	729.9%	779	518.0%	9,525	2,363	303.2%
<i>(+) Extraordinary effects</i>	-	42	n.a	-	n.a	30	2,880	-99.0%
<i>(+) Intangible Amortization from acquisitions</i>	5,751	2,066	178.4%	3,259	76.5%	13,749	10,819	27.1%
<i>(+) Def. income tax/Social Contr. (goodwill on acquisitions)</i>	2,017	1,436	40.5%	1,496	34.8%	6,299	3,063	105.6%
Adjusted Net Income	12,581	4,124	205.1%	5,534	127.4%	29,603	19,125	54.8%

Exhibit II – Balance Sheet (Consolidated)

(R\$ '000)	06.30.2021	03.31.2021	Var.	06.30.2020	Var. YoY
ASSETS	715,959	658,970	8.6%	605,953	18.2%
Current	192,622	264,326	-27.1%	366,837	-47.5%
Cash and cash equivalents	154,149	234,026	-34.1%	336,293	-54.2%
Receivables	28,258	22,473	25.7%	23,259	21.5%
Advanced expenses	1,979	553	257.9%	794	149.2%
Taxes and contributions recoverable	5,142	6,185	-16.9%	5,603	-8.2%
Other receivables	3,094	1,089	184.1%	888	248.4%
Non-current	523,337	394,644	32.6%	239,116	118.9%
Securities	23,966	19,328	24.0%	4,244	464.7%
Taxes and contributions recoverable	6,061	3,012	101.2%	3,330	82.0%
Deposits in court	211	289	-27.0%	321	-34.3%
Deferred income tax and social contrib.	35,337	29,108	21.4%	24,483	44.3%
Other receivables	-	-	-	159	-100.0%
Property and equipment	45,357	47,357	-4.2%	40,703	11.4%
Intangible assets	412,405	295,550	39.5%	165,876	148.6%
LIABILITIES AND EQUITY	715,959	658,970	8.6%	605,953	18.2%
Current	88,981	88,173	0.9%	61,539	44.6%
Loans and financing	12,524	12,500	0.2%	13,542	-7.5%
Leasing	9,271	8,824	5.1%	5,387	72.1%
Trade payables	4,006	5,564	-28.0%	3,055	31.1%
Advances from customers	3,445	5,022	-31.4%	2,140	61.0%
Labor liabilities	31,051	27,529	12.8%	16,718	85.7%
Tax liabilities	4,901	1,385	253.8%	3,374	45.2%
Liabilities arising from invest. acquisition	23,784	24,528	-3.0%	17,323	37.3%
	-	2,821	-100.0%	-	-
Non-current	182,126	170,413	6.9%	111,748	63.0%
Loans and financing	20,875	24,022	-13.1%	32,344	-35.5%
Leasing	31,406	33,617	-6.6%	26,416	18.9%
Tax liabilities	244	1,883	-87.1%	2,717	-91.0%
Provisions for legal proceedings	57,610	44,639	29.1%	37,336	54.3%
Liabilities arising from invest. acquisition	71,991	66,252	8.7%	12,935	456.6%
Equity	444,852	400,384	11.1%	432,666	2.8%
Share capital	413,261	413,261	0.0%	413,261	0.0%
Treasury shares	(1,288)	(37,626)	-96.6%	(1,689)	-23.7%
Shares issue expenses	(23,915)	(23,915)	0.0%	(23,931)	-0.1%
Capital reserve	17,309	15,511	11.6%	15,105	14.6%
Earnings reserve	37,966	33,153	14.5%	29,826	27.3%
Total Equity of controlling shareholders	443,333	400,384	10.7%	432,572	2.5%
Non-controlling interests	1,519	-	-	94	-
Gross debt	129,174	127,302	1.5%	76,144	69.6%
Borrowings	33,399	36,522	-8.6%	45,886	-27.2%
Liabilities arising from invest. acquisition	95,775	90,780	5.5%	30,258	216.5%
Net debt (cash) position	(24,975)	(106,724)	-76.6%	(260,149)	-90.4%
Net debt/Adj. EBITDA LTM	NA	NA		NA	

Sinqia S.A.

Interim Financial Information - ITR for the quarter ended
June 30, 2021
and Independent Auditor's review

TABLE OF CONTENTS

Message from Management	3
Independent Auditor's Report on the Interim Financial Information	4

Financial Information

Statement of financial position	6
Income Statement for the Period	8
Statements of Comprehensive Income	9
Statements of Changes in Shareholders' Equity	10
Statements of Cash Flow	11
Statement of Value Added	13
Notes to the Interim Financial Information	14

MESSAGE FROM MANAGEMENT

Dear Shareholders and other Stakeholders,

In compliance with the provisions of Brazilian Corporate Law, Sinqia S.A., a Brazilian technology provider for the financial sector, hereby submits to the assessment of its shareholders and other stakeholders, the Management's Report and related Financial Statements, followed by the independent auditor's review report, for the period ended June 30, 2021, prepared according to Technical Standard CPC 21 - Interim Financial Statement and international standard IAS 34 – Interim Financial Reporting.

RELATIONSHIP WITH THE INDEPENDENT AUDITOR

The Company's policy when contracting services not related to the external audit from independent auditors is based on principles that safeguard their independence. These principles include internationally accepted standards, i.e.: (a) auditors must not audit their own work; (b) auditors must not perform management roles for their clients; and (c) auditors must not generate conflicts of interest with their clients.

The procedures adopted by the Company, pursuant to article 2, item III of Instruction 381/03 of the Brazilian Securities Commission (CVM) are as follows: The Company and its subsidiaries, as a formal procedure, before hiring professional services other than those related to external accounting audit, consult the independent auditors and the Board of Directors to ensure that the provision of these other services does not affect their independence and objectivity, necessary for the audit services, also obtaining approval from its Board of Directors.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders, Board of Directors and Management of
Singia S.A.

Introduction

We have reviewed the accompanying individual and consolidated interim financial information of Singia S.A. ("Company"), included in the Interim Financial Information Form - ITR, for the six-month period ended June 30, 2021, which comprises the balance sheet as at June 30, 2021 and the related statements of income and of comprehensive income for the three and six-month periods then ended, and of changes in equity and of cash flows for the six-month period then ended, including the explanatory notes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with technical pronouncement CPC 21 and international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, as well as for the presentation of such information in accordance with the standards issued by the Brazilian Securities and Exchange Commission - CVM, applicable to the preparation of Interim Financial Information - ITR. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Review of Interim Financial Information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the standards on auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and consolidated interim financial information

Based on our review, we are not aware of any fact that causes us to believe that the accompanying individual and consolidated interim financial information included in the interim financial information referred to above was not prepared, in all material respects, in accordance with technical pronouncement CPC 21 and international standard IAS 34, applicable to the preparation of the Interim Financial Information - ITR, and presented in accordance with the standards issued by CVM.

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Other matters

Statements of value added

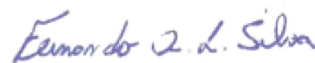
The aforementioned interim financial information includes the individual and consolidated statements of value added - DVA for the six-month period ended June 30, 2021, prepared under the responsibility of the Company's Management and presented as supplementary information for the purposes of international standard IAS 34. These statements have been subject to review procedures performed in conjunction with the review of the Interim Financial Information - ITR to determine whether they are reconciled with the interim financial information and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in technical pronouncement CPC 09 - Statement of Value Added. Based on our review, we are not aware of any fact that causes us to believe that these statements of value added were not prepared, in all material respects, in accordance with the criteria set out in technical pronouncement CPC 09 and consistently with respect to the individual and consolidated interim financial information taken as a whole.

The accompanying individual and consolidated interim financial information has been translated into English for the convenience of readers outside Brazil.

São Paulo, August 4, 2021



DELOITTE TOUCHE TOHMATSU
Auditores Independentes



Fernando Augusto Lopes Silva
Engagement Partner

SINQIA S.A.
STATEMENT OF FINANCIAL POSITION AS OF JUNE 30, 2021 AND DECEMBER 31, 2020
(In thousands of Reais, unless stated otherwise)

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
ASSETS				
Current				
Cash and cash equivalents (Note 6)	117.378	296.828	154.149	321.063
Receivables (Note 7)	6.939	7.673	28.258	17.427
Prepaid expenses	400	504	1.979	673
Recoverable taxes and contributions (Note 8)	2.395	2.622	5.142	4.354
Other receivables	199	273	3.094	641
Total current assets	127.311	307.900	192.622	344.158
Non-current				
Accounts receivable from related parties (Note 9)	13.292	4.853	-	-
Recoverable taxes and contributions (Note 8)	3.231	1.847	6.061	1.884
Securities (Note 6)	10.922	5.319	23.966	5.319
Court deposits (Note 16)	17	162	211	239
Deferred income tax and social contribution (Note 22)	26.584	21.049	35.337	25.205
Investments (Note 5)	308.326	152.694	-	-
Property and equipment (Note 10)	19.265	16.559	45.357	38.138
Intangible assets (Note 11)	113.868	34.288	412.405	222.710
Total non-current Assets	495.505	236.771	523.337	293.495
Total assets	622.816	544.671	715.959	637.653

The management's notes are an integral part of the financial information.

SINQIA S.A.
STATEMENT OF FINANCIAL POSITION AS OF JUNE 30, 2021 AND DECEMBER 31, 2020
(In thousands of Reais, unless otherwise stated)

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
LIABILITIES				
Current				
Loans and financing (Note 12)	12.524	12.506	12.524	12.506
Lease (Note 24)	6.372	5.176	9.271	7.807
Trade payables	3.015	1.066	4.006	2.437
Advances from customers	2.017	4.031	3.444	8.255
Labor liabilities (Note 13)	15.478	12.729	31.051	20.735
Earnings to be distributed	-	1.385	-	1.385
Tax liabilities (Note 14)	829	771	4.901	2.298
Payables with related parties (Note 9)	4.742	3.117	-	-
Liabilities from Investment Acquisition (Note 15)	11.221	6.094	23.784	15.549
Total current liabilities	56.198	46.875	88.981	70.972
Non-current				
Loans and financing (Note 12)	20.875	27.139	20.875	27.139
Lease (Note 24)	10.170	13.040	31.406	30.993
Payables with related parties (Note 9)	7.769	3.206	-	-
Tax liabilities (Note 14)	244	1.988	244	2.407
Provisions for lawsuits (Note 16)	30.680	16.895	57.610	42.402
Liabilities from investment acquisition (Note 15)	53.547	-	71.991	28.212
Total non-current liabilities	123.285	62.268	182.126	131.153
Shareholders' equity (Note 17)				
Share capital	413.261	413.261	413.261	413.261
Treasury shares	(1.288)	(1.689)	(1.288)	(1.689)
Costs to issue shares	(23.915)	(23.915)	(23.915)	(23.915)
Capital reserves	17.309	15.497	17.309	15.497
Profit reserves	37.966	32.374	37.966	32.374
Total Shareholders' equity from controlling shareholders	443.333	435.528	443.333	435.528
Non-controlling interest	-	-	1.519	-
Total shareholders' equity	443.333	435.528	444.852	435.528
Total liabilities	622.816	544.671	715.959	637.653

The management's notes are an integral part of the financial information.

SINQIA S.A. AND SUBSIDIARIES.
June 30, 2021
(In thousands of Reais, unless otherwise stated)

SINQIA S.A.
STATEMENTS OF INCOME FOR THE THREE AND SIX-MONTH PERIODS ENDED ON JUNE 30, 2021 AND 2020
(In thousands of Reais, unless otherwise stated)

	Parent Company				Consolidated			
	1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020	4/1/2021 to 6/30/2021	4/1/2020 to 6/30/2020	1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020	4/1/2021 to 6/30/2021	4/1/2020 to 6/30/2020
Net Operating Revenue (Note 18)	51.155	48.532	26.401	25.428	156.058	98.183	87.818	49.561
Cost of Services (Note 19)	(39.537)	(38.652)	(19.785)	(18.762)	(93.276)	(65.662)	(50.286)	(32.800)
Gross Profit	11.618	9.880	6.616	6.666	62.782	32.521	37.532	16.761
General, administrative and selling (Note 20)	(32.101)	(24.445)	(18.576)	(12.480)	(50.041)	(32.087)	(29.451)	(15.040)
Equity Results (Note 5)	22.779	9.625	15.499	4.407	-	-	-	-
Operating result before financial result	2.296	(4.940)	3.539	(1.407)	12.741	434	8.081	1.721
Net Financial Result (Note 21)	(2.239)	2.028	(1.469)	274	(5.276)	518	(2.943)	(415)
Income (Loss) before Income Tax and Social Contribution	57	(2.912)	2.070	(1.133)	7.465	952	5.138	1.306
Income Tax and Social Contribution (Note 22)	-	-	-	-	(8.388)	(1.841)	(5.766)	(731)
Deferred Income Tax and Social Contribution (Note 22)	5.535	3.935	2.743	1.713	7.302	1.880	6.228	(14)
Income (Loss) after Income Tax and Social Contribution	5.592	1.023	4.813	580	6.379	991	5.600	561
Non-Controlling Interest	-	-	-	-	(787)	32	(787)	19
Net Income (Loss) for the Period	5.592	1.023	4.813	580	5.592	1.023	4.813	580
Basic Earnings (Loss) per Share - in Reais (Note 23)	0,080	0,015	0,069	0,009	0,080	0,015	0,069	0,009
Diluted Earnings (Loss) per Share - in Reais (Note 23)	0,080	0,014	0,069	0,008	0,080	0,014	0,069	0,008

The management's notes are an integral part of the financial information.

SINQIA S.A. AND SUBSIDIARIES.
June 30, 2021
(In thousands of Reais, unless otherwise stated)

SINQIA S.A.
STATEMENTS OF COMPREHENSIVE INCOME FOR THE THREE AND SIX-MONTH PERIODS ENDED ON JUNE 30, 2021 AND 2020
(In thousands of Reais, unless otherwise stated)

	Parent Company				Consolidated			
	1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020	4/1/2021 to 6/30/2021	4/1/2020 to 6/30/2020	1/1/2021 to 6/30/2021	1/1/2020 to 6/30/2020	4/1/2021 to 6/30/2021	4/1/2020 to 6/30/2020
Net Income (Loss) for the Period	5.592	1.023	4.813	580	5.592	1.023	4.813	580
Items that will be subsequently reclassified to the result	-	-	-	-	-	-	-	-
Items that will not be subsequently reclassified to the result	-	-	-	-	-	-	-	-
Total Comprehensive Result for the Period	5.592	1.023	4.813	580	5.592	1.023	4.813	580

The management's notes are an integral part of the financial information.

SINQIA S.A. AND SUBSIDIARIES.
June 30, 2021
(In thousands of Reais, unless otherwise stated)

SINQIA S.A.
STATEMENTS OF CHANGES IN THE SHAREHOLDERS' EQUITY
(In thousands of Reais, unless otherwise stated)

	Share Capital	Capital Reserve	Treasury Shares	Costs to Issue Shares	Profit Reserves		Shareholders' equity	Non-Controlling Interest	Consolidated Shareholders' Equity
					Reserve Legal	Profit Retained			
Balances on December 31, 2019	413.261	13.186	-	(23.789)	2.285	26.518	431.461	142	431.603
Net Income for the Period	-	-	-	-	-	1.023	1023	(32)	991
Capital Decrease	-	-	-	-	-	-	-	(16)	(16)
Share-Based Compensation (Note 17)	-	(103)	-	-	-	-	(103)	-	(103)
Cost to Issue Shares	-	-	-	(142)	-	-	(142)	-	(142)
Purchase of Treasury Shares (Note 17)	-	-	(8.355)	-	-	-	(8.355)	-	(8.355)
Sale of Treasury Shares (Note 17)	-	2.022	6.666	-	-	-	8.688	-	8.688
Balance on June 30, 2020	413.261	15.105	(1.689)	(23.931)	2.285	27.541	432.572	94	432.666

	Share Capital	Capital Reserve	Treasury Shares	Costs to Issue Shares	Profit Reserves		Shareholders' equity	Non-Controlling Interest	Consolidated Shareholders' Equity
					Reserve Legal	Profit Retained			
Balances on December 31, 2020	413.261	15.497	(1.689)	(23.915)	2.533	29.841	435.528	-	435.528
Net Income for the Period	-	-	-	-	-	5.592	5.592	787	6.379
Non-Controlling interest	-	-	-	-	-	-	-	732	732
Share-Based Compensation (Note 17)	-	349	-	-	-	-	349	-	349
Alienation of Treasury Shares (Note 17)	-	1.463	36.338	-	-	-	37.801	-	37.801
Purchase of Treasury Shares (Note 17)	-	-	(35.937)	-	-	-	(35.937)	-	(35.937)
Balance on June 30, 2021	413.261	17.309	(1.288)	(23.915)	2.533	35.433	443.333	1.519	444.852

The management's notes are an integral part of the financial information.

SINQIA S.A.
STATEMENTS OF CASH FLOWS FOR THE SIX-MONTH PERIODS ENDED ON JUNE 30, 2021
AND 2020
(In thousands of Reais, unless otherwise stated)

	Parent Company		Consolidated	
	June 30, 2021	June 30, 2021	June 30, 2021	June 30, 2021
CASH FLOW FROM OPERATIONAL ACTIVITIES				
Net income for the period	5.592	1.023	5.592	1.023
Adjustments for:				
Equity income	(22.779)	(9.625)	-	-
Share-Based Compensation Plan	349	(103)	349	(103)
Depreciation and amortization	11.372	6.438	19.386	10.183
Provision (reversal of provision) for lawsuits	(672)	825	(2.952)	(245)
Allowance for estimated losses on doubtful accounts	1.018	-	1.645	-
Provision for Bonuses and Profit Sharing	2.728	-	4.025	-
Result on the write-off/sale of fixed assets	3	14	(8)	163
Interest and AVP incurred	4.273	3.614	7.174	5.018
Current and deferred income tax and social contribution	(5.535)	(3.936)	1.086	(39)
Changes in operating assets and liabilities accounts				
Receivables	(284)	(1.585)	(6.946)	(1.631)
Court deposits	145	26	28	(12)
Taxes and Contributions to Recover	(1.157)	(3.153)	(3.028)	(4.576)
Other Receivables	(2.982)	(380)	(1.917)	(119)
Suppliers and Service Providers	1.949	1.165	1.234	1.171
Labor Liabilities	370	1.560	1.856	2.482
Tax Liabilities	(3.071)	2.542	(1.192)	657
Lawsuits Paid	(984)	(318)	(869)	(375)
Related parties	(2.253)	18	-	-
Advances from customers	(2.005)	(925)	(5.418)	(2.495)
CASH FROM (USED IN) OPERATIONS	(13.923)	(2.800)	20.045	11.102
Paid Income Tax and Social Contribution	-	-	(8.388)	(1.841)
Interest Paid	(4.973)	(2.472)	(6.664)	(4.033)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(18.896)	(5.272)	4.993	5.228
CASH FLOW FROM INVESTMENT ACTIVITIES				
Acquisition of Property and Equipment and Intangible Assets	(7.263)	(5.318)	(7.559)	(5.891)
Company acquisition, net of cash	(86.766)	-	(86.766)	-
Payment of liabilities from investment acquisition	(3.227)	(4.047)	(9.603)	(10.268)
Capital increase in controlled entities	(11.884)	-	-	-
Investment in securities	(5.601)	-	(18.647)	448
NET CASH USED IN INVESTMENT ACTIVITIES	(114.741)	(9.365)	(122.575)	(15.711)
CASH FLOW FROM FINANCING ACTIVITIES				

SINQIA S.A. AND SUBSIDIARIES.
June 30, 2021
(In thousands of Reais, unless otherwise stated)

Amortization of Loans and Financings	(5.137)	(18.061)	(5.137)	(18.400)
Lease payment	(3.354)	-	(6.873)	-
Acquisition of Treasury Shares	(35.937)	(8.355)	(35.937)	(8.355)
Sales of Treasury Shares	-	8.688	-	8.688
Payment of interest on own equity	(1.385)	-	(1.385)	-
Cost to issue shares	-	(142)	-	(142)
NET CASH USED IN FINANCING ACTIVITIES	(45.813)	(17.870)	(49.332)	(18.209)
DECREASE IN CASH AND CASH EQUIVALENTS	(179.450)	(32.507)	(166.914)	(28.692)
Cash and Cash Equivalents at the Start of the Period	296.828	352.703	321.063	364.985
Cash and Cash Equivalents at the End of the Period	117.378	320.196	154.149	336.293
DECREASE IN CASH AND CASH EQUIVALENTS	(179.450)	(32.507)	(166.914)	(28.692)

The management's notes are an integral part of the financial information.

SINQIA S.A.
STATEMENTS OF VALUE ADDED FOR THE SIX-MONTH PERIODS ENDED ON JUNE 30, 2021
AND 2020
(In thousands of Reais, unless otherwise stated)

	Parent Company		Consolidated	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
1 - REVENUES	56.457	54.526	173.712	110.572
1.1 - Sales of products and services	57.475	54.526	175.357	110.572
1.2 - Estimated Loss on Receivables from Doubtful Accounts - Reversal (Constitution)	(1.018)	-	(1.645)	-
2 - INPUTS ACQUIRED FROM THIRD PARTIES (ICMS, IPI, PIS and COFINS)	(9.122)	(10.081)	(21.615)	(13.197)
2.1 - Costs of products and services sold	(5.043)	(4.014)	(12.641)	(5.659)
2.2 - Materials, Energy, Third-Party Services, and Others	(4.079)	(6.067)	(8.974)	(7.538)
3 - GROSS VALUE ADDED (1-2)	47.335	44.445	152.097	97.375
4 - DEPRECIATION AND AMORTIZATION	(11.372)	(6.438)	(19.386)	(10.183)
5 - NET VALUE ADDED PRODUCED BY THE ENTITY (3-4)	35.963	38.007	132.711	87.192
6 - VALUE ADDED RECEIVED IN TRANSFER	25.190	15.532	2.850	6.124
6.1 - Equity Results	22.779	9.625	-	-
6.2 - Financial Revenues	2.411	5.907	2.850	6.124
7 - TOTAL VALUE ADDED TO DISTRIBUTE (5+6)	61.153	53.539	135.561	93.316
8 - DISTRIBUTION OF VALUE ADDED	61.153	53.539	135.561	93.316
8.1 - Personnel	49.630	47.004	99.378	75.084
8.1.1 - Direct compensation	40.363	37.150	81.720	64.063
8.1.2 - Benefits	6.671	7.347	12.364	11.021
8.1.3 - FGTS	2.596	2.507	5.294	
8.2 - Taxes, fees and contributions	970	2.056	20.603	12.349
8.2.1 - Federal	(615)	527	15.131	9.012
8.2.2 - Municipal	1.585	1.529	5.472	3.337
8.3 - Third-party capital compensation	4.961	3.456	9.201	4.860
8.3.1 - Interest	3.628	2.351	5.998	3.665
8.3.2 - Rents	1.333	1.105	3.203	1.195
8.4 - Shareholders' Equity Compensation	5.592	1.023	6.379	1.023
8.4.1 - Net Income (Loss) for the Period	5.592	1.023	5.592	991
8.4.2 - Non-controlling interest in retained earnings	-	-	787	32

The management's notes are an integral part of the financial information.

NOTES TO THE QUARTERLY INFORMATION ON JUNE 30, 2021

Section A - General Information

1.1 Operational Context

Sinqia S.A. ("Company") is a publicly-held company headquartered at Rua Bela Cintra, 755 - 7º andar, in the city of São Paulo, state of São Paulo, and its shares are traded on the Novo Mercado of B3 – Brasil, Bolsa, Balcão.

The Company was incorporated in 1996, with the main purpose of supplying IT technology products and services for the financial market.

On July 11, 2017, the Company was approved by B3 to migrate from Bovespa Mais to Novo Mercado, a special listing segment with the highest standards of corporate governance.

The Company is the Parent Company of Dendron Tecnologia S.A., Homie do Brasil Informática Ltda., Senior Solution Serviços em Informática Ltda., Senior Solution Consultoria em Informática Ltda., Sinqia Administração de Previdência, Simply Sistemas S.A. and Torq Inovação Digital Ltda., companies with purpose to work in a complementary manner to the Company's activities.

This interim financial information was approved to be issued and authorized for disclosure by the Board of Directors, on August 4, 2021.

1.2 Preparation Base

The Company's interim financial information, including the parent company and consolidated interim financial information, identified as "parent company" and "consolidated", was prepared and presented according to CPC 21 (R1) - Interim Financial Statements, issued by the Accounting Pronouncements Committee ("CPC") and approved by the Brazilian Securities and Exchange Commission ("CVM"), and according to the international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board ("IASB") and showing all relevant information due to the financial statements, and only them, which are consistent with those used by management.

There were no changes in the main accounting policies compared to those described in Note 28 to the Financial Statements for the fiscal year ended December 31, 2020.

The financial statements were prepared using historical cost as the base of value, except for the valuation of certain assets and liabilities such as those arising from financial instruments, which are measured at fair value.

The preparation of quarterly financial information requires the use of certain critical accounting estimates and also the judgment by the Company's management to adopt its accounting policies. Those areas that require a higher degree of judgment and are more complex, as well as areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

The presentation of the parent company and consolidated Value Added Statement is required by the Brazilian Corporate Law and Brazilian accounting practices applicable to publicly held companies. The DVA was prepared within the criteria defined in the Accounting Pronouncement CPC 09 - "Statement of Value Added". IAS 34 - Interim Financial Reporting does not require the presentation of this statement. Therefore, under IFRS, this statement is presented as an additional information, without prejudice to the accounting information.

1.3 Consolidation

The Company consolidates all entities under its control, i.e., when the Company is exposed or has rights to variable returns from its involvement with the investee and has the power to direct relevant activities of the investee.

The subsidiaries included in the consolidation are described in Note 5.

Section B - Risks

2 Critical Accounting Estimates and Judgments

Accounting estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events, considered reasonable under the circumstances.

2.1 Critical Accounting Estimates and Assumptions

There was no change in critical accounting estimates and assumptions compared to those described in Note 28 to the financial statements of December 31, 2020.

2.2 Critical Judgments in the Adoption of Accounting Policies

There was no change in critical judgments in the adoption of accounting policies compared to those described in Note 28 to the financial statements of December 31, 2020.

2.3 New Standards, Changes and Interpretations of Accounting Pronouncements that are Mandatory as of January 1, 2021

When preparing this accounting information, the Company's management considered, when applicable, new revisions and interpretations to IFRS and the following technical pronouncements, issued by IASB and CPC, respectively, which are mandatory to come into effect for accounting periods as of January 1, 2021.

There were no new rules applicable to the Company in the period.

2.4 Impacts of COVID-19

Regarding the new coronavirus ("COVID-19"), we adopted the measures disclosed in the Notice to the Market of March 19, 2020, as well as withheld all commitments undertaken with our customers, and we remain ready to support them to face this scenario.

Regarding the effects on Sinqia in the first half, we noticed: (i) irrelevant effects on revenue, costs, gross profit and expenses, (ii) irrelevant effects on receivables, and (iii) increased investment to acquire laptops for the remote work of employees.

Finally, we remained in a comfortable financial position, with gross cash of R\$154,149 million at the end of the semester.

3 Financial Risk Management

3.1 Financial Risk Factors

There was no change in financial risk factors and risk management policy regarding the information in

the Financial Statements presented on December 31, 2020, issued on March 10, 2021.

3.2 Capital Management

The purpose of the Company's capital management is to ensure that a strong credit rating is held with the institutions and an optimal capital ratio to support the Company's business and maximize shareholder value.

The Company controls its capital structure by making adjustments and adjusting to current economic conditions. To keep this structure, the Company may pay dividends, return capital to shareholders, capital increase, raise new loans, issue promissory notes, and contract derivative transactions.

3.3 Fair Value Estimated

There were no changes in the criteria or methods to measure the fair value of assets and liabilities, as well as to classify their financial instruments related to those disclosed in the financial statements for December 31, 2020.

3.4 Financial Instruments Offset

Financial assets and liabilities are offset (with the same counter-party) and the net amount is reported in the balance sheet when there is a legal right to offset the recognized amounts and there is an intention to settle them on a net basis or realize the asset and settle the liability simultaneously.

Section C - Information by Segment

4 Presentation of Information by Segments

The Company's businesses have the purpose to supply products and services of information technology, besides related consulting services intended to assist the financial market. Although the products are destined for many segments of financial institutions, they are not controlled and managed by the Management as independent segments, since the Company's results are monitored and assessed in an integrated manner.

SINQIA S.A. AND SUBSIDIARIES.
June 30, 2021
(In thousands of Reais, unless otherwise stated)

Section D - Group Structure

5 Investments

(a) Investment Transactions

	Senior Solution Serviços em Informática Ltda.	Senior Solution Consultoria em Informática Ltda.	Controlpart Consultoria e Participações Ltda.	Consult Brasil Ltda.	Intellectual Capital Ltda.	att/PS Informática Ltda.	Torq Inovação Digital Ltda.	Sinqia Administração de Previdência Ltda.	Dendron Tecnologia S.A.	Homie do Brasil Informática Ltda.	Simply Sistemas S.A.	Total
Balance on December 31, 2019	3.027	63.929	6.055	(1.824)	3.454	40.003	1.284	-	-	-	-	115.928
Capital Increase	-	-	-	-	-	-	(150)	-	-	-	-	(150)
Equity Income (Loss)	3.921	5.994	-	-	-	-	(290)	-	-	-	-	9.625
Corporate Reorganization	-	-	(3.331)	4.383	-	-	-	-	-	-	-	1.052
Balance on June 30, 2020	6.948	69.923	2.724	2.559	3.454	40.003	844	-	-	-	-	126.455
Balance on December 31, 2020	14.017	89.080	2.724	2.559	3.454	40.003	857	-	-	-	-	152.694
Capital Increase	-	8.000	-	-	-	-	3.883	-	-	-	-	11.883
Company acquisition (ii)	-	-	-	-	-	-	-	53.722	25.330	12.105	29.813	120.970
Equity Income (Loss)	6.445	2.680	-	-	-	-	(168)	9.088	424	1.180	3.130	22.779
Balance on June 30, 2021	20.462	99.760	2.724	2.559	3.454	40.003	4.572	62.810	25.754	13.285	32.943	308.326

(i) In January 1, 2020 Consult Brasil. Ltda. and Controlpart Consultoria e Participações Ltda. were incorporated by Sinqia S.A (parent company).

(ii) This amount refers to the acquisition of (1) Itaú Administração Previdenciária Ltda, (2) Dendron Tecnologia S.A., (3) Homie do Brasil Informática Ltda. and Simply Sistemas S.A., as detailed in Note 26. After the acquisition, the name of Itaú Administração Previdenciária Ltda was changed to Sinqia Administração de Previdência Ltda.

SINQIA S.A. AND SUBSIDIARIES.
June 30, 2021
(In thousands of Reais, unless otherwise stated)
(b) Information on Subsidiaries

Investment direct	Shareholders' equity	Interest (%)	Goodwill on acquisitions - Goodwill	Result for the fiscal year	Total investment		Equity result	
					June 30, 2021	December 31, 2020	June 30, 2021	June 30, 2020
Senior Solution Serviços em Informática Ltda.	20.462	100%	-	6.445	20.462	14.017	6.445	3.921
Senior Solution Consultoria em Informática Ltda.	99.760	100%	-	2.680	99.760	89.080	2.680	5.994
Controlpart Consultoria e Participações Ltda.	N/A	N/A	2.724	-	2.724	2.724	-	-
Consult Brasil. Ltda.	N/A	N/A	2.559	-	2.559	2.559	-	-
Intellectual Capital Ltda.	N/A	N/A	3.454	-	3.454	3.454	-	-
att/PS Informática Ltda.	N/A	N/A	40.003	-	40.003	40.003	-	-
Torq Inovação Digital Ltda.	4.572	100%	-	(169)	4.572	857	(169)	(290)
Dendron Tecnologia S.A.	(76)	100%	25.831	424	25.754	-	424	-
Homie do Brasil Informática Ltda.	3.799	60%	11.006	1.966	13.285	-	1.180	-
Simply Sistemas S.A.	2.218	100%	30.725	3.130	32.943	-	3.130	-
Sinqia Administração de Previdência Ltda.	15.263	100%	47.546	9.088	62.810	-	9.089	-
					308.326	152.694	22.779	9.625

Section E – Selected Significant Notes

6 CASH AND CASH EQUIVALENTS

a) Cash and cash equivalents

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Banks	83	71	2.381	998
Financial investments (i)	117.295	296.757	151.768	320.065
	117.378	296.828	154.149	321.063

- (i) They are comprised of investments in Bank Deposit Certificates (CDB) and repurchase agreements, with equivalent average interest rates ranging from 95.10% to 112.57% (91.01% to 104.18% at December 31, 2020) of the Interbank Deposit Certificate (CDI).

b) Securities

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Collateral amounts (ii)	9.845	4.244	19.551	4.244
Investment Funds	1.077	1.075	4.415	1.075
	10.922	5.319	23.966	5.319

- (ii) The collateral amounts correspond mainly to financial investments held as guarantee for the payment of the installments of the investment acquisition liability and of the debentures.

7 RECEIVABLES

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Amounts Billed	6.197	6.124	25.088	15.377
Services to Bill (i)	2.170	1.959	6.042	2.735
(-) Estimated Losses from Doubtful Accounts	(1.428)	(410)	(2.872)	(685)
	6.939	7.673	28.258	17.427

- (i) Services to bill refer to revenue from services actually provided to customers, but which had not been billed up to the base date of the accounting information.

- (ii) We present below the changes in estimated losses from doubtful accounts:

	Parent Company		Consolidated	
Balances on December 31, 2020 and 2019	(410)	(101)	(685)	(158)
Additions due to Corporate Reorganization (i)	-	-	(542)	-
Additions	(1.018)	-	(1.645)	-

SINQIA S.A. AND SUBSIDIARIES.
June 30, 2021
(In thousands of Reais, unless otherwise stated)

Write-offs	-	-	-
Balance on June 30, 2021 and 2020	(1.428)	(101)	(2.872)
			(158)

- (i) The increase in the balance of estimated losses from doubtful accounts at the Parent Company occurred due to the acquisition of Itaú Administração Previdenciária Ltda.

The following are the receivables by maturity (aging list):

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Services to Bill	2.170	1.959	6.042	2.735
To be Due	3.594	3.646	19.050	10.005
Overdue from 1 to 90 days	1.167	1.442	3.044	2.919
Overdue from 91 to 180 days	314	123	920	779
Overdue from 181 to 270 days	262	138	286	315
Overdue from 271 to 360 days	104	134	164	213
Overdue more than 360 days	756	641	1.624	1.146
	8.367	8.083	31.130	18.112

8 TAXES AND CONTRIBUTIONS TO RECOVER

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
IRRF, Income Tax and Social Contribution to be Offset (i)	5.626	4.468	11.108	6.119
Withholding PIS, COFINS and SC (ii)	-	-	46	101
Others	-	1	49	18
Total	5.626	4.469	11.203	6.238
Current	2.395	2.622	5.142	4.354
Non-current	3.231	1.847	6.061	1.884

- (i) Refers to withholding income tax and prepayment of income tax and social contribution.

- (ii) Refers to withholding PIS and COFINS when bills issued for services or software licenses are paid.

9 RELATED PARTIES

a) INFORMATION ON RELATED PARTIES

The following table presents information on outstanding balances on June 30, 2021 and December 31, 2020 between the Parent Company, its subsidiaries and the Company's management:

Related parties	Parent Company			
	Receivables from related parties (Assets)	Payables to related parties (Liabilities)	Receivables from related parties (Assets)	Payables to related parties (Liabilities)
	June 30, 2021		December 31, 2020	
Senior Solution Serviços em Informática Ltda.	131	580	4.733	5.745
Senior Solution Consultoria em Informática Ltda.	13.048	7.162	-	578
Torq Inovação Digital Ltda.	113	-	120	-
Sinqia Administração de Previdência	-	4.769	-	-
Non-current assets	13.292	-	4.853	-
Current liabilities	-	4.742	-	3.117
Non-current liabilities	-	7.769	-	3.206

Transactions between Group companies refer to expenses shared, mainly administrative, and are carried out based on signed agreements. There are no transactions for the purchase and sale of products or services between companies. Transactions are financially settled with an average maturity of over 360 days. In 2021, there was no sharing of spending between companies until now.

b) MANAGEMENT COMPENSATION

The Company has no additional post-employment obligations, nor does it offer other long-term benefits, such as leave and other benefits for time of service. The Company also does not offer other severance benefits to the members of the senior management, besides those set in the current Brazilian labor laws.

Short-Term Benefits

Short-term benefits include salaries, fees, social charges, variable benefits and bonuses. Expenses related to the compensation paid to the main senior executives and management of the Company and its subsidiaries are as follows:

	Parent Company		Consolidated	
	June 30, 2021 (6 months)	December 31, 2020 (12 months)	June 30, 2021 (6 months)	December 31, 2020 (12 months)
Salaries, Fees and Social Charges	1.796	3.390	1.796	3.390
Benefits	192	308	192	308
Variable Bonuses	1.033	484	1.033	484
	3.021	4.182	3.021	4.182

c) SHARE-BASED COMPENSATION PLAN

The purpose of the Share-Based Compensation Plan ("Plan") is to offer top executives of the Company the opportunity to multiply the value of their annual financial bonus ("Annual Bonus"), by assigning additional resources ("Additional Bonus"), by the Company, which must be used by eligible executive officers ("Beneficiary") to acquire shares of the Company ("Shares"). The Plan establishes that the Additional Bonus will be calculated by applying a multiplier to the Annual Bonus, which is granted by the Company under the Profit-Sharing Program ("PPLR").

The Additional Bonus under this Plan will be calculated by applying a multiplier on the Annual Bonus. The multiplier ranges from 50% to 80% depending on the role performed in the Company.

The number of shares to be acquired by each beneficiary will be calculated based on the average market value of the shares in a certain period.

The shares acquired will vest as follows: 40% of the total shares acquired, after twelve (12) months from acquisition; 30% of the total, after twenty-four (24) months from acquisition; and the remaining 30%, after thirty-six (36) months from acquisition. The acquisition date will be considered as that on which the Company receives from the beneficiary the amounts related to the sale, and the share purchase agreement is signed.

The number of shares involved in this plan is 250,232.

d) STOCK-OPTION PLAN TO PURCHASE OR SUBSCRIBE SHARES

The Stock Option Plan ("Plan") includes granting options to purchase or subscribe common shares ("Options") of the Company. The Plan has as purpose (a) attracting, retaining and engaging key professionals in the management of the Company ("Beneficiaries"), (b) aligning the interests of the Beneficiaries with the interests of the Company and its shareholders in a long-term perspective and c) encouraging the Beneficiaries to contribute to the achievement of good results for the Company.

Number of Shares Included in the Plan: The options granted under the Plan, including those already exercised or not, and discounted those canceled due to situations of termination, death, permanent disability or retirement, may grant rights on common shares representing up to 3% (three percent) of the Company's capital stock on the date of approval of the Plan.

Options Exercise: The options granted may be exercised provided that the terms and conditions stipulated in this Plan and by the Board of Directors are observed, in addition to the terms and conditions set forth in the respective Option Agreements. The Beneficiary may exercise all or part of the Exercisable Options, established that the Beneficiary shall exercise at least 25% of the Options that he/she holds and that are exercisable in each partial exercise of the Options. The exercise of part of the Options by the Beneficiary shall not affect the exercise of the other Options held.

The fair value of the options granted is estimated on the grant date based on the Black-Scholes option pricing model.

SINQIA S.A. AND SUBSIDIARIES.
June 30, 2021
(In thousands of Reais, unless otherwise stated)

The main events related to the current plans, the variables used in the calculations and the results are:

Grants				Fair value assumptions			
				Prospect for:	Risk free rate	Maturity	
Date	Number of options/shares	Strike Price in Reais	Fair value of shares in Reais	Dividends	Volatility		
01/08/2018	177.716	7,38	19,24	0,23%	37,57%	4,50%	5 years
31/03/2021	200.424	17,24	25,50	0,00%	48,26%	6,00%	4 years

10 PROPERTY AND EQUIPMENT
a) Property and equipment breakdown

					Parent Company
					December 31, 2020
					June 30, 2021
	Lifespan (years)	Cost	Depreciation Accumulated	Net	Net
Facilities and improvements	9 – 10	7.265	(2.082)	5.183	5.404
Electric devices and materials	9 – 12	730	(426)	304	345
Furniture and fixtures	9 – 12	3.176	(1.526)	1.650	1.696
Right of Use - Lease	2 – 10	5.667	(1.633)	4.034	3.413
Computers and peripherals	4 – 5	13.513	(5.419)	8.094	5.701
		30.351	(11.086)	19.265	16.559

					Consolidated
					December 31, 2020
					June 30, 2021
	Lifespan (years)	Cost	Depreciation Accumulated	Net	Net
Facilities and Improvements	9 – 10	9.324	(3.227)	6.097	6.701
Electric devices and materials	9 – 12	2.163	(1.668)	495	451
Furniture and Fixtures	9 – 12	4.135	(2.155)	1.980	2.057
Right of Use - Lease	2 – 10	36.771	(8.861)	27.910	22.235
Computers and peripherals	4 – 5	17.044	(8.183)	8.861	6.670
Vehicles	5	35	(21)	14	24
		69.472	(24.115)	45.357	38.138

SINQIA S.A. AND SUBSIDIARIES.
June 30, 2021
(In thousands of Reais, unless otherwise stated)

b) Changes in property and equipment – Parent Company

	Facilities and improvements	Electric devices and materials	Furniture and fixtures	Right of Use - Lease	Computers and peripherals	Total
Balances on December 31, 2019	5.276	391	1.479	18.656	3.543	29.345
Additions	964	25	504	-	3.409	4.902
Additions related to CPC 06 (R2) (i)	-	-	-	4.427	-	4.427
Transfer between Subsidiaries	-	-	-	(18.575)	-	(18.575)
Write-offs	(11)	-	-	-	(9)	(20)
Depreciation	(825)	(71)	(287)	(1.095)	(1.242)	(3.520)
Balances on December 31, 2020	5.404	345	1.696	3.413	5.701	16.559
Additions	2	-	99	-	3.237	3.338
Additions related to CPC 06 (R2) (i)	-	-	-	870	-	870
Transfer between Subsidiaries	-	-	3	-	-	3
Write-offs	-	-	-	-	(3)	(3)
Depreciation	(223)	(41)	(148)	(249)	(841)	(1.502)
Balance on June 30, 2021	5.183	304	1.650	4.034	8.094	19.265

(i) The additions concerning CPC 06 (R2) recognize the right of use of the server's new lease agreements.

SINQIA S.A. AND SUBSIDIARIES.
June 30, 2021
(In thousands of Reais, unless otherwise stated)

c) Changes in property and equipment – Consolidated

	Facilities and improvements	Electric devices and materials	Furniture and fixtures	Right of Use - Lease	Computers and peripherals	Vehicles	Total
Balances on December 31, 2019	6.523	463	1.778	21.336	4.643	-	34.743
Additions	992	25	508	-	3.500	-	5.025
Additions due to Company Acquisition	-	-	-	4.430	-	-	4.430
Additions related to CPC 06 (R2)	99	53	122	-	148	30	452
Write-offs	(28)	-	-	0	(9)	0	(37)
Depreciation	(885)	(90)	(351)	(3.531)	(1.612)	(6)	(6.475)
Balances on December 31, 2020	6.701	451	2.057	22.235	6.670	24	38.138
Additions	6	2	99	-	3.239	-	3.346
Additions related to CPC 06 (R2) (i)	-	-	-	7.869	-	-	7.869
Additions related to business combinations	-	188	32	-	24	-	244
Write-offs	-	-	-	-	(8)	-	(8)
Depreciation	(610)	(146)	(208)	(2.194)	(1.064)	(10)	(4.232)
Balance on June 30, 2021	6.097	495	1.980	27.910	8.861	14	45.357

(i) The additions concerning CPC 06 (R2) recognize the right of use of the server's new lease agreements.

11 INTANGIBLE ASSETS

a) Intangible assets breakdown

				Parent Company	
				June 30, 2021	December 31, 2020
	Lifespan (years)	Cost	Amortization Accumulated and impairment	Net	Net
Right of Use – Software	5	10.993	(6.974)	4.019	1.670
Trademarks and patentes	5-10	2.277	(1.526)	751	912
Acquired software	5	34.695	(7.741)	26.954	1.601
Portfolio of Customers	10	76.763	(7.647)	69.116	15.093
Non-competition agrément	5	4.575	(4.575)	0	-
Development of new products(i)	-	6.301	(5.588)	713	1.210
Right of Use – Leases	1-3	19.073	(6.758)	12.315	13.802
		154.677	(40.809)	113.868	34.288

					Consolidated	
					June 30, 2021	December 31, 2020
	Lifespan (years)	Cost	Amortization accumulated and/or impairment	Net	Net	
Goodwill on acquisitions of subsidiaries	-	252.836	(2.860)	249.976		134.902
Right of Use – Software	5	20.393	(14.740)	5.653		4.238
Trademarks and patentes	5-10	7.126	(2.077)	5.049		5.210
Software Acquired	5	54.550	(17.853)	36.698		12.714
Portfolio of Customers	10	118.774	(19.140)	99.634		47.757
Non-competition agreement	5	9.068	(6.700)	2.368		2.877
Development of new products(i)	-	6.301	(5.588)	713		1.210
Right of Use – Leases	1-3	19.073	(6.758)	12.315		13.802
		488.121	(75.716)	412.405		222.710

(i) Refers to investments for the innovation laboratory, Torq.

SINQIA S.A. AND SUBSIDIARIES.
June 30, 2021
(In thousands of Reais, unless otherwise stated)

b) Changes in intangible assets – Parent Company

	Right of use - Software	Trademarks and patents	Acquired software	Portfolio of Customers	Non- competition agreement	Development of new products	Right of Use - Leases	Total
Balances on December 31, 2019	1.487	1.279	2.814	16.151	1.143	1.210	0	24.084
Additions	2.091	-	-	-	-	-	-	2.091
Additions due to corporate reorganization	84	-	-	-	-	-	-	84
Additions related to CPC 06 (R2)	-	-	-	-	-	-	17.717	17.717
Amortization	(1.992)	(367)	(1.213)	(1.058)	(1.143)	-	(3.915)	(9.688)
Balances on December 31, 2020	1.670	912	1.601	15.093	-	1.210	13.802	34.288
Additions	3.925	-	-	-	-	-	-	3.925
Additions due to Company Acquisition (i)	-	-	27.833	56.350	-	-	-	84.183
Additions related to CPC 06 (R2) (ii)	-	-	-	-	-	-	1.342	1.342
Amortization	(1.576)	(161)	(2.480)	(2.327)	-	(497)	(2.829)	(9.870)
Balance on June 30, 2021	4.019	751	26.954	69.116	-	713	12.315	113.868

(i) Increase in assets from Itaú Administração Previdenciária Ltda. due to the preliminary allocation of the price paid disclosed in note 26, in the second quarter the increase was caused by assets arising from the preliminary allocation of the purchase price of Dendron Tecnologia S.A., Homie do Brasil Informática Ltda. and Simply Sistemas SA

(ii) The additions referring to CPC 06 (R2) consist of the recognition of the right to use the new server lease agreements.

SINQIA S.A. AND SUBSIDIARIES.
June 30, 2021
(In thousands of Reais, unless otherwise stated)

c) Changes in intangible assets – Consolidated

	Goodwill on acquisitions of subsidiaries	Right of use - Software	Trademarks and patents	Acquired software	Portfolio of Customers	Non-competition agreement	Development of new products	Right of Use - Leases	Total
Balances on December 31, 2019	97.060	2.080	5.576	11.405	42.448	4.668	1.210	-	164.447
Additions	-	3.023	-	-	-	-	-	-	3.023
Additions due to Company Acquisition	37.842	1.797	-	4.962	9.311	218	-	-	54.130
Additions related to CPC 06 (R2)	-	-	-	-	-	-	-	17.717	17.717
Amortization	-	(2.662)	(366)	(3.653)	(4.002)	(2.009)	-	(3.915)	(16.607)
Balances on December 31, 2020	134.902	4.238	5.210	12.714	47.757	2.877	1.210	13.802	222.710
Additions	-	4.213	-	-	-	-	-	-	4.213
Additions due to business combination(i)	115.108	-	-	27.835	56.351	-	-	-	199.294
Additions related to CPC 06 (R2) (ii)	-	-	-	-	-	-	-	1.342	1.342
Transfer	(36)	36	-	-	-	-	-	-	-
Amortization	-	(2.818)	(161)	(3.866)	(4.474)	(509)	(497)	(2.829)	(15.154)
Balance on June 30, 2021	249.974	5.669	5.049	36.683	99.634	2.368	713	12.315	412.405

(i) Increase in assets from Itaú Administração Previdenciária Ltda. due to the preliminary allocation of the price paid disclosed in note 26, in the second quarter the increase was caused by assets arising from the preliminary allocation of the purchase price of Dendron Tecnologia S.A., Homie do Brasil Informática Ltda. and Simply Sistemas SA

(ii) The additions referring to CPC 06 (R2) consist of the recognition of the right to use the new server lease agreements

12 LOANS AND FINANCING

				Parent Company		Consolidated
	Charges	Maturity	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Debentures (i)	CDI rate + 1.50%	February 22, 2024	33.399	39.645	33.399	39.645
Total			33.399	39.645	33.399	39.645
Current			12.524	12.506	12.524	12.506
Non-current			20.875	27.139	20.875	27.139

- (i) The first issue of simple debentures, not convertible into shares, is backed by credit rights arising from receivables. In addition, the Company is required to hold a deposit of R\$3,000, which was recorded in securities.

Below we show the changes in loans and financing:

	Consolidated
Balance on December 31, 2020	39.645
Interest incurred	735
Interest Paid	(1.844)
Amortization	(5.137)
Balance on June 30, 2021	33.399

Below we show the expectation of payment of loans and financing:

	Consolidated
2021	6.103
2022	11.603
2023	11.206
2024	4.487
Total	33.399

(a) COVENANTS

The debentures have financial covenants that must be evaluated on December 31, 2020, based on the Net Debt indicator divided by EBITDA (resulting in an index lower than 2.5 in 2020, lower than 2.0 in 2021, lower than 1.9 in 2022 and lower than 1.8 in 2023) and based on the EBITDA indicator divided Financial Result (resulting in an index of more than 3.0). On this date, the Company expects to comply with all covenants. In 2020, the Company complied with all covenants.

13 LABOR LIABILITIES

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
INSS/FGTS payable	1.929	2.571	4.510	3.921
IRRF on wages	931	1.551	1.825	2.634
Vacation	7.374	5.515	16.560	10.523
13 th Salary (Christmas Bonus)	663	-	1.978	-
Bonuses, commissions and profit sharing (i)	4.101	2.933	4.814	3.076
Others	480	159	1.364	581
	15.478	12.729	31.051	20.735

- (i) The provision for bonuses and profit sharing is recorded monthly, and depends on the achievement, by the employees, of corporate and individual goals. These amounts are always paid in April of the year subsequent.

14 TAX LIABILITIES

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Income Tax and Social Contribution to Collect	14	11	2.632	951
ISS payable	247	284	1.048	690
PIS/COFINS payable	214	147	793	208
Tax in Installments	543	2.287	542	2.768
Other taxes payable	55	30	130	88
Total	1.073	2.759	5.145	4.705
Current	829	771	4.901	2.298
Non-current	244	1.988	244	2.407

15 LIABILITIES FROM INVESTMENT ACQUISITION

These refer to installments payable for investment acquisitions made by the Company and its subsidiaries, negotiated with payment in installments, and for agreements that do not have market interest rates, the present value adjustment is made (using the average rate of 7.38%). Recorded in current and noncurrent liabilities, as follows:

	Controladora		Consolidado	
	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Acquisition att/PS Informática	3.230	6.094	3.230	6.094
Acquisition Atena	-	-	4.562	5.262
Acquisition ADSPrev	-	-	1.429	1.806
Acquisition SoftPar	-	-	6.989	11.791
Acquisition Stock&Info	-	-	375	362
Acquisition Tree Solution	-	-	5.304	4.900
Acquisition Fromtis	-	-	12.348	13.546
Acquisition ISP	49.678	-	49.678	-
Acquisition Dendron	5.337	-	5.337	-
Acquisition Simply	6.523	-	6.523	-
Total	64.768	6.094	95.775	43.761
Current	11.221	6.094	23.784	15.549
Non-current	53.547	-	71.991	28.212

Below we show the changes in liabilities due to the investment acquisition:

	Parent Company	Consolidated
Balance on December 31, 2020	6.094	43.761
Interest incurred	2.134	3.382
Additions due to company Acquisition	60.685	60.685
Interest Paid	(918)	(2.450)
Amortization	(3.227)	(9.603)
Balance on June 30, 2021	64.768	95.775

Below we show the expected payment of liabilities with investment acquisition:

	Parent Company	Consolidated
2021	1.674	11.583
2022	13.417	23.898
2023	14.815	22.628
2024	16.471	19.147
2025	5.492	5.620
2026	12.899	12.899
Total	64.768	95.775

16 PROVISION FOR LAWSUITS

In the normal course of its activities, the Company is subject to tax, civil and labor lawsuits. The Management, supported by the opinion of its legal counsel, assesses the expected outcome of the undergoing lawsuits, and establishes the need for provisions at amounts deemed sufficient to cover the expected losses.

SINQIA S.A. AND SUBSIDIARIES.
June 30, 2021
(In thousands of Reais, unless otherwise stated)

The table below shows the provisions on June 30, 2021 and December 31, 2020:

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Civil	10.256	10.268	18.863	19.187
Labor	9.275	1.680	28.843	12.890
Tax	11.149	4.947	9.904	10.325
	30.680	16.895	57.610	42.402

Below we show the changes in provisions for lawsuits:

	Parent Company	Consolidated
Balance on December 31, 2020	16.895	42.402
Additions	998	1.110
Additions due to company acquisition (i)	14.863	17.884
Reversals	(1.670)	(4.062)
Interest Incurred	566	1.145
Payments	(972)	(869)
Balance on June 30, 2021	30.680	57.610

(i) The increased balance of provision for lawsuits occurred due to the acquisition of Itaú Administração Previdenciária Ltda., Simply Sistemas S.A., Dendron Tecnologia S.A. and Homie do Brasil Informática Ltda.

The Company and its subsidiaries are also parties to labor and tax lawsuits with possible risk of loss, according to the legal counsel and the Company's management, for which no provision has been recognized. The total related to the amount of the updated cause related to these shares corresponds to R\$25,314 in the Parent Company on June 30, 2021 (on December 31, 2020 – R\$29,366) and R\$28,154 in the Consolidated on June 30, 2021 (on December 31, 2020 – R\$31,280). Additionally, the Company has court deposits corresponding to R\$17 in the Parent Company on June 30, 2021 (on December 31, 2020 - R\$162) and R\$211 in the Consolidated on June 30, 2021 (on December 31, 2020 - R\$239).

- a) Labor**
Labor lawsuits generally refer to overtime, health hazard allowances, salary equalization, vacation pay, moral damages resulting from occupational accident, occupational disease, and secondary liability involving service providers, among other situations.
- b) Tax**
Tax lawsuits refer to legal disputes involving municipal and federal taxes, especially unapproved claims for compensation and/or restitution, in addition to tax risks identified in the acquisition processes.
- c) Civil**
The civil lawsuits refer mainly to suits filed under the allegation of certain problems in the provision of services and restitution of securities.

17. EQUITY

17.1 Share Capital

The Company's share capital is R\$413,261, represented by 70,548,812 registered common shares with no par value. The holders of common shares are entitled to one vote per share at the Shareholders' Meetings of the Company.

The table below shows the number of shares held by shareholders with 5% or more common shares issued by the Company, besides treasury shares.

Shareholders	June 30, 2021		December 31, 2020	
	Shares	%	Shares	%
SFA Investimentos Ltda.	5.739.900	8,14%	5.733.600	8,13%
HIX Investimentos Ltda.	5.295.496	7,51%	5.640.796	8,00%
Antonio Luciano de Camargo Filho	5.450.206	7,73%	5.443.006	7,72%
Bernardo Francisco Pereira Gomes	5.332.502	7,55%	5.332.502	7,56%
BB DTVM S.A.	-	-	3.539.454	5,02%
Treasury Shares	59.107	0,08%	133.468	0,19%
Other shareholders	48.671.601	68,99%	44.725.986	63,38%
Total	70.548.812	100,00%	70.548.812	100%

17.2 Profit Reserve

The profit retained reserve includes the accumulated balance of capital budget allocations approved at the Annual Shareholder's Meetings.

a) Legal reserve.

On December 31, 2020 the legal reserve was calculated in the amount of R\$258. In 2021, there was no legal reserve constitution yet, which will be made on December 31, 2021.

b) Dividends and Interest on Equity

On December 31, 2020 a dividend distribution in the amount of R\$1,385 was calculated. In 2021, dividends have not yet been calculated, but will be calculated on December 31, 2021.

17.3 Capital Reserve

The balances of capital reserves as of June 30, 2021 and December 31, 2020 are composed of the effects of the share compensation plan and disposal and change in acquisition and disposal prices of treasury shares.

In the first half of 2021, an expense of R\$349 (reversal of R\$103 in the first half of 2020) was recognized for the 2018 and 2020 share-based compensation plans.

SINQIA S.A. AND SUBSIDIARIES.**June 30, 2021****(In thousands of Reais, unless otherwise stated)**

In the first half of 2021, there is a variation of R\$1,463 in the capital reserve referring to the difference between the acquisition price and the sale price of treasury shares.

17.4 Treasury Shares

At a meeting held on March 12, 2020, the Board of Directors authorized the acquisition of up to 5,896,343 shares, representing 10.0% of the 58,963,436 outstanding shares, by opening the Fifth Share Buyback Program. In 2020, were acquired 660,400 shares for a value of R\$8,355.

At a meeting held on March 10, 2021, the Board of Directors authorized the acquisition of up to 5,241,054 shares, representing 8.9% of the outstanding shares, through the opening of the Sixth Share Buyback Program, through operations to be held at B3 SA - Brasil, Bolsa, Balcão, with a maximum term until 03/10/2022. In the first quarter of 2021, 1,616,122 shares were acquired for the amount of R\$ 35,937.

In the second quarter of 2021, R\$36,338 was alienated, mainly related to the payment of the new acquisitions Simply, Dendron and Homie, as detailed in note 26.

18 NET OPERATING REVENUE

	Parent Company		Consolidated	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Software	44.481	41.824	135.713	78.260
Services	12.994	12.702	39.644	32.312
Gross Service Revenue	57.475	54.526	175.357	110.572
Tax on services (ISS)	(1.585)	(1.530)	(5.472)	(3.337)
PIS and COFINS	(2.121)	(1.999)	(7.789)	(4.075)
Employer's Social Security	(2.614)	(2.465)	(6.039)	(4.977)
Taxes on sales	(6.320)	(5.994)	(19.300)	(12.389)
Software	39.604	37.262	120.820	69.481
Services	11.551	11.270	35.238	28.702
Net Operating Revenue	51.155	48.532	156.058	98.183

The average incidence of sales tax in the period was 11.01% for the Consolidated, covering the ISSQN (Tax on Services of Any Nature), the PIS/PASEP (Social Integration Program), the COFINS (Financial Contribution to Social Security), and the employer's INSS (National Social Security Institute).

19 COST OF SERVICES PROVIDED

	Parent Company		Consolidated	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Third-party services	3.294	2.294	9.542	3.287
Personnel, Social Charges and Benefits	32.479	33.340	79.074	58.503
Depreciation and amortization	2.087	1.326	2.266	1.526
Other costs	1.677	1.692	2.394	2.346
	39.537	38.652	93.276	65.662

20 GENERAL, ADMINISTRATIVE AND SELLING EXPENSES

	Parent Company		Consolidated	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Third-Party Services	2.000	1.964	6.388	2.372
Personnel, charges and benefits	13.447	10.640	17.540	14.046
Commissions	1.576	1.011	1.576	1.251
Rentals, Insurance, Condominiums and Others	433	986	1.229	1.422
Additional (reversal of) provision for bonuses and profit sharing	2.728	376	4.025	419
Additional (reversal) provision for lawsuits	(672)	825	(2.952)	(245)
Energy, communications and other	369	782	560	944
Complement (reversal) for doubtful receivables	1.018	-	1.645	-
Consultants, lawyers and auditors	560	1.699	922	1.878
Advertising and Marketing	452	398	465	405
Transportation and lodging	8	162	10	216
Other expenses	897	490	1.512	722
Depreciation and amortization	9.285	5.112	17.121	8.657
	32.101	24.445	50.041	32.087

21 NET FINANCIAL RESULT

	Parent Company		Consolidated	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Financial expenses:				
Interest on investment acquisition	(2.134)	(718)	(3.382)	(2.032)
Interest on loans	(735)	(1.633)	(735)	(1.633)
Bank expenses	(99)	(204)	(250)	(185)
Present Value Adjustment	(838)	(1.105)	(1.912)	(1.195)
IOF expenses	(72)	(18)	(84)	(31)
Interest and Cash Restatement of Lawsuits	(566)	(158)	(1.145)	(158)
Other financial expenses	(132)	(28)	(456)	(329)
Installments	(88)	(15)	(162)	(43)
Financial revenues:				
Income from financial investments	2.421	5.861	2.830	6.011
Interest assets	3	1	16	14
Other financial revenues	1	45	4	99
	(2.239)	2.028	(5.276)	518

22 PROVISION FOR INCOME TAX AND SOCIAL CONTRIBUTION

Current income tax and social contribution were computed under prevailing tax rates and deferred income tax and social contribution are calculated on temporary differences and accumulated tax losses and negative basis.

a) Current and deferred income tax

The reconciliation of the expense calculated by adopting income tax and social contribution tax rates is shown as follows:

	Parent Company	
	June 30, 2021	June 30, 2020
Loss before taxes	57	(2.912)
Income (expense) due to the combined official tax rate (34%)	(19)	990
Adjustments to calculate the actual rate:		
Equity Income (Loss)	7.745	3.273
Amortization of non-deductible capital gains	(1.113)	-
Costo to Issue Shares	-	48
Non-deductible bonus	(856)	-
Other permanent differences	(222)	(376)
Receivable due to the effective tax rate		
Deferred income tax and social contribution	5.535	3.935

	Consolidated	
	June 30, 2021	June 30, 2020
Income (Loss) before Taxes	7.465	952
Income (expense) due to the combined official tax rate (34%)	(2.538)	(324)
Adjustments to calculate the actual rate:		
Amortization of non-deductible capital gains	(1.276)	(12)
difference in tax regime in subsidiaries (i)	3.508	-
Non-deductible bonus	(1.293)	-
Costo to Issue Shares	-	48
Other permanent differences	513	327
Income (expense) due to the effective tax rate	(1.086)	39
Current income tax and social contribution	(8.388)	(1.841)
Deferred income tax and social contribution	7.302	1.880

(i) Permanent difference related to the calculation of income tax and social contribution, mainly through the presumed profit method in subsidiaries.

b) Deferred income tax and social contribution - assets

Breakdown of deferred income tax and social contribution:

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Non-current assets				
Tax loss and negative basis	25.646	19.499	29.900	21.355
Provision for doubtful accounts	486	139	976	233
Provision for Lawsuits and Other Obligations (i)	407	-	581	-
Goodwill in Business Combination	5.378	5.744	14.534	11.237
Other Provisions	(6.678)	(5.309)	(12.908)	(9.395)
Lease	7	266	32	531
Services to Bill	1.338	710	2.222	1.244
	26.584	21.049	35.337	25.205

The deferred income tax and social contribution were constituted under studies prepared by the Management regarding the generation of taxable income that will allow the total realization of these amounts in the next years, in addition to the expectation of realization of deductible or taxable temporary differences, as indicated below:

	Parent Company	Consolidated
2021	853	7.168
2022	1.660	3.491
2023	2.407	4.238
2024	3.840	5.671
2025	4.432	6.263
2026	4.528	4.528
2027	6.804	6.804
2028	8.738	10.082
Total deferred tax asset	33.262	48.245
Goodwill tax benefit	(6.678)	(12.908)
Total	26.584	35.337

23 EARNINGS PER SHARE

The calculation of basic earnings (loss) per share is made by dividing the profit for the year, attributed to the holders of common shares of the Parent Company, by the weighted average number of outstanding common shares during the period.

Diluted earnings per share is calculated by dividing the net income for the period, attributed to the holders of common shares of the Parent Company, by the weighted average number of outstanding common shares during the period, plus the weighted average number of common shares that would be issued in the conversion of all potential common shares diluted into common shares

The following charts data on the result and shares used to calculate the basic and diluted earnings per share:

	Parent Company and Consolidated	
	June 30, 2021	June 30, 2020
Basic earnings per share		
Numerator		
Net Income for the Period Attributed to the Company's Shareholders	5.592	1.023
Denominator		
Weighted Average Number of Outstanding Common Shares	69.694.490	70.292.259
Basic earnings per share (in Reais)	0,080	0,015

	Parent Company and Consolidated	
	June 30, 2021	June 30, 2020
Diluted earnings per share		
Numerator		
Net Income for the period attributed to the Company's shareholders	5.592	1.023
Denominator		
Weighted Average Number of Outstanding Common Shares	69.694.490	70.292.259
Potential Increase in Common Shares due to the Stock Option Plan and Restricted Shares	375.897	309.406
Diluted earnings per share (in Reais)	0,080	0,014

24 LEASE

Lease liabilities were recognized as required by accounting standard IFRS 16/CPC 06 (R2), which requires the liability for future payments and the right to use the leased assets to be recorded for all agreements in the standard's scope. For current leases, the average discount rate of 7.38% was used.

	Maturity Final	Parent Company		Consolidated	
		June 30,2021	December 31,2020	June 30,2021	December 31,2020
Belo Horizonte Office	December 31, 2028	3.848	4.204	3.848	4.204
São Paulo 1 Office	July 1, 2028	-	-	14.688	11.554
São Paulo 2 Office	October 11, 2028	-	-	3.136	2.902
São Paulo 3 Office	August 1, 2028	-	-	4.343	4.081
TORQ Office	October 11, 2028	-	-	1.785	1.504
Curitiba Office	September 2, 2021	-	-	183	543
Servers	December 31, 2022 and 2023	12.694	14.012	12.694	14.012
Total		16.542	18.216	40.677	38.800
Current		6.372	5.176	9.271	7.807
Non-current		10.170	13.040	31.406	30.993

According to OFFICIAL LETTER /CVM/SNC/SEP/Nr.02/2019, the Company adopted the requirements of CPC06 (R2) as accounting policy to measure and remeasure its right of use, using

the discounted cash flow technique without considering inflation (actual flow discounted at nominal rate). The Management assessed the use of nominal flows and concluded that they do not present relevant distortions in the information presented.

To preserve the reliable representation of information regarding the requirements of CPC06 (R2) and to meet the guidelines of CVM's technical areas, the liability balances without inflation, effectively accounted for (real flow x nominal rate), and the estimate of inflated balances in the comparison periods (nominal flow x nominal rate) are provided.

Other assumptions, such as the maturity schedule of liabilities and interest rates used in the calculation are disclosed in other items of this same note. The inflation rates are those observable in the market, so that nominal flows can be prepared by users of financial statements.

	Parent Company		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Actual flow discounted at the nominal rate				
Leasing liabilities	19.781	21.343	50.332	48.946
Present Value Adjustment	(3.239)	(3.127)	(9.655)	(10.146)
	16.542	18.216	40.677	38.800
Nominal flow discounted at nominal rate				
Leasing liabilities	20.550	21.128	52.480	48.229
Present Value Adjustment	(3.656)	(2.450)	(10.577)	(8.157)
	16.894	18.678	41.903	40.072

Below we show the changes in leases:

	Parent Company	Consolidated
	18.216	38.800
Balance on December 31, 2020		
Additions	2.214	9.208
Interest Incurred	838	1.912
Interest Paid	(1.372)	(2.370)
Amortization	(3.354)	(6.873)
Balance on June 30, 2021	16.542	40.677

25 TRANSACTIONS THAT DID NOT AFFECT THE CASH

Investment and financing transactions that do not involve the use of cash or cash equivalents are not included in the statement of cash flows. The Company carried out the following non-cash investment and financing activities:

	Parent Company		Consolidated	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Recognition of Lease Assets	2.214	11.299	9.208	11.387
Recognition of Lease Liabilities	(2.214)	(11.299)	(9.208)	(11.387)
Torq's Capital Decrease	-	166	-	166
Assets Acquired from Business Combination	-	-	222.287	-
Liabilities Acquired from Business Combination	-	-	(222.287)	-
Shares alienated in business combination	37.801	-	37.801	-

Parent Company		Consolidated	
June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020

26 BUSINESS COMBINATION

During the six-month period ended 6/30/2021, the Company concluded the acquisitions of Itaú Administração Previdenciária Ltda., Simply Sistemas S.A., Dendron Tecnologia S.A. and Homie do Brasil Informática Ltda.

a) Itaú Administração Previdenciária Ltda.

On January 29, 2021, the Company completed the acquisition of a 100% equity interest in Itaú Administração Previdenciária Ltda., which includes all the operations of Itaú Soluções Previdenciárias ("ISP"). The transaction involved the initial amount of R\$33,620 in cash, disbursed on the acquisition date, and installments totaling R\$48,825 to be paid in five annual installments of R\$9,765.

ISP is one of the leading software and service providers for the private pension segment and its main advantage is the offer of business process outsourcing ("BPO") for pension management. Sinqia's broad portfolio for this segment will now also include Software as a Service ("SaaS") solutions.

The total amount of the transaction was R\$82,446.

a.1) Counterpart transferred:

Payment in cash	33,620
Term payment	48,825
Total	82,445

a.2) Assets and liabilities recognized at fair value on the acquisition date:

STATEMENT OF FINANCIAL POSITION OF THE ACQUIRED COMPANY

	January 29, 2021		January 29, 2021
Current assets		Current liabilities	
Cash and cash equivalents	3,203	Suppliers and Service Providers	257
Receivables	4,400	Tax Liabilities	740
Taxes recoverable	1,901	Labor Liabilities	3,050
Prepaid Expenses	824	Other liabilities	103
Total current assets	10,328	Total current liabilities	4,150
Non-current assets		Non-current liabilities	
Deferred income and social contribution taxes	2,935	Provisions for lawsuits	3,021
Property, Plant & Equipment	82		
Intangible assets	76,272		
Total non-current assets	79,289	Total non-current liabilities	3,021
		Total shareholders' equity	82,446

SINQIA S.A. AND SUBSIDIARIES.
June 30, 2021
(In thousands of Reais, unless otherwise stated)

Total assets	<u>89,617</u>	Total liabilities	<u>89,617</u>
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a.3) Preliminary goodwill from acquisition

Estimated price	82,445
(-) Fair value of acquired assets:	
Software	(11,358)
Portfolio of Customers	(17,365)
(-) Net book equity at acquisition date	6,176
Goodwill from acquisitions	<u>47,546</u>

The following table shows the acquired intangible assets that were not initially recorded in the acquiree company's accounting books, as well as the estimated useful life and amortization method:

<u>Intangible assets</u>	<u>Value</u>	<u>Lifespan</u>	<u>Amortization method</u>
Software	11,358	5 years	Linear
Portfolio of Customers	17,365	13 years	Linear

b) Simply Sistemas S.A.

On April 23, 2021, the Company concluded the acquisition of a 100% equity interest in Simply Sistemas S.A. capital. The transaction involved the initial amount of R\$18,720 in cash in cash and R\$12,499 in shares, disbursed on the date of acquisition. Additionally, the Company will pay a variable amount estimated at R\$6,523, consisting of three installments limited to R\$2,200 each, subject to the achievement of Simply and Dendron's gross annual revenue targets (because they have the same controller before the acquisition) of consolidated form, calculated based on the fiscal years 2021, 2022 and 2023.

Simple is a specialist in solutions for process automation, mainly opening digital accounts and acquiring financial products.

The total amount of the transaction was R\$37,742.

b.1) Counterpart transferred:

Payment in cash	18.720
Payment in shares	12.499
Term payment	6.523
Total	<u>37.742</u>

b.2) Assets and liabilities recognized at fair value on the acquisition date:

STATEMENT OF FINANCIAL POSITION OF THE ACQUIRED COMPANY

	<u>April 23, 2021</u>		<u>April 23, 2021</u>
Current assets		Current liabilities	

SINQIA S.A. AND SUBSIDIARIES.
June 30, 2021
(In thousands of Reais, unless otherwise stated)

Cash and cash equivalents	718	Suppliers and Service Providers	16
Receivables	596	Tax Liabilities	517
Taxes recoverable	32	Labor Liabilities	800
Prepaid Expenses	466		
Total current assets	1.812	Total current liabilities	1.333
Non-current assets		Non-current liabilities	
Property, Plant & Equipment	65	Provisions for lawsuits	10.645
Intangible assets	47.843		
Total non-current assets	47.908	Total non-current liabilities	10.645
		Total shareholders' equity	37.742
Total assets	49.720	Total liabilities	49.720

b.3) Preliminary goodwill from acquisition

Estimated price	37.742
(-) Fair value of acquired assets:	
Software	(3.309)
Portfolio of Customers	(15.265)
(-) Fair value of acquired liabilities:	
Provisions for lawsuits	10.645
(-) Net book equity at acquisition date	(912)
Goodwill from acquisitions	30.725

The following table shows the acquired intangible assets that were not initially recorded in the acquiree company's accounting books, as well as the estimated useful life and amortization method:

<u>Intangible assets</u>	<u>Value</u>	<u>Lifespan</u>	<u>Amortization method</u>
Software	3.309	5 anos	Linear
Portfolio of Customers	15.265	8 anos	Linear

c) Dendron Tecnologia S.A.

On April 23, 2021, the Company concluded the acquisition of a 100% equity interest in the capital of Dendron Tecnologia S.A. The transaction involved the initial amount of R\$15,277 in cash and R\$10,226 in shares, disbursed on the date of the acquisition. Additionally, the Company will pay a variable amount estimated at R\$5,337, consisting of three installments limited to R\$1,800 each, subject to the achievement of the goals of the annual gross revenue of Simply and Dendron on a consolidated basis (because they have the same controller before the acquisition), calculated based on the fiscal years 2021, 2022 and 2023.

Dendron is a specialist in solutions for process automation, mainly opening digital accounts and

acquiring financial products.

The total amount of the transaction was R\$30,840

c.1) Counterpart transferred:

Payment in cash	15.277
Payment in shares	10.226
Term payment	5.337
Total	30.840

c.2) Assets and liabilities recognized at fair value on the acquisition date:

STATEMENT OF FINANCIAL POSITION OF THE ACQUIRED COMPANY

	<u>April 23, 2021</u>		<u>April 23, 2021</u>
Current assets		Current liabilities	
Cash and cash equivalents	22	Suppliers and Service Providers	3
Receivables	-	Tax Liabilities	39
Taxes recoverable	-	Labor Liabilities	3
Prepaid Expenses	452	Other Liabilities	459
Total current assets	<u>474</u>	Total current liabilities	<u>504</u>
Non-current assets		Non-current liabilities	
Property, Plant & Equipment	41		
Intangible assets	30.840		
Total non-current assets	<u>30.881</u>	Total non-current liabilities	<u>-</u>
		Total shareholders' equity	30.851
Total assets	<u>31.355</u>	Total liabilities	<u>31.355</u>

a.3) Preliminary goodwill from acquisition

Estimated price	30.840
(-) Fair value of acquired assets:	
Software	(1.642)
Portfolio of Customers	(3.868)
	(501)
(-) Net book equity at acquisition date	
Goodwill from acquisitions	<u>25.831</u>

The following table shows the acquired intangible assets that were not initially recorded in the acquiree company's accounting books, as well as the estimated useful life and amortization method:

<u>Intangible assets</u>	<u>Value</u>	<u>Lifespan</u>	<u>Amortization method</u>
Software	1.642	5 anos	Linear
Portfolio of Customers	3.868	8 anos	Linear

d) Homie do Brasil Informática Ltda.

On April 8, 2021, the Company completed the acquisition of a 60% equity interest in Homie do Brasil Informática Ltda. ("Fepweb"). The transaction involved the amount of R\$23,400 in cash and R\$15,867 in shares.

Fepweb is a reference in solutions for formalizing digital transactions.

The total amount of the transaction was R\$39,267

d.1) Counterpart transferred:

Payment in cash	23.400
Payment in shares	15.867
Total	39.267

d.2) Assets and liabilities recognized at fair value on the acquisition date:

STATEMENT OF FINANCIAL POSITION OF THE ACQUIRED COMPANY

	<u>April 4, 2021</u>		<u>April 4, 2021</u>
Current assets		Current liabilities	
Cash and cash equivalents	308	Suppliers and Service Providers	59
Receivables	534	Tax Liabilities	336
Taxes recoverable	4	Labor Liabilities	582
Prepaid Expenses	1	Other Liabilities	45
Total current assets	847	Total current liabilities	1.022
Non-current assets		Non-current liabilities	
Property, Plant & Equipment	56	Provisions for lawsuits	4.218
Intangible assets	42.385		
Total non-current assets	42.441	Total non-current liabilities	4.218
		Total shareholders' equity	38.048
Total assets	43.288	Total liabilities	43.288

d.3) Preliminary goodwill from acquisition

Estimated price	39.267
(-) Fair value of acquired assets:	

SINQIA S.A. AND SUBSIDIARIES.
June 30, 2021
(In thousands of Reais, unless otherwise stated)

Software	(11.526)
Portfolio of Customers	(19.853)
(-) Fair value of acquired liabilities:	
Provisions for lawsuits	4.218
(-) Net book equity at acquisition date	(1.100)
Goodwill from acquisitions	<u>11.006</u>

The following table shows the acquired intangible assets that were not initially recorded in the acquiree company's accounting books, as well as the estimated useful life and amortization method:

<u>Intangible assets</u>	<u>Value</u>	<u>Lifespan</u>	<u>Amortization method</u>
Software	11.526	5 years	Linear
Portfolio of Customers	19.853	9 years	Linear

27 SUBSEQUENT EVENTS

a) Acquisition of minority interest in Celcoin Pagamentos S.A.

Sinqia S.A. announces that it signed on 07/15/2021 an investment agreement in Celcoin Pagamentos S.A. ("Celcoin"). The company serves more than 170 customers including digital banks, fintechs, loyalty programs and retailers. This is the first minority direct investment announced. The contribution of R\$15 million is part of a round of R\$55 million with other participants.

b) Second issue of debentures

In July, we announced the second issue of simple debentures, totaling up to R\$250 million, which will be used to expand the Company's share in the software and services market for the financial sector, through potential acquisitions of stakes in companies. The debentures will have a maturity of 5 years and interest at 100% of the DI rate (Interbank Deposits), plus a surcharge equivalent to 2.30% p.a..

c) Acquisition of Mercer's pension business

On 07/26/2021, we signed the acquisition of Mercer Brasil's social security management software and services business. Based on intensive use of technology, the services include customer service, accounting and treasury processing, and risk control, among others. These services are used by more than 50 entities, especially those linked to multinationals. The consideration for the operation is estimated at R\$28 million in an installment of R\$7 million in installments over five years.