

Earnings Release

3Q24



claranet
Make modern happen®



Claranet's financial performance in 3Q24 demonstrates our commitment to a sustainable and enduring business model, combining financial discipline and operational excellence, while preparing for a new growth cycle.

The recent acquisition of ADTsys also marks the resumption of our M&A strategy, combined with our history of organic growth.

The Claranet Group now owns 100% of Claranet Brazil, demonstrating its commitment to investment and growth in this market.

While continuing to seek acquisition opportunities, we are now placing greater focus on technological innovation and organic growth.

António Miguel Ferreira
CEO



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.

Highlights

3Q24



Net Revenue

Net revenue totaled **R\$ 61.6 million** in 3Q24, with a growth of **25.4%** compared to 3Q23, and **R\$ 184.9 million year-to-date**, **18.5%** above the same period last year.



Contribution Margin

The Contribution Margin totaled **R\$ 35.1 million**, **4.7%** above 3Q23, and **R\$ 108.5 million year-to-date**, **3.1%** above the same period last year.



Adjusted EBITDA

Adjusted EBITDA totaled **R\$ 15.7 million** in 3Q24, a decrease of **28.2%** compared to 3Q23, and **R\$ 53.8 million year-to-date**, **21.2%** below the same period last year.



Adjusted EBITDA Margin

The Adjusted EBITDA Margin reached **25.5%** in 3Q24, a **reduction of 19.0 p.p** compared to 3Q23, and **29.1% year-to-date**, a reduction of **14.7 p.p** compared to the same period last year.



Adjusted Net Income and Adjusted Net Income Margin

Adjusted Net Income totaled **R\$ 3.4 million** in 3Q24, a **decrease of 69.8%** compared to 3Q23, and **R\$ 19.4 million year-to-date**, a decrease of **47.0%** compared to the same period last year. The Adjusted Net Income Margin for the quarter was **5.6%**.



Cash Flow Generated from Operations¹

Cash Flow Generated from Operations¹ totaled **R\$ 13.7 million**, **35.1%** below the same period last year, and **R\$ 48.0 million year-to-date**, a decrease of **23.6%** compared to the same period last year. The conversion of **Adjusted EBITDA** to Cash Generated from Operations was **87.6%** in 3Q24.



Integration with ADTsys

This was the first quarter fully reflecting ADTsys's results within Claranet, marked by significant advancements in the integration of processes, people, and technologies. We are proud of these achievements and have ambitious expectations for adding value to our customer base through upsell and cross-sell opportunities with unique and innovative products and services in the Brazilian corporate market.

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

Barueri, July 12, 2024. Claranet Technology S.A., a technology company focused on Private Cloud, Public Cloud, Cybersecurity, and Data services, is pleased to announce its third-quarter fiscal year 2024 (3Q24) results. The consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Principles in Brazil (BR GAAP) and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). Rounding effects may cause differences between the numbers and percentage variations presented in this document and those in the financial statements.

Operating and Financial Highlights

	3Q24	3Q23	Δ	9M24	9M23	Δ
R\$ thousand (except %)						
Net Revenue	61,659	49,177	25.4%	184,935	156,088	18.5%
Annual Recurring Revenue (ARR)	246,637	189,163	30.4%	239,332	199,560	19.9%
Revenue Recurrence Rate	100,0%	96.2%	3.8 p.p.	97.1%	95.9%	1.2 p.p.
Contribution Margin	35,152	33,568	4.7%	108,501	105,198	3.1%
Contribution Margin (%)	57,0%	68.3%	-11.3 p.p.	58.7%	67.4%	-8.7 p.p.
Adjusted EBITDA	15,708	21,876	-28.2%	53,833	68,303	-21.2%
Adjusted EBITDA Margin (%)	25.5%	44.5%	-19.0 p.p.	29.1%	43.8%	-14.7 p.p.
Adjusted Net Income	3,438	11,393	-69.8%	19,450	36,675	-47.0%
<i>Adjusted Net Income Margin (%)</i>	5.6%	23.2%	-17.6 p.p.	10.5%	23.5%	-13.0 p.p.
Cash Flow Generated from Operations ¹	13,758	21,203	-35.1%	48,017	62,874	-23.6%
Cash Flow Generated from Operations ¹ / Adjusted EBITDA (%)	87.6%	96.9%	-9.3 p.p.	89.2%	92.1%	-2.9 p.p.
Net Debt/EBITDA (LTM)*	0.9	0.8	9.0%	-	0.8	-100.0%

Observation: Claranet Technology's fiscal year begins on July 1st. Therefore, the period from January 1st, 2024 to March 31st, 2024 corresponds to the third quarter of fiscal year 2024 (3Q24). Similarly, 3Q23 corresponds to the period from January 1st, 2023 to March 31st, 2023.

The data pertains to the Parent Company, unless specified.

¹ Cash Flow Generated from Operating Activities excluding Income Tax, Social Contribution, Interest on Loans, Financing, Debentures, and Loans.

*The EBITDA (LTM) for 3Q24 considers the last twelve months EBITDA of Claranet and only results from ADTsys since August 2023.

Message from Management

We concluded the third quarter of our Fiscal Year 2024 (3Q24, covering the period from January 1st to March 31st, 2024), with results that reflect our ongoing commitment to a sustainable and enduring business model. This model combines financial discipline and operational excellence while preparing us for a new growth cycle, focused more on operational efficiency, innovation, and organic growth. In 3Q24, we continued to drive significant structural transformations, particularly related to the integration of ADTsys. The short-term impacts on costs associated with this integration are fully reflected in this quarter, and we expect these efforts to propel our company into a new phase of growth and sustainable results.

Despite an extremely challenging economic environment, we continue to deliver strong results in 3Q24, showcasing the resilience of our business model. Our **Net Revenue** totaled **R\$ 61.6 million, marking a growth of 25.4%** compared to 3Q23. **Adjusted EBITDA reached R\$ 15.7 million, a decrease of 28.2%, with a margin of 25.5%**, 19.0 p.p lower than the same period last year, due to costs and expenses related to the acquisition of ADTsys, fully reflected in this quarter. It's worth noting that our Revenue Recurrence Rate saw a significant increase, reaching R\$ 246.6 million in 3Q24, a 30.4% increase compared to the same quarter last year. Cash generation from our operations remains robust, with an 87.6% conversion of Adjusted EBITDA into Operating Cash Flow, contributing to a low financial leverage indicator of 0.9x at the end of the quarter.

It is also important to highlight that the consolidated results for 3Q24 include the full numbers from **ADTsys**, significantly impacting Claranet's figures. The integration process with ADTsys has been swift and smooth, with strong client receptivity, indicating a high potential for cross-selling opportunities.

Similar to our acquisitions of **CredibillIT**, **CorpFlex**, **Mandic**, and most recently **ADTsys**, M&A will continue to be a key growth component for our company. Over the next quarters, we aim to complete the integrations of all acquired companies, enhance our efficiency, focus on portfolio innovation, and drive organic growth.

We are firmly committed to continuing to grow well above the market growth level for IT, aiming to establish ourselves as one of the leading Brazilian providers of **Cloud services (Private, Public, and Hybrid)**, **Cybersecurity**, and **Data**.



Net Revenue: R\$ 61.6 million (+25.4%)

- Adjusted EBITDA: R\$ 15.7 million (-28.2%)
- Adjusted EBITDA Margin: 25.5% (-19.0 p.p.)
- Adjusted Net Income: R\$ 3.4 million (-69.8%)
- Adjusted Net Income Margin: 5.6% (-17.6 p.p.)
- Operational Cash Generation: R\$ 13.7 million
- Net Debt/EBITDA: 0.9x
- Integration Process with ADTsys

The Management

Net Revenue

Net Revenue totaled R\$ 61.6 million in 3Q24, a growth of 25.4% compared to the same period last year. Year-to-date, it amounted to R\$ 184.9 million, marking an 18.5% decline compared to the same period the previous year.

The performance of Net Revenue in 3Q24 reflects both the additional revenue from ADTsys and the efforts of our strategic directive adopted at the end of FY 2023, which included structural changes aimed at increasing revenue through cross-selling and up-selling of recurring contracts. The quarter saw a 3.6 p.p increase in recurring revenue rate compared to the same quarter last year.

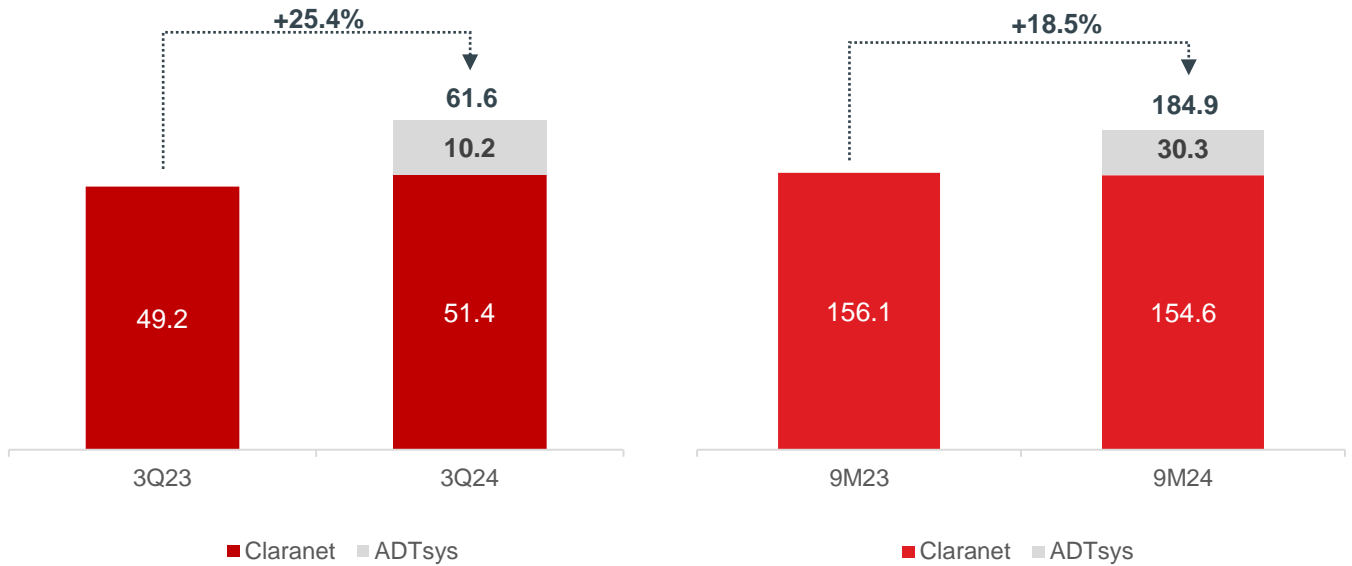
As mentioned in the releases over the past four quarters, we have ceased reporting revenues from CAS (Consulting and Assessment Services), incorporating them into other business units. Therefore, Net Revenue is segmented as follows:

	3Q24	3Q23	Δ	9M24	9M23	Δ
R\$ thousand (except %)						
Corporate Cloud Services (CCS)	30,305	31,387	-3.4%	92,597	95,098	-2.6%
Public Cloud Services (PCS)	26,217	13,390	95.8%	76,940	45,632	68.6%
Cybersecurity Solutions (CSS)	5,137	4,399	16.8%	15,398	15,358	0.3%
Total Net Revenue	61,659	49,177	25.4%	184,935	156,088	18.5%

For complete transparency of information, we also present the revenue segmentation in the old view:

	3Q24	3Q23	Δ	9M24	9M23	Δ
R\$ thousand (except %)						
Corporate Cloud Services (CCS)	30,305	30,954	-2.1%	90,472	92,864	-2.6%
Public Cloud Services (PCS)	26,217	12,233	114.3%	74,216	43,915	69.0%
Cybersecurity Solutions (CSS)	5,137	4,104	25.2%	14,810	12,890	14.9%
Consulting and Assessment Services (CAS)	0	1,886	-100.0%	5,436	6,418	-15.3%
Total Net Revenue	61,659	49,177	25.4%	184,935	156,087	18.5%

Net Revenue (R\$ MM)



Annual Recurring Revenue (ARR)

Annual Recurring Revenue (ARR) totaled R\$ 246.6 million in 3Q24, a significant increase of 30.4% compared to the same period last year, and R\$ 239.3 million year-to-date, an increase of 19.9% compared to the same period last year. The Revenue Recurrence Rate reached 100.0%, 3.8 percentage points above the same period last year, and 97.1% year-to-date, with a growth of 1.2 p.p from the same period last year.

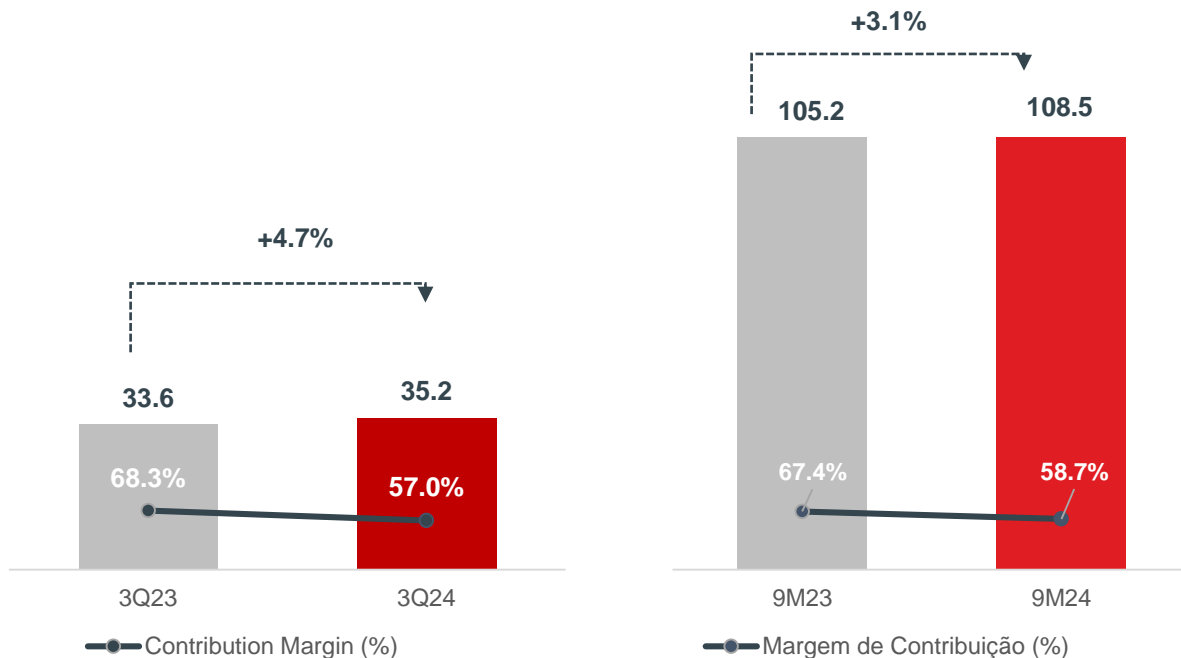
	3Q24	3Q23	Δ	9M24	9M23	Δ
R\$ thousand (except %)						
Annual Recurring Revenue (ARR)	246,637	189,163	30.4%	239,332	199,560	19.9%
Revenue Recurrence Rate	100.0%	96.2%	3.8 p.p.	97.1%	95.9%	1.2 p.p.

Contribution Margin

The Contribution Margin, measured by Net Revenue minus Direct Variable Costs, totaled R\$ 35.2 million in 3Q24, which is 4.7% higher compared to 3Q23, and R\$ 108.5 million year-to-date, 3.1% higher compared to the same period last year. As a percentage of revenue, the Contribution Margin represented 57.0%, a decrease of 11.3 percentage points compared to the same period last year. Year-to-date, the margin was 58.7%, down 8.7 p.p from the same period last year. The decrease in percentage points is attributed to the consolidation of revenues from ADTsys, which have lower margins compared to other business units of the Company.


	3Q24	3Q23	Δ	9M24	9M23	Δ
R\$ thousand (except %)						
Net Revenue	61,659	49,177	25.4%	184,935	156,088	18.5%
(-) Variable Costs	26,507	15,608	69.8%	76,434	50,890	50.2%
Contribution Margin	35,152	33,569	4.7%	108,501	105,198	3.1%
Contribution Margin (%)	57.0%	68.3%	-11.3 p.p.	58.7%	67.4%	-8.7 p.p.

Contribution Margin (R\$ MM)



Gross Margin

The Gross Profit totaled R\$ 16.4 million, a decrease of 12.3% compared to 3Q23, and R\$ 54.2 million year-to-date, a decrease of 5.9% compared to the same period last year. In percentage terms, the Gross Margin represented 26.6% of Net Revenue, which is 11.4 percentage points lower than the same period last year, and 29.3% year-to-date, a decrease of 7.6 p.p compared to the same period last year. The increase in total costs reflects the short-term impacts of the ADTsys acquisition, fully accounted for in this quarter for the entire period, whereas in the first quarter only two months of consolidation were considered due to the acquisition occurring in August 2023.



The Gross Profit totaled **R\$ 16.4 million**, a decrease of **15.9%** compared to 3Q23, impacted by short-term costs resulting from the acquisition of ADTsys.

	3Q24	3Q23	Δ	9M24	9M23	Δ
R\$ thousand (except %)						
Net Revenue	61,659	49,177	27.4%	184,935	156,088	18.5%
(-) Total Costs	(45,229)	(30,450)	48.5%	(130,743)	(98,502)	32.7%
Gross Profit	16,430	18,727	-12.3%	54,192	57,586	-5.9%
Gross Margin (%)	26.6%	38.1%	-11.4 p.p	29.3%	36.6%	-7.6 p.p.

Operating Expenses

Sales Expenses amounted to R\$ 5.0 million, a 97.4% increase, while General and Administrative Expenses totaled R\$ 6.8 million, a 36.0% increase compared to the same period.

	3Q24	3Q23	Δ	9M24	9M23	Δ
R\$ thousand (except %)						
Sales Expenses	(5,018)	(2,542)	97.4%	(15,286)	(8,088)	89.0%
General and Administrative	(6,878)	(5,058)	36.0%	(20,333)	(14,366)	41.5%
Equity Income	(0)		N.A.	0		N.A.
Other	613	726	-15.6%	(3,275)	2,091	N.A.
Total	(11,283)	(6,874)	64.2%	(38,894)	(20,363)	91.0%
Total (% of Net Revenue)	18.3%	14.0%	4.3 p.p.	21.0%	13.0%	8.0 p.p.

Adjusted EBITDA

Adjusted EBITDA totaled R\$ 15.7 million in the quarter, a decrease of 28.2% compared to 3Q23, primarily impacted by costs and expenses from ADTsys, which have lower margins compared to other business units of Claranet. Additionally, the decrease reflects measures aimed at strengthening the company's structure in preparation for its new growth cycle.

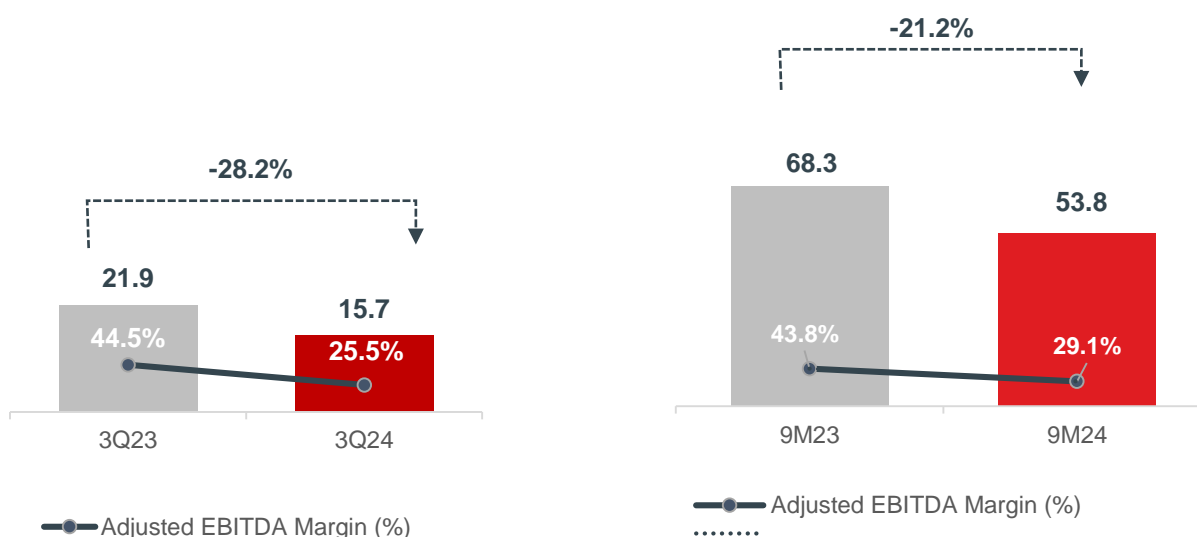


Adjusted EBITDA totaled R\$ 15.7 million in Q3 2024, a decrease of 28.2% compared to Q3 2023.

Adjusted EBITDA Margin reached 25.5% in 3Q24, 19.0 p.p lower than 3Q23, and 29.1% year-to-date, a decrease of 14.7 p.p compared to the same period last year. This primarily reflects short-term operational costs and expenses stemming from the ADTsys acquisition, which operates with lower margins than Claranet's other units. Additionally, it includes the impact of investments in strengthening the company's structure through the hiring of new employees, aimed at driving the new growth cycle. These M&A and internal infrastructure investments are a result of strategic decisions made at the end of the previous fiscal year (FY 23).

	3Q24	3Q23	Δ	9M24	9M23	Δ
R\$ thousand (except %)						
Net Profit	(4,071)	5,526	N.A.	5,677	19,436	-70.8%
(+) Goodwill Amortization	2,835	2,511	12.9%	8,396	7,534	11.4%
(+) Income Tax and Social Contribution	1,387	3,178	-56.4%	8,196	9,285	-11.7%
(+) Net Financial Result	7,831	3,149	148.7%	1,427	8,502	-83.2%
(+) Depreciation and Amortization	7,926	7,580	4.6%	24,051	23,667	1.6%
EBITDA	15,908	21,944	-27.5%	47,746	68,424	-30.2%
EBITDA Margin	25.8%	44.6%	-18.8 p.p.	25.8%	43.8%	-18.0 p.p.
(+) Mergers and Acquisitions and Initial Public Offering Expenses	59		N.A.	952		N.A.
(+) Extraordinary Costs for Employee Severance	-		N.A.	779		N.A.
(+/-) Other Non-Recurring Non-Operating Expenses	(614)	(726)	-15.4%	(3,452)	(2,091)	65.1%
(+) Non-Recurring Expenses - Extraordinary	-	-	N.A.	5,546	-	N.A.
(+/-) Adjustments Related to Earnout				1,180		
(+) Stock Option Plan (SOP)	354	657	-46.1%	1,082	1,971	-45.1%
(+) Baixa IFRS16			N.A.			N.A.
Adjusted EBITDA	15,708	21,875	-28.2%	53,833	68,305	-21.2%
Adjusted EBITDA Margin	25.5%	44.5%	-19.0 p.p.	29.1%	43.8%	-14.7 p.p.

Adjusted EBITDA (R\$ MM)



Net Financial Result

The Net Financial Result was negative at R\$ 7.8 million in the quarter, impacted by the early repayment of existing loans between the Company and Claranet Group Limited, resulting in a reduction of Claranet Group Limited's credit against the Company by R\$ 6.5 million. Year-to-date, the Net Financial Result was negative at R\$ 1.4 million, representing an 83.2% decline compared to the same period last year.

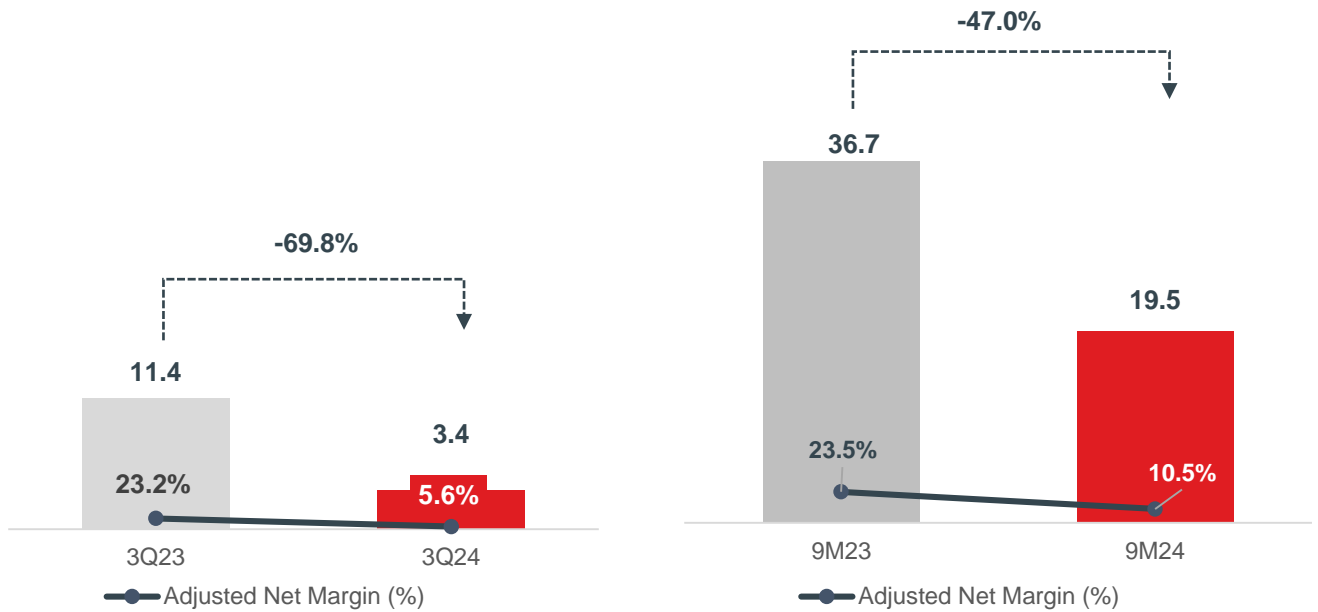
	3Q24	3Q23	Δ	9M24	9M23	Δ
R\$ thousand (except %)						
Finance Income	(4,553)	1,436	N.A.	10,383	5,170	100.8%
Finance Expense	(3,278)	(4,585)	-28.5%	(11,810)	(13,672)	-13.6%
Net Financial Result	(7,831)	(3,149)	148.7%	(1,427)	(8,502)	-83.2%

Adjusted Net Income

Adjusted Net Income (adjusted for Amortization of Intangibles in Business Combinations, Deferred Taxes, Stock Option Plans, and other extraordinary items) totaled R\$ 3.4 million in 3Q24, a decrease of 69.8% compared to the same period last year. Year-to-date Adjusted Net Income was R\$ 19.4 million, a decrease of 47.0% compared to the same period last year. The Adjusted Net Profit Margin was 5.6%, a decrease of 17.6 p.p, and the year-to-date Adjusted Net Profit Margin was 10.5%, a decrease of 13.0 p.p compared to the same period last year.

	3Q24	3Q23	Δ	9M24	9M23	Δ
R\$ thousand (except %)						
Net Profit	(4,071)	5,526	N.A.	5,677	19,436	-70.8%
Net Profit Margin	-6,6%	11.2%	N.A.	3.1%	12.5%	-75.3%
(+)Amortization of Intangibles in Business Combinations	2,835	2,511	12.9%	8,396	7,534	11.4%
(+)Deferred Income Tax and Social Contribution	1,255	3,178	-60.5%	2,789	9,113	-69.4%
(+) Mergers and Acquisitions Expenses (Net of Income Tax and Social Contribution)	39	-	N.A.	629	-	N.A.
(+) Extraordinary Costs for Employee Severance (Net of Income Tax and Social Contribution)	-	-	N.A.	514	-	N.A.
(+/-) Reversal/Provision of unrealized M&A contingencies	(405)	-	N.A.	(2,279)	-	N.A.
(+)Stock Option Plan (SOP)	354	-	N.A.	1,082	-	N.A.
(+/-) Other Non-Recurring Expenses/Income (Net of Income Tax and Social Contribution)	3,430	(479)	N.A.	1,462	(1,380)	N.A.
(+/-) Adjustments Related to Earnout	-	-	-	1,180	-	-
(+) IFRS 16 Adjustment (Net of Income Tax and Social Contribution)	-	657	-100.0%	-	1,971	-100.0%
(-) Fair Value Gain			N.A.		0	-100.0%
Adjusted Net Income	3,438	11,393	-69.8%	19,450	36,675	-47.0%
Adjusted Net Profit Margin	5.6%	23.2%	-17,6 p.p.	10.5%	23.5%	-13.0 p.p.

Adjusted Net Income (R\$ MM)



Cash Flow

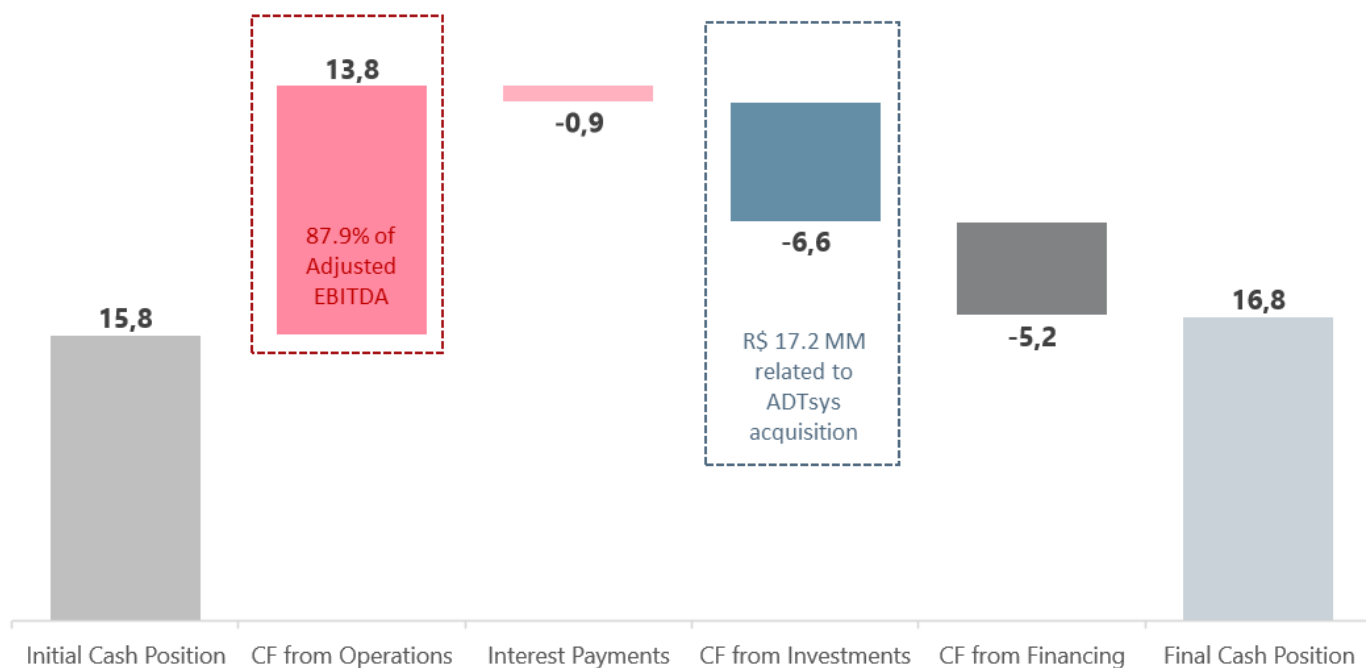
In 3Q24, the Company maintained its great to generate significant cash from its operations, with Cash Flow Generated by Operating Activities totaling R\$ 13.8 million.

Cash Flow from Investing Activities was negative by R\$ 6.6 million in 3Q24, mainly due to investments with the acquisition of fixed and intangible assets, in line with the Company's investment planning, to improve the performance of its products and services.

Cash Flow from Financing Activities was negative by R\$ 5.2 million, mainly due to the repayment of loans to related parties, in the amount of R\$ 45.1 thousand.

	3Q24	3Q23	Δ	9M24	9M23	Δ
R\$ thousand (except %)						
Cash Flow from Operating Activities	13,758	21,203	-35.1%	48,017	62,876	-23.6%
(-) Income tax and social contribution payment	-	-	N.A.	-	-	N.A.
(-) Interest on borrowings, financing, debentures and intercompany loans payment	(935)	(2,009)	-53.5%	(4,620)	(5,138)	-10.1%
(-) Payment of legal fees and proceedings	(189)	(154)	22.7%	(189)	(154)	22.7%
(=) Net Cash from Operating Activities	12,823	19,040	-32.7%	43,397	57,584	-24.6%
(+) Cash from Investing Activities	(6,572)	(2,340)	180.9%	(41,041)	(14,241)	188.2%
(+) Cash from Financing Activities	(5,222)	(5,974)	-12.6%	(40,419)	(14,637)	176.1%
(=) Cash Increase (Decrease)	1,029	10,726	-90.4%	(38,063)	28,706	N.A.
(+) Opening Cash Balance	15,756	51,354	-69.3%	54,848	33,374	64.3%
(=) Closing Cash Balance	16,785	62,080		16,785	62,080	

Cash Flow 3Q24 (R\$ MM)



Net Debt and Financial Risk Management

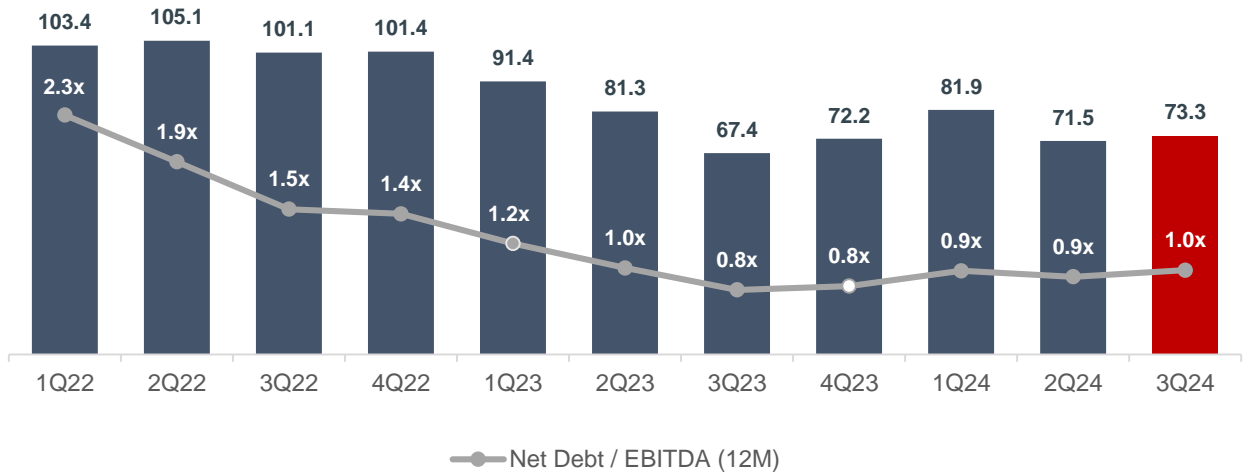
In 3Q24, Cash and Cash Equivalents totaled R\$ 16.8 million, representing a 6.5% increase compared to the same period of the previous year, while Gross Debt amounted to R\$ 90.1 million, a 3.2% increase compared to the previous quarter, due to the payment of loans and new financings, as disclosed in the Subsequent Events section of the previous earnings release. Net Debt totaled R\$ 73.3 million, a 2.5% increase compared to the previous quarter. The Net Debt/Adjusted EBITDA ratio was 1.0x for the LTM Adjusted EBITDA, in line with the quarter.

In 3Q24, Short-Term Liabilities came to R\$ 41.1 million. The Company remains committed to its financial efficiency and discipline in its management and decision-making processes, aiming to maximize value by having an efficient capital allocation, profitability, and generating cash through its operations.

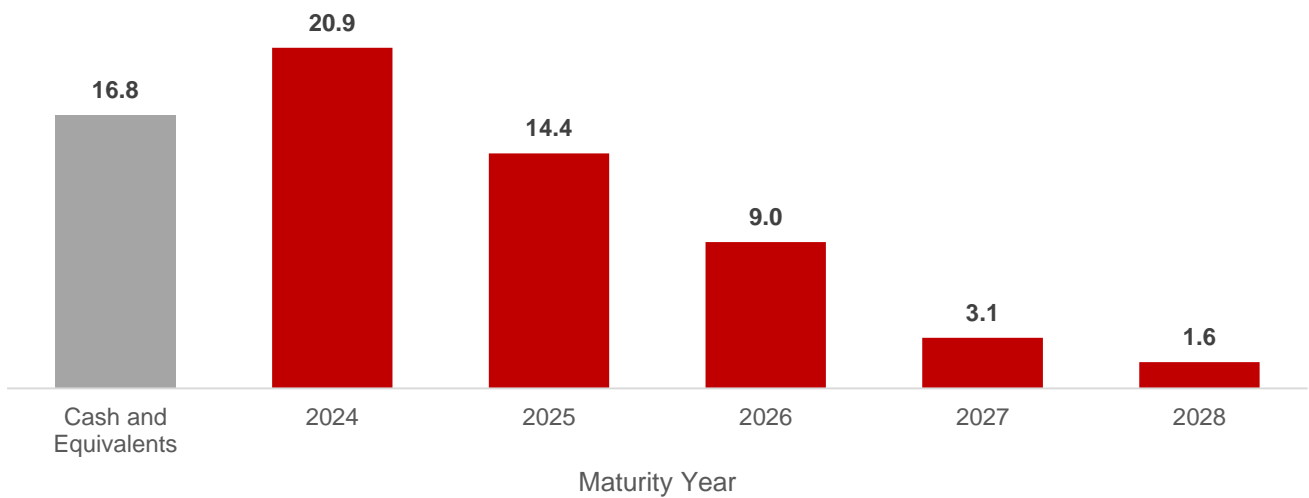
	3Q24	2Q24	Δ
R\$ thousand (except %)			
Loans and Financing (Current)	19,509	18,423	5.9%
Loans and Financing (Non-Current)	29,540	32,987	-10.5%
Intercompany Loans Payable - Related parties (Current and Non-Current)	41,083	35,886	14.5%
Gross Debt	90,132	87,295	3.2%
(-) Cash and Cash Equivalents	(16,785)	(15,757)	6.5%
(-) Intercompany Loans Receivable - Related Parties	-	-	N.A.
(-) Securities	-	-	N.A.
Net Debt (Net Cash)	73,347	71,538	2.5%
Net Debt/LTM EBITDA	1.0	0.9	10.8%

Note: LTM EBITDA in 3Q24 considers Claranet LTM EBITDA and only ADTsys EBITDA from August and September 2023

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



Amortization Schedule - Loans and Financing (R\$ MM)



Capex

Capex was carried out according to the Company's investment plan, with resources allocated for innovation and to constantly improve the performance of its operations, products and services, having acquired fixed and intangible assets totaling R\$ 6.5 million in 3Q24.

ESG – Environmental, Social and Governance

The combination of sustainability and the Cloud business is a tangible example of how technological innovation can be a driving force for positive climate change. Our Cloud business offers opportunities to optimize resources, efficient share, and reduce waste, contributing to a more sustainable business environment.



In this sense, our Private Cloud is hosted in 4 data centers that are aligned and committed to Sustainability and Environmental issues, such as Carbon Neutral since 2020, and the commitment to become Climate Neutral by 2030. In addition, 100% of data centers are located in Brazil and are certified under ISO 14001 (environmental management), ISO 50001 (energy management), and ISO 45001 (occupational safety and health), among others. Furthermore, all our major suppliers and partners have already made commitments to reduce their carbon footprint to become Carbon Neutral or Carbon Negative by 2030.

This commitment is also reflected in-house, as we constantly seek alternatives to make Claranet increasingly sustainable and engaged. This is the result of the work done along with the administrator of the condominium where our headquarters are located (Alphaville/Barueri) in the process of obtaining LEED (Leadership in Energy and Environmental Design), an international certification for sustainable developments. The administrator has already submitted all required Canopus Corporate Alphaville documentation for review by the US Green Building Council and is expected to receive certification shortly. As for our office located in the city of Campinas, the administrator has already received LEED certification.

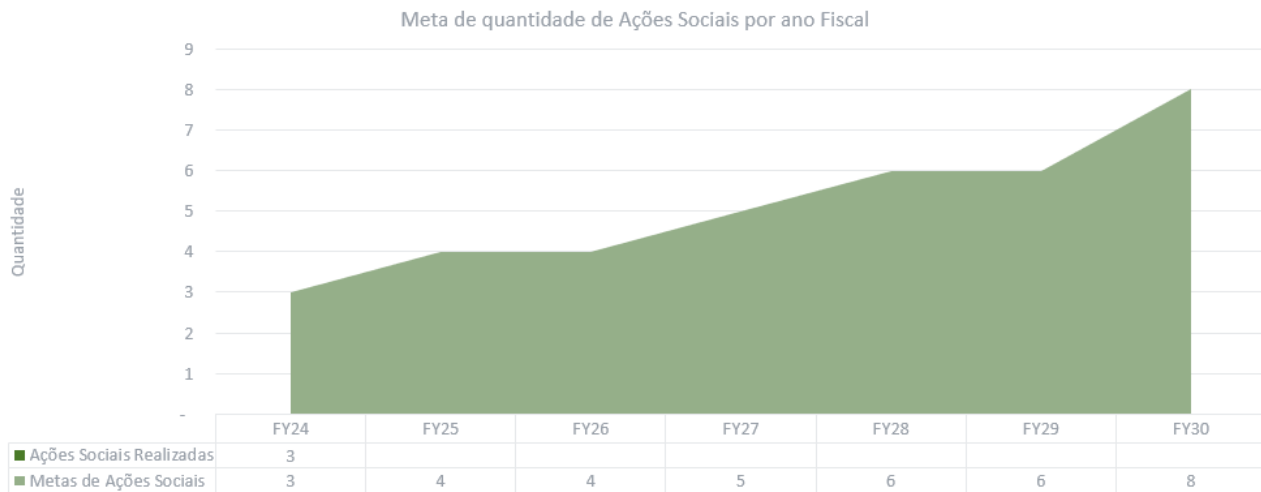
Claranet values and believes that diversity goes beyond meeting quotas and becomes a commitment to building highly qualified teams and creating high-value solutions for our customers. However, it is evident that the Technology sector workforce is still predominantly male, posing a significant challenge for the hiring of women, including for our Company. We remain committed to materially and consistently increasing female participation in the Company, including in leadership positions. To achieve this, we set a goal to reach 51% of women in our workforce by December 2030, which will include recurring actions and measurements every six months.

In March 2024, women accounted for 20.1% of the workforce and significantly above the average in the Brazilian technology market, which revolves around 13.6%, according to studies conducted by the Revelo consulting firm.

We are also working to promote racial diversity in the Company. At the end of June 2023, the percentage of employees identifying as black, brown, or indigenous was 25.3%. In March 2024, this percentage was 21.07%. We plan to continue increasing this share in fiscal year 2024 and the following years. A diversity census is being prepared for fiscal year 2025, which will be followed by the establishing of goals related to this matter.

It is worth noting that for us, embracing diversity goes beyond simply hiring employees from different backgrounds, whether gender, race, or sexual orientation. It is necessary to create an inclusive and equitable environment where all employees feel valued, respected, and empowered to fully contribute. This involves promoting human resources policies that eliminate biases and barriers, offering equal opportunities for growth and development and adopting a culture that celebrates diversity as a fundamental asset. For this reason, we are constantly reviewing and updating our internal processes, ensuring that these aspects are properly addressed.

On the **social** front, Claranet established targets for the number of actions to be carried out during each fiscal year, with a minimum of 3 actions by June 2024, and 8 actions per year by 2030 (a target already achieved this quarter).



Along with our employees, the **Volta às aulas** campaign was conducted in January 2024, with the distribution of school supply kits to children from two institutions located nearby the Alphaville and the Campinas offices, namely **Lar da Criança Feliz** and **Casa da Criança Gente Feliz**. The action impacted **42 children**.



Moreover, the Easter campaign was conducted in March, with the distribution of Easter eggs to children from said institutions.



Through Claranet's encouragement, our employees continue to be engaged in contributing to APAE by registering their individual taxpayer's IDs (CPF) for automatic donations under the *Nota Fiscal Paulista* program. With these donations, 480 disabled children and adolescents are benefited in the institution's Barueri unit.

The Endomarketing team elaborated a calendar of events with diverse themes that has been publicized in Claranet's communication channels. Between January and March 2024, the themes included awareness of cancer prevention, with a seminar on the importance of donating bone marrow.

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.

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.

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: $TCV = (\text{Monthly Recurring Revenue} \times \text{Contract Term Length}) + \text{Setup Fees}$

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**

	3Q24	2Q24
R\$ thousand (except %)		
ASSETS		
CURRENT		
Cash and Cash Equivalents	16,785	15,757
Accounts Receivable	45,035	35,242
Taxes Recoverable	10,260	9,877
Prepaid Expenses	8,688	526
Related Parties	-	-
Other Current Assets	762	708
Total Current Assets	81,529	62,111
NONCURRENT		
Related Parties	-	-
Taxes Recoverable	1,243	1,243
Deferred Income and Social Contribution Taxes	10,104	11,359
Judicial Deposits	127	102
Investments	8	1
Right of Use	17,796	19,482
Immobilized	32,199	32,565
Intangible assets	186,719	188,868
Total noncurrent assets	248,197	253,621
TOTAL ASSETS	329,726	315,731

Appendix 2

Balance Sheet - Liabilities

	3Q24	2Q24
R\$ thousand (except %)		
LIABILITIES		
CURRENT		
Trade accounts payable	40,848	32,270
Loans and Financing	19,509	18,423
Lease liabilities	6,079	5,881
Tax Liabilities	2,548	2,884
Labor Obligations	9,434	9,426
Accounts Payable for Business Acquisition	7,706	7,706
Related Parties	-	-
Deferred Revenue	10,149	2,101
Other Obligations	115	81
Total Current Liabilities	96,388	78,773
NONCURRENT		
Loans and Financing	29,540	32,987
Provision for Contingencies	13,422	13,626
Accounts Payable for Business Acquisition	7,020	6,852
Tax Obligations	81	100
Lease liabilities	15,838	17,434
Related Parties	41,083	35,886
Total noncurrent liabilities	106,984	106,885
NET EQUITY		
Paid-up Share Capital	181,100	181,100
Capital Reserve	27,202	26,848
Retained Earnings/Accumulated Losses	(81,948)	(77,875)
Total Net Equity	126,354	130,073
TOTAL LIABILITIES AND NET EQUITY	329,726	315,730

Appendix 3

Income Statement

	3Q24	3Q23	Δ	9M24	9M23	Δ
R\$ thousand (except %)						
NET REVENUE	61,659	49,177	25.4%	184,935	156,088	18.5%
Cost of goods sold and services provided	(45,229)	(30,450)	48.5%	(130,743)	-98,502	32.7%
GROSS PROFIT	16,430	18,726	-12.3%	54,192	57,586	-5.9%
OPERATING REVENUES (EXPENSES)	(11,283)	(6,873)	64.2%	(38,894)	(20,363)	91.0%
Selling	(5,018)	(2,542)	97.4%	(15,286)	(8,088)	89.0%
General and administrative	(6,878)	(5,058)	36.0%	(20,333)	(14,366)	41.5%
Resultado da Equivalência Patrimonial	(0)		N.A.	0	-	N.A.
Other operating revenues (expenses). net	613	726	-15.6%	(3,275)	2,091	N.A.
PROFIT BEFORE FINANCIAL RESULTS	5,147	11,853	-56.6%	15,298	37,223	-58.9%
FINANCIAL RESULTS	(7,831)	(3,149)	148.7%	(1,427)	-8,502	-83.2%
Financial revenues	(4,553)	1,436	N.A.	10,383	5,170	100.8%
Financial expenses	(3,278)	(4,585)	-28.5%	(11,810)	(13,672)	-13.6%
NET INCOME BEFORE INCOME AND SOCIAL CONTRIBUTION TAXES	(2,684)	8,704	N.A.	13,871	28,721	-51.7%
INCOME AND SOCIAL CONTRIBUTION TAXES	(1,387)	(3,178)	-56.4%	(8,196)	(9,285)	-11.7%
Current	(132)	-	N.A.	(5,406)	(172)	N.A.
Deferred	(1,255)	(3,178)	-60.5%	(2,789)	(9,113)	-69.4%
NET PROFIT FOR THE YEAR	(4,071)	5,526	N.A.	5,676	19,436	(1)

Appendix 4**Cash Flow Statement**

	3Q24	3Q23	9M24	9M23
R\$ mil (exceto %)				
CASH FLOW STATEMENT				
Net Cash from Operating Activities				
Net Profit for the Year	(4,073)	5,526	5,676	19,436
Depreciation and Amortization	10,764	10,092	32,529	31,201
Provision for expected credit losses	308	-	912	(110)
IRPJ and CSLL Expenses - Current	131	-	5,406	172
IRPJ and CSLL Expenses - Deferred	1,255	3,178	2,789	9,112
Provision (Reversal) for Contingencies	(15)	(910)	(3,536)	(2,591)
Equity method	-	-	-	-
Share-based payment transactions - settled in shares	354	657	1,082	1,971
Income from financial investments	-	-	-	-
Gain at fair value	-	-	-	-
Remeasurement of fair value of consideration	-	-	1,180	-
Interest and Exchange Variation Appropriated for the Year	7,765	4,029	2,706	11,911
Write-off of fixed assets	6	66	570	670
Changes in Assets and Liabilities				
Accounts Receivable	(10,102)	2,268	(15,606)	3,920
Other Assets	(53)	(884)	800	(259)
Anticipated Expenses	(8,161)	(173)	(2,496)	253
Taxes to be recovered	(383)	(1,273)	2,165	(2,485)
Judicial Deposits	(25)	1	(51)	14
Suppliers	8,578	9	15,105	(5,429)
Tax Obligations	(487)	(670)	(5,431)	(939)

Labor Liabilities	9	(810)	323	(3,825)
Other Liabilities	8,076	97	4,083	(147)
Related Parties				
Cash Flow from Operations	13,947	21,203	48,206	62,876
Income tax and social contribution payments	-	-	-	-
Payment of interest on loans, financing, debentures and loans	(935)	(2,009)	(4,620)	(5,138)
Payment of legal fees and processes	(189)	(154)	(189)	(154)
Cash Flow Generated by Operating Activities	12,823	19,040	43,397	57,584
Net cash from investment activities				
Acquisition of fixed and intangible assets	(6,566)	(2,340)	(26,105)	(14,241)
Acquisition of subsidiary, net of cash acquired	-	-	(14,930)	-
Advances for future capital increases	-	-	-	-
Funds from securities	(6)	-	(6)	-
Merger	-	-	-	-
Total Net Cash Investing Activities	(6,572)	(2,340)	(41,041)	(14,241)
Net Cash Financing Activities				
Borrowing and Financing	-	-	14,859	-
Mutual Assets with related parties	-	-	5,444	-
Mutual Liabilities with related parties	-	-	-	-
Capital Increase	-	-	102	-
Payment of Loans and Financing - Principal	(3,029)	(4,192)	(9,288)	(9,218)
Payment of Debentures	-	-	-	-
Payments for Lease Obligations	(2,193)	(1,782)	(6,391)	(5,419)
Payments for Business Acquisitions	-	-	-	-
Pagamentos de mutuos a partes relacionadas	-	-	(45,145)	-
Cash from merger - Mandic S.A.	-	-	-	-
Total Net Cash Financing Activities	(5,222)	(5,974)	(40,419)	(14,637)

Increase (Decrease) in Cash and Cash Equivalents	1,029	10,726	(38,063)	28,706
Opening Balance of Cash and Cash Equivalents	54,848	51,354	54,848	33,374
Closing Balance of Cash and Cash Equivalents	55,877	62,080	16,785	62,080

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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