

CI&T Reports Solid Second Quarter 2022 Financial and Operational Results

New York – August 17, 2022 /Business Wire/ – CI&T (NYSE: CINT, “Company”), a global digital specialist, today announces its results for the second quarter of 2022 (2Q22) and the six months ended on June 30, 2022 (6M22) in accordance with International Financial Reporting Standards (IFRS). For comparison purposes, we refer to the results for the second quarter of 2021 (2Q21) and for the six months ended on June 30, 2021 (6M21).

Second Quarter (2Q22) Operating and Financial Highlights

- Net Revenue of R\$525.0 million, 67% higher than 2Q21, or 73% growth in constant currency.
- The number of clients with annual revenue above R\$1 million in the last twelve months grew from 110 in 1Q22 to 127 in 2Q22.
- Net Profit was R\$26.0 million, a 42% reduction compared to 2Q21.
- Adjusted EBITDA was R\$100.4 million, a 36% growth year-over-year, equivalent to an Adjusted EBITDA margin of 19.1%.
- Adjusted Net Profit was R\$52.3 million, 16% higher than 2Q21. Adjusted net profit margin was 10%.
- CI&T ended 2Q22 with 6,768 CI&Ters, a net addition of 2,734 employees (68% growth) compared to the end of 2Q21.

Six months ended June 30, 2022 (6M22) Operating and Financial Highlights

- Net Revenue was R\$1,016.9 million, an increase of 66% compared 6M21.
- Net Revenue growth at constant currency was 74% compared to 6M21.
- Net Profit was R\$55.2 million, a decrease of 35% in relation to 6M21.
- Adjusted EBITDA was R\$186.5 million, 31% higher than 6M21, with an Adjusted EBITDA margin of 18.3%.
- Adjusted Net Profit was R\$93.3 million, an increase of 10% compared to 6M21.

"We are glad to present another set of great quality results, combining sound profitability with sustainable growth," commented Cesar Gon, founder and CEO of CI&T. "The main factors contributing to our higher growth pace have been the expansion of our engagement with existing clients, the addition of new clients every quarter, and our programmatic M&A strategy."

"We continue to see a robust demand environment and are confident in our ability to generate great value to our clients through digital transformation and digital efficiency capabilities at speed and scale. In July, Forrester, a leading global market research company, positioned CI&T as a Leader in The Forrester Wave: Modern Application Development Services, in its report. The recognition is a result of CI&T's dedication to empowering organizations to maintain competitive innovation in their digital initiatives by enabling the creation of new business capabilities and operational models in a fast-paced market."

Comments on the 2Q22 and 6M22 financial performance

Net Revenue

Revenue (in BRL thousand)	2Q22	2Q21	Var. 2Q22 x 2Q21	6M22	6M21	Var. 6M22 x 6M21
Net Revenue	525,015	315,324	66.5%	1,016,887	611,616	66.3%
Net Revenue at Constant Currency ⁽ⁱ⁾	549,961	317,995	72.9%	1,065,309	611,905	74.1%

⁽ⁱ⁾ Net Revenue at Constant Currency is a non-GAAP measure that translates Net revenue from entities reporting in foreign currencies into Brazilian reais eliminating period-to-period currency fluctuations. See Non-IFRS Financial Measures section for more information.

In 2Q22, net revenue was R\$525.0 million, an increase of 66.5% compared to 2Q21. The acquisitions of Somo and Box 1824 concluded in the 6M22 contributed to 13 percentage points of revenue growth in the quarter. The U.S. continues to be the largest growing market organically for CI&T, while the growth in Europe was mainly due to the acquisition of Somo in 1Q22. We reduced our top one client's share from 24% in 2Q21 to 16% in 2Q22, and our top ten client's share reduced from 73% in 2Q21 to 52% in 2Q22.

The appreciation of the Brazilian Real (BRL) in the quarter¹ in relation to the U.S. dollar (USD) and the British Pound (GBP) impacted the conversion of the revenue from our operations in North America and Europe, which represents around 50% of our revenues. Net revenue at constant currency would have been R\$550.0 million, a 73% growth compared to 2Q21.

In terms of industry verticals, financial services and food and beverages continue to be our most relevant markets, while technology, media, and telecom (TMT) and retail and manufacturing have been growing and gaining relevance in our portfolio of clients. We continue to diversify our client base by adding 17 new clients in 2Q22 with annual revenue above R\$1.0 million in the last twelve months, from 110 in 1Q22 to 127 in 2Q22.

Revenue Breakdown

Net Revenue by industry (in BRL thousand)	2Q22	2Q21	Var. 2Q22 x 2Q21	6M22	6M21	Var. 6M22 x 6M21
Financial Services	161,466	111,268	45.1%	315,064	210,089	50.0%
Food and Beverages	107,988	88,112	22.6%	202,056	172,169	17.4%
Technology, Media and Telecom	69,690	30,142	131.2%	137,443	62,491	119.9%
Pharmaceuticals and Cosmetics	70,568	45,798	54.1%	133,990	87,604	52.9%
Retail and Manufacturing	31,624	18,232	73.4%	67,053	34,210	96.0%
Education and Services	16,965	11,446	48.2%	36,653	23,638	55.1%
Logistic and Transportation	17,596	4,923	257.4%	34,632	10,155	241.0%
Others	49,118	5,403	809.2%	89,996	11,260	699.3%

¹ BRL appreciated, on average, 19.7% relative to the GBP and 7.4% relative to the USD in 2Q22, compared with the same period of 2021 (Source: Brazilian Central Bank).

Total	525,015	315,324	66.5%	1,016,887	611,616	66.3%
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Net Revenue by geographic (in BRL thousand)	2Q22	2Q21	Var. 2Q22 x 2Q21	6M22	6M21	Var. 6M22 x 6M21
NAE (North America and Europe)	267,464	159,187	68.0%	508,993	312,810	62.7%
North America	219,304	152,574	43.7%	423,244	301,584	40.3%
Europe	48,160	6,613	628.3%	85,749	11,226	663.8%
LATAM (Latin America)	242,574	146,641	65.4%	477,280	277,818	71.8%
APJ (Asia, Pacific and Japan)	14,977	9,496	57.7%	30,614	20,988	45.9%

Cost of Services Provided and Adjusted Gross Profit

Gross Profit (in BRL thousand)	2Q22	2Q21	Var. 2Q22 x 2Q21	6M22	6M21	Var. 6M22 x 6M21
Net Revenue	525,015	315,324	66.5%	1,016,887	611,616	66.3%
Cost of Services	(341,502)	(205,768)	66.0%	(670,494)	(394,140)	70.1%
Gross Profit	183,513	109,556	67.5%	346,393	217,476	59.3%
<i>Adjustments</i>						
Depreciation and amortization (cost of services provided)	10,295	6,551	57.2%	19,614	12,776	53.5%
Stock-based compensation	(361)	181	-	821	233	253.0%
Adjusted Gross Profit ⁽¹⁾	193,447	116,287	66.4%	366,828	230,484	59.2%
Adjusted Gross Profit Margin ⁽¹⁾	36.8%	36.9%	Op.p	36.1%	37.7%	-1.6p.p

⁽¹⁾ Adjusted Gross Profit and Adjusted Gross Profit margin are Non-IFRS measures. See Non-IFRS financial measures section for more information.

The cost of services provided in 2Q22 reached R\$341.5 million, an increase of 66.0% compared to 2Q21, and the gross profit was R\$183.5 million. Excluding costs with depreciation and amortization and the stock-based compensation, the adjusted gross profit in 2Q22 was R\$193.5 million, 66.4% higher than 2Q21, with an adjusted gross profit margin of 36.8%. CI&T ended 2Q22 with 6,768 CI&Ters, a headcount growth of 68% (net addition of 2,734 employees) compared to the end of 2Q21.

The gross profit margin in 2Q22 remained relatively flat year over year. In 6M22, the gross margin reduced 1.6 percentage points compared to 6M21, due to the impact of foreign exchange rate variation in the period, and M&A, as recently acquired companies have lower margins.

SG&A and Other Expenses

SG&A expenses (in BRL thousand)	2Q22	2Q21	Var. 2Q22 x 2Q21	6M22	6M21	Var. 6M22 x 6M21
Selling	(39,962)	(18,801)	112.6%	(75,091)	(37,780)	98.8%

General and administrative	(78,390)	(28,328)	176.7%	(143,311)	(54,054)	165.1%
SG&A expenses	(118,352)	(47,129)	151.1%	(218,402)	(91,834)	137.8%
Other income (expenses) net ⁽¹⁾	(3,969)	(184)	n.m	(4,484)	1,406	-
Impairment loss on trade receivables and contract assets	356	2,891	-87.7%	(710)	(367)	93.5%
SG&A and other operating expenses	(121,965)	(44,422)	174.6%	(223,596)	(90,795)	146.3%

⁽¹⁾ Include research and technological innovation expenses

Selling, General and Administrative (SG&A) expenses grew 151.1% in 2Q22 compared to 2Q21, mainly explained by (i) an increase in expenses associated with the expansion of the hiring and attracting teams, aligned with our revenue and headcount growth; (ii) acquisition-related expenses, including amortization of intangible assets from acquired companies; and (iii) the strengthening of our back-office teams in light of our IPO.

Adjusted EBITDA

Adjusted EBITDA (in BRL thousand)	2Q22	2Q21	Var. 2Q22 x 2Q21	6M22	6M21	Var. 6M22 x 6M21
Net profit for the period	25,999	44,722	-41.9%	55,222	84,337	-34.5%
<i>Adjustments</i>						
Net financial cost	17,533	1,989	781.5%	34,245	3,686	829.1%
Income tax expense	18,016	18,423	-2.2%	33,330	38,658	-13.8%
Depreciation and amortization	24,205	8,224	194.3%	43,596	16,019	172.2%
Stock-based compensation	(106)	328	-	1,133	501	126.1%
Consulting expenses	6,395	237	n.m	9,090	462	n.m
Government grants	(115)	(9)	n.m	(174)	(1,414)	-87.7%
Write-off ⁽¹⁾	-	-	0.0%	1,548	-	0.0%
Acquisition-related expenses ⁽²⁾	8,464	-	0.0%	8,464	-	0.0%
Adjusted EBITDA ⁽³⁾	100,391	73,915	35.8%	186,454	142,249	31.1%
Adjusted EBITDA Margin ⁽³⁾	19.1%	23.4%	-4.3p.p	18.3%	23.3%	-4.9p.p

⁽¹⁾ Non-cash expenses related to the inventory of property, plant, and equipment of Dextra, a recently acquired company.

⁽²⁾ Include fair value adjustment on accounts payable for business combination and acquisition-related retention bonuses.

⁽³⁾ Adjusted EBITDA and Adjusted EBITDA margin are Non-IFRS measures. See Non-IFRS financial measures section for more information.

In 2Q22, Adjusted EBITDA was R\$100.4 million, an increase of 35.8% compared to 2Q21. Adjusted EBITDA margin was 19.1% in the quarter, a reduction of 4.3 percentage points compared to the same quarter of last year, due to the increase in SG&A expenses, as explained above. Sequentially, the adjusted EBITDA margin improved to 19.1% in 2Q22 from 17.5% in 1Q22, as a result of seasonal effects, such as gradual price readjustments on our contracts and a higher utilization rate.

Net Financial Expenses – Net financial expenses were R\$17.5 million in 2Q22, compared to R\$2.0 million in 2Q21, mainly due to the debt raised in July 2021 to finance the Dextra acquisition in the amount of R\$650 million.

Depreciation and Amortization – Depreciation and amortization expenses totaled R\$24.2 million in 2Q22, an increase of R\$15.9 million compared to 2Q21, mainly due to the amortization of R\$11.3 million from intangible assets from acquired companies.

Income tax expense – In 2Q22, income tax expense was R\$18.0 million, a reduction of 2.2% compared to 2Q21. In the 6M22, income tax expense was R\$33.3 million, a reduction of 13.8% year over year, while the income tax paid (cash effect) was R\$21.1 million in the period, equivalent to a cash tax rate of 17%.

Net Profit and Adjusted Net Profit

Net Profit (in BRL thousand)	2Q22	2Q21	Var. 2Q22 x 2Q21	6M22	6M21	Var. 6M22 x 6M21
Net profit for the period	25,999	44,722	-41.9%	55,222	84,337	-34.5%
<i>Adjustments</i>						
Consulting expenses	6,395	237	n.m	9,090	462	n.m
Write-off ⁽¹⁾	-	-	0.0%	1,548	-	0.0%
Acquisition-related expenses ⁽²⁾	19,859	-	0.0%	27,488	-	0.0%
Adjusted Net Profit ^{(3) (4)}	52,253	44,959	16.2%	93,347	84,799	10.1%
Adjusted Net Profit Margin ⁽³⁾	10.0%	14.3%	-4.3p.p	9.2%	13.9%	-4.7p.p

⁽¹⁾ Non-cash expenses related to the inventory of property, plant, and equipment of the recently acquired Dextra.

⁽²⁾ Include amortization of intangible assets from acquired companies, fair value adjustment on accounts payable for business combination and acquisition-related retention bonuses.

⁽³⁾ Adjusted Net profit and Adjusted net profit margin are Non-IFRS measures. See Non-IFRS financial measures section for more information.

⁽⁴⁾ Adjustments' amounts are gross of tax. Tax effects on non-IFRS adjustments totaled R\$111 thousand negative in 2Q22, R\$81 thousand negative in 2Q21, R\$661 thousand negative in 6M22, and R\$157 thousand negative in 6M21.

In 2Q22, net profit was R\$26.0 million, 41.9% lower than 2Q21. Adjusted net profit was R\$52.3 million, 16.0% higher than 2Q21, equivalent to an adjusted net profit margin of 10.0%. The reduction in the adjusted net profit margin was mainly due to higher SG&A and financial expenses.

Business Outlook

We expect our net revenue in the third quarter of 2022 to be at least R\$540 million compared to our net revenue of R\$376 million in the third quarter of 2021, a 46% growth at constant currency or a 44% growth on a reported basis.

For the full year of 2022, we are updating our outlook, mainly to reflect foreign exchange variation in the period. We expect net revenue growth of at least 55% year-over-year on a constant currency basis and net revenue growth on a reported basis of at least 49%, which includes a negative foreign currency translation impact of approximately 6 percentage points.

In addition, we estimate our adjusted EBITDA margin to be at least 19% for the full year of 2022, assuming an average exchange rate of 5.10 Brazilian Reais to the U.S. dollar for the full year.

These expectations are forward-looking statements and actual results may differ materially. See "Cautionary Statement on Forward-Looking Statements" below.

Conference Call Information

Cesar Gon, Bruno Guicardi, Stanley Rodrigues and Eduardo Galvão will host a video conference call to discuss the 2Q22 and 6M22 financial and operating results on August 18 at 8:00 a.m. Eastern Time / 9:00 a.m. BRT. The earnings call can be accessed at the Company's Investor Relations website at <https://investors.ciandt.com> or at the following link: https://youtu.be/bO6R_oXKC3Q.

About CI&T

CI&T is a global digital specialist, a partner in end-to-end digital transformation for 100+ Large Enterprises & Fast Growth Clients. As digital natives, we bring a 27-year track record of accelerating business impact through complete and scalable digital solutions. With a global presence in 9 countries with a nearshore delivery model, CI&T is the Employer of Choice for more than 6,700 professionals in strategy, data science, design, and engineering, unlocking top-line growth, improving customer experience, and driving operational efficiency.

Basis of accounting and functional currency

CI&T maintains its books and records in Brazilian *reais*, the presentation currency for its unaudited condensed consolidated interim financial statements and the functional currency of our operations in Brazil. CI&T prepares its unaudited condensed consolidated interim financial statements in accordance with IFRS, as issued by the IASB, and International Financial Reporting Standard No 34—Interim Financial Reporting ("IAS 34").

Non-IFRS Financial Measures

We regularly monitor certain financial and operating metrics to evaluate our business, measure our performance, identify trends affecting our business, formulate financial projections and make strategic decisions. These non-IFRS financial measures include Adjusted Gross Profit, Adjusted Gross Profit Margin,

Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Profit, Adjusted Net Profit Margin, Net Revenue at Constant Currency and Net Revenue Growth at Constant Currency, and should be considered in addition to results prepared in accordance with IFRS, but not as substitutes for IFRS results. In addition, our calculation of these non-IFRS financial measures may differ from those used by other companies, and therefore comparability may be limited. These non-IFRS financial measures are provided as additional information to enhance investors' overall understanding of our operations' historical and current financial performance.

CI&T is not providing a quantitative reconciliation of forward-looking Non-IFRS Net Revenue Growth at Constant Currency and Adjusted EBITDA to the most directly comparable IFRS measure because it is unable to reasonably predict the ultimate outcome of certain significant items without unreasonable effort. These items include, but are not limited to, stock-based compensation expense, acquisition-related expenses, the tax effect of non-IFRS adjustments and other items. These items are uncertain, depend on various factors, and could have a material impact on IFRS reported results for the guidance period.

We calculate Net Revenue at Constant Currency and Net Revenue Growth at Constant Currency by translating Net revenue from entities reporting in foreign currencies into Brazilian *reais* using the comparable foreign currency exchange average rates from the prior period to show changes in our revenue without giving effect to period-to-period currency fluctuations. Reported Net Revenue in 2021 considers the FX rate at the end of each month, while Net Revenue at Constant Currency considers the average FX rate for the period.

In calculating Adjusted Gross Profit, we exclude cost components unrelated to the direct management of our services. For the periods herein, the adjustments applied were: (i) depreciation and amortization related to costs of services provided; and (ii) stock-based compensation expenses.

In calculating Adjusted EBITDA, we exclude components unrelated to the direct management of our services. For the periods herein, the adjustments were: (i) consulting expenses related to corporate reorganization, the initial public offering, and acquisition-related activities; (ii) government grants related to tax reimbursement in the Chinese subsidiary; (iii) stock-based compensation expenses; (iv) non-cash expenses related to the inventory of property, plant, and equipment of the recently acquired Dextra, and (v) acquisition-related expenses, including fair value adjustment on accounts payable for business combination and retention bonuses.

In calculating Adjusted Net Profit, we exclude cost components unrelated to the direct management of our services. For the periods herein, the adjustments applied were: (i) consulting expenses related to corporate reorganization, and the initial public offering, and as well as mergers and acquisition-related activities, (ii) non-cash expenses related to the inventory of property, plant, and equipment of the recently acquired Dextra and (iii) acquisition-related expenses, including amortization of intangible assets from acquired companies, fair value adjustment on account payables for business combination, and retention bonuses.

Cautionary Statement on Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, which include but are not limited to: the statements under "Business outlook," including expectations relating to revenues and other financial or business metrics; statements regarding relationships with clients; and any other statements of expectation or belief. The words "believe," "will," "may," "may have," "would," "estimate," "continues," "anticipates," "intends," "plans," "expects," "budget," "scheduled," "forecasts" and similar words are intended to identify estimates and forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements represent our management's beliefs and assumptions only as of the date of this press release. You should read this press release with the understanding that our actual future results may be materially different from what we expect. These statements are subject to known and unknown risks, uncertainties, and other factors that may cause our actual results, levels of activity, performance, or achievements to differ materially from results expressed or implied in this press release. Such risk factors include, but are not limited to, those related to: the current and future impact of the COVID-19 pandemic, the ongoing war in Ukraine and economic sanctions imposed by Western economies over Russia on our business and industry; the effects of competition on our business; uncertainty regarding the demand for and market utilization of our services; the ability to maintain or acquire new client relationships; general business and economic conditions; our ability to successfully integrate Dextra, Somo and Box 1824; and our ability to successfully execute our growth strategy and strategic plans. Additional information concerning these and other risks and uncertainties are contained in the "Risk Factors" section of CI&T's annual report on Form 20-F. Additional information will be made available in our annual reports on Form 20-F, and other filings and reports that CI&T may file from time to time with the SEC. Except as required by law, CI&T assumes no obligation and does not intend to update these forward-looking statements or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

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Unaudited condensed consolidated statement of profit or loss

(In thousands of Brazilian Reais)

	Quarter ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Net Revenue	525,015	315,324	1,016,887	611,616
Costs of services provided	(341,502)	(205,768)	(670,494)	(394,140)
Gross Profit	183,513	109,556	346,393	217,476
Selling expenses	(39,962)	(18,801)	(75,091)	(37,780)
General and administrative expenses	(78,390)	(28,328)	(143,311)	(54,054)
Research and technological innovation expenses	-	-	-	(4)
Impairment loss on trade receivables and contract assets	356	2,891	(710)	(367)
Other income (expenses) net	(3,969)	(184)	(4,484)	1,410
Operating profit before financial income and tax	61,548	65,134	122,797	126,681
Finance income	53,306	16,379	122,888	25,428
Finance cost	(70,839)	(18,368)	(157,133)	(29,114)
Net finance costs	(17,533)	(1,989)	(34,245)	(3,686)
Profit before Income tax	44,015	63,145	88,552	122,995
Income tax expense	(18,016)	(18,423)	(33,330)	(38,658)
Current	(17,115)	(21,040)	(22,523)	(34,558)
Deferred	(901)	2,617	(10,807)	(4,100)
Net profit for the period	25,999	44,722	55,222	84,337
Earnings per share				
Earnings per share – basic (in R\$)	0.20	0.37	0.42	0.70
Earnings per share – diluted (in R\$)	0.20	0.37	0.42	0.69

Unaudited condensed consolidated statements of financial position

(In thousands of Brazilian Reais)

Assets	June 30, 2022	December 31, 2021	Liabilities and equity	June 30, 2022	December 31, 2021
Cash and cash equivalents	104,190	135,727	Suppliers and other payables	24,655	33,566
Financial Investments	253,304	798,786	Loans and borrowings	183,465	164,403
Trade receivables	416,728	340,519	Lease liabilities	27,548	21,214
Contract assets	231,695	134,388	Salaries and welfare charges	214,367	234,173
Recoverable taxes	17,196	7,785	Accounts payable for business combination	113,559	48,923
Tax assets	1,016	2,810	Loss adjustments on hedge accounting	49,330	-
Gain adjustments on hedge accounting	9,595	-	Derivatives	7,033	535
Derivatives	7,736	896	Tax liabilities	8,482	13,345
Other assets	36,592	29,994	Other taxes payable	11,610	5,423
Total current assets	1,078,052	1,450,905	Contract liability	11,771	13,722
Recoverable taxes	3,587	3,046	Other liabilities	20,942	13,669
Deferred tax assets	22,954	31,989	Total current liabilities	672,762	548,973
Judicial deposits	9,337	3,079	Loans and borrowings	489,777	624,306
Restricted cash - Escrow account and indemnity asset	33,975	-	Lease liabilities	55,688	60,674
Other assets	3,950	2,974	Provisions	14,586	633
Property, plant and equipment	60,962	57,721	Accounts payable for business combination	67,627	36,803
Intangible assets and goodwill	1,078,187	738,803	Other liabilities	1,739	1,660
Right-of-use assets	73,998	73,827	Total non-current liabilities	629,417	724,076
Total non-current assets	1,286,950	911,439	Equity		
			Share capital	37	36
			Share premium	929,984	915,947
			Capital reserves	23,796	10,105
			Profit reserves	181,179	125,957
			Other comprehensive income	(72,173)	37,250
			Total equity	1,062,823	1,089,295
Total assets	2,365,002	2,362,344	Total equity and liabilities	2,365,002	2,362,344

Unaudited condensed consolidated statement of cash flow

(In thousands of Brazilian Reais)

	June 30, 2022	June 30, 2021
Net profit for the period	55,222	84,337
Adjustments for:		
Depreciation and amortization	43,596	16,019
Loss on the sale of property, plant and equipment and intangible assets	2,025	448
Interest, monetary variation and exchange rate changes	10,164	(1,168)
Exchange rate changes and monetary adjustments on accounts payable for business combinations	(6,420)	-
Exchange variation on escrow account related to Somo acquisition	2,668	-
Interest on lease	4,233	2,617
Unrealized loss (gain) on financial instruments	314	(2,405)
Income tax expenses	33,330	38,658
Impairment losses on trade receivables	101	307
Impairment losses on contract assets	609	60
Provision for labor and tax risks	385	2
Share-based plan	1,133	390
Income on financial investments	(651)	-
Fair value adjustment - accounts payable for business combination	5,123	-
Others	-	(42)
Variation in operating assets and liabilities		
Trade receivables	(74,260)	(56,123)
Contract assets	(88,256)	(42,805)
Recoverable taxes	(8,498)	440
Tax assets	(158)	(461)
Judicial deposits	(6,258)	7
Suppliers and other payables	(31,796)	2,349
Salaries and welfare charges	(27,461)	2,427
Tax liabilities	8,958	(14,088)
Other taxes payable	986	1,130
Contract liabilities	(3,058)	(5,807)
Other receivables and payables, net	(9,140)	(2,786)
Cash (used in)/ generated from operating activities	(87,109)	23,506
Income tax paid	(21,074)	(23,321)
Interest paid on loans and borrowings	(38,379)	(1,966)
Interest paid on lease	(3,174)	(2,607)
Net cash used in operating activities	(149,736)	(4,388)

Cash flows from investment activities:		
Acquisition of property, plant and equipment and intangible assets	(15,520)	(17,164)
Acquisition of subsidiary net of cash acquired - Box 1824	(19,040)	-
Acquisition of subsidiary net of cash acquired - Somo	(247,764)	-
Escrow deposit (acquisition of Somo)	(23,061)	-
Hedge accounting realization	16,134	-
Redemption of financial investments	514,394	-
Net cash from / used in investment activities	225,143	(17,164)
Cash flow from financing activities:		
Share-based plan contributions	-	691
Dividends paid	-	(71,039)
Exercised stock options	8,785	-
Interest on equity, paid	-	(460)
Payment of lease liabilities	(12,576)	(7,854)
Proceeds from loans and borrowings	133,789	88,496
Settlement of derivatives	(656)	-
Payment of loans and borrowings	(244,384)	(68,265)
Net cash from financing activities	(115,042)	(58,431)
Net decrease in cash and cash equivalents	(39,635)	(79,983)
Cash and cash equivalents as of January 1st	135,727	162,827
Exchange variation effect on cash and cash equivalents	8,098	5,713
Cash reduction due to spin-off effect	-	(7,752)
Cash and cash equivalents as of June 2022 and 2021	104,190	80,805