



Definitions:

Claranet Technology follows the fiscal year of its British parent company, Claranet Group Limited, so that its fiscal year runs from the 1st of July of each year to the 30th of June of the following year. Due to this, Claranet's quarters have the following format:

1Q - Starts on July 1st and ends on September 30th.

2Q - Starts on October 1st and ends on December 31st.

3Q - Starts on January 1st and ends on March 31st.

4Q - Starts on April 1st and ends on June 30th.



2Q23

Highlights



Net Revenue

Net Revenues totaled **R\$ 52.5 million** in 2Q23 and **R\$ 106.9 million** in 6M23



Contribution Margin

Contribution Margin was **R\$ 35.3 million**, **2.1%** increase as compared to 2Q22 and representing **67.2%** of Net Revenue, **5.5 pp higher** than 2Q22. In 6M23, Contribution Margin amounted to **R\$ 71.6 million**, **6.2%** higher than 6M22.



Adjusted EBITDA

Adjusted EBITDA amounted to **R\$ 23.0 million** in the quarter, with **33.7%** increase when compared to 2Q22. In 6M23, Adjusted EBITDA amounted to **R\$ 46.4 million**, with **38.1%** increase.



Adjusted EBITDA Margin

Adjusted EBITDA Margin reached **43.9%** in 2Q23, **expanding 13.1 pp** when compared to 2Q22 and was the **highest margin since Mandic's acquisition**. In 6M23, Margin stood at 43.4%, expanding **12.6 pp**.



Adjusted Net Income

In 2Q23, Adjusted Net Income amounted to **R\$ 12.3 million**, **206.0%** higher than 2Q22. In 6M23, Net Income amounted to **R\$ 25.3 million**, with **223.3%** growth.



Adjusted Net Margin

Adjusted Net Margin was 23.5%, expanding 16.3 pp, the highest margin since Mandic's acquisition. In 6M23, Adjusted Net Margin reached 23.6%, expansion of 16.5 pp



Cash flow from Operations¹

Cash Flow from Operations¹ amounted to **R\$ 16.9 million**, **132.4%** higher than the same period last year, in addition to representing **73.3% of the Adjusted EBITDA** for the quarter. In 6M23, representativeness was **89.7%**.

 Cash Flow from Operating Activities excluding Payment of Income Tax, Social Contribution, Interest on Borrowings, Financing, Debentures and Loans



São Paulo, February 14, 2023. Claranet Technology S.A., a technology company focused on Cloud Services, Cybersecurity and Data & DevOps, is pleased to announce its results for the second quarter of fiscal year 2023 (2Q23). The consolidated financial statements were prepared in compliance with accounting practices generally accepted in Brazil and with International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB). Rounding effects may cause differences between numbers and percentage changes presented in this document with those presented in the financial statements.

Operating and Financial Highlights

	2Q23	2Q22	Δ	6M23	6M22	Δ
R\$ '000 (except %)						
Net Revenue	52,454	55,925	-6.2%	106,911	109,149	-2.0%
Annual Recurrent Revenue (ARR)	198,104	218,136	-9.2%	204,758	213,642	-4.2%
Recurring Revenue Rate	94.4%	97.5%	-3.1 p.p.	95.8%	97.9%	-2.1 p.p.
Contribution Margin	35,257	34,537	2.1%	71,630	67,446	6.2%
Contribution Margin (%)	67.2%	61.8%	5.5 p.p.	67.0%	61.8%	5.2 p.p.
Adjusted EBITDA	23,005	17,208	33.7%	46,441	33,638	38.1%
Adjusted EBITDA Margin (%)	43.9%	30.8%	13.1 p.p.	43.4%	30.8%	12.6 p.p.
Adjusted Net Income	12,337	4,032	205.9%	25,281	7,819	223.3%
Adjusted Net Margin (%)	23.5%	7.2%	16.3 p.p.	23.6%	7.2%	16.5 p.p.
Cash Flow from Operations ¹	16,874	7,261	132.4%	41,673	27,143	53.5%
Cash Flow from Operations ¹ / Adjusted EBITDA (%)	73.3%	42.2%	31.2 p.p.	89.7%	80.7%	9.0 p.p.
Net Debt/EBITDA (LTM)	1.0x	1.9x	-47.7%	1.0x	1.9x	-47.7%

Note: Claranet Technology's fiscal year begins on July 1st. Therefore, the period between October 01, 2022 and December 31, 2022 corresponds to the second quarter of fiscal year 2023 (2Q23). Therefore, 2Q22 corresponds to the period between October 01, 2021 and December 31, 2021.

²Q23 and 6M23 data refer to the Parent Company. 2Q22 and 6M22 data refer to the Consolidated, except otherwise indicated.

1) Cash Flow from Operating Activities excluding Payment of Income Tax, Social Contribution, Interest on Borrowings, Financing, Debentures and Loans The amount for 2Q23 refers to the Parent Company; the amount of 2Q22 refers to the Consolidated



Message from Management

At the end of 2022, several headlines were released about companies, including some of the technology sector giants, announcing mass layoffs and demanding the return of their employees to their respective offices, signaling the need to adjust to reality and to generate results and profitability. Having the ownership culture as a cornerstone, we have always been committed not only to growth, but also to profitability, margin expansion, cash generation and the perpetuity of our business. These values, rooted since the CorpFlex days, have long been deployed and transmitted by our Management team to the whole Company, starting with a strong and high standard driven Financial Controllership, which is at the center of decision-making. It is also worth mentioning our highest standards of Corporate Governance, which were recognized and awarded by renowned institutions, such as Fundação Dom Cabral, in 2010 nevertheless. Corporate Governance was further enhanced in 2015 after Bradesco's private equity firm 2bCapital became an investor in CorpFlex. Our 2Q23 results, which cover the period between October 1st and December 31st, 2022, prove, once again, our commitment to our values and to our stakeholders.

Even in the midst of an extremely challenging economic environment, we continued to report solid results in 2Q23, with strong growth in EBITDA, Net Income and Operating Cash Generation. Net Revenue amounted to R\$ 52.5 million, slightly below expected, although in line with our strategy to cancel contracts inherited from Mandic with negative contribution margins and which did not adequately represent Claranet Technology's products and services. Also, we cannot underestimate the tough economic scenario. Despite the net revenue drop when compared to the same period last year, Contribution Margin increased 2.1%, to R\$ 35.3 million, reflecting the actions previously described. As a percentage of Net Revenue, Contribution Margin stood at

- Adjusted EBITDA 2Q23: R\$ 23.0 million (+33.7%)
- 2Q23 Adjusted EBITDA Margin: 43.9% (+13.1 pp), highest margin since Mandic's acquisition
- Operating Cash Generation 2Q23: R\$ 16.9 million (+132.4%)
- Adjusted Net Income 2Q23: R\$ 12.3 million (+205.9%)
- Net Margin 2Q23: 23.5% (+16.3 pp)

67.2%, the highest margin since Mandic's acquisition, in April 2021, as a result of the aforementioned actions. Further exacerbating our relentless pursuit of efficiency. Our Adjusted EBITDA amounted to R\$ 23.0 million, with 33.7% growth, and margin at 43.9%, 13.1 percentage points above 2Q22. Also, we reached an Adjusted Net Income of R\$ 12.3 million in the quarter, more than 3 times the total recorded in 2Q22, and an Adjusted Net Margin of 23.5%, expanding 16.3 percentage points. We also continue with a strong Operating Cash Flow Generation, reaching R\$ 16.9 million in 2Q23, 132.4% above 2Q22 and representing 73.3% of Adjusted EBITDA for the quarter. Our team also remains focused on constantly improving our debt profile and conditions. Over the past few quarters, our Net Debt/EBITDA ratio (last twelve months) has been consistently falling, ending 2Q23 at 1.0x.

In addition, it is also worth highlighting our commitment to making our Company increasingly sustainable and committed to preserving the environment. In the onboarding process, all new employees receive, among other things, a squeeze bottle and a rice husk fiber mug, and are made aware of and instructed to consume water and coffee using the objects provided and to clean them afterwards, instead of using disposable cups and materials. Taking a step further, and materializing a suggestion from some of our employees, since January 2, 2023, we stopped using plastic cups in our office, requesting that all our employees bring their squeeze bottles and mugs for office hours. We estimate that, with this action, we will avoid the disposal of almost 110 thousand plastic cups per year, thus helping to



conserve the environment, considering that nature takes 200 to 450 years to decompose a single plastic cup. Other actions are being discussed with our employees, to contribute to the issue of 'climate change' on our planet, efforts are also underway with the condominium at the Company's headquarters to receive LEED certification.

At the **social scope**, our partnership, headed by our **Volunteer Group**, and **FOCUS NGO** continues to be more and more prolific. In 2Q23, we launched the program **My 1st #clarajob**, a program for young apprentices aimed at teenagers living in communities assisted by FOCO NGO, who wish to enter the job market, particularly in the technology market. My 1st #clarajob aims to provide professional opportunities to minority groups, training and qualifying them to develop successful careers, ideally within Claranet. Currently, the program is in the candidate selection stage. In October, also together with FOCO, our Volunteer Group organized the **Children's Day** event, with the participation of about 450 children and teenagers, who had fun with the activities, games, and entertainment and snacks prepared and organized by our employees, who also contributed with donations for the event. Other social action in the quarter was the **Solidary Christmas** together with **APAE** Barueri and **Programa Nota Fiscal Paulista** (Paulista Invoice Program). Our employees who chose to join this initiative donated their Nota Fiscal Paulista credits to APAE, contributing to its financial sustainability and strengthening the social environment in which it operates.

While we remain very focused on our day-to-day operations, working on several fronts to become **increasingly efficient**, we continue to pursue our **growth strategy**, both organic and inorganic. In 2Q23, we intensified our efforts regarding the analysis of potential new acquisition targets. As was the case with the acquisitions of CredibillT, CorpFlex and Mandic, **M&A** will continue to be an important component for our Company. It is important to highlight, however, that we will not make acquisitions at any cost, and we will always consider several aspects, including the potential for generating revenue, contribution margin of the products and services offered, innovation, competitive edges, level of excellence offered to customers, potential synergies and cultural fit.

We believe we have a **unique business model**, **which gives us a prominent position** within the technology sector in Brazil, supported by our proven track record of delivering results, EBITDA and operating cash flow. In addition, this model is inserted into a market with broad growth opportunities, which leads us to aspire more and more to be consolidated as the main player in **Clouds**, **Cybersecurity and Data & DevOps** in the domestic corporate market. We remain confident in our strategy and optimistic about the outlook for Claranet.

The Management



Net Revenue

Net Revenue in 2Q23 reflects our strategic direction started in 2022 to boost our contribution margin and profitability to pre-acquisition historical levels. Accordingly, promoted the renegotiation, by mutual agreement, of certain contracts, particularly PCS from Mandic, culminating in the cancellation of contracts with low contribution margins. This strategic redirection, combined with the redirection of the sales teams' guidelines, will enable the prioritization of customers with higher sales potential and cross-sell and up-sell opportunities in the medium and long term, boosting and creating increased consistency in our revenues. In 2Q23, Net Revenue amounted to R\$ 52.5 million, down 6.2% versus the same period last year.

	2Q23	2Q22	Δ	6M23	6M22	Δ
R\$ '000 (except %)						
Corporate Cloud Services (CCS)	30,788	32,255	-4.5%	61,910	64,143	-3.5%
Public Cloud Services (PCS)	14.494	18.045	-19.7%	31.683	34,498	-8.2%
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Cybersecurity Solutions (CSS) Consulting and Assessment Services	4,244	4,234	0.2%	8,786	8,180	7.4%
(CAS)	2,928	1,391	110.5%	4,533	2,328	94.7%
Total Net Revenue	52,454	55,925	-6.2%	106,911	109,149	-2.0%

Annual Recurring Revenue (ARR)

Annual Recurring Revenue (ARR) amounted to R\$ 198.1 million, down 9.2% versus 2Q22. Revenue Recurrence Rate reached 94.4%, 3.1 percentage points below the same period last year. This performance reflects our strategic decision to target profitability and focus on contracts with higher contribution margins, to the detriment of the cancellation of contracts, particularly PCS from Mandic, with low or even negative contribution margins, as already mentioned.

	2Q23	2Q22	Δ	6M23	6M22	Δ
R\$ '000 (except %)						
Annual Recurring Revenue (ARR)	198,104	218,136	-9.2%	204,758	213,642	-4.2%
Recurring Revenue Rate	94.4%	97.5%	-3.1 p.p.	95.8%	97.9%	-2.1 p.p.

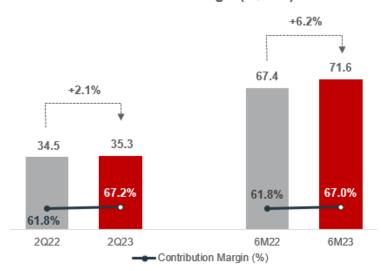
Contribution Margin

In 2Q23, Contribution Margin, measured by Net Revenue less Direct Variable Costs, amounted to R\$ 35.3 million, 2.1% higher than the same period last year. As a percentage of revenue, Contribution Margin represented 67.2%, 5.5 percentage points higher than the same period last year, representing the highest Contribution Margin since Mandic's acquisition in April 2021. The increase in Contribution Margin reflects our strategy of focusing on a better mix of contract, products with higher added value, as well as our efforts in managing costs and expenses.



	2Q23	2Q22	Δ	6M23	6M22	Δ
R\$ 1000 (aveent 9/)						
R\$ '000 (except %)						
Net Revenue	52,454	55,925	-6.2%	106,911	109,149	-2.1%
(-) Variable Costs	17,197	21,388	-19.6%	35,281	41,702	-15.4%
Contribution Margin	35,257	34,537	2.1%	71,630	67,446	6.2%
Contribution Margin (%)	67.2%	61.8%	5.5 p.p.	67.0%	61.8%	5.2 p.p.

Contribution Margin (R\$ MM)



Gross Margin

Gross Profit amounted to R\$ 19.7 million, with 37.7% increase when compared to 2Q22. As a percentage of Net Revenue, Gross Margin accounted for 37.5% of Net Revenue, with 12.0 percentage points expansion versus the same period last year. This Gross Margin improvement reflects the improvement in the product and service mix combined with our disciplined cost management, whose actions include the optimization of personnel, processes and agreements with suppliers.



	2Q23	2Q22	Δ	6M23	6M22	Δ
R\$ '000 (except %)						
Net Revenue	52,454	55,925	-6.2%	106,911	109,149	-2.1%
(-) Total Costs	(32,921)	(41,639)	-20.9%	(68,051)	(82,619)	-17.6%
Gross Margin	19,533	14,286	36.7%	38,860	26,530	46.5%
Gross Margin (%)	37.2%	25.5%	11.7 p.p.	36.3%	24.3%	12.0 p.p.

Operating Expenses

Operating Expenses amounted to R\$ 7.3 million in 2Q23, a 39.2% drop as compared to the same period last year. Sales and Marketing Expenses totaled R\$ 2.8 million, a 37.9% drop, as a result of the hard work of our team to acquire synergies arising from the acquisition of Mandic. The reorganization of the Company's commercial structure began in 2022, with the purpose of strengthening the new sales and marketing team, to generate more leads and business opportunities aligned with the Company's strategic positioning. General and Administrative Expenses amounted to R\$ 4.8 million, 33.7% below 2Q22.

Other Expenses recorded a positive amount of R\$ 0.3 million, referring to a reversal of unmaterialized contingencies set at the time of Mandic's acquisition.

	2Q23	2Q22	Δ	6M23	6M22	Δ
R\$ '000 (except %)						
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Sales	(2,758)	(4,439)	-37.9%	(5,546)	(8,475)	-34.6%
General & Administrative	(4,841)	(7,304)	-33.7%	(9,308)	(12,708)	-26.8%
Others	289	(277)	N.A.	1,364	(274)	N.A.
Total	(7 240)	(12.020)	20.20/	(12 400)	(24.457)	27 10/
Total	(7,310)	(12,020)	-39.2%	(13,490)	(21,457)	-37.1%
Total (% of Net Revenue)	13.9%	21.5%	-7.6 p.p.	12.6%	19.7%	-7.0 p.p.

Adjusted EBITDA

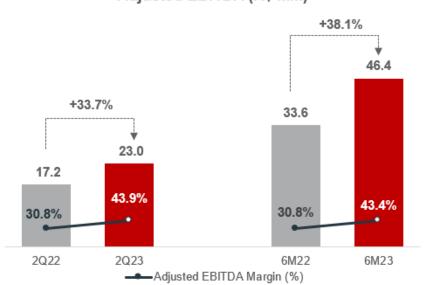
Adjusted EBITDA amounted to R\$ 23.0 million, with 33.7% growth, reflecting our growth strategy, including our ability to execute on M&A integration, coupled with our efforts to improve our mix and our proven ability to generate operating leverage. In 6M23, Adjusted EBITDA totaled R\$ 46.4 million, up 38.1%.





	2Q23	2Q22	Δ	6M23	6M22	Δ
P\$ 1000 (
R\$ '000 (except %)						
Net Income	6,943	(2,294)	N.A.	13,910	(3,138)	N.A.
(+) Goodwill Amortization	2,511	2,520	-0.4%	5,023	5,040	-0.3%
(+) Income Tax and Social Contribution	2,590	1,229	110.7%	6,107	2,044	198.8%
(+) Net Financial Result	2,692	3,331	-19.2%	5,354	6,167	-13.2%
(+) Depreciation and Amortization	7,902	9,016	-12.4%	16,100	18,155	-11.3%
EBITDA	22,638	13,802	64.0%	46,492	28,270	64.5%
EBITDA Margin	43.2%	24.7%	18.5 p.p.	43.5%	25.9%	17.6 p.p.
	10.270			101070		
(+) M&A and IPO Expenses	-	289	N.A.	-	1,049	N.A.
(+) Extraordinary Costs with Personnel Termination	-	254	N.A.	-	827	N.A.
(+/-) Other Non-Recurring Extraordinary	(2.2.2)			/\		
Expenses	(290)	1,784	N.A.	(1,365)	2,413	N.A.
(+) Stock Option Plan (SOP)	657	1,079	-39.1%	1,313	1,079	21.7%
Adjusted EBITDA	23,005	17,208	33.7%	46,441	33,638	38.1%
Adjusted EBITDA Margin	43.9%	30.8%	13.1 p.p.	43.4%	30.8%	12.6 p.p.

Adjusted EBITDA (R\$ MM)







Adjusted EBITDA Margin reached 43.9% in 2Q23, 13.1 pp above 2Q22 and the highest margin since Mandic's acquisition.

Adjusted EBITDA Margin reached 43.9% in the quarter, 13.1 percentage points above 2Q23, again surpassing the 40% mark, and the highest percentage margin since Mandic's acquisition, reflecting our successful growth strategy. This EBITDA margin expansion corroborates our successful growth strategy, including our M&A execution and integration

capabilities, through which we have been able to extract the synergies from Mandic's acquisition, with significant efficiency gains, as well as executing cross-sell and up-sell in the customer base over the last few quarters. In 6M23, Adjusted EBITDA Margin was 43.4%, 12.6 percentage points above the same period of the previous year.

Net Financial Result

Net Financial Result was an expense of R\$ 2.7 million in 2Q23, down 19.2% compared to the same period last year, as a result of the significant increase (+485.8%) in Financial Revenue, mainly due to higher yields on financial investments. In 6M23, Net Financial Result was an expense of R\$ 5.4 million, 13.2% below 6M22.

	2Q23	2Q22	Δ	6M23	6M22	Δ
R\$ '000 (except %)						
Financial Income	2,326	397	485.8%	3,733	807	362.6%
Financial Expense	(5,017)	(3,728)	34.6%	(9,087)	(6,974)	30.3%
Not Electrical Base II	(0.000)	(0.004)	40.00/	(5.05.4)	(0.407)	40.00/
Net Financial Result	(2,692)	(3,331)	-19.2%	(5,354)	(6,167)	-13.2%

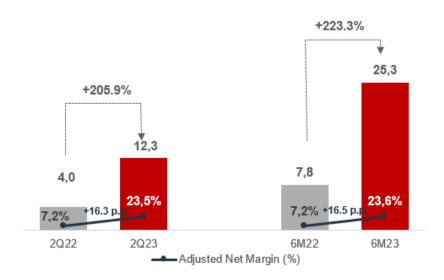
Adjusted Net Income

Adjusted Net Income (adjusted for Amortization of Intangible Assets in Business Combinations, Deferred Taxes, Stock Option Plan and other extraordinary items) totaled R\$ 12.3 million, with 206.0% growth as compared to the same period last year. Adjusted Net Margin was 23.5%, expanding 16.3 percentage points, the highest margin since Mandic's acquisition. In 6M23, Adjusted Net Income reached R\$ 25.3 million, 223.3% increase, while Adjusted Net Margin stood at 23.6%.



	2Q23	2Q22	Δ	6M23	6M22	Δ
R\$ '000 (except %)						
Net Income	6,943	(2,294)	N.A.	13,910	(3,138)	N.A.
Net Margin	13.2%	-4.1%	N.A.	13.0%	-2.9%	N.A.
(+) Goodwill Amortization in Mergers	2,511	2,520	-0.4%	5,023	5,040	-0.3%
(+) Deferred Income Tax and Social Contribution	2,418	1,192	102.8%	5,935	2,007	195.7%
(+) M&A Expenses (Net of Taxes)	-	191	N.A.	-	693	N.A.
(+) Extraordinary Costs with Personnel Termination (Net of Taxes)	-	167	N.A.	-	546	N.A.
(+) Other Non-Recurring Extraordinary Expenses (Net of Taxes)	(191)	1,178	N.A.	(901)	1,592	N.A.
(+) Stock Option Plan (SOP)	657	1,079	-39.1%	1,313	1,079	21.7%
Adjusted Net Income	12,337	4,032	205.9%	25,281	7,819	223.3%
Adjusted Net Margin	23.5%	7.2%	16.3 p.p.	23.6%	7.2%	16.5 p.p.

Adjusted Net income (R\$ MM)



Cash Flow

The Company ended 2Q23 with a cash position of R\$ 51.4 million, 63.7% above the consolidated cash position in 2Q22. Cash Flow from Operations (before tax and interest payments on borrowings, financing, debentures and loans) totaled R\$ 16.9 million, showing 132.4% growth as compared to the consolidated in 2Q22, once again reflecting our focus on generating cash from our operations. Furthermore, Total Cash Flow from Operating Activities represented 73.3% of Adjusted EBITDA in 2Q23 and 89.7% in 6M23, which demonstrates our capacity of converting EBITDA into operating cash flow.

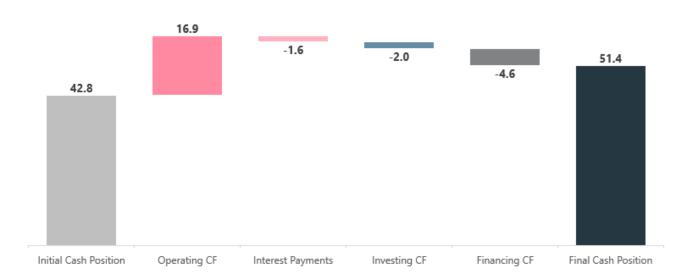
Net Cash from Investing Activities totaled a negative flow of R\$ 2.0 million, mainly due to Capex in software and hardware.



Net Cash from Financing Activities totaled a negative flow of R\$ 4.6 million, mainly as a result of payments of borrowings, financing and leasing.

	2Q23	2Q22	Δ	6M23	6M22	Δ
R\$ '000 (except %)						
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Total Cash Flow from Operating Activities	16,874	7,261	132.4%	41,673	27,143	53.5%
(-) Income Tax Payment	-	-	N.A.	-	-	N.A.
(-) Interest Payments	(1,641)	(2,331)	-29.6%	(3,129)	(4,093)	-23.6%
(=) Cash Flow from Operating Activities	15,233	4,930	209.0%	38,544	23,050	67.2%
Cash Flow from Investing Activities	(2,002)	(5,444)	-63.2%	(11,901)	(4,058)	193.3%
Cash Flow from Financing Activities	(4,646)	11,544	N.A.	(8,663)	(1,465)	N.A.
(=) Increase (Decrease) in Cash	8,585	11,030	-22.2%	17,980	17,527	2.6%
(+) Initial Cash Balance	42,770	20,346	110.2%	33,374	13,849	141.0%
(=) Final Cash Balance	51,354	31,376	63.7%	51,354	31,376	63.7%





Net Debt and Financial Risk Management

We remain focused on improving our Balance Sheet, adapting the profile and payment terms of our indebtedness. Accordingly, Gross Debt amounted to R\$ 137.9 million in 2Q23, considering Bank Loans and Financing and Intercompany Loans Payable to Related Parties, with Claranet Group Limited as counterparty, due to the acquisitions made in Brazil. Of this total, 67.4% refers to the Intercompany loans payable. Other 25.0% of Gross Debt refers to the CCB raised in the previous quarter, in the amount of R\$ 35 million, with a grace period of one year and final maturity in December 2026, at the cost of CDI +2.6% p.a. The main purpose of this funding was the settlement of financial instruments from Mandic and, thus, the improvement of the cost and profile of the consolidated debt.



Cash and Cash Equivalents amounted to R\$ 51.4 million, while Net Debt totaled R\$ 81.3 million. Net debt/Adjusted EBITDA ratio was 1.0 times the Adjusted EBITDA of the last twelve months, versus 1.2 times at the end of 1Q23, proving the downward trend in the leverage indicator.

Gross Debt and Net Debt calculations do not consider Accounts Payable for Business Acquisition, which totaled R\$ 40.7 million in 2Q23.

We remain committed to discipline in the management of the Company's financial risks, continuously seeking liquidity, profitability and risk minimization.

Furthermore, in 2Q23, Short-Term Assets totaled R\$ 85.6 million while Short-Term Liabilities amounted to R\$ 49.7 million, representing a Current Liquidity Ratio (Current Assets / Current Liabilities) of 1.72, versus 1.32 in the previous quarter.

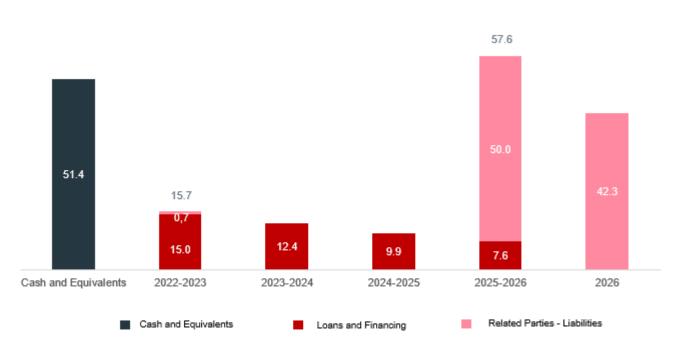
	2Q23	1Q23	Δ
R\$ '000 (except %)			
Debts and Loans (Current)	15,016	13,011	15.4%
Debts and Loans (Long Term)	29,878	33,337	-10.4%
Related Parties Liabilities (Current and Long Term)	93,023	93,023	0.0%
Gross Debt	137,917	139,372	-1.0%
(-) Cash and Cash Equivalents	(51,354)	(42,770)	20.1%
(-) Related Parties Assets	(5,235)	(5,173)	1.2%
Net Debt (Net Cash)	81,330	91,429	-11.0%
Net Debt/EBITDA (LTM)	1.0x	1.2x	-17.2%

Net Debt (R\$ MM) and Net Debt / EBITDA









Corresponding to periods of 12 months subsequent to 2Q23. Thus, 2023 corresponds to the period from January 1, 2023 to December 31, 2023, i.e. Calendar Year 2023.

Capex

Capex totaled R\$ 2.0 million in 2Q23, mainly as a result of the acquisition of software and hardware, since no new M&A occurred in the quarter. Software acquisitions amounted to R\$ 1.7 million, and hardware, R\$ 0.2 million.

Subsequent Events

Shareholders RW Brasil Fundo de Investimento em Participações Multiestratégia, Oria Tech Fundo Secundário I – Fundo de Investimento em Participações Multiestratégia, Sidney Victor da Costa Breyer e José Maurício Cascão Pereira, altogether the former shareholders of Mandic S.A. and currently collectively holders of the equivalent of 4.679% of the Company's ordinary shares, sent a letter of intent on January 27, 2023 to communicate their intention to exercise their put option of their shares in the Company. The Company is currently analyzing this letter of intent and the effects, if any, are under evaluation.

Mergers and Acquisitions

In 2Q23, we intensified our efforts regarding the analysis of potential new acquisition targets. As with the acquisitions of CredibillT, CorpFlex and Mandic, M&A will continue to be an important component for our growth strategy. It is important



to highlight, however, that we will not make acquisitions at any cost, always considering several aspects, such as the potential for generating revenue and contribution margin, innovation, competitive edges, potential synergies and cultural fit.

Sustainability

At Claranet, we are committed to making our Company increasingly sustainable and engaged in preserving the environment. In the onboarding process, all new employees are trained on the importance of the Environmental issue and, among other things, they receive a squeeze bottle and a rice husk fiber mug, and are made aware of and instructed to consume water and coffee using the objects provided and



to clean them afterwards, instead of using disposable cups and materials. Taking a step further, and materializing a suggestion from some of our employees, since January 2, 2023, we stopped using plastic cups in our office, and all our employees brought their own squeeze bottles and mugs to the office. With this action, we will avoid the disposal of almost 110 thousand plastic cups per year, thus helping to preserve the environment. Studies estimate that the decomposition of a plastic cup in nature takes 200 to 450 years. Other actions are being discussed with our employees, to contribute to the issue of 'climate change' on our planet, efforts are also underway with the condominium at the Company's headquarters to receive LEED certification.

Social Actions

The partnership between our Volunteer Group and FOCUS NGO continues to be more and more prolific. In 2Q23, we launched the program My 1st #clarajob, a program for young apprentices aimed at teenagers living in communities assisted by FOCO NGO, who wish to enter the job market, particularly in the technology market. My 1st #clarajob aims to provide professional opportunities to minority groups, training and qualifying them to develop successful careers, ideally within Claranet. Currently, the program is in the candidate selection stage.

In October, also together with FOCO, our Volunteer Group organized the Children's Day event, with the participation of about 450 children and teenagers from the suburbs, who had fun with the activities, games, and entertainment and snacks prepared and organized by our employees, who also contributed with donations for the event.

Other social action in the quarter was the Solidary Christmas together with APAE – Associação de Pais e Amigos dos Excepcionais de Barueri and Programa Nota Fiscal Paulista (Paulista Invoice Program). Our employees who chose to join this action donated their Nota Fiscal Paulista credits to APAE Barueri, contributing to its financial sustainability and strengthening the social environment in which it operates.

In addition, our executives also made important individual donations, including: 335 Christmas baskets to APAE Arujá (SP) and donations of food and supplies to shelters for abandoned dogs.



Volunteering Group at FOCO Headquarters



Donation of Christmas Baskets to APAE - Arujá



Donation to Shelter for Abandoned Dogs



Glossary

12M 2021: Corresponds to the period between July 01, 2020 and June 30, 2021, contemplating 12 months of operations from (formerly) CorpFlex Informática S.A. and 3 months from Mandic S.A.

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.

Farmer: Salesperson responsible for cultivating relationships with clients, creating sales opportunities from these relationships

FY: Fiscal Year. In case of Claranet Technology, Fiscal Year begins on July 01 of the previous calendar-year and ends on Jun 30 of the corresponding calendar-year

Hunter: Salesperson responsible for the acquisition of new accounts

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.

laaS: 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.

YoY: Year Over Year



Appendix 1

Balance Sheet - Assets

	2Q23	1Q23
R\$ '000 (except %)		
ASSETS		
CURRENT		
Cash and Cash Equivalents	51,354	42,770
Accounts Receivable	26,021	24,076
Recoverable Taxes	7,889	6,261
Advanced Expenses	<u>-</u>	502
Other Current Assets	380	885
Total Current Assets	85,644	74,493
LONG TERM		
Related Parties	5,235	5,173
Recoverable Taxes	1,243	3,063
Deferred Income and Social Contribution	23,712	26,130
Judicial Deposits	30	43
Right of Use	19,427	12,481
Fixed Assets	34,153	38,540
Intangible Assets	170,757	173,372
Total non-current assets	254,557	258,802
TOTAL ASSETS	340,201	333,295



Appendix 2

Balance Sheet - Liabilities

	2Q23	1Q23
R\$ '000 (except %)		
LIABILITIES		
CURRENT		
Suppliers	19,943	25,067
Debts and Loans	15,016	13,011
Leasing Liabilities	4,103	6,145
Fiscal Obligations	2,494	2,738
Labor Obligations	7,044	8,630
Related Parties	723	723
Other	368	122
Total Current Liabilities	49,691	56,436
LONG TERM		
Loans and Financing	29,878	33,337
Provision for Contingencies	11,210	11,639
Accounts Payable for Business Acquisition	40,726	40,490
Fiscal Obligations	124	124
Leasing Liabilities	17,578	7,875
Related Parties	92,300	92,300
Total non-current liabilities	191,816	185,765
SHAREHOLDER'S EQUITY		
Equity Capital	180,998	180,998
Capital reserves	24,807	24,149
Retained Earnings	(107,110)	(114,052)
Total Shareholder's Equity	98,694	91,095
TOTAL EQUITY AND SHAREHOLDER'S EQUITY	340,201	333,295



Appendix 3

Income Statement

	2Q23	2Q22	6M23	6M22
R\$ '000 (except %)				
NET REVENUE	52,454	55,925	106,911	109,149
Cost of goods sold and services rendered	(32,921)	(41,639)	(68,051)	(82,619)
GROSS PROFIT	19,533	14,286	38,860	26,530
OPERATING INCOME (EXPENSES)	(7,309)	(12,020)	(13,489)	(21,457)
Selling	(2,758)	(4,439)	(5,546)	(8,475)
General and administrative	(4,841)	(7,304)	(9,308)	(12,708)
Other operating income (expenses), net	290	(277)	1,365	(274)
INCOME (LOSS) BEFORE FINANCIAL RESULT	12,224	2,266	25,371	5,073
FINANCIAL RESULT	(2,691)	(3,331)	(5,354)	(6,167)
Financial income	2,326	397	3,733	807
Financial expenses	(5,017)	(3,728)	(9,087)	(6,974)
INCOME (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	9,533	(1,065)	20,017	(1,094)
INCOME TAX AND SOCIAL CONTRIBUTION	(2,590)	(1,229)	(6,107)	(2,044)
Current	(172)	(37)	(172)	(37)
Deferred	(2,418)	(1,192)	(5,935)	(2,007)
Net income (loss) for the period	6,943	(2,294)	13,910	(3,138)

Note: Data refer to Parent Company for 2Q23 and 6M23 and Consolidated for 2Q22 and 6M22



Appendix 4

Cash Flow Statement

Cashflow from Investing Activities

	2Q23	2Q22	6M23	6M22
R\$ '000 (except %)				
CASH FLOW STATEMENT				
Cash Flow From Operations				
Net Income	6,941	(2,296)	13,910	(3,138)
Depreciation and Amortization	10,402	11,536	21,110	23,198
Provision for Losses	(110)	485	(110)	116
Income Tax and CSLL Expenses - Current	172	37	172	37
Income Tax and CSLL Expenses - Deferred	2,418	1,192	5,935	2,007
Provision (Reversion) of Contingencies	(429)	56	(1,681)	12
Stock-based payments - payable in stocks	657	1,079	1,314	1,079
Interests on Financial Investments	-	-	-	(26)
Interest and Exchange Variation Appropriated for the Period	4,326	2,509	7,882	4,792
Losses on disposal of fixed assets	1	(30)	604	340
Variation in Assets and Liabilities				
Accounts Receivables	(1,835)	(2,751)	1,652	(1,973)
Other Assets	505	465	625	821
Advanced Expenses	502	(887)	426	(3,512)
Recoverable Taxes	192	(115)	(1,212)	(694)
Judicial Deposits	13	<u>-</u>	13	-
Suppliers	(5,124)	(4,275)	(5,438)	2,485
Tax Obligations	(416)	579	(269)	827
Labor Obligations	(1,586)	(385)	(3,015)	654
Other Liabilities	246	62	(244)	118
Related Parties	<u>-</u>		,	<u>-</u>
Cash Flow from Operations	16,874	7,261	41,673	27,143
Interest Payments	(1,641)	(2,331)	(3,129)	(4,093)
Total Cash Flow from Operating Activities	15,233	4,930	38,544	23,050
Total Guarriow Ironi Operating Activities	10,233	7,330	30,377	20,000



Acquisition of Fixed-assets and Intangible	(2,002)	(5,444)	(11,901)	(9,649)
Cashflow from Securities	-	-	-	5,591
Total Cash Flow from Investing Activities	(2,002)	(5,444)	(11,901)	(4,058)
Cash Flow from Financing Activities				
Borrowing and Financing	-	34,154	-	34,154
Principal Payments of Loans and Financing - Principal	(2,863)	(21,180)	(5,026)	(26,972)
Debentures Payments	-	-	-	(5,156)
Leasing Payments	(1,783)	(1,430)	(3,637)	(3,491)
Total Cash Flow from Financing Activities	(4,646)	11,544	(8,663)	(1,465)
Increase (Reduction) in Cash and Equivalents	8,585	11,030	17,980	17,527
Initial Balance of Cash and equivalents Closing Balance of Cash and equivalents	42,770 51,354	20,346 31,376	33,374 51,354	13,849 31,376

Note: Data refer to Parent Company for 2Q23 and 6M23 and Consolidated for 2Q22 and 6M22

Disclaimer

This Earnings Release may contain statements and information that express the expectations, beliefs and forecasts of Claranet Technology's management about future events or results. Such statements and information are only forward-looking statements and are not guarantees of future performance, subject to risks, uncertainties and factors relating to 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 as they refer 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 prior notice.

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