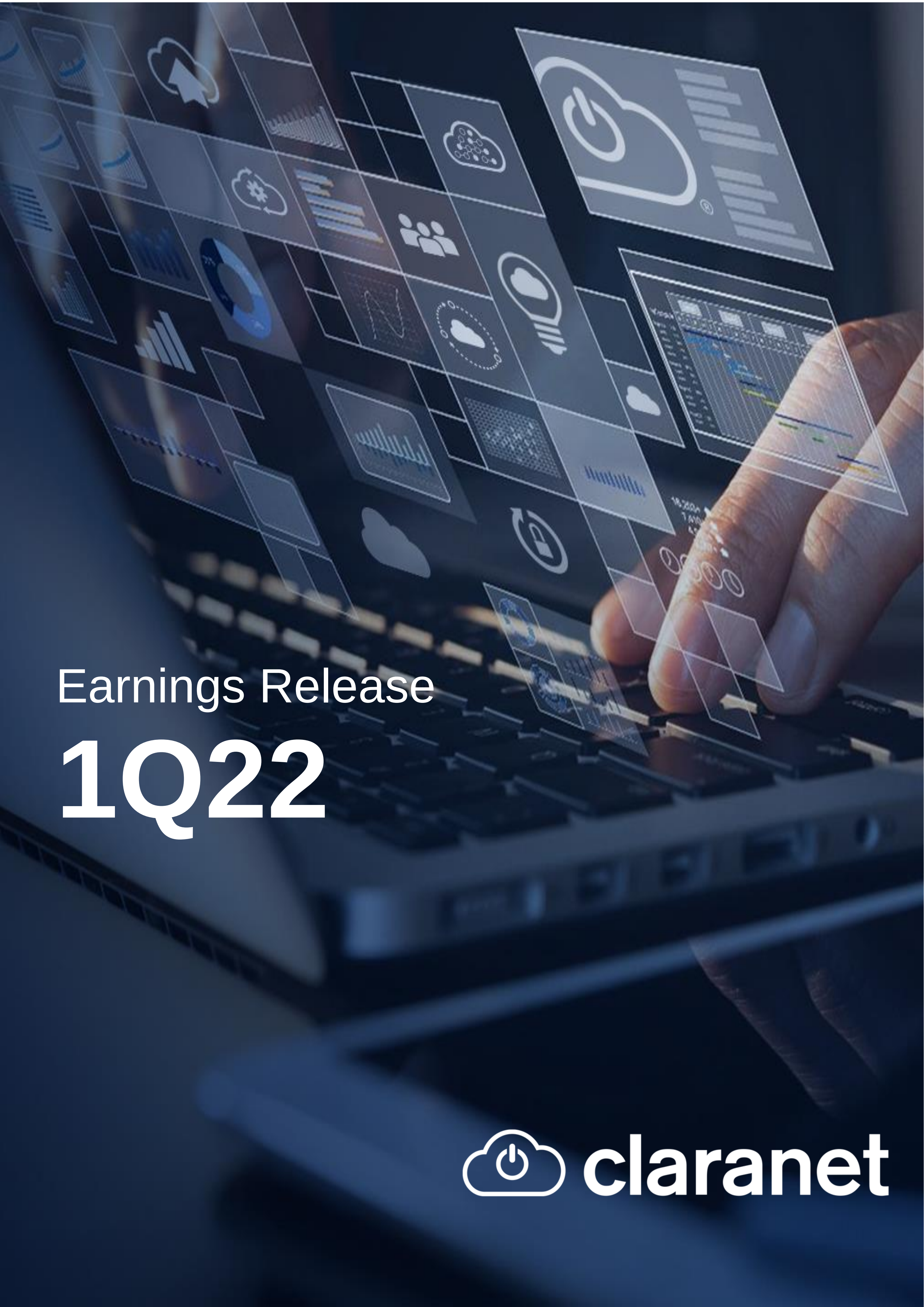
Interim Financial Statements of

Claranet Technology S.A.

As of September 30, 2021



Earnings Release

1Q22

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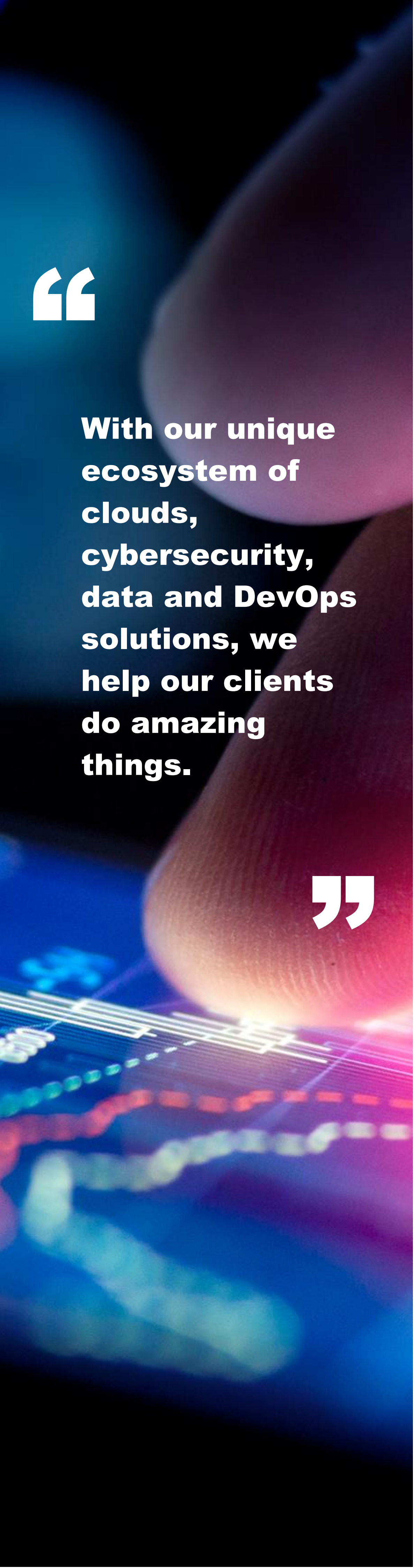

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Highlights

1Q22

Rule of 40

In the quarter, the Company continued the trend of achieving strong metrics in the Rule of 40, at **230.7%**, significantly above the 40% mark

New Contracts

The Company signed **R$37.7 million** in TCV (Total Contract Value) of new contracts in the quarter, a **105.0%** increase YoY

Net Revenue

Net Revenue totaled **R$53.2 million** in 1Q22, a **204.6%** increase over the same period of last year[1]. Net Revenue's **organic growth[2]** was **51.4%**

Annual Recurring Revenue (ARR)

ARR was **R$209.1 million**, a **216.3%** YoY increase

Contribution Margin

Contribution Margin reached **R$32.3 million**, representing **61.8%** of Net Revenue

Adjusted EBITDA

In the quarter, Adjusted EBITDA totaled **R$ 16.4 million**, a **92.7%** increase over the same period of last year[1]

Adjusted EBITDA Margin

Adjusted EBITDA Margin reached **30.9%** in 1Q22

Adjusted Net Income

In 1Q22, Adjusted Net Income totaled **R$3.8 million, 58.3%** above 1Q21

Cash Flow from Operations

Cash Flow from Operations totaled **R$18.1** million, representing 110.3% of Adjusted EBITDA

M&A

M&A continues to be an important part of our growth strategy. In the last 4 quarters, we have analyzed 29 opportunities, identified 18 potential targets, have performed due diligence in 3 companies and completed 1 acquisition (Mandic, April 2021)

Note: Claranet Technology fiscal-year ends on June 30th. Therefore, the period between Jul 01st, 2021 and Sep 30th, 2021 corresponds to the first quarter of fiscal-year 2022 (1Q22). Numbers presented above are on a consolidated basis with acquisitions

1) Jul 01st, 2020 to Sep 30th, 2020

2) Considering Claranet on a stand-alone basis

Barueri, November 16th, 2021. Claranet Technology S.A., a technology company focused in cloud services, cybersecurity and Data & DevOps, is pleased to announce its results for the first quarter of its fiscal-year 2022 (1Q22). The consolidated financial statements have been prepared in accordance with Brazilian generally accepted accounting principles (BR GAAP) and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Financial and Operational Highlights

R$ '000 (except %)	1Q22	1Q21	Δ
Rule of 40	235.5%	67.9%	*168 p.p.*
New Contracts (TCV)	37,653	18,370	105.0%
Net Revenue	53,224	17,471	204.6%
Net Revenue (Organic)[1]	26,455	17,471	51.4%
Annual Recurring Revenue (ARR)	209,147	66,125	216.3%
Contribution Margin	32,910	15,437	113.2%
Contribution Margin (%)	*61.8%*	*88.4%*	*-27 p.p.*
Adjusted EBITDA	16,424	8,525	92.7%
Adjusted EBITDA Margin (%)	30.9%	48.8%	*-18 p.p.*
Adjusted Net Income	3,788	2,393	58.3%
Adjusted Net Margin (%)	6.3%	13.7%	*-6 p.p.*
Cash Flow from Operations	18,120	775	N.A.
Cash Flow from Operations / Adjusted EBITDA (%)	*110.4%*	*9.1%*	*101 p.p.*

Note: Claranet Technology fiscal-year ends on June 30th. Therefore, the period between Jul 01st, 2021 and Sep 30th, 2021 corresponds to the first quarter of fiscal-year 2022 (1Q22). Likewise, 1Q21 corresponds to the period between Jul 01st, 2020 and Sep 30th, 2020.

1) Refers to Claranet only, on a stand-alone basis.

Message from Management

This quarter marks the beginning of our reporting cycle. Before we start discussing our quarterly results, it is important to mention that we follow our parent company – Claranet Group Limited – reporting standards, with fiscal-year ending June 30th. Hence, the results presented in this report refers to the first quarter of fiscal-year 2022 (1Q22).

Our business model is based on the tripod: People – Technology – Innovation. Hence, our people are an essential part of our Company. In addition, we know that qualified workforce is a scarce and valuable asset in the Brazilian tech universe, so we take care of our employees, putting a great emphasis on education and training. At Claranet Academy, our education and training arm, we offer approximately 1,000 hours of training per month to our employees covering a variety of topics, including; technology, sales, marketing, finance, leadership and interpersonal skills. We also foster young talent by establishing partnerships with renowned Universities and creating regional tech hubs.

In 1Q22, we welcomed two new and independent members to our board: Silvio Genesini and Maria Fernanda dos Santos Teixeira. Silvio has extensive experience as an executive, including in tech companies such as Oracle, where he served as CEO of the Brazilian branch, as well as board member of several high-profile companies such as Hortifruti Natural da Terra, Cnova and Algar. Likewise, Maria Fernanda held several leadership positions with emphasis in tech in companies such as General Motors and EDS. She is currently the president of the Diversity and Inclusion Committee of Amcham Brasil and was also a member of the Advisory Board of Gender & Development at the World Bank. Her invaluable experience in issues related to diversity, inclusion and equality should booster even further our corporate governance practices, which have already been recognized and awarded by renowned institutions such as Fundação Dom Cabral.

- **Net Revenue: +204.6%**
- **Organic Growth: +51.4%**
- **Adjusted EBITDA: +92.7%**
- **Rule of 40: 235.5%**
- **New Contracts TCV: +105.0%**
- **Mandic: increase in synergies and cross-sell**

In the quarter, Claranet Technology was able to achieve impressive results, adding to its track-record of solid results, which combine growth, profitability and cash generation. Our Net Revenue totaled R$53.2 million, a 204.6% increase over the same period of last year. This considerable growth was highly impacted by the acquisition of Mandic in April 2021. Nevertheless, organic growth also had a significant impact in our results, as Claranet on a stand-alone basis had an impressive 51.4% YoY net revenue growth. Among our business units, the highlights in the quarter was Public Cloud Solutions (PCS), which totaled R$16.5 million from essentially zero a year ago. Nevertheless, Corporate Cloud Solutions (CCS) and Cybersecurity Solutions (CSS) also had significant performances, growing 133.6% and 37.0%, respectively. The Company's Contribution Margin reached 61.8%, 27 percentage points lower when compared to the same period of last year, particularly attributed to the acquisition of Mandic, which had lower margins compared to those of Claranet Technology, as a result of higher revenues from public clouds (PCS). Adjusted EBITDA totaled R$ 16.4 million in the quarter, a hefty increase of 92.7%, as a result of our unique operations which now include Mandic and the capacity of our team to generate operating leverage. Adjusted EBITDA Margin reached 30.9%, 18 percentage points lower than the same period of last year. Our strategy to enhance exposure to PCS is to cross-sell our products and services, particularly in cybersecurity and Data & DevOps, to Mandic's large corporate client base (approximately 1,300), scaling up even further our revenues and increasing our margins with a low Customer Acquisition Cost (CAC), considering that these clients are now part of our own customer base and marginal incremental sales and marketing expenses are necessary to acquire them. Concurrently, our sales team continued to push hard for new leads as sales of new contracts amounted a Total Contract Value of R$37.7 million, more than twice as much as the same period of last year (105.0%).

We continue to execute on the synergies opportunities between the two companies, which would additionally create value to shareholders. As a result of the strong combination of growth and profitability, we ended the quarter significantly above the “Rule of 40”, at 235.5% in the quarter. Additionally, our Cash Flow from Operations generation continued to be very compelling, at R$18.1 million, representing 110.3% of Adjusted EBITDA.

Over the years, Claranet has swiftly established itself as one of the leading and most innovative technology companies in Brazil, offering private and public cloud, cybersecurity and Data & DevOps solutions to corporate clients all over the country. M&A played an important part in the Company’s growth strategy as attested by the acquisition of CredibilT (2016), CorpFlex (2020) and, more recently, Mandic (2021). CredibiliT and its public cloud solutions were the launching pad of Claranet Group’s operations in Brazil, after its successful trajectory in Europe. The acquisition of CorpFlex has given Claranet not only a portfolio of private cloud and cybersecurity but also a seasoned local management team with an ownership culture able to lead Claranet in Brazil. Finally, the acquisition of Mandic boosted the Company’s position in cloud solutions and expanding the portfolio to Data & DevOps, in addition to increasing the customer base in almost 1,300 new corporate clients. These three acquisitions were carefully studied and integrated in a way that enabled Claranet to create a unique ecosystem of B2B solutions to mid and large corporations in a cross-industry approach. Going forward, M&A will continue to be a key part of our strategy as we keep a close watch on opportunities in the tech world. Currently, we are in negotiations with targets that could further bolster our growth and value creation to our stakeholders. In the last few quarters, we have analyzed 29 opportunities, identified 18 potential targets and performed due diligence processes with 3 companies, while completing 1 acquisition (Mandic, April 2021). We will continue to be diligent and disciplined in applying our rationale towards potential targets, which include but is not limited to portfolio growth, relevant cross-sell opportunities, cost synergies and geographic footprint expansion.

We remain very positive about the prospects for our businesses as there is still a sizeable addressable market in terms of cloud computing solutions and cybersecurity yet to be explored. According to IGC and Gartner, Brazil’s and LatAm’s cloud and cybersecurity markets total approximately R$38 billion and R$84 billion, respectively, and 90% of Brazilian corporations still have their servers on-premise, in legacy technology. However, many companies have already identified their need to modernize their technological infrastructure, whether it is the need for more robust ERPs or advanced tools in Big Data, Machine Learning or IoT (Internet of Things). Whatever the case, increasingly faster data processing capacity is paramount. Hence, the first step in this process is always through cloud migration. In addition, more and more companies have been victims of ransomwares, hacking and other kinds of cyber-attacks, which expose the overall need for cyber security solutions. At Claranet, we have built a long history of helping our clients find the best solutions for their technological needs, acting as their trusted advisor of choice. We are ready to consolidate our leadership position and establish ourselves as the number one reference in clouds, cybersecurity, Data & DevOps in Brazil.

The Management

Rule of 40

The Rule of 40 is a simple metric that measures the performance of a tech company, measuring the trade-off between growth-rate and profitability. Ideally, the combination of growth rate and profit margin should add more than 40%.

The Company reached **235.5%** in the **Rule of 40** in 1Q22

Historically, Claranet Technology has been consistently above the 40% threshold. However, in 1Q22, the Company was way above the 40% mark, at 235.5%. This was largely attributed to revenue, which grew more than 3 times compared to the same period of last year (Jul to Sep 2020). Profitability, as measured by the Adjusted EBITDA Margin (30.9%) also had a significant role in the Rule of 40 in the quarter.

New Contracts

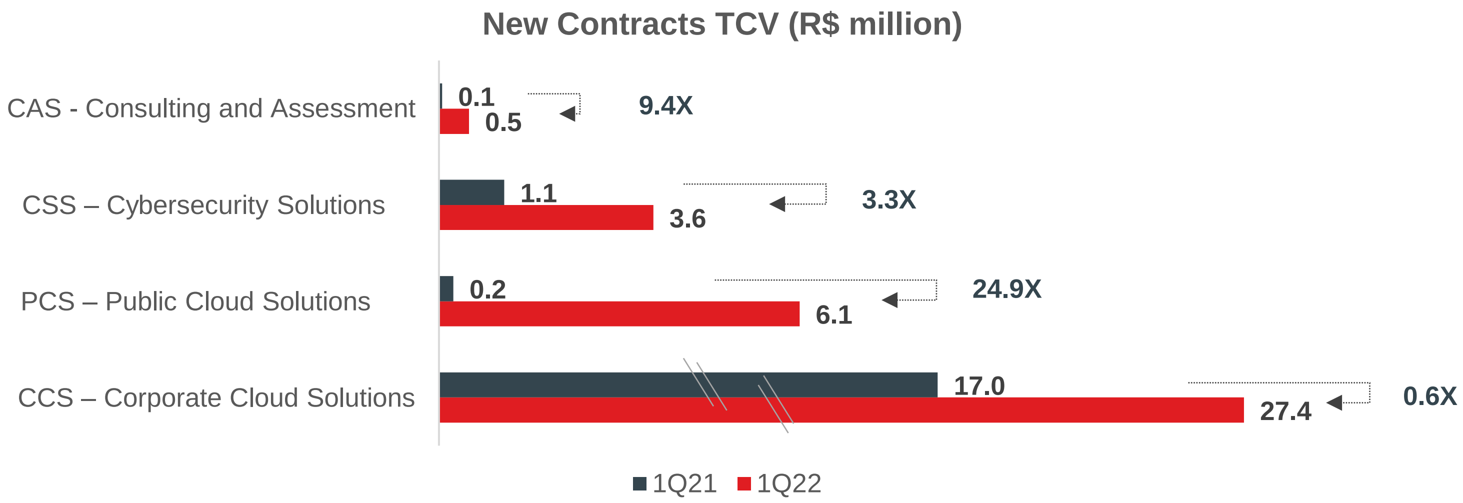
Despite the high recurrence of revenues from existing contracts, our sales team continues to seek for new opportunities. In 1Q22, our sales team generated over 480 new leads. In addition, the recent acquisition of Mandic provided a significant boost in our customer base, with approximately 1,300 new corporate clients. With roughly 13% of Mandic clients with more than one service contracted (as opposed to Claranet's 58%), there are significant cross-sell and up-sell opportunities that our sales team have only just begun to explore.

Total Contract Value of new contracts increased by **105.0%** to **R$37.7 million**

In 1Q22, the Total Contract Value of new contracts was R$37.7 million, more than twice as much as the same period of last year.

R$ '000 (except when indicated)	1Q22	1Q21	Δ
Total Contract Value	**37,653**	**18,370**	**105.0%**

New Contracts TCV from CCS – Corporate Cloud Solutions totaled R$27.4 million, a 61.4% YoY. New Contracts TCV from CSS – Cybersecurity Solutions was R$3.6 million, 3.3 times higher than 1Q21 (+228.4%). We believe TCV from CSS will continue to grow significantly over the next quarters, considering the increasing demand for cyber security solutions. PCS increased almost 25 times in the quarter to R$6.1 million, as we strengthened our public cloud services with the acquisition of Mandic, also benefiting CAS, which increase almost tenfold compared to the same period of last year.



Net Revenue

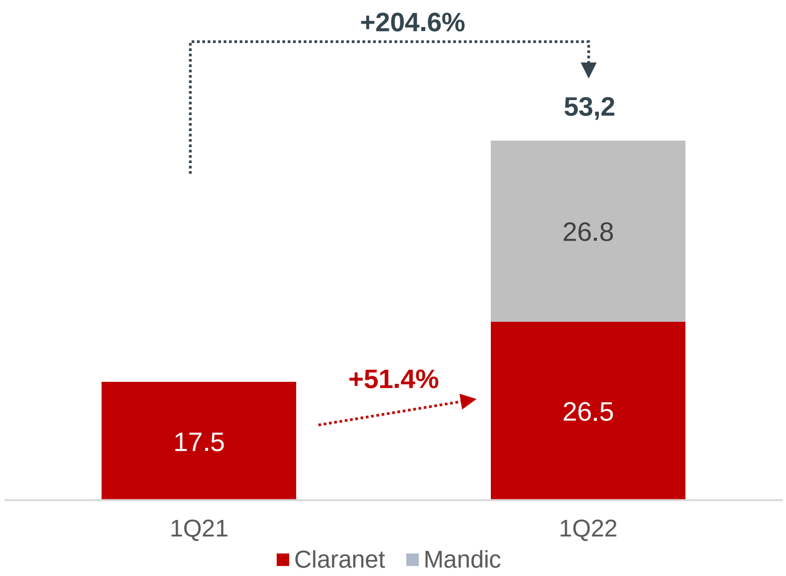
Net Revenue totaled R$53.2 million in 1Q22, a significant 204.6% YoY increase. While this growth is mainly attributed to the acquisition of Mandic in April 2021, organic growth also played an important part in the Company's performance in the quarter, with a 51.4% YoY increase.

New contracts sales had a positive impact in the quarter and considering their high level of recurrence should continue to scale up our Net Revenue in the foreseeable future.

Net Revenue on an **organic basis** (Claranet only) increased by **51.4%**

R$ '000 (except %)	1Q22	1Q21	Δ
Net Revenue	**53,224**	**17,471**	**204.6%**

Net Revenue (R$ million)



Net Revenue Break-Down

Corporate Cloud (CCS) revenues totaled R$31.9 million in 1Q22, more than double (133.6%) the same period of last year. Public Cloud Services (PCS) totaled R$16.5 million in the quarter, boosted by the April 2021 acquisition of Mandic, whose portfolio was focused on PCS. Cybersecurity Solutions (CSS) totaled R$3.9 million, a 37.0% YoY increase, as we continue to push forward towards cybersecurity.

R$ '000 (except %)	1Q22	1Q21	Δ
Corporate Cloud Services (CCS)	31,887	13,649	133.6%
Public Cloud Services (PCS)	16,453	2	N.A.
Cybersecurity Solutions (CSS)	3,946	2,881	37.0%
Consulting and Assessment Services (CAS)	937	941	-0.4%
Total Net Revenue	**53,224**	**17,471**	**204.6%**

Annual Recurring Revenue (ARR)

Annual Recurring Revenue totaled R$209.1 million in 1Q22, up 3.2 times (216.3%) compared to the same period of last year. Recurring revenue corresponds to a high rate of 98.2% of Net Revenue in 1Q22, a 4 p.p. increase over 1Q21, which attests the resilience of our business model.

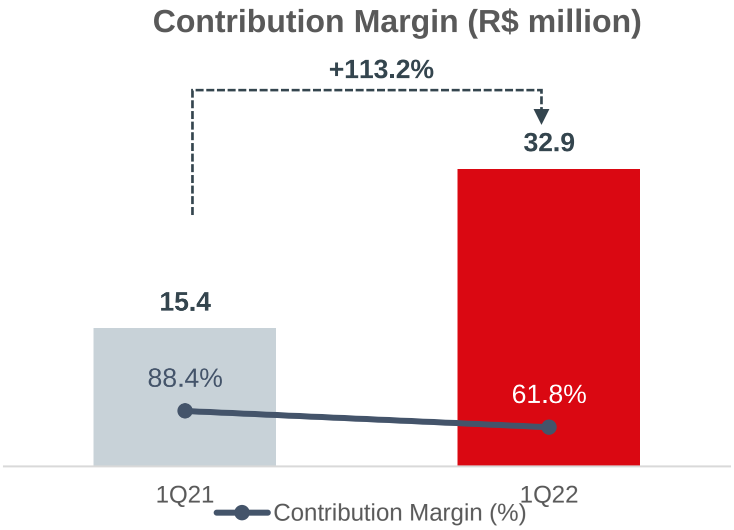
R$ '000 (except %)	1Q22	1Q21	Δ
Annual Recurring Revenue (ARR)	**209,147**	**66,125**	**216.3%**
Recurring Revenue Rate	**98.2%**	**94.6%**	**4 p.p.**

Contribution Margin

Contribution Margin, measured by Net Revenue minus Variable Costs was R$32.3 million in 1Q22, more than double when compared to the same period of last year. In terms of percentage of Net Revenue, Contribution Margin represented 61.8% of Net Revenue, 26 percentage points below 1Q21, particularly as a result of lower margins from Mandic, given its focus in Public Cloud Services (PCS).

The rationale of our acquisition of Mandic is tied to our strategy of enhancing exposure to PCS in order to increase cross-sell of our products and services, particularly in cybersecurity and Data & DevOps, to Mandic's large corporate client base (approximately 1,300), scaling up even further our revenues and increasing our margins.

R$ '000 (except %)	1Q22	1Q21	Δ
Net Revenue	53,224	17,471	204.6%
(-) Variable Costs	(20,314)	(2,034)	N.A.
Contribution Margin	**32,910**	**15,437**	**113.2%**
Contribution Margin (%)	***61.8%***	***88.4%***	***-26 p.p.***



Gross Margin

Gross Margin reached 23.0% in 1Q22, compared to 46.4% in the same period of last year. This decrease is largely attributed to lower margins from Mandic's operation. Similarly to the Contribution Margin, the decrease in margin is related to our strategy of enhancing exposure to PCS in order to increase cross-sell of our products and services, particularly in cybersecurity and Data & DevOps, to Mandic's large corporate client base, scaling up revenues and increasing our margins over the next few quarters.

R$ '000 (except %)	1Q22	1Q21	Δ
Net Revenue	53,224	17,471	204.6%
(-) Total Costs	(40,981)	(9,367)	337.5%
Gross Margin	**12,243**	**8,104**	**51.1%**
Gross Margin (%)	***23.0%***	***46.4%***	***-23 p.p.***

Operating Expenses

Operating Expenses increased 122.1% in 1Q22 to R$9.4 million to support the Company's growth, including the additional expenses from Mandic. However, as a percentage of Net Revenue, Operating Expenses represented 17.7% compared to 24.3% in 1Q21 (Jul to Sep 2020), a 7 p.p. reduction, which indicates that part of the synergies were already implemented in the quarter. In addition, it also attests the scalability of our business, with revenues growing at a faster rate than expenses, which, in turn, corroborates the Company's operating leverage capacity.

R$ '000 (except %)	1Q22	1Q21	Δ
Sales	(4,035)	(1,862)	116.7%
General & Administrative	(5,406)	(2,389)	126.3%
Total	**(9,441)**	**(4,251)**	122.1%
Total (% of Net Revenue)	***17.7%***	***24.3%***	***-7 p.p.***

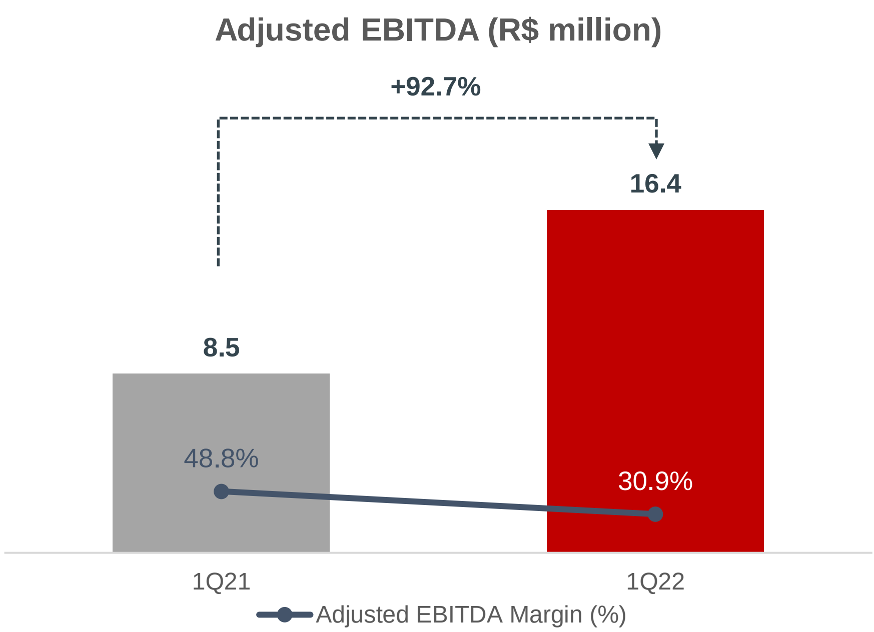
Adjusted EBITDA

Adjusted EBITDA totaled R$16.4 million, a 92.7% increase over the same period of last year as a result of the combination of the acquisition of Mandic, organic growth and the Company's ability to generate operating leverage.

Adjusted EBITDA totaled **R$16.4 million**, a **92.7%** YoY increase

Adjusted EBITDA Margin reached 30.9%, 18 percentage points below 1Q21, particularly due to Mandic's lower margins. As a already mentioned, our strategy to acquire Mandic and consequently, to enhance our exposure to PCS in order to cross-sell our products and services, particularly in cybersecurity and Data & DevOps, to Mandic's large corporate client base (approximately 1,300), scaling up even further our revenues and increasing our margins with a low Customer Acquisition Cost (CAC), considering that these clients are now part of our own customer base and marginal incremental sales and marketing expenses are necessary to acquire them.

R$ '000 (except %)	1Q22	1Q21	Δ
Net Income	(842)	2,516	N.A.
(+) Goodwill Amortization	2,520	-	N.A.
(+) Income Tax and Social Contribution	815	1,309	-37.8%
(+) Net Financial Result	2,829	28	N.A.
(+) Depreciation and Amortization	9,141	4,574	99.8%
EBITDA	***14,462***	***8,428***	**71.6%**
EBITDA Margem	***27.2%***	***48.2%***	***-22 p.p.***
(+) M&A Expenses	761	97	N.A.
(+) Extraordinary Costs with Personnel Termination	573	-	N.A.
(+) Other Non-Recurring Extraordinary Expenses	629	-	N.A.
Adjusted EBITDA	***16,424***	***8,525***	**92.7%**
Adjusted EBITDA Margin	***30.9%***	***48.8%***	***-18 p.p.***
(-) IFRS16 Effects	(1,694)	(772)	119.4%
Adjusted EBITDA without IFRS16 Effects	***14,730***	***7,752***	**90.0%**



Net Financial Result

Net Financial Result was an expense of R$2.8 million in 1Q22 compared to essentially zero in the same period of last year. The increase in Financial Expenses is mainly attributed to higher interest expenses from amortization schedule and debt loans from Mandic.

R$ '000 (except %)	1Q22	1Q21	Δ
Financial Income	413	361	14.4%
Financial Expenses	(3,242)	(389)	N.A.
Net Financial Result	**(2,829)**	**(28)**	**N.A.**

Adjusted Net Income

Net Income adjusted for Goodwill Amortization in Mergers, Deferred Income Tax and Social Contribution and other extraordinary items totaled R$3.8 million, 58.3% above 1Q21. Adjusted Net Margin stood at 7.1%.

R$ '000 (except %)	1Q22	1Q21	Δ
Net Income	**(842)**	**2,516**	**N.A.**
Net Margin	**-1.6%**	**14.4%**	**N.A.**
(+) Goodwill Amortization	2,520	-	N.A.
(+) Deferred Income Tax and Social Contribution	815	- 187	N.A.
(+) M&A Expenses (Net of Taxes)	502	64	N.A.
(+) Extraordinary Costs with Personnel Termination (Net of Taxes)	378	-	N.A.
(+) Other Non-Recurring Extraordinary Expenses (Net of Taxes)	415	-	N.A.
Adjusted Net Income	**3,788**	**2,393**	**58.3%**
Adjusted Net Margin	**7.1%**	**13.7%**	***-6 p.p.***

Cash Flow

Cash Flow from Operations totaled R$18.1 million in 1Q22, more than 23 times 1Q21, which corroborates the Company's capacity to generate operating cash flow. Total Cash was R$20.3 in the quarter, up 14.1% from a year ago.

Cash Flow from Investing totaled an inflow of R$1.4 million as a result of proceeds from sale of financial investments of R$5.6 million in order to pay up debentures, offset by a CAPEX of R$ 4.2 million.

Cash Flow from Financing totaled an outflow of R$13.0 million, which included one-off payments to restructure Mandic´s debt, which amounted R$5.2 million.

R$ '000 (except %)	1Q22	1Q21	Δ
Cash Flow from Operations	18,120	775	N.A.
Cash Flow from Investing	1,386	(1,807)	N.A.
Cash Flow from Financing	(13,009)	(517)	N.A.
(=) Increase (Decrease) in Cash	6,497	(1,549)	N.A.
(+) Initial Cash Position	13,849	19,384	-28.6%
(=) Final Cash Position	**20,346**	**17,835**	**14.1%**

Net Debt

R$93.0 million, or approximately 72,3% of Gross Debt in 1Q22 refers to Related Parties Liabilities contracted with Claranet Group Limited for the acquisition of Mandic. Considering Related Parties Liabilities, Net Debt totaled R$103.4 million, 10.3% lower than the previous quarter. In 1Q22, the Company liquidated the R$5.2 million previously held in Debentures. We have a strong commitment to financial management, continuously looking for opportunities to improve our debt profile and to extend maturity.

R$ '000 (except %)	1Q22	4Q21	Δ
Debts and Loans (Current)	21,838	21,854	-0.1%
Debts and Loans (Long Term)	13,826	19,461	-29.0%
Debentures	-	5,161	N.A.
Related Parties Liabilities (Current and Long Term)	93,038	93,126	-0.1%
Gross Debt	**128,702**	**139,602**	**-7.8%**
(-) Cash and Cash Equivalents	(20,346)	(13,849)	46.9%
(-) Related Parties Assets	(4,935)	(4,877)	1.2%
(-) Securities	-	(5,565)	N.A.
Net Debt (Net Cash)	**103,421**	**115,311**	**-10.3%**

Note: 4Q21 refers to the period between April 01, 2021 and Jun 30, 2021

Capex

Capex in 1Q22 totaled R$4.2 million as no acquisitions were concluded in the quarter. Software purchase represented R$3.2 million, while hardware totaled R$1.0 million.

M&A

M&A has been an important part of the Company's strategy, as attested by the acquisitions of CredibilIT, CorpFlex and Mandic, and should continue to be key to our growth plans.

However, we are very diligent in our M&A screening process and all acquisition targets should be under a clear rationale, which ultimately should lead to unequivocal value creation to our Company.

In the last 4 quarters, we have analyzed 29 opportunities, identified 18 potential targets, have performed due diligence in 3 companies and completed 1 acquisition (Mandic, April 2021).

Integration with Mandic

In 1Q22, we executed R$2.8 million in savings from synergies with Mandic, significantly above what we had estimated for synergies for the quarter. Synergies include staff cost reductions, restructuring of contracts with suppliers, licenses and tools, in addition to process and control optimization. We also unified our offices, motivating our employees with our hybrid work model, preserving what is more important to our Company – our People.

We consider our People as one of the cornerstones of our Company, so we have pushed hard to integrate the employees formerly with Mandic to our values and culture, intensifying training and maximizing their onboarding experience.

Subsequent Events

In August 17, 2021, the Company approved in an Extraordinary Shareholders Meeting its Stock Options plan, which allows the Management to indicate key employees to participate, providing them stocks to be distributed in the future. The Stock Option Plan establishes the exercise price, conditions of payment, terms and conditions and other conditions related to these options. The contracts with the recipients of the stock options were signed in October 19, 2021.

ESG Initiatives

At Claranet, we have been working hard to gradually materialize actions and practices related to Sustainable Growth and to and accelerate commitments in line to the United Nations' Sustainable Development Goals (SDG).

Our business model is based on the tripod: People – Technology – Innovation. Hence, our people are an essential part of our Company. We know that qualified workforce in tech is a scarce and valuable asset, so we take care of our employees, putting a great emphasis on education and training. At Claranet Academy, our education and training arm, we offer approximately 1,000 hours of training per month to our employees covering a variety of topics, including; technology, sales, marketing, finance, leadership and interpersonal skills. We also foster young talent by establishing partnerships with renowned Universities and creating local tech hubs (SDG 1,3,4 and 10).

The core of our management team has been working together many years, which enabled the establishment of an ownership culture within the Company. All of our employees, including our C-level executives have clearly defined KPIs. As a result, our corporate governance practices have been praised and acknowledged by leading institutions such as Fundação Dom Cabral. Moreover, we have been appointed as Great Place to Work® for two years in a row and Top 20 GPTW in our region (SDG 8).

Furthermore, it is important to highlight that our cloud services businesses provide our clients not only benefits in terms of technology, finance and strategy but also advantages to the environment. Recent studies conducted by Accenture indicate that the migration from the on-premise environment to Cloud Computing may reduce global CO2 emissions by approximately 59 million ton yearly, as a result of technology and energy efficiency gains (SDG 9, 11, 13 and 17).

Glossary

ARR: Annual Recurring Revenue. Revenue, normalized annually, that a company expects to receive from its customers for the provision of products or services.

Big data: Field that treats ways to analyze, systematically extract information from, or otherwise deal with data sets that are too large or complex to be dealt with by traditional data-processing application software.

CAC: Customer Acquisition Cost. Represents the marketing cost divided by the number of new customers won in a given period.

CAS: Consulting and Assessment Services. Business unit responsible for consulting and assessment services.

CCS: *Corporate Cloud Solutions*. Business unit responsible for providing solutions in private cloud.

Churn: Index representing the rate of customers who cancel or stop consuming products or services in certain periods.

Cross-sell: Sell related or complementary products to a customer.

CSS: *Cybersecurity Solutions*. Business unit responsible for providing solutions in cybersecurity.

Cybersecurity: Practice that protects computers and servers, mobile devices, electronic systems, networks and data from malicious attacks. It is also called information technology security or electronic information security.

DaaS: Device as a Service. Term used to describe cloud-based software tools used to work with data, such as managing data in a data warehouse or data analytics with business intelligence.

Data Lake: Repository that stores a large and varied volume of data, both structured and unstructured.

DBA: Data Base Administrator. Administrator responsible for managing, installing, setting up, updating and monitoring a database or database systems.

DevOps: Term derived from the union of the words Development and Operations to designate a strategy to increase a company's capacity of distributing applications and services at high speed and with quality.

Hybrid cloud: Computing environment that combines an on-premises datacenter or private cloud with a public cloud, allowing data and applications to be shared between them.

IaaS: Infrastructure as a Service Cloud. Computing service that delivers critical computing, storage, and networking resources on demand and pay-per-use.

IoT: Internet of Things Process of connecting everyday physical objects to the internet, including common household objects such as light bulbs, medical devices and accessories, smart devices and even smart cities.

LGPD: The General Law on Personal Data Protection.

Machine learning: Discipline that allows computers to learn on their own and perform tasks autonomously with no need to be programmed.

Multi cloud: Approach made up of more than one service and a public or private cloud provider.

NOC: Network Operations Center Structure of specialized professionals that monitor and manage IT events.

NPS: Net Promoter Score. Metric designed to measure customer loyalty levels.

On-premise: software and technology that are located within the physical confines of an enterprise often in the company's data center as opposed to running remotely on hosted servers or in the cloud

Private cloud: refers to cloud computing services offered over the internet or a private internal network only to selected users and not to the general public. Also called internal or corporate cloud.

Public cloud: computing services offered by third parties to public internet, provided to any user who wants to use or purchase them. Such services can be free or sold on demand, allowing customers to pay only for their consumption of CPU cycles, storage or bandwidth. The main public cloud companies are: Amazon Web Services (AWS), Azure and Google.

PaaS: Platform as a Service. Complete development and deployment environment in the cloud, with features that allow user to deliver everything from simple cloud-based applications to sophisticated cloud-enabled enterprise applications.

PCS: Public Cloud Solutions. Business unit responsible for solutions in public cloud.

Pentest: abbreviation for Penetration Test. It is also known as Intrusion Test, as it performs thorough detection with techniques used by ethical hackers – specialists in information security hired by corporations to perform such tests, without carrying out activities that harm the company or have a criminal effect.

Rule of 40: Metric that measures the performance of a tech company, measuring the trade-off between growth-rate and profitability. As a rule of thumb, the combination of growth rate and profit margin should add up to 40% or more.

SaaS: Software as a Service. Model for software licensing and delivery in which software is licensed by subscription and hosted in the cloud.

SIEM: Security Information and Event Management. Rules-based system responsible for collecting logs, events and data, for detecting suspicious occurrences that could, in any way, jeopardize the security of a company's data.

TCV: Total Contract Value. Metric that measures how much a contract is worth after its execution, including recurring revenue and fees. The formula is as follows: TCV = (Monthly Recurring Revenue x Contract Term Length) + Setup Fees

Up-sell: Sales technique which, as opposed to cross-sell, involves enticing clients to acquire an upgraded or premium version of a product they originally intended to purchase.

WAF: Web Application Firewall. Firewall which monitors, filters and blocks data packets as they flow to and from a website or web application.

WAN: Wide Area Network. Communication network that covers a large geographic area, such as cities, states and countries. It can be private to connect a company's headquarters and branches, or public to connect smaller networks.

Appendix 1

Balance Sheet - Assets

R$ '000 (except %)	1Q22	4Q21
ASSETS		
CURRENT		
Cash and Cash Equivalents	20,346	13,849
Securities	-	5,565
Accounts Receivable	25,946	26,355
Recoverable Taxes	5,286	4,858
Advanced Expenses	3,612	987
Other Current Assets	1,424	1,780
Total Current Assets	**56,614**	**53,394**
LONG TERM		
Related Parties	4,935	4,877
Recoverable Taxes	325	388
Deferred Income and Social Contribution	41,984	42,585
Judicial Deposits	62	62
Right of Use	18,895	20,898
Fixed Assets	44,203	47,978
Intangible Assets	176,267	178,316
Total non-current assets	**286,671**	**295,104**
TOTAL ASSETS	**343,285**	**348,498**

Appendix 2

Balance Sheet - Liabilities

R$ '000 (except %)	1Q22	4Q21
LIABILITIES		
CURRENT		
Suppliers	31,278	24,518
Debts and Loans	21,838	21,854
Debentures	-	5,161
Leasing Liabilities	6,344	6,394
Fiscal Obligations	2,085	1,837
Labor Obligations	12,049	11,010
Accounts Payable for Business Acquisition	10,122	9,976
Related Parties	738	826
Other	276	220
Total Current Liabilities	**84,730**	**81,796**
LONG TERM		
Loans and Financing	13,826	19,461
Provision for Contingencies	14,682	14,726
Accounts Payable for Business Acquisition	29,523	29,495
Fiscal Obligations	124	124
Leasing Liabilities	13,954	15,608
Related Parties	92,300	92,300
Total non-current liabilities	**164,409**	**171,714**
SHAREHOLDER'S EQUITY		
Equity Capital	180,998	180,998

Capital reserves	20,294	20,294
Retained Earnings	- 107,146	- 106,304
Total Shareholder's Equity	**94,146**	**94,988**
TOTAL EQUITY AND SHAREHOLDER'S EQUITY	**343,285**	**348,498**

Appendix 3

Income Statement

R$ '000 (except %)	1Q22	1Q21
NET REVENUE	**53,224**	**17,471**
Cost of goods sold and services rendered	(40,981)	(9,367)
GROSS PROFIT	**12,243**	**8,104**
OPERATING INCOME (EXPENSES)	**(9,441)**	**(4,251)**
Selling	(4,035)	(1,862)
General and administrative	(5,406)	(2,389)
Other operating income (expenses), net	-	-
INCOME (LOSS) BEFORE FINANCIAL RESULT	**2,802**	**3,853**
FINANCIAL RESULT	**(2,829)**	**(28)**
Financial income	413	361
Financial expenses	(3,242)	(389)
INCOME (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	**(27)**	**3,825**
INCOME TAX AND SOCIAL CONTRIBUTION	**(815)**	**(1,309)**
Current	-	(1,496)
Deferred	(815)	187
Net income (loss) for the period	**(842)**	**2,516**

Appendix 4

Cash Flow Statement

R$ '000 (except %)	1Q22	1Q21
CASH FLOW STATEMENT		
Cash Flow From Operations		
Net Income	(842)	2,516
Depreciation and Amortization	11,662	4,574
Provision for Losses from Bad Debt	(369)	81
Income Tax and CSLL Expenses - Current	-	1,496
Income Tax and CSLL Expenses - Deferred	815	(187)
Provision (Reversion) of Contingencies	(44)	19
Interests on Financial Investments	(26)	-
Interest and exchange variation appropriated for the period	2,283	167
Write-off of Fixed Assets	370	4
Variation in Assets and Liabilities		
Accounts Receivables	778	(73)
Other Assets	356	(128)
Advanced Expenses	(2.625)	-
Recoverable Taxes	(579)	1,055
Suppliers	6,760	(776)
Tax Obligations	248	(1,940)
Labor Obligations	1,039	(1,940)
Other Liabilities	56	(3,992)
Interest on borrowings, financing, debentures and loans paid	(1,762)	(101)
Total Cash Flow from Operations	**18,120**	**775**
Cashflow from Investing Activities		
Acquisition of PPE and intangible assets	(4,205)	(1,807)

Proceeds from sale of financial securities	5,591	-
Total Cash Flow from Investing Activities	**1,386**	**(1,807)**
Cash Flow from Financing Activities		
Borrowing and Financing	-	2,021
Principal Payments of Loans and Financing - Principal	(5,792)	(1,675)
Debentures Payments	(5,156)	-
Leasing Payments	(2,061)	(863)
Total Cash Flow from Financing Activities	**(13,009)**	**(517)**
Increase (Reduction) in Cash and Equivalents	**6,497**	**(1,549)**
Initial Balance of Cash and equivalents	**13,849**	**19,384**
Closing Balance of Cash and equivalents	**20,346**	**17,835**

Disclaimer

This Earnings Release may contain statements and information expressing Claranet Technology management's expectations, beliefs and forecasts about future events or results. Such statements and information are forward-looking statements only and not guarantees of future performance, subject to risks, uncertainties and factors regarding the Company's operations and business environment.

Although Claranet Technology believes that the expectations and assumptions contained in the statements are reasonable and based on data currently available to its management, we caution investors that forward-looking statements involve risks because they relate to future events and therefore depend on circumstances that may or may not occur, in addition to the risks presented in the disclosure documents, subject to change without notice.

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claranet®

Claranet Technology S.A. (formerly CorpFlex Informática SA)

Interim financial statements

September 30, 2021

Content

São Paulo Corporate Towers
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Report on the individual and consolidated interim information

To
Shareholders, Directors and Officers of
Claranet Technology S.A.
São Paulo - SP

Introduction

We have audited the individual and consolidated interim financial information of Claranet Technology S.A. (“Company”), contained in the Quarterly Information Form (ITR) for the quarter ended September 30, 2021, which comprises the statement of financial position as of September 30, 2021, and the respective statements of profit of loss, comprehensive income, changes in equity and cash flows for the three-month period then ended, including the accompanying notes.

The Company’s Management is responsible for preparing the individual and consolidated interim financial statements in compliance with NBC TG 21 Interim Reporting) and international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (“IASB”), as well as for its presentation of such information in a manner consistent with the rules issued by the Brazilian Securities and Exchange Commission (“CVM”), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of the review

We conducted our review in compliance with Brazilian and international standards for the review of interim financial information (NBC TR 2410 Interim Financial Information Review Performed by the Entity’s Auditor and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively. A review of interim information consists of making inquiries, mainly to persons responsible for financial and accounting matters, and applying analytical procedures and other review procedures. The scope of a review is significantly lower than an audit conducted in compliance with audit standards and, accordingly, has not allowed us to obtain assurance that we are aware of all significant matters that could be identified through an audit procedure. Therefore, we do not express an audit opinion.

Conclusion

Based on our review, we are not aware of any facts that would lead us to believe that the individual and consolidated interim financial information included in the aforementioned quarterly information was not prepared, in all material respects, in compliance with Technical Pronouncement CPC NBC TG 21 and IAS 34, applicable the preparation of Quarterly Information (ITR) and presented in a manner consistent with the rules issued by the Brazilian Securities and Exchange Commission.

Other matters

Statement of value added

The aforementioned quarterly information includes the individual and consolidated statements of value added (SVA) for the three-month period ended September 30, 2021, prepared under the responsibility of the Company's management and presented as supplementary information for the purposes of IAS 34. Such statements were submitted to review procedures carried out together with the review of the quarterly information, in order to determine whether they are reconciled with the interim financial information and accounting records, as applicable, and whether their form and content comply with the criteria defined in NBC TG 09 Statement of Value Added. Based on our review, we are not aware of any facts that would lead us to believe that these statements of value added were not prepared, in all material respects, in compliance with the criteria defined in this Standard and in a consistent manner in relation to the individual and consolidated interim financial information taken together.

São Paulo, November 11, 2021

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP034519/O-6

Bruno Mattar Galvão
Accountant CRC-1SP267770/O-6-T-CE

Claranet Technology S.A.

Statement of financial position
September 30, 2021 and June 30, 2021
(In thousands of Brazilian reais)

		Individual		Consolidated	
	Note	09/30/2021	06/30/2021	09/30/2021	06/30/2021
Assets					
Cash and cash equivalents	4	**13.767**	12.465	**20.346**	13.849
Marketable securities	5	**-**	-	**-**	5.565
Trade accounts receivable	6	**12.852**	12.422	**25.946**	26.355
Taxes recoverable	7	**3.635**	3.206	**5.286**	4.858
Prepaid expenses	-	**1.976**	-	**3.612**	987
Other assets	-	**738**	556	**1.424**	1.780
Total current assets		**32.968**	28.649	**56.614**	53.394
Related parties	8.a	**4.935**	4.877	**4.935**	4.877
Taxes recoverable	7	**325**	388	**325**	388
Deferred income and social contribution taxes	18.b	**36.982**	36.759	**41.984**	42.585
Judicial deposits	-	**62**	63	**62**	62
Investments	9	**151.937**	151.729	**-**	-
Right of use	19	**10.407**	11.020	**18.895**	20.898
Property & Equipment	10	**29.991**	31.698	**44.203**	47.978
Intangible assets	11	**9.165**	7.998	**176.267**	178.316
Total noncurrent assets		**243.804**	244.532	**286.671**	295.104
Total assets		**276.772**	273.181	**343.285**	348.498

Liabilities	Note	Individual 09/30/2021	Individual 06/30/2021	Consolidated 09/30/2021	Consolidated 06/30/2021
Trade accounts payable	12	**16.140**	10.404	**31.278**	24.518
Loans and financing	13	**7.979**	7.191	**21.838**	21.854
Debentures	14	**-**	-	**-**	5.161
Lease Liabilities	19	**2.324**	2.155	**6.344**	6.394
Tax obligations	17	**1.525**	1.158	**2.085**	1.837
Labor obligations	16	**6.613**	6.281	**12.049**	11.010
Accounts payable for business acquisition	15	**10.122**	9.976	**10.122**	9.976
Related parties	8.b	**738**	826	**738**	826
Other liabilities	-	**43**	16	**276**	220
Total current liabilities		**45.484**	38.007	**84.730**	81.796
Loans and financing	13	**8.057**	10.414	**13.826**	19.461
Contingencies	20	**77**	134	**14.682**	14.726
Accounts payable for business acquisition	15	**27.289**	27.289	**29.523**	29.495
Tax obligations	17	**124**	124	**124**	124
Lease Liabilities	19	**9.295**	9.925	**13.954**	15.608
Related parties	8.b	**92.300**	92.300	**92.300**	92.300
Deferred income and social contribution taxes	18.b	**-**	-	**-**	-
Total noncurrent liabilities		**137.142**	140.186	**164.409**	171.714
Equity					
Capital	21.b	**180.998**	180.998	**180.998**	180.998
Capital reserve		**20.294**	20.294	**20.294**	20.294
Retained losses		**(107.146)**	(106.304)	**(107.146)**	(106.304)
Total equity		**94.146**	94.988	**94.146**	94.988
Total liabilities and equity		**276.772**	273.181	**343.285**	348.498

See accompanying notes.

Claranet Technology S.A.

Statements of profit or loss
For the three-month periods ended September 30, 2021 and 2020
(In thousands of Brazilian reais, except earnings per share)

	Note	Individual		Consolidated
		09/30/2021	**09/30/2020**	**09/30/2021**
Profit (loss)				
Net Revenue	22	**26.455**	17.471	**53.224**
Cost of services provided	23	**(18.285)**	(9.367)	**(40.981)**
Gross profit		**8.170**	8.104	**12.243**
Selling expenses	23	**(2.018)**	(1.862)	**(4.035)**
General and administrative expenses	23	**(2.392)**	(2.389)	**(5.406)**
Equity pickup	9	**(2.792)**	-	**-**
Other operating income (expenses), net		**-**	-	**-**
Total operating expenses		**(7.202)**	(4.251)	**(9.441)**
Profit before finance income (costs) and taxes		**968**	3.853	**2.802**
Finance income	24	**314**	361	**413**
Finance costs	24	**(2.133)**	(389)	**(3.242)**
Finance income (costs)		**(1.819)**	(28)	**(2.829)**
Profit or loss before income and social contribution taxes		**(851)**	3.825	**(27)**
Income and social contribution taxes - Current	18.a	**-**	(1.496)	**-**
Income and social contribution taxes - Deferred	18.a	9	187	(815)
Net income for the period		**(842)**	2.516	**(842)**
Earnings per share	27			
Basic and diluted earnings per share - in Brazilian reais		**(0,0071)**	0,0336	**(0,0071)**

See accompanying notes.

Claranet Technology S.A.

Statements of comprehensive income
For the three-month periods ended September 30, 2021 and 2020
(In thousands of Brazilian reais)

	Individual		Consolidated
	09/30/2021	**09/30/2020**	**09/30/2021**
Net income for the period	**(842)**	2.516	**(842)**
Other comprehensive income	**-**	-	**-**
Total comprehensive income	**(842)**	2.516	**(842)**

See accompanying notes.

Claranet Technology S.A.

Statements of changes in equity
For the three-month periods ended September 30, 2021 and 2020
(In thousands of Brazilian reais)

	Note	Capital	Capital reserve		Income reserve		Additional dividends proposed	Accumulated losses	Subtotal
			Goodwill on share issuance	Special goodwill reserve	Legal reserve	Retained profits			
Balance as of June 30, 2020		27.666	-	-	687	3.989	-	-	32.342
Net income for the period		-		-	-	-	-	2.516	2.516
Legal reserve	21.c	-		-	-	-	-	-	-
Minimum mandatory dividend		-		-	-	-	-	-	-
Allocation to retained profits reserve		-		-	-	2.516	-	(2.516)	-
Balance as of September 30, 2021		27.666		-	687	6.505	-	-	34.858
Balance as of June 30, 2021		180.998	(18.813)	39.107	-	-	-	(106.304)	94.988
Net income for the period		**-**	-	-	-	**-**	-	**(842)**	**(842)**
Balance as of September 30, 2021		**180.998**	(18.813)	39.107	**-**	**-**	**-**	**(107.146)**	**94.146**

See accompanying notes.

Claranet Technology S.A.

Statements of cash flows
For the three-month periods ended September 30, 2021 and 2020
(In thousands of Brazilian reais)

	Note	Individual 09/30/2021	Individual 09/30/2020	Consolidated 09/30/2021
Cash flow from operating activities				
Net income for the period		**(842)**	2.516	**(842)**
Adjustments to reconcile net income to cash from operating activities:				
Depreciation and amortization	10 | 11 | 19	**4.801**	4.574	**11.662**
Allowance for expected credit losses	6	**(331)**	81	**(369)**
IRPJ and CSLL expense - Current	18	**-**	1.496	**-**
IRPJ and CSLL expense - Deferred	18	**(9)**	(187)	**815**
Set-up (reversal) of contingencies	20	**(57)**	19	**(44)**
Equity pickup		**2.792**	-	**-**
Income from short-term investments		**-**	-	**(26)**
Interest and exchange differences appropriated for the period		**1.666**	167	**2.283**
PP&E Disposals		**-**	4	**370**
(Increase) decrease in assets:				
Accounts receivable		**(99)**	(73)	**778**
Other assets		**(182)**	(128)	**356**
Prepaid expenses		**(976)**	-	**(2.625)**
Taxes recoverable		**(580)**	1.055	**(579)**
Judicial deposits		**1**	-	**-**
Increase (decrease) in liabilities				
Trade accounts payable		**5.736**	(776)	**6.760**
Tax obligations		**367**	(1.940)	**248**
Labor obligations		**332**	(1.940)	**1.039**
Other liabilities		**27**	(3.992)	**56**
Income and social contribution taxes paid		**-**	-	**-**
Interest on borrowings, financing, debentures and loans paid		**(1.344)**	(101)	**(1.762)**
Cash flow from operating activities		**10.302**	775	**18.120**
Cash flow from investing activities				
Acquisition of PPE and intangible assets	10 | 11	**(3.648)**	(1.807)	**(4.205)**
Acquisition of subsidiary, net of cash acquired		**-**	-	**-**
Future capital contribution	9	**(3.000)**	-	
Income from marketable securities		**-**	-	**5.591**
Net cash flow used in investing activities		**(6.648)**	(1.807)	**1.386**

Claranet Technology S.A.

Statements of Cash Flows
For the three-month periods ended September 30, 2021 and 2020
(In thousands of Brazilian reais)

	Note	Individual		Consolidated
		09/30/2021	**09/30/2020**	**09/30/2021**
Cash flow from financing activities				
Raising of loans and financing	13	**-**	2.021	**-**
Payment of loans and financing - principal	13	**(1.678)**	(1.675)	**(5.792)**
Payment of debentures	14	**-**	-	**(5.156)**
Payments for lease obligation	19.b	**(674)**	(863)	**(2.061)**
Net cash flow provided by (used in) financing activities		**(2.352)**	(517)	**(13.009)**
Increase/decrease in cash and cash equivalents		**1.302**	(1.549)	**6.497**
Cash and cash equivalents at the beginning of the period		**12.465**	19.384	**13.849**
Cash and cash equivalents at the end of the period		**13.767**	17.835	**20.346**
Increase/decrease in cash and cash equivalents		**1.302**	(1.549)	**6.497**

See accompanying notes.

Claranet Technology S.A.

Statement of value added
For the three-month periods ended September 30, 2021 and 2020 (In thousands of Brazilian reais)

	Individual		Consolidated
	09/30/2021	09/30/2020	09/30/2021
1 - Revenues	**30.036**	19.606	**58.632**
1.1 - Sale of goods, products and services	**29.705**	19.687	**58.260**
1.2 - Other revenues	**-**	-	**3**
1.3 - Revenues related to the construction of own assets	**-**	-	**-**
1.4 - Allowance for doubtful accounts - reversal (set-up)	**331**	(81)	**369**
2 - Inputs acquired from third parties (including tax amounts - ICMS, IPI, PIS and COFINS)	**(11.154)**	(3.059)	**(22.880)**
2.1 - Cost of products, goods and services sold	**(9.491)**	(2.021)	**(20.096)**
2.2 - Materials, energy, third party services and other	**(1.663)**	(1.038)	**(2.784)**
2.3 - Loss / recovery of assets	**-**	-	**-**
2.4 - Other (specify)	**-**	-	**-**
3 - Gross value added	**18.882**	16.547	**35.752**
4 - Depreciation, amortization and depletion	**(4.801)**	(4.574)	**(11.662)**
5 - Net value added produced by the entity (3-4)	**14.081**	11.973	**24.090**
6 - Value added received in transfer	**(2.478)**	361	**413**
6.1 - Equity pickup	**(2.792)**	-	**-**
6.2 - Finance income	**314**	361	**413**
6.3 - Other	**-**	-	**-**
6 - Total value added to distribute (5+6)	**11.603**	12.334	**24.503**
8 - Distribution of value added	**(11.603)**	(12.334)	**(24.503)**
8.1 - Personnel	**(5.895)**	(4.977)	**(13.990)**
8.1.1 - Direct compensation	**(4.980)**	(4.383)	**(11.612)**
8.1.2 - Benefits	**(624)**	(349)	**(1.712)**
8.1.3 - FGTS	**(291)**	(245)	**(666)**
8.2 - Taxes, fees and contributions	**(4.400)**	(4.538)	**(8.333)**
8.2.1 - Federal	**(3.803)**	(4.140)	**(6.998)**
8.2.2 - State	**(1)**	(1)	**(1)**
8.2.3 - Municipal	**(596)**	(397)	**(1.334)**
8.3 - Debt remuneration:	**(2.150)**	(303)	**(3.022)**
8.3.1 - Interest	**(2.107)**	(202)	**(2.907)**
8.3.2 - Rents	**(43)**	(101)	**(43)**
8.3.3 - Foreign exchange differences	**-**	-	**(72)**
8.4 - Equity remuneration	**842**	(2.516)	**842**
8.4.1 - Interest on equity	**-**	-	**-**
8.4.2 – Dividends	**-**	-	**-**
8.4.3 - Retained earnings / loss for the period	**842**	(2.516)	**842**
8.4.4 - Noncontrolling interest in retained profits	**-**	-	

See accompanying notes.

1. Operations

1.1. General and operating information

Claranet Technology S.A. (“Claranet” or “Company”) is a privately-held corporation engaged in providing data hosting services on the Internet, internet provider services, technical assistance services in IT equipment, third-party database management and retail sales of IT equipment

The Company is part of Claranet Group Limited, a technology multinational company incorporated in 1996 in London, England.

The Company is located in the state of São Paulo, city of Barueri, at Avenida Tamboré, no. 267 - 17th andar - Torre Norte - Edifício Canopus - CEP 06460-000.

During the year ended June 30, 2021, the Company changed its corporate name from Corpflex Informática S.A. to Claranet Technology S.A.

On January 5, 2021, the Company changed its fiscal year to start July 1 of each year and end June 30 of the subsequent year (previously beginning on January 1 of each year and ending December 31 of the same year).

1.2. Impacts caused by the COVID-19 pandemic

On March 11, 2020, the World Health Organization (WHO) declared a global pandemic. Also in March, the Company prepared and implemented a plan covering several preventive measures required to minimize the effects of the pandemic, among which the following stand out:

- Creation of a Crisis Committee to continuously assess the evolution of COVID-19, possible impacts and necessary measures, in addition to monitoring all decisions made by the relevant authorities in the regions where it operates;
- Implementation, together with the health plan operator, of 24/7 telephone service to support employees;
- Suspension of domestic and international business travel;
- Suspension or postponement of employee benefits, such as: Transport vouchers and Fuel vouchers; and
- Definition of remote work regime for all employees as of March 18, aiming to reduce population density in its offices as a strategy to mitigate the risks of virus spread.

1. **Operations**--Continued

1.2. Impacts caused by the COVID-19 pandemic--Continued

The Company adopted several measures involving the reduction of operating costs, such as:

- Freezing of opening of job positions
- Cancellation of business travel;
- Reduction of costs with third parties;
- Renegotiation of rental agreements;
- Adherence to the postponement of tax and social security taxes; and
- Renegotiation of payment terms with suppliers etc.

Some supplementary actions involved the renegotiation and postponement of conditions with customers. The Company sought to negotiate on a case-by-case basis the maturities of invoices, according to the relationship with the customer, based on an assessment of future prospects for each business area.

We emphasize that the Company did not adopt measures to reduce the wages and working hours of its employees during the period, nor did it promote reductions in teams outside the normal course of its operations.

Based on its current metrics and results, the Company does not expect direct and indirect impacts of the coronavirus on its business, operating results, and financial condition.

Additionally, due to the uncertainty scenario caused by the pandemic, the Company reassessed the main accounting estimates (see details in the respective notes):

- Assessment of the allowance for doubtful accounts: The Company monitored the effects of the current economic scenario in the methodology for measuring estimated losses, by updating the expected loss percentages for each group in the portfolio, capturing the estimated effects on default and credit recovery for the coming months;
- Impairment assessment of intangible assets with indefinite useful life: As mentioned in Note 11 to the financial statements for the period ended June 30, 2021, the Company assessed the recoverability of its assets for its cash-generating units and did not identify the need for a provision for loss;

1. Operations--Continued

1.2. Impacts caused by the COVID-19 pandemic--Continued

- Recoverability of deferred taxes: The recoverability of the balance of deferred tax assets is reviewed at least on an annual basis. In the Company's assessment, the scenario impacted by Covid19 did not affect future taxable profit forecasts, allowing the recoverability of credits in the coming years (see Note 18).

In addition to the items highlighted above, the Company has been closely monitoring liquidity and credit risks as mentioned in Note 25.

2. Basis of preparation and presentation of interim financial statements

2.1. Statement of compliance

The Company's interim individual and consolidated financial statements have been prepared and are being presented in compliance with accounting practices adopted in Brazil, comprising the rules issued by the Brazilian Securities and Exchange Commission (“CVM”), including pronouncements issued by the Brazilian Financial Accounting Board (CPC) and International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB). All relevant information pertinent to financial statements, and only such information, is being disclosed, and corresponds to that used in the Company’s management.

2.2. Basis of preparation and presentation

The individual and consolidated financial statements have been prepared on the historical cost basis, except for the valuation of certain assets and liabilities such as those arising from business combinations and financial instruments, which are measured at fair value.

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting practices and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

(In thousands of Brazilian reais)

2. Basis of preparation and presentation of interim financial statements--Continued

2.2. Basis of preparation and presentation--Continued

This interim financial information was prepared in compliance with the basis of preparation and accounting policies consistent with those adopted in the preparation of the individual and consolidated financial statements as of June 30, 2021, and should be read together with such statements. The information in the notes that did not undergo significant changes or had irrelevant disclosures compared to June 30, 2021, was not fully repeated in this quarterly information.

The issuance of interim financial statements was authorized at the Board Meeting held on November 11, 2021.

2.3. Basis of consolidation

Subsidiaries are all entities in which the Company has the power to regulate the financial and operating policies that generally derive from the holding of more than half of the voting rights. The existence and effect of possible voting rights currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated as from the date on which control is transferred to the Company. They cease to be consolidated as from the date the control ends.

Transactions between companies, balances and unrealized gains on transactions between the Company and its subsidiary are excluded. Unrealized losses are also excluded, unless the transaction provides evidence of a loss (impairment) of the transferred asset. The subsidiary's accounting policies are changed when necessary to ensure consistency with the policies adopted by the Company.

The consolidated financial statements include the operations of the following subsidiary, whose percentage share on the date of the statement of financial position is summarized as follows:

Direct interest:

Corporate name	% Interest	
	09/30/2021	06/30/2021
Mandic S.A. (i)	**100.00**	100.00

(i) Company acquired on April 16, 2021.

3. New standards and amendments and interpretations of standards

a) Accounting pronouncements initially applied in the year ended September 30, 2021

There are no standards, amendments to standards and interpretations to IFRS issued by IASB that are effective and that may have a significant impact on the financial statements ended September 30, 2021.

b) New and revised standards and interpretations issued but not yet effective

IFRS 17 - Insurance contracts

In May 2017, IASB issued IFRS 17 - Insurance Contracts (a standard not yet issued by the CPC in Brazil, but which will be codified as CPC 50 - Insurance Contracts and will replace CPC 11 - Insurance Contracts), a new comprehensive standard accounting for insurance contracts that includes recognition and measurement, presentation and disclosure. Once effective, IFRS 17 (CPC 50) will replace IFRS 4 - Insurance Contracts (CPC 11) issued in 2005. IFRS 17 applies to all types of insurance contracts (such as life, non-life insurance, direct insurance and reinsurance), irrespective of the type of issuing entity, as well as certain guarantees and financial instruments with discretionary participation features. Some scope exceptions apply. The overall purpose of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements of IFRS 4, which are largely based on local accounting policies in force in previous periods, IFRS 17 provides a comprehensive framework for insurance contracts, covering all relevant accounting aspects. The focus of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (variable fee approach).
- A simplified approach (premium allocation approach) mainly for short-term contracts.

IFRS 17 is effective for periods beginning on or after January 1, 2023, requiring the presentation of comparative amounts. Early adoption is permitted if the entity also adopts IFRS 9 and IFRS 15 on the same date or before the initial adoption of IFRS 17.

(In thousands of Brazilian reais)

3. New standards and amendments and interpretations of standards - continued

b) New and revised standards and interpretations issued but not yet effective - continued

Amendments to IAS 1: Classification of liabilities as current or noncurrent

In January 2020, IASB issued amendments to paragraphs 69 to 76 of IAS 1, related to CPC 26, in order to specify the requirements for classifying liabilities as current or noncurrent. The amendments clarify:

- The meaning of a right to defer settlement;
- That the right to defer shall exist on the base date of the report;
- That this classification is not affected by the probability of an entity exercising its right to defer;
- That only if a derivative embedded in a convertible liability is itself an equity instrument the terms of a liability would not affect its classification.

Changes are effective for periods beginning January 1, 2023 and shall be applied retrospectively.

No future impact is expected for the Company as a result of the adoption of this standard.

4. Cash and cash equivalents

	Individual		Consolidated	
Description	**09/30/2021**	**06/30/2021**	**09/30/2021**	**06/30/2021**
Cash and banks	**1.285**	410	**2.811**	847
Short-term investments	**12.482**	12.055	**17.535**	13.002
	13.767	12.465	**20.346**	13.849

Short-term, highly liquid investments, which are readily convertible into a known amount of cash and subject to an insignificant risk of change in value, are remunerated substantially according to indexes that aim to achieve the CDI variation, contracted with top-tier banks and normal market conditions and rates. For the period ended September 30, 2021, the average yield achieved was 102% (average rate 111% of the CDI as of June 30, 2021)

(In thousands of Brazilian reais)

5. Marketable securities

Description	Individual 09/30/2021	Individual 06/30/2021	Consolidated 09/30/2021	Consolidated 06/30/2021
Certificate accounts with lottery prizes	-	-	-	50
Short-term investments (a)	-	-	-	5.515
	-	-	-	5.565
Current	-	-	-	5.565

(a) Refer to shares in referenced non-exclusive investment funds managed by Banco Santander. The funds' profitability follows CDI rate variations, which for period ended September 30, 2021 reached 95% of the CDI. It was redeemed during the quarter to settle debentures.

6. Trade accounts receivable

Description	Individual 09/30/2021	Individual 06/30/2021	Consolidated 09/30/2021	Consolidated 06/30/2021
Accounts receivable	**15.428**	15.329	**29.940**	30.718
ECL - Estimated credit losses	**(2.576)**	(2.907)	**(3.994)**	(4.363)
	12.852	12.422	**25.946**	26.355

As of September 30, 2020, there are no customers that individually represent more than 10% of the Company's revenues.

The aging list of the balance of trade and other accounts receivable is as follows:

Aging list	Individual 09/30/2021	Individual 06/30/2021	Consolidated 09/30/2021	Consolidated 06/30/2021
Falling due	**10.753**	11.246	**22.197**	24.090
1 to 90 days past due	**1.269**	1.200	**2.710**	2.173
91 to 180 days past due	**800**	417	**1.111**	951
181 to 360 days past due	**1.596**	1.549	**2.045**	1.769
Over 730 days past due	**1.010**	917	**1.877**	1.735
Total accounts receivable	**15.428**	15.329	**29.940**	30.718

(In thousands of Brazilian reais)

6. Trade accounts receivable--Continued

The change in estimated credit loss is shown below:

	Individual	Consolidated
Balance as of June 30, 2020	(1.667)	-
(Provision) reversal	(81)	-
Balance as of September 30, 2020	(1.748)	-
Balance as of June 30, 2021	(2.907)	(4.363)
(Provision) reversal	**331**	**369**
Balance as of September 30, 2021	**(2.576)**	**(3.994)**

7. Taxes recoverable

	Individual		Consolidated	
Description	**09/30/2021**	**06/30/2021**	**09/30/2021**	**06/30/2021**
Withholding IRPJ and CSLL	**3.463**	3.113	**4.072**	3.766
PIS/COFINS recoverable	**495**	477	**998**	937
Other (i)	**2**	4	**541**	543
	3.960	3.594	**5.611**	5.246
Current	**3.635**	3.206	**5.286**	4.858
Noncurrent	**325**	388	**325**	388

(i) In the subsidiary, this refers to taxes withheld abroad that will be offset against IRPJ and CSLL.

The Company monitors tax credits to be used, whenever possible, to settle other tax liabilities.

8. Related parties

Transactions with related parties refer to loan and borrowing transactions with the Company's shareholders.

a) Loans granted to shareholders are shown below

	Individual		Consolidated	
Description	**09/30/2021**	**06/30/2021**	**09/30/2021**	**06/30/2021**
Loans to partners (i)	**4.935**	**4.877**	**4.935**	**4.877**
	4.935	**4.877**	**4.935**	**4.877**

(i) Refers to a loan granted to Mr. Edvaldo Soares in the amount of R$ 4.829 with an inflation adjustment of 4,75% per year. The loan is expected to be settled by April 30, 2024 or in any equity interest settlement event.

(In thousands of Brazilian reais)

8. **Related parties** -- continued

a) Loans granted to shareholders are shown below - continued

Changes in balances are shown as follows:

	Individual	Consolidated
Balance as of June 30, 2021	4.877	4.877
Loans to partners	-	-
Interest receivable	**58**	**58**
Balance as of September 30, 2021	**4.935**	**4.935**

b) Intercompany loan liabilities are shown below

	Individual		Consolidated	
Description	**09/30/2021**	**06/30/2021**	**09/30/2021**	**06/30/2021**
Intercompany loans (i)	**93.038**	93.126	**93.038**	93.126
	93.038	93.126	**93.038**	93.126
Current	**738**	826	**738**	826
Noncurrent	**92.300**	92.300	**92.300**	92.300

(i) Refers to two intercompany loan agreements with Claranet Group Limited as detailed below

- On July 27, 2020, Claranet Brasil took out a loan in the amount of R$ 50.000, with inflation adjustment rate of 4,75% per year, for the acquisition of the Company. As a result of the reverse merger, the loans were incorporated by the Company in the amount of R$ 50.391.
- On April 14, 2021, Claranet Brasil S.A. took out a loan with Claranet Group Limited in the amount of R$ 42.300, with inflation adjustment rate of 4,75% per year. The main purpose of this loan was to reduce part of the debt due to Mandic acquisition.

Balance movements are shown as follows:

	Individual and Consolidated
Balance as of June 30, 2021	93.126
Fund-raising	-
Interest payment	**(1.181)**
Interest	**1.093**
Balance as of September 30, 2021	**93.038**

(In thousands of Brazilian reais)

8. **Related parties** -- continued

c) Compensation of management and related parties

The amount of compensation paid by the Company to members of the Board of Directors and Statutory Officers was recorded under general and administrative expenses

	Individual		Consolidated	
Description	09/30/2021	06/30/2021	09/30/2021	06/30/2021
Compensation of the executive board (fixed)	**720**	1.945	**870**	2.975
Performance bonus (variable)	**630**	1.073	**705**	1.073
	1.350	3.018	**1.575**	4.048

For the period ended September 30, 2021 and the year ended June 30, 2021, the Board members and Officers did not receive any pension, retirement or similar benefits.

9. **Investments**

The breakdown of the individual and consolidated balances are shown below:

	Individual	
Description	**09/30/2021**	**06/30/2021**
Mandic S.A.	**112.464**	112.736
Mandic goodwill	**33.473**	35.993
Future capital contribution	**6.000**	3.000
	151.937	151.729

Changes in investments are shown below:

Description	**Mandic S.A.**
Balance as of June 30, 2021	151.729
Future capital contribution - Mandic (b)	3.000
Equity pickup (a)	(2.792)
Balance as of September 30, 2021	**151.937**

(a) Equity pickup comprises (i) amortization of goodwill in the period for the acquisition of Mandic, totaling R$2.520; (ii) net income for the period of Mandic S.A. totaling R$272.

(b) Refers to the future capital contribution paid to Mandic S.A., according to the minutes of the Board of directors meeting held on May 26, 2021.

(In thousands of Brazilian reais)

9. Investments--Continued

Relevant information about investees is shown below:

		09/30/2021			
Subsidiary	**Interest**	**Assets**	**Liabilities**	**Equity**	**Net income**
Mandic S.A.	100%	**91.575**	**52.332**	**39.243**	**272**
Total		**91.575**	**52.332**	**39.243**	**272**

		06/30/2021			
Subsidiary	**Interest**	**Assets**	**Liabilities**	**Equity**	**Net income**
Mandic S.A.	100%	97.650	61.135	36.515	2.597
Total		97.650	61.135	36.515	2.597

10. Property & Equipment

10.1. Breakdown and changes in property and equipment in the individual statements

Cost	Machinery and equipment	Furniture and fixtures	Facilities	Vehicles	Total Property & Equipment
Useful life of assets (months)	36 to 60	120	120	60	
Balance as of 06/30/2020	72.254	585	2.410	962	76.211
Additions	718	-	-	-	718
Disposals	(4)	-	-	-	(4)
Balance as of 09/30/2020	72.968	585	2.410	962	76.925
Balance as of 06/30/2021	81.697				86.233
Additions	**1.705**	**-**	**-**	**-**	**1.705**
Disposals	**-**	**-**	**-**	**-**	**-**
Balance as of 09/30/2021	**83.402**	**815**	**2.759**	**962**	**87.938**

Depreciation	Machinery and equipment	Furniture and fixtures	Facilities	Vehicles	Total Property & Equipment
Balance as of 06/30/2020	(40.311)	(338)	(902)	(398)	(41.949)
Additions	(2.883)	(11)	(60)	(48)	(3.002)
Disposals	-	-	-	-	-
Balance as of 09/30/2020	(43.194)	(349)	(962)	(446)	(44.951)
Balance as of 06/30/2021	(52.317)	(458)	(1.170)	(590)	(54.535)
Additions	**(3.273)**	**(18)**	**(77)**	**(44)**	**(3.412)**
Disposals	**-**	**-**	**-**	**-**	**-**
Balance as of 09/30/2021	**(55.590)**	**(476)**	**(1.247)**	**(634)**	**(57.947)**
Residual value					
Balance as of 06/30/2020	31.943	247	1.508	564	34.262
Balance as of 09/30/2020	29.774	236	1.448	516	31.974
Balance as of 06/30/2021	29.380	357	1.589	372	31.698
Balance as of 09/30/2021	**27.812**	**339**	**1.512**	**328**	**29.991**

(In thousands of Brazilian reais)

10. Property & Equipment -- continued

10.2. Breakdown and changes in property and equipment in the consolidated statements

Cost	Machinery and equipment	Furniture and fixtures	Facilities	Vehicles	Total Property & Equipment
Balance as of 06/30/2021	158.225	837	2.755	962	162.779
Additions	**2.145**	**14**	**-**	**-**	**2.159**
Disposals	**-**	**-**	**-**	**-**	**-**
Balance as of 09/30/2021	**160.370**	**851**	**2.755**	**962**	**164.938**

Depreciation	Machinery and equipment	Furniture and fixtures	Facilities	Vehicles	Total Property & Equipment
Balance as of 06/30/2021	(112.576)	(464)	(1.170)	(591)	(114.801)
Additions	(5.787)	(26)	(77)	(44)	(5.934)
Disposals	-	-	-	-	-
Balance as of 09/30/2021	**(118.363)**	**(490)**	**(1.247)**	**(635)**	**(120.735)**
Residual value					
Balance as of 06/30/2021	**45.649**	**373**	**1.585**	**371**	**47.978**
Balance as of 09/30/2021	**42.007**	**361**	**1.508**	**327**	**44.203**

Based on the annual impairment test for the assets of the Company and its subsidiary, the Company prepared an asset valuation report and no losses or indications of losses were identified, since the value in use is higher than the net carrying amount on the date of assessment. Additionally, for the base date of September 30, 2021, the Company assessed the circumstances that could indicate *impairment* of its non-financial assets due to Covid-19 scenario and concluded that there were no significant changes in circumstances that could indicate any losses in the non-financial assets.

(In thousands of Brazilian reais)

11. Intangible assets

11.1. Breakdown of intangible assets in the individual statements

Cost	Software	Total intangible assets
Useful life (months)	60	
Balance as of 06/30/2020	20.846	20.846
Additions	1.089	1.089
Balance as of 09/30/2020	21.935	21.935
Balance as of 06/30/2021	23.674	23.674
Additions	1.943	1.943
Disposals	-	-
Balance as of 09/30/2021	**25.617**	**25.617**

Amortization	Software	Total intangible assets
Balance as of 06/30/2020	(12.382)	(12.382)
Additions	(849)	(849)
Balance as of 09/30/2020	(13.231)	(13.231)
Balance as of 06/30/2021	(15.676)	(15.676)
Additions	**(776)**	**(776)**
Balance as of 09/30/2021	**(16.452)**	**(16.452)**
Residual value		
Balance as of 06/30/2020	8.464	8.464
Balance as of 09/30/2020	8.704	8.704
Balance as of 06/30/2021	7.998	7.998
Balance as of 09/30/2021	**9.165**	**9.165**

(In thousands of Brazilian reais)

11. Intangible assets -- continued

11.2. Changes in consolidated intangible assets

Cost	Software	Customer portfolio	Goodwill (i)	Total cost
Useful life (months)	60	69	-	
Balance as of 06/30/2021	57.170	34.946	115.234	211.190
Additions	**1.985**	**-**	**-**	**2.046**
Transfers	**2.850**	**-**	**-**	**-**
Disposals	**-**	**-**	**-**	**-**
Balance as of 09/30/2021	**62.005**	**34.946**	**115.234**	**213.236**

Amortization	Software	Customer portfolio	Goodwill	Total cost
Balance as of 06/30/2021	(30.824)	(2.050)	-	(32.874)
Amortization	(2.576)	(1.519)	-	(4.095)
Balance as of 09/30/2021	(33.400)	(3.569)	-	(36.969)

Residual value		
Balance as of 06/30/2021	178.316	178.316
Balance as of 09/30/2021	176.267	176.267

(i) Goodwill stemming from expected future profitability in the acquisition of Mandic S.A.

12. Trade Accounts Payable

Description	Individual 09/30/2021	Individual 06/30/2021	Consolidated 09/30/2021	Consolidated 06/30/2021
Domestic suppliers	**16.140**	10.404	**31.263**	24.505
Other suppliers	**-**	-	**15**	15
	16.140	10.404	**31.278**	24.518

(In thousands of Brazilian reais)

13. Loans and financing

Refer to working capital acquisition (overdraft facility account), bank financing (CDC).

	Individual		Consolidated	
Description	**09/30/2021**	**06/30/2021**	**09/30/2021**	**06/30/2021**
Loans and financing	**16.036**	17.605	**35.665**	41.315
	16.036	17.605	**35.665**	41.315
Current	**7.979**	7.191	**21.838**	21.854
Noncurrent	**8.057**	10.414	**13.826**	19.461

Financing and working capital acquisitions are guaranteed by the assignment of receivables, except for CDC, which is guaranteed by the asset acquired.

The Parent Company is not subject to covenants. Mandic is subject to covenants on loans with BNDES, and may require early maturity if the subsidiary does not comply with said covenants. The indexes and the minimum and maximum amounts required by covenants shall be measured on an annual basis.

(In thousands of Brazilian reais)

13. Loans and financing--Continued

Description	Charges	Maturity	Collateral	Individual 09/30/2021	Individual 06/30/2021	Consolidated 09/30/2021	Consolidated 06/30/2021
Loans:							
BNDES (a)	TJLP+2,1% p.a	Feb-23	Equipment	**-**	-	**2.244**	2.984
CDC Banco DLL	9,38% p.a	Jun-23	Equipment	**1.103**	1.276	**1.103**	1.276
“CDC”	0% p.a.	Jun-22	Equipment	**-**	-	**1.820**	2.640
Banco Santander Consortium	0% p.a.	Sep/22	Vehicles	**4**	5	**4**	5
Working capital:							
Banco Itaú	CDI + 2,50% p.a.	Feb-23	Assignment in trust	**6.623**	7.866	**6.623**	7.866
Banco Itaú	CDI + 2,50% p.a.	Feb-23	Assignment in trust	**595**	707	**595**	707
Banco Itaú	CDI + 2,70% p.a.	Jul-24	Assignment in trust	**1.568**	1.717	**1.568**	1.717
Santander Financing (b)	CDI + 2,30% p.a.	Jan-23	Assignment in trust	**-**	-	**15.565**	18.086
Bradesco	CDI + 2,70% p.a.	May-25	Assignment in trust	**6.142**	6.034	**6.142**	6.034
Total				**16.036**	17.605	**35.664**	41.315

(a) On July 20, 2017, the Company entered into financing agreement No. 17.2.0053.1 with BNDES, which provides for a credit facility in the amount of R$ 15.321 to be repaid in 48 months, maturing on February 15, 2023. The agreement entered into with BNDES includes “financial covenants” if the Company's Management intends to distribute dividends and pay interest on equity higher than provided for in the Corporate Law. The indexes and the minimum and maximum amounts required by such covenants shall be measured on an annual basis, i.e., measured and presented at the end of the year. The guarantees provided at the time of raising funds from BNDES, comprise 30% of the customer receivables portfolio held with Banco Itaú S.A.

(b) On January 17, 2020, the Company entered into the financing agreement No. 000228525368 with Santander S.A., which provides for a credit facility in the amount of R$ 23.000 to be paid in twelve (12) quarterly installments, whereby the first three (3) includes only interest and the remaining nine (9) installments represent the amortization of principal balance plus interest. The 1st installment matures on April 22, 2020 and the last will mature on January 6, 2023.

(In thousands of Brazilian reais)

13. Loans and financing--Continued

Changes in loans and financing as of September 30, 2021, and 2020, June 30, 2021, and 2020 are as follows:

	Individual	Consolidated
Balance as of June 30, 2020	17.342	-
Loan contracting	2.021	-
Amortization of installments	(1.675)	-
Interest payment	(101)	-
Interest	-	-
Balance as of September 30, 2020	17.587	-
Balance as of June 30, 2021	17.605	41.315
Loan contracting	**-**	**-**
Amortization of installments	**(1.678)**	**(5.792)**
Interest payment	**(163)**	**(452)**
Interest	**272**	**593**
Balance as of September 30, 2021	**16.036**	**35.664**

Maturities of payments are as follows:

	Individual	Consolidated
Maturity	**09/30/2021**	**09/30/2021**
2021 - 2022	**7.979**	**21.838**
2023	**4.761**	**10.530**
2024	**2.153**	**2.153**
2025	**1.143**	**1.143**
	16.036	**35.664**

14. Debentures

	Individual		Consolidated	
Description	**09/30/2021**	**06/30/2021**	**09/30/2021**	**06/30/2021**
1st issue of debentures	-	-	-	5.161
	-	-	-	5.161

(In thousands of Brazilian reais)

14. Debentures -- continued

On May 22, 2017, Mandic entered into the "Private Instrument of Indenture of the First (1st) Issue of Simple, Nonconvertible Debentures, in a Single Series of Unsecured Type with Additional Security Interests for Public Distribution with Restricted Placement Efforts by Mandic S.A.", in the amount of R$ 45.000, for a term of 48 months and maturing on May 25, 2021, guaranteed by escrow account and 3 additional installments entered into with Banco Santander S.A. bearing the interest rate of 3% p.a. plus DI%.

Such instrument includes financial covenants and may require early maturity if the Subsidiary does not comply with said covenants. The indexes and the minimum and maximum amounts required by such covenants shall be measured on an annual basis, i.e., measured and presented at the end of the year.

On May 4, 2020, a general meeting of debenture holders ("GMDH") was held, whereby debenture holders resolved and approved the extension of the maturity dates for the payment of the unit par value of the debentures, previously providing for payments on May 25, 2020, until October 25, 2020, returning the payment flow to November 25, 2020. As a result of this extension, the maturity of the debentures was changed from May 25, 2021, to November 25, 2021.

On September 16, 2021, by mutual agreement with the debenture holders, the company redeemed the funds invested in a overdraft facility account and settled the debentures in advance. On September 27, 2021, Planner Trustee, a trustee linked to the debentures issued by Mandic, declared full settlement of all the issuer's obligations, contracted within the scope of said issue.

Reconciliation of changes in equity with cash flows arising from individual and consolidated financing activities

Description	Consolidated
Balance as of 06/30/2021	5.161
Principal amortization	**(5.161)**
Interest paid	**(130)**
Interest in the period	**125**
Balance as of 09/30/2021	-

(In thousands of Brazilian reais)

15. Accounts payable for business acquisition

Accounts payable for business acquisition refer to the amounts owed to former owners upon the acquisition of shares or units of interest representing the capital of acquired companies.

	Individual		Consolidated	
Description	09/30/2021	06/30/2021	09/30/2021	06/30/2021
Accounts payable for acquisition of companies	**37.411**	37.265	**39.645**	39.471
	37.411	37.265	**39.645**	39.471
Current	**10.122**	9.976	**10.122**	9.976
Noncurrent	**27.289**	27.289	**29.523**	29.495

Changes in balances are as follows:

	Individual	Consolidated
Balance as of June 30, 2021	**37.265**	39.471
Payments	**-**	**-**
Interest payment	**-**	**-**
Interest	**146**	**174**
Balance as of September 30, 2021	37.411	39.645

16. Labor obligations

	Individual		Consolidated	
Description	09/30/2021	06/30/2021	09/30/2021	06/30/2021
Wages and salaries	**2.070**	1.628	**2.070**	1.628
Vacation payable	**2.049**	1.965	**4.202**	4.192
Provision for 13th monthly salary	**1.032**	696	**2.155**	1.590
Partners' compensation payable	**765**	1.243	**1.463**	1.304
Social charges payable (INSS and FGTS)	**697**	749	**2.159**	2.296
	6.613	6.281	**12.049**	11.010

(In thousands of Brazilian reais)

17. Tax obligations

Description	Individual 09/30/2021	Individual 06/30/2021	Consolidated 09/30/2021	Consolidated 06/30/2021
Income and social contribution taxes	**674**	-	**674**	-
Pis and Cofins payable	**454**	460	**788**	828
ISS payable	**469**	368	**663**	656
Other taxes	**52**	454	**84**	477
	1.649	1.282	**2.209**	1.961
Current	**1.525**	1.158	**2.085**	1.837
Noncurrent	**124**	124	**124**	124

18. Income and social contribution taxes

18.a) Reconciliation of income and social contribution tax expenses

The reconciliation of expenses calculated by applying the income and social contribution tax rates is as follows:

	Individual 09/30/2021	Individual 09/30/2020	Consolidated 09/30/2021
Income before taxes	**(851)**	3.825	**(27)**
Income and social contribution taxes at the combined nominal rate of 34%	**-**	(1.301)	**-**
Adjustments to demonstrate the effective rate			
Equity pickup	**92**	-	**-**
Interest on equity	**-**	-	**-**
Non-deductible expenses	**(245)**	(351)	**(533)**
Income and social contribution tax loss not previously recorded	**-**	(169)	**-**
Other	**162**	511	**(282)**
Income and social contribution tax expense	**9**	(1.309)	**(815)**
Income and social contribution taxes - current	**-**	(1.496)	**-**
Income and social contribution taxes - deferred	**9**	187	**(815)**
Effective rate	**N/A**	34%	**N/A**

(In thousands of Brazilian reais)

18. Income and social contribution taxes - continued

18.b) Breakdown of income and social contribution taxes

	Individual		Consolidated	
	09/30/2021	**06/30/2021**	**09/30/2021**	**06/30/2021**
Deferred tax asset				
Goodwill tax benefit	**39.107**	39.107	**39.107**	39.107
Temporary differences	**4.284**	2.673	**8.269**	4.549
Income and social contribution tax loss	**-**	-	**5.315**	5.293
Deferred tax liability				
Finance leases	**(2.979)**	(5.021)	**(2.979)**	(5.021)
Goodwill tax amortization	**(3.430)**	-	**(7.728)**	(1.343)
Income and social contribution taxes - deferred	**36.982**	36.759	**41.984**	42.585
Deferred income and social contribution tax asset	**36.982**	36.759	**41.984**	42.585
Deferred income and social contribution tax liability	**-**	-	**-**	-

18.c) Estimated realization of deferred taxes

	Individual	Consolidated
Maturity	**Realization flow**	**Realization flow**
2021	3.110	3.110
2022	10.514	12.537
2023	8.412	10.479
2024	7.181	9.640
2025	7.176	9.927
2026	6.998	6.998
	43.391	52.691

19. Right of use and lease liabilities

a) Right of use

Right-of-use assets are initially measured at cost and subsequently at cost less any accumulated depreciation and impairment, and adjusted for any new measurement of lease liabilities. Depreciation is calculated using the straight-line method over the remaining term of the agreements.

(In thousands of Brazilian reais)

19. Right of use and lease liabilities--Continued

a) Right of use lease–continued

	Individual		Consolidated	
Description	**09/30/2021**	**06/30/2021**	**09/30/2021**	**06/30/2021**
Right of use	**10.407**	11.020	**18.895**	20.898
	10.407	11.020	**18.895**	20.898

The change in the right of use for the periods ended September 30, 2021 and 2020, June 30, 2021 and 2020 is as follows:

	Individual	Consolidated
Balance as of June 30, 2020	8.075	-
Tickets	-	-
Depreciation	(723)	-
Balance as of September 30, 2020	7.352	-
Balance as of June 30, 2021	11.020	20.898
Tickets	**-**	**-**
Disposals	**-**	**(370)**
Depreciation	**(613)**	**(1.633)**
Balance as of September 30, 2021	**10.407**	**18.895**

b) Leases

For defining contracts to be assessed, the Company and its subsidiary considered lease agreements with effective term equal to or higher than 12 months and lease agreements with a relevant amount.

The Company and its subsidiary have lease liability agreements for property and data center leases, with a term ending in 2025. The group's obligations under its leases are secured by the lessor's ownership of the leased assets. Several liability lease agreements contemplate renewal and termination options.

	Individual		Consolidated	
Description	**09/30/2021**	**06/30/2021**	**09/30/2021**	**06/30/2021**
Lease liabilities	**11.619**	12.080	**20.298**	22.002
	11.619	12.080	**20.298**	22.002
Current	**2.324**	2.155	**6.344**	6.394
Noncurrent	**9.295**	9.925	**13.954**	15.608

(In thousands of Brazilian reais)

19. Right of use and lease liabilities--Continued

c) <u>Leases</u> -- continued

The changes in leased liability in the period ended September 30, 2021 and 2020, June 30, 2021 and 2020 is as follows:

	Individual	Consolidated
Balance as of June 30, 2020	8.747	
Revenues	-	
Charges	167	
Balance as of September 30, 2020	(863)	
Balance as of June 30, 2021	12.080	22.002
Revenues	-	-
Charges	**213**	**357**
Payments	**(674)**	**(2.061)**
Balance as of September 30, 2021	**11.619**	**20.298**

20. Contingencies

20.1. Proceedings classified as probable loss

The Company is a party to lawsuits and administrative proceedings involving tax, labor, civil aspects and other matters. Based on information from its legal advisors, management understood that the provision for contingencies created is sufficient to cover any losses.

	Individual		Consolidated	
Description	**09/30/2021**	**06/30/2021**	**09/30/2021**	**06/30/2021**
Provision for civil contingencies	**40**	40	**214**	202
Provision for labor contingencies	**37**	94	**287**	343
Provision for labor contingencies not materialized (i)	**-**	-	**221**	2.211
Provision for tax contingencies not materialized (ii)	**-**	-	**13.960**	11.970
	77	134	**14.682**	14.726

(i) Fair value of labor risks (not materialized) identified with the acquisition of the subsidiary. Refer to risks related to labor charges and characterization of employment relationship.

(ii) Fair value of tax risks identified with the acquisition of the subsidiary. Refer to risks on ancillary accessory obligations and calculation basis for PIS/COFINS, ISS tax bases, EFD (Digital Tax Bookkeeping System), non-compliance with Simples (integrated system for payment of taxes by small businesses entitled to favored tax treatment), among others.

(In thousands of Brazilian reais)

20. Contingencies

20.2. Changes in balances of provisions for contingencies

	Individual	Consolidated
Balance as of June 30, 2020	37	-
Provision	19	-
Balance as of September 30, 2020	56	-
Balance as of June 30, 2021	134	14.726
Provision	**-**	**13**
Reversal	**(57)**	**(57)**
Balance as of September 30, 2021	**77**	**14.682**

20.3. Proceedings classified as possible loss

The Company and its subsidiary have labor, civil and tax lawsuits in which there is no provision recorded, and which, according to its legal advisors, are classified as a possible loss, as shown in the table below:

	Individual		Consolidated	
Description	**09/30/2021**	**06/30/2021**	**09/30/2021**	**06/30/2021**
Labor proceedings	**280**	280	**280**	280
Civil proceedings	**3.696**	3.621	**4.060**	3.976
Tax proceedings	**578**	573	**3.761**	3.628
	4.554	4.474	**8.101**	7.884

Labor proceedings

Refers to two (2) lawsuits filed by former employees claiming: hazardous duty pay, vacation stability, double vacation, overtime, pain and suffering, imposition of fines under Articles 467 and 477 of the Brazilian Labor Law and attorney fees.

Civil proceedings

Refer to eleven (11) civil proceedings involving the following matters: discussion regarding services not rendered and licenses not consumed, termination of the Agreement, non-enforceability of contractual fine, indemnity for damages, disclosure of information and exposure of documents, cancellation of proposal.

Tax proceedings

The Company is involved in 8 lawsuits classified by the legal advisors as possible loss related to isolated fines of 50% on the amount of debts declared in PER/DCOMP not ratified in decision orders.

(In thousands of Brazilian reais)

20. Contingencies -- continued

20.3. Proceedings classified as possible loss--Continued

Tax proceedings--Continued

Also, it should be noted that there is a lawsuit filed by the Company against the Federal Government involving credits and not a charge against it. The lawsuit seeks to recover amounts unduly paid, resulting from the recognition of negative balances of IRPJ and CSLL for the years 2010, 2011, 2012 and 2013, and offsets made with other taxes administered by the Brazilian IRS. The Company's legal advisors assessed this process as a possible loss.

21. Equity

a) Capital

The Company's capital as of September 30, 2021 and June 30, 2021 comprises 118,743 thousand common shares, already retrospectively adjusted for the effects of the reverse split. The Company's authorized capital as of September 30, 2021 was R$ 180.998.

At the Extraordinary Shareholders' Meeting, held on August 17, 2021, the reverse split of all 712.456.663 common, registered shares issued by the Company, with no par value was approved, at the rate of six (6) shares to form one (1) share, with no change in capital, pursuant to article 12 of the Brazilian Corporate Law. After the reverse split of shares, the Company's capital is represented by 118.742.777 common, registered shares, with no par value.

The Company's shareholding structure is shown below:

	Number of shares (thousands)	
	09/30/2021	**06/30/2021**
Edivaldo Rocha	**8.489**	8.489
Claranet Group Limited	**104.698**	104.698
João A. Andrade Pimentel	**-**	-
2bCapital Fund	**-**	-
Marcos A. Pimentel	**-**	-
RW Brasil Fundo de Investimento em Participações	**4.241**	4.241
Oria Tech Fundo Secundário I	**536**	536
Sidney Victor da Costa Breyer	**499**	499
José Maurício Cascão Pereira	**280**	280
	118.743	118.743

21. Equity -- continued

b) Capital increase

On March 30, 2021, capital increase was carried out through the reverse merger of investor Claranet Brasil in the amount of R$ 45.465, without issuance of shares.

On April 9, 2021, through the Minutes of the Extraordinary Shareholders' Meeting, a capital increase was made through the issuance of 11.269 thousand registered common shares in the total amount of 26.728.

On April 14, 2021, through the Minutes of the Extraordinary Shareholders' Meeting, a capital increase was made through the issuance of 27.145 thousand registered common shares in the total amount of R$ 64.383.

On April 16, 2021, through the Minutes of the Extraordinary Shareholders' Meeting, a capital increase was made in the total amount of R$ 16.754 through the issuance of 5.556 thousand registered common shares, in line with Mandic acquisition.

After the capital increases described above, the Company's capital increased to R$ 180.998, represented by 118.743 thousand registered common shares with no par value.

c) Legal reserve

Set up at the rate of 5% of the net income determined in each fiscal year pursuant to art. 193 of Law 6.404/76, up to the limit of 20% of the capital. As of September 30, 2021, the Company set up a reserve of R$ 0 (R$ 0 as of June 30, 2021).

d) Retained profits reserve

The retained profits reserve, which is set-up pursuant to of the Brazilian Corporation Law, refers to the retention of the remaining balance of retained earnings, to meet the business growth project established in the investment plan, according to the capital budget proposed by the Company's Management, to be resolved at the Shareholders' Meeting.

(In thousands of Brazilian reais)

21. Equity -- continued

e) Goodwill on share issuance

Goodwill on the issuance of shares recorded as of June 30, 2021 refers to the entry of goodwill on the issuance of shares delivered as part of the consideration transferred referring to the acquisition of subsidiary Mandic and the difference between the capital increase and the merged net assets of Claranet Brasil.

f) Special goodwill reserve

Special goodwill reserve was recorded as from the merger of Claranet Brasil, whereby the goodwill incorporated was fully written off in the amount of R$ 115.007 against accumulated losses and, on this written off goodwill, a tax benefit of 34% was recorded in the amount of R$ 39.107.

g) Dividends (profit distribution)

The distribution of profits will comply with the allocations set forth in the Articles of Incorporation, as well as the Brazilian Corporation Law, as follows:

- 5% for legal reserve
- Distribution of mandatory minimum dividends, in percentage to be defined at the General Shareholders' Meeting

Due to accumulated losses, as of September 30, 2021, the Company did not pay dividends.

22. Revenue from services provided

	Individual		Consolidated
Description	**09/30/2021**	**09/30/2020**	**09/30/2021**
Cloud computing and cybersecurity services	**28.992**	18.633	**56.877**
Implementation services	**913**	1.060	**1.583**
Gross revenue from services	**29.905**	19.693	**58.460**
Taxes	**(3.251)**	(2.216)	**(5.037)**
Cancellations	**(199)**	(6)	**(199)**
Net operating revenue	**26.455**	17.471	**53.224**

(In thousands of Brazilian reais)

23. Costs, administrative and selling expenses by nature

	Individual		Consolidated
Description	**09/30/2021**	**09/30/2020**	**09/30/2021**
Salaries and other expenses with employees	**(6.921)**	(5.666)	**(12.979)**
Commissions	**(99)**	(68)	**(99)**
Depreciation and amortization	**(4.801)**	(4.574)	**(11.662)**
Rents	**(239)**	(278)	**(239)**
Allowance for expected credit losses	**331**	(81)	**369**
Software maintenance	**(9.493)**	(1.968)	**(18.914)**
Consulting and services	**(453)**	(127)	**(472)**
Services	**(166)**	(105)	**(786)**
Telecommunications	**(258)**	(213)	**(1.008)**
Advertising	**(141)**	(199)	**(143)**
Other costs and expenses	**(455)**	(339)	**(4.489)**
	(22.695)	(13.618)	**(50.422)**
Cost of services provided	**(18.285)**	(9.367)	**(40.981)**
Selling expenses	**(2.018)**	(1.862)	**(4.035)**
General and administrative expenses	**(2.392)**	(2.389)	**(5.406)**
	(22.695)	(13.618)	**(50.422)**

24. Finance income (costs)

	Individual		Consolidated
Description	**09/30/2021**	**09/30/2020**	**09/30/2021**
Interest receivable	**140**	63	**202**
Income from short-term investments;	**173**	132	**203**
Discounts obtained	**1**	-	**5**
Other	**-**	166	**3**
Financial income	**314**	361	**413**
Interest on loans and financing	**(1.845)**	(139)	**(2.416)**
Interest on lease	**(213)**	(167)	**(357)**
Exchange differences	**(20)**	-	**(92)**
Banking expenses and fees	**(55)**	(83)	**(377)**
Taxes	**-**	-	**-**
Finance costs	**(2.133)**	(389)	**(3.242)**
Finance income (costs)	**(1.819)**	(28)	**(2.829)**

25. Risk management

Financial instruments currently used by the Company and its Subsidiary are restricted to cash and cash equivalents, accounts receivable and payable, loans and financing, under normal market conditions, and are recognized in the interim financial statements. These instruments are managed through operating strategies aimed at liquidity, profitability and risk mitigation.

The Company and its Subsidiary did not make any speculative investments, in derivatives or any other risky assets. Considering the term and characteristics of these instruments, the carrying amounts approximate their fair values.

The Company and its Subsidiary adopt risk control policies and procedures, as described below:

i) Financial risk management policy

The Company has and adheres to a risk management policy, which provides guidance for transactions and requires diversification of transactions and counterparts. Pursuant to this policy, the nature and general position of financial risks are regularly monitored and managed in order to assess the results and the financial impact on cash flow. Credit limits are also periodically reviewed.

The risk management policy adopted by the Company and its Subsidiary was established by Management, and pursuant to its terms, market risks are hedged when considered necessary to support the corporate strategy, or when it is necessary to maintain the level of financial flexibility.

a) Financial risk management

Risk management structure

- Management is responsible for monitoring the risk management policies of the Company and the Subsidiary, and the managers of each area regularly report to Management on their activities.
- The risk management policies adopted by the Company and its Subsidiary are established so as to identify and analyze the risks to which the Company and its Subsidiary are exposed, to define appropriate risk limits and controls, and to monitor risks and adherence to defined limits. Risk management policies and systems are regularly reviewed to reflect changes in market conditions and in the activities of the Company and its Subsidiary. Through training and management rules and procedures, the Company and its Subsidiary build a disciplined and constructive environment, in which all employees are aware of their duties and obligations.

25. Risk management-- continued

a) Financial risk management-- continued

Risk management structure-- continued

The Company and its Subsidiary are exposed to the following risks resulting from financial instruments:

Credit risk

Credit risk is the risk that the Company and its Subsidiary may incur financial losses on a financial instrument if a customer or counterpart fails to perform contractual obligations mainly arising from receivables.

- Regarding credit risk associated with financial institutions, the Company and its subsidiary act to diversify this exposure among market financial institutions. Financial investments shall be allocated to top-tier financial institutions.

  For accounts receivable, the Company and its subsidiary have a highly diversified customer portfolio with a low level of concentration and establish an estimate of the provision for losses that represents an estimate of losses incurred in relation to accounts receivable. The main component of this provision is specific and related to significant individual risks.

Additionally, due to the Covid-19 pandemic, the Company and the Subsidiary are daily monitoring the behavior and actively manage default in its customer portfolio through policies related to the sale of services. No relevant impacts are expected, other than those reflected in the allowance for loss as per Note 6.

Liquidity risk

Liquidity risk is the risk that the Company and the Subsidiary may face hardships in meeting the obligations associated with financial liabilities settled with cash payments or fixed assets, as certain financing and leases are secured with the invested asset itself. The Company's and the Subsidiary's liquidity and cash flow are monitored daily by the Controllership area, so as to ensure the operational generation of cash and the prior raising of funds, when necessary. The Company and the Subsidiary have not experienced to date and do not expect significant impacts on liquidity and cash flow resulting from Covid-19 pandemic and reinforces the commitment to managing resources to maintain its schedule of commitments, not generating risks liquidity for the Company or the Subsidiary.

(In thousands of Brazilian reais)

25. Risk management-- continued

a) Financial risk management--Continued

Risk management structure--Continued

Liquidity risk--Continued

The table below analyzes non-derivative financial liabilities of the Company and the Subsidiary, by maturity ranges, corresponding to the remaining period between the date of the statement of financial position and the contractual maturity date. The amounts disclosed in the table are contracted undiscounted cash flows.

	Consolidated			
Description	**Up to 1 year**	**1-2 years**	**2-5 years**	**Over 5 years**
Trade Accounts Payable	31.278	-	-	-
Loans and financing	21.838	6.185	7.641	-
Lease Liabilities	6.344	7.752	6.202	-
Accounts Payable for Business Acquisition	10.122	-	29.523	-
Related parties	738	-	92.300	-
Other liabilities	276	-	-	-
Total	70.596	13.937	135.666	-

Normally, the Company and the Subsidiary ensure that they have sufficient cash on hand to cover expected operating expenses, including the fulfillment of financial obligations, and this excludes the potential impact of extreme situations that cannot be reasonably foreseen, such as natural disasters. The Company and the Subsidiary have access to a sufficient variety of financing sources, if necessary.

Market risk

Market risk is the risk that changes in market prices - such as exchange rates, interest rates and share prices - may impact the Company's and the Subsidiary earnings. The purpose of market risk management is to manage and control exposures to market risks, within acceptable parameters, while optimizing return.

Interest rate and inflation risk

Interest rate risk arises from the portion of debt indexed to CDI, in addition to financial investments indexed to CDI, which may negatively affect finance income or costs in the event of an unfavorable change in interest rates and inflation.

(In thousands of Brazilian reais)

25. Risk management-- continued

a) Financial risk management-- continued

Risk management structure--Continued

Interest rate and inflation risk--Continued

In the table below, the Company and the Subsidiary provide a sensitivity analysis of the main risks to which their financial instruments are exposed. Three scenarios were considered, where the probable scenario considers the market levels in effect on the closing date of the statement of financial position. The base rate used for the probable scenario was 8,25% p.a., according to Focus report dated September 24, 2021 issued by the Central Bank of Brazil, with the expectation of SELIC rate for the end of the period.

For scenario I, a 25% reduction/increase in CDI rate was considered for financial investments and floating rate loans and for scenario II a 50% reduction/increase in CDI rate for financial investments and loans with variable rates.

Consolidated

				Increase	
Description	**Index**	**Base**	**Probable**	**Scenario I (25%)**	**Scenario II (50%)**
Short-term investments	CDI	17.535	1.447	1.808	2.170
Debentures	CDI	-	-	-	-
Loans	TJLP	(2.244)	(119)	(149)	(179)
Loans	CDI	(30.494)	(2.516)	(3.145)	(3.774)
Total		(15.203)	(1.188)	(1.486)	(1.783)

		Decrease	
		Scenario I (25%)	**Scenario II (50%)**
Short-term investments	CDI	1.085	723
Debentures	CDI	-	-
Loans	TJLP	(90)	(60)
Loans	CDI	(1.887)	(1.258)
Total		(892)	(595)

(In thousands of Brazilian reais)

25. Risk management-- continued

a) Financial risk management--Continued

Risk management structure--Continued

Capital management

The purpose of the Company's and Subsidiary's capital management is to ensure a strong credit rating with financial institutions and an optimal capital ratio, in order to support the Company's business and maximize value to shareholders.

The Company controls its capital structure by making adjustments and adaptations to current economic conditions. Aiming to keep this structure adjusted, the Company and the subsidiary may pay dividends, raise new loans, issue debentures and issue promissory notes.

The Company and its subsidiary include in the net debt structure: loans and financing, debentures and intercompany loans payable, deducting the balance of marketable securities, cash and cash equivalents and intercompany loans receivable.

	Consolidated	
Description	**09/30/2021**	**06/30/2021**
Loans and financing	35.665	41.315
Debentures	-	5.161
Intercompany loans payable	93.038	93.126
(-) Cash and cash equivalents	(20.346)	(13.849)
(-) Marketable securities	-	(5.565)
(-) Intercompany loans receivable	(4.935)	(4.877)
Net Debt	**103.422**	**115.311**
(-) Equity	94.146	94.988
Consolidated equity and net debt	**197.568**	**210.299**
Leverage ratio	**52%**	**55%**

Operating risk

Operating risk is the risk of direct or indirect losses arising from a variety of causes related to processes, personnel, technology and infrastructure of the Company and the Subsidiary and from external factors, except credit, market and liquidity risks, such as those arising from legal and regulatory requirements and generally accepted standards of market behavior. The purpose of the Company and the Subsidiary is to manage operating risk to avoid the occurrence of financial losses and damage to their reputation.

26. Valuation of financial instruments

Fair value measurement

i) *Derivative financial instruments*

The Company and the Subsidiary do not carry out transactions with derivative financial instruments with the objective of mitigating or eliminating risks inherent to their operation.

(In thousands of Brazilian reais)

26. Valuation of financial instruments-- Continued

Fair value measurement-- continued

ii) "Non-derivative" financial instruments

The main financial instruments, classified pursuant to the accounting practices adopted by the Company are as follows:

Individual

Individual	**Fair value**		**Carrying amount**		**Fair value**	
Description	**hierarchy**	**Classification**	**09/30/2021**	**06/30/2021**	**09/30/2021**	**06/30/2021**
Assets (Current and Noncurrent)						
Cash and cash equivalents	Level 1	Fair value through profit or loss	**13.767**	12.465	**13.767**	12.465
Accounts receivable net	Level 2	Amortized cost	**12.852**	12.422	**12.852**	12.422
Related parties	Level 2	Amortized cost	**4.935**	4.877	**4.935**	4.877
Total			**31.554**	29.764	**31.554**	29.764
Liabilities (Current and noncurrent)						
Trade Accounts Payable	Level 2	Amortized cost	**16.140**	10.404	**16.140**	10.404
Loans and financing	Level 2	Amortized cost	**16.036**	17.605	**16.036**	17.605
Lease Liabilities	Level 2	Amortized cost	**11.619**	12.080	**11.619**	12.080
Related parties	Level 2	Amortized cost	**93.038**	93.126	**93.038**	93.126
Accounts payable for business acquisition	Level 2	Fair value through profit or loss	**27.289**	27.289	**27.289**	27.289
Accounts Payable for Business Acquisition	Level 2	Amortized cost	**10.122**	9.976	**10.122**	9.976
Total			**174.244**	170.480	**174.244**	170.480

(In thousands of Brazilian reais)

26. Valuation of financial instruments-- Continued

Fair value measurement-- continued

ii) "Non-derivative" financial instruments--

continued*Consolidated*

Consolidated Description	Fair value hierarchy	Classification	Carrying amount 09/30/2021	Carrying amount 06/30/2021	Fair value 09/30/2021	Fair value 06/30/2021
Assets (Current and Noncurrent)						
Cash and cash equivalents	Level 1	Fair value through profit or loss	**20.346**	13.849	**20.346**	13.849
Marketable securities	Level 1	Amortized cost	**-**	5.565	**-**	5.565
Accounts receivable net	Level 2	Amortized cost	**25.946**	26.355	**25.946**	26.355
Related parties	Level 2	Amortized cost	**4.935**	4.877	**4.935**	4.877
Total			**51.227**	50.646	**51.227**	50.646
Liabilities (Current and noncurrent)						
Trade Accounts Payable	Level 2	Amortized cost	**31.278**	24.518	**31.278**	24.518
Loans and financing	Level 2	Amortized cost	**35.664**	41.315	**35.664**	41.315
Lease Liabilities	Level 2	Amortized cost	**20.298**	22.002	**20.298**	22.002
Related parties	Level 2	Amortized cost	**93.038**	93.126	**93.038**	93.126
Accounts payable for business acquisition	Level 2	Fair value through profit or loss	**27.289**	27.289	**27.289**	27.289
Accounts Payable for Business Acquisition	Level 2	Amortized cost	**12.356**	12.182	**12.356**	12.182
Total			**219.923**	220.432	**219.923**	220.432

26. Valuation of financial instruments-- Continued

Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy described below, based on the lowest level input that is significant to the entire measurement of fair value.

- Level 1 - prices quoted (unadjusted) in active markets for identical assets and liabilities;
- Level 2 - Other information available, other than those for Level 1, where quoted prices (unadjusted) are for similar assets and liabilities, in non-active markets, or other information that is available and can be indirectly used (derived from prices); and
- Level 3 - Information unavailable due to little or no market activity and that is significant for defining the fair value of assets and liabilities.

27. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the Company's shareholders by the weighted average number of common shares for the period.

	Individual		Consolidated
	09/30/2021	09/30/2020	09/30/2021
Net income for the period	**(842)**	2.516	**(842)**
Weighted average of outstanding shares - in thousands of shares (a)	**118.743**	74.773	**118.743**
Basic earnings per share (in Brazilian reais)	**(0,0071)**	0,0336	**(0,0071)**

The Company does not have any instrument with diluting effect. Therefore, diluted earnings per share are equivalent to basic earnings per share.

(a) In connection with the Extraordinary Shareholders' Meeting held on August 17, 2021, the reverse stock split of shares was approved, with the capital being represented by 118.743 thousand shares. Accordingly, the weighted average of outstanding shares was adjusted and is reflecting the effects of the reverse split of shares for all periods presented.

(In thousands of Brazilian reais)

28. Insurance coverage

The Company holds insurance coverage for amounts considered sufficient by Management to cover risks on its assets and/or liabilities. The scope of the auditor's work does not include the issuance of an opinion on the sufficiency of the insurance coverage, which was determined by the Company's Management and considered sufficient to cover any claims.

Coverage as of September 30, 2021 and June 30, 2021 is presented below:

	Individual		Consolidated	
Description	**09/30/2021**	**06/30/2021**	**09/30/2021**	**06/30/2021**
Business (properties and assets)	**21.211**	21.211	**21.211**	21.211
D&O	**16.143**	16.143	**28.143**	28.143
	1.189	1.189	**1.189**	1.189
Vehicles	**38.543**	38.543	**50.543**	50.543

29. Subsequent events

<u>Stock option plan</u>

On August 17, 2021, the Company approved, at the Extraordinary Shareholders' Meeting, the share-based variable compensation plan, which will allows the Company's management to appoint key professionals to join the plan, assigning them shares to be distributed. The share-based variable compensation plan also sets the option strike price and the conditions for its payment, establishing the terms and conditions for exercising the options and imposing any other conditions relating to such options. The agreements with beneficiaries were signed on October 19, 2021.