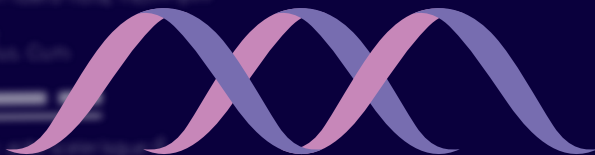


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# EARNINGS RELEASE 2T21

**VIDEOCONFERENCE**  
2021, August 13th  
12h30 (BZT)

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São Paulo, August 12, 2021 - Centro de Imagem Diagnósticos S.A. (“Alliar” or “Company”) (B3: AALR3), one of Brazil’s largest diagnostic medicine companies, announces today its earnings results for the second quarter of 2021 (2Q21). The figures and their historical series (when available) can be obtained at <http://ri.alliar.com>.

## 2Q21 HIGHLIGHTS

- Third **consecutive quarter with consistent figures**, meaningful revenue growth and profitability
- **Gross revenue** totaled R\$305.3 million, **growth of 102.4% y/y** – record for the period (2Q)
- **Imaging exams** posted strong recovery, totaling R\$247.6 million, growth of **116.8% y/y**
- **iDr** once again recorded all-time high revenue, with growth of **91% y/y** (2Q) and revenue of R\$9.5 million in 6M21
- Marketplace **Cartão Aliança** achieves revenue record and customers performed **+100,000** exams YTD on our brands
- **Clinical Analysis (C.A.)** posted revenue record for the period (2Q), totaling R\$57.7 million, an increase of **57.6% y/y**. On a comparable basis (ex-covid in both periods), AC revenue reported a growth of **163% y/y**
- Adjusted **EBITDA** totaled R\$72.8 million, **growth of R\$99.3 million y/y**
- Net income of R\$11.7 million; **growth of R\$96.8 million y/y**
- Total **net debt / adj. EBITDA LTM** reached **2.23x** at the end of the period, a reduction of **38.4%** versus 2Q20, in line with our downward trend in leverage
- Operating **cash generation** of R\$47.9 million in 2Q21; and **robust cash** position in the amount of R\$217.5 million at the end of the period.

## NEWS 2021:

- **Fernando Terni resumes the presidency of the Company:** after being the CEO between 2012 and 2019, followed by the role of Board Member, Mr. Terni returns to the executive leadership
- **New management structure:** more efficiency and autonomy through the four vice-presidencies: (i) **Operational**, led by **Ricardo Dupin, MD**, (ii) **Medical**, led by **Gustavo Meirelles, MD** (iii) **Commercial**, led by **Leandro Figueira, MD** and (iv) **Administrative/Financial**, led by Karla Maciel, CFO. The new model offers a decentralized decision-making process by bringing dynamism, focus and speed to our business
- Implementation of **Central Lab** project: completion of technical-operational stage, among other achievements
- **Alliar signs a strategic partnership with NeuralMed** through iDr, expanding the portfolio of our healthtech, which now offers **artificial intelligence in screening and decision-making in emergency room care**, starting with x-ray exams, one of the most requested in emergencies.

Highlights (R\$ Million)	2Q21	2Q20 (pro-forma) <sup>6</sup>	2Q20	YoY (pro-forma) <sup>6</sup>	6M21	6M20 (pro-forma) <sup>6</sup>	6M20	YoY (pro-forma) <sup>6</sup>
Gross Revenue (ex-construction) <sup>1</sup>	305.3	150.8	150.8	102.4%	612.2	405.0	405.0	51.2%
Net Revenue (ex-construction) <sup>1</sup>	283.1	140.3	140.3	101.8%	567.8	375.9	375.9	51.0%
Gross Profit	88.6	-8.0	-18.2	n/a	173.4	51.5	22.5	236.9%
Gross Margin <sup>2</sup>	31.3%	-5.7%	-13.0%	37.0 p.p.	30.5%	13.7%	6.0%	16.8 p.p.
EBITDA	64.8	-34.4	-34.4	n/a	128.6	-5.9	-5.9	n/a
EBITDA Margin <sup>2</sup>	22.9%	-24.5%	-24.5%	47.4 p.p.	22.6%	-1.6%	-1.6%	24.2 p.p.
Adjusted EBITDA <sup>3</sup>	72.8	-26.5	-26.5	n/a	144.6	9.9	9.9	n/s
Adjusted EBITDA Margin <sup>2</sup>	25.7%	-18.9%	-18.9%	44.6 p.p.	25.5%	2.6%	2.6%	22.8 p.p.
Net Income	11.7	-85.1	-85.1	n/a	24.2	-105.1	-105.1	n/a
Operating Cash Generation	48.2	34.1	34.1	41.3%	100.3	72.7	72.7	37.9%
Cash Conversion	66.2%	n/a	n/a	n/a	69.3%	737.7%	737.7%	n/a
Free Cash Flow	53.8	24.8	24.8	117.1%	53.8	46.2	46.2	16.4%
ROIC <sup>4</sup>	9.9%	-1.5%	-1.5%	11.4 p.p.	9.9%	-1.5%	-1.5%	11.4 p.p.
NPS <sup>5</sup>	68.8%	61.0%	61.0%	12.8%	67.0%	65.4%	65.4%	2.4%

(1) Excludes “construction revenue”, an accounting entry referring to the investment made in R&D (PPP Bahia); (2) Margins are calculated on net revenue (ex-construction); (3) Excludes the write-down of financial assets (see chapter on EBITDA); (4) ROIC excluding goodwill (adjusted LTM NOPAT divided by average invested capital excluding goodwill). 1Q21 ROIC negatively impacted by losses in 2Q20 (5) Net Promoter Score excluding Covid (6) The company, to improve its cost allocation process for the services provided, revised its criteria for apportioning indirect costs as of this year. Thus, for comparability purposes, we show the comparisons as presented in 2020 and the 2020 pro-forma using the same criteria used as from 1Q21



## LETTER FROM THE CEO

### The value of diagnosis for the healthcare chain

It is undeniable that diagnostic medicine is strategic for the entire health system given that it contributes to the **efficiency, productivity, and cost reduction** throughout the healthcare system. The laboratory model can achieve a **scale of operation that is hardly replicable** by other players in the healthcare chain, bringing efficiency to the entire system. In addition, we are confident that the solution to the resumption of sustainable growth in supplementary health involves not only the search for greater efficiency, but also an emphasis on preventive and primary care. Hence, diagnostic medicine is fundamental to this solution.

### Business overview

Alliar is positioned to resume a new growth cycle, diversifying its payment sources, and contributing to greater efficiency with its main customers, through our **4 business platforms**: core business, out-of-pocket customers, iDr and PPPs/Concessions as well as through the implementation of our own **Central Lab (NTO)**, verticalizing the processing of clinical analysis exams.



**Core Business** – services for healthcare operators/beneficiaries – has its growth based both on greater productivity in imaging exams and on the growing offer of Clinical Analysis. In addition to a more complete portfolio, Alliar has solid brands based on value-for-money offering, which leaves us well-positioned with healthcare operators in order to capture a greater market share, in addition to benefiting from the resumption of growth of the supplementary system.

**iDr – Remote Diagnostic Intelligence** offers technological solutions for clinics and hospitals – is a business unit that is already one of the largest healthtechs in Brazil, both in revenue size, which already accumulates R\$9.5M YTD, also in growth rate, above 90% y/y. **iDr's** growth is the result of an enhanced commercial and operational team as well as the growing demand from clinics and hospitals for high-tech solutions.



**Out-of-pocket** clients represent an important avenue for growth. Once again, we see that our solid brands and value-for-money positioning bring us strategic advantage to capture this market, both through the direct search for our services and through the [Cartão Aliança](#) marketplace.

Partnerships with **public health** entities also represent a path to growth. The public system faces challenges of which the PPP and concessions model represent a viable solution of which Alliar already has great expertise from the [RBD Imagem](#).



Finally, the implementation of our own **Central Lab (NTO)** will help us in our constant search for efficiency, as the verticalization of operations in clinical analysis will make Alliar **more competitive** with operators and with out-of-pocket customers. The current revenue level of clinical analyzes (excluding COVID tests) has a cost of approx. **R\$90 million/year** and the verticalization will allow **savings of 25% to 30%**, leading us to greater profitability. Additionally, the NTO will expand the **capacity for new tests**, in line with our **trajectory of innovation** and search for **complete solutions** for healthcare.

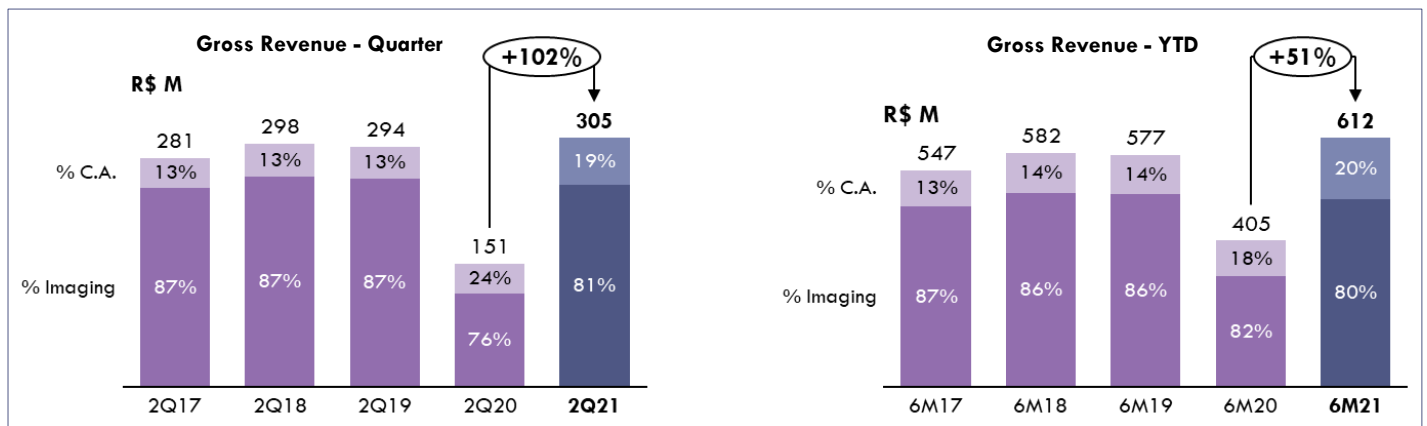
Through these 4 platforms, the own central lab, and a new decentralized and agile management model, we continue to work on our **growth ambition**, whose results are already consistently positive. I thank our employees, the clinical staff and the medical community who continue to promote **diagnostic medicine of excellence**, with **humanized care**.



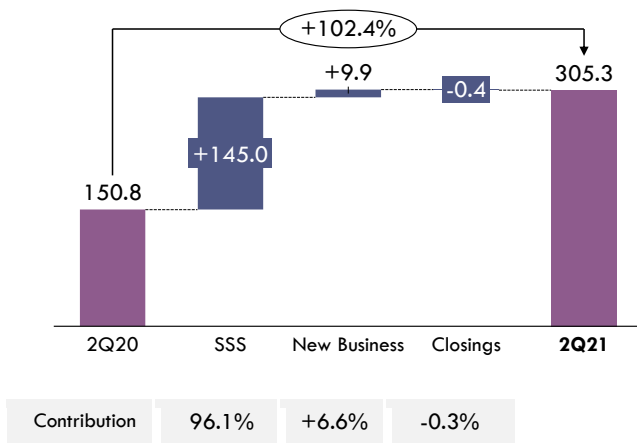
Fernando Terni

## REVENUE<sup>1</sup>

Gross revenue totaled **R\$305.3** million in 2Q21, the greatest second quarter in Alliar's history, with **organic growth of 102.4%** over 2Q20. Gross revenue totaled **R\$612.2** million YTD, the best performance in Alliar's history, with organic growth of **51%** compared to 6M20. The revenue performance reflects the strong recovery of the core business, especially regarding imaging tests (magnetic resonance and others), which sustained an accelerated recovery. In addition to the core business, revenue was also benefited by New Businesses, such as the expansion of **iDr**, whose revenue totaled **R\$9.5** million in 6M21, and by the launch of the Marketplace **Cartão Aliança**. In addition to the New Business performance, Alliar set a record in clinical analysis (CA) revenue for the period (2Q), totaling **R\$57.7** million, an increase of **57.6% y/y**, a record also YTD, with revenue of **R\$122.5** million, growth of **68.5% y/y**. On a recurring basis (ex-covid in both periods), AC revenue reported growth of **163% y.y.**



We highlight that, despite the positive performance of SSS in each month of the quarter, the Company's revenue was negatively impacted by the resurgence of the pandemic in April, an effect offset by the robust performance of SSS in May and June. Total revenue also benefited from the positive contribution of new business, which reflects the new iDr contracts, the incremental revenue from the Aliança Card and the new clinical analysis service stations. The total variation in revenue also reflects the closing of units in the last 12 months.



	Var (2Q21 vs. 2Q20)	Revenue share:
MRI	122,9%	31,1%
Imaging tests (ex. MRI)	113,2%	50,0%
Clinical Analysis	57,6%	18,9%
<b>Total Revenue</b>	<b>102,4%</b>	<b>100%</b>

<sup>1</sup> Ex - Construction Revenue

Gross revenue (R\$ Million)	2Q21	2Q20	YoY	6M21	6M20	YoY
Gross Revenue (ex-construction)	305.3	150.8	102.4%	612.2	405.0	51.2%
Diagnostic Imaging	247.6	114.2	116.8%	489.8	332.3	47.4%
MRI	94.8	42.5	122.9%	187.4	132.6	41.3%
Ex-MRI imaging	152.7	71.6	113.2%	302.4	199.7	51.4%
Clinical Analysis	57.7	36.6	57.6%	122.5	72.7	68.5%
Construction Revenue	0.1	0.3	-70.8%	0.6	0.5	12.8%
Gross revenue	305.4	151.1	102.1%	613	405.5	51.1%
Deductions	-22.2	-10.5	110.4%	-44.4	-29.1	52.8%
Net Revenue	283.2	140.6	101.4%	568.4	376.4	51.0%
Net Revenue (ex-construction)	283.1	140.3	101.8%	567.8	375.9	51.0%

KPIs	2Q21	2Q20	YoY	6M21	6M20	YoY
Avg. Revenue - MRI/Equipment (R\$ M)	0.82	0.37	124.8%	1.63	1.14	42.5%
Avg. Revenue - CA/Room (R\$ M)	0.20	0.12	63.7%	0.43	0.25	75.0%
MRI Exams ('000)	179.8	76.3	135.6%	353.3	244.4	44.5%
CA Exams ('000)	3,080.1	1,180.4	160.9%	5,826.7	3,561	63.6%
MRI Avg. Ticket (R\$)	527.4	557.4	-5.4%	530.4	542.6	-2.3%
CA Avg. Ticket (R\$)	18.7	31.0	-39.6%	21.0	20.4	3.0%
MRI Exams/Equipment/Day	25.0	10.5	137.6%	24.6	16.9	45.8%
CA Exams/Room/Day	173.5	64.0	171.0%	164.1	96.6	70.0%

Assets - End of period	2Q21	1Q21	QoQ	2Q21	2Q20	YoY
Units	105	105	0.0%	105	106	-0.9%
Mega	17	17	0.0%	17	17	0.0%
Standard	76	76	0.0%	76	77	-1.3%
Collection units	12	12	0.0%	12	12	0.0%
MRI equipment	115	115	0.0%	115	116	-0.9%
CA rooms	284	286	-0.7%	284	294	-3.4%

## GROSS PROFIT/GROSS MARGIN

Quarterly Gross Profit (R\$ Million)	2Q21	2Q20 (pro-forma) <sup>1</sup>	2Q20	YoY (pro-forma) <sup>1</sup>	% NR (2Q21)	% NR (2Q20) (pro-forma) <sup>1</sup>	YoY
<b>Net Revenue (ex)</b>	<b>283.1</b>	<b>140.3</b>	<b>140.3</b>	<b>101.8%</b>	-	-	-
<b>Costs (ex)</b>	<b>-194.5</b>	<b>-148.3</b>	<b>-158.5</b>	<b>31.2%</b>	<b>-68.7%</b>	<b>-105.7%</b>	<b>37.0 p.p.</b>
Medical services	-49.7	-27.8	-27.8	78.8%	-17.6%	-19.8%	2.3 p.p.
Personnel	-45.2	-35.1	-42.9	28.6%	-16.0%	-25.0%	9.1 p.p.
Supplies and support labs	-53.0	-33.6	-33.6	57.7%	-18.7%	-24.0%	5.2 p.p.
Maintenance	-5.6	-7.9	-7.9	-28.7%	-2.0%	-5.6%	3.6 p.p.
Occupancy	-4.7	-5.9	-8.3	-19.5%	-1.7%	-4.2%	2.5 p.p.
Third-party services and others	-11.8	-11.1	-11.2	6.1%	-4.2%	-7.9%	3.8 p.p.
Depreciation (cost)	-24.4	-26.9	-26.9	-9.1%	-8.6%	-19.2%	10.5 p.p.
<b>Gross Profit</b>	<b>88.6</b>	<b>-8.0</b>	<b>-18.2</b>	<b>n/a</b>	<b>31.3%</b>	<b>-5.7%</b>	<b>n/a</b>
Construction costs	-0.1	-0.3	-0.3	-70.8%	0.0%	-0.2%	0.2 p.p.

<sup>1</sup> The company, in order to improve its cost allocation process for the services provided, revised its criteria for apportioning indirect costs as of this year. Thus, for comparability purposes, we show the comparisons as presented in 2020 and the 2020 pro-forma using the same criteria used as from 1Q21

**Gross Profit** totaled R\$88.6 million in 2Q21, an important reversal of R\$96.6 million y/y. The recovery in gross profit is a direct reflection of the normalization of revenue, associated with strict control of operating costs. Cost control is the result of the successful work in renegotiating contracts with the Company's largest suppliers, which also allowed for an expansion of the gross margin, which reached **31.3%**. We note that the increase in the Supplies and support labs account reflects the high performance of Clinical Analysis, and the Medical Fees account reflects the resumption of revenue.

Quarterly Gross Profit (R\$ Million)	6M21	6M20 (pro-forma) <sup>1</sup>	6M20	YoY (pro-forma) <sup>1</sup>	% RL 6M21	% RL 6M20 (pro-forma) <sup>1</sup>	YoY
<b>Net Revenue (ex)</b>	<b>567.8</b>	<b>375.9</b>	<b>375.9</b>	<b>51.0%</b>	-	-	-
<b>Costs (ex)</b>	<b>-394.4</b>	<b>-324.5</b>	<b>-353.4</b>	<b>21.6%</b>	<b>-69.5%</b>	<b>-86.3%</b>	<b>16.8 p.p.</b>
Medical services	-100.3	-73.3	-73.3	36.8%	-17.7%	-19.5%	1.8 p.p.
Personnel	-91.2	-77.8	-96.1	17.3%	-16.1%	-20.7%	4.6 p.p.
Supplies and support labs	-104.9	-68.2	-68.2	53.7%	-18.5%	-18.1%	-0.3 p.p.
Maintenance	-13.2	-16.9	-16.9	-22.4%	-2.3%	-4.5%	2.2 p.p.
Occupancy	-9.3	-10.5	-18.1	-11.6%	-1.6%	-2.8%	1.2 p.p.
Third-party services and others	-23.1	-23.5	-26.6	-1.6%	-4.1%	-6.2%	2.2 p.p.
Depreciation (cost)	-52.4	-54.2	-54.2	-3.3%	-9.2%	-14.4%	5.2 p.p.
<b>Gross Profit</b>	<b>173.4</b>	<b>51.5</b>	<b>22.5</b>	<b>236.9%</b>	<b>30.5%</b>	<b>13.7%</b>	<b>16.8 p.p.</b>
Construction costs	-0.6	-0.5	-0.5	12.8%	-0.1%	-0.1%	n/a

<sup>1</sup> The company, in order to improve its cost allocation process for the services provided, revised its criteria for apportioning indirect costs as of this year. Thus, for comparability purposes, we show the comparisons as presented in 2020 and the 2020 pro-forma using the same criteria used as from 1Q21

**Gross Profit** totaled R\$173.4 million YTD, an increase of R\$122.0 million y/y. The recovery in gross profit is a direct reflection of the recovery in revenue, associated with strict cost control in the operation, which allowed an expansion of the gross margin, totaling **30.5 %**. Once again, we note that the increase in the Supplies and support labs account reflects the high performance of Clinical Analysis, and the Medical Fees account reflects the resumption of revenue.



## EBITDA/EBITDA MARGIN

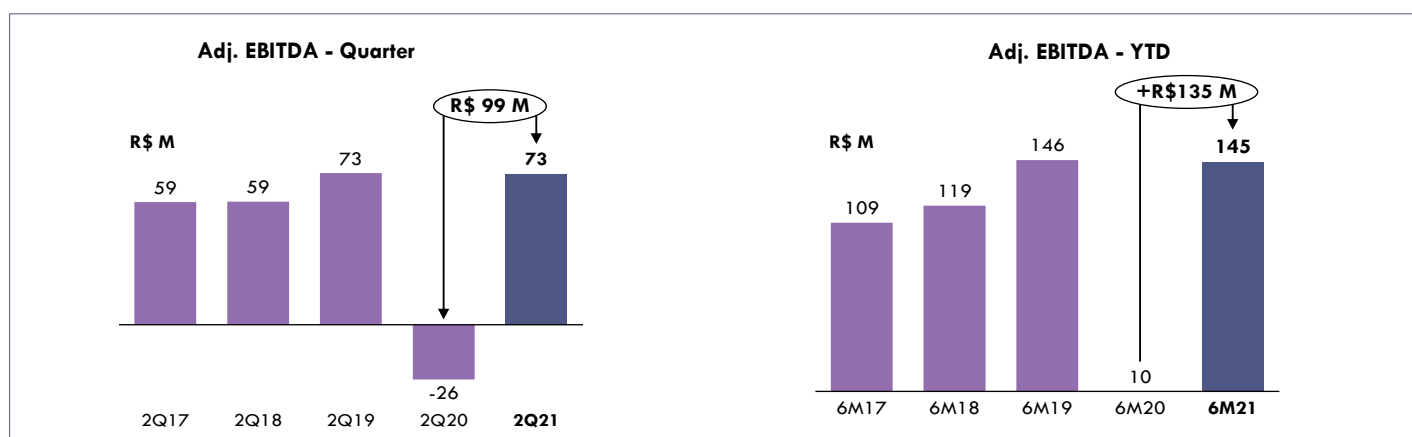
Quarterly EBITDA (R\$ Million)	2Q21	2Q20 (pro-forma) <sup>1</sup>	2Q20	YoY (pro-forma)	% NR (2Q21)	% NR (2Q20) (pro-forma) <sup>1</sup>	YoY
<b>Net Revenue (ex)</b>	<b>283.1</b>	<b>140.3</b>	<b>140.3</b>	<b>101.8%</b>	-	-	-
<b>Gross Profit</b>	<b>88.6</b>	<b>-8.0</b>	<b>-18.2</b>	<b>n/a</b>	<b>31.3%</b>	<b>-5.7%</b>	<b>n/a</b>
General Expenses	-67.5	-52.8	-42.6	27.9%	-23.8%	-37.6%	13.8 p.p.
Personnel	-32.3	-29.1	-21.3	11.0%	-11.4%	-20.7%	9.3 p.p.
Occupancy, third parties, others	-27.8	-19.4	-17.0	43.6%	-9.8%	-13.8%	4.0 p.p.
Depreciation (expense)	-6.7	-2.3	-2.3	194.4%	-2.4%	-1.6%	-0.7 p.p.
Incentive program (shares)	-0.7	-2.0	-2.0	-68%	-0.2%	-1.5%	1.2 p.p.
Other expenses, net	10.2	-4.4	-4.4	-333%	3.6%	-3.1%	6.7 p.p.
Earnings (loss) of subsidiaries	2.3	1.7	1.7	39.3%	0.8%	1.2%	-0.4 p.p.
<b>EBIT</b>	<b>33.6</b>	<b>-63.5</b>	<b>-63.5</b>	<b>n/a</b>	<b>11.9%</b>	<b>-45.3%</b>	<b>n/a</b>
(+ D&A (total))	31.2	29.2	29.2	6.9%	11.0%	20.8%	-9.8 p.p.
<b>EBITDA</b>	<b>64.8</b>	<b>-34.4</b>	<b>-34.4</b>	<b>n/a</b>	<b>22.9%</b>	<b>-24.5%</b>	<b>n/a</b>
(+ Adj. of financial assets <sup>1</sup> )	8.0	7.9	7.9	1.6%	2.8%	5.6%	-2.8 p.p.
<b>Adjusted EBITDA</b>	<b>72.8</b>	<b>-26.5</b>	<b>-26.5</b>	<b>n/a</b>	<b>25.7%</b>	<b>-18.9%</b>	<b>n/a</b>

<sup>1</sup>) Recurring adjustment, corresponding to the recovery of investments made by RBD in the PPP with the Bahia State  
n/a.: not applicable n.s.: not significant change

**Adjusted EBITDA** totaled **R\$72.8** million in 2Q21, growth of R\$99.3 million y/y. The EBITDA recovery was directly due to revenue growth associated with the strict control of operating costs.

EBITDA YTD (R\$ Million)	6M21	6M20 (pro-forma) <sup>1</sup>	6M20	YoY (vs pro-forma)	% RL 6M21	% RL 6M20 (pro-forma)	YoY
<b>Net Revenue (ex)</b>	<b>567.8</b>	<b>375.9</b>	<b>375.9</b>	<b>51.0%</b>	-	-	-
<b>Gross Profit</b>	<b>173.4</b>	<b>51.5</b>	<b>22.5</b>	<b>236.9%</b>	<b>30.5%</b>	<b>13.7%</b>	<b>16.8 p.p.</b>
General Expenses	-125.1	-113.4	-80.8	10.3%	-22.0%	-30.2%	8.1 p.p.
Personnel	-63.7	-60.4	-42.2	5.4%	-11.2%	-16.1%	4.9 p.p.
Occupancy, third parties, others	-50.6	-44.7	-34.0	13.3%	-8.9%	-11.9%	3.0 p.p.
Depreciation (expense)	-9.6	-4.6	-4.6	109.5%	-1.7%	-1.2%	-0.5 p.p.
Incentive program (shares)	-1.1	-3.7	-3.7	-69%	-0.2%	-1.0%	0.8 p.p.
Other expenses, net	12.5	-8.3	-8.3	n/a	2.2%	-2.2%	4.4 p.p.
Earnings (loss) of subsidiaries	5.7	5.5	5.5	2.6%	1.0%	1.5%	-0.5 p.p.
<b>EBIT</b>	<b>66.5</b>	<b>-64.7</b>	<b>-64.7</b>	<b>n/a</b>	<b>11.7%</b>	<b>-17.2%</b>	<b>28.9 p.p.</b>
(+ D&A (total))	62.0	58.8	58.8	5.5%	10.9%	15.6%	-4.7 p.p.
<b>EBITDA</b>	<b>128.6</b>	<b>-5.9</b>	<b>-5.9</b>	<b>n/a</b>	<b>22.6%</b>	<b>-1.6%</b>	<b>24.2 p.p.</b>
(+ Adj. of financial assets <sup>1</sup> )	16.0	15.8	15.8	1.5%	2.8%	4.2%	-1.4 p.p.
<b>Adjusted EBITDA</b>	<b>144.6</b>	<b>9.9</b>	<b>9.9</b>	<b>n/a</b>	<b>25.5%</b>	<b>2.6%</b>	<b>22.8 p.p.</b>

<sup>1</sup>) Recurring adjustment, corresponding to the recovery of investments made by RBD in the PPP with the Bahia State  
n/a.: not applicable n.s.: not significant change





## FINANCIAL RESULT AND DEBT

Financial Result (R\$ Million)	2Q21	1Q21	2Q20	YoY	6M21	6M20	YoY
Financial Revenue	1.3	1.6	1.6	-19.2%	2.8	2.2	29.2%
Financial Expense	-15.8	-12.6	-12.1	30.7%	-28.4	-24.0	18.5%
Lease interest	-5.5	-5.4	-5.5	-0.2%	-10.8	-10.8	0.0%
FX effect on USD debt	1.2	-1.2	-0.1	n/a	0.0	-1.1	n/a
<b>Total</b>	<b>-18.7</b>	<b>-17.7</b>	<b>-16.0</b>	<b>16.9%</b>	<b>-36.4</b>	<b>-33.7</b>	<b>8.1%</b>

In 2Q21, the Company reported an increase in financial expenses versus the same period last year. Despite net debt under control, the increase reflects the level of the SELIC/CDI rate.

Indebtedness (R\$ Million)	Jun/21	Mar/21	Jun/20	YoY
Loans and debentures	786.2	791.7	901.7	-12.8%
Derivative financial instruments	0.0	-3.8	-58.7	-100.0%
<b>Gross Bank Debt</b>	<b>786.2</b>	<b>787.9</b>	<b>843.0</b>	<b>-6.7%</b>
Gross bank debt - R\$ <sup>1</sup>	786.0	776.0	840.0	-6.4%
Gross bank debt - US\$	0.2	11.9	3.0	-93.9%
Tax installments	10.7	8.5	8.9	21.1%
Accounts payable - acquisition of companies	41.0	42.1	42.3	-3.0%
<b>Total Gross Debt</b>	<b>837.9</b>	<b>838.5</b>	<b>894.2</b>	<b>-6.3%</b>
<b>Cash, Cash Equivalents and Securities</b>	<b>220.2</b>	<b>231.4</b>	<b>328.1</b>	<b>-32.9%</b>
<b>Total Net Debt</b>	<b>617.7</b>	<b>607.1</b>	<b>566.1</b>	<b>9.1%</b>
LTM Adj. EBITDA	276.5	177.2	156.1	77.2%
<b>Total Net Debt/LTM Adj. EBITDA LTM</b>	<b>2.23 x</b>	<b>3.43 x</b>	<b>3.63 x</b>	<b>-38.4%</b>

1) Approximately 13% of the debt exposed to BRL is denominated in foreign currency, protected from the exchange variation through hedge instruments  
n.s.: not significant change

The **total net debt** amounted R\$ 617.7 million, 9.1% above the same period in the previous year. The **total net debt/adjusted EBITDA LTM** reached **2.23x** at the end of the period, a significant decrease of **38.4%** versus the 3.63x reported in 2Q20, in line with our downward trend in leverage. Our total net debt / adjusted EBITDA LTM complies with the current covenants.

## INCOME TAX AND SOCIAL CONTRIBUTION

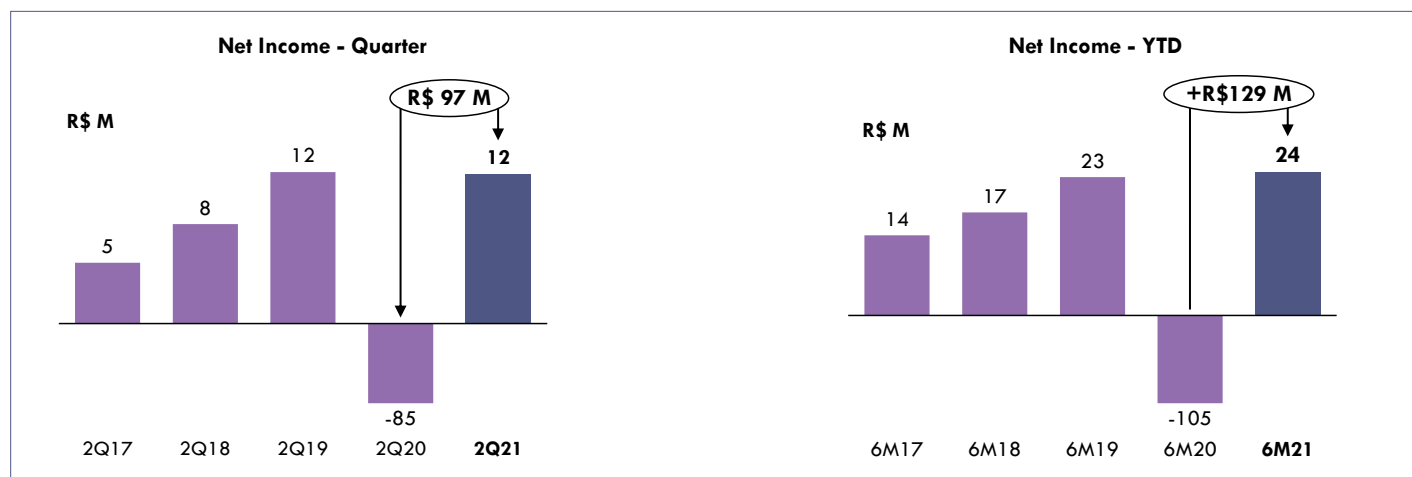
Quarterly Income Tax (R\$ Million)	2Q21	2Q20	YoY	6M21	6M20	YoY
<b>Earnings before income taxes</b>	<b>14.9</b>	<b>-79.5</b>	<b>n/a</b>	<b>30.1</b>	<b>-98.4</b>	<b>n/a</b>
<b>Taxes on income</b>	<b>-3.2</b>	<b>-5.6</b>	<b>-42.2%</b>	<b>-5.9</b>	<b>-6.7</b>	<b>-11.4%</b>
<i>Current taxes on income</i>	-5.6	-4.3	32.6%	-14.5	-7.6	92.5%
<i>Deferred taxes on income</i>	2.4	-1.4	n/a	8.6	0.8	919.8%
<b>Effective tax rate</b>	<b>21.8%</b>	<b>n/a</b>	<b>n/a</b>	<b>19.7%</b>	<b>n/a</b>	<b>n/a</b>

In **2Q21**, the Company created a provision for taxes on income in the amount of R\$3.2 million, resulting in an effective rate of **21.8%**.

## NET INCOME

Quarterly Net Income (R\$ Million)	2Q21	2Q20	YoY	6M21	6M20	YoY
<b>Net Income</b>	<b>11.7</b>	<b>-85.1</b>	<b>n/a</b>	<b>24.2</b>	<b>-105.1</b>	<b>n/a</b>
Attributed to controlling shareholders	10.4	-84.6	n/a	20.5	-106.3	n/a
Attributed to non-controlling shareholders	1.2	-0.5	n/a	3.7	1.2	210.4%
Earnings per share (R\$)	0.09	-0.72	n/a	0.17	-0.90	n/a
<b>Net Margin</b>	<b>4.1%</b>	<b>-60.7%</b>	<b>n/a</b>	<b>4.3%</b>	<b>-28.0%</b>	<b>n/a</b>

**Net Income** for 2Q21 totaled R\$11.7 million, a strong recovery of R\$96.8 million compared to the loss reported in 2Q20. Net Income YTD totaled R\$24.2 million, a historic record for the period (6M). Net income performance is directly associated with revenue growth, on top of an efficient financial management in terms of costs and expenses.



## FINANCIAL PERFORMANCE

Income Statement Overview	2T21	2T20 (pro forma) <sup>1</sup>	2T20	YoY (pro forma) <sup>1</sup>	6M21	6M20 (pro forma) <sup>1</sup>	6M20	YoY (pro forma) <sup>1</sup>
Gross Revenue (ex-construction)	305.3	150.8	150.8	102.4%	612.2	405.0	405.0	51.2%
Deductions (ex)	(22.2)	(10.5)	(10.5)	110.4%	(44.4)	(29.1)	(29.1)	52.7%
<b>Net Revenue (ex-construction)</b>	<b>283.1</b>	<b>140.3</b>	<b>140.3</b>	<b>101.8%</b>	<b>567.8</b>	<b>375.9</b>	<b>375.9</b>	<b>51.0%</b>
Cost of services	(194.5)	(148.3)	(158.5)	31.2%	(394.4)	(324.5)	(353.4)	21.6%
Gross Profit	88.6	(8.0)	(18.2)	n/a	173.4	51.5	22.5	236.9%
<i>Gross Profit Margin</i>	<b>31.3%</b>	-5.7%	-13.0%	<b>37.0 p.p.</b>	<b>30.5%</b>	13.7%	6.0%	<b>16.8 p.p.</b>
General and administrative expenses	(67.5)	(52.8)	(42.6)	27.8%	(125.0)	(113.4)	(84.4)	10.3%
Other income (expenses), net	10.2	(4.4)	(4.4)	n/a	12.5	(8.3)	(8.3)	n/a
Share of profit (loss) on investments	2.3	1.7	1.7	39.3%	5.7	5.5	5.5	2.6%
(+) Depreciation and Amortization	31.2	29.2	29.2	6.9%	62.0	58.8	58.8	5.5%
EBITDA	64.8	(34.4)	(34.4)	n/a	128.6	(5.9)	(5.9)	n/a
<i>(+/- adjustments)</i>	8.0	7.9	7.9	1.6%	16.0	15.8	15.8	1.5%
<b>Adjusted EBITDA</b>	<b>72.8</b>	<b>(26.5)</b>	<b>(26.5)</b>	<b>n/a</b>	<b>144.6</b>	<b>9.9</b>	<b>9.9</b>	<b>n/s</b>
<b>Adjusted EBITDA Margin</b>	<b>25.7%</b>	<b>-18.9%</b>	<b>-18.9%</b>	<b>44.6 p.p.</b>	<b>25.5%</b>	<b>2.6%</b>	<b>2.6%</b>	<b>22.8 p.p.</b>
(-) Depreciation and Amortization	(31.2)	(29.2)	(29.2)	6.9%	(62.0)	(58.8)	(58.8)	5.5%
Finance income (expenses)	(18.7)	(16.0)	(16.0)	16.6%	(36.4)	(33.7)	(33.7)	7.9%
<b>EBT</b>	<b>14.9</b>	<b>(79.6)</b>	<b>(79.6)</b>	<b>n/a</b>	<b>30.2</b>	<b>(98.4)</b>	<b>(98.4)</b>	<b>n/a</b>
Taxes	(3.2)	(5.5)	(5.5)	-41.5%	(5.9)	(6.7)	(6.7)	-11.4%
<i>Effective tax rate</i>	<b>21.7%</b>	n/a	n/a	<b>n/a</b>	<b>19.7%</b>	6.8%	6.8%	<b>12.9 p.p.</b>
<b>Net Income</b>	<b>11.7</b>	<b>-84.6</b>	<b>-84.6</b>	<b>n/a</b>	<b>24.2</b>	<b>-106.3</b>	<b>-106.3</b>	<b>n/a</b>
<i>Net margin</i>	<b>4.1%</b>	-60.3%	-60.3%	<b>64.5 p.p.</b>	<b>4.3%</b>	-28.3%	-28.3%	<b>32.5 p.p.</b>

## INVESTMENTS

Investments (R\$ Million)	2Q21	2Q20	YoY	6M21	6M20	YoY
Organic expansion	19.0	5.4	255.0%	24.7	13.2	86.5%
Maintenance	1.3	1.6	-14.4%	11.9	8.6	38.5%
Others	5.2	2.1	152.7%	9.3	4.2	122.7%
<b>Total CAPEX</b>	<b>25.6</b>	<b>9.0</b>	<b>184.4%</b>	<b>45.9</b>	<b>26.0</b>	<b>76.5%</b>
Financial assets (RBD)	0.1	0.3	-71.8%	0.6	0.5	12.8%
M&A / Investments	0.0	0.0	n/a	0.0	0.0	n/a
<b>TOTAL</b>	<b>25.7</b>	<b>9.3</b>	<b>176.1%</b>	<b>46.5</b>	<b>26.5</b>	<b>75.3%</b>

Investments totaled R\$ **25.7** million in the quarter, reflecting the company's strategy regarding the resumption of investments both in the expansion of existing units and the **addition of production capacity**, through the addition of new equipment.

## OPERATING CASH FLOW AND FREE CASH FLOW

Operating Cash Generation totaled R\$100 million in 6M21, with cash conversion of **69.3%** (versus adjusted EBITDA), demonstrating once again the Company's **strong capacity** to generate cash.

Cash Flow (R\$ Million)	6M21	6M20	YoY
<b>(1) Adjusted EBITDA</b>	<b>144.6</b>	<b>9.9</b>	<b>1366.7%</b>
(2) Non-cash items	-32.6	-16.1	102.1%
(3) Working Capital <sup>a</sup>	2.8	86.6	n.s.
Clients	-23.3	74.7	n/a
Trade payables	-4.6	-5.4	-15.0%
Payroll and related taxes	16.4	8.9	85.6%
Taxes payable and taxes in installments	17.2	3.2	429.1%
Other	-2.9	5.2	n/a
(4) Current income tax	-14.5	-7.6	92.5%
<b>(5) Operating Cash Flow [= (1)+(2)+(3)+(4)]</b>	<b>100.3</b>	<b>72.7</b>	<b>37.9%</b>
<b>(6) Investing Activities<sup>b</sup></b>	<b>-46.5</b>	<b>-26.5</b>	<b>75.3%</b>
PPE and intangible assets	-45.9	-26.0	76.5%
Financial Asset (Capex RBD)	-0.6	-0.5	12.8%
<b>(7) Free Cash Flow ex-M&amp;A [= (5)+(6)]</b>	<b>53.8</b>	<b>46.2</b>	<b>16.4%</b>
<b>(8) Financing Activities<sup>c</sup></b>	<b>-65.4</b>	<b>190.8</b>	<b>n/a</b>
Dividends / IOC paid	-6.0	-2.2	169.0%
Borrowings, leases and amortizations, net	-33.5	213.0	n/a
Financial expenses (cash)	-27.6	-22.5	n.s.
Related Parties	1.5	2.5	-39.4%
<b>(9) Cash Increase (decrease) [= (7)+(8)]</b>	<b>-11.6</b>	<b>237.0</b>	<b>n/a</b>
<b>Conversion (Operating CF /Adj. EBITDA)</b>	<b>69.3%</b>	<b>737.7%</b>	<b>n/a</b>
Adjusted EBITDA	144.6	9.9	1366.7%

a) Excludes Financial Asset (Capex RBD), considered in Investment

b) Includes Financial Asset (Capex RBD) and excludes financial investments and related parties, considered in Financing

c) Includes debt from acquisitions, financial investments and related parties.



## FINANCIAL STATEMENTS

### BALANCE SHEETS ON JUNE 30, 2021 AND DECEMBER 31, 2020

(R\$ '000)

ASSETS	Consolidated		LIABILITIES AND EQUITY	Consolidated	
	30/06/2021	31/12/2020		30/06/2021	31/12/2020
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
Cash and cash equivalents	217,478	229,087	Trade payables	75,843	80,425
Accounts receivable	267,706	242,575	Payroll and benefits	55,479	39,034
Inventories	8,614	10,007	Borrowings and financing	237,114	262,982
Financial assets	32,119	31,929	Leases	37,773	39,632
Taxes recoverable	53,959	46,107	Tax obligations	31,682	25,988
Derivative financial instruments	-	2,888	Tax installment payments	3,011	2,116
Other accounts receivable	5,418	6,339	Accounts payable - acquisition of companies	39,610	14,462
<b>Total current assets</b>	<b>585,294</b>	<b>568,932</b>	Dividends payable	3,577	3,978
			Other accounts payable	6,085	7,864
			<b>Total current liabilities</b>	<b>490,174</b>	<b>476,481</b>
<b>NONCURRENT ASSETS</b>			<b>NONCURRENT LIABILITIES</b>		
Securities	2,760	2,777	Borrowings and financing	549,067	530,857
Escrow deposits	25,396	25,013	Leases	332,382	212,197
Contingency reimbursement guarantee	10,203	11,131	Related parties	2,972	337
Related parties	17,595	16,485	Tax installment payments	7,710	5,511
Deferred income and social contribution taxes	147,868	137,892	Accounts payable - acquisition of companies	1,426	27,146
Financial assets	65,059	68,989	Deferred income and social contribution taxes	20,141	16,827
Investments	10,121	9,400	Provision for legal contingencies	41,226	41,864
Property and equipment	507,978	508,145	Other accounts payable	9,375	5,698
Intangible assets	969,198	964,517	<b>Total non-current liabilities</b>	<b>964,299</b>	<b>840,437</b>
Usage rights	356,391	227,321			
<b>Total noncurrent assets</b>	<b>2,112,569</b>	<b>1,971,670</b>	<b>EQUITY</b>		
			Capital stock	612,412	612,412
			Capital reserves	624,034	622,894
			Treasury shares	(276)	(276)
			Other comprehensive income	(23,992)	(44,493)
			Controlling shareholders' equity	1,212,178	1,190,537
			Minority interest	31,212	33,147
			<b>Total equity</b>	<b>1,243,390</b>	<b>1,223,684</b>
<b>TOTAL ASSETS</b>	<b>2,697,863</b>	<b>2,540,602</b>	<b>TOTAL LIABILITIES AND EQUITY</b>	<b>2,697,863</b>	<b>2,540,602</b>

**STATEMENTS OF INCOME FOR THE PERIODS ENDED JUNE 30, 2021 AND JUNE 30, 2020**

(R\$ '000)

<b>Consolidated</b>	<b>2Q21</b>	<b>2Q20</b>	<b>6M21</b>	<b>6M20</b>
Net revenues	283,212	140,573	568,392	376,437
Cost of services	<u>(194,614)</u>	<u>(158,784)</u>	<u>(394,976)</u>	<u>(353,934)</u>
Gross profit	88,598	(18,211)	173,416	22,503
Operating (expenses) income				
General and administrative expenses	(67,466)	(42,598)	(125,038)	(84,442)
Other (expenses) income, net	10,178	(4,376)	12,474	(8,321)
Equity in the earnings (loss) of subsidiaries	<u>2,315</u>	<u>1,661</u>	<u>5,684</u>	<u>5,542</u>
Operating income before financial result	33,624	(63,524)	66,535	(64,718)
Financial result	<u>(18,695)</u>	<u>(16,032)</u>	<u>(36,374)</u>	<u>(33,702)</u>
Financial expenses	(19,967)	(17,606)	(39,212)	(35,898)
Financial income	1,272	1,574	2,838	2,196
Operating income (loss) before	<u>14,929</u>	<u>(79,556)</u>	<u>30,161</u>	<u>(98,420)</u>
Income and social contribution taxes				
Current and deferred	(3,243)	(5,543)	(5,945)	(6,709)
Net income (loss) for the period	<u>11,686</u>	<u>(85,100)</u>	<u>24,217</u>	<u>(105,128)</u>
Attributable to controlling shareholders	10,430	(84,628)	20,549	(106,306)
Attributable to non-controlling shareholders	1,256	(470)	3,668	1,176

**STATEMENTS OF CASH FLOWS AS AT JUNE 30, 2021 AND JUNE 30, 2020**

(R\$ '000)

	Consolidated	
	30/06/2021	30/06/2020
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Income (loss) for the period</b>	<b>24,217</b>	<b>(105,129)</b>
Adjustments to reconcile net income to net cash generated by (used in) operating activities:	64,526	77,395
Depreciation and amortization	61,909	58,793
Stock options granted and restricted stocks	1,140	3,676
Residual value of property, plant and equipment and rights of use disposed of, and	(12,105)	1,123
Finance charges, foreign exchange effect and derivatives	35,967	33,645
Financial asset update	(11,690)	(12,404)
Income (loss) from subsidiaries	(5,684)	(5,542)
Allowance for doubtful debts	2,456	(1,064)
Provisions for civil, labor and tax risks	(786)	20
Deferred Taxes	(6,681)	(852)
	<b>88,743</b>	<b>(27,734)</b>
<b>Decrease (increase) in operating assets</b>	<b>(17,088)</b>	<b>86,058</b>
Decrease (increase) in clients	(11,567)	87,063
Decrease (increase) in inventories	1,393	1,725
Decrease (increase) in other assets	(6,324)	(2,207)
Decrease (increase) in Financial Asset	(590)	(523)
<b>Increase (decrease) in operating liabilities:</b>	<b>27,604</b>	<b>13,822</b>
Increase (decrease) in trade payables	(4,582)	(5,391)
Increase (decrease) in payroll and related taxes	16,445	8,861
Increase (decrease) in taxes payable and taxes in installments	17,154	3,242
Increase (decrease) in other liabilities	1,984	5,673
Income Tax and Social Contribution paid	(8,360)	(5,046)
Dividends and interest on equity received	4,963	6,483
<b>Net Cash generated by Operating Activities</b>	<b>99,259</b>	<b>72,146</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of subsidiaries, net of cash received	(1,500)	(237)
Related Parties	1,525	2,517
Purchase of property, plant and equipment and intangible assets	(45,845)	(25,978)
<b>Net cash used in investing activities</b>	<b>(45,820)</b>	<b>(23,698)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividends paid	(5,991)	(2,227)
Borrowings and bonds, net	179,535	379,709
Interest paid	(27,254)	(22,476)
Repayment of borrowings and financing and lease	(211,492)	(184,461)
<b>Net cash used in financing activities</b>	<b>(65,048)</b>	<b>188,571</b>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(11,609)</b>	<b>237,019</b>
<b>CASH AND CASH EQUIVALENTS</b>		
At the beginning of the period	229,087	88,301
At the end of the period	217,478	325,320