

**Individual and Consolidated Interim  
Financial Information**

**Valid Soluções S.A.**

June 30, 2023  
with Independent Auditor's Report

## **Valid Soluções S.A.**

### Individual and consolidated interim financial information

June 30, 2023

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A free translation from Portuguese into English of Independent Auditor's Review Report on Quarterly Information prepared in Brazilian currency in accordance with NBC TG 21 and IAS 34 - Interim Financial Reporting and with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR)

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## Independent auditor's review report on quarterly information

The Shareholders, Board of Directors and Officers

**Valid Soluções S.A.**

### Introduction

We have reviewed the accompanying individual and consolidated interim financial information, contained in the Quarterly Information Form (ITR) of Valid Soluções S.A. (the "Company") for the quarter ended June 30, 2023, comprising the statement of financial position as of June 30, 2023 and the related statements of profit or loss and of comprehensive income for the three and six-month periods then ended, and of changes in equity and of cash flows for the six-month period then ended, including the explanatory notes.

The executive board is responsible for the preparation of the individual and consolidated interim financial information in accordance with NBC TG 21 and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this financial information in conformity with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of the Quarterly Information Form (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

### Scope of review

We conducted our review in accordance with Brazilian and international standards on review engagements (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



## **Conclusion on the individual and consolidated interim financial information**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the quarterly information referred to above is not prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information Form (ITR), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).

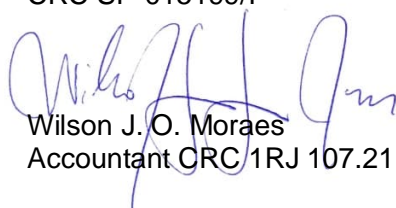
## **Other matters**

### **Statements of value added**

The abovementioned quarterly information includes the individual and consolidated statement of value added (SVA) for the six-month period ended June 30, 2023, prepared under Company's executive board's responsibility and presented as supplementary information by IAS 34. These statements have been subject to review procedures performed together with the review of the quarterly information with the objective to conclude whether they are reconciled to the interim financial information and the accounting records, as applicable, and if its format and content are in accordance with the criteria set forth by NBC TG 09 – Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, consistently with the overall individual and consolidated interim financial information.

Rio de Janeiro, August 8, 2023

ERNST & YOUNG  
Auditores Independentes S.S.  
CRC SP-015199/F



Wilson J. O. Moraes  
Accountant CRC 1RJ 107.211/O-1

A free translation from Portuguese into English of Quarterly Information prepared in Brazilian currency in accordance with NBC TG 21 and IAS 34 - Interim Financial Reporting and with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR)

## Valid Soluções S.A.

Statements of financial position  
June 30, 2023 and December 31, 2022  
(In thousands of reais)

		Individual		Consolidated	
	Note	06/30/2023	12/31/2022	06/30/2023	12/31/2022
<b>Assets</b>					
Current assets					
Cash and cash equivalents	3	134,244	234,037	282,500	365,161
Restricted financial investment	3	22,974	19,621	22,998	19,644
Trade accounts receivable	4	187,583	181,778	425,042	347,115
Related-party receivables	13	26,378	19,009	-	-
Taxes recoverable	5.a	50,167	58,997	76,462	96,478
Inventories	6	205,251	174,422	363,643	344,161
Other		10,837	15,342	66,014	122,414
		637,434	703,206	1,236,659	1,294,973
Assets available for sale and discontinued operations					
	26	14,949	14,949	16,746	16,746
Noncurrent assets					
Marketable securities	3	13,632	11,940	13,632	11,940
Restricted financial investment	3	134,297	128,423	134,297	128,423
Trade accounts receivable	4	3,818	3,818	6,209	3,818
Related-party receivables	13	43,306	88,192	1,945	2,138
Taxes recoverable	5.a	87,706	83,892	87,706	83,892
Judicial deposits	7	20,176	19,132	20,439	19,365
Deferred income and social contribution taxes	5.b	14,611	22,006	90,915	103,855
Other		7,988	9,663	9,809	12,418
Investments	8	876,994	784,531	52,401	56,975
Property, plant and equipment	10	196,968	209,832	246,196	262,562
Intangible assets	9	36,394	39,666	694,069	666,246
		1,435,890	1,401,095	1,357,618	1,351,632
Total assets					
		2,088,273	2,119,250	2,611,023	2,663,351

		Individual		Consolidated	
	Note	06/30/2023	12/31/2022	06/30/2023	12/31/2022
<b>Liabilities and equity</b>					
Current liabilities					
Trade accounts payable		<b>73,370</b>	70,105	<b>152,688</b>	180,597
Obligations arising from the purchase of goods and services		<b>3,412</b>	5,364	<b>3,412</b>	5,364
Related-party payables	13	<b>5,585</b>	6,974	<b>65</b>	150
Loans, financing, debentures and leases payable	11	<b>84,977</b>	174,343	<b>244,123</b>	281,801
Payroll, accruals and social charges payable		<b>50,606</b>	59,383	<b>86,928</b>	96,814
Taxes, charges and contributions payable	5.c	<b>35,845</b>	27,511	<b>66,548</b>	55,749
Dividends and interest on equity payable	14.d	<b>5</b>	21,012	<b>5</b>	21,012
Advances from customers and other accounts payable		<b>5,724</b>	4,863	<b>64,618</b>	60,729
		<b>259,524</b>	369,555	<b>618,387</b>	702,216
Noncurrent liabilities					
Related-party payables	13	<b>2,266</b>	2,134	<b>2,296</b>	2,164
Loans, financing, debentures and leases payable	11	<b>419,506</b>	448,095	<b>518,131</b>	585,354
Provisions for litigation and legal proceedings	12	<b>49,611</b>	56,403	<b>54,332</b>	66,130
Taxes, charges and contributions payable	5.c	<b>1,415</b>	1,352	<b>1,415</b>	1,352
Deferred income and social contribution taxes	5.b	<b>-</b>	-	<b>10,437</b>	9,585
Business acquisition liabilities	8	<b>58,758</b>	-	<b>58,758</b>	-
Other accounts payable		<b>5,299</b>	6,344	<b>21,743</b>	23,875
		<b>536,855</b>	514,328	<b>667,112</b>	688,460
Equity					
Capital	14.a	<b>1,022,370</b>	1,022,370	<b>1,022,370</b>	1,022,370
Capital reserves	14.b	<b>25,186</b>	24,640	<b>25,186</b>	24,640
Treasury shares	14.b	<b>(25,620)</b>	(25,666)	<b>(25,620)</b>	(25,666)
Income reserves	14.c	<b>46,864</b>	38,713	<b>46,864</b>	38,713
Cumulative translation adjustments	14.e	<b>120,530</b>	175,310	<b>120,530</b>	175,310
Retained earnings		<b>102,564</b>	-	<b>102,564</b>	-
		<b>1,291,894</b>	1,235,367	<b>1,291,894</b>	1,235,367
Noncontrolling interests	14.f			<b>33,630</b>	37,308
		<b>1,291,894</b>	1,235,367	<b>1,325,524</b>	1,272,675
Total liabilities and equity					
		<b>2,088,273</b>	2,119,250	<b>2,611,023</b>	2,663,351

See accompanying notes.

## Valid Soluções S.A.

Statements of profit or loss

Six-month periods ended June 30, 2023 and 2022

(In thousands of reais, unless otherwise stated)

	Note	Individual		Consolidated	
		06/30/2023	06/30/2022	06/30/2023	06/30/2022
			(Restated)		(Restated)
Sales revenue, net	16	<b>551,522</b>	436,824	<b>1,063,635</b>	904,386
Cost of sales and/or services	17	<b>(366,275)</b>	(320,587)	<b>(662,794)</b>	(584,205)
Gross profit		<b>185,247</b>	116,237	<b>400,841</b>	320,181
Selling expenses	17	<b>(27,182)</b>	(27,070)	<b>(94,243)</b>	(91,506)
General and administrative expenses	17	<b>(49,243)</b>	(23,781)	<b>(76,777)</b>	(56,108)
Other operating income (expenses), net	19	<b>(12,724)</b>	(118)	<b>(23,428)</b>	(17,420)
Equity pickup	8	<b>60,998</b>	40,917	<b>(1,556)</b>	(1,230)
Income before finance income (costs)		<b>157,096</b>	106,185	<b>204,837</b>	153,917
Finance income	18	<b>30,483</b>	62,531	<b>94,237</b>	106,680
Finance costs	18	<b>(59,002)</b>	(146,848)	<b>(145,849)</b>	(208,146)
Income before income taxes on continuing operations		<b>128,577</b>	21,868	<b>153,225</b>	52,451
Income and social contribution taxes	5.d	<b>(11,599)</b>	10,793	<b>(38,391)</b>	(18,144)
Income for the period from continuing operations		<b>116,978</b>	32,661	<b>114,834</b>	34,307
Discontinued operations					
Loss for the period from discontinued operations		-	(55,046)	-	(55,046)
Net income for the period		<b>116,978</b>	(22,385)	<b>114,834</b>	(20,739)
Income attributable to controlling interests		<b>116,978</b>	(22,385)	<b>116,978</b>	(22,385)
Income attributable to noncontrolling interests	14.f	-	-	<b>(2,144)</b>	1,646
Basic and diluted earnings per share attributable to controlling interests (in reais) in continuing operations	15	<b>1.46367</b>	0.41250	<b>1.46367</b>	0.41250
Basic and diluted earnings per share attributable to controlling interests (in reais) in discontinued operations	15	-	(0.69521)	-	(0.69521)

See accompanying notes.

## Valid Soluções S.A.

### Statements of profit or loss

Three-month periods ended June 30, 2023 and 2022

(In thousands of reais, except earnings (loss) per share, presented in reais)

	Individual		Consolidated	
	04/01/2023 to 06/30/2023	04/01/2022 to 06/30/2022	04/01/2023 to 06/30/2023	04/01/2022 to 06/30/2022
		(Restated)		(Restated)
Sales revenue, net	<b>282,268</b>	219,878	<b>534,356</b>	456,843
Cost of sales and/or services	<b>(192,659)</b>	(161,556)	<b>(341,037)</b>	(287,417)
Gross profit	<b>89,609</b>	58,322	<b>193,319</b>	169,426
Selling expenses	<b>(11,028)</b>	(14,720)	<b>(45,244)</b>	(48,489)
General and administrative expenses	<b>(25,349)</b>	(9,060)	<b>(37,190)</b>	(24,860)
Other operating income (expenses)	<b>(3,269)</b>	360	<b>(7,036)</b>	(9,063)
Equity pickup	<b>27,189</b>	21,289	<b>(534)</b>	(876)
Income before finance income (costs)	<b>77,152</b>	56,191	<b>103,315</b>	86,138
Finance income	<b>13,940</b>	45,040	<b>47,750</b>	73,243
Finance costs	<b>(29,636)</b>	(51,567)	<b>(80,421)</b>	(89,957)
Income before income taxes on continuing operations	<b>61,456</b>	49,664	<b>70,644</b>	69,424
Income and social contribution taxes	<b>(3,935)</b>	(6,356)	<b>(15,449)</b>	(26,078)
Income for the period from continuing operations	<b>57,521</b>	43,308	<b>55,195</b>	43,346
Discontinued operations				
Loss for the period from discontinued operations	-	(47,610)	-	<b>(47,610)</b>
Net income (loss) for the period	<b>57,521</b>	(4,302)	<b>55,195</b>	(4,264)
Income attributable to controlling interests	<b>57,521</b>	(4,302)	<b>57,521</b>	(4,302)
Income attributable to noncontrolling interests	-	-	<b>(2,326)</b>	38
Basic and diluted earnings per share attributable to controlling interests (in reais) in continuing operations	<b>0.71899</b>	0.54698	<b>0.71899</b>	0.54698
Basic and diluted earnings per share attributable to controlling interests (in reais) in discontinued operations	-	(0.60131)	-	(0.60131)

See accompanying notes.



## Valid Soluções S.A.

Statements of comprehensive income  
Six-month periods ended June 30, 2023 and 2022  
(In thousands of reais)

	Individual		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Net income for the period	116,978	(22,385)	114,834	(20,739)
Other comprehensive income				
Items that may be subsequently reclassified				
Exchange effects on the translation of foreign investments	(54,780)	(30,664)	(55,864)	(31,580)
Hedge of net investment in a foreign operation	-	(2,230)	-	(2,230)
Total comprehensive income for the period	62,198	(55,279)	58,970	(54,549)
Comprehensive income attributable to:				
Income attributable to controlling interests	62,198	(55,279)	62,198	(55,279)
Income attributable to noncontrolling interests	-	-	(3,228)	730

See accompanying notes.

## Valid Soluções S.A.

Statements of comprehensive income  
Three-month periods ended June 30, 2023 and 2022  
(In thousands of reais)

	Individual		Consolidated	
	04/01/2023 to 06/30/2023	04/01/2022 to 06/30/2022	04/01/2023 to 06/30/2023	04/01/2022 to 06/30/2022
Net income for the period	57,521	(4,302)	55,195	(4,264)
Other comprehensive income				
Items that may be subsequently reclassified				
Exchange effects on the translation of foreign investments	(35,971)	63,880	(36,685)	65,372
Hedge of net investment in a foreign operation	-	(979)	-	(979)
Total comprehensive income for the period	21,550	58,599	18,510	60,129
Comprehensive income attributable to:				
Income attributable to controlling interests	21,550	58,599	21,550	58,600
Income attributable to noncontrolling interests	-	-	(3,040)	1,529

See accompanying notes.

## Valid Soluções S.A.

Statements of changes in equity  
Six-month periods ended June 30, 2023 and 2022  
(In thousands of reais)

	Note	Capital	Stock option recognized	Capital transaction s	Treasury shares	Legal reserve	Investment reserve	Cumulative translation adjustment	Accumulated losses	Total equity – controlling interests	Noncontrolling interests	Total equity
Balances at December 31, 2021		1,003,527	21,686	(719)	(31,804)	2,984	42,790	220,340	-	1,258,804	47,722	1,306,526
Capital increase	14.a	4,322	-	-	-	-	-	-	-	4,322	-	4,322
Treasury shares	14.b	-	-	-	(10,505)	-	-	-	-	(10,505)	-	(10,505)
Exchange effects on foreign investments	14.e	-	-	-	-	-	-	(30,664)	-	(30,664)	(916)	(31,580)
Hedge of net investment in a foreign operation	14.e	-	-	-	-	-	-	(2,230)	-	(2,230)	-	(2,230)
Recognized options granted	14.b	-	1,485	-	-	-	-	-	-	1,485	-	1,485
Net loss for the period		-	-	-	-	-	-	-	(22,385)	(22,385)	1,646	(20,739)
Adjustments for inflation to foreign subsidiary	14.c	-	-	-	-	-	5,864	-	-	5,864	-	5,864
Balances at June 30, 2022		1,007,849	23,171	(719)	(42,309)	2,984	48,654	187,446	(22,385)	1,204,691	48,452	1,253,143
Balances at December 31, 2022		1,022,370	25,359	(719)	(25,666)	4,208	34,505	175,310	-	1,235,367	37,308	1,272,675
Treasury shares	14.b	-	-	-	46	-	-	-	-	46	-	46
Exchange effects on foreign investments	14.e	-	-	-	-	-	-	(54,780)	-	(54,780)	(1,084)	(55,864)
Recognized options granted	14.b	-	546	-	-	-	-	-	-	546	-	546
Net income for the year		-	-	-	-	-	-	-	116,978	116,978	(2,144)	114,834
Adjustments for inflation to foreign subsidiary	14.c	-	-	-	-	-	8,250	-	-	8,250	-	8,250
Interest on equity		-	-	-	-	-	-	-	(14,414)	(14,414)	-	(14,414)
Subsidiary reserve		-	-	-	-	-	(99)	-	-	(99)	(450)	(549)
Balances at June 30, 2023		1,022,370	25,905	(719)	(25,620)	4,208	42,656	120,530	102,564	1,291,894	33,630	1,325,524

See accompanying notes.

## Valid Soluções S.A.

### Statements of cash flows

Six-month periods ended June 30, 2023 and 2022

(In thousands of reais)

	Individual		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Income before income taxes on continuing operations	128,577	21,868	153,225	52,451
Loss before income taxes on discontinued operations	-	(55,046)	-	(55,046)
Income before income and social contribution taxes	128,577	(33,178)	153,225	(2,595)
Adjustments to reconcile profit or loss to cash flows from operating activities				
Depreciation	19,425	16,418	27,827	43,673
Write-off of assets	372	381	2,025	6,810
Amortization	7,439	5,439	29,559	32,918
Fair value of fund Criatec III	(1,192)	(502)	(1,192)	(502)
Restatement of judicial deposits	(285)	(805)	(292)	(847)
Recognized options granted	546	1,485	546	1,485
Provisions for litigation and legal proceedings	16,561	7,599	14,853	8,115
Reversal of property, plant and equipment obsolescence	-	-	-	54,417
Allowance for expected credit losses	4,052	(243)	4,083	3,212
Provision for inventory obsolescence	-	-	4,216	(777)
Equity pickup	(60,998)	14,129	1,556	1,230
Interest expenses on debentures, loans and financing	46,907	63,795	54,684	68,679
Foreign exchange difference on loans	-	-	(2,481)	2,842
Interest, write-offs and foreign exchange difference on leases	671	54	1,130	2,056
Interest and exchange differences on intercompany loans	(1,214)	38,172	667	44,954
Credits and financial adjustments of PIS and COFINS on ICMS	(1,915)	(233)	(1,915)	(853)
Present value adjustment	1,489	-	(1,267)	-
Other foreign exchange differences	103	(1,256)	22,931	(850)
Other	133	3,040	-	-
Changes in assets and liabilities				
Trade accounts receivable	(9,857)	6,669	(94,405)	(25,845)
Taxes recoverable	6,931	8,944	14,607	2,241
Inventories	(30,829)	(26,544)	(46,528)	(77,481)
Judicial deposits	(1,376)	21,269	(1,400)	20,280
Other accounts receivable	4,587	(3,139)	48,261	(646)
Related-party receivables	(11,218)	(8,139)	193	(1,853)
Trade accounts payable	895	(3,706)	(44,743)	15,339
Related-party payables	(1,389)	19,448	-	183
Payroll, accruals and social charges payable	(8,777)	(4,871)	(7,676)	591
Taxes, charges and contributions payable	10,079	1,289	3,995	(3,954)
Advances from customers and other accounts payable	(185)	860	9,076	27,387
Payment of labor, civil and tax contingencies	(22,736)	(1,108)	(25,498)	(1,429)
Other	-	(3,840)	-	(800)
Payment of income and social contribution taxes (IRPJ and CSLL)	(5,886)	-	(9,799)	(6,163)
Cash flows from operating activities	90,910	121,427	156,238	211,817
Cash flows from investing activities				
Acquisition of property, plant and equipment	(6,617)	(38,823)	(11,087)	(43,068)
Acquisition of intangible assets	(2,868)	(6,971)	(12,952)	(15,544)
Acquisition of investments	(20,000)	-	(17,992)	-
Capital increase in subsidiaries	(919)	(395)	-	-
Marketable securities	(500)	(1,131)	(500)	(1,131)
Restricted financial investment	(9,227)	(111,104)	(9,228)	(111,105)
Cash flows used in investing activities	(40,131)	(158,424)	(51,759)	(170,848)
Cash flows from financing activities				
Related-party receivables	49,949	7,499	-	-
Interest on equity paid	(35,421)	(23,144)	(35,421)	(23,144)
Dividends paid to noncontrolling shareholders	468	-	(451)	-
Treasury shares	46	(10,505)	46	(10,505)
Issue of shares in the Parent Company, net of transaction costs	-	4,322	-	4,322
Payment of leases	(3,351)	(3,008)	(6,919)	(11,317)
Payment of interest on leases	-	-	(62)	(2,187)
Funds raised through debentures	-	245,780	-	245,780
Payment of debentures	(90,000)	(374,405)	(90,000)	(374,405)
Payment of interest on debentures	(26,961)	(57,360)	(26,961)	(57,360)
Repayment of financing	-	-	-	(11)
Loans raised	82,440	188,990	145,777	292,874
Repayment of loans	(108,723)	(104,056)	(138,573)	(227,835)
Payment of interest on loans	(19,019)	(13,576)	(26,176)	(20,556)
Cash flows used in financing activities	(150,572)	(139,463)	(178,740)	(184,344)
Increase (decrease) in cash and cash equivalents	(99,793)	(176,460)	(74,261)	(143,375)
Cash and cash equivalents at beginning of period	234,037	206,464	365,161	390,039
Effect of exchange rate differences on the balance of cash and cash equivalents	-	-	(8,400)	(12,421)
Cash and cash equivalents at end of period	134,244	30,004	282,500	234,243
Decrease in cash and cash equivalents	(99,793)	(176,460)	(74,261)	(143,375)

See accompanying notes.

## Valid Soluções S.A.

Statements of value added  
Six-month periods ended June 30, 2023 and 2022  
(In thousands of reais)

	Individual		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
	(Restated)		(Restated)	
Revenues	<b>624,275</b>	501,114	<b>1,145,128</b>	977,965
Sales of services and goods, net of returns	<b>628,012</b>	500,232	<b>1,148,643</b>	979,377
Other revenues	<b>315</b>	639	<b>568</b>	1,800
Allowance for expected credit losses	<b>(4,052)</b>	243	<b>(4,083)</b>	(3,212)
Materials acquired from third parties	<b>(278,228)</b>	(216,158)	<b>(526,114)</b>	(504,647)
Cost of sales and services	<b>(233,650)</b>	(198,433)	<b>(448,521)</b>	(384,135)
Materials, power, services from suppliers and other	<b>(44,578)</b>	(17,725)	<b>(77,593)</b>	(120,512)
Gross value added	<b>346,047</b>	284,956	<b>619,014</b>	473,318
Depreciation and amortization	<b>(26,473)</b>	(21,857)	<b>(57,161)</b>	(54,982)
Net value added	<b>319,574</b>	263,099	<b>561,853</b>	418,336
Value added received from transfers				
Share of profit of a subsidiary, an associate and a joint venture	<b>60,998</b>	(14,129)	<b>(1,556)</b>	(1,230)
Finance income	<b>30,483</b>	62,531	<b>94,237</b>	106,680
Total value added to be distributed	<b>411,055</b>	311,501	<b>654,534</b>	523,786
Personnel and charges (except INSS)	<b>126,433</b>	116,187	<b>232,857</b>	207,952
Salaries	<b>100,326</b>	94,659	<b>197,996</b>	177,567
Benefits	<b>19,795</b>	16,036	<b>26,709</b>	22,930
Unemployment Compensation Fund (FGTS)	<b>6,312</b>	5,492	<b>8,152</b>	7,455
Taxes, charges and contributions	<b>101,363</b>	63,914	<b>153,497</b>	119,265
Federal taxes	<b>79,041</b>	46,122	<b>127,252</b>	96,957
State taxes	<b>8,026</b>	4,067	<b>9,676</b>	5,170
Local taxes	<b>14,296</b>	13,725	<b>16,569</b>	17,138
Debt remuneration	<b>66,281</b>	153,785	<b>153,346</b>	217,308
Interest	<b>59,002</b>	146,848	<b>145,849</b>	208,146
Rent	<b>7,279</b>	6,937	<b>7,497</b>	9,162
Equity remuneration	<b>116,978</b>	(22,385)	<b>114,834</b>	(20,739)
Profits withheld from continuing operations	<b>116,978</b>	35,458	<b>116,978</b>	37,740
Profits (losses) withheld from discontinued operations	-	(57,843)	-	(60,125)
Noncontrolling interests on profits (losses) withheld	-	-	<b>(2,144)</b>	1,646
Value added distributed	<b>411,055</b>	311,501	<b>654,534</b>	523,786

See accompanying notes.

## **Valid Soluções S.A.**

Notes to individual and consolidated interim financial information  
Six-month period ended June 30, 2023  
(In thousands, unless otherwise stated)

### **1. Operations**

Valid Soluções S.A. (“Valid”, “Parent Company” or “Company”), headquartered at Rua Laura Maiello Kook, nº 511, Ipanema das Pedras, Sorocaba, São Paulo State, has been operating in Brazil since 1957, when American Banknote Corporation acquired the Brazilian subsidiary of Thomas de La Rue, a company engaged in providing security printing services, which operated in the Brazilian market for almost 50 years.

The Company is primarily engaged in the production and rendering of services to the security market, in the identification, management and protection of physical or digital data.

Created in 1957, Valid incorporates trust and security in the identification of people, objects and transactions, since the beginning of its operations. The permanence in the market gave the brand a special credibility for the development of secure and integrated solutions, an evolution that crossed the century and motivates it to continue meeting the challenges of a digital society over the next decades. Valid is one of the most important technology players in the issue of driver’s licenses, civil identities, digital certificates, in addition to bank and virtual cards in the most diverse sectors of the economy, such as government, banks, telecommunications, education, health, entertainment and retail.

The Company serves customers in both the private and public sectors, offering anti-fraud products and services, as well as processes and technologies that hinder forgery. Valid’s major customers are state governments and government agencies, large financial institutions, telecommunications companies, retailers, agriculture cooperatives and self-employed professionals. The portfolio of solutions offered includes credit and debit cards, driver’s licenses, security prints, ID cards, as well as the processing and issue of documents with security prints and fraud prevention, document logistics, printing product supply management services, smart cards, traceable stamps, contactless cards, digital certificates, checks, bank statements, biometric identification systems, administrative modernization systems, internet banking applications, subscription management systems for mobile service providers, intelligent storage systems, traceability services using RFID technology and public utility bills.

The Company and its subsidiaries (collectively referred to as the “Group”) are the companies domiciled in Brazil, the United States, Spain, Denmark, Republic of Mauritius, Singapore, Panama, South Africa, Nigeria, United Arab Emirates, India, Indonesia, Argentina, Mexico, Uruguay, Colombia, China, Taiwan and Ireland, as detailed in Note 2.3.

The Company shares are traded on B3 under ticker symbol “VLID3” and has been listed since April 12, 2006 in the new governance listing segment named Novo Mercado (New Market).

## **Valid Soluções S.A.**

Notes to individual and consolidated interim financial information  
Six-month period ended June 30, 2023  
(In thousands, unless otherwise stated)

## **2. Basis of preparation**

### **2.1. Statement of compliance**

The individual and consolidated interim financial information was prepared in accordance with CPC 21 (R1) and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), and presented in accordance with the standards issued by the Securities and Exchange Commission (SEC) applicable to the preparation of the Quarterly Information – ITR.

The individual and consolidated statements of profit or loss for the six-month period ended June 31, 2022 are being restated due to the retrospective presentation of profit or loss considering the discontinued operations, as required by CPC 31 (IFRS 5) - Noncurrent Assets Held for Sale and Discontinued Operations. For more information on the discontinued operation, refer to Note 26.

Additionally, the Company considered the accounting guidance OCPC 07 issued by CPC in November 2014 in preparing its interim financial information. Accordingly, significant information, and only such information, is being disclosed and corresponds to that used for management of the Company.

The individual and consolidated interim financial information was approved and authorized for disclosure by the Company's Board of Directors on August 8, 2023.

### **2.2. Basis of measurement**

The individual and consolidated interim financial information has been prepared on a historical cost basis, except for financial instruments measured at fair value through profit or loss and the financial information of Valid Soluciones y Servicios de Seguridad en Medios de Pago e Identificación S.A. ("Valid Argentina"), which were prepared under the requirements of IAS 29 - Financial Reporting in Hyperinflationary Economies.

### **2.3. Basis of consolidation**

The consolidated interim financial information comprises the financial information of the Company and its subsidiaries as at June 30, 2023. Control is obtained when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information  
Six-month period ended June 30, 2023  
(In thousands, unless otherwise stated)

The percentage of equity interest held at the reporting dates is as follows:

Subsidiaries	Denomination	(% ) Equity interest			
		06/30/2023		12/31/2022	
		Direct	Indirect	Direct	Indirect
1. Valid Soluciones y Servicios de Seguridad en Medios de Pago e Identificación S.A.	Valid Argentina	100	-	100	-
2. Valid Certificadora Digital Ltda.	Valid Certificadora	100	-	100	-
3. Valid Soluciones y Servicios de Seguridad en Medios de Pago e Identificación S.A.	Valid Uruguay	100	-	100	-
4. Valid Soluciones y Servicios de Seguridad en Medios de Pago e Identificación S.A. de C.V.	Valid Mexico	100	-	100	-
5. Valid Link Sol em Rastreabilidade S.A.	Valid Link	100	-	100	-
6. Guaratinguetá Consórcio Rotativo	Guaratinguetá Consórcio	100	-	100	-
7. Valid Soluções e Serviços de Segurança em Meios de Pagamento e Identificação	Valid Sucursal	100	-	100	-
8. Blu Pay Tecnologia de dados Ltda.	BluPay	100	-	100	-
9. Serbet - Sistema de Estacionamento Veicular do Brasil Ltda.	Serbet	50% + 1 share	-	50% + 1 share	-
10. Mitra - Acesso em Rede e Tecnologia da Informação Municipal Ltda.	Mitra	51	-	51	-
11. Flexdoc Tecnologia da Informação Ltda. (1)	Flexdoc	100	-	-	-
12. Valid Hub Consultoria em Tecnologia e Tratamento de Dados S.A.	Valid Hub	60	-	60	-
13. Valid Soluciones Tecnológicas	Valid Spain	100	-	100	-
a. Valid USA, Inc. (4)	Valid USA	-	100	-	100
i. Valid Identity Solutions, LLC	Valid ID	-	100	-	100
ii. Marketing Software Company, LLC	MSC	-	100	-	100
b. Valid A/S	Valid A/S	-	100	-	100
i. Valid Logistics Limited	Valid Logistics	-	100	-	100
ii. Valid Holding Denmark Aps	Valid Holding	-	100	-	100
1. Valid Panamá Inc.	Valid Panama	-	100	-	100
2. Valid South Africa (Pty) Ltd.	Valid South Africa	-	70	-	70
3. Valid Africa Ltd.	Valid Africa	-	100	-	100
4. Valid Middle East FZE	Valid Middle East	-	100	-	100
5. Valid Technologies India Pvt. Ltd.	Valid Technologies India	-	99.9	-	99.9
6. Valid Asia Pte Ltd	Valid Singapore	-	100	-	100
7. PT Valid Technologies Indonesia	Valid Indonesia	-	99	-	99
8. Valid Card Manufacturing Taiwan Ltd.(2)	Valid Taiwan	-	-	-	100
iii. Logos Smart Card A/S	Logos Denmark	-	100	-	100
iv. PT Valid Technologies Indonesia	Valid Indonesia	-	1	-	1
v. Valid Technologies India Pvt. Ltd.	Valid Technologies India	-	0.1	-	0.1
c. Valid Technologies (Beijing) Co, Ltd.	Valid Beijing	-	100	-	100
d. Valid Card Nigeria Limited	Valid Nigeria	-	70	-	70

(1) Acquired on May 22, 2023.

(2) Inactive since March 21, 2023.

### 2.4. Functional and presentation currencies

The individual and consolidated interim financial information is presented in Brazilian reais (R\$), which is the functional currency of the Company, and has been rounded to the nearest thousand, unless otherwise stated. The Company and its subsidiaries determine their own functional currency, and for those entities whose functional currencies differ from the Brazilian real, the financial information is translated into the Brazilian real: assets and liabilities are translated at the closing exchange rate effective at the reporting date, and profit or loss at the average rate for the period, in accordance with CPC 02 (R2) - The Effects of Changes in Foreign Exchange Rates and Translation of Financial Statements, equivalent to IAS 21 - The Effects of Changes in Foreign Exchange Rates.



## Valid Soluções S.A.

Notes to individual and consolidated interim financial information  
Six-month period ended June 30, 2023  
(In thousands, unless otherwise stated)

Functional currencies of the Company and its subsidiaries are as follows:

<u>Companies</u>	<u>Functional currency</u>
Valid	Brazilian real
BluPay	Brazilian real
Serbet	Brazilian real
Mitra	Brazilian real
Valid Hub	Brazilian real
Valid Argentina	Argentine peso
Valid Certificadora	Brazilian real
Valid Link	Brazilian real
Guaratinguetá Consórcio	Brazilian real
Flexdoc	Brazilian real
Valid Uruguay	Uruguayan peso
Valid Mexico	Mexican peso
Valid Sucursal	Colombian peso
Valid Spain	Euro
Valid USA	US dollar
MSC	US dollar
Valid A/S <sup>(1)</sup>	US dollar
Valid Beijing	US dollar
Valid Nigeria	US dollar

(1) The functional currency of each Valid A/S subsidiary is determined based on its individual transactions. However, the functional currency US dollar is the most significant for Valid A/S and its subsidiaries.

Assets and liabilities of foreign subsidiaries are translated into Brazilian reais at the closing exchange rate prevailing at the respective reporting date, and their statements of profit or loss are translated at the exchange rates prevailing at the transaction dates, as well as the statements of cash flows. The exchange differences arising on such translation are recognized in other comprehensive income. On disposal of a foreign operation, cumulative translation differences relating to this foreign operation, recognized in other comprehensive income, are reclassified to profit or loss.

### 2.5. Use of estimates and judgments

The critical accounting estimates and judgments adopted by the Company in this quarterly information are consistent with those adopted in the financial statements for the year ended December 31, 2022; therefore, it should be read together with the financial statements.

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information  
Six-month period ended June 30, 2023  
(In thousands, unless otherwise stated)

### 3. Cash and cash equivalents, marketable securities, and restricted financial investments

	Individual		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Current				
Cash and banks	9,331	8,975	119,454	107,153
Cash equivalents	124,913	225,062	163,046	258,008
Total cash and cash equivalents	134,244	234,037	282,500	365,161
Restricted financial investments	22,974	19,621	22,998	19,644
	157,218	253,658	305,498	384,805
Noncurrent				
Marketable securities	13,632	11,940	13,632	11,940
Restricted financial investments	134,297	128,423	134,297	128,423
	147,929	140,363	147,929	140,363
	305,147	394,021	453,427	525,168

Cash equivalents refer to highly liquid financial investments held in top-tier financial institutions, which can be redeemed at any time and are readily convertible into a known cash amount, with insignificant risk of change in value, and comprise, mainly, investments in floating-income Bank Deposit Certificates (CDB) and repurchase agreements backed by debentures, with guaranteed buyback and yield based on Interbank Deposit Certificate (DI) rates. The average yield of cash equivalents and marketable securities was 99.0% p.a. of the CDI for the six-month period ended June 30, 2023 (98.4% p.a. of the CDI for the year ended December 31, 2022).

Marketable securities refer to the investment in Fundo Criatec III Investment Fund ("FIP") aimed at capitalizing micro and small innovative companies. This financial asset is measured and accounted for based on its fair value, and gains or losses resulting from changes in fair value are recorded in profit or loss. Restricted short-term investments are guarantees for certain loan and debenture agreements, of which (i) R\$37,337 have returns at 101.2% of the CDI and R\$9,421 have returns at 103.4% of the CDI; (ii) R\$110,513 are invested in an index investment fund (CDI FICFI), with average return of 13.10% in the last 12 months, and are related to the 9<sup>th</sup> issue of debentures and loans. The amounts can be redeemed upon settlement of the loans, and the segregation between short and long term was based on the assessment of the unconditional right to redeem the amounts invested.

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information  
Six-month period ended June 30, 2023  
(In thousands, unless otherwise stated)

### 4. Trade accounts receivable

	Individual		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Trade accounts receivable	<b>217,109</b>	207,252	<b>503,424</b>	423,133
Allowance for expected credit losses	<b>(25,708)</b>	(21,656)	<b>(72,173)</b>	(72,200)
	<b>191,401</b>	185,596	<b>431,251</b>	350,933
Current	<b>187,583</b>	181,778	<b>425,042</b>	347,115
Noncurrent	<b>3,818</b>	3,818	<b>6,209</b>	3,818

The aging list of accounts receivable is as follows:

	Individual		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Falling due	<b>156,353</b>	142,754	<b>320,887</b>	240,616
Past due				
Within 30 days	<b>14,514</b>	17,051	<b>48,300</b>	52,339
From 31 to 90 days	<b>3,880</b>	5,923	<b>19,781</b>	21,204
From 91 to 120 days	<b>2,713</b>	2,584	<b>4,666</b>	2,992
From 121 to 180 days	<b>12,813</b>	4,092	<b>36,276</b>	25,589
From 181 to 365 days	<b>2,152</b>	1,938	<b>5,508</b>	3,220
Above 365 days	<b>24,684</b>	32,910	<b>68,006</b>	77,173
Total past due	<b>60,756</b>	64,498	<b>182,537</b>	182,517
Total	<b>217,109</b>	207,252	<b>503,424</b>	423,133

At June 30, 2023, part of the overdue consolidated balance, amounting to R\$113,914, derives from foreign subsidiaries based in Spain, Denmark, Mexico, Colombia, Nigeria, and Valid USA (R\$111,122 at December 31, 2022) and, therefore, is subject to the appreciation or depreciation of the Brazilian real against the functional currencies of such subsidiaries.

At June 30, 2023, changes in the balance of the allowance for expected credit losses is as follows:

	Individual		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Opening balance	(21,656)	(20,548)	(72,200)	(94,182)
Additions	<b>(5,940)</b>	(2,894)	<b>(8,885)</b>	(17,038)
Reversals	<b>1,888</b>	3,387	<b>4,802</b>	35,327
Write-off upon disposal of the Valid USA operation	-	-	-	394
Write-offs	-	-	<b>612</b>	-
Translation adjustments	-	-	<b>3,498</b>	3,299
Merger - Interprint	-	(1,601)	-	-
Closing balance	<b>(25,708)</b>	(21,656)	<b>(72,173)</b>	(72,200)

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information  
Six-month period ended June 30, 2023  
(In thousands, unless otherwise stated)

The Company analyzes the balances of overdue receivables individually and uses, as an assumption, the history of receivables from and amounts rescheduled with such customers to hedge against possible risks. In addition, the allowance for expected credit losses is calculated considering qualitative aspects to measure the expected loss for the next 12 months and/or over the useful life of the asset depending on the risk at the reporting date. These aspects take into consideration the history of losses and an additional individual assessment of the credit risk of the Company's customers, as disclosed by the credit rating agencies for each country and/or region in which the Group companies operate. Management uses a publicly-available rating disclosed by credit rating agencies to measure the exposure of its customers in order to obtain the most adequate risk assessment and, consequently, record the allowance, irrespective of whether or not the balances are overdue. Management of the Company and its subsidiaries considers that the amounts accrued are sufficient to cover any losses on realization of receivables.

## 5. Taxes

### a) Taxes recoverable

	Individual		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Income and social contribution taxes (IRPJ and CSLL) recoverable <sup>(1)</sup>	<b>45,409</b>	50,869	<b>55,783</b>	66,233
State VAT (ICMS) recoverable	<b>630</b>	2,305	<b>10,172</b>	18,214
Federal VAT (IPI) recoverable <sup>(2)</sup>	<b>24,307</b>	21,675	<b>24,307</b>	21,675
Federal taxes withheld by customers	-	-	<b>5,601</b>	6,341
Social Security Tax (INSS) recoverable	-	524	<b>44</b>	655
Contribution Taxes on Gross Revenue for Social Integration Program (PIS) and for Social Security Financing (COFINS) recoverable <sup>(3)</sup>	<b>53,313</b>	57,539	<b>53,942</b>	57,845
Other	<b>14,214</b>	9,977	<b>14,319</b>	9,407
	<b>137,873</b>	142,889	<b>164,168</b>	180,370
Current	<b>50,167</b>	58,997	<b>76,462</b>	96,478
Noncurrent	<b>87,706</b>	83,892	<b>87,706</b>	83,892

(1) These refer mainly to income tax on financial investments and prepaid income and social contribution taxes.

(2) IPI recoverable, classified as noncurrent assets, refers to credits that the Company expects to realize through request for refund with taxation authorities. By June 30, 2023, the Company applied for the request for refund of IPI credits amounting to R\$22,574 and is now awaiting a decision from the federal agency.

(3) This refers mainly to the discussion related to ICMS in the PIS and COFINS tax bases, on which Brazil's Federal Supreme Court (STF) handed down a decision favorable to the taxpayer in 2017, with limitation of the effects of the decision in time judged in 2021, confirming the unconstitutionality and defining that the ICMS separately identified in the invoices must not be included in the PIS and COFINS tax bases. Therefore, considering that these credits are now classified as 'virtually certain', management recognized the amount of R\$51,294 (R\$50,603 as of December 31, 2022), including monetary restatement. As it is not yet possible to estimate the date when the lawsuits will be judged, the amounts were recorded in noncurrent assets.

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information  
Six-month period ended June 30, 2023  
(In thousands, unless otherwise stated)

### b) Deferred income and social contribution taxes

The main components of deferred income and social contribution taxes (liabilities) and related changes are as follows:

	Individual					
	12/31/2021	Addition (reversal/realization)	Merger <sup>(1)</sup>	12/31/2022	Addition (reversal/realization)	06/30/2023
Tax loss	8,077	(2,596)	-	5,481	(1,839)	3,642
Commissions payable	566	66	33	665	(151)	514
Attorney's fees	1,069	672	-	1,741	(554)	1,187
Provisions for contingencies	12,720	6,302	155	19,177	(2,309)	16,868
Allowances for expected credit losses	6,740	(168)	153	6,725	1,378	8,103
Provisions for equipment obsolescence	3,077	-	460	3,537	(160)	3,377
Restructuring provisions	-	2,450	-	2,450	(1,279)	1,171
Provisions for profit sharing	6,791	4,371	144	11,306	(4,699)	6,607
Provisions for royalties	758	37	-	795	96	891
Recognized options granted	1,292	-	-	1,292	-	1,292
Impairment	1,510	4,402	1,510	7,422	-	7,422
Other temporary additions (exclusions)	7,253	(1,486)	770	6,537	2,122	8,659
Tax amortization of deductible goodwill	-	-	(35,290)	(35,290)	-	(35,290)
PIS and COFINS tax credits on ICMS	(3,203)	-	(4,118)	(7,321)	-	(7,321)
Deferred IRPJ/CSLL on asset revaluation surplus	(5,342)	2,898	(67)	(2,511)	-	(2,511)
Total deferred taxes	41,308	16,948	(36,250)	22,006	(7,395)	14,611

	Consolidated						
	12/31/2021	Addition (reversal/realization)	Foreign exchange difference/ monetary restatement	12/31/2022	Addition (reversal/realization)	Foreign exchange difference/ monetary restatement	06/30/2023
Tax loss	82,113	(2,331)	(3,364)	76,418	(2,121)	(4,510)	69,787
Commissions payable	1,034	(13)	-	1,021	(149)	-	872
Transaction cost in business acquisition	2,734	(2,530)	(204)	-	-	-	-
Finance costs related to loans	2,216	2,223	(1,025)	3,414	(1,765)	(523)	1,126
Attorney's fees	1,069	672	-	1,741	(554)	-	1,187
Provisions for contingencies	14,088	6,235	(57)	20,266	(4,110)	1,047	17,203
Allowances for expected credit losses	15,177	(6,411)	(6)	8,760	1,572	(127)	10,205
Provisions for equipment obsolescence	5,708	(1,881)	(195)	3,632	(160)	(35)	3,437
Provisions for profit sharing	7,553	4,281	-	11,834	(5,053)	-	6,781
Provisions for restructuring	580	1,333	(43)	1,870	(1,279)	-	591
Provisions for royalties	758	1,316	-	2,074	(1,183)	-	891
Recognized options granted	1,292	-	-	1,292	-	-	1,292
Financial instruments (hedge)	4,557	(28)	(511)	4,018	18	(242)	3,794
Impairment	15,555	(7,199)	(934)	7,422	-	-	7,422
Other provisions	17,575	(7,135)	(1,045)	9,395	4,721	123	14,239
Tax amortization of deductible goodwill	(35,290)	-	-	(35,290)	-	-	(35,290)
PIS and COFINS tax credits on ICMS	(7,322)	-	-	(7,322)	-	-	(7,322)
Accounting vs. tax depreciation difference	(42,735)	37,502	388	(4,845)	352	8	(4,485)
Inflation adjustment - Valid Argentina	(4,031)	(594)	(1,816)	(6,441)	(3,510)	3,138	(6,813)
Deferred IRPJ/CSLL on asset revaluation surplus	(7,230)	2,241	-	(4,989)	550	-	(4,439)
Other	1,795	(1,595)	(200)	-	-	-	-
Total deferred taxes	77,196	26,086	(9,012)	94,270	(12,671)	(1,121)	80,478

Assets	115,533	103,855	90,915
Liabilities	(38,337)	(9,585)	(10,437)

The presentation in the financial statements considers the offsetting of deferred tax assets and liabilities by the legal entity.

Management expects to realize the deferred tax assets in up to 5 years, based on the approved future taxable income projections.

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information  
Six-month period ended June 30, 2023  
(In thousands, unless otherwise stated)

### c) Taxes, charges and contributions payable

	Individual		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
IRPJ and CSLL payable	-	-	13,997	13,824
ICMS payable	1,028	1,077	5,890	3,052
Service Tax (ISS) payable	15,825	11,307	25,518	21,678
COFINS payable	15,952	11,559	17,065	12,555
PIS payable	3,097	2,960	3,342	3,179
Social Security Tax (INSS) withheld from customers	674	1,188	687	1,292
Other	684	772	1,464	1,521
	<b>37,260</b>	<b>28,863</b>	<b>67,963</b>	<b>57,101</b>
Total current	<b>35,845</b>	<b>27,511</b>	<b>66,548</b>	<b>55,749</b>
Total noncurrent	<b>1,415</b>	<b>1,352</b>	<b>1,415</b>	<b>1,352</b>

### d) Reconciliation between tax expenses and statutory rates

	Individual		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Income (loss) before income taxes from continuing operations	128,577	21,868	153,225	52,451
IRPJ and CSLL nominal rate	34%	34%	34%	34%
IRPJ/CSLL expense (credit) at nominal rate	43,716	7,435	52,097	17,833
Reconciliation with effective rate:				
Recognized options granted	186	505	186	505
Difference in rate for foreign companies and taxation on income abroad	288	-	(2,530)	2,790
Equity pickup	(20,739)	(13,912)	(529)	418
Tax incentives and nondeductible expenses	104	141	192	1,761
ICMS matching credit	(2,949)	(2,591)	(2,949)	(2,591)
Restatement of IPI refund <sup>(1)</sup>	(2,996)	(2,259)	(2,996)	(2,259)
Provision for exclusion of ICMS from the PIS/COFINS base	(365)	(162)	(365)	(370)
Interest on equity	(4,901)	-	(4,901)	-
Other	(745)	50	186	57
IRPJ and CSLL expense (credit) charged to profit or loss for the period	<b>11,599</b>	<b>(10,793)</b>	<b>38,391</b>	<b>18,144</b>
Current IRPJ/CSLL	<b>4,204</b>	<b>49</b>	<b>25,720</b>	<b>25,885</b>
Deferred IRPJ/CSLL	<b>7,395</b>	<b>(10,842)</b>	<b>12,671</b>	<b>(7,741)</b>

- (1) On September 24, 2021, Brazil's Federal Supreme Court ("STF") judged the appeal to the supreme court under the general repercussion system that addresses IRPJ and CSLL levied on late payment interest received by the taxpayer on the reimbursement of unduly paid taxes. This judgment accepted, by unanimous vote, the thesis of the unconstitutionality of the levying of IRPJ and CSLL on amounts referring to monetary restatement received due to the reimbursement of unduly paid taxes.

## 6. Inventories

	Individual		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Raw materials	139,299	114,612	193,289	171,120

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information  
Six-month period ended June 30, 2023  
(In thousands, unless otherwise stated)

Work-in-process	<b>42,464</b>	35,287	<b>55,877</b>	41,250
Replacement parts and materials	<b>7,073</b>	7,447	<b>7,268</b>	7,679
Goods for resale	<b>2,010</b>	3,664	<b>78,398</b>	104,397
Provision for inventory losses	-	-	<b>(6,997)</b>	(3,219)
Advances to suppliers	<b>14,405</b>	13,412	<b>35,808</b>	22,934
	<b>205,251</b>	174,422	<b>363,643</b>	344,161

## 7. Judicial deposits

	Individual		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Judicial deposits - labor	<b>4,301</b>	4,336	<b>4,395</b>	4,405
Judicial deposits - tax	<b>3,107</b>	2,329	<b>3,107</b>	2,329
Judicial deposits - civil	<b>12,768</b>	12,467	<b>12,937</b>	12,631
	<b>20,176</b>	19,132	<b>20,439</b>	19,365

The most individually significant amounts are as follows:

- On February 8, 2013, the Company made a judicial deposit of R\$6,646 related to a civil lawsuit classified as possible loss, filed against Brazil's National Telecommunications Agency (ANATEL), claiming the suspension of the penalty imposed by this Agency against the Company, under an administrative proceeding, for the alleged production of an inductive card with an expired certificate number. At June 30, 2023, the restated judicial deposit amounts to R\$12,469 (R\$12,176 at December 31, 2022).

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information  
Six-month period ended June 30, 2023  
(In thousands, unless otherwise stated)

### 8. Investments

#### Financial information

At June 30, 2023, the significant financial information of direct and indirect subsidiaries are as follows:

Subsidiaries <sup>(1)</sup>	Total assets	Total liabilities	Equity	P&L for the period
Valid Argentina	125,473	87,494	37,979	16,968
Valid Sucursal	73,083	44,667	28,416	7,690
BluPay	2,520	1	2,519	(2)
Serbet <sup>(2)</sup>	17,249	11,940	5,309	(2,091)
Valid Hub <sup>(2)</sup>	8,125	8,936	(811)	(1,890)
Mitra <sup>(2)</sup>	17,105	6,225	10,880	3,543
Valid Certificadora	44,146	10,215	33,931	2,708
Valid Mexico	30,147	17,356	12,791	(659)
Valid Uruguay	5,757	1,802	3,955	624
Valid Link	10,265	2,391	7,874	1,229
Guaratinguetá Consórcio	1,325	914	411	115
Flexdoc <sup>(3)</sup>	9,509	1,006	8,503	-
Valid Spain	851,754	384,446	467,308	32,741
Valid Beijing	7,703	3,562	4,141	(3,808)
Valid Nigéria <sup>(2)</sup>	28,171	28,371	(200)	(6,931)
Valid USA (consolidated)	169,402	50,005	119,397	6,141
Valid A/S (consolidated)	318,180	105,025	213,155	38,550

(1) Considers 100% of the subsidiaries' balances, regardless of the equity interest held by the Company in such entities.

(2) The Company does not hold 100% equity interest.

(3) Acquired on May 22, 2023.



## Valid Soluções S.A.

Notes to individual and consolidated interim financial information

Six-month period ended June 30, 2023

(In thousands, unless otherwise stated)

### Changes in investments

Individual								
Investments	12/31/2022	Additions	Equity pickup	Adjustment for inflation – IAS 29 <sup>(1)</sup>	Foreign exchange differences	Amortization	Subsidiary reserve	06/30/2023
Subsidiaries								
Valid Argentina	25,169	-	16,968	8,250	(12,408)	-	-	37,979
Valid Sucursal	18,899	-	7,690	-	1,827	-	-	28,416
Valid Spain	475,428	-	32,740	-	(40,858)	-	(3)	467,307
BluPay	2,341	180	(2)	-	-	-	-	2,519
Serbet	6,699	-	(1,046)	-	-	-	-	5,653
Valid Hub	647	-	(1,134)	-	-	-	-	(487)
Mitra	4,211	-	1,808	-	-	-	(468)	5,551
Flexdoc	-	8,503	-	-	-	-	-	8,503
Via Soft	201	-	82	-	-	-	(11)	272
V/Soft	293	-	(67)	-	-	-	(84)	142
Valid Certificadora	31,223	-	2,708	-	-	-	-	33,931
Consórcio Guaratinguetá	149	-	57	-	-	-	-	206
Valid Uruguay	3,393	-	624	-	(62)	-	-	3,955
Valid Link	5,906	739	1,229	-	-	-	-	7,874
Valid Mexico	12,786	-	(659)	-	664	-	-	12,791
	587,345	9,422	60,998	8,250	(50,837)	-	(566)	614,612
Goodwill								
Interprint	103,793	-	-	-	-	-	-	103,793
Valid Link	2,851	-	-	-	-	-	-	2,851
Valid Argentina	462	-	-	-	(168)	-	-	294
Valid Spain	68,521	-	-	-	(3,776)	-	-	64,745
BluPay	2,436	-	-	-	-	-	-	2,436
Serbet	1,050	-	-	-	-	-	-	1,050
Flexdoc	-	55,050	-	-	-	-	-	55,050
Mitra	7,357	-	-	-	-	-	-	7,357
Revaluation surplus - technology	9,377	1,760	-	-	-	(1,016)	-	10,121
Revaluation surplus - brands	-	3,610	-	-	-	-	-	3,610
Revaluation surplus - customer portfolio	1,339	9,836	-	-	-	(100)	-	11,075
	197,186	70,256	-	-	(3,944)	(1,116)	-	262,382
Total investments	784,531	79,678	60,998	8,250	(54,781)	(1,116)	(566)	876,994

(1) Effects arising from the subsidiary in Argentina.

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information

Six-month period ended June 30, 2023

(In thousands, unless otherwise stated)

Investments	12/31/2021	Additions	Acquisition of equity interest	Write-offs / Impairment	Equity pickup	Individual		Merger	Amortization	Subsidiary reserve	Income (loss) from discontinued operations	12/31/2022
						Adjustment for inflation – IAS 29 <sup>(1)</sup>	Foreign exchange differences					
Subsidiaries												
Valid Par <sup>(3)</sup>	553	-	-	-	(27)	-	-	(526)	-	-	-	-
Valid Argentina	19,123	-	-	-	5,588	13,364	(13,346)	440	-	-	-	25,169
Valid Sucursal Interprint <sup>(3)</sup>	21,155	-	-	-	2,594	-	(4,850)	-	-	-	-	18,899
Valid Spain	195,281	-	-	-	40,640	237	(254)	(235,904)	-	-	-	-
BluPay	531,415	-	-	-	41,422	-	(16,958)	-	-	1,404	(81,855)	475,428
Serbet	6,169	395	-	-	(4,223)	-	-	-	-	-	-	2,341
Alpdex <sup>(2)</sup>	8,347	-	-	-	(1,935)	-	-	287	-	-	-	6,699
Valid Hub	240	-	-	-	47	-	-	(287)	-	-	-	-
Mitra	1,865	-	-	-	(1,218)	-	-	-	-	-	-	647
Via Soft	1,820	-	-	-	2,391	-	-	-	-	-	-	4,211
V/Soft	-	-	151	-	54	-	-	-	-	(4)	-	201
Valid Certificadora Consórcio	-	-	(10)	-	329	-	-	-	-	(26)	-	293
Guaratinguetá	-	-	-	-	-	-	-	31,223	-	-	-	31,223
Valid Uruguay	-	-	-	-	-	-	-	149	-	-	-	149
Valid Link	-	-	-	-	-	-	-	3,393	-	-	-	3,393
Valid Mexico	-	-	-	-	-	-	-	5,906	-	-	-	5,906
	-	-	-	-	-	-	-	12,786	-	-	-	12,786
	785,968	395	141	-	85,662	13,601	(35,408)	(182,533)	-	1,374	(81,855)	587,345
Goodwill												
Interprint <sup>(3)</sup>	-	-	-	-	-	-	-	103,793	-	-	-	103,793
Valid Link	-	-	-	-	-	-	-	2,851	-	-	-	2,851
Valid Argentina	808	-	-	-	-	-	(375)	29	-	-	-	462
Valid Spain	77,768	-	-	-	-	-	(9,247)	-	-	-	-	68,521
BluPay	2,436	-	-	-	-	-	-	-	-	-	-	2,436
Serbet	13,996	-	-	(12,946)	-	-	-	-	-	-	-	1,050
Mitra	7,357	-	-	-	-	-	-	-	-	-	-	7,357
Revaluation surplus - technology	10,897	-	1,671	(1,693)	-	-	-	190	(1,688)	-	-	9,377
Revaluation surplus - customer portfolio	790	-	1,339	(703)	-	-	-	-	(87)	-	-	1,339
	114,052	-	3,010	(15,342)	-	-	(9,622)	106,863	(1,775)	-	-	197,186
Total investments	900,020	395	3,151	(15,342)	85,662	13,601	(45,030)	(75,670)	(1,775)	1,374	(81,855)	784,531

(1) Effects arising from the subsidiary in Argentina.

(2) Merged into Serbet in June 2022, with no changes in the equity interest held.

(3) Merged into the Parent in December 2022, with no changes in the equity interest held.

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information  
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Investments	Consolidated					06/30/2023
	12/31/2022	Equity pickup	Foreign exchange differences	Subsidiary reserve	Amortization	
Associates						
Cubic	6,357	(552)	(285)	-	-	5,520
VCMC	285	(1,019)	166	-	-	(568)
VSoft	293	(67)	-	(84)	-	142
ViaSoft	201	82	-	(11)	-	272
Total investments	7,136	(1,556)	(119)	(95)	-	5,366
Goodwill - Cubic	46,829	-	(2,579)	-	-	44,250
Revaluation surplus - technology	1,671	-	-	-	(125)	1,546
Revaluation surplus - customer portfolio	1,339	-	-	-	(100)	1,239
Total	56,975	(1,556)	(2,698)	(95)	(225)	52,401

Investments	Consolidated					12/31/2022
	12/31/2021	Equity pickup	Foreign exchange differences	Subsidiary reserve	Acquisition of equity interest	
Associates						
Cubic	8,112	(2,187)	(972)	1,404	-	6,357
VCMC	1,108	(1,642)	819	-	-	285
VSoft	-	329	-	(26)	(10)	293
ViaSoft	-	54	-	(4)	151	201
Total investments	9,220	(3,446)	(153)	1,374	141	7,136
Goodwill - Cubic	53,149	-	(6,320)	-	-	46,829
Revaluation surplus - technology	-	-	-	-	1,671	1,671
Revaluation surplus - customer portfolio	-	-	-	-	1,339	1,339
Total	62,369	(3,446)	(6,473)	1,374	3,151	56,975

### Acquisition of interest in associate

The Company acquired a 10% equity interest in VSoft and ViaSoft in October 2022. These companies operate in the digital segment, rendering technological services with solutions for (i) process certification and identification of people in the transit market; (ii) biometric systems; and (iii) digital identity systems. This investment gives Valid the possibility of complementing its geographic presence in the country and also ensures the expansion of the product and technology portfolio, being able to explore new businesses in a market where Valid already operates, both for the public sector market, through initiatives together with the State Traffic Departments, and the private sector market with solutions that allow the certification of processes for driving schools.

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information  
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The Company did not acquire control, but it has significant influence over the investee and, therefore, recognizes this investment as an associate. At the time of acquisition, management valued the investee's assets and liabilities to determine the revaluation surplus and goodwill included in the investment, as follows:

Total consideration	12,000
Fair value of additional call options <sup>(1)</sup>	(8,849)
Adjusted acquisition price	3,151
Equity of investees at book value	141
Fair value of assets and liabilities	
Revaluation surplus - technology and customer portfolio	3,010
Equity of investees at fair value	3,151

- (1) The acquisition agreement has certain call and put options with maturities between March 2023 and March 2027 that, if exercised by the Company, may gradually increase its equity interest in the investees. This amount was classified as a financial asset.

### Acquisition of subsidiary (business combination)

The Company acquired 100% interest in Flexdoc Tecnologia da Informação Ltda. ("FlexDoc") on May 22, 2023; the preliminary estimated consideration to be transferred was R\$78,758. The transaction price was broken down into three installments:

- (i) R\$ 20 million paid on the date of acquisition;
- (ii) Contingent consideration of (a) an additional amount of up to R\$20 million, depending on Flexdoc's profitability in 2023 and 2024, and (b) 80% of the profit earned by Flexdoc over the next 4 years. The payment of this amount is subject to compliance with contractual metrics and conditions. The fair value of this contingent consideration was estimated using the Monte Carlo model at R\$58,758.

Flexdoc is a company based in Brasília, Federal District, that operates throughout the Brazilian territory and is specialized in process automation, data and document validation, and document image processing systems that help customers accelerate growth through the implementation of intelligent and manageable flows with a high degree of automation and reliability for data, documents and processes.

The acquisition of Flexdoc is in line with the Company's strategy of leveraging Digital ID for the ecosystem of both public and private sector customers, and provides Valid with the possibility of expanding and building up its portfolio of solutions, and exploring new geographies and businesses in the market in which the company already operates.

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information  
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On the date of acquisition, according to the preliminary valuation report, the fair value of identifiable assets acquired and liabilities assumed by Flexdoc is as follows:

	<b>Balance on acquisition</b>
Cash and cash equivalents	2,008
Taxes recoverable	392
Other accounts receivable	552
Property, plant and equipment	1,696
Intangible assets	20,024
Other assets	42
Salaries payable	(418)
Trade accounts payable	(550)
Taxes payable	(38)
Net assets of the acquiree	<b>23,708</b>
Total estimated consideration	<b>78,758</b>
Goodwill on acquisition	<b>55,050</b>

The preliminary allocations made are summarized below:

Revaluation surplus of customer relationship (i)	9,836
Revaluation surplus of brands (ii)	3,610
Revaluation surplus of technology (iii)	1,759
Total	<b>15,205</b>

- (i) The fair value of customer relationship was measured using the multi-period excess earnings method ("MEEM"). The remaining finite useful life of this intangible asset was estimated at 6 years.
- (ii) The brand's fair value was measured using the Relief from Royalty method.
- (iii) The fair value of technology refers to the acquiree's software and was calculated based on replacement cost. The remaining finite useful life was estimated at 4 years.

The acquiree's contribution to the Group is as follows:

Contribution to the Group with net revenue from the acquisition date to 06/30/2023 (*)	-
Contribution to the Group with loss from the acquisition date to 06/30/2023 (*)	-
Acquiree's net revenue from January 1 to June 30, 2023	7,572
Acquiree's income from January 1 to June 30, 2023	4,852

(\*) The recognition of Flexdoc in the consolidated financial statements has a one-month lag, as permitted by CPC 36 (IFRS 10) – Consolidated financial statements. Thus, there was no impact on profit or loss since the acquisition took place in May 2023.

The fair values shown above and the calculation of goodwill on acquisition are preliminary, as provided for in CPC 15/IFRS 3 – Business Combinations, which allows the Company to complete the analysis of assets acquired and liabilities assumed within 12 months from the date of acquisition.

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information  
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(In thousands, unless otherwise stated)

### 9. Intangible assets

Changes in intangible asset balances are as follows:

	Individual						
	12/31/2022	Additions	Merger	Write-offs	Amortization	Transfers	
Finite useful life	49,022	<b>15,808</b>					<b>49,022</b>
Software	36,019	<b>3,051</b>	-	-	(6,323)	-	<b>32,747</b>
Finite useful life	36,019	<b>3,051</b>	-	-	(6,323)	-	<b>32,747</b>
Indefinite useful life							
Goodwill							
Trust	3,647	-	-	-	-	-	<b>3,647</b>
Total intangible assets	39,666	<b>3,051</b>	-	-	(6,323)	-	<b>36,394</b>

	Individual						
	12/31/2021	Additions	Merger	Write-offs	Amortization	Transfers	
Finite useful life	49,022	15,808					49,022
Software	36,885	11,517	636	(4,084)	(9,619)	684	36,019
Finite useful life	36,885	11,517	636	(4,084)	(9,619)	684	36,019
Indefinite useful life							
Goodwill							
Trust	3,647	-	-	-	-	-	3,647
Total intangible assets	40,532	11,517	636	(4,084)	(9,619)	684	39,666

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information

Six-month period ended June 30, 2023

(In thousands, unless otherwise stated)

	Consolidated						
	12/31/2022	Additions	Business combination	Write-offs	Amortization	Foreign exchange differences	06/30/2023
Finite useful life							
Software	175,341	13,486	6,875	-	(25,293)	(6,589)	163,820
Customer portfolio	6,941	-	9,836	-	(2,257)	(420)	14,100
Right of use <sup>(1)</sup>	11,532	-	-	-	(1,779)	-	9,753
Trademarks and patents	-	-	3,313	-	-	-	3,313
Digital certification license	36	-	-	-	(5)	-	31
Total - finite useful life	193,850	13,486	20,024	-	(29,334)	(7,009)	191,017
Indefinite useful life							
Trademarks and patents	19,305	-	-	-	-	(1,474)	17,831
Digital certification license	500	-	-	-	-	-	500
Goodwill							
Trust	3,647	-	-	-	-	-	3,647
Argentina	462	-	-	-	-	(168)	294
Interprint	103,793	-	-	-	-	-	103,793
Valid Link	2,851	-	-	-	-	-	2,851
Spain	68,521	-	-	-	-	(3,775)	64,746
Valid A/S	248,503	-	-	-	-	(18,978)	229,525
Blu Pay	2,436	-	-	-	-	-	2,436
Serbet	7,952	-	-	-	-	-	7,952
Flexdoc	-	-	55,051	-	-	-	55,051
Mitra	14,426	-	-	-	-	-	14,426
Total - indefinite useful life	472,396	-	55,051	-	-	(24,395)	503,052
Total intangible assets	666,246	13,486	75,075	-	(29,334)	(31,404)	694,069

(1) This amount basically refers to concessions granted to operate digital parking.

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information

Six-month period ended June 30, 2023

(In thousands, unless otherwise stated)

	Consolidated							
	12/31/2021	Additions	Write-offs	Impairment	Amortization	Foreign exchange differences	Transfers	Transfers to discontinued operations
Finite useful life								
Software	257,387	29,372	(9,935)	(3,386)	(59,713)	(15,541)	684	(23,527)
Customer portfolio	17,106	-	-	(1,406)	(5,133)	(998)	(46)	(2,582)
Right of use <sup>(1)</sup>	15,090	-	-	-	(3,558)	-	-	-
Trademarks and patents	1,408	-	-	-	(48)	(134)	46	(1,272)
Digital certification license	46	-	-	-	(10)	-	-	-
Total - finite useful life	291,037	29,372	(9,935)	(4,792)	(68,462)	(16,673)	684	(27,381)
Indefinite useful life								
Trademarks and patents	20,648	-	-	-	-	(1,343)	-	-
Digital certification license	500	-	-	-	-	-	-	-
Goodwill								
Trust	3,647	-	-	-	-	-	-	-
Argentina	851	-	-	-	-	(389)	-	-
Interprint	103,793	-	-	-	-	-	-	-
Valid Link	2,851	-	-	-	-	-	-	-
Spain	77,768	-	-	-	-	(9,247)	-	-
Valid USA	83,117	-	-	-	-	(5,892)	-	(77,225)
Valid A/S	265,782	-	-	-	-	(17,279)	-	-
Blu Pay	2,436	-	-	-	-	-	-	-
Serbet	27,992	-	-	(20,040)	-	-	-	-
Mitra	14,426	-	-	-	-	-	-	-
Total - indefinite useful life	603,811	-	-	(20,040)	-	(34,150)	-	(77,225)
Total intangible assets	894,848	29,372	(9,935)	(24,832)	(68,462)	(50,823)	684	(104,606)

(1) This amount basically refers to concessions granted to operate digital parking.



## **Valid Soluções S.A.**

Notes to individual and consolidated interim financial information  
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(In thousands, unless otherwise stated)

Intangible assets with finite useful lives are represented basically by the customer portfolio and software licenses, amortized on a straight-line basis at the average rates of 16.3% and 21.9% p.a., respectively, based on the estimated useful lives or license terms (applicable to software licenses), while digital certification licenses and trademarks and patents are amortized at the average rate of 10% and 33.3% p.a., respectively.

### Impairment losses

At least once a year and whenever there is an indication of impairment, the Company tests goodwill for impairment based on the valuation of value in use, in which estimated future cash flows are discounted to their present values at a pretax discount rate that reflects a current market assessment of the time value of money and the specific risks for the asset or cash-generating unit (CGU), and (ii) the net fair value of selling expenses, i.e. the selling price of the CGU's assets and the joint liability, less costs of disposal.

The goodwill on a business combination is allocated to the CGU or the group of CGUs that are expected to benefit from combination synergies. Such allocation reflects the lowest level where goodwill is monitored for internal purposes and is not higher than an operating segment determined in accordance with IFRS 8 (CPC 22).

Based on the analyses made, the Company management concluded that no reasonably possible changes in key assumptions on which the recoverable amount is based would cause the carrying amount to exceed the recoverable amount of the cash-generating units; thus, at December 31, 2022, there was no need to recognize a provision for impairment.

At June 30, 2023, there were no indicators that required new tests to be performed.

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information  
Six-month period ended June 30, 2023  
(In thousands, unless otherwise stated)

### 10. Property, plant and equipment

	Individual				
	12/31/2022	Additions	Write-offs	Transfers	06/30/2023
Cost					
Land	3,222	-	-	-	3,222
Buildings	96,103	242	-	1,588	97,933
Machinery and equipment	284,500	2,602	(2,980)	367	284,489
Furniture and fixtures	24,573	267	(5)	-	24,835
Vehicles	650	-	-	-	650
Data processing equipment	191,353	2,635	(260)	126	193,854
Leasehold improvements	12,710	457	-	1,082	14,249
Construction in progress	2,456	147	(1)	(2,106)	496
Advances to suppliers	1,325	583	(13)	(1,057)	838
Right of use - IFRS 16	19,244	-	(838)	-	18,406
Subtotal - cost	636,136	6,933	(4,097)	-	638,972
Depreciation					
Buildings	(67,189)	(1,927)	-	-	(69,116)
Machinery and equipment	(186,020)	(4,784)	2,457	-	(188,347)
Furniture and fixtures	(16,893)	(862)	6	-	(17,749)
Vehicles	(650)	-	-	-	(650)
Data processing equipment	(141,735)	(7,937)	323	-	(149,349)
Leasehold improvements	(8,377)	(866)	-	-	(9,243)
Right of use - IFRS 16	(5,440)	(3,049)	939	-	(7,550)
Subtotal - depreciation	(426,304)	(19,425)	3,725	-	(442,004)
Total property, plant and equipment, net	209,832	(12,492)	(372)	-	196,968

	Individual					
	12/31/2021	Additions	Merger	Write-offs	Transfers	12/31/2022
Cost						
Land	3,222	-	-	-	-	3,222
Buildings	84,827	1,140	9,989	-	147	96,103
Machinery and equipment	237,990	4,010	54,398	(17,536)	5,638	284,500
Furniture and fixtures	19,240	2,864	2,226	(31)	274	24,573
Vehicles	639	-	11	-	-	650
Data processing equipment	126,349	31,100	30,082	(1,179)	5,001	191,353
Leasehold improvements	4,888	264	-	-	7,558	12,710
Construction in progress	4,163	3,883	97	(23)	(5,664)	2,456
Advances to suppliers	6,505	9,438	173	(84)	(14,707)	1,325
Right of use - IFRS 16	17,392	3,107	284	(1,539)	-	19,244
Subtotal - cost	505,215	55,806	97,260	(20,392)	(1,753)	636,136
Depreciation						
Buildings	(48,264)	(4,073)	(18,445)	-	3,593	(67,189)
Machinery and equipment	(144,991)	(10,836)	(44,955)	13,303	1,459	(186,020)
Furniture and fixtures	(13,245)	(1,636)	(2,036)	24	-	(16,893)
Vehicles	(607)	(32)	(11)	-	-	(650)
Data processing equipment	(101,526)	(13,504)	(27,035)	720	(390)	(141,735)
Leasehold improvements	(3,773)	(1,011)	-	-	(3,593)	(8,377)
Right of use - IFRS 16	(2,295)	(5,828)	(71)	2,754	-	(5,440)
Subtotal - depreciation	(314,701)	(36,920)	(92,553)	16,801	1,069	(426,304)
Total property, plant and equipment, net	190,514	18,886	4,707	(3,591)	(684)	209,832

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information

Six-month period ended June 30, 2023

(In thousands, unless otherwise stated)

	Consolidated						
	12/31/2022	Additions	Business combination	Write-offs	Adjustment for inflation – IAS 29 <sup>(1)</sup>	Foreign exchange differences	Transfers
							06/30/2023
Cost							
Land	3,222	-	-	-	-	-	3,222
Buildings	97,242	242	-	-	-	-	99,072
Machinery and equipment	390,089	2,660	178	(2,980)	25,318	(29,482)	386,149
Furniture and fixtures	29,137	477	511	(5)	551	(737)	29,934
Vehicles	1,642	-	-	-	181	(196)	1,627
Data processing equipment	225,921	4,607	2,299	(406)	4,826	(5,541)	231,832
Leasehold improvements	36,476	478	-	-	4,827	(5,663)	37,200
Construction in progress	3,501	2,194	-	(233)	110	(163)	3,303
Advances to suppliers	1,325	583	-	(14)	-	-	838
Right of use - IFRS 16	59,221	2,428	-	(2,176)	2,673	(4,296)	57,850
Subtotal - cost	847,776	13,669	2,988	(5,814)	38,486	(46,078)	851,027
Depreciation							
Buildings	(68,384)	(1,930)	-	-	-	-	(70,314)
Machinery and equipment	(271,508)	(6,656)	(50)	2,454	(22,200)	25,191	(272,769)
Furniture and fixtures	(20,744)	(972)	(245)	6	(486)	661	(21,780)
Vehicles	(1,217)	(60)	-	-	(40)	52	(1,265)
Data processing equipment	(168,884)	(9,330)	(997)	325	(4,427)	5,045	(178,268)
Leasehold improvements	(23,894)	(2,364)	-	-	(2,772)	3,602	(25,428)
Right of use - IFRS 16	(30,583)	(6,515)	-	970	(1,622)	2,743	(35,007)
Subtotal - depreciation	(585,214)	(27,827)	(1,292)	3,755	(31,547)	37,294	(604,831)
Total property, plant and equipment, net	262,562	(14,158)	1,696	(2,059)	6,939	(8,784)	246,196

(1) Effects arising from the subsidiary in Argentina.

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information  
Six-month period ended June 30, 2023  
(In thousands, unless otherwise stated)

	Consolidated								
	12/31/2021	Additions	Write-offs	Reversal of provision for obsolescence	Adjustment for inflation – IAS 29 <sup>(2)</sup>	Foreign exchange differences	Transfers to discontinued operations <sup>(1)</sup>	Transfers	12/31/2022
Cost									
Land	3,680	-	-	-	-	(44)	(414)	-	3,222
Buildings	103,954	1,140	(4)	-	-	(763)	(7,232)	147	97,242
Machinery and equipment	567,014	4,113	(23,117)	2,438	41,215	(57,921)	(150,521)	6,868	390,089
Furniture and fixtures	30,947	3,023	(253)	-	845	(1,477)	(4,230)	282	29,137
Vehicles	1,558	361	(149)	-	132	(99)	(161)	-	1,642
Data processing equipment	206,825	36,151	(1,663)	-	7,447	(10,049)	(18,500)	5,710	225,921
Leasehold improvements	119,558	421	-	-	7,633	(16,476)	(82,218)	7,558	36,476
Construction in progress	6,144	7,975	(588)	-	81	(423)	(2,102)	(7,586)	3,501
Advances to suppliers	6,517	9,632	(92)	-	-	-	-	(14,732)	1,325
Right of use - IFRS 16	178,942	18,152	(6,144)	-	3,894	(18,196)	(117,427)	-	59,221
Subtotal - cost	1,225,139	80,968	(32,010)	2,438	61,247	(105,448)	(382,805)	(1,753)	847,776
Depreciation									
Buildings	(68,900)	(4,301)	4	-	-	105	1,115	3,593	(68,384)
Machinery and equipment	(402,223)	(25,515)	17,719	-	(32,463)	46,156	123,359	1,459	(271,508)
Furniture and fixtures	(23,859)	(1,932)	246	-	(756)	1,374	4,183	-	(20,744)
Vehicles	(1,412)	(91)	149	-	(74)	50	161	-	(1,217)
Data processing equipment	(171,328)	(17,477)	1,204	-	(6,767)	8,714	17,160	(390)	(168,884)
Leasehold improvements	(53,334)	(7,175)	-	-	(3,490)	7,868	35,830	(3,593)	(23,894)
Right of use - IFRS 16	(72,829)	(19,320)	6,712	-	(1,583)	8,277	48,160	-	(30,583)
Subtotal - depreciation	(793,885)	(75,811)	26,034	-	(45,133)	72,544	229,968	1,069	(585,214)
Total property, plant and equipment, net	431,254	5,157	(5,976)	2,438	16,114	(32,904)	(152,837)	(684)	262,562

(1) Impairment of PP&E related to discontinued operations. For further information see Note 26.

(2) Effects arising from the subsidiary in Argentina.

No new indicators of asset impairment were identified as at June 30, 2023 and December 31, 2022.

## 11. Loans, financing, debentures and leases payable

	Individual		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Loans (a)	244,877	269,805	492,846	501,745
Debentures (b)	247,954	338,382	247,954	338,382
Leases (c)	11,652	14,251	21,454	27,028
	504,483	622,438	762,254	867,155
Current	84,977	174,343	244,123	281,801
Noncurrent	419,506	448,095	518,131	585,354

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information  
Six-month period ended June 30, 2023  
(In thousands, unless otherwise stated)

### (a) Loans

The main information on loans can be summarized as follows:

Description	Loans (a.1)	Loans (a.2)	Loans (a.3)	Loans (a.4)	Loans (a.5)	Loans (a.6)	Loans (a.7)	Loans (a.8)	Loans (a.9)	Loans (a.10)	Loans (a.11)	Loans (a.12)	Loans (a.13)	Loans (a.14)
Borrower	Valid Spain	Valid Spain	Valid Spain	Valid Spain	Valid Spain	Valid Spain	Valid S.A.	Valid S.A.	Valid S.A.	Valid S.A.	Valid S.A.	Valid USA.	Valid S.A.	Valid Spain
Bank	Santander	Itaú BBA	Santander	Santander	Santander	Santander	BTG	Safra	Valid S.A. Brazil's Federal Savings and Loans Bank ("CEF")	CEF	Banco do Brasil	HSBC	CEF	Itaú
Total amount	EUR 13,000	USD 38,888	USD 7,142	EUR 4,400	EUR 4,200	USD 10,000	R\$ 33,333	R\$ 26,666	R\$ 100,000	R\$ 90,000	R\$ 30,000	USD 8,000	R\$ 83,500	EUR 4,000
Date of loan	11/13/2018	05/07/2019	05/05/2022	05/05/2022	10/11/2022	12/19/2022	04/16/2021	03/12/2021	06/30/2022	05/31/2022	07/05/2022	03/17/2023	05/26/2023	04/12/2023
Maturity date	04/14/2025	04/22/2025	05/05/2025	04/22/2025	10/06/2023	12/09/2024	02/14/2025	04/24/2025	03/30/2026	05/31/2026	07/05/2026	03/16/2024	05/26/2027	04/11/2024
Settlement date	-	-	-	-	-	-	-	-	05/29/2023	-	-	-	-	-
Interest	4.70% p.a.	6.95% p.a.	6.90% p.a.	4.70% p.a.	5.99% p.a.	7.72% p.a.	CDI + 2.90% p.a.	CDI + 2.60% p.a.	CDI + 0.20% p.m.	CDI + 0.13% p.m.	CDI + 2.17% p.a.	SOFR + 2.5% p.a.	CDI + 0.15% p.m.	6.10% p.a.
Guarantee	Valid S.A.	Valid S.A.	Valid S.A.	Valid S.A.	Valid S.A.	Valid S.A.	Valid S.A.	Valid S.A.	Valid S.A.	Valid S.A.	Valid S.A.	Valid S.A.	Valid S.A.	Valid S.A.
Repayment of principal	Semiannually (from October 2022)	Semiannually from April 2023	Semiannually from November 2022	Semiannually from October 2022	Total in October 2023	Semiannually from December 2023	Monthly from March 2023	Quarterly from January 2023	4-month grace period (bimonthly from August 2022)	9-month grace period (monthly from March 2023)	12-month grace period (monthly from August 2023)	Bullet	6-month grace period (monthly from December 2023)	Bullet
Interest payment	Semiannually from October 2022	Semiannually from April 2023	Semiannually from November 2022	Semiannually from October 2022	Semiannually from April 2023	Semiannually from June 2023	Monthly interest – 12 months and quarterly, after grace period	Quarterly from July 2021	4-month grace period (Bimonthly from August 2022)	9-month grace period (Monthly from April 2023)	12-month grace period (monthly from August 2023)	Monthly	6-month grace period (monthly from December 2023)	Bullet
Balance in debt currency at 06/30/2023:	EUR 9,012	USD 6,401	USD 4,805	EUR 2,941	EUR 4,249	USD 10,017	R\$ 27,506	R\$ 21,304	Settled	R\$ 82,583	R\$ 29,840	US\$ 8,050	R\$ 83,644	EUR 4,054
Restated balance at 06/30/2023 – R\$:	R\$47,428	R\$30,847	R\$23,158	R\$15,481	R\$22,359	R\$48,275	R\$27,506	R\$21,304	Settled	R\$82,583	R\$29,840	R\$38,797	R\$83,644	R\$21,335

Loans were obtained to strengthen cash or roll over debt.

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information  
Six-month period ended June 30, 2023  
(In thousands, unless otherwise stated)

Loan balances are broken down as follows:

Loans	Individual		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Principal	245,688	270,909	492,323	501,571
Interest	2,973	2,842	5,151	4,976
Borrowing costs	(3,784)	(3,946)	(4,628)	(4,802)
	<b>244,877</b>	<b>269,805</b>	<b>492,846</b>	<b>501,745</b>
Current	78,855	77,372	235,450	180,887
Noncurrent	166,022	192,433	257,396	320,858

The loans are subject to certain quarterly covenants with which the Company and its subsidiaries were in compliance at June 30, 2023. The main financial and operating covenants relating to loans are as follows:

- Net debt/EBITDA lower than or equal to 3;
- EBITDA/net finance costs higher than or equal to 1.75.

At June 30, 2023, the amount of R\$164,749 (R\$374,160 for the year ended December 31, 2022) was repaid, out of which R\$26,176 (R\$46,372 for the year ended December 31, 2022) as interest on loans.

### (b) Debentures

The main information on debentures can be summarized as follows:

Description	Debentures (b.1)	Debentures (b.2)	Debentures (b.3)	Debentures (b.4)
Debentures	7 <sup>th</sup> issue - 05/24/2018	8 <sup>th</sup> issue – 1 <sup>st</sup> series	8 <sup>th</sup> issue – 2 <sup>nd</sup> series	9 <sup>th</sup> issue
Date of approval	Board of Directors' Meeting held on 05/21/2018	Board of Directors' Meeting held on 05/05/2021	Board of Directors' Meeting held on 05/05/2021	Board of Directors' Meeting held on 04/19/2022
Number	36,000 unsecured nonconvertible debentures	27,000 unsecured nonconvertible debentures	503,700 unsecured nonconvertible debentures	250,000 unsecured nonconvertible debentures
Par value	10,000	1,000	1,000	1,000
Total amount	360,000	27,000	503,700	250,000
Maturity date:	06/30/2023	05/10/2024	05/10/2025	06/20/2027
Yield:	115% CDI	CDI + 3.85%	CDI + 4.25%	CDI + 3.0%
Repayment of principal:	Annually	Quarterly from February 2022	Quarterly from May 2022	Semiannually from December 2024
Interest payment:	Semiannually	Quarterly from November 2021	Semiannually during the grace period and quarterly from May 2022	Semiannually from December 2022
Type and series	Single-series non-privileged debentures	Unsecured nonconvertible debentures with security interest in 2 series December 2022	Unsecured nonconvertible debentures with security interest in 2 series December 2022	Single-series unsecured nonconvertible debentures with security interest
Settlement date	June 2023	December 2022	December 2022	-
Restated balance in R\$ at 06/30/2023	Settled	Settled	Settled	R\$247,954

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information  
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(In thousands, unless otherwise stated)

The balances of debentures are broken down as follows:

Debentures	Individual		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Principal	<b>250,000</b>	340,000	<b>250,000</b>	340,000
Interest	<b>1,253</b>	2,257	<b>1,253</b>	2,257
Funding costs	<b>(3,299)</b>	(3,875)	<b>(3,299)</b>	(3,875)
	<b>247,954</b>	338,382	<b>247,954</b>	338,382
Current	<b>182</b>	91,166	<b>182</b>	91,166
Noncurrent	<b>247,772</b>	247,216	<b>247,772</b>	247,216

The debentures are subject to certain quarterly covenants with which the Company was in compliance at June 30, 2023 and December 31, 2022. Financial covenants related to debentures are described below:

- Net debt/EBITDA lower than or equal to 3;
- EBITDA/net finance costs higher than or equal to 1.75.

As at June 30, 2023, R\$116,961 was amortized and R\$26,961 in interest was paid (amortization of R\$726,176 and R\$ 105,476 in interest paid as at December 31, 2022).

### (c) Leases

The present values of future minimum payments due by the Company and subsidiaries related to their leases are as follows:

	Individual		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2021
Within 1 year	<b>5,940</b>	5,805	<b>8,491</b>	9,748
From 1 to 5 years	<b>5,712</b>	8,446	<b>12,963</b>	17,280
	<b>11,652</b>	14,251	<b>21,454</b>	27,028

## Valid Soluções S.A.

Notes to individual and consolidated interim financial information  
Six-month period ended June 30, 2023  
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The carrying amounts of lease liabilities and changes in the period are shown below:

	Individual		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Opening balance:	14,251	16,078	27,028	116,415
Additions	81	3,852	1,138	16,130
Interest	671	1,353	1,082	5,161
Write-offs	-	(592)	-	(1,185)
Foreign exchange restatement	-	-	(4)	184
Foreign exchange differences (Equity)	-	-	(809)	(10,767)
Merger	-	213	-	-
Discontinued operations	-	-	-	(76,485)
Payments	(3,351)	(6,653)	(6,981)	(22,425)
Closing balance	11,652	14,251	21,454	27,028

The maturity of loans, financing and debentures at June 30, 2023 and December 31, 2022 (not including future charges) is as follows:

	Individual		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Within 1 year	79,037	168,538	235,632	272,053
From 1 to 2 years	92,254	134,788	155,067	232,723
From 2 to 3 years	146,837	155,722	175,398	186,212
From 3 to 4 years	117,864	107,497	117,863	107,497
From 4 to 5 years	56,839	41,642	56,840	41,642
	492,831	608,187	740,800	840,127

### Changes in liabilities from financing activities

	Individual					
	12/31/2022	Additions	Write-offs	Merger	Payment (principal + interest)	Allocation (interest + transaction cost)
Loans	269,805	82,440	-	-	(127,742)	20,374
Debentures	338,382	-	-	-	(116,961)	26,533
Leases	14,251	81	-	-	(3,351)	671
Total debt	622,438	82,521	-	-	(248,054)	47,578

	Individual					
	12/31/2021	Additions	Write-offs	Merger	Payment (principal + interest)	Allocation (interest + transaction cost)
Loans	166,874	216,332	-	-	(147,206)	33,805
Debentures	713,477	245,780	-	-	(726,176)	105,301
Leases	16,078	3,852	(592)	213	(6,653)	1,353
Total debt	896,429	465,964	(592)	213	(880,035)	140,459



## Valid Soluções S.A.

Notes to individual and consolidated interim financial information  
Six-month period ended June 30, 2023  
(In thousands, unless otherwise stated)

Consolidated									
	12/31/2021	Additions	Write-offs	Discontinued operations	Payment (principal + interest)	Allocation (interest + transaction cost)	Foreign exchange restatement – profit or loss	Foreign exchange differences (Equity)	06/30/2023
Loans	501,745	145,777	-	-	(164,749)	28,151	(2,481)	(15,597)	492,846
Debentures	338,382	-	-	-	(116,961)	26,533	-	-	247,954
Leases	27,028	1,138	52	-	(6,981)	1,082	(4)	(861)	21,454
Total debt	867,155	146,915	52	-	(288,691)	55,766	(2,485)	(16,458)	762,254

Consolidated									
	12/31/2021	Additions	Write-offs	Discontinued operations	Payment (principal + interest)	Allocation (interest + transaction cost)	Restatement	Foreign exchange differences (Equity)	12/31/2022
Loans	436,719	415,146	-	-	(374,160)	47,139	964	(24,063)	501,745
Financing	11	-	-	-	(11)	-	-	-	-
Debentures	713,477	245,780	-	-	(726,176)	105,301	-	-	338,382
Leases	116,415	16,130	(1,185)	(76,485)	(22,425)	5,161	184	(10,767)	27,028
Total debt	1,266,622	677,056	(1,185)	(76,485)	(1,122,772)	157,601	1,148	(34,830)	867,155

## 12. Provisions for litigation and legal proceedings

The Company and its subsidiaries are plaintiffs and defendants to tax, civil and labor legal and administrative proceedings, arising in the ordinary course of their business, and make judicial deposits as necessary. Provisions for possible disbursements arising out of such proceedings are estimated and restated by the Company management, supported by the opinion of its outside legal advisors.

The provision recorded for proceedings whose likelihood of loss has been assessed as probable is broken down as follows:

Individual						
	12/31/2022	Provisions	Reversals	Payments	Transfers	06/30/2023
Labor	14,603	10,925	(846)	(1,043)	(617)	23,022
Tax	13,746	6,071	-	(379)	-	19,438
Civil, commercial and other	28,054	437	(26)	(21,314)	-	7,151
	56,403	17,433	(872)	(22,736)	(617)	49,611

Individual						
	12/31/2021	Provisions	Reversals	Payments	Merger	12/31/2022
Labor	11,737	10,542	(6,065)	(2,046)	435	14,603
Tax	4,835	9,108	(36)	(161)	-	13,746
Civil, commercial and other	20,838	7,512	(74)	(242)	20	28,054
	37,410	27,162	(6,175)	(2,449)	455	56,403

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	Consolidated					
	12/31/2022	Provisions	Reversals	Payments	Foreign exchange differences	Transfers
Labor	16,420	11,014	(1,079)	(1,043)	(131)	(617)
Tax	20,152	8,069	(3,578)	(3,141)	(404)	-
Civil, commercial and other	29,558	477	(51)	(21,314)	-	-
	66,130	19,560	(4,708)	(25,498)	(535)	(617)

	Consolidated					
	12/31/2021	Provisions	Reversals	Payments	Foreign exchange differences	12/31/2022
Labor	13,793	12,280	(7,385)	(2,117)	(151)	16,420
Tax	10,024	12,847	(1,626)	(808)	(285)	20,152
Civil, commercial and other	21,731	8,268	(177)	(264)	-	29,558
	45,548	33,395	(9,188)	(3,189)	(436)	66,130

### Labor claims

- These refer to various labor claims, the most significant of which individually relate to overtime, acknowledgment of employment relationship, health/hazardous duty pay, equal pay for equal work, among other labor rights.

### Tax proceedings

- Debt annulment action in the amount of R\$1,628 at June 30, 2023 (R\$1,534 at December 31, 2022), deriving from deduction of financial investments frozen by the Collor Plan from the taxable profit, offset with credit in favor of the Company. This action is pending a final decision.
- Writ of Mandamus filed with the purpose of obtaining a declaration that the tax base of Contributions intended for Third Parties is subject to a limit of 20 minimum wages, as well as the right to reimbursement of the amounts "overpaid". The preliminary injunction was granted to the Company, which has opted to benefit from the right to the relief granted, which is why it decided to recognize a provision with the amounts granted to return them in case the injunction is revoked. On May 27, 2022, the suspension of the case was certified until the final judgment of Topic 1079 of the Brazilian High Court of Justice (STJ). At June 30, 2023, the provision amounted to R\$16,317 (R\$11,789 at December 31, 2022).

### Civil claims

- Civil proceeding filed against the Company on February 3, 2004 by a former sales representative, claiming severance pay and commissions due under a sales representation contract and compensation for termination. The proceeding is currently pending judgment at the appellate court. On April 16, 2021, the 3<sup>rd</sup> Vice-Presidency of the Court of Justice of the state of Rio de Janeiro dismissed the special appeal filed by the Company against the

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judgment of the 8<sup>th</sup> Civil Chamber of the Court of Justice of the state of Rio de Janeiro, which upheld the requests filed by the plaintiff. The likelihood of loss on this lawsuit became probable as of April 16, 2021 and, as a result, the corresponding provision, in the amount of R\$21,300 (R\$21,300 at December 31, 2022) was recorded. This lawsuit was paid on April 17, 2023 with no changes in provision.

- Collection action filed by United Arenas Ltda. against Valid, aiming at collecting rents referring to the movable property subject matter of the “Lease Agreement for the MM3000 Hologram Application Machine” entered into by the parties. A decision was rendered, partially granting the requests made by the plaintiff, which filed an appeal against a specific portion of the decision. At the same time, the plaintiff required the enforcement of the judgment to execute the entirety of the amount claimed in the main action. The Company appealed against the judgment by the STJ and, in the case records of the main action, filed an appeal to the STJ against the decision that upheld that appeal. This appeal has not yet been judged by the Brazilian High Court of Justice (STJ). In 2021, the likelihood of loss on this lawsuit was assessed as possible and, therefore, no provision was recorded. The Company recognized a provision in 2022 to cover probable losses. Provisional enforcement of judgment, attorney’s fee awards, proc. 0047004-58.2022.8.26.0100, an insurance policy was attached to secure the decision, and a rebuttal was presented and upheld. The Company filed a Motion for Clarification that is pending analysis and, as at June 30, 2023, the provision totals R\$6,989 (R\$6,616 as at December 31, 2022).

### Proceedings whose likelihood of loss has been assessed as possible

No provision was recognized for legal and administrative proceedings whose likelihood of loss is assessed as possible by management, based on the opinion of outside legal advisors. These proceedings are as follows:

	Individual		Consolidated	
	06/30/2023	12/31/2022	06/30/2023	12/31/2022
Labor (i)	36,093	47,330	38,841	50,504
Tax (ii)	287,609	240,598	298,909	258,154
Civil, commercial and other (iii)	23,945	26,174	48,330	43,046
Criminal (iv)	22,742	21,705	22,742	21,705
	<b>370,389</b>	<b>335,807</b>	<b>408,822</b>	<b>373,409</b>

#### (i) Labor claims

The Company is a party to various labor claims, mostly seeking overtime, acknowledgment of employment relationship, health/hazardous duty pay, equal pay for equal work, and FGTS and INSS-related benefits, among other labor rights.

## Valid Soluções S.A.

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### (ii) Tax proceedings

- Federal Value-Added Tax (IPI): the Company was served notices of tax deficiency, from 2010 to 2013, by federal tax authorities under the allegation that the tax classification of the Company's customized prints should be different from the one adopted. Pursuant to the tax code informed by the Brazilian IRS, the materials produced by the Company should be subject to IPI taxation and, therefore, the Company should be considered an IPI taxpayer to the Federal Government. Under the same notice of deficiency, the tax authorities used IPI credits that were accumulated due to acquisition of inputs used in the production of said prints, to reduce the calculated debts subject matter of the tax deficiency notices. As a result of amortization of IPI credits with debts, the taxation authorities disallowed the offset returns in which those credits were used. Given a change in financial guidance on the issue, the Company no longer offsets accumulated tax credits against other federal taxes, but requires refund in cash of the corresponding amounts. In August 2022, the Company was notified of the unfavorable decision for the administrative proceedings. The Company appealed and the proceeding is pending a review by the Administrative Board of Tax Appeals (CARF). At June 30, 2023, the restated amount of these proceedings is R\$16,580 (R\$15,932 at December 31, 2021).
- The Company was served a notice of tax deficiency by the São Paulo State Department of Finance requiring payment of alleged ICMS amounts from January 2012 to December 2013, as the tax authorities understand that ICMS payment is required on (i) transfers between facilities owned by the same entity and (ii) shipments to other facilities taxed as services rendered. At June 30, 2023, the restated amount of the proceeding is R\$121,980 (R\$117,994 at December 31, 2022). On April 19, 2017, a decision partially favorable to the Company was awarded. Appeals to the High Court of Justice have been filed. Currently, such appeals await trial. In May 2017, in a judgment session, by unanimous vote, it partially granted the Ordinary Appeal filed by the Company and dismissed the Mandatory Review. In July 2017, an appeal to the STJ was filed by the State Finance Department. In August 2017, the Company filed an appeal to the STJ and a reply brief was presented to the appeal to the STJ filed by the State Finance Department. The referred to appeals filed are currently awaiting inclusion in the court's trial docket by Court of Taxes and Fees (TIT-SP).
- The Company was served notices of tax deficiency by the Brazilian IRS related to income and social contribution taxes for calendar years 2014 and 2015. A challenge has been lodged and partially accepted. With a voluntary appeal filed, it is currently awaiting trial at CARF. At June 30, 2023, the restated amount of the proceeding is R\$28,501 (R\$27,268 at December 31, 2022).
- Notice of tax deficiency for collection of ISS against Valid Certificadora for alleged incorrect classification of the digital certification activity. At June 30, 2023, the restated amount is R\$8,299 (R\$7,685 at December 31, 2022).
- On March 24, 2017, an ordinary proceeding received a final decision favoring the Company.

## Valid Soluções S.A.

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Valid managed to validate the credits on September 4, 2018. On December 21, 2018, Valid began transmitting the requests for offsetting through the E-Request for Federal Tax Recovery, Refund or Offset (PER/DCOMP) to use the credits validated and recognized in court, in the amount of R\$30,931, against PIS and COFINS payable. However, on May 5, 2023, the Internal Revenue Service Office (DRF) in Sorocaba issued an order not approving the offsetting declared by Valid, resulting in charges in the amount of R\$31,224, plus interest and late payment penalty. On June 6, 2023, Valid filed an appeal (which awaits trial) challenging the order. In June 2023, the restated amount is R\$46,168 (principal amount + interest and fine).

In addition, the Company is a plaintiff in the following tax proceedings:

- Proceeding referring to tax credits related to the collection of IPI, due to alleged classification error for certain graphic prints, from January to December 2007. In July 2021, the Company filed the case documents. In December 2022, the appeal filed by the Federal Government was included in the trial docket of the court session held in January 25, 2023. This appeal was upheld. The Company is seeking a new decision with the judges of the panel. At June 30, 2023, the restated amount of this proceeding is R\$19,771 (R\$18,998 at December 31, 2022).
- Proceeding referring to tax credits related to the collection of IPI, due to alleged classification error for certain graphic prints, from April to December 2006. This proceeding is currently awaiting inclusion in the court's trial docket to judge the Federal Government's appeal and the Company's reply brief. In January 2023, the Federal Government's appeal was upheld. The Company is seeking a new decision with the judges of the panel. At June 30, 2023, the restated amount of this proceeding is R\$26,912 (R\$25,860 at December 31, 2022).
- Tax foreclosure filed by the State Finance Department against Valid Soluções S.A. for collection of Cofins debts related to the periods from August to December 1996 and from January 1997 to December 2001. The stay of execution filed by the Company was upheld, recognizing the nullity of the enforcement order on the grounds that the taxes contained in the certificate attesting to existence of debts included in the roster of debtors to federal government were not subject to assessment, disregarding the offsets indicated therein (against PIS credits), and that the amounts were registered without due notice to the appellant. Tax foreclosure suspended, pending judgment of the appeal filed in the case records. At June 30, 2023, the restated amount is R\$4,842 (R\$4,724 at December 31, 2022).

### (iii) Civil, commercial and other proceedings

- Civil proceeding filed by the Company on July 9, 2007, claiming annulment or otherwise reduction of the fine imposed by ANATEL. The proceeding is currently pending judgment at the appellate court. At June 30, 2023, the restated amount of the proceeding, considering a refund of amounts received, is R\$14,691 (R\$14,606 at December 31, 2022).

## **Valid Soluções S.A.**

Notes to individual and consolidated interim financial information

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- Collection action filed by Notre Dame Seguradora due to termination of the group health insurance contract. The claims were dismissed in the lower and higher courts. The plaintiff appealed and the STJ accepted the appeal, returning the case records to the lower court for production of expert evidence. An expert analysis was conducted and the report was inconclusive because Notre Dame failed to present the documents requested by the expert. At June 30, 2023, the restated amount of the proceeding is R\$1,376 (R\$1,330 at December 31, 2022).

### **(iv) Criminal proceeding**

This refers to a preliminary injunction for the confiscation of assets determined by virtue of a decision issued by the 10<sup>th</sup> Federal Criminal Court, which determined the seizure of the Company's assets up to the limit of R\$22,742 on December 7, 2021. The Company requested that the amounts frozen be replaced by surety bond. This decision was made in connection with the Police Investigation intended to investigate alleged irregularities in the bidding process for printing of the tests of the National High School Exam (ENEM) between 2010 and 2019, in connection with which search and seizure warrants were executed at the Company's plants in December 2021. The surety bond presented by the Company was accepted. In April 2022, the Company filed an appellate brief. The Company engaged a specialized law firm to monitor the progress of the case until its conclusion.

## Valid Soluções S.A.

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### 13. Transactions with related parties

	Individual	
	06/30/2023	12/31/2022
Current		
Accounts receivable		
Valid Argentina	19,342	5,196
Valid Sucursal	6,170	4,608
Valid Certificadora	-	867
Valid Link	720	1,544
Valid Hub	79	2,888
Other	67	58
Total accounts receivable	26,378	15,161
Intercompany loan receivable		
Serbet	-	3,848
Total intercompany loans receivable	-	3,848
Total current assets	26,378	19,009
Noncurrent		
Intercompany loan receivable		
Valid Spain	32,331	88,192
Valid Hub	7,285	-
Serbet	3,690	-
Total intercompany loans receivable	43,306	88,192
Total noncurrent assets	43,306	88,192
Total assets	69,684	107,201

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	Individual	
	06/30/2023	12/31/2022
Current		
Accounts payable		
Mitra	-	(189)
Valid Spain	(2,247)	(2,068)
Valid AS	(3,257)	(4,629)
Other	(81)	(88)
Total accounts payable	(5,585)	(6,974)
Total current liabilities	(5,585)	(6,974)
Noncurrent		
Accounts payable		
Mitra	(2,266)	(2,134)
Total accounts payable	(2,266)	(2,134)
Total noncurrent liabilities	(2,266)	(2,134)
Total liabilities	(7,851)	(9,108)



## Valid Soluções S.A.

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	Individual	
	06/30/2023	06/30/2022
Statement of profit or loss		
Net revenues		
Valid Sucursal	1,964	524
Interprint	-	331
Certificadora	5	109
Valid Argentina	16,646	-
Mitra	134	112
Valid Hub	139	87
Other	64	17
	<b>18,952</b>	<b>1,180</b>
Cost of sales and services		
Valid Certificadora	(30)	(74)
Valid Spain	(20,317)	(8,268)
Valid AS	(23,064)	(32,238)
Other	(210)	(166)
	<b>(43,621)</b>	<b>(40,746)</b>
Finance income (costs)		
Valid Hub	284	-
Serbet	241	-
Valid Spain	3,154	33,167
Valid Spain	(2,294)	(71,339)
	<b>1,385</b>	<b>(38,172)</b>

These refer to intercompany purchases of inputs for production according to the parties' needs, and there is no agreement entered into for minimum production. Days sales/payable outstanding is 35 days and all transactions are conducted in accordance with market practices.

A summary of the contractual conditions for intercompany loans maintained by the Group is as follows:

Intercompany loan	Spain (a.1)	Serbet (a.2)	Valid Hub (a.3)	Valid Spain (a.4)	Valid Sucursal (a.5)
Origin	Valid	Valid	Valid	Valid USA	Valid Spain
Total amount	EUR 22,728	R\$ 4,300	R\$ 4,000	US\$ 8,00	US\$ 5,000
Date of loan	05/03/2021	08/03/2022	01/30/2023	03/21/2023	06/01/2023
Maturity date*	05/03/2026	08/03/2025	07/05/2025	03/21/2024	05/31/2025
Interest	6.00% p.a.	8.0% p.a. + IPCA	8.0% p.a.	SOFR + 2.5% p.a.	8% p.a.
Repayment of principal	Bullet	Bullet	6 fixed installments (from 02/05/25)	Bullet	Bullet
Balance in debt currency at 06/30/2023:	EUR 6,143	R\$3,690	R\$7,285	US\$8,025	US\$1,012
Restated balance at 06/30/2023 – R\$:	R\$32,331*	R\$3,690*	R\$7,285	R\$40,773	R\$4,881

\* The contract provides for annual automatic renewals.

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Other transactions between related parties related to the sale of inputs:

	06/30/2023	12/31/2022
<b>Between Valid Spain and:</b>		
Argentina	5	4,268
Valid USA	1,062	2,727
Valid Sucursal	20,259	31,760
Valid Mexico	12,457	16,213
Valid Nigeria	2,688	2,897
	<b>36,471</b>	<b>57,865</b>
<b>Between Valid A/S and:</b>		
Spain	63,902	49,910
Valid Nigeria	20,212	17,413
Valid USA	-	28,537
Valid Argentina	29,702	26,731
Valid China	1,008	1,091
	<b>114,824</b>	<b>123,682</b>

These transactions are eliminated in full on consolidation.

### Compensation paid to the Executive Board, Board of Directors and Supervisory Board

For the six-month periods ended June 30, 2023 and 2022, compensation paid to the board of directors, executive board, supervisory board, and other management members, including social charges and other benefits, is as follows:

Consolidated	Board of Directors	Supervisory Board	Statutory Board	Other management members	06/30/2023
<b>Annual fixed compensation</b>	<b>1,042</b>	<b>245</b>	<b>5,811</b>	<b>4,164</b>	<b>11,262</b>
Compensation	869	204	3,996	3,439	8,508
Charges and benefits	173	41	1,544	608	2,366
Private pension plan	-	-	271	117	388
<b>Annual variable compensation</b>	<b>-</b>	<b>-</b>	<b>6,733</b>	<b>2,279</b>	<b>9,012</b>
Variable compensation	-	-	3,128	2,100	5,228
Share-based payment	-	-	2,924	87	3,011
Charges borne by the employer	-	-	681	92	773
<b>Total compensation</b>	<b>1,042</b>	<b>245</b>	<b>12,544</b>	<b>6,443</b>	<b>20,274</b>

(\*) The compensation paid to Executive Board, Board of Directors and Supervisory Board approved at the Annual General Meeting held on April 20, 2023 corresponds to R\$19,633.

## Valid Soluções S.A.

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Consolidated	Board of Directors	Supervisory Board	Statutory Board	Other management members	06/30/2022
<b>Annual fixed compensation</b>	1,065	314	2,063	1,220	4,662
Compensation	875	276	1,177	843	3,171
Charges and benefits	190	38	788	320	1,336
Private pension plan	-	-	98	57	155
<b>Annual variable compensation</b>	-	-	6,351	654	7,005
Variable compensation	-	-	744	434	1,178
Share-based payment	-	-	4,021	-	4,021
Charges borne by the employer	-	-	1,586	220	1,806
<b>Total compensation</b>	1,065	314	8,414	1,874	11,667

(\*) The compensation paid to Executive Board, Board of Directors and Supervisory Board approved at the Annual General Meeting held on April 20, 2022 corresponds to R\$18,928.

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### 14. Equity

#### a) Capital

At the meeting held on January 7, 2021, the Board of Directors approved the Company's capital increase and the issue of an additional subscription warrant capped at the authorized capital. After the limit period foreseen for the shareholders to acquire the shares, a capital increase was made through issue of 10,845,387 shares, which represented a contribution in the amount of R\$99,005, and a subscription warrant was granted to each share in the capital increase process, which may be converted into the Company's shares in the future. The conversion value of the shares provided for in the subscription warrant is R\$10.67 (ten reais and sixty-seven cents). Accordingly, capital net of share issue costs increased from R\$904,508 to R\$1,003,527, represented by 82,070,387 registered book-entry common shares, with no par value.

At the meeting held on March 9, 2022, the Board of Directors approved the Company's capital increase as a result of the exercise of part of the subscription warrants issued on March 12, 2021, in the amount of R\$4,322, through issue of 405,055 new registered book-entry common shares, with no par value. Accordingly, capital net of share issue costs increased from R\$1,003,527 to R\$1,007,849, represented by 82,475,442 registered book-entry common shares, with no par value.

At the meeting held on September 12, 2022, the Board of Directors approved the Company's capital increase as a result of the exercise of part of the subscription warrants issued on March 12, 2021, in the amount of R\$14,521, through issue of 1,360,933 new registered book-entry common shares, with no par value. Accordingly, capital net of share issue costs increased from R\$1,007,849 to R\$1,022,370, represented by 83,836,375 registered book-entry common shares, with no par value.

At the meeting held on December 30, 2022, the Board of Directors approved the cancellation of 2,000,000 registered book-entry common shares, with no par value and held in treasury, without changing the capital amount, and accounted for pursuant to the law. Accordingly, capital net of share issue costs decreased from R\$1,022,370, represented by 83,836,375 shares, to 81,836,375 registered book-entry common shares, with no par value.

The reconciliation of the Company's capital in accordance with its bylaws and financial information as at June 30, 2023 and December 31, 2022 is as follows:

Capital according to bylaws	1,037,550
Share issue costs in 2015	(15,180)
Capital net of share issue costs, according to the financial information	<u>1,022,370</u>

The Company is authorized to increase capital up to the limit of 100,000,000 common shares, including common shares already issued.

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### b) Capital reserves and treasury shares

#### *Recognized stock options and restricted shares*

As the stock option programs were terminated in 2012 and 2019, the Company had a capital reserve for stock options granted of R\$12,517 at December 31, 2020.

A Company's Long-Term Incentive Plan "PILP" (restricted shares) was approved at the Special General Meeting held on April 29, 2021. The fixed share price considered the average of the last 90 stock trading sessions (before the Special and Annual General Meeting) with a vesting period of up to the fourth year of the grant; 2,530,023 shares were estimated for the plan. The Binomial model was used and considered the "Protective Put" logic, which would be the cost that the shareholder would have to incur to maintain their expected gain at the time of exercise by acquiring a share put option at the share price at the time of the exercise of the stock option arising from the Long-Term Incentive Plan.

The Company recognized R\$546 as expense in the six-month period ended June 30, 2023 (R\$882 in 2022) matched against the capital reserve for stock options granted.

The summary of the plan's conditions is as follows:

Grant date	Options granted	Maturity date	Fair value (in reais)	Changes in the number of options					
				Balance at beginning of year	Granted during the year	Exercised during the year	Canceled during the year	Vested during the year	Balance at end of year
Matching program - 2021	133,764	May/21	R\$8.78	-	-	-	-	-	-
Matching program - 2021 - B	377,804	Jul/21	R\$8.78	88,008	-	(11,470)	(52,734)	(23,804)	-
RSU program - 2021 - 1	233,333	May/21	R\$8.78	-	-	-	-	-	-
RSU program - 2021 - 2	233,333	May/22	R\$8.78	-	-	-	-	-	-
RSU program - 2021 - 3	233,334	May/23	R\$8.78	233,334	-	(233,334)	-	-	-
SOP program - 2021 - 1	138,126	May/21	R\$8.78	87,126	-	-	(43,563)	-	43,563
SOP program - 2021 - 2	138,126	May/22	R\$8.78	87,122	-	-	(43,563)	-	43,559
SOP program - 2021 - 3	138,126	May/23	R\$8.78	-	-	-	-	-	-
SOP program - 2021 - 4	138,122	May/24	R\$8.78	-	-	-	-	-	-
SOP program - 2021 - B	67,500	May/21	R\$8.78	101,250	-	-	(67,500)	(33,750)	-
SOP program - 2021 - B	67,500	May/22	R\$8.78	101,250	-	-	(67,500)	(33,750)	-
SOP program - 2021 - B	67,500	May/23	R\$8.78	-	-	-	-	-	-
SOP program - 2021 - B	67,500	May/24	R\$8.78	-	-	-	-	-	-
SOP program - 2021 - G	181,348	Jul/21	R\$8.78	-	-	-	-	-	-
SOP program 2022 Managers	51,334	Jul/23	R\$9.41	-	-	-	-	-	-
SOP program 2022 Managers	51,325	Jul/23	R\$9.58	88,187	-	(72,671)	(7,094)	(8,422)	-
SOP program 2021 Managers	-	Jul/23	R\$9.41	25,287	-	(5,735)	(7,650)	(11,902)	-
Matching program 2022.1	12,353	Jul/23	R\$10.12	12,353	-	-	-	-	12,353
Matching program 2022.2	12,354	Jul/23	R\$10.12	12,354	-	-	-	-	12,354
SOP Program _ CFO.1	35,000	Jul/23	R\$9.58	35,000	-	-	(35,000)	-	-
SOP Program _ CFO.2	35,000	Jul/23	R\$9.58	35,000	-	-	(35,000)	-	-
SOP Program 2022.1	60,000	Aug/25	R\$8.78	60,000	-	-	-	-	60,000
SOP Program 2022.2	60,000	Aug/25	R\$8.78	60,000	-	-	-	-	60,000
Matching Program _ CFO.1	20,629	Jul/23	R\$6.70	20,629	-	-	(20,629)	-	-
Matching Program _ CFO.2	20,630	Jul/23	R\$6.70	20,630	-	-	(20,630)	-	-
SOP program Managers 2023	121,392	May/24	R\$6.18	-	121,392	-	-	-	121,392
<b>Total</b>	<b>2,695,433</b>		<b>R\$8.76</b>	<b>1,067,530</b>	<b>121,392</b>	<b>(323,210)</b>	<b>(400,863)</b>	<b>(111,628)</b>	<b>353,221</b>

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### *Treasury shares*

Since January 2008, the Company has approved, through its Board of Directors, programs to buy back common shares issued by the Company in order to keep them in treasury and, subsequently, dispose of and/or use them to meet obligations stemming from the key management compensation programs. Considering that the number of shares will always be below the maximum limit, the Board of Directors may review, at any time, the number of authorized shares, and supplement the legal limit of 10% of total free float. These shares are acquired with the funds from the Company's cash.

Changes in the buyback programs are as follows:

Date of approval	Maximum number to be acquired	Free float %	End date
11/12/2019	1,000,000 shares	1.45%	05/12/2021
10/19/2021	2,000,000 shares	2.48%	10/20/2022
04/19/2022	1,000,000 shares	1.21%	12/30/2023

In the six-month period ended June 30, 2023, the Company delivered 255,888 shares as part of the long-term incentive program.

At June 30, 2023, the Company holds 1,755,985 common shares in treasury in the amount of R\$25,620 (2,011,873 shares at December 31, 2022 in the amount of R\$25,666), whose weighted average cost of acquisition and minimum and maximum costs are as follows:

Type	Individual (in reais)		
	Share price – Minimum	Share price – Maximum	Share price – Weighted
Share acquisition cost	7.53	25.39	14.59

Based on the last market quote available at June 30, 2023, treasury shares total R\$25,725, with weighted average price, and minimum and maximum price at June 30, 2023 as follows:

Type	Price (in reais)			
	Share price – Minimum	Share price – Maximum	Share price – Weighted	Share price – Last quote
Current share price	8.03	15.60	10.83	14.65

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### c) Income reserves

#### *Legal reserve*

The legal reserve is recognized upon allocation, at year end, of 5% of net income for the year, in conformity with article 193 of the Brazilian Corporation Law.

#### *Investment reserve*

This is intended to be used in investments considered in the capital budget, in conformity with article 196 of the Brazilian Corporation Law.

Balances at December 31, 2022:	42,790
Treasury shares canceled	(25,515)
Investment reserve recognized referring to income for 2022	2,255
Subsidiary reserve	1,404
Dividends paid to noncontrolling shareholders	(30)
Adjustments for inflation to foreign subsidiary	13,601
Balance at December 31, 2022	34,505
Adjustments for inflation to foreign subsidiary	8,250
Subsidiary reserve	(99)
Balance at June 30, 2023	42,656

### d) Dividends and interest on equity

<u>Dividends and interest on equity (IOE) payable</u>	<u>Amount per share (in reais)</u>	<u>Date</u>	<u>Individual and Consolidated</u>
Balance at December 31, 2021			23,156
Payment of declared IOE referring to 2021	R\$0.29035	01/31/2022	(23,144)
Declared IOE referring to 2022	R\$0.26303	12/20/2022	21,000
Balance at December 31, 2022			21,012
Payment of declared IOE referring to 2022	R\$0.26303	01/31/2023	(21,007)
Declared IOE referring to 2023	R\$0.18000	05/09/2023	14,414
Payment of declared IOE referring to 2023	R\$0.18000	05/22/2023	(14,414)
Balance at June 30, 2023			5

Interest on equity is calculated based on the Long-Term Interest Rate (TJLP) variation, under the terms of Law No. 9249/95, and is accounted for as finance costs, as required by the tax legislation. For financial statements presentation purposes, IOE is presented as a reduction of retained earnings in equity.

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Interest on equity is subject to withholding income tax at the rate of 15%, except for immune or exempt shareholders, as determined in Law No. 9249/95. The Company's Articles of Incorporation establish mandatory minimum dividend of 25%, calculated on annual net income, adjusted in accordance with article 202 of Law No. 6404/76.

### e) Other comprehensive income

#### *Cumulative translation adjustments*

In conformity with CVM Rule No. 640 of October 7, 2010, which approved Accounting Pronouncement CPC 02 (R2) - The Effects of Changes in Foreign Exchange Rates and Translation of Financial Statements ("CPC 02"), equivalent to IAS 21, which determines that foreign exchange adjustments of foreign investments should be recognized in the Parent Company's equity, the Company recognized a "cumulative translation adjustment" account, arising from translation of the financial statements of foreign subsidiaries, and from the translation of the respective goodwill resulting from their acquisitions. The differences are a consequence of fluctuations in the subsidiaries' functional currencies (Dollar, Euro and Peso), when different from the Brazilian real.

#### *Hedge of net investment in a foreign operation*

Pursuant to CPC 48 (IFRS 09), hedging transactions of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on hedge investment related to the effective portion is recognized in other comprehensive income, in equity. The gain or loss relating to the non-effective portion is immediately recognized in the statement of profit or loss. Gains and losses accumulated in equity are included in the statement of profit or loss when the foreign operation is partially or fully disposed of or sold. Subsidiary Valid Spain presents net investments in foreign operations in US dollars and records exchange differences in other comprehensive income, as defined by IAS 21.

This transaction reflected exchange fluctuations deriving from parity between the US dollar (investment currency) and the euro (functional currency of Valid Spain). In the first half of 2018, the Company decided to improve its current risk management structure and has been analyzing manners to mitigate currency fluctuations recorded in equity. As such, in order to hedge against foreign exchange differences, the Company decided to maintain a minimum percentage of the net investments in foreign operations hedged against currency fluctuation (investment in Valid USA (US dollar)) and designated non-derivative instruments to hedge the foreign exchange differences. The operation ended in the year ended December 31, 2022.



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### f) Noncontrolling interests

	06/30/2023	12/31/2022
Opening balances	37,308	47,722
Share in profit or loss for the period	(2,144)	(8,976)
Dividends paid to noncontrolling shareholders	(450)	(464)
Cumulative translation adjustments	(1,084)	(974)
Closing balances	33,630	37,308

## 15. Earnings per share

	Individual	
	06/30/2023	06/30/2022
Profit or loss attributed to the parent company's common shareholders	116,978	(22,385)
Weighted average number of common shares used to calculate earnings per share	79,921	79,179
Basic earnings (loss) per share (in reais)	1.46367	(0.28271)
Earnings (loss) per share referring to continuing operations	1.46367	0.41250
Earnings (loss) per share referring to discontinued operations	-	(0.69521)

Basic earnings (loss) per share are calculated by dividing net income (loss) for the period attributed to the Company's common shareholders by the weighted average number of common shares outstanding in the period. For the years presented, the Company's basic and diluted earnings (loss) per share are the same, considering that the Company and its subsidiaries do not have any instruments with potential dilutive effect. The weighted average of the number of common shares used in the calculation corresponds to the average number of free-floating shares in the periods presented.

## 16. Sales revenue, net

	Individual		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
				(Restated)
Gross revenue from products sold	47,729	35,282	274,382	205,306
Gross revenue from services rendered	581,361	470,492	875,357	781,350
Total gross revenue	629,090	505,774	1,149,739	986,656
Sales taxes	(76,490)	(63,408)	(85,008)	(74,991)
Sales returns	(1,078)	(5,542)	(1,096)	(7,279)
Net sales revenue	551,522	436,824	1,063,635	904,386

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### 17. Costs and expenses by nature

The Company elected to present its statement of profit or loss by function. Breakdown of costs and expenses by nature is as follows:

Expenses by nature	Individual		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022 (Restated)
Labor	100,326	94,659	197,996	177,567
Employee benefits	19,795	16,036	26,709	22,930
Taxes and charges	19,586	16,791	38,250	33,585
Operating lease	7,279	6,937	7,497	9,162
Depreciation and amortization	26,082	21,857	49,932	47,931
Consumables/raw material	149,231	128,351	315,964	257,994
Third-party services	39,933	20,383	69,839	61,219
Maintenance	6,705	7,187	9,344	9,663
Utilities and services	42,649	40,093	61,857	65,845
Sales commissions	3,973	5,062	13,182	13,663
Freight on sales	4,411	4,060	7,701	10,411
General and other expenses	22,730	10,022	35,543	21,849
Total expenses by nature	442,700	371,438	833,814	731,819
Classified as:				
Cost of sales and/or services	366,275	320,587	662,794	584,205
Selling expenses	27,182	27,070	94,243	91,506
General and administrative expenses	49,243	23,781	76,777	56,108
Total	442,700	371,438	833,814	731,819

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### 18. Finance income and costs

	Individual		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Finance income				
Financial investment yield	20,274	17,723	28,023	20,682
Foreign exchange difference and interest on intercompany loans	3,508	33,167	2,860	37,131
Foreign exchange difference on loans	-	-	7,809	1,368
Other foreign exchange differences	2,566	2,477	48,413	37,563
Foreign exchange differences, interest and restatement of leases	127	946	160	1007
Marketable securities	1,228	502	1,228	502
Credits and financial adjustments on tax credits	1,716	6,196	1,716	6,816
Other finance income	1,064	1,520	4,028	1,611
Total finance income	30,483	62,531	94,237	106,680
Finance costs				
Interest on debentures, loans and financing	(46,907)	(63,795)	(54,684)	(68,679)
Foreign exchange difference and interest on intercompany loans	(2,294)	(71,339)	(3,527)	(82,085)
Foreign exchange difference on loans	-	-	(5,328)	(4,210)
Other foreign exchange differences	(2,669)	(1,221)	(71,344)	(36,713)
Bank expenses	(2,176)	(8,960)	(4,871)	(11,006)
Interest, restatement and foreign exchange differences on leases	(784)	(640)	(1,302)	(3,281)
Other finance costs	(4,172)	(893)	(4,793)	(2,172)
Total finance costs	(59,002)	(146,848)	(145,849)	(208,146)
Total finance income and costs	(28,519)	(84,317)	(51,612)	(101,466)

### 19. Other operating income (expenses)

	Individual		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Restructuring costs	-	2,232	-	2,232
Amortization of asset revaluation surplus	(388)	-	(7,201)	(7,048)
Loss on sale of PPE and provision for obsolescence	(357)	(280)	(357)	(4,088)
Other operating income and expenses, net	(3,176)	(2,070)	(7,067)	(8,516)
Contingencies – Sorocaba Plant <sup>(1)</sup>	(8,803)	-	(8,803)	-
Total other operating expenses	(12,724)	(118)	(23,428)	(17,420)

(1) Provision for labor proceedings relating to the continuous form paper plant in Sorocaba.

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### 20. Segment information

For management purposes, the Company is organized into business units based on its products and services and has three reportable operating segments:

a) Means of payment

In this segment, integrated products and solutions, such as chip and magnetic stripe cards, gift cards, check printing, invoices and bank statements are offered. In addition, solutions in Radio Frequency Identification - RFID, contactless cards and mobile payments (through TSM - Trusted Service Manager and HCE - Host Card Emulation, via NFC - Near Field Communication) are also offered.

b) Identification

The identification segment provides physical and electronic solutions, such as data collection, storage and management, security prints, recognition and digital printing that meet this demand. All these technologies make a cross-reference between the database and the data contained in the document or portable media, such as paper, plastic or even electronic communication means, to check authenticity or status. The main identification documents are identity cards, drivers' licenses, class council cards, and stamps for brand security and authenticity.

The Company offers a full-service structure, with wide service fronts, which include the generation of computerized systems for the administration of databases, the collection of biometric data, the printing and customization of official identification documents, solutions for Smart Cities, traceable stamps and Digital Certification services.

c) Mobile

The broad telecommunications portfolio offered by the Company includes services of issuing statements and technologies for use in cell phones, in addition to innovations resulting from digital mobility, such as NFC, TSM and HCE solutions for mobile service providers.

In this segment, the Company provides services that improve the communication between telephone service providers and their customers, in the development of technologies for use in cell phones - such as recharge and payment - and also in the production of cards intended for telecommunications. SIM Cards are the main product of this business unit.

Focusing on the mobile market trends, Valid is actively participating in the different initiatives associated with the evolution of the SIM card, specifically the one called eUICC (embedded UICC). This new phase of SIM cards considers a broader market since SIM cards are now part of the connectivity related to the initiatives Machine to Machine and Internet of Things (IoT); the chip will be used not only in a mobile phone but also in other types of devices, such as automobiles, power meters, etc. In this new context, the solution considers not only the chip, but also a chip activation platform (known as Subscription Manager).

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The Company management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated mainly based on the profit allocated by segment, which comprises net revenue less costs, selling and administrative expenses; accordingly, other net operating income and expenses, equity pickup, finance income (costs), and income and social contribution tax expenses are not considered.

Significant information on profit, assets and liabilities per business segment is summarized below:

06/30/2023	Identification	Means of payment	Mobile	Eliminations	Consolidated
Revenues					
Revenues from customers	342,769	399,968	320,898	-	1,063,635
Intersegment revenues	634	79,554	117,649	(197,837)	-
Total revenues	343,403	479,522	438,547	(197,837)	1,063,635
Costs	(197,947)	(292,952)	(171,895)	-	(662,794)
Selling expenses	(26,544)	(12,764)	(54,935)	-	(94,243)
Administrative expenses	(27,657)	(25,059)	(24,061)	-	(76,777)
Intersegment costs and expenses	(634)	(79,554)	(117,649)	197,837	-
Finance income (costs), net	-	-	-	-	(51,612)
Other operating expenses, net	-	-	-	-	(23,428)
Impairment	-	-	-	-	-
Equity pickup	-	-	-	-	(1,556)
Income and social contribution taxes (IRPJ/CSLL)	-	-	-	-	(38,391)
Net income for the period	-	-	-	-	114,834

06/30/2023	Identification	Means of payment	Mobile	Eliminations	Consolidated
Operating assets	256,569	518,615	451,589	(185,683)	1,041,090
Trade accounts receivable	125,630	198,850	292,454	(185,683)	431,251
Inventories	27,372	209,009	127,262	-	363,643
Property, plant and equipment	103,567	110,756	31,873	-	246,196
Operating liabilities	46,627	76,526	218,931	(185,984)	156,100
Trade accounts payable and obligations arising from purchase of goods and services	46,627	76,526	218,931	(185,984)	156,100

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06/30/2022 (Restated)	Identification	Means of payment	Mobile	Eliminations	Consolidated
Revenues					
Revenues from customers	282,931	315,376	306,079	-	904,386
Intersegment revenues	917	70,480	90,627	(162,024)	-
Total revenues	283,848	385,856	396,706	(162,024)	904,386
Costs	(178,639)	(244,306)	(161,260)	-	(584,205)
Selling expenses	(20,602)	(14,049)	(56,855)	-	(91,506)
Administrative expenses	(15,136)	(20,179)	(20,793)	-	(56,108)
Intersegment costs and expenses	(917)	(70,480)	(90,627)	162,024	-
Finance income (costs), net	-	-	-	-	(101,466)
Other operating expenses, net	-	-	-	-	(17,420)
Impairment	-	-	-	-	-
Equity pickup	-	-	-	-	(1,230)
Income and social contribution taxes (IRPJ/CSLL)	-	-	-	-	(18,144)
Net income for the period	-	-	-	-	34,307
12/31/2022	Identification	Means of payment	Mobile	Eliminations	Consolidated
Operating assets	298,257	347,818	519,410	(207,829)	957,656
Trade accounts receivable	122,594	109,635	326,533	(207,829)	350,933
Inventories	18,593	179,927	145,641	-	344,161
Property, plant and equipment	157,070	58,256	47,236	-	262,562
Operating liabilities	60,415	92,113	240,961	(207,528)	185,961
Trade accounts payable and obligations arising from purchase of goods and services	60,415	92,113	240,961	(207,528)	185,961

“Other operating expenses, net”, “Finance income (costs), net”, and “Income and social contribution taxes” are presented in the table above on a non-segmented basis, as the Company understands that these items are not directly related to any operating segment.

The Company and its subsidiaries operate in the following geographic areas: Brazil (home country), Spain, Argentina, USA, Colombia, Uruguay, Mexico, Denmark, Republic of Mauritius, Singapore, Panama, South Africa, Nigeria, United Arab Emirates, India, Indonesia, Taiwan, China and Ireland.

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Because they are individually immaterial, revenues and noncurrent assets from operations in foreign countries, except for the USA, Argentina and EMEAA, have been disclosed in the aggregate, as follows:

Revenues by geographic distribution	Consolidated	
	06/30/2023	06/30/2022 (Restated)
In the entity's home country - Brazil	598,241	528,695
In Argentina	104,462	64,849
In EMEAA (**)	230,428	202,124
In other foreign countries	98,817	61,107
In the USA	31,687	47,611
Total	1,063,635	904,386

Noncurrent assets <sup>(1)</sup>	Consolidated	
	06/30/2023	12/31/2022
In the entity's home country - Brazil	784,840	715,924
In Argentina	16,685	19,004
In EMEA <sup>(2)</sup>	456,106	505,344
In the USA	2,169	-
In other foreign countries	6,903	7,505
Total	1,266,703	1,247,777

(1) Does not include deferred taxes.

(2) The following countries are considered in this line: Denmark, Republic of Mauritius, Singapore, Panama, South Africa, United Arab Emirates, India, Spain, Indonesia, China and Nigeria.

### d) Information on major customers

In line with IFRS 8 (CPC 22) – Operating Segments, the Company management informs that there is no transaction with one single foreign customer that accounts for 10% or more of the total revenue of the Company and its subsidiaries.

## 21. Retirement benefit plans

The Company offers defined contribution pension plans to employees located in Brazil based on the groups defined in the internal pension plan policy. The plan assets are maintained separately from those of the Company and its subsidiaries, in funds controlled by trustees.

The Company contributes a specific percentage rate of the wage costs to the pension plan, which is its only obligation in relation to the pension plan.

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For the six-month periods ended June 30, 2023 and 2022, the Company and its subsidiaries recognized the following benefit-related amounts as “Cost of goods sold” and “Operating expenses” in the statement profit or loss:

Benefits	Individual		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Private pension plan	(101)	(235)	(105)	(236)
	(101)	(235)	(105)	(236)

## 22. Financial instruments and risk management

The Company and its subsidiaries measured the market value of financial assets and liabilities based on available market information and appropriate valuation methodologies. However, market data interpretation and the selection of valuation techniques require considerable judgment and estimates to determine the most appropriate realizable value. Accordingly, the estimates presented do not necessarily reflect the current market values. Use of different market hypotheses and/or methodologies can have a significant impact on estimated realizable values.

Significant financial liabilities of the Company and its subsidiaries refer to debentures, loans and financing and trade accounts payable. The main purpose of the debentures issued and borrowings was to raise funds to finance the operations of the Company and its subsidiaries and business combinations, whereas trade and other accounts payable arise directly from their operations. Significant financial assets of the Company and its subsidiaries include cash and cash equivalents, marketable securities, and trade accounts receivable that result directly from their operations.

### Fair value measurement

Financial instruments recognized at fair value can be measured at levels 1 to 3, based on the level in which the fair value is quoted, as follows:

*Level 1:* fair value measurement is derived from quoted (unadjusted) prices in active markets for identical assets and liabilities;

*Level 2:* fair value measurement is derived from other inputs quoted included in Level 1, which are quoted through an asset or liability directly (i.e. as the prices) or indirectly (i.e. derived from prices);

*Level 3:* fair value measurement is derived from valuation techniques that include an asset or liability that is not included in an active market.



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The fair value of financial assets and liabilities is included in the amount for which a financial instrument could be exchanged in a current transaction between willing parties, and not in a forced sale or settlement.

The carrying amounts and fair values of the Company's financial instruments measured at fair value through profit or loss as well as loans, financing and debentures at June 30, 2023 and December 31, 2022 are as follows:

06/30/2023		Individual		Consolidated	
Fair value measurement	Fair value hierarchy	Carrying amount	Fair value	Carrying amount	Fair value
Cash and banks	Level 2	9,331	9,331	119,454	119,454
Cash equivalents	Level 2	124,913	124,913	163,046	163,046
Marketable securities	Level 2	13,632	13,632	13,632	13,632
Restricted financial investment	Level 2	157,271	157,271	157,295	157,295
Loans, financing and debentures <sup>(1)</sup>	Level 2	492,831	507,743	740,800	734,814

12/31/2022		Individual		Consolidated	
Fair value measurement	Fair value hierarchy	Carrying amount	Fair value	Carrying amount	Fair value
Cash and banks	Level 2	8,975	8,975	107,153	107,153
Cash equivalents	Level 2	225,062	225,062	258,008	258,008
Marketable securities	Level 2	11,940	11,940	11,940	11,940
Restricted financial investment	Level 2	148,044	148,044	148,067	148,067
Loans, financing and debentures	Level 2 <sup>(1)</sup>	608,187	680,793	840,127	897,108

(1) Accounted for at amortized cost; fair value disclosure was determined based on Level 2.

- Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise two types of risk: interest rate risk and currency risk.

- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Profit or loss of the Company and its subsidiaries is subject to changes in interest rates on financial investments and debentures, which are pegged to the CDI rate. For the Company's most significant loans, the index is pegged to the Libor rate.

- Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company and its subsidiaries' exposure to the risk of changes in foreign exchange rates relates primarily to their operating activities (when revenues or expenses are denominated in a currency other than the functional currency) and the Company's net investments in foreign subsidiaries.

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The table below shows the sensitivity of the Company and its subsidiaries to an estimated depreciation/appreciation of the functional currencies by 25% and 50% in relation to subsidiaries with functional currencies other than the Brazilian real. The sensitivity analysis considers the equity of subsidiaries translated into Brazilian reais at the end of the reporting period, considering depreciation/appreciation of 25% and 50% in exchange rates. The depreciation/appreciation of the functional currencies other than the Brazilian real would result in equity reduction/increase at the following amounts:

Currency	Consolidated - 06/30/2023	
	Foreign exchange difference 25%	Foreign exchange difference 50%
Equity - Argentine pesos	9,494	18,988
Equity - Colombian pesos	7,104	14,208
Equity - Mexican pesos	3,198	6,396
Equity - Uruguayan pesos	989	1,977
Equity - Euro	116,827	233,655
Equity - US dollar	84,123	168,245

The Company records trade accounts payable for equipment and raw material denominated in foreign currency. Therefore, profit or loss is subject to changes in the US dollar and Euro exchange rates. The Company estimates that a possible depreciation of the Brazilian real against the US dollar and Euro by 25% and 50%, respectively, would impact finance costs at June 30, 2023 in the following amounts:

Currency	Consolidated			
	06/30/2023		12/31/2022	
	Foreign exchange difference 25%	Foreign exchange difference 50%	Foreign exchange difference 25%	Foreign exchange difference 50%
Impact	4,966	9,932	4,519	9,038

### Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company and its subsidiaries are exposed to credit risk from their operating activities (primarily accounts receivable) and from their financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade accounts receivable are substantially concentrated in major financial institutions, telecommunication companies and State Government agencies. Given the reputation and financial soundness of such customers, the Company management does not expect to incur any loss on collection of receivables. The balance receivable is recorded net of estimated losses and, therefore, at the expected realizable value.

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### Deposits in banks and financial institutions

All transactions of the Company and its direct and indirect subsidiaries are conducted with banks with acknowledged liquidity, which, according to management's understanding, minimizes the risks thereof.

### Liquidity risk

Liquidity risk is defined as the possibility of the Company and its subsidiaries lacking sufficient funds to honor their commitments given the different currencies and the settlement terms of their rights and obligations.

The liquidity and cash flow control of the Company and its subsidiaries is monitored on a daily basis by management in order to ensure that cash flows from operations and the prior funding, when necessary, are sufficient to meet their commitment schedule, not generating liquidity risks.

The maturity of outstanding financial liabilities at June 30, 2023 and December 31, 2022 is as follows:

	<b>Individual</b>		<b>Consolidated</b>	
	<b>06/30/2023</b>	<b>12/31/2022</b>	<b>06/30/2023</b>	<b>12/31/2022</b>
Within 1 month	<b>76,782</b>	75,469	<b>156,100</b>	185,961
Trade accounts payable and obligations arising from purchase of goods and services	<b>76,782</b>	75,469	<b>156,100</b>	185,961
Within 1 month	<b>3,639</b>	7,507	<b>3,916</b>	7,545
From 1 to 3 months	<b>7,289</b>	10,500	<b>7,321</b>	10,577
From 3 months to 1 year	<b>68,109</b>	150,531	<b>224,395</b>	253,931
From 1 to 5 years	<b>413,794</b>	439,649	<b>505,168</b>	568,074
Above 5 years	-	-	-	-
Loans, financing and debentures	<b>492,831</b>	608,187	<b>740,800</b>	840,127

### Sensitivity analysis

In general, the main risks related to the financial instruments used by the Company are pegged to: (i) changes in Interbank Deposit Certificate (CDI), mainly with respect to obligations on debentures issued and financial investments and (ii) Libor rate on loans raised by the Company and its subsidiaries Valid USA and Valid Spain.

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The Company uses the average CDI rate for finance charges on debentures issued by the Company (plus interest charges) and for yield for the case of financial investments. Finance charges on loans are represented by Libor plus a fixed contractual rate.

In addition, the Company has trade accounts payable pegged to the US dollar and Euro. However, taking into consideration that these payables mature within 30 days, a sensitivity analysis is not presented as the Company understands that it would not generate any benefits. With a view to analyzing the sensitivity of the index to which the Company's short-term investments were exposed at June 30, 2023, three different scenarios were defined. Based on projections disclosed by B3, dated July 3, 2023, CDI was projected for the next 12 months at 11.58%, which was defined as the probable scenario. From this scenario, CDI variations from 25% to 50% were calculated.

For each scenario, gross finance income from financial investments was calculated, not considering taxes on investment income. The base date used for financial investments was the balance outstanding at June 30, 2023, with a one-year projection and analysis of the CDI sensitivity in each scenario.

Individual					
Transaction	Balance at 06/30/2023	Risk	Probable scenario	Scenario II	Scenario III
Financial investments (cash equivalents)	124,913	CDI	11.58%	8.69%	5.79%
Gross finance income			14,465	10,855	7,232

Individual					
Transaction	Balance at 12/31/2022	Risk	Probable scenario	Scenario II	Scenario III
Financial investments (cash equivalents)	225,062	CDI	13.79%	10.34%	6.90%
Gross finance income			31,036	23,271	15,529

Consolidated					
Transaction	Balance at 06/30/2023	Risk	Probable scenario	Scenario II	Scenario III
Financial investments (cash equivalents)	163,046	CDI	11.58%	8.69%	5.79%
Gross finance income			18,881	14,169	9,440

Consolidated					
Transaction	Balance at 12/31/2022	Risk	Probable scenario	Scenario II	Scenario III
Financial investments (cash equivalents)	258,008	CDI	13.79%	10.34%	6.90%
Gross finance income			35,579	26,678	17,803

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The same analysis was made for the balance corresponding to the Company's debentures at June 30, 2023. Interest of 109.65% was added for the 9<sup>th</sup> issue, reaching an index of 12.70%, and this scenario was considered as probable. From this scenario, CDI variations of 25% to 50% were calculated.

Gross finance costs of obligations were calculated for each scenario, without taking into consideration the flow of maturity of installments falling due within the next 12 months. The reporting date used for debentures was the balance outstanding at June 30, 2023, with a one-year projection and analysis of the DI sensitivity in each scenario.

Transaction	Balance at 06/30/2023	Risk	Probable scenario	Scenario II	Scenario III
Debentures (9 <sup>th</sup> issue)	247,954	CDI	12.70%	15.88%	19.85%
Gross finance costs			31,490	39,375	49,219

Transaction	Balance at 12/31/2022	Risk	Probable scenario	Scenario II	Scenario III
Debentures (9 <sup>th</sup> issue)	247,477	CDI	15.12%	18.90%	22.68%
Gross finance costs			37,419	46,773	56,128
Debentures (7 <sup>th</sup> issue)	90,905	CDI	15.86%	19.83%	23.79%
Gross finance costs			13,939	18,026	21,626

The same analysis was made for the balance corresponding to subsidiary Valid USA's loan obligations at June 30, 2023. A six-month Sofr rate of 5.099% projected and disclosed by CMGROUP on April 20, 2023 was taken into consideration and, based on this probable scenario, 25% and 50% index variations were calculated.

Transaction	Balance at 06/30/2023	Risk	Probable scenario	Scenario II	Scenario III
Loans - Valid USA	38,798	SOFR	5.10%	6.38%	7.65%
Gross finance costs			1,979	2,475	2,968

### Capital management

The Group's objectives in managing its capital are to safeguard its ability to continue as a going concern in order to deliver returns to its shareholders and benefits to other stakeholders, and to maintain an adequate capital structure to reduce this cost.

In order to maintain or adjust capital structure, the Group may revise the policy adopted for payment of dividends, return capital to shareholders and issue new shares to reduce debt, for example.

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The Group monitors capital based on financial leverage ratios. One such ratio is the net debt-to-equity ratio. Net debt, on the other hand, corresponds to total loans, financing, debentures and leases payable (including short- and long-term debts) net of cash and cash equivalents and restricted financial investments.

As at June 30, 2023, the Group's net debt amounted to R\$322,459, corresponding to 24.3% of equity (R\$353,927 at December 31, 2022, equivalent to 27.8% of equity).

### 23. Insurance coverage

The Company takes out insurance coverage at amounts to cover any claims relating to its industrial plants, considering the nature of its activity and the risks involved in its operations. At June 30, 2023, the Company has the following major insurance policies taken out from third parties:

Type	Currency	Amount insured
Civil liability	Brazilian real	135,450
Operational risks	Brazilian real	349,106
Sundry risks	Brazilian real	118,002
Vehicles	Brazilian real	1,991
D&O - civil liability	Brazilian real	72,731
Errors & Omissions (E&O) - professional liability	Brazilian real	104,505
Loyalty and crime	Brazilian real	7,319
Product transportation - import/export	US dollar	11,891

### 24. Additional disclosures to the statements of cash flows

#### a) Noncash transactions

	Individual		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Intangible assets acquired and not paid	183	342	534	350
Property, plant and equipment acquired and not paid	316	4,049	2,582	7,055
Lease acquired and not paid - liabilities	81	2,533	1,138	5,018
Total noncash transactions	580	6,924	4,254	12,423

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### 25. Reconciliation of EBITDA

The Company uses Adjusted EBITDA as the main metric for the evaluation of the Company's financial performance. For purposes of compliance with the terms of paragraph 2, article 2 of CVM Ruling No. 527/12, we present below the reconciliation of the calculated EBITDA amounts for the six-month periods ended June 30, 2023 and 2022.

	Consolidated	
	06/30/2023	06/30/2022 (Restated)
Net income (loss) for the period	116,978	(22,385)
(+) Income and social contribution taxes (IRPJ and CSLL)	38,391	18,144
(+) Finance income/costs	51,612	101,466
(+) Depreciation and amortization	57,161	54,982
EBITDA under CVM Ruling No. 572 of October 4, 2012	264,142	152,207
(+) Other operating income (expenses)	23,428	17,420
(+) Depreciation and amortization	(8,486)	(8,840)
(+) Noncontrolling interests	(2,144)	1,646
(+/-) P&L from discontinued operations	-	55,046
(+/-) Equity pickup - noncontrolling interests	1,556	1,230
Adjusted EBITDA <sup>(1)</sup>	278,496	218,709

- (1) EBITDA and Adjusted EBITDA are not financial performance measures in accordance with the Accounting Practices Adopted in Brazil and IFRS, nor should they be considered in isolation or as an alternative to net income, as an operating performance measure, or an alternative to operating cash flows as a liquidity measure. In accordance with CVM Ruling No. 527 of October 4, 2012, EBITDA calculation may not exclude any items that are nonrecurring, nonoperating or relating to discontinued operations and is obtained by net income (loss) for the period, plus income taxes, finance income (costs) and depreciation, amortization and depletion. Adjusted EBITDA is used by the Company as an additional financial performance measure and should not be used in replacement for profit or loss. Adjusted EBITDA corresponds to EBITDA adjusted through elimination of the effects of other operating income (expenses), effects of depreciation, amortization, expenses and taxes on equity pickup of associates and other nonrecurring expenses. Other companies may calculate Adjusted EBITDA differently from the Company. As such, Adjusted EBITDA presents limitations that compromise its use as a measure of the Company's profitability, since it does not take into consideration certain costs and expenses in connection with our business that affect the Company's P&L.

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### 26. Discontinued operations and assets available for sale

#### (a) Discontinued operations

##### United States Payment and Identification unit

At June 30, 2022, the Company entered into a purchase and sale agreement for disposal of certain assets held by Valid USA Inc. ("Valid USA"). This transaction involves the assets of the Payment and Identification unit of Valid USA, and does not include those of the Mobile USA division, which will remain as part of Mobile Global, current Valid portfolio.

On December 2, 2022, the asset sale process was completed.

The total amount of the transaction was US\$62 million (equivalent to R\$322,304).

The amounts received under this transaction are shown in the table below:

Date of receipt	In USD	In R\$
December 2022	44,000	229,579
March 2023	3,800	19,306
April 2023	2,300	11,502
May 2023	500	2,548
June 2023	1,600	7,711

The remaining amount of approximately US\$9.8 million will be paid throughout 2023.

##### United States Data Operation

At September 30, 2022, the Company entered into a purchase and sale agreement for disposal of certain assets held by Valid USA Inc. ("Valid USA"). This transaction involved the assets of Valid USA's Data unit.

The sale took place through a management buyout, led by the American executives who are and will remain at the forefront of this business.

The total amount of the transaction was US\$5 million (equivalent to R\$28,280) and will be paid in two installments. The first installment was paid on the closing date of the aforementioned transaction, in the amount of US\$4.1 million (equivalent to R\$22,167), and the second installment in the amount of US\$0.9 million (equivalent to R\$4,337) matures in January 2025.



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Profit or loss for the year ended December 31, 2022 relating to discontinued operations is shown below:

	Payments and identification	Date	Total
Sales revenue, net	534,198	23,321	557,519
Cost of sales and/or services	(466,350)	(21,147)	(487,497)
Gross profit	<b>67,848</b>	<b>2,174</b>	<b>70,022</b>
Selling expenses	(9,866)	(3,624)	(13,490)
General and administrative expenses	(23,351)	(1,750)	(25,101)
<b>Operating income (expenses)</b>	<b>34,631</b>	<b>(3,200)</b>	<b>31,431</b>
Impairment	(61,735)	(34,984)	(96,719)
Other expenses	(16,567)	-	(16,567)
Loss for the period from discontinued operations	<b>(43,671)</b>	<b>(38,184)</b>	<b>(81,855)</b>
Basic and diluted earnings per share attributable to controlling interests (in reais) in discontinued operations	<b>(0.54852)</b>	<b>(0.47960)</b>	<b>(1.02812)</b>

(1) Impairment of assets linked to the discontinued operation, net of attributed deferred taxes, according to the test carried out by the Company. The amount of the impairment loss was determined taking into account the transaction amount.

Profit or loss for the period ended June 30, 2022 relating to discontinued operations is shown below:

	Payments and identification	Date	Total
Sales revenue, net	261,317	15,553	276,870
Cost of sales and/or services	(241,419)	(14,036)	(255,455)
Gross profit	<b>19,898</b>	<b>1,517</b>	<b>21,415</b>
Selling expenses	(4,997)	(2,391)	(7,388)
General and administrative expenses	(12,568)	(931)	(13,499)
<b>Operating income (expenses)</b>	<b>2,333</b>	<b>(1,805)</b>	<b>528</b>
Impairment	(55,574)	-	(55,574)
Loss for the period from discontinued operations	<b>(53,241)</b>	<b>(1,805)</b>	<b>(55,046)</b>
Basic and diluted earnings per share attributable to controlling interests (in reais) in discontinued operations	<b>(0.67242)</b>	<b>(0.02279)</b>	<b>(0.69521)</b>

After classification as a discontinued operation, the depreciation and amortization of assets classified as held for sale ceased, in compliance with item 25 of IFRS 5 (CPC 31).

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### **(b) Other assets available for sale**

At September 30, 2021, the Company management decided to sell one of its plants located in the city of São Bernardo do Campo, São Paulo state, thus resulting in the classification of this asset as available for sale, based on the following criteria: (i) the property is available for immediate sale and may be disposed of in its current state; (ii) the disposal is expected to be completed by December 31, 2023; (iii) considering the amounts for which the Company intends to make the sale, a provision for impairment of R\$8,884 was recognized in assets available for sale; and (iv) the Company has ceased to depreciate the respective assets. The cost of assets, net of depreciation and impairment, represents the amount of R\$12,001 at June 30, 2023 and December 31, 2022.

At December 31, 2021, the Company management decided to sell one of its plants located in Caju - Rio de Janeiro - state of Rio de Janeiro (RJ), thus resulting in the classification of this asset as available for sale, based on the following criteria: (i) the property is available for immediate sale and may be disposed of in its current state; (ii) the disposal is expected to be completed by December 31, 2023; (iii) considering the amounts for which the Company intends to make the sale, a provision for impairment is not expected; and (iv) the Company has ceased to depreciate the respective assets. The cost of assets, net of depreciation, represents the amount of R\$4,745 at June 30, 2023 and December 31, 2022.

Management has a plan to sell these assets and remains engaged to carry it out.

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### **27. Subsequent events**

On July 7, 2023, Valid raised funds through the Government Fund for Financing of Machinery and Equipment (FINAME Materiais) with Banco ABC, in the amount of R\$30 million. The funds raised were used for prepayment of debts with higher spreads.

On July 14, 2023, Valid early settled the working capital loan with Banco BTG Pactual totaling R\$28 million.

On July 18, 2023, as communicated through the Notice to the Shareholders, the Board of Directors decided to pay Interest on Equity of R\$0.20 (twenty cents of reais) per share, which represents approximately R\$16 million paid on July 31, 2023.

On July 31, 2023, as communicated through a Notice to the Market, Valid received the final portion of the working capital adjustment arising from the disposal of the assets of the Identification and Payment unit of Valid USA, which completed the last stage of this transaction, in the amount of US\$7.9 million (equivalent to R\$47 million).