



1Q21 Earnings Release



Earnings webcast in Portuguese with simultaneous translation into English

May 6th, 2021 (Thursday)

2 p.m. (Brasília) / 1 p.m. (New York) / 6 p.m. (London)

Webcast: [**Click here**](#)

Price: R\$22.66

Market cap: R\$1,599 million

Number of shares: 70,548,812

Base May 5th, 2021

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São Paulo, May 5, 2021. Sinquia S.A. (B3: SQIA3) ("**Company**"), a provider of technology for the financial system, announces today its consolidated results for the first quarter of 2021 ("**1Q21**").

1Q21 Highlights

Innovation Strategy

Announcement of new investments through Darwin Startups and partnership with Distrito;

Consolidation Plan

Announcement of the acquisition of Simply and FEPWeb;

Software ARR

Record of R\$227.2 million in 1Q21 **(+54.7% vs. 1Q20)**;

Number of Customers

392 customers at the end of 1Q21 **(+41 vs. 1Q20)**;

Net Revenues

Record of R\$68.2 million in 1Q21 **(+40.3% vs. 1Q20)**;

Proforma of R\$81.4 million in 1Q21 **(+67.5 vs. 1Q21)** considering recent acquisitions;

Recurring Revenues

Record of R\$62.1 million in 1Q21 **(+50.9% vs. 1Q20)**, 91.0% of total;

Adjusted EBITDA

Record of R\$12.4 million in 1Q21 **(+4x vs. 1Q20)**, margin of 18.2%;

Disclaimer

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MESSAGE FROM MANAGEMENT

We have worked hard to build solid foundations for Singia's future. 2021 will be a period with important transformations in our sector and significant improvements in our Company. We could not have had a better start, and we are very excited to announce our excellent first quarter results!

Our open innovation strategy has continued to evolve. The investments in Batch #8 of Darwin Startups are already producing results: the CashWay investee (BaaS) has become an important partner and created several commercial opportunities for our Pix solution. The investments in Batch #9 have already been disclosed, with the inclusion of promising startups, fully in line with our open innovation strategy, such as CondoConta (digital account), Evlos (BaaS) and QGX (BaaS). Additionally, we entered into a partnership with Distrito, an innovation hub for startups, investors and companies, giving us access to its platform and the opportunity to construct initiatives jointly.

Our consolidation plan advanced substantially with two new acquisitions: Simply, specialized in the opening of digital accounts, and FEPWeb, a benchmark in the formalization of digital transactions. They were combined in a new business unit called Digital Singia. According to preliminary figures, these businesses recorded net revenues of R\$9.0 million in 1Q21, up 59% vs. 1Q20. It is worth noting that the figures will be consolidated in our results as of 2Q21.

The acquisitions made in recent months, including the two most recent ones, totaled investments of R\$259.5 million (including earnouts and call options), representing 71.5% of the proceeds from the share offering in 3Q19. We are following the use of preceeds schedule, and we are pleased with our progress: the plan is being implemented with strategic and financial discipline. There are many opportunities ahead.

Gross cash closed the quarter at R\$234.0 million (or R\$177.0 million considering the payment of the two new acquisitions). In order to enable the continuity of our plan, we intend to reinforce this balance. We are starting discussions about potential funding, probably through an increase in leverage.

Software ARR (annual recurring revenues) reached a record of R\$227.2 million, a total addition of R\$80.3 million, up 54.7% over 1Q20, not yet considering the two most recent acquisitions.

Net revenues reached a record of R\$68.2 million, growing 40.3% over 1Q20, of which 12.8% organic and 27.5% inorganic. Recurring revenues totaled R\$62.1 million, up 50.9%, accounting for 91.0% of the total, a new record.

Costs amounted to R\$43.0 million, up 30.8% over 1Q20, of which 5.8% organic and 25.0% inorganic. Costs grew less than revenues, highlighting efficiency gains. We are significantly increasing our RD&I

investments in order to accelerate product integration and updates and promote the launch of new ones. These investments, fully recorded in costs, totaled R\$1.1 million, an increase of 44.3% vs. 1Q20.

General and administrative expenses (ex-depreciation and amortization) amounted to R\$12.8 million, up 3.0% from 1Q20, growing less than revenues and inflation. This increase was mostly due to the consolidation of general and administrative expenses arising from acquisitions, in the amount of R\$2.0 million, and M&A expenses totaling R\$1.8 million, which are mostly non-recurring, reflecting an increase in the number of transactions in progress. On the other hand, the reversal of provisions for contingencies, which totaled R\$1.4 million, had a positive impact on the result.

Adjusted EBITDA hit an all-time high of R\$12.4 million, up 267.4% over 1Q20, while the EBITDA margin stood at a record 18.2%, up 11.2 p.p. These figures confirm our expectations for 2021 and show that we began the year on a very positive note, reinforced by the new unit, Digital Sinqia, which will start to be consolidated in our results in 2Q21, representing yet another step in the growth and profitability trajectory.

Finally, as the last five acquisitions took place within a short period of time, we can still see asymmetry of information on the company. Sinqia had an excellent performance this quarter, but, based on pro-forma information, it is already a much larger and much better company!

We are ready to deliver excellent results and maintain the fast pace of our consolidation plan. The windshield shows a much better view than the rearview mirror. We invite you to join us on this journey!

(R\$ Mn)	2020	Annualized reported 1Q21	Annualized proforma* 1Q21
Net Revenues	210.0	273.0	325.8

**Including non-consolidated managerial figures from recent acquisitions in 1Q21: ISP (Jan/21), Simply (Jan-Mar/21) and FEPWeb (Jan-Mar/21).*

RECENT EVENTS

Simply Acquisition. In March, we acquired Simply, a company that is specialized in solutions for process automation, in particular the opening of digital accounts and the acquisition of financial products. Its document capture, analysis and validation solutions based on artificial intelligence are used by more than 50 clients, including several digital banks and fintechs. In the last 12 months ended September 30th, 2020, the company had net revenues of R\$17 million and EBITDA of R\$6 million. The transaction was closed on April 23rd, 2021.

FEPWeb Acquisition. In March, we acquired FEPWeb, a benchmark in solutions for formalizing digital transactions. Its solutions to control signatures & powers and digital signatures are used by over 55 customers, including several digital banks and 13 of the 20 largest global banks. In the last 12 months ended December 31st, 2020, the company had net revenues of R\$13 million and EBITDA of R\$8 million. The transaction was closed on April 8th, 2021.

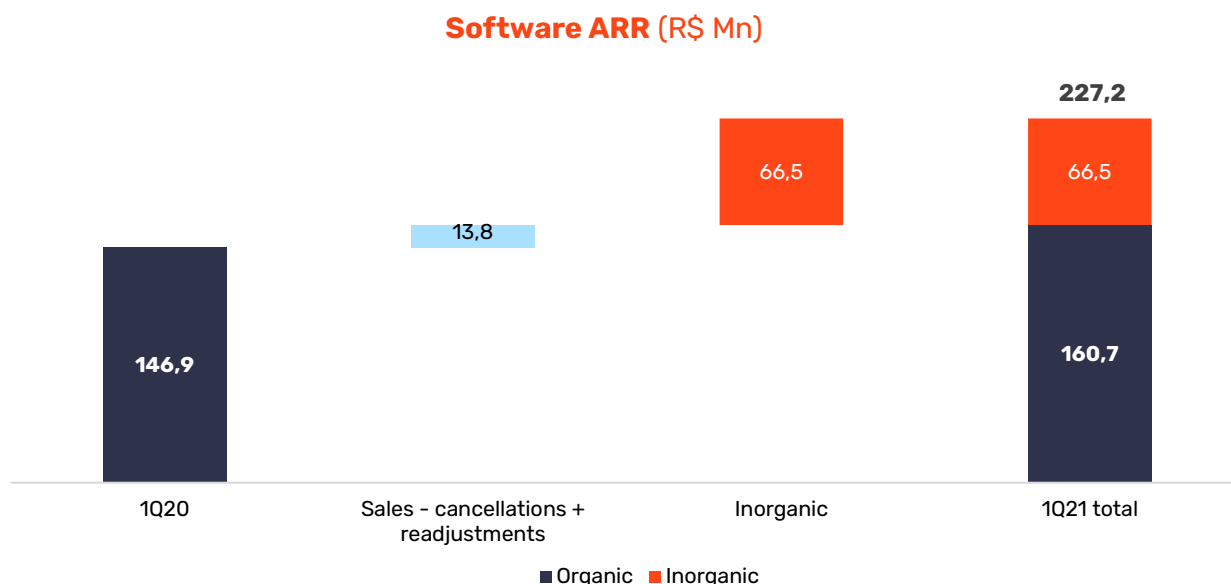
Creation of the Singia Digital unit. The founders of Simply and FEPWeb have become shareholders of the Company and part of the subsidiaries' management team, leading their respective business, which make up a new unit: Singia Digital. Through this unit, Singia will offer horizontal technology solutions, under the Saas model, to its entire customer base made up of over 500 customers in the Bank, Fund, Private Pension and Consortium verticals.

Share buyback program. In 1Q21, the Company purchased 1.7 million shares, totaling R\$37.3 million. In March we announced a new buyback program of up 5.2 million shares, in order to: (i) maximize shareholder value generation; (ii) follow the stock compensation plan; and (iii) be able to pay for potentials mergers and acquisitions in stock. Since the beginning of the current program it has been purchased 1.2 million shares.

OPERATIONAL PERFORMANCE

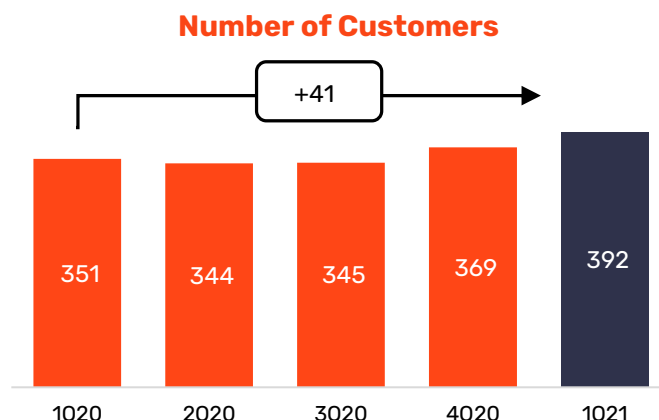
Software ARR¹.

Gross software ARR hit all-time high of R\$227.2 million **(+54.7% vs. 1Q20)**, versus R\$146.9 million in 1Q20. The increase was mainly due to an inorganic inflow of R\$65.5 million from the Tree, Fromtis and ISP acquisition and R\$13.8 million organic (+9.4% vs. 1Q20).



Number of Customers

The number of customers increased to 392 in 1Q21 **(+41 vs. 1Q20)**, driven by acquisitions and new sales. The largest customer was responsible for 4.1% of net revenues (vs. 5.0% in 1Q20), due to portfolio dilution with the entry of new customers and a reduction in revenues generated by this customer.



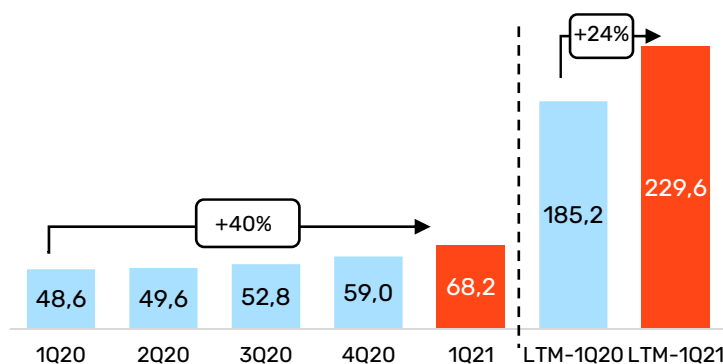
¹ Annualized signed contracts, implemented or not, which will generate recurring revenues after completion of the implementation. The concept of inorganic ARR considers only acquisitions made in the 12 months prior to disclosure, i.e. only Tree, Fromtis and ISP (acquired in 4Q20 and 1Q21) are considered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

FINANCIAL PERFORMANCE

Net Revenues

In the quarter, net revenues reached a record of R\$68.2 million **(+40.3% vs. 1Q20)**, versus R\$48.6 million in the same period of last year. Revenues grew thanks to an increase of R\$13.4 million in inorganic revenues and R\$2.9 million in organic revenues in Software, as well as R\$3.3 million in Services.

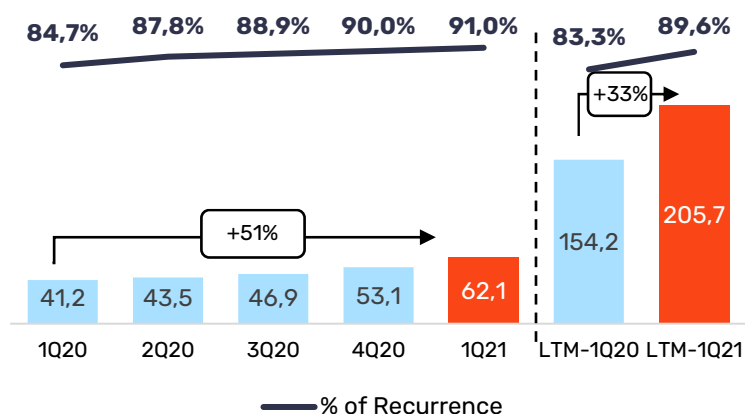
Net Revenues (R\$ Mn)



Recurring Revenues

In the quarter, recurring revenues reached a record of R\$62.1 million **(+50.9% vs. 1Q20)**, versus R\$41.2 million in the same period of last year. They accounted for 91.0% of total net revenues (vs. 84.7% in 1Q20), an all-time high, reflecting the constant pursuit of a business model focused on growth and resilience.

Recurring Revenue (R\$ Mn)



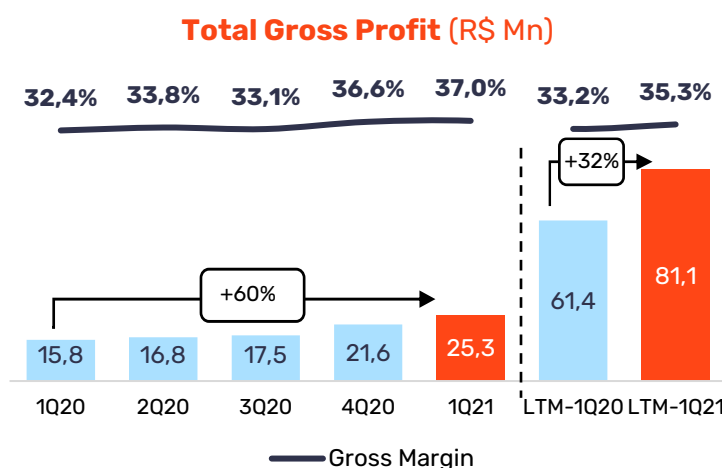
— % of Recurrence

Costs

Costs amounted to R\$43.0 million in the quarter **(+30.8% vs. 1Q20)**, versus R\$32.9 million in 1Q20. The increase was mainly due to the addition of R\$7.3 million in inorganic costs, as a result of the acquisitions made in late 2020, and an increase of RD&I costs, which amounted to R\$1.1 million in the period. In general, costs rose due to an increase in headcount and scheduled salary increases.

Gross Profit and Gross Margin

Gross profit totaled R\$25.3 million **(+60.2% vs. 1Q20)**, versus R\$15.8 million in 1Q20. The gross margin stood at 37.0% **(+4.6p.p. vs. 1Q20)**, versus 32.4% in 1Q20. The improvement in indicators was due to efficiency gains in both Software and Services, as detailed below.

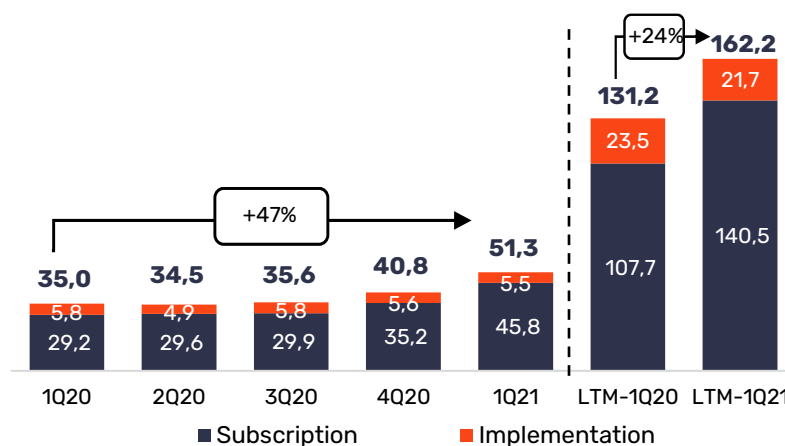


Software Unit

Net Revenues from Software

In the quarter, net revenues from software reached a record of R\$51.3 million **(+46.5% vs. 1Q20)**, versus R\$35.0 million in 1Q20. Subscription revenues hit an all-time high of R\$45.8 million **(+57.0% vs. 1Q20)**, versus R\$29.2 million. Implementation and customization revenues totaled R\$5.5 million **(-6.0% vs. 1Q20)**, versus R\$5.8 million in the last year. These opposite variations reflect an improvement in the commercial model: new customers start paying Subscription fees as of contract execution date (no longer as of the software installation) and are exempt from implementation fees. Therefore, the replacement costs perceived by customers are reduced, and sales are facilitated.

Net Revenues from Software (R\$ Mn)



Organic growth totaled R\$2.9 million, reflecting the conversion of the implementation backlog into revenues and adjustments (due to inflation and volume), especially in the Fund **(+20.3% vs. 1Q20)** and Bank verticals **(+16.5% vs. 1Q20)**, due to a more favorable scenario in these verticals, with new customers, including two major core banking contracts. Inorganic growth stood at R\$13.4 million, due to the acquisitions of Tree, Fromtis and ISP between 1Q20 and 1Q21.

Net Revenues from Software (R\$ thd)

(R\$ '000)	1Q21	1Q20	1Q21 x 1Q20	4Q20	1Q21 x 4Q20	LTM-1Q21	LTM-1Q20	LTM-1Q21 x LTM-1Q20
Net Revenues from Software	51,259	34,979	46.5%	40,813	25.6%	162,224	131,234	23.6%
Banks	21,656	18,597	16.5%	22,182	-2.4%	81,805	73,052	12.0%
Funds	5,387	4,479	20.3%	5,226	3.1%	19,646	16,961	15.8%
Pension	9,094	9,239	-1.6%	8,862	2.6%	35,605	31,074	14.6%
Consortium	1,741	2,664	-34.7%	2,078	-16.2%	9,320	10,147	-8.2%
Inorganic	13,382	-	n.a	2,465	442.8%	15,847	-	n.a

Software Costs

Software costs totaled R\$30.5 million **(+38.9% vs. 1Q20)**, versus R\$22.0 million in 1Q20. Costs grew less than revenues, highlighting efficiency gains, despite additional costs in Banks to support new sales.

Software Costs (R\$ thd)

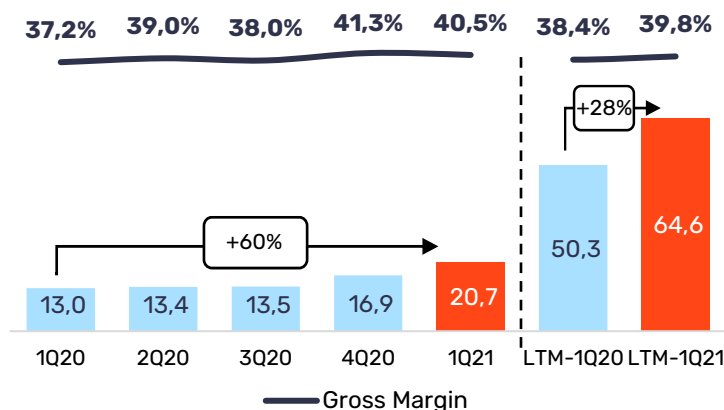
(R\$ '000)	1Q21	1Q20	1Q21 x 1Q20	4Q20	1Q21 x 4Q20	LTM-1Q21	LTM-1Q20	LTM-1Q21 x LTM-1Q20
Software Costs	30,510	21,970	38.9%	23,938	27.5%	97,618	80,885	20.7%
Operational	29,439	21,228	38.7%	22,459	31.1%	92,238	74,547	23.7%
RD&I	1,071	742	44.3%	1,479	-27.6%	5,379	6,338	-15.1%

Organic growth stood at R\$1.3 million and reflected the significant additional investments in RD&I to accelerate product integration and updates and develop new ones. These investments, fully recorded in costs, totaled R\$1.1 million **(+44.3% vs. 1Q20)**. The R\$7.3 million inorganic growth was due to the acquisitions of Tree, Fromtis and ISP between 1Q20 and 1Q21.

Gross Profit and Gross Margin from Software

Gross profit totaled R\$20.7 million **(+59.5% vs. 1Q20)**, versus R\$13.0 million in 1Q20, while the gross margin stood at 40.5% **(+3.3p.p. vs. 1Q20)**, versus 37.2% in 1Q20. This margin improvement was due to efficiency gains in the operation, despite the significant upturn in RD&I investments, which were diluted by an increase in revenues.

Gross profit from Software (R\$ Mn)

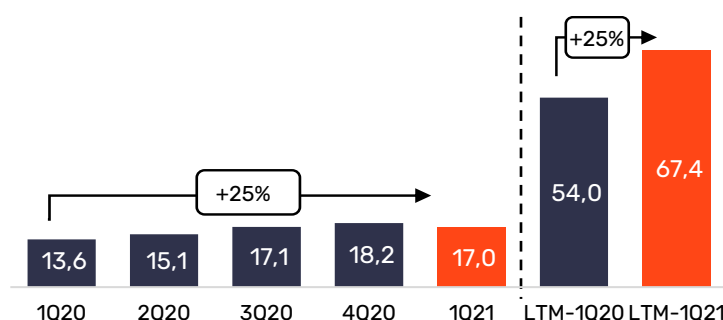


Services Unit

Net Revenues from Services

Net revenues from services hit an all-time high of R\$17.0 million **(+24.5% vs. 1Q20)**, versus R\$13.6 million in 1Q20. Outsourcing revenues, which are recurring, amounted to R\$16.3 million, accounting for 96% of the Services unit total. The substantial growth of the unit reflects an increase of managed services sales and the development of customized solutions (including a proprietary PIX solution for an institution), with a consequent increase in the average ticket, and the acquisition of new customers, fueled by strong demand for digital transformation services in the financial sector, especially banks and insurance companies.

Net Revenues from Services (R\$ Mn)



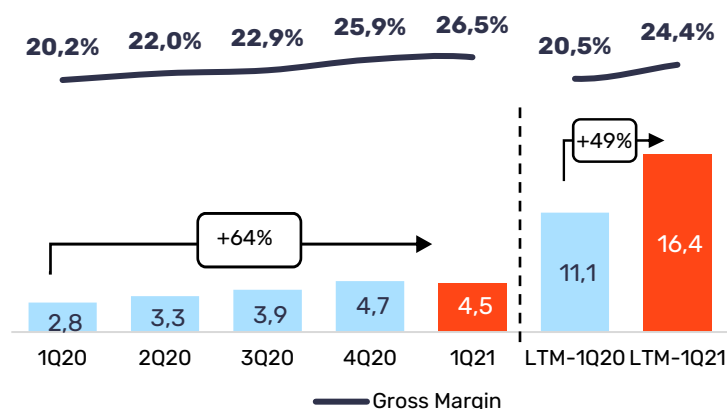
Service Costs

Service costs totaled R\$12.5 million in the quarter **(+14.6% vs. 1Q20)**, versus R\$10.9 million in 1Q20. The increase in costs was lower than revenue growth and reflected the expansion of the outsourced team and the salary increase following the collective bargaining agreement, booked as of January for employees from São Paulo.

Gross Profit and Gross Margin from Services

Gross profit totaled R\$4.5 million in 1Q21 **(+63.6% vs. 1Q20)**, versus R\$2.8 million in 1Q20, and the gross margin stood at 26.5% **(+6.3p.p. vs. 1Q20)**, versus 20.2% in 1Q20. This reflected the increased share of services with a higher value-added, and consequently with higher margins.

Gross profit from Services (R\$ Mn)



Operating Expenses

Selling, General and Administrative Expenses

SG&A expenses totaled R\$12.8 million in 1Q21 **(+3.0% vs. 1Q20)**, versus R\$12.5 million in 1Q20. This increase was mainly due to the consolidation of acquisition expenses in the amount of R\$2.0 million, distributed over several lines. In organic terms, there was an increase in M&A expenses, which totaled R\$1.8 million and are mostly non-recurring, reflecting an increase in the volume of transactions in progress. This increase was partially offset by a reduction in Selling expenses, with a reduction in travel and accommodation, and IT and Facilities expenses, thanks to the optimization of connectivity and telephony contracts and reduction of office expenses.

SG&A Expenses (R\$ thd)

(R\$ '000)	1Q21	1Q20	1Q21 x 1Q20	4Q20	1Q21 x 4Q20	LTM-1Q21	LTM-1Q20	LTM-1Q21 x LTM-1Q20
SG&A Expenses	12,828	12,451	3.0%	10,990	16.7%	41,902	43,732	-4.2%
% of Revenue	18.8%	25.6%	-6.8 p.p.	18.6%	0.2 p.p.	18.2%	23.6%	-5.4 p.p.
Commercial	3,132	3,627	-13.6%	3,097	1.1%	11,019	11,565	-4.7%
Marketing	575	491	17.1%	466	23.4%	1,796	1,932	-7.0%
Administrative	4,083	3,317	23.1%	3,917	4.2%	14,540	16,791	-13.4%
IT and Facilities	2,791	3,734	-25.3%	2,867	-2.7%	10,165	11,353	-10.5%
M&A	1,795	590	204.2%	522	243.9%	4,647	1,399	232.1%
Other expenses	452	692	-34.7%	121	273.6%	(265)	692	n.a

Depreciation and Amortization

Depreciation and amortization totaled R\$7.8 million **(+68.9% vs. 1Q20)**, versus R\$4.6 million in the same period of the previous year. The depreciation of fixed assets amounted to R\$1.9 million **(+58.8 vs. 1Q20)** versus R\$1.2 million in the same period of the previous year, reflecting a growth in computers and peripherals and right of use – lease lines. The amortization of intangible assets, in turn, reached R\$5.9 million **(+72.4% vs. 1Q20)** versus R\$3.4 million in 1Q20, driven by higher additions due to company acquisitions (Tree, Fromtis and ISP) and software's right of use.

Depreciation and Amortization (R\$ thd)

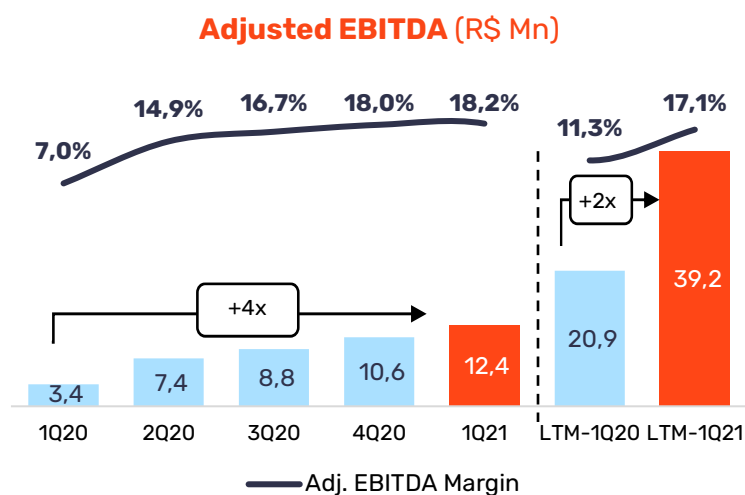
(R\$ '000)	1Q21	1Q20	1Q21 x 1Q20	4Q20	1Q21 x 4Q20	LTM-1Q21	LTM-1Q20	LTM-1Q21 x LTM-1Q20
Depreciation and Amortization	7,762	4,596	68.9%	6,643	16.8%	26,248	17,133	53.2%
Depreciation	1,903	1,198	58.8%	3,175	-40.1%	9,629	5,291	82.0%
Amortization	5,859	3,398	72.4%	3,468	68.9%	16,619	11,842	40.3%
Acquisitions amortization	3,259	2,866	13.7%	2,361	38.0%	10,064	10,725	-6.2%
Other amortizations	2,600	532	388.7%	1,107	134.9%	6,555	1,117	486.8%

At the end of the period, the goodwill balance stood at R\$182.4 million **(+R\$47.5 million vs. 4Q20)**, due to the addition of ISP acquisition.

EBITDA and Adjusted EBITDA

EBITDA hit an all-time high of R\$12.4 million **(+4x vs. 1Q20)**, versus R\$3.4 million in 1Q20, with an EBITDA margin of 18.2% in 1Q21, another record **(+11.3 p.p. vs. 1Q20)**, versus 7.0% in 1Q20. This performance reflects scale gains, mainly by capturing synergies from last acquisitions, and diligent SG&A expenses control.

It is worth noting that historically the first quarter presents an unfavorable seasonality due to a reduction in variable revenues and an increase in personnel expenses, particularly in the turn of the year. Given that, we understand that this all-time high margin level confirms the profitability gain trend.



EBITDA and Adj. EBITDA Reconciliation (R\$ thd)

(R\$ '000)	1Q21	1Q20	1Q21 x 1Q20	4Q20	1Q21 x 4Q20	LTM-1Q21	LTM-1Q20	LTM-1Q21 x LTM-1Q20
Net Income	779	443	75.8%	3,082	-74.7%	5,292	(1,796)	n.a
(+) Income tax/social contribution	1,548	(784)	n.a	655	136.3%	4,176	(2,257)	n.a
(+) Financial result	2,333	(933)	n.a	219	965.3%	3,422	3,217	6.4%
(+) Depreciation/amortization	7,762	4,596	68.9%	6,643	16.8%	26,248	17,133	53.2%
EBITDA	12,422	3,322	273.9%	10,599	17.2%	39,138	16,298	140.1%
(+) Extraordinary expenses - earnout	-	-	n.a	-	n.a	-	1,384	n.a
(+) Extraordinary expenses - integration	-	32	n.a	-	n.a	42	1,319	-96.8%
(+) Extraordinary costs - integration	-	27	n.a	22	n.a	30	1,895	-98.4%
Adjusted EBITDA	12,422	3,381	267.4%	10,621	17.0%	39,210	20,896	87.6%
<i>Adj. EBITDA Margin</i>	<i>18.2%</i>	<i>7.0%</i>	<i>11.2 p.p.</i>	<i>18.0%</i>	<i>0.2 p.p.</i>	<i>17.1%</i>	<i>11.3%</i>	<i>5.8 p.p.</i>

Financial Result

In 1Q21, the financial result was negative R\$2.3 million (vs. positive R\$0.9 million in 1Q20). The financial expenses totaled R\$3.6 million (vs. R\$2.7 million in 1Q20), reflecting mainly the new obligations related to the installments of the acquisitions (Tree, Fromtis and ISP). The financial revenues amounted to R\$1.3 million (vs. R\$3.7 million in 1Q20), as a result of cash disbursement related to the acquisitions cash payment.

Financial Result (R\$ thd)

(R\$ '000)	1Q21	1Q20	1Q21 x 1Q20	4Q20	1Q21 x 4Q20	LTM-1Q21	LTM-1Q20	LTM-1Q21 x LTM-1Q20
Resultado Financeiro	(2,333)	933	n.a	(219)	965.3%	(3,422)	(3,217)	6.4%
Financial revenues	1,379	3,653	-62.3%	1,801	-23.4%	7,454	9,701	-23.2%
Financial expenses	(3,712)	(2,720)	36.5%	(2,020)	83.8%	(10,876)	(12,918)	-15.8%

Net Income and Adjusted Cash Earnings

Net income totaled R\$0.8 million in 1Q21 **(+75.8% vs. 1Q20)**, versus R\$0.4 million in the same quarter last year. Adjusted cash profit stood at R\$3.0 million **(+101.1% vs. 1Q20)**, versus R\$1.5 million in 1Q20, mainly due to an increase in expenses lines that affects the net income but without cash impact: amortization and depreciation and deferred income tax and social contribution.

Reconciliation of the Adjusted Cash Earnings (R\$ thd)

(R\$ '000)	1Q21	1Q20	1Q21 x 1Q20	4Q20	1Q21 x 4Q20	LTM-1Q21	LTM-1Q20	LTM-1Q21 x LTM-1Q20
Net income	779	443	75.8%	3,082	-74.7%	5,292	(1,796)	n.a
(+) Extraordinary effects	-	59	n.a	22	n.a	72	4,598	-98.4%
Adjusted net income	779	502	55.1%	3,104	-74.9%	5,364	2,803	91.4%
(+) Acquisitions amortization	3,259	2,866	13.7%	2,361	38.0%	10,064	10,725	-6.2%
(+) Def. income tax/Social Contr.	(1,074)	(1,894)	-43.3%	(165)	550.9%	(1,783)	(6,325)	-71.8%
Adjusted Cash Earnings	2,964	1,474	101.1%	5,300	-44.1%	13,645	7,203	89.4%
<i>Adj. CE Margin</i>	<i>4.3%</i>	<i>3.0%</i>	<i>1.3 p.p.</i>	<i>9.0%</i>	<i>2.1 p.p.</i>	<i>5.9%</i>	<i>3.9%</i>	<i>2.1 p.p.</i>

FINANCIAL POSITION

Gross Cash

At the end of the quarter the cash position was R\$234.0 million **(-R\$87.0 million vs. 4Q20)**, versus R\$321.1 million in 4Q20. This performance was mainly a result of cash disbursement related to cash payment for ISP acquisition, which amounted to R\$33.6 million, and share repurchase of R\$37.3 million. To enable the continuity of our plan, we intend to reinforce our cash position. In this sense we initiated discussions on a potential fund-raising, probably through leverage increasing.

Gross Debt

Gross debt stood at R\$127.3 million at the end of 1Q21 **(+R\$43.9 million vs. 4Q20)**, versus R\$83.4 million in 4Q20. This increase was due to higher liabilities arising from investment acquisitions, which totaled R\$90.8 million **(+R\$50.6 vs. 4Q20)**, due to new obligations related to the installment of the ISP acquisition in the amount of R\$48.4 million and a decline in our outstanding loan balance, which closed the period at R\$36.5 million **(-R\$3.1 million vs. 4Q20)**.

Net Cash

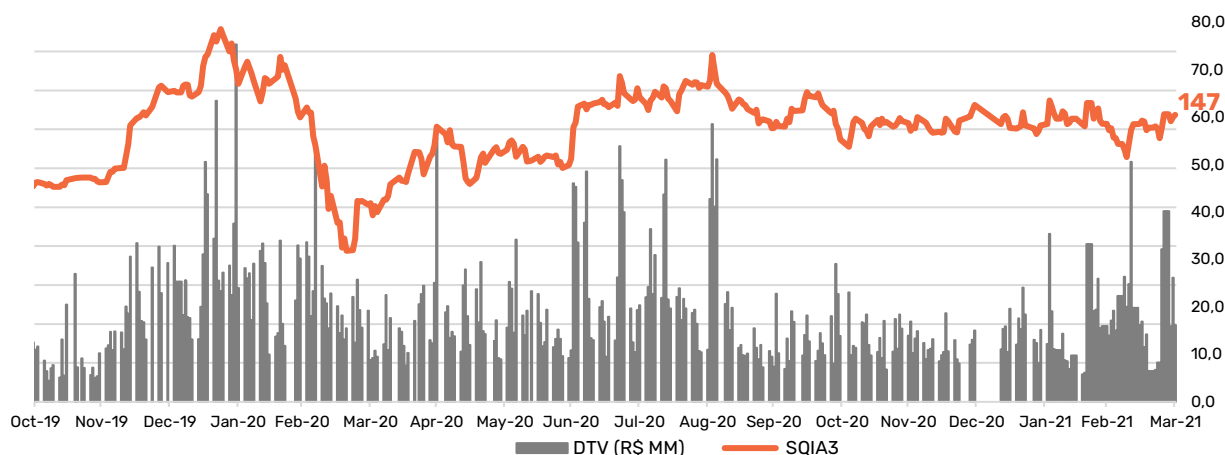
We closed 1Q21 with net cash of R\$106.7 million (**-R\$130.9 million vs. 4Q20**), versus R\$237.7 million in 4Q20.

CAPITAL MARKET

Stock Performance

The Company's shares (NM: SQIA3) closed the quarter at R\$22.70 (**-3.4% vs. 4Q20**), versus R\$23.50 in 4Q20. The Company's shares appreciated 47.4% since the follow on (Sept/19).

Stock Performance - Base 100 (R\$ Nm)



Market Capitalization

At the end of the first quarter of 2021, the Company reached R\$1.6 billion in market capitalization (**-3.4% vs. 4Q20**), versus R\$1.7 billion in 4Q20.

Average Daily Trading Volume (ADTV)

In the three months that make up 1Q21, Sinqia's average daily trading volume was R\$18.0 million (**+34.5% vs. 4Q20**), versus R\$13.4 million in 4Q20.

Shareholder Base

The shareholder base closed the quarter with 112,800 shareholders **(+1.2% vs. 4Q20)**, versus R\$111,500 in 4Q20.

Outstanding shares (free float)

We closed the quarter with 80.9% of our shares in free float **(-2.3p.p. vs. 4Q20)**, versus 83.2% in 4Q20.

Statement from Management. The Executive Board of Sinqia S.A., pursuant to items V and VI of Article 25 of CVM Instruction 480/09, hereby declares that it has reviewed, discussed and agreed with (i) the opinions expressed in the independent auditors' report and (ii) the Financial Statements for the quarter ended on March 31, 2021.

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

(RS '000)	1Q21	1Q20	4Q20 x 4Q19	4Q20	4Q20 x 3Q20	LTM-1Q20	LTM-1Q21	2020 x 2019
Gross Revenues	76,789	54,748	40.3%	66,355	15.7%	208,267	258,400	-19.4%
Software	57,691	39,408	46.4%	45,857	25.8%	147,527	182,594	-19.2%
Subscription	51,424	32,839	56.6%	38,523	33.5%	120,997	156,920	-22.9%
Implementation	6,267	6,569	-4.6%	7,335	-14.6%	26,530	25,674	3.3%
Services	19,097	15,340	24.5%	20,498	-6.8%	60,740	75,805	-19.9%
Outsourcing	18,358	13,468	36.3%	20,151	-8.9%	52,308	72,845	-28.2%
Projects	739	1,872	-60.5%	347	113.1%	8,432	2,960	184.8%
Sales taxes	(8,549)	(6,126)	39.5%	(7,308)	17.0%	(23,033)	(28,789)	-20.0%
Software	(6,431)	(4,429)	45.2%	(5,044)	27.5%	(16,294)	(20,370)	-20.0%
Subscription	(5,618)	(3,662)	53.4%	(3,328)	68.8%	(13,305)	(16,426)	-19.0%
Implementation	(813)	(767)	6.0%	(1,716)	-52.6%	(2,989)	(3,943)	-24.2%
Services	(2,118)	(1,697)	24.8%	(2,264)	-6.4%	(6,739)	(8,419)	-20.0%
Outsourcing	(2,039)	(1,483)	37.5%	(2,225)	-8.4%	(5,769)	(7,661)	-24.7%
Projects	(80)	(214)	-62.8%	(39)	103.8%	(970)	(759)	27.9%
Net Revenues	68,240	48,622	40.3%	59,047	15.6%	185,235	229,611	-19.3%
Software	51,260	34,979	46.5%	40,813	25.6%	131,234	162,225	-19.1%
Subscription	45,806	29,177	57.0%	35,195	30.2%	107,693	140,494	-23.3%
Implementation	5,454	5,802	-6.0%	5,619	-2.9%	23,541	21,731	8.3%
Services	16,979	13,643	24.5%	18,234	-6.9%	54,001	67,386	-19.9%
Outsourcing	16,319	11,985	36.2%	17,926	-9.0%	46,539	65,184	-28.6%
Projects	660	1,658	-60.2%	308	114.3%	7,462	2,201	239.0%
Net Revenues	68,240	48,622	40.3%	59,047	15.6%	185,235	229,611	-19.3%
Recurring	62,126	41,162	50.9%	53,121	17.0%	154,232	205,678	-25.0%
Variable	6,114	7,460	-18.0%	5,926	3.2%	31,003	23,932	29.5%
% of Recurrence	91.0%	84.7%	6.4 p.p.	90.0%	1.1 p.p.	83.3%	89.6%	-6.3 p.p.
Costs	(42,990)	(32,862)	30.8%	(37,458)	14.8%	(123,811)	(148,558)	-16.7%
Software	(30,510)	(21,970)	38.9%	(23,938)	27.5%	(80,885)	(97,618)	-17.1%
Services	(12,480)	(10,892)	14.6%	(13,520)	-7.7%	(42,926)	(50,940)	-15.7%
Outsourcing	(11,814)	(9,858)	19.8%	(13,136)	-10.1%	(37,406)	(48,497)	-22.9%
Projects	(667)	(1,034)	-35.5%	(384)	73.4%	(5,520)	(2,443)	125.9%
Gross profit	25,250	15,760	60.2%	21,589	17.0%	61,424	81,053	-24.2%
Gross margin	37.0%	32.4%	4.6 p.p.	36.6%	0.4 p.p.	33.2%	35.3%	-2.1 p.p.
Software	20,749	13,009	59.5%	16,876	23.0%	50,349	64,606	-22.1%
Software gross mg.	40.5%	37.2%	3.3 p.p.	41.3%	-0.9 p.p.	38.4%	39.8%	-1.5 p.p.
Services	4,500	2,751	63.6%	4,713	-4.5%	11,075	16,447	-32.7%
Services gross mg.	26.5%	20.2%	6.3 p.p.	25.9%	0.7 p.p.	20.5%	24.4%	-3.9 p.p.
Outsourcing	4,507	2,127	111.9%	4,790	-5.9%	9,133	16,688	-45.3%
Outsourcing gross mg.	27.6%	17.7%	9.9 p.p.	26.7%	0.9 p.p.	19.6%	25.6%	-6.0 p.p.
Projects	(7)	624	n.a	(77)	-91.0%	1,942	(242)	n.a
Projects gross mg.	-1.0%	37.6%	n.a	-24.9%	23.9 p.p.	26.0%	-11.0%	n.a
Expenses	(20,590)	(17,047)	20.8%	(17,633)	16.8%	(62,249)	(68,150)	-8.7%
% of net revenues	30.2%	35.1%	-4.9 p.p.	29.9%	0.3 p.p.	33.6%	29.7%	3.9 p.p.
General/administrative	(12,828)	(12,451)	3.0%	(10,990)	16.7%	(43,732)	(41,902)	4.4%
% of net revenues	18.8%	25.6%	-6.8 p.p.	18.6%	0.2 p.p.	23.6%	18.2%	5.4 p.p.
Depreciation/amort.	(7,762)	(4,596)	68.9%	(6,643)	16.8%	(17,133)	(26,248)	-34.7%
% of net revenues	11.4%	9.5%	1.9 p.p.	11.3%	0.1 p.p.	9.2%	11.4%	-0.2 p.p.
EBIT	4,661	(1,287)	n.a	3,956	17.8%	(826)	12,904	n.a
Financial result	(2,333)	933	n.a	(219)	965.3%	(3,217)	(3,422)	-6.0%
Financial income	1,379	3,653	-62.3%	1,801	-23.4%	9,701	7,454	30.1%
Financial expenses	(3,712)	(2,720)	36.5%	(2,020)	83.8%	(12,918)	(10,876)	18.8%
EBT	2,328	(354)	n.a	3,737	-37.7%	(4,043)	9,482	n.a
Income tax/social contribution	(1,548)	784	n.a	(655)	136.3%	2,257	(4,176)	n.a
Current	(2,622)	(1,110)	136.2%	(820)	219.8%	(4,068)	(5,959)	-31.7%
Deferred	1,074	1,894	-43.3%	165	550.9%	6,325	1,783	254.7%
Results after IT and SC	780	430	81.4%	3,082	-74.7%	(1,786)	5,306	n.a
Minority interest	-	13	n.a	-	n.a	(10)	(13)	-23.1%
Net income	780	443	76.0%	3,082	-74.7%	(1,796)	5,293	n.a
Net margin	1.1%	0.9%	0.2 p.p.	5.2%	-4.1 p.p.	-1.0%	2.3%	n.a

EBITDA	12,423	3,322	274.0%	10,599	17.2%	16,298	39,139	-58.4%
EBITDA margin	18.2%	6.8%	11.4 p.p.	18.0%	0.3 p.p.	8.8%	17.0%	-8.2 p.p.
(+) Extraordinary expenses	-	32	n.a	-	n.a	2,703	42	6335.7%
(+) Extraordinary costs	-	27	n.a	22	n.a	1,895	30	6216.7%
Adjusted EBITDA	12,423	3,381	267.4%	10,621	17.0%	20,896	39,211	-46.7%
Adj. EBITDA Margin	18.2%	7.0%	11.3 p.p.	18.0%	0.2 p.p.	11.3%	17.1%	-5.8 p.p.

Net income	780	443	76.0%	3,082	-74.7%	(1,796)	5,293	n.a
(+) Extraordinary effects	-	59	n.a	22	n.a	4,598	72	6286.1%
Adjusted net income	780	502	55.3%	3,104	-74.9%	2,803	5,365	-47.8%
(+) Acquisitions amortization	3,259	2,866	13.7%	2,361	38.0%	10,725	10,064	6.6%
(+) Deferred income tax/Social cont.	(1,074)	(1,894)	-43.3%	(165)	550.9%	(6,325)	(1,783)	254.7%
Adjusted Cash Earnings	2,965	1,474	101.1%	5,300	-44.1%	7,203	13,646	-47.2%
Adj. CE Margin	4.3%	3.0%	1.3 p.p.	9.0%	-4.6 p.p.	3.9%	5.9%	-2.1 p.p.

Exhibit II – Balance Sheet (Consolidated)

(R\$ '000)	01.31.2021	12.31.2020	Var.	03.31.2020	Var. YoY
ASSETS	658,970	637,653	3.3%	608,760	8.2%
Current	264,326	344,158	-23.2%	379,092	-30.3%
Cash and cash equivalents	234,026	321,063	-27.1%	340,917	-31.4%
Trade receivables	22,473	17,427	29.0%	29,748	-24.5%
Advanced expenses	553	673	-17.8%	850	-34.9%
Taxes and contributions recoverable	6,185	4,354	42.1%	5,594	10.6%
Other receivables	1,089	641	69.9%	1,983	-45.1%
Non-current	394,644	293,495	34.5%	229,668	71.8%
Securities	3,012	5,319	-43.4%	4,244	-29.0%
Taxes and contributions recoverable	19,328	1,884	925.9%	1,692	1042.3%
Deposits in court	289	239	20.9%	376	-23.1%
Deferred income tax and social contrib.	29,108	25,205	15.5%	24,496	18.8%
Other receivables	-	-	-	159	-
Property and equipment	47,357	38,138	24.2%	36,860	28.5%
Intangible assets	295,550	222,710	32.7%	161,841	82.6%
LIABILITIES AND EQUITY	658,970	637,653	3.3%	608,760	8.2%
Current	88,173	70,972	24.2%	55,639	58.5%
Loans and financing	12,500	12,506	0.0%	18,286	-31.6%
Leasing	8,824	7,807	13.0%	2,815	213.5%
Trade payables	5,564	2,437	128.3%	4,509	23.4%
Advances from customers	5,022	8,255	-39.2%	3,083	62.9%
Labor liabilities	27,529	20,735	32.8%	16,069	71.3%
Tax liabilities	1,385	2,298	-39.7%	3,115	-55.5%
Liabilities arising from invest. acquisition	24,528	15,549	57.7%	7,762	216.0%
	2,821	1,385	103.7%	-	-
Non-current	170,413	131,153	29.9%	129,753	31.3%
Loans and financing	24,022	27,139	-11.5%	40,480	-40.7%
Leasing	33,617	30,993	8.5%	20,048	67.7%
Tax liabilities	1,883	2,407	-21.8%	2,891	-34.9%
Provisions for legal proceedings	44,639	42,402	5.3%	37,990	17.5%
Liabilities arising from invest. acquisition	66,252	28,212	134.8%	28,344	133.7%
Equity	400,384	435,528	-8.1%	423,368	-5.4%
Share capital	413,261	413,261	0.0%	413,261	0.0%
Treasury shares	(37,626)	(1,689)	2127.7%	(8,355)	350.3%
Shares issue expenses	(23,915)	(23,915)	0.0%	(23,789)	0.5%
Capital reserve	15,511	15,497	0.1%	12,892	20.3%
Earnings reserve	33,153	32,374	2.4%	29,246	13.4%
Total Equity of controlling shareholders	400,384	435,528	-8.1%	423,255	-5.4%
Non-controlling interests	-	-	-	113	-
Gross debt	127,302	83,406	52.6%	94,872	34.2%
Borrowings	36,522	39,645	-7.9%	58,766	-37.9%
Liabilities arising from invest. acquisition	90,780	43,761	107.4%	36,106	151.4%
Net debt (cash) position	(106,724)	(237,657)	-55.1%	(246,045)	-56.6%
Net debt/Adj. EBITDA LTM	NA	NA		NA	

Sinqia S.A.

Interim Financial Information - ITR for the quarter ended
March 31, 2021 and Independent Auditor's
review report

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MESSAGE FROM MANAGEMENT

Dear Shareholders and other Stakeholders,

In compliance with legal provisions, Sinqia S.A., a Brazilian technology provider for the financial industry, hereby submits to the assessment of its shareholders and other stakeholders, the Management Report and related Interim Financial Information, accompanied by the independent auditor's review report, for the period ended March 31, 2021, prepared according to Technical Pronouncement CPC 21 - Interim Financial Reporting 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 consist of internationally accepted standards, according to which: (a) the auditors shall not audit their own work; (b) the auditors shall not perform management functions for their clients; and (c) the auditors shall 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
Sinquia S.A.

Introduction

We have reviewed the accompanying individual and consolidated interim financial information of Sinquia S.A. ("Company"), included in the Interim Financial Information Form (ITR), for the quarter ended March 31, 2021, which comprises the balance sheet as at March 31, 2021 and the related statements of income, of comprehensive income, of changes in equity and of cash flows for the three-month period then ended, including the explanatory notes.

The Company's Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with technical pronouncement CPC 21 (R1) 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, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the ITR referred to above was not prepared, in all material respects, in accordance with technical pronouncement CPC 21 (R1) and international standard IAS 34, applicable to the preparation of ITR, and presented in accordance with the standards issued by CVM.

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Other matters

Statements of value added

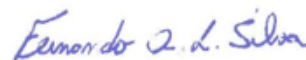
The aforementioned interim financial information includes the individual and consolidated statements of value added (DVA) for the three-month period ended March 31, 2021, prepared under the responsibility of the Company's Management and presented as supplementary information for the purposes of international standard IAS 34. These statements have been subject to review procedures performed in conjunction with the review of the ITR to determine whether they are reconciled with the interim financial information and the 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, nothing comes to our attention 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 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, May 5, 2021



DELOITTE TOUCHE TOHMATSU
Auditores Independentes



Fernando Augusto Lopes Silva
Engagement Partner

SINQIA S.A.
BALANCE SHEET AS OF MARCH 31, 2021 AND DECEMBER 31, 2020
(In thousands of Reais, unless stated otherwise)

	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
ASSETS				
Current				
Cash and Cash Equivalents (Note 6)	193.279	296.828	234.026	321.063
Receivables (Note 7)	6.363	7.673	22.473	17.427
Prepaid expenses	338	504	553	673
Recoverable taxes and contributions (Note 8)	2.701	2.622	6.185	4.354
Other Receivables	427	273	1.089	641
Total current assets	203.108	307.900	264.326	344.158
Non-current				
Accounts receivable from related parties (Note 9)	24.710	4.853	-	-
Recoverable taxes and contributions (Note 8)	2.437	1.847	3.012	1.884
Securities (Note 6)	6.603	5.319	19.328	5.319
Court Deposits (Note 16)	90	162	289	239
Deferred Income Tax and Social Contribution (Note 22)	23.840	21.049	29.108	25.205
Investments (Note 5)	213.696	152.694	-	-
Property and Equipment (Note 10)	19.934	16.559	47.357	38.138
Intangible Assets (Note 11)	61.839	34.288	295.550	222.710
Total Non-Current Assets	353.149	236.771	394.644	293.495
Total assets	556.257	544.671	658.970	637.653

The notes are an integral part of the interim financial information.

SINQIA S.A.
BALANCE SHEET AS OF MARCH 31, 2021 AND DECEMBER 31, 2020
(In thousands of Reais, unless stated otherwise)

	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
LIABILITIES				
Current				
Loans and Financing (Note 12)	12.500	12.506	12.500	12.506
Financial Lease (Note 24)	5.792	5.176	8.824	7.807
Trade payables	4.087	1.066	5.564	2.437
Advances from customers	2.635	4.031	5.022	8.255
Labor Liabilities (Note 13)	15.020	12.729	27.529	20.735
Earnings to be Distributed	1.385	1.385	1.385	1.385
Tax Liabilities (Note 14)	740	771	2.821	2.298
Accounts payable with related parties (Note 9)	3.117	3.117	-	-
Liabilities from Investment Acquisition (Note 15)	12.599	6.094	24.528	15.549
Total current liabilities	57.875	46.875	88.173	70.972
Non-current				
Loans and Financing (Note 12)	24.022	27.139	24.022	27.139
Financial Lease (Note 24)	11.683	13.040	33.617	30.993
Accounts payable with related parties (Note 9)	2.386	3.206	-	-
Tax Liabilities (Note 14)	1.478	1.988	1.883	2.407
Provisions for legal proceedings (Note 16)	17.195	16.895	44.639	42.402
Liabilities from Investment Acquisition (Note 15)	41.234	-	66.252	28.212
Total non-current liabilities	97.998	62.268	170.413	131.153
Shareholders' Equity (Note 17)				
Share Capital	413.261	413.261	413.261	413.261
Treasury Shares	(37.626)	(1.689)	(37.626)	(1.689)
Share issue costs	(23.915)	(23.915)	(23.915)	(23.915)
Capital Reserves	15.511	15.497	15.511	15.497
Profit reserves	33.153	32.374	33.153	32.374
Total shareholders' equity	400.384	435.528	400.384	435.528
Total Liabilities	556.257	544.671	658.970	637.653

The notes are an integral part of the interim financial information.

SINQIA S.A.
INCOME STATEMENT FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021 AND 2020
(In thousands of Reais, unless stated otherwise)

	Parent Company		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
NET OPERATING REVENUE (Note 18)	24.754	23.104	68.240	48.622
Cost of services rendered (Note 19)	(19.752)	(19.890)	(42.990)	(32.862)
GROSS PROFIT	5.002	3.214	25.250	15.760
Operating revenues (expenses)				
General, administrative and selling (Note 20)	(13.525)	(11.965)	(20.590)	(17.047)
Equity in the results of subsidiaries (Note 5)	7.280	5.218	-	-
Total operating expenses, net	(6.245)	(6.747)	(20.590)	(17.047)
Operating result before financial result	(1.243)	(3.533)	4.660	(1.287)
Finance result, net (Note 21)	(770)	1.754	(2.333)	933
Income (loss) before income tax and social contribution	(2.013)	(1.779)	2.327	(354)
Current income tax and social contribution (Note 22)	-	-	(2.622)	(1.110)
Deferred income tax and social contribution (Note 22)	2.792	2.222	1.074	1.894
Income after income tax and social contribution	779	443	779	430
Non-Controlling Interest	-	-	-	13
Net Income for the Period	779	443	779	443
BASIC EARNINGS PER SHARE - in Reais (Note 23)			0,011	0,006
DILUTED EARNINGS PER SHARE - in Reais (Note 23)			0,011	0,006

The notes are an integral part of the interim financial information.

SINQIA S.A.
STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE-MONTH PERIODS ENDED
MARCH 31, 2021 AND 2020
(In thousands of Reais, unless stated otherwise)

	Parent Company		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Net income for the year	779	443	779	443
Items that will be subsequently reclassified to the result	-	-	-	-
Items that will not be subsequently reclassified to the result	-	-	-	-
Total comprehensive income for the period	779	443	779	443

The notes are an integral part of the interim financial information.

SINQIA S.A. AND SUBSIDIARIES.

March 31, 2021

(In thousands of Reais, unless stated otherwise)

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

	Share Capital	Capital Reserve	Treasury Shares	Costs to Issue Shares	Profit Reserves		Shareholders' equity	Non-Controlling Interest	Consolidated Shareholders' Equity
					Reserve Legal	Profit Retention			
Balances as of December 31, 2019	413,261	13,186	-	(23,789)	2,285	26,518	431,461	142	431,603
Net income for the period	-	-	-	-	-	443	443	(13)	430
Capital decrease	-	-	-	-	-	-	-	(16)	(16)
Share-based compensation (Note 17)	-	(294)	-	-	-	-	(294)	-	(294)
Purchase of treasury shares (Note 17)	-	-	(8,355)	-	-	-	(8,355)	-	(8,355)
Balances as of March 31, 2020	413,261	12,892	(8,355)	(23,789)	2,285	26,961	423,255	113	423,368

	Share Capital	Capital Reserve	Treasury Shares	Costs to Issue Shares	Profit Reserves		Shareholders' equity	Non-Controlling Interest	Consolidated Shareholders' Equity
					Reserve Legal	Profit Retention			
Balances as of December 31, 2020	413,261	15,497	(1,689)	(23,915)	2,533	29,841	435,528	-	435,528
Net income for the period	-	-	-	-	-	779	779	-	779
Share-based compensation (Note 17)	-	14	-	-	-	-	14	-	14
Purchase of treasury shares (Note 17)	-	-	(35.937)	-	-	-	(35.937)	-	(35.937)
Balances as of March 31, 2021	413,261	15,511	(37.626)	(23,915)	2,533	30.620	400.384	-	400.384

The notes are an integral part of the interim financial information.

SINQIA S.A.
CASH FLOW STATEMENT FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2021 AND
2020
(In thousands of Reais, unless stated otherwise)

	Parent Company		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
CASH FLOW FROM OPERATING ACTIVITIES				
Net income for the period	779	443	779	443
Non-cash items				
Equity income	(7.280)	(5.218)	-	-
Share-based compensation program	14	(294)	14	(294)
Depreciation and amortization	4.187	2.828	7.762	4.596
Income (write off) of fixed assets	-	(3)	6	(116)
Trade receivable allowance	180	-	291	-
Provision (reversal) for lawsuits	(86)	38	(1.442)	248
Provision for bonuses	1.259	179	1.707	191
Interest and adjustment to present value incurred	1.772	1.662	3.161	2.428
Provision for income tax and social contribution	(2.792)	(2.222)	1.548	(784)
Changes in assets and liabilities				
Trade receivable	1.130	(3.775)	(937)	(8.189)
Judicial deposits	72	(29)	(50)	(67)
Recoverable taxes	(669)	(2.349)	(2.600)	(2.929)
Other assets	(492)	75	(1.101)	(590)
Trade payables	3.021	275	2.767	(240)
Labor liabilities	1.032	1.636	2.037	1.637
Tax liabilities	(541)	2.771	801	(928)
Legal claims paid	-	(48)	-	(56)
Advancements from customers	(1.395)	(509)	(3.233)	(1.483)
Related parties	(20.677)	(679)	-	-
CASH GENERATED FROM (USED IN) OPERATING ACTIVITIES	(20.485)	(5.219)	11.510	(6.133)
Income and social contribution taxes paid	-	-	(2.622)	(1.110)
Interest paid	(2.248)	(898)	(3.691)	(898)
NET CASH GENERATED FROM (USED IN) OPERATING ACTIVITIES	(22.733)	(6.117)	5.197	(8.141)
CASH FLOW FROM INVESTMENT ACTIVITIES				
Acquisition of Property, Plant and Equipment and Intangible Assets	(4.803)	(811)	(4.891)	(951)
Acquisition of companies	(33.620)	-	(33.620)	-
Cash from acquired companies	-	-	3.203	-
Payment of liabilities arising from investment acquisitions	(1.150)	(3.316)	(1.956)	(3.673)
Investments in securities	(1.284)	-	(14.009)	448
NET CASH USED IN INVESTMENT ACTIVITIES	(40.857)	(4.127)	(51.273)	(4.176)

SINQIA S.A. AND SUBSIDIARIES.
March 31, 2021
(In thousands of Reais, unless stated otherwise)

CASH FLOW FROM FINANCING ACTIVITIES

Payment of loans and financing	(2.538)	(1.973)	(2.538)	(1.973)
Payment of leases	(1.484)	(1.004)	(2.486)	(1.423)
Acquisition of Treasury Shares	(35.937)	(8.355)	(35.937)	(8.355)

CASH FROM (USED IN) FINANCING ACTIVITIES	(39.959)	(11.332)	(40.961)	(11.751)
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DECREASE OF CASH AND CASH EQUIVALENTS	(103.549)	(21.576)	(87.037)	(24.068)
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Cash and cash equivalents at the beginning of the Period	296.828	352.703	321.063	364.985
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Cash and cash equivalents at the end of period	193.279	331.127	234.026	340.917
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DECREASE OF CASH AND CASH EQUIVALENTS	(103.549)	(21.576)	(87.037)	(24.068)
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The notes are an integral part of the interim financial information.

SINQIA S.A.
VALUE ADDED STATEMENT FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2021
AND 2020
(In thousands of Reais, unless stated otherwise)

	Parent Company		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
1 - REVENUES	27.660	25.963	76.498	54.748
1.1 - Sales of products and services	27.840	25.963	76.789	54.748
1.2 - Provision for Doubtful Accounts - Reversal (Creation)	(180)	-	(291)	-
2 - INPUTS ACQUIRED FROM THIRD PARTIES (ICMS, IPI, PIS and COFINS)	(4.518)	(4.744)	(10.053)	(6.289)
2.1 - Costs of products and services sold	(2.663)	(2.445)	(5.373)	(3.528)
2.2 - Materials, energy, third-party services, and others	(1.855)	(2.299)	(4.680)	(2.761)
3 - GROSS VALUE ADDED (1-2)	23.142	21.219	66.445	48.459
4 - DEPRECIATION AND AMORTIZATION	(4.187)	(2.828)	(7.762)	(4.596)
5 - NET VALUE ADDED PRODUCED BY THE COMPANY (3-4)	18.956	18.391	58.683	43.863
6 - VALUE ADDED RECEIVED IN TRANSFER	8.511	8.687	1.379	3.540
6.1 - Equity Results	7.280	5.218	-	-
6.2 - Financial income	1.231	3.469	1.379	3.540
7 - TOTAL VALUE ADDED TO DISTRIBUTE (5+6)	27.467	27.078	60.062	47.403
8 - DISTRIBUTION OF VALUE ADDED	27.467	27.078	60.062	47.403
8.1 - Personnel	24.213	23.867	45.591	38.400
8.1.1 - Direct compensation	19.644	18.256	37.533	30.189
8.1.2 - Benefits	3.340	4.352	5.702	6.214
8.1.3 - FGTS	1.229	1.259	2.356	1.997
8.2 - Taxes, fees and contributions	295	637	10.097	5.343
8.2.1 - Federal	(478)	(95)	7.713	3.656
8.2.2 - Municipal	773	732	2.384	1.687
8.3 - Third-party capital compensation	2.180	2.131	3.595	3.217
8.3.1 - Interest	1.484	1.623	2.228	2.415
8.3.2 - Rents	696	508	1.367	802
8.4 - Shareholders' Equity Compensation	779	443	779	443
8.4.1 - Net income (loss) for the period	779	443	779	430
8.4.2 - Non-controlling interest in retained earnings	-	-	-	13

The notes are an integral part of the interim financial information.

NOTES TO THE INTERIM FINANCIAL INFORMATION FOR THE QUARTER ENDED MARCH 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 floor, 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, aiming at 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 Senior Solution Serviços em Informática Ltda., Senior Solution Consultoria em Informática Ltda., Sinqia Administração de Previdenciária Ltda. and Torq Inovação Digital Ltda. These companies' purpose is to operate in a complementary manner to the Company's activities.

This interim financial information was approved and authorized for disclosure by the Board of Directors on May 05, 2021.

1.2 Basis of preparation

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 basis 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 exercise of judgment by the Company's management in the process of applying 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 Value Added Statement was prepared in accordance with the criteria set in the Technical Pronouncement CPC 09 - "Value Added Statement". IAS 34 - Interim Financial Reporting does not require the presentation of this statement. Therefore, under IFRS, this statement is presented as an supplementary information, without prejudice to the interim financial 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 judgments

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 of mandatory application as of January 1, 2021

When preparing this interim financial 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 became mandatorily effective for accounting periods starting January 1, 2021.

No new rules applicable to the Company have been issued in this period.

2.4 Impacts of COVID-19

Because of the dissemination of the new coronavirus ("COVID-19"), the Company adopted the measures disclosed in the Notice to the Market of 03/19/2020, as well as maintained all commitments assumed with its customers and remains prepared to support them in facing this scenario.

As for the effects on Sinqia in this period, there were: (i) irrelevant effects on revenue, costs, gross profit and expenses, (ii) irrelevant effects on accounts receivable, and (iii) increase investment for the acquisition of notebooks aimed at the home office of all employees.

Finally, the Company remains in a comfortable financial situation, with consolidated gross cash of R\$ 234,026 at the end of the period.

3 Financial risk management

3.1 Financial risk factors

There was no change in financial risk factors and risk management policy regarding the information included 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 to current economic conditions. To maintain this structure adjusted, the Company may pay dividends, return capital to shareholders, take out 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 counterparty), 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 - Segment reporting

4 Segment reporting

The Company's businesses aim to supply products and services of the information technology, in addition to related consulting services, intended to assist the financial market. Although the products are destined for several 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.

March 31, 2021

(In thousands of Reais, unless stated otherwise)

Section D - Group Structure

5 INVESTMENTS

(a) Changes in investments

	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.	Total
December 31, 2019	3.027	63.929	6.055	(1.824)	3.454	40.003	1.284	-	115.928
Capital increase	-	-	-	-	-	-	(150)	-	(150)
Equity result	2.647	2.685	-	-	-	-	(114)	-	5.218
Corporate reorganization (i)	-	-	(3.331)	4.383	-	-	-	-	1.052
March 31, 2020	5.674	66.614	2.724	2.559	3.454	40.003	1.020	-	122.048
December 31, 2020	14.017	89.080	2.724	2.559	3.454	40.003	857	-	152.694
Equity result	3.276	2.671	-	-	-	-	(88)	1.421	7.280
Acquisition of companies (ii)	-	-	-	-	-	-	-	53.722	53.722
March 31, 2021	17.293	91.751	2.724	2.559	3.454	40.003	769	55.143	213.696

(i) On January 1, 2020 the Consult Brasil Ltda. and Controlpart Consultoria e Participações Ltda. were incorporated by Sinqia S.A (parent company). In 2019 att/PS Informática Ltda. was incorporated by Sinqia S.A (parent company).

(ii) Amount refers to the acquisition of Itaú Administração Previdenciária Ltda as explained in note 26. After the acquisition, the name of the company was changed to Sinqia Administração de Previdência Ltda.

SINQIA S.A. AND SUBSIDIARIES.
March 31, 2021
(In thousands of Reais, unless stated otherwise)

(b) Information on subsidiaries

Direct investment	Shareholders' equity	Interest (%)	Goodwill on acquisitions - Goodwill	Result for the fiscal year	Total investment		Equity result	
					03/31/2021	12/31/2020	03/31/2021	03/31/2020
Senior Solution Serviços em Informática Ltda.	17.293	100%	-	3.276	17.293	14.017	3.276	2.647
Senior Solution Consultoria em Informática Ltda.	91.751	100%	-	2.671	91.751	89.080	2.671	2.685
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.	769	100%	-	(88)	769	857	(88)	(114)
Sinqia Administração de Previdência Ltda.	7.597	100%	47.546	1.421	55.143	-	1.421	-
					213.696	152.694	7.280	5.218

(c) Indirect Investments (Direct subsidiary of Senior Solution Consultoria em Informática Ltda.)

Direct investment	Shareholders' equity	Interest (%)	Goodwill on acquisitions - Goodwill	Result for the fiscal year	Total investment		Equity result	
					03/31/2021	12/31/2020	03/31/2021	03/31/2020
Tree Solution S.A.	(7.663)	100%	16.085	848	8.422	7.574	848	-
Fromtis Serviços de Tecnologia Ltda.	1.237	100%	21.345	893	22.582	21.679	893	-

Section E – Selected significant notes

6 CASH AND CASH EQUIVALENTS AND SECURITIES

a) Cash and cash equivalents

	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Banks	788	71	1.755	998
Financial investments (i)	192.491	296.757	232.271	320.065
	193.279	296.828	234.026	321.063

(i) Comprised of investments in CDB (Bank Deposit Certificate) and repurchase transactions, with average interest ranging from 95.69% to 105.15% (91% to 104.18% on December 31, 2020) of the CDI (Interbank Deposit Certificate).

b) Securities

	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Deposits in guarantee (ii)	5.528	4.244	15.233	4.244
Investment funds	1.075	1.075	4.095	1.075
	6.603	5.319	19.328	5.319

(ii) The amounts in guarantee correspond mainly to financial investments maintained as guarantee for payment of the installments of the investment acquisition obligation and of the debentures.

7 RECEIVABLES

	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Billed amounts	5.372	6.124	21.405	15.377
Unbilled services (i)	1.581	1.959	2.586	2.735
(-) Estimated losses from doubtful accounts (ii)	(590)	(410)	(1.518)	(685)
	6.363	7.673	22.473	17.427

(i) Unbilled services 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) Changes in the provision for impairment of trade receivables were as follows:

	Parent Company		Consolidated	
Balances as of December 31, 2020 and 2019	(410)	(101)	(685)	(158)
Additions due to corporate reorganization (i)	-	-	(542)	-
Additions	(180)	(309)	(291)	(527)
Write-offs				

SINQIA S.A. AND SUBSIDIARIES.
March 31, 2021
(In thousands of Reais, unless stated otherwise)

Balance as of March 31, 2020 and 2019	(590)	(410)	(1.518)	(685)
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(i) The increase in the balance of estimated losses from doubtful accounts at the Parent Company occurred due to the acquisition of Itaú Soluções Previdenciárias. There was no material impact on the consolidated.

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

	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Unbilled services	1.581	1.959	2.586	2.735
To be Due	3.051	3.646	16.327	10.005
Overdue from 1 to 90 days	1.000	1.442	2.471	2.919
Overdue from 91 to 180 days	371	123	593	779
Overdue from 181 to 270 days	110	138	238	315
Overdue from 271 to 360 days	132	134	231	213
Overdue more than 360 days	708	641	1.545	1.146
	6.953	8.083	23.991	18.112

8 TAXES AND CONTRIBUTIONS RECOVERABLE

	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
IRRF and IRPJ/CSLL to be offset (i)	5.137	4.468	9.074	6.119
Withholding PIS, COFINS and SC (ii)	-	-	60	101
Others	1	1	63	18
Total	5.138	4.469	9.197	6.238
Current	2.701	2.622	6.185	4.354
Non-current	2.437	1.847	3.012	1.884

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

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

9 RELATED PARTIES

a) INFORMATION ON RELATED PARTIES

The table below presents information on the outstanding balances between the parent company, its subsidiaries and the owners of the Company at on March 31, 2021 and December 31, 2020:

Related parties	Parent Company					
	Receivables from related parties (Assets)	Payables to related parties (Liabilities)	Payables to related parties (Result)	Receivables from related parties (Assets)	Payables to related parties (Liabilities)	Payables to related parties (Result)
	03/31/2021			12/31/2020		
Senior Solution Serviços em Informática Ltda.	133	579	-	4.733	5.745	-
Senior Solution Consultoria em Informática Ltda.	9.881	3.492	-	-	578	-
Controlpart Consultoria e Participações Ltda.	-	-	-	-	-	-
Torq	120	-	-	120	-	-
Sinqia Administração Previdenciária Ltda.	14.576	1.432	-	-	-	-
Non-current assets	24.710	-	-	4.853	-	-
Current liabilities	-	3.117	-	-	3.117	-
Non-current liabilities	-	2.386	-	-	3.206	-

Transactions between Group companies refer to expenses shared, mainly administrative, and are carried out based on signed agreements. There are no purchases and sales of products or services between the Group 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, or 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 fixed compensation (management fees), social charges (social security contributions and other), private pension fund and variable compensation, such as profit sharing and bonuses, based on each employment contract. 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	
	03/31/2021 (3 months)	12/31/2020 (12 months)	03/31/2021 (3 months)	12/31/2020 (12 months)
Salaries, Fees and Social Charges	991	3.390	991	3.390
Benefits	92	308	92	308
Variable Bonuses	-	484	-	484
	1.083	4.182	1.083	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.

This plan consists of 250,232 shares.

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.

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

				Fair value assumptions			
Grants				Prospect for:		Interest Rate risk-free	Maturity
Date	Number of options/shares	Exercise price in Reais	Fair value of shares in Reais	Dividends	Volatility		
August 1, 2018	177,716	7.38	15.90	0.23%	37.57%	4.50%	5 years

10 PROPERTY AND EQUIPMENT

a) Property and equipment breakdown

		Parent Company			
		03/31/2021		12/31/2020	
	Useful life (years)	Cost	Depreciation Accumulated	Net	Net
Facilities and improvements	9 – 10	7.265	(1.972)	5.293	5.404
Electric devices and materials	9 – 12	730	(406)	324	345
Furniture and fixtures	9 – 12	3.077	(1.451)	1.626	1.696
Buildings - rights of use	2 – 10	5.667	(1.489)	4.178	3.413
Computers and peripherals	4 – 5	13.451	(4.938)	8.513	5.701
		30.190	(10.256)	19.934	16.559
		Consolidated			
		03/31/2021		12/31/2020	
	Useful life (years)	Cost	Depreciation Accumulated	Net	Net
Facilities and improvements	9 – 10	9.322	(2.913)	6.409	6.701
Electric devices and materials	9 – 12	1.935	(1.427)	508	451
Furniture and fixtures	9 – 12	3.985	(2.016)	1.969	2.057
Buildings - rights of use	2 – 10	36.771	(7.704)	29.067	22.235
Computers and peripherals	4 – 5	16.957	(7.575)	9.382	6.670
Vehicles	10	35	(13)	22	24
		69.005	(21.648)	47.357	38.138

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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 as of 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 as of December 31, 2020	5.404	345	1.696	3.413	5.701	16.559
Additions	2	-	-	-	3.172	3.174
Additions related to CPC 06 (R2)	-	-	-	870	-	870
Transfer between subsidiaries	-	-	3	-	-	3
Depreciation	(113)	(21)	(73)	(105)	(360)	(672)
Balances as of March 31, 2021	5.293	324	1.626	4.178	8.513	19.934

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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 as of December 31, 2019	6.523	463	1.778	21.336	4.643	-	34.743
Additions	992	25	508	-	3.500	-	5.025
Additions related to CPC 06 (R2) (i)	-	-	-	4.430	-	-	4.430
Additions due to the acquisition of companies	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 as of December 31, 2021	6.701	451	2.057	22.235	6.670	24	38.138
Additions	3	2	-	-	3.172	-	3.177
Additions related to CPC 06 (R2)	-	-	-	7.869	-	-	7.869
Additions due to the acquisition of companies	-	82	-	-	-	-	82
Write-offs	-	-	-	-	(6)	-	(6)
Depreciation	(295)	(27)	(88)	(1.037)	(454)	(2)	(1.903)
Balances as of March 31, 2021	6.409	508	1.969	29.067	9.382	22	47.357

11 INTANGIBLE ASSETS

a) Intangible assets breakdown

	Useful life (years)	Cost	Amortization Accumulated and impairment	Parent Company	
				03/31/2021	12/31/2020
				Net	Net
Right of Use - Software	5	8.698	(6.059)	2.639	1.670
Trademarks and patents	5-10	2.277	(1.451)	826	912
Acquired software	5	18.327	(6.100)	12.227	1.601
Customer portfolio	10	37.777	(5.886)	31.891	15.093
Non-competition agreement	5	4.575	(4.575)	-	-
Development of new products (i)	5	6.301	(5.231)	1.070	1.210
Right of use - servers	1-3	18.444	(5.258)	13.186	13.802
		96.399	(34.560)	61.839	34.288

	Useful life (years)	Cost	Amortization accumulated and/or impairment	Consolidated	
				03/31/2021	12/31/2020
				Net	Net
Goodwill on acquisitions of subsidiaries	-	185.308	(2.860)	182.448	134.902
Right of Use - Software	5	17.876	(13.054)	4.824	4.238
Trademarks and patents	5-10	7.126	(2.002)	5.124	5.210
Acquired software	5	38.064	(15.468)	22.594	12.714
Customer portfolio	10	79.789	(16.204)	63.585	47.757
Non-competition agreement	5	9.068	(6.349)	2.719	2.877
Development of new products (i)	5	6.301	(5.231)	1.070	1.210
Right of use - servers	1-3	18.444	(5.258)	13.186	13.802
		371.821	(76.271)	295.550	222.710

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

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b) Changes in intangible assets – Parent Company

	Right of use - Software	Trademarks and patents	Acquired software	Customer portfolio	Non- competition agreement	Development of new products	Right of Use - Leases	Total
Balances as of 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 as of December 31, 2020	1.670	912	1.601	15.093	-	1.210	13.802	34.288
Additions	1629	-	-	-	-	-	-	1.629
Company acquisition	-	-	11.358	17.365	-	-	-	28.723
Additions – right of use	-	-	-	-	-	-	714	714
Amortization	(660)	(86)	(732)	(567)	-	(140)	(1.330)	(3.515)
Balances as of March 31, 2021	2.639	826	12.227	31.891	-	1.070	13.186	61.839

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c) Changes in intangible assets – Consolidated

	Goodwill on acquisitions of subsidiaries	Right of use - Software	Trademarks and patents	Acquired software	Customer portfolio	Non- competition agreement	Development of new products	Right of Use - Leases	Total
Balances as of 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 the acquisition of companies	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 as of December 31, 2020	134.902	4.238	5.210	12.714	47.757	2.877	1.210	13.802	222.710
Additions	-	1.716	-	-	-	-	-	-	1.716
Additions due to the acquisition of companies (i)	47.546	-	-	11.358	17.365	-	-	-	76.269
Additions related to CPC 06 (R2)	-	-	-	-	-	-	-	714	714
Transfer	-	-	-	-	-	-	-	-	-
Amortization	-	(1.130)	(86)	(1.478)	(1.537)	(158)	(140)	(1.330)	(5.859)
Balances as of March 31, 2021	182.448	4.824	5.124	22.594	63.585	2.719	1.070	13.186	295.550

- (i) In the 1Q21, we had an increase in assets from Itaú Soluções Previdenciárias Ltda. due to the accounting of the purchase price allocation report

12 LOANS AND FINANCING

	Charges	Maturity	03/31/2021	Parent Company	03/31/2021	Consolidated
				12/31/2020		12/31/2020
Debentures (i)	CDI rate + 1.50%	February 22, 2024	36.522	39.645	36.522	39.645
Total			36.522	39.645	36.522	39.645
Current			12.500	12.506	12.500	12.506
Non-current			24.022	27.139	24.022	27.139

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

Below we show the changes in loans and financing:

	Consolidated
Balance as of December 31, 2020	39.645
Interest incurred	322
Interest Paid	(907)
Amortization	(2.538)
Balance as of March 31, 2021	36.522

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

	Consolidated
2020	
2021	9.085
2022	11.663
2023	11.264
After 2023	4.510
Total	36.522

(a) COVENANTS

The debentures have covenants that must be evaluated with reference date December 31, 2020, based on the Net Debt/EBITDA ratio (resulting in an index lower than 2.5 in 2020; lower than 2 in 2021; lower than 1.9 in 2022; and lower than 1.8 in 2023) and based on the EBITDA/Financial Result ratio (resulting in an index higher than 3). As of this date, the Company expects to comply with all covenants. In 2020, the Company complied with the restrictive clauses.

13 LABOR LIABILITIES

	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
INSS/FGTS payable	1.954	2.571	4.297	3.921
IRRF on wages	693	1.551	1.474	2.634
Vacation	6.338	5.515	13.719	10.523
13 th Salary (Christmas Bonus)	1.325	-	2.777	-
Bonuses, commissions and profit sharing (i)	4.245	2.933	4.246	3.076
Others	465	159	1.016	581
	15.020	12.729	27.529	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 subsequent year.

14 TAX LIABILITIES

	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Income tax and social contribution payable	16	11	874	951
ISS payable	229	284	852	690
PIS/COFINS payable	163	147	554	208
Tax installments	1.776	2.287	2.241	2.768
Other taxes payable	34	30	183	88
Total	2.218	2.759	4.704	4.705
Current	740	771	2.821	2.298
Non-current	1.478	1.988	1.883	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%). Recorded in current and noncurrent liabilities, as follows:

	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Acquisition of att/PS Informática	4.660	6.094	4.660	6.094
Acquisition of Atena	-	-	4.482	5.262
Acquisition of ADSPrev	-	-	1.404	1.806
Acquisition of SoftPar	-	-	13.231	11.791
Acquisition of Stock&Info	-	-	369	362
Acquisition of Tree Solution	-	-	5.236	4.900
Acquisition of Fromtis	-	-	12.225	13.546
Acquisition of ISP	49.173	-	49.173	-
Total	53.833	6.094	90.780	43.761
Current	12.599	6.094	24.528	15.549
Non-current	41.234	-	66.252	28.212

	Parent Company	Consolidated
	6.094	43.761
Balance as of December 31, 2020		
Interest incurred	689	1.227
Additions due to company acquisition	48.826	48.826
Interest Paid	(626)	(1.078)
Amortization	(1.150)	(1.956)
Balance as of March 31, 2021	53.833	90.780

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

	Parent Company	Consolidated
2021	3.057	11.966
2022	8.167	18.641
2023	9.018	20.214
2024	10.026	14.935
2025	11.166	12.625
2026	12.399	12.399
Total	53.833	90.780

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.

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The main variation in labor lawsuits occurred due to the acquisition of Itaú Soluções Previdenciárias and the balance of provisions that the company had prior to the purchase.

The table below shows the provisions for probable losses as of March 31, 2021 and December 31, 2020:

	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Civil	10.633	10.268	18.269	19.187
Labor	1.704	1.680	15.628	12.890
Tax	4.858	4.947	10.742	10.325
	17.195	16.895	44.639	42.402

Below we show the changes in provisions for lawsuits:

	Parent Company	Consolidated
Balance as of December 31, 2020	16.895	42.402
Additions	13	13
Additions due to company acquisition (i)	-	3.021
Reversals	(99)	(1.455)
Incurred interest	386	658
Balance as of March 31, 2021	17.195	44.639

(i) The increase in the balance of the provision for legal claims in the Parent Company occurred due to the acquisition of Itaú Soluções Previdenciárias.

The Company and its subsidiaries are also parties to labor and tax lawsuits with possible risk of loss – according to its legal counsel and 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\$30,274 in the Parent Company on March 31, 2021 (on December 31, 2020 – R\$29,366) and R\$32.994 in the Consolidated on March 31, 2021 (on December 31, 2020 – R\$31.280). Additionally, the Company has judicial deposits, corresponding to R\$90 in the Parent Company as of March 31, 2021 (as of December 31, 2020 - R\$162) and R\$288 in the Consolidated as of March 31, 2021 (as of 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 Company's Shareholders' Meetings.

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	03/31/2021		12/31/2020	
	Shares	%	Shares	%
HIX Investimentos Ltda.	5.733.600	8,13%	5.733.600	8,13%
SFA Investimentos Ltda.	5.640.796	8,00%	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	7,56%	5.332.502	7,56%
Itaú Unibanco S.A	-	-	3.539.454	5,02%
Ações em tesouraria	1.749.590	1,49%	133.468	0,19%
Outros acionistas	46.642.118	67,09%	44.725.986	63,38%
Total	70.548.812	100,00%	70.548.812	100%

17.2 Profit Reserve

The profit retention 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. On 2021, dividends have not yet been calculated, but will be calculated on December 31, 2021.

17.3 Capital Reserve

The capital reserves balance as of March 31, 2021 and December 31, 2020 consists of the effects of the share-based compensation plan.

a) Share-Based Compensation Plan

As provided for in the Share-Based Compensation Plan in April 2018, the beneficiaries exercised the second part of the shares (2nd vesting). In the year 2021, there was an expense of R\$14 (R\$289 in 2020).

17.4 Sale and acquisition of 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.

On March 10, 2021 the company represented by its board of directors authorized the opening of the Sixth Share Repurchase Program, which authorizes the purchase of up to 5,241,054 shares, representing 8.9% of its own outstanding shares, through transactions to be carried out on B3 S.A. - Brasil, Bolsa, Balcão, with a maximum term until March 10, 2022. In the 1Q21, 1,616,122 shares were acquired in the amount of R\$35,937 as part of the company's inorganic growth process; part of these shares, 698,956, were redeemed in order to pay for the new acquisitions of Sinqia, Simply, and FepWeb.

18 NET OPERATING REVENUE

	Parent Company		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Software	20.819	20.661	57.692	39.408
Services	7.021	5.302	19.097	15.340
Gross service revenue	27.840	25.963	76.789	54.748
Tax on services (ISS)	(773)	(732)	(2.384)	(1.687)
PIS and COFINS	(1.036)	(953)	(3.345)	(2.009)
Employer's Social Security	(1.277)	(1.174)	(2.820)	(2.430)
Taxes on sales	(3.086)	(2.859)	(8.549)	(6.126)
Software	18.497	18.410	51.260	34.979
Services	6.257	4.694	16.980	13.643
Net operating revenue	24.754	23.104	68.240	48.622

The average tax rate levied on sales in the year was 11,13% % in the Consolidated, comprising the Social Integration Program (PIS/PASEP), Financial Contribution for Social Security (COFINS), Tax on Services of Any Nature (ISSQN) and Employer's INSS (National Institute of Social Security).

19 COST OF SERVICES PROVIDED

	Parent Company		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Third-party services	1.689	1.002	4.244	1.625
Personnel, social charges and benefits	16.994	17.446	37.503	29.273
Other costs	1.069	1.442	1.243	1.964
	19.752	19.890	42.990	32.862

20 GENERAL AND ADMINISTRATIVE EXPENSES

	Parent Company		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Third-party services	569	1.617	2.416	1.921
Personnel, charges and benefits	5.264	4.837	7.024	6.839
Commissions	735	616	735	743
Rentals, insurance, condominium and other	391	508	649	802
Additional provision for bonuses and profit sharing	1.259	179	1.707	191
Additional (Reversal) provision for lawsuits	(86)	38	(1.442)	248
Additional (Reversal) Provision Doubtful Receivables"	180	-	291	-
Energy, communications and other	171	357	244	473
Consultants, lawyers and auditors	264	304	373	356
Advertising and Marketing	290	243	294	249
Transportation and lodging	6	157	6	210
Other expenses	295	281	531	419
Depreciation and amortization	4.187	2.828	7.762	4.596
	13.525	11.965	20.590	17.047

21 NET FINANCIAL RESULT

	Parent Company		Consolidated	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Financial expenses:				
Interest on investment acquisition	(689)	(313)	(1.227)	(674)
Interest on loans	(322)	(904)	(322)	(904)
Bank expenses	(44)	(97)	(142)	(125)
Present value adjustment	(375)	(445)	(954)	(850)
IOF expenses	(34)	(13)	(36)	(24)
Interest and monetary restatement of lawsuits	(386)	-	(556)	-
Other financial expenses	(7)	(24)	(287)	(117)
Installments	(88)	-	(123)	(26)
Financial revenues:				
Income from financial investments	1.175	3.469	1.309	3.540
Interest assets	-	-	5	12
Other financial revenues	-	81	-	101
	(770)	1.754	(2.333)	933

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:

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	Parent Company	
	03/31/2021	03/31/2020
Earnings before taxes	(2.013)	(1.779)
Income (expense) due to the combined official tax rate (34%)	684	605
Adjustments to calculate the actual rate:		
Equity Income	2.475	1.774
Bonus expenses	(428)	-
Other permanent differences	61	(157)
Receivable due to the effective tax rate	2.792	2.222
Deferred income tax and social contribution	2.792	2.222

	Consolidated	
	03/31/2021	03/31/2020
Earnings before taxes	2.327	(354)
Income (expense) due to the combined official tax rate (34%)	(791)	120
Adjustments to calculate the actual rate:		
Amortization of non-deductible capital gains	(580)	-
Other permanent differences	(177)	664
Income (expense) due to the effective tax rate	(1.548)	784
Current income tax and social contribution	(2.622)	(1.110)
Deferred income tax and social contribution	1.074	1.894

b) Deferred income tax and social contribution - assets

Breakdown of deferred income tax and social contribution:

	Parent Company		Consolidated	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Non-current assets				
Tax loss and negative basis	22.716	19.499	25.590	21.355
Provision for doubtful accounts	200	139	305	233
Provision for profit sharing	361	-	361	-
Provision for lawsuits and other obligations	5.846	5.744	11.997	11.237
Goodwill in Business Combination	(5.993)	(5.309)	(10.891)	(9.395)
Other provisions	2	266	175	531
Lease	708	710	1.571	1.244
	23.840	21.049	29.108	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	(130)	5.116
2022	1.207	2.437
2023	1.815	3.045
2024	4.239	5.469
2025	5.544	6.774
2026	5.651	5.651
2027	6.616	6.616
2028	4.891	4.891
Total Deferred Income Tax Assets	29.833	39.999
Tax benefit of goodwill	(5.993)	(10.891)
Total	23.840	29.108

23 EARNINGS (LOSS) PER SHARE

The calculation of basic earnings per share is made by dividing the profit for the year, attributed to the owners of the parent, by the weighted average number of common shares outstanding during the year.

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	
	03/31/2021	03/31/2020
Basic earnings per share		
Numerator		
Net income (Loss) for the period attributed to the Company's shareholders	779	443
Denominator		
Weighted average number of outstanding common shares	69.970.260	69.970.814
Basic earnings per share (in Reais)	0,011	0,006

	Parent Company and Consolidated	
	03/31/2021	03/31/2020
Diluted earnings per share		
Numerator		
Income (loss) for the period attributed to the Company's shareholders	779	443
Denominator		
Weighted average number of outstanding common shares	69.970.260	69.970.814
Potential increase in common shares due to share-based option plan and restricted shares	375.897	309.406
Diluted earnings per share (in Reais)	0,011	0,006

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. Currently the only relevant lease contracts that Sinqia S.A. has relate to real estate leases. For current leases, the average discount rate of 7.38% was used.

	Maturity Final	Parent Company		Consolidated	
		03/31/2021	12/31/2020	03/31/ 2021	12/31/ 2020
Belo Horizonte Office	December 31, 2028	3.990	4.204	3.990	4.204
São Paulo 1 Office	July 1, 2028	-	-	15.089	11.554
São Paulo 2 Office	October 11, 2028	-	-	3.221	2.902
São Paulo 3 Office	August 1, 2028	-	-	4.458	4.081
TORQ Office	October 11, 2028	-	-	1.833	1.504
Curitiba Office	September 2, 2021	-	-	365	543
Servers	December 31, 2022 and 2023	13.485	14.012	13.485	14.012
Total		17.475	18.216	42.441	38.800
Current		5.792	5.176	8.824	7.807
Non-current		11.683	13.040	33.617	30.993

According to OFFICIAL LETTER /CVM/SNC/SEP/No. 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.

In order to preserve the reliable representation of the information in relation to the requirements of CPC06 (R2) and to meet the guidelines of the technical areas of CVM, the liability balances without inflation, effectively accounted for (real flow x nominal rate), and the estimate of the 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	
	03/31/2021	12/31/2020	03/31/2021	12/31/2020
Actual flow discounted at the nominal rate				
Leasing liabilities	21.004	21.343	53.009	48.946
Present value adjustment	(3.529)	(3.127)	(10.568)	(10.146)
	17.475	18.216	42.441	38.800
Nominal flow discounted at nominal rate				
Leasing liabilities	21.259	21.128	54.509	48.229
Present value adjustment	(3.771)	(2.450)	(11.053)	(8.157)
	17.488	18.678	43.456	40.072

Below, we show the changes in leases:

	Parent Company	Consolidated
Balance on December 31, 2019	18.216	38.800
Additions	1.083	6.880
Interest incurred	375	954
Interest Paid	(715)	(1.706)
Amortization	(1.484)	(2.486)
Balance as of December 31, 2020	17.475	42.442

25 NON-CASH TRANSACTIONS

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	
	03/31/2021	03/31/2020	03/31/2021	03/31/2020
Recognition of lease assets	1.584	-	8.583	-
Recognition of lease liabilities	(1.083)	-	(6.880)	-
Portion retained in payment for the acquisition of investments	48.826	-	48.826	-
Assets acquired in a business combination	89.617	-	89.617	-
Liabilities acquired in a business combination	(89.617)	-	(89.617)	-
Acquisition of fixed assets	-	2.814	-	2.814

26 BUSINESS COMBINATION

In the year 2021, the acquisition of Itaú Administração Previdenciária Ltda. was finalized.

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 Administração Previdenciária Ltda. ("ISP"). The transaction involved the initial amount of R\$ 33,620 in cash, disbursed on the acquisition date, and installment installments totaling R\$ 48,825 to be paid in five installments of R\$ 9,765.

ISP is one of the main suppliers of software and services to the closed pension plan segment and its main differential is the offer of business process outsourcing ("BPO") for pension plan management. Sinqia's broad portfolio for this vertical will now also include Software as a Service ("SaaS") solutions.

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

a.1) Counterpart transferred:

Cash payment	33.620
Term payment	48.825
Total	82.445

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

BALANCE SHEET OF THE ACQUIRED COMPANY

	<u>29/01/2021</u>		<u>29/01/2021</u>
Current assets		Current liabilities	
Cash and cash equivalents	3.203	Trade payables	257
Trade receivables	4.400	Tax liabilities	740
Tax assets	1.901	Payroll liabilities	3.050
Prepaid expenses	824	Other liabilities	103
Total current assets	<u>10.328</u>	Total current liabilities	<u>4.150</u>
Non-current assets		Non-current liabilities	
Deferred tax assets	2.935		
Property, plant & equipment	82	Provision for lawsuits	3.021
Intangible assets	76.272		
Total Non-Current Assets	<u>79.289</u>	Total non-current liabilities	<u>3.021</u>
		Total shareholders' equity	82.446
Total assets	<u>89.617</u>	Total liabilities	<u>89.617</u>

a.3) Preliminary goodwill generated on the acquisition

Estimated price	82.445
(-) Fair value of assets acquired:	
Software	(11.358)
Customer portfolio	(17.365)
(-) Equity at acquisition date	6.176
Goodwill from acquisition	<u>47.546</u>

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

<u>Intangible assets</u>	<u>Value</u>	<u>Lifespan</u>	<u>Amortization method</u>
Software	11.358	5 years	Linear
Customer portfolio	17.365	13 years	Linear

27 SUBSEQUENT EVENTS

On April 8, 2021, the "Company", communicated in connection with the Material Fact of 03/24/2021, that, on this date, the acquisition of 60% of the share capital of Homie do Brasil Informática Ltda. ("FEPWeb"). The acquisition will be submitted for ratification at the Company's Extraordinary Shareholders' Meeting already called for April 29, 2021.

SINQIA S.A. AND SUBSIDIARIES.

March 31, 2021

(In thousands of Reais, unless stated otherwise)

On April 23, 2021, the "Company", communicated in connection with the Material Fact of 03/24/2021, that on the present date, the acquisition of 100% of the share capital of Simply Sistemas S.A. and Dendron Tecnologia S.A. was completed. (jointly, "Simply"). The acquisition will be submitted for ratification at the Company's Extraordinary Shareholders' Meeting already called for April 29, 2021.