



alliar médicos à frente
sistema de diagnósticos de saúde

**EARNINGS
RELEASE 3Q21**

- Teleconference

**November 12, 2021
12:30 p.m (BZT)**

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São Paulo, November 11, 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 third quarter of 2021 (3Q21). The figures and their historical series (when available) can be obtained at <http://ri.alliar.com>.

3Q21 HIGHLIGHTS

- **Consistent figures for the fourth consecutive quarter**, with revenue, EBITDA and net income growth.
- **Gross revenue** totaled **R\$321.2 million**, **growth of 15.2% y/y**.
- Strong recovery in **imaging exams**, totaling **R\$269.4 million**, **growth of 21.3% y/y**.
- **iDr** continues to surpass its level of revenues, with **growth of 36.1% y/y**, reaching **R\$4.0 million** in 3Q21.
- **Clinical Analysis (CA, excluding Covid tests)** totaled **R\$41.8 million**, an **increase of 9.1% y/y**.
- **Out-of-pocket exams revenue share**, excluding Covid tests, reached 10.5%, growth of 10% versus 3Q20.
- Adjusted **EBITDA** totaled **R\$77.3 million**, **growth of 36.9% y/y**.
- Net income of **R\$9.2 million**, **growth of R\$11.1 million y/y**,
- **Total net debt / LTM Adj. EBITDA** reached **2.25x** at the end of the period, a reduction of **50%** versus 3Q20.
- Operating **cash generation** of **R\$19.9 million** in 3Q21; and **robust cash position**, in the amount of **R\$152.4 million** at the end of the quarter.

Highlights (R\$ Million)	3Q21	3Q20 (proforma) ⁶	3Q20	YoY (proforma) ⁶	9M21	9M20 (proforma) ⁶	9M20	YoY (proforma) ⁶
Gross Revenue (ex-construction) ¹	321.2	278.9	278.9	15.2%	933.4	683.9	683.9	36.5%
Net Revenue (ex-construction) ¹	298.0	258.8	258.8	15.1%	865.9	634.8	634.8	36.4%
Gross Profit	104.6	69.2	56.7	51.2%	278.0	120.6	79.2	130.4%
Gross Margin ²	35.1%	26.7%	21.9%	8.4 p.p.	32.1%	19.0%	12.5%	13.1 p.p.
EBITDA	69.3	48.5	48.5	42.9%	197.9	42.6	42.6	0.0%
EBITDA Margin ²	23.2%	18.7%	18.7%	4.5 p.p.	22.9%	6.7%	6.7%	0.0 p.p.
Adjusted EBITDA ³	77.3	56.4	56.4	36.9%	221.9	66.3	66.3	n/s
Adjusted EBITDA Margin ²	25.9%	21.8%	21.8%	4.1 p.p.	25.6%	10.4%	10.4%	0.0 p.p.
Net Income	9.2	-1.9	-1.9	n/a	33.4	-107.0	-107.0	n/a
Operating Cash Generation	19.9	-2.9	-2.9	n/a	120.1	69.9	69.9	71.9%
Cash Conversion	25.8%	n/a	n/a	n/a	54.1%	105.4%	105.4%	n/a
Free Cash Flow	45.7	-21.3	-21.3	n/a	45.7	24.9	24.9	83.6%
ROIC ⁴	11.7%	-3.7%	-3.7%	15.3 p.p.	11.7%	-3.7%	-3.7%	15.3 p.p.
NPS ⁵	68.0%	67.7%	67.7%	0.4%	67.4%	65.6%	65.6%	2.7%

(1) Excludes “construction revenue”, an accounting entry referring to the investment made in RBD (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). (5) Net Promoter Score (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.

2021 NEWS:

- **New CEO:** Ricardo Dupin takes over as CEO of the Company. With 19 years of experience in the healthcare industry, Mr. Dupin joined Alliar in May 2021 as Head of the Company's Operational division. In September he assumed the position of CEO. Through his experience, he has contributed immensely to the Company's advancements.
- Implementation of a **New Sales Plan:** aimed at increasing the share of Out-of-Pocket clients in our revenue base through strategies that include the **Cartão Aliança**.
- **Launching of the Alliar Customer Service Model - AMA:** The AMA Program is a new management model aimed at unifying our work methods and clients service activities for all the Company's brands. It was created to obtain more accurate results and focusing on the sale of our products. Hiring of Monique Ghanen, a new Human Development Director who will lead the implementation of the AMA Program.
- Implementation of our own **Central Lab (NTO): the technical-operational scope was concluded**, with site definition and executive projects in progress. Operational startup is expected for July 2022, in line with the initial schedule.
- Advancement of the **Digital Journey** strategy, in which several functionalities were added to our operating system to enable continuous improvements of service levels and the digitization of operations, positively impacting our clients' experience.
- **Strong NPS evolution**, reaching scores above 80 in 6 of our brands.
- **Recognition of the Multiscan brand:** it was ranked 1st place in the Diagnostic Medicine category of the Health Excellence Award and evolved from Level 2 - Full Accreditation (silver seal) to Level 3 - Accreditation with Excellence (gold seal) in the ONA Excellence certification.
- In partnership with IPEMED Afya Educacional, aiming at **expansion and access to medical training in imaging**, we launched the courses *Specialization project in Mammography, Ultrasonography, Breast Puncture* and *Post - Graduation in Radiology and Imaging Diagnosis*.



LETTER FROM THE CEO

It is with great joy that I initiate a new phase at Alliar! After being Head of the Company's Operations division, I now take on the role of Chief Executive Officer. We face many challenges, not only in the healthcare industry but also for diagnostic medicine, however we have many opportunities and we are confident the Company will achieve great results in this new time.

Our focus is to resume a **new growth cycle** through our **4 business platforms**: Core Business, Out-of-Pocket clients, iDr and PPPs/Concessions. Both the **Core Business** (services for healthcare operators/beneficiaries) and **Out-of-Pocket clients** have their growth based 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 associated with on value-for-money services, which makes us well-positioned with our clients, both through the direct search for our services and the [Cartão Aliança](#).

iDr – Remote Diagnostic Intelligence is a business unit that has already consolidated itself as one of the largest healthtechs in Brazil, with a of 79% p.a., offering technological solutions for clinics and hospitals and becoming an important long-term growth vector for the Company.

The **public health system** faces operating challenges and limited investment capacity, thus making the **PPP** and concessions model a viable solution. In this sense, we are well positioned to capture new opportunities for revenue growth by relying on Alliar's vast expertise through [RBD Image](#).

We keep with the implementation of our own **Central Lab (NTO)**, which will verticalize our operations in clinical analysis, increasing our **competitiveness** with operators and out-of-pocket clients. Verticalization will allow increased savings and, consequently, higher profitability, in addition to **expanding capacity** for new tests, in line with Alliar's innovation trajectory and search for **complete** and **more efficient solutions** for the healthcare industry.

In addition, the ongoing search to identify and **implement improvements in our processes and management model** is constantly aimed at bringing more **efficiency** to the business, generate consistent growth for the Company and improve the profitability of our shareholders. Within this context, and in line with the growth strategy for our Out-of-Pocket Clients platform, we launched the **Alliar Customer Service Model - AMA**, a new management model to be applied at our units to increase the standardization of processes and offer new practices based on meritocracy, all aimed at capturing sales opportunities for our products and services.

We strengthened our team by hiring Monique Ghanen, a Human Development Director, who will lead the implementation of the AMA program and work on other relevant fronts, such as the new leadership development program. Monique will also lead our Sustainability area and our ESG agenda.

Another important step towards the search for capturing synergies was taken by **centralizing our invoice operations** in our CSC, which will allow us to improve our collection indicators and backoffice operational efficiency.

We continue to work tirelessly to implement actions that maximize the **use of our existing assets**, seeking efficient ways to increase our activities, such as by **expanding our agendas** to capture repressed demands for imaging tests, during the pandemic, and the growth of our vaccine operations at Multiscan (Espírito Santo). In addition, through IQMR, we applied exclusive protocols that accelerated image capturing.

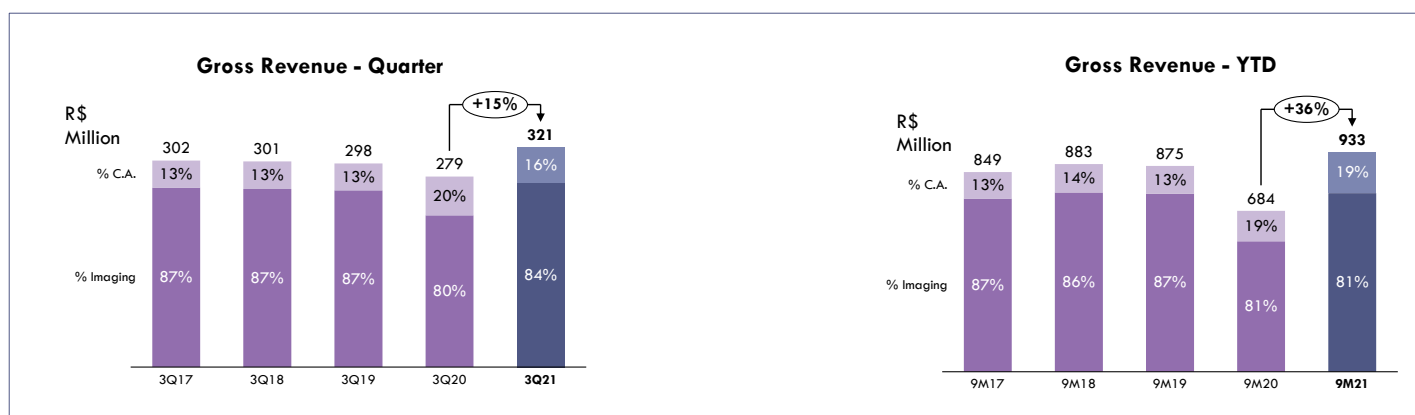
Within our purpose, which is to take care of people's health, we are advancing with lots of energy to achieve better results, offering ways for the Company to achieve **sustainable growth** with **social responsibility**. I thank our employees, the clinical staff, and the medical community, who continue to promote diagnostic and preventive medicine of **excellence**, through scientific leadership and humanized care.



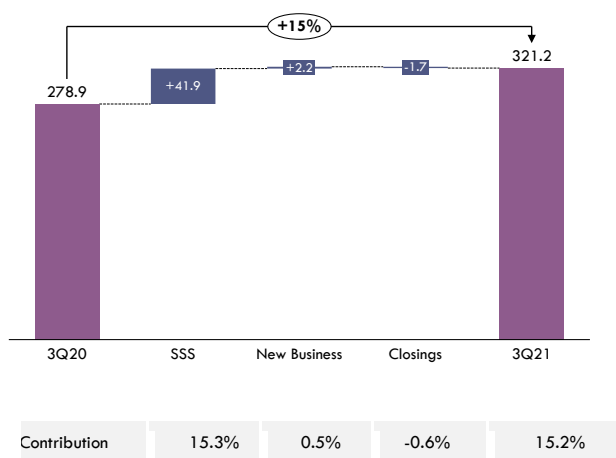
Ricardo Dupin

GROSS REVENUE¹

Gross revenue totaled **R\$321.2** million in 3Q21, the **greatest third quarter in Alliar's history**, with **organic growth of 15.2%** over 3Q20. Gross revenue totaled **R\$933.4** million YTD, the **best performance in Alliar's history**, with **organic growth of 36.5%** compared to 9M20. The revenue performance reflects the strong recovery of the core business, especially regarding imaging tests (magnetic resonance, computed tomography, ultrasound and others), and a strong position in **clinical analyses (CA, excluding Covid tests)** for the period (3Q), reaching **R\$41.8** million, **growth of 9.1%** versus 3Q20, and a **record YTD performance**, with revenue of **R\$124.9** million, **growth of 38.6%**. Considering Covid tests, CA revenues reached **R\$51.8** million in the quarter and **R\$174.3** million in 9M21.



In addition to the Core Business, our revenue was also benefited from **New Businesses**, such as the expansion of **iDr**, with revenue of R\$13.5 million YTD, and the launching of the **Cartão Aliança** Marketplace.



	Var (3Q21 vs. 3Q20)	Revenue Share
MRI	21,5%	33,8%
Imaging Tests (ex. MRI)	21,1%	50,1%
Clinical Analysis	-8,7%	16,1%
Total Revenue	15,2%	100%

¹ Ex - Construction Revenue

² Total Clinical Analysis, including Covid exams. In 3Q20, we reported a higher demand for Covid tests due to the moment of the pandemic. Excluding Covid exams, the Clinical Analysis unit grew 9.1%.

Gross Revenue (R\$ Million)	3Q21	3Q20	YoY	9M21	9M20	YoY
Gross Revenue (ex-construction)	321.2	278.9	15.2%	933.4	683.9	36.5%
Diagnostic Imaging	269.4	222.1	21.3%	759.2	554.5	36.9%
MRI	108.6	89.3	21.5%	296.0	222.0	33.3%
Ex-MRI imaging	160.8	132.8	21.1%	463.2	332.5	39.3%
Clinical Analysis	51.8	56.7	-8.7%	174.3	129.4	34.7%
Construction Revenue	0.5	0.6	-25.6%	1.1	1.1	-8.1%
Gross revenue	321.7	279.5	15.1%	934	685.0	36.4%
Deductions	-23.2	-20.0	15.6%	-67.6	-49.1	37.7%
Net Revenue	298.5	259.4	15.0%	866.9	635.9	36.3%
Net Revenue (ex-construction)	298.0	258.8	15.1%	865.9	634.8	36.4%

Indicators	3Q21	3Q20	YoY	9M21	9M20	YoY
Avg. Revenue - MRI/Equipment (R\$ M)	0.97	0.77	25.9%	2.64	1.91	38.1%
Avg. Revenue - CA/Room (R\$ M)	0.18	0.19	-5.5%	0.61	0.44	39.4%
MRI Exams ('000)	209.7	167.2	25.4%	563.0	411.6	36.8%
CA Exams ('000)	3,117.3	2,680.4	16.3%	8,943.9	6,241	43.3%
MRI Avg. Ticket (R\$)	517.9	534.3	-3.1%	525.7	539.2	-2.5%
CA Avg. Ticket (R\$)	16.6	21.2	-21.5%	19.5	20.7	-6.0%
MRI Exams/Equipment/Day	30.0	23.1	29.9%	26.8	18.9	41.6%
CA Exams/Room/Day	175.6	145.9	20.4%	168.0	113.2	48.4%

Assets - End of period	3Q21	2Q21	QoQ	3Q21	3Q20	YoY
Units	102	105	-2.9%	102	106	-3.8%
Mega	17	17	0.0%	17	17	0.0%
Standard	72	76	-5.3%	72	77	-6.5%
Collection units	13	12	8.3%	13	12	8.3%
MRI equipment	112	115	-2.6%	112	116	-3.4%
CA rooms	284	284	0.0%	284	294	-3.4%

GROSS PROFIT/GROSS MARGIN

Quarterly Gross Profit (R\$ Million)	3Q21	3Q20 (proforma) ¹	3Q20	YoY (vs proforma) ¹	% NR 3Q21	% NR 3Q20 (proforma) ¹	YoY
Net Revenue (ex)	298.0	258.8	258.8	15.1%	-	-	-
Costs (ex)	-193.5	-189.7	-202.2	2.0%	-64.9%	-73.3%	8.4 p.p.
Medical services	-58.2	-48.3	-48.3	20.5%	-19.5%	-18.6%	-0.9 p.p.
Personnel	-47.3	-38.6	-47.0	22.6%	-15.9%	-14.9%	-1.0 p.p.
Supplies and support labs	-47.4	-49.0	-49.0	-3.1%	-15.9%	-18.9%	3.0 p.p.
Maintenance	-2.8	-9.4	-9.4	-69.9%	-0.9%	-3.6%	2.7 p.p.
Occupancy	-4.0	-6.0	-9.1	-34.0%	-1.3%	-2.3%	1.0 p.p.
Third-party services and others	-10.9	-11.7	-12.7	-7.1%	-3.6%	-4.5%	0.9 p.p.
Depreciation (cost)	-22.9	-26.8	-26.8	-14.4%	-7.7%	-10.3%	2.7 p.p.
Gross Profit	104.6	69.2	56.7	51.2%	35.1%	26.7%	8.4 p.p.
Construction costs	-0.4	-0.6	-0.6	-25.6%	-0.1%	-0.2%	0.1 p.p.

¹ 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.

Gross Profit totaled **R\$104.6** million in 3Q21, representing a growth of 85% y/y. Recovery in gross profit is a direct reflection of the resumption of growth and revenue normalization, associated with the control of costs was due to the successful renegotiation of contracts with the Company's main suppliers, which also allowed gross margin to increase, reaching **35.1%**. We emphasize that the increase in the Medical Services account reflects the resumption of revenue from imaging exams.

YTD Gross Profit (R\$ Million)	9M21	9M20 (proforma) ¹	9M20	YoY (vs proforma) ¹	% NR 9M21	% NR 9M20 (proforma) ¹	YoY
Net Revenue (ex)	865.9	634.8	634.8	36.4%	-	-	-
Costs (ex)	-587.9	-514.1	-555.6	14.3%	-67.9%	-81.0%	13.1 p.p.
Medical services	-158.4	-121.5	-121.5	30.4%	-18.3%	-19.1%	0.8 p.p.
Personnel	-138.6	-116.4	-143.0	19.0%	-16.0%	-18.3%	2.3 p.p.
Supplies and support labs	-152.3	-117.2	-117.2	30.0%	-17.6%	-18.5%	0.9 p.p.
Maintenance	-16.0	-26.3	-26.3	-39.3%	-1.8%	-4.1%	2.3 p.p.
Occupancy	-13.3	-16.6	-27.2	-19.7%	-1.5%	-2.6%	1.1 p.p.
Third-party services and others	-34.0	-35.2	-39.4	-3.4%	-3.9%	-5.5%	1.6 p.p.
Depreciation (cost)	-75.4	-81.0	-81.0	-6.9%	-8.7%	-12.8%	4.1 p.p.
Gross Profit	278.0	120.6	79.2	130.4%	32.1%	19.0%	13.1 p.p.
Construction costs	-1.0	-1.1	-1.1	-8.1%	-0.1%	-0.2%	n/a

¹ 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.

Gross Profit totaled **R\$278.0** million YTD, an increase of **R\$198.8** million y/y. Recovery in gross profit was a direct consequence of the recovery in revenue and a strict control of operating costs, which allowed gross margin to increase, reaching **32.1%**. We highlight that the increase in Supplies and support labs reflects the high performance of Clinical Analysis, just as Medical Fees reflect the resumption of imaging exams.

EBITDA/EBITDA MARGIN

Quarterly EBITDA (R\$ Million)	3Q21	3Q20 (proforma)	3Q20	YoY (vs proforma)	% NR 3Q21	% NR 3Q20 (proforma)	YoY
Net Revenue (ex)	298.0	258.8	258.8	15.1%	-	-	-
Gross Profit	104.6	69.2	56.7	n/a	35.1%	26.7%	8.4 p.p.
General Expenses	-66.0	-53.2	-40.7	24.1%	-22.1%	-20.5%	-1.6 p.p.
Personnel	-31.3	-30.2	-21.9	3.6%	-10.5%	-11.7%	1.2 p.p.
Occupancy, third parties and others	-28.2	-20.2	-16.0	40.0%	-9.5%	-7.8%	-1.7 p.p.
Depreciation (expense)	-5.9	-2.2	-2.2	166.4%	-2.0%	-0.9%	-1.1 p.p.
Incentive program (shares)	-0.6	-0.6	-0.6	-1%	-0.2%	-0.2%	0.0 p.p.
Other expenses, net	-1.3	0.5	0.5	-348%	-0.4%	0.2%	-0.6 p.p.
Earnings (loss) of subsidiaries	3.1	3.0	3.0	4.2%	1.1%	1.2%	-0.1 p.p.
EBIT	40.4	19.5	19.5	106.9%	13.6%	7.5%	6.0 p.p.
(+) Depreciation and amortization (total)	28.9	29.0	29.0	-0.3%	9.7%	11.2%	-1.5 p.p.
EBITDA	69.3	48.5	48.5	42.9%	23.2%	18.7%	4.5 p.p.
(+) Adj. write-down of financial assets ¹⁾	8.0	7.9	7.9	0.2%	2.7%	3.1%	-0.4 p.p.
Adjusted EBITDA	77.3	56.4	56.4	36.9%	25.9%	21.8%	4.1 p.p.

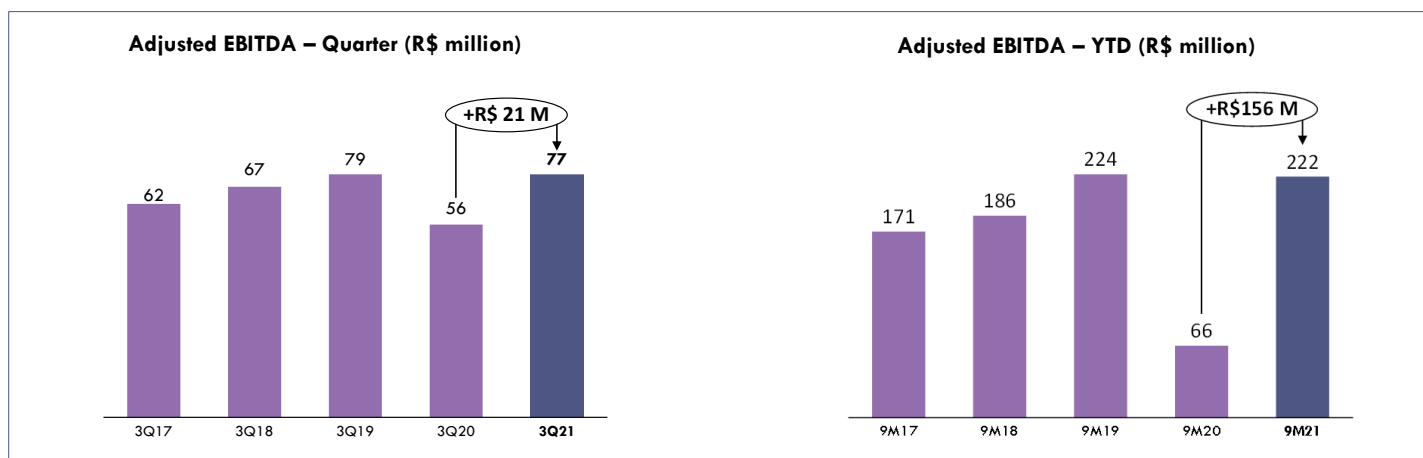
1) Recurring adjustment, corresponding to the recovery of investments made by RBD in the PPP with the state of Bahia.
n/a: not applicable

Adjusted **EBITDA** totaled **R\$77.3** million in 3Q21, **growth of 36.9%** compared to 3Q20. The EBITDA recovery was directly due to revenue growth and the strict control of the Company's costs and expenses.

YTD EBITDA (R\$ Million)	9M21	9M20 (proforma)	9M20	YoY (vs proforma)	% NR 9M21	% NR 9M20 (proforma)	YoY
Net Revenue (ex)	865.9	634.8	634.8	36.4%	-	-	-
Gross Profit	278.0	120.6	79.2	130.4%	32.1%	19.0%	13.1 p.p.
General Expenses	-191.0	-166.6	-125.1	14.7%	-22.1%	-26.2%	4.2 p.p.
Personnel	-95.0	-90.7	-64.1	4.8%	-11.0%	-14.3%	3.3 p.p.
Occupancy, parties, others	-78.8	-64.8	-50.0	21.6%	-9.1%	-10.2%	1.1 p.p.
Depreciation (expense)	-15.5	-6.8	-6.8	127.8%	-1.8%	-1.1%	-0.7 p.p.
Incentive program (shares)	-1.7	-4.3	-4.3	-60%	-0.2%	-0.7%	0.5 p.p.
Other expenses, net	11.2	-7.8	-7.8	n/a	1.3%	-1.2%	2.5 p.p.
Earnings (loss) of subsidiaries	8.8	8.6	8.6	3.1%	1.0%	1.3%	-0.3 p.p.
EBIT	106.9	-45.2	-45.2	n/a	12.4%	-7.1%	19.5 p.p.
(+) Depreciation and amortization (total)	90.9	87.8	87.8	3.6%	10.5%	13.8%	-3.3 p.p.
EBITDA	197.9	42.6	42.6	n/a	22.9%	6.7%	16.1 p.p.
(+) Adj. write-down of financial assets ¹⁾	24.0	23.7	23.7	1.1%	2.8%	3.7%	-1.0 p.p.
Adjusted EBITDA	221.9	66.3	66.3	n/a	25.6%	10.4%	15.2 p.p.

1) Recurring adjustment, corresponding to the recovery of investments made by RBD in the PPP with the state of Bahia.
n/a: not applicable

Adjusted **EBITDA** reached **R\$221.9** million YTD, **growth of R\$155.6 million** compared to 9M20. Once again, the improvement in performance is attributed to recovery in revenue and the strict efforts to control and renegotiate costs and expenses.



FINANCIAL RESULT AND DEBT

Financial Result (R\$ Million)	3Q21	3Q21	3Q20	YoY	9M21	9M20	YoY
Financial revenue	2,3	1,3	1,1	109,1%	6,4	3,3	93,6%
Financial expenses	-19,5	-15,7	-11,5	70,0%	-49,3	-35,4	39,1%
Lease interest	-7,2	-5,5	-5,3	34,6%	-18,0	-16,2	11,4%
FX effect on USD debt	0,0	1,2	0,1	n/a	0,2	-0,9	n/a
Total Financial Result	-24,3	-18,7	-15,5	56,6%	-60,7	-49,2	23,3%

In 3Q21, the Company reported an increase in financial expenses versus the same period last year due to the increase in interest rates (SELIC/CDI).

Indebtedness (R\$ Million)	Sep/21	Jun/21	Sept/20	YoY
Loans and debentures	767.5	786.2	802.1	-4.3%
Derivative financial instruments	0.0	0.0	-32.1	-100.0%
Gross Bank Debt	767.5	786.2	770.0	-0.3%
Gross Bank Debt R\$	767.5	786.0	767.6	0.0%
Gross bank debt - US\$	0.0	0.2	2.3	-100.0%
Tax installments	10.1	10.7	8.4	19.7%
Accounts payable - acquisition of companies	41.3	41.0	42.7	-3.2%
Total Gross Debt	818.9	837.9	821.1	-0.3%
Cash, Cash Equivalents and Securities	155.2	220.2	215.6	-28.0%
Total Net Debt	663.7	617.7	605.5	9.6%
LTM Adjusted EBITDA	297.3	276.5	134.0	121.8%

Total net debt amounted to R\$663.7 million at the end of 3Q21, 9.6% higher than the same period in 2020 due to the need for cash to finance the increase in our working capital, reflecting the resumption in exams demand and to the increased interest rates. However, the **total net debt / adjusted EBITDA LTM** ratio reached **2.25x** at the end of the period, decreasing **50.2%** in relation to the 4.52x ratio reported in 3Q20, in line with our downward trend for leverage. Our total net debt / adjusted EBITDA LTM complies with the current covenants.

INCOME TAX AND SOCIAL CONTRIBUTION

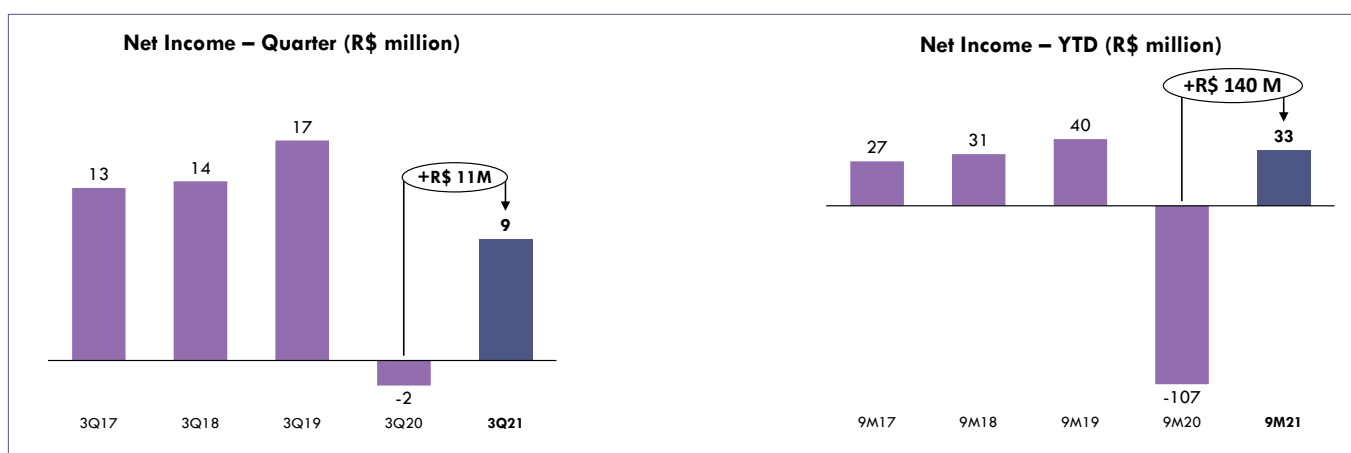
Quarterly Income Tax (R\$ Million)	3Q21	3Q20	YoY	9M21	9M20	YoY
Income before taxes on income	16.1	4.0	300.7%	46.3	-94.4	n/a
Taxes on income	-6.9	-5.9	17.8%	-12.9	-12.6	2.3%
Current taxes on income	-5.4	-6.0	-10.6%	-20.1	-13.6	48.3%
Deferred taxes on income	-1.6	0.1	n/a	7.2	1.0	654.3%
Effective tax rate	43.1%	n/a	n/a	27.8%	n/a	n/a

In **3Q21**, the Company registered a provision for taxes on income, in the amount of **R\$6.9 million**, resulting in an effective tax rate of **43.1%** (**27.8%** year-to-date). The increase in current taxes, both in relation to the previous quarter and YTD, reflects the better EBITDA and Profit results before taxes in 2021. The changes in deferred taxes reflect the non-constitution of deferred tax losses and temporary differences.

NET INCOME

Quarterly Net Income (R\$ Million)	3Q21	3Q20	YoY	9M21	9M20	YoY
Net Income	9.2	-1.9	n/a	33.4	-107.0	n/a
Attributed to the controlling shareholders	5.2	-3.8	n/a	25.7	-110.2	n/a
Attributed to non-controlling shareholders	4.0	2.0	103.1%	7.7	3.2	143.7%
Earnings per share (R\$)	0.04	-0.03	n/a	0.22	-0.93	n/a
Net Margin	3.1%	-0.7%	n/a	3.9%	-16.9%	n/a

Net Income in 3Q21 totaled **R\$9.2 million**, a strong **recovery of R\$11.1 million** compared to the loss reported in 3Q20. In 9M21, **Net Income** totaled **R\$33.4 million**, a recovery of **R\$140.4 million** compared to 9M20. Although financial results have caused negative impacts in 2021, net income results were directly associated with revenue growth and our efficient financial management for costs and expenses.



FINANCIAL PERFORMANCE

Income Statement Overview	3Q21	3Q20 (pro forma) ¹	3Q20	YoY (pro forma) ¹	9M21	9M20 (pro forma) ¹	9M20	YoY (pro forma) ¹
	Gross Revenue (ex-construction)	321.2	278.9	278.9	15.2%	933.4	683.9	683.9
Deductions (ex)	(23.2)	(20.0)	(20.0)	15.7%	(67.5)	(49.1)	(49.1)	37.6%
Net Revenue (ex-construction)	298.0	258.8	258.8	15.1%	865.9	634.8	634.8	36.4%
Cost of services	(193.5)	(189.7)	(202.2)	2.0%	(587.9)	(514.1)	(555.6)	14.3%
Gross Profit	104.6	69.2	56.7	51.2%	278.0	120.6	79.2	130.4%
Gross Profit Margin	35.1%	26.7%	21.9%	8.4 p,p,	32.1%	19.0%	12.5%	13.1 p,p,
General and administrative expenses	(66.0)	(53.2)	(40.7)	24.1%	(191.0)	(166.6)	(125.1)	14.7%
Other income (expenses), net	(1.3)	0.5	0.5	n/a	11.2	(7.8)	(7.8)	n/a
Share of profit (loss) on investments	3.1	3.0	3.0	4.2%	8.8	8.6	8.6	3.1%
(+) Depreciation and Amortization	28.9	29.0	29.0	-0.3%	90.9	87.8	87.8	3.6%
EBITDA	69.3	48.5	48.5	42.9%	197.9	42.6	42.6	364.8%
(+/- adjustments)	8.0	7.9	7.9	0.2%	24.0	23.7	23.7	1.1%
Adjusted EBITDA	77.3	56.4	56.4	36.9%	221.9	66.3	66.3	n/s
Adjusted EBITDA Margin	25.9%	21.8%	21.8%	4.1 p,p,	25.6%	10.4%	10.4%	15.2 p,p,
(-) Depreciation and Amortization	(28.9)	(29.0)	(29.0)	-0.3%	(90.9)	(87.8)	(87.8)	3.6%
Finance income (expenses)	(24.3)	(15.5)	(15.5)	56.6%	(60.7)	(49.2)	(49.2)	23.3%
EBT	16.1	4.0	4.0	300.7%	46.3	(94.4)	(94.4)	n/a
Taxes	(6.9)	(5.9)	(5.9)	17.8%	(12.9)	(12.6)	(12.6)	2.3%
Effective tax rate	43.1%	146.6%	146.6%	n/a	27.8%	13.4%	13.4%	14.5 p,p,
Net Income	9.2	-84.6	-3.8	n/a	33.4	-106.3	-110.2	n/a
Net margin	3.1%	-1.5%	-1.5%	4.6 p,p,	3.9%	-28.3%	-17.4%	32.1 p,p,

n/a.: not applicable
n.s.: not significant

¹ 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.

INVESTMENTS

Investments (R\$ Million)	3Q21	3Q20	YoY	9M21	9M20	YoY
Organic expansion	9.0	3.5	157.4%	23.1	16.7	38.2%
Maintenance	13.3	11.1	19.5%	35.7	19.7	81.4%
Others	5.2	3.2	60.9%	14.6	7.4	95.7%
Total CAPEX	27.5	17.9	54.0%	73.4	43.8	67.4%
Financial assets (RBD)	0.5	0.6	-25.7%	1.1	1.1	-8.1%
M&A / Investments	0.0	0.0	n/a	0.0	0.0	n/a
TOTAL	28.0	18.5	51.3%	74.4	45.0	65.4%

Investments totaled **R\$28.0** million in the quarter, reflecting the Company's strategy to resume investments to expand existing units while **increasing production capacity** through the addition of new equipment.

OPERATING CASH FLOW AND FREE CASH FLOW

Operating Cash Generation totaled **R\$120.1** million in 9M21, with a cash conversion rate of **54.1%** (against adjusted EBITDA), once again demonstrating the Company's **financial strength** in its cash generation.

Cash Flow (R\$ Million)	9M21	9M20	YoY
(1) Adjusted EBITDA	221.9	66.3	234.6%
(2) Non-cash items	-44.8	-34.8	28.9%
(3) Working Capital ^a	-38.5	51.9	n.s.
Clients	-58.1	12.1	n/a
Trade payables	0.2	20.5	-99.1%
Payroll and related taxes	20.8	17.2	20.8%
Taxes payable and taxes in installments	23.8	11.7	103.0%
Other	-25.2	-9.6	163.3%
(4) Current income tax	-18.4	-13.6	35.6%
(5) Operating Cash Flow [= (1)+(2)+(3)+(4)]	120.1	69.9	71.9%
(6) Investing Activities^b	-74.4	-45.0	65.4%
PPE and intangible assets	-73.4	-43.8	67.4%
Financial Asset (Capex RBD)	-1.1	-1.1	-8.0%
(7) Free Cash Flow ex-M&A [= (5)+(6)]	45.7	24.9	83.6%
(8) Financing Activities^c	-123.2	99.7	n/a
Dividends / IOC paid	-12.3	0.0	n/a
Borrowings, leases and amortizations, net	-0.4	134.9	n/a
Financial expenses (cash)	-60.2	-38.3	n.s.
Treasury Shares	-53.1	0.0	n/a
Related Parties	2.6	3.1	-14.2%
(9) Cash Increase (decrease) [= (7)+(8)]	-77.5	124.6	n/a
Conversion (Operating CF / Adj. EBITDA)	54.1%	105.4%	n/a
Adjusted EBITDA	221.9	66.3	234.6%

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 AS OF SEPTEMBER 30, 2021, AND DECEMBER 31, 2020

(R\$ '000)

ASSETS	Consolidated		LIABILITIES AND EQUITY	Consolidated	
	30/09/2021	31/12/2020		30/09/2021	31/12/2020
CURRENT ASSETS			CURRENT LIABILITIES		
Cash and cash equivalents	152,402	229,087	Trade payables	80,601	80,425
Accounts receivable	301,642	242,575	Payroll and benefits	59,850	39,034
Inventories	10,087	10,007	Borrowings and financing	355,111	262,982
Financial assets	32,274	31,929	Leases	29,787	39,632
Taxes recoverable	57,097	46,107	Tax obligations	31,310	25,988
Derivative financial instruments	-	2,888	Tax installment payments	2,869	2,116
Other accounts receivable	13,092	6,339	Accounts payable - acquisition of companies	40,086	14,462
Total current assets	566,594	568,932	Dividends payable	3,567	3,978
			Other accounts payable	8,418	7,864
			Total current liabilities	611,599	476,481
NONCURRENT ASSETS			NONCURRENT LIABILITIES		
Securities	2,784	2,777	Borrowings and financing	412,423	530,857
Escrow deposits	25,677	25,013	Leases	262,406	212,197
Contingency reimbursement guarantee	10,144	11,131	Related parties	2,244	337
Related parties	17,541	16,485	Tax installment payments	7,200	5,511
Deferred income and social contribution taxes	146,628	137,892	Accounts payable - acquisition of companies	1,242	27,146
Financial assets	62,993	68,989	Deferred income and social contribution taxes	20,186	16,827
Investments	10,455	9,400	Provision for legal contingencies	40,563	41,864
Property and equipment	512,908	508,145	Other accounts payable	6,619	5,698
Intangible assets	972,080	964,517			
Usage rights	276,738	227,321			
Total noncurrent assets	2,037,948	1,971,670	Total non-current liabilities	752,883	840,437
			EQUITY		
			Capital stock	612,412	612,412
			Capital reserves	624,605	622,894
			Treasury shares	(12,528)	(276)
			Other comprehensive income	(18,839)	(44,493)
			Controlling shareholders' equity	1,205,650	1,190,537
			Minority interest	34,410	33,147
			Total equity	1,240,060	1,223,684
TOTAL ASSETS	2,604,542	2,540,602	TOTAL LIABILITIES AND EQUITY	2,604,542	2,540,602

STATEMENTS OF OPERATIONS FOR THE PERIODS ENDED SEPTEMBER 30, 2021, AND SEPTEMBER 30, 2020
(R\$ '000)

Consolidated	3Q21	3Q20	9M21	9M20
Net revenues	298,477	259,433	866,869	635,870
Cost of services	(193,922)	(202,781)	(588,898)	(556,715)
Gross profit	104,555	56,653	277,971	79,156
Operating (expenses) income				
General and administrative expenses	(65,997)	(40,655)	(191,035)	(125,097)
Other (expenses) income, net	(1,291)	521	11,183	(7,800)
Equity in the earnings (loss) of subsidiaries	3,140	3,014	8,824	8,556
Operating income before financial result	40,407	19,532	106,943	(45,186)
Financial result	(24,287)	(15,509)	(60,661)	(49,211)
Financial expenses	(26,625)	(16,627)	(67,076)	(52,525)
Financial income	2,338	1,118	6,415	3,314
Operating income (loss) before	16,120	4,023	46,282	(94,396)
Income and social contribution taxes				
Current and deferred	(6,944)	(5,896)	(12,889)	(12,605)
Net income (loss) for the period	9,176	(1,874)	33,393	(107,001)
Attributable to controlling shareholders	5,153	(3,847)	25,702	(110,153)
Attributable to non-controlling shareholders	4,023	1,974	7,691	3,150

CASH FLOW STATEMENTS ON SEPTEMBER 30, 2021, AND SEPTEMBER 30, 2020

(R\$ '000)

CASH FLOW FROM OPERATING ACTIVITIES	Consolidated	
	30/09/2021	30/09/2020
Net Income (loss) for the period	33,393	(107,002)
Adjustments to reconcile net income to net cash generated by (used in) operating activities:	111,007	105,667
Depreciation and amortization	90,842	87,756
Stock options granted and restricted stocks	1,711	4,257
Residual value of property, plant and equipment and rights of use disposed of, and investments	(12,679)	1,176
Finance charges, foreign exchange effect and derivatives	60,781	48,769
Financial asset update	(17,215)	(18,495)
Income (loss) from subsidiaries	(8,824)	(8,556)
Allowance for doubtful debts	5,692	(8,326)
Provisions for civil, labor and tax risks	(1,137)	63
Deferred Taxes	(8,164)	(977)
	144,400	(1,335)
Decrease (increase) in operating assets	(59,378)	13,382
Decrease (increase) in clients	(40,687)	30,551
Decrease (increase) in inventories	(80)	2,221
Decrease (increase) in other assets	(17,559)	(18,246)
Decrease (increase) in Financial Asset	(1,052)	(1,144)
Increase (decrease) in operating liabilities:	34,301	58,454
Increase (decrease) in trade payables	176	20,504
Increase (decrease) in payroll and related taxes	20,816	17,232
Increase (decrease) in taxes payable and taxes in installments	23,776	11,714
Increase (decrease) in other liabilities	(4,964)	8,669
Income Tax and Social Contribution paid	(13,271)	(8,372)
Dividends and interest on equity received	7,768	8,707
Net Cash generated by Operating Activities	119,323	70,501
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of subsidiaries, net of cash received	(1,905)	(213)
Related Parties	851	3,081
Purchase of property, plant and equipment and intangible assets	(73,371)	(43,836)
Net cash used in investing activities	(74,425)	(40,968)
CASH FLOW FROM FINANCING ACTIVITIES		
Stock Repurchase	(12,252)	
Dividends paid	(411)	(2,227)
Borrowings and bonds, net	249,535	483,299
Interest paid	(53,319)	(37,908)
	2,644	60,971
Repayment of borrowings and financing and lease	(307,780)	(409,121)
Net cash used in financing activities	(121,583)	95,014
INCREASE IN CASH AND CASH EQUIVALENTS	(76,685)	124,547
CASH AND CASH EQUIVALENTS		
At the beginning of the period	229,087	88,301
At the end of the period	152,402	212,848