



# Earnings Release

3Q21

NOVEMBER 2021

[ri.tc.com.br/en-us](https://ri.tc.com.br/en-us)

São Paulo, November 12, 2021

# TC reports proforma net profit of R\$ 11.9 million in 3Q21.

TC Traders Club S.A. ("TC" or "Company"), one of the largest investor communities in Latin America, announces its results for the **third quarter of 2021 (3Q21)**. The financial information reported is presented in Reais (R\$), in accordance with accounting practices adopted in Brazil (BR GAAP) and International Financial Reporting Standards (IFRS).

## Earnings videoconference

**November 16, 2021**

**2:00 pm** (Brasília)


**12:00 pm** (New York)

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# Highlights of the period

PROFORMA NET REVENUE\*  
(million)

R\$31.0

△ +109% (3Q21/3Q20)

PROFORMA NET PROFIT\*  
(million)

R\$11.9

△ +69% (3Q21/3Q20)

REGISTERED USERS

562k

△ +158% (3Q21/3Q20)

PAYING USERS

88k

△ +418% (3Q21/3Q20)

(R\$ thousand)	3Q21*	2021	Var. (%)	3Q20	Var. (%)
<b>Net revenue</b>	<b>31,006</b>	<b>23,240</b>	<b>33.4%</b>	<b>14,842</b>	<b>108.9%</b>
Cost of service rendered	-11,843	-8,898	33.1%	-1,967	502.1%
<b>Gross profit</b>	<b>19,163</b>	<b>14,342</b>	<b>33.6%</b>	<b>12,875</b>	<b>48.8%</b>
<i>Gross margin</i>	<i>61.8%</i>	<i>61.7%</i>	<i>0.1 p.p.</i>	<i>86.7%</i>	<i>-24.9 p.p.</i>
<b>Net profit</b>	<b>11,897</b>	<b>-2,203</b>	<b>n.a.</b>	<b>7,032</b>	<b>69.2%</b>
<i>Net margin</i>	<i>38.4%</i>	<i>-9.5%</i>	<i>47.9 p.p.</i>	<i>47.4%</i>	<i>-9.0 p.p.</i>
<b>EBITDA**</b>	<b>3,548</b>	<b>1,139</b>	<b>211.5%</b>	<b>9,036</b>	<b>-60.7%</b>
<i>EBITDA margin**</i>	<i>11.4%</i>	<i>4.9%</i>	<i>6.5 p.p.</i>	<i>38.9%</i>	<i>-27.5 p.p.</i>

\*3Q21 includes proforma numbers for the RIWeb and Economatica acquisitions, closed on October 1, 2021.

\*\*Including adjustments for nonrecurring items.

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## Message from Management

*"Innovation is what differentiates a leader from a follower."*

*Steve Jobs*

TC has the dissatisfaction with the status quo in its DNA. Our entire team works constantly focused on improving the product, our users' experience, and ensuring customer satisfaction. Only a quarter after our IPO, we are a much more developed company today, yet with a lot of room to grow. We keep working on building innovative functionalities, services, and products that will transform the daily lives of our users and will expand considerably our ecosystem.

We are striving to make the tools available to our users ever more complete, but at the same time more intuitive and simple. We have never succeeded simultaneously in these two important dimensions as we are today. We are absolutely firm in our mission to democratize access to the financial market for individuals and to change the history of investments in Brazil.

But that's not all. We are focused on reaching new markets, new audiences, and expanding our user base and product portfolio, and I am convinced that we have demonstrated this over the past few months with deliveries, results, and strategic acquisitions.

We closed the third quarter with a lot of new features, starting with the new interface of our platform and app. It is work in progress and will always be so. In the Investor Relations area, through the acquisition of RIWeb, we started the integration at a rapid pace and have already launched the first and important step of having the transmission of conference calls within TC itself, being just the beginning of a large project that will be a revolution in the way publicly held companies communicate and reach out to investors or potential investors. As importantly, it will make our ecosystem even more unique by accelerating the number of registered users. We are also expanding the production of market intelligence and data usage on the benefit of users, as well as tools and courses focused on other asset classes, such as fixed income, real estate funds, and crypto-actives.

Expanding the Weekly Active Users (WaU) on our platform is one of our top priorities. In fact, it is our newest obsession. With previous focus much more on paid users, the new features and versions of TC will bring even more possibility to monetize users without the need for subscriptions to our plans. As an example of additional sources of revenue we will have crypto, stock market, and fixed income trading on the platform, the latter of which has a much larger addressable market and is consequently strategic for TC's growth.

In parallel and at high speed, we are launching in the coming months products for the B2B market, and it is important to note that TC runs today with a larger cost structure, but ready to execute and launch the new products for this segment. The recently announced acquisitions are part of the project to build a complete terminal, with data, indicators, news, tools, and services that will change for the better the routine of listed companies, funds, AAs, financial institutions, and family offices. It's really just the beginning.

We see in B2B an opportunity to complement our portfolio, our business, and diversify our revenue. We are dealing with an extremely resilient business model with a lot of room to innovate, develop, and deliver complete products, while keeping our "one-stop-shop" identity, now focused on the institutional market.

Another important news for TC is the investment agreement with 2TM, the holding company that owns Mercado Bitcoin, as part of our strategy to develop the first broker integration experience inside the platform, empowering our users to execute orders without leaving the TC Community, as well as cross-selling and new client acquisition opportunities.

Finally, in relation to the last quarter, I would like to emphasize the 158% growth in the number of registered users and the 109% increase in our net revenue compared to 3Q20, in addition to operating cash generation, showing the strength of our services.

As I always repeat, we are an active and relentless company. Over the coming months and years, you will continue to follow the results of everything we are planting and what we have just started to harvest, always focusing on innovation, value creation for our shareholders, and the continuous development of our ideal Company project and vision.

A special thanks to our truly outstanding team, to our thousands of customers and shareholders who believe, as I do, in the relevance of our mission.

**Pedro Albuquerque**  
Founder and CEO

## Financial and operating performance

### CORPORATE

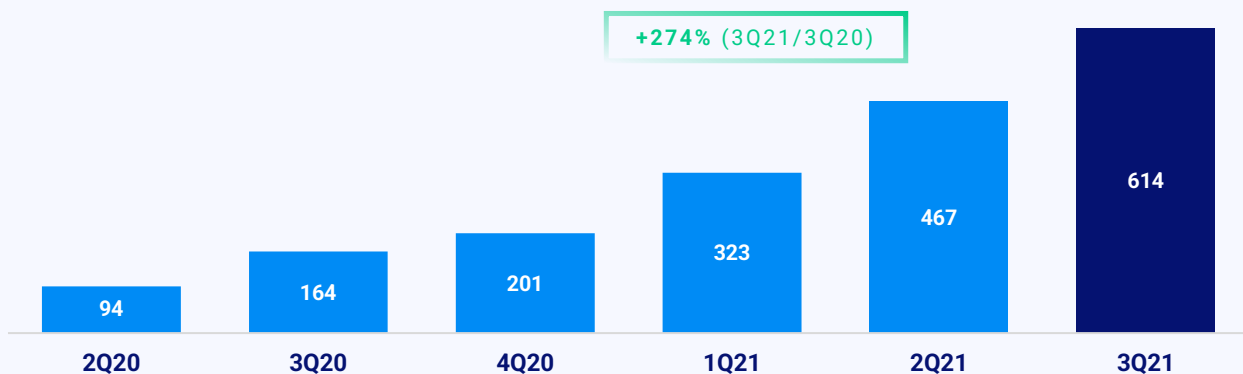
At the end of 3Q21, TC had **614 employees**, an increase of 31.5% compared to the number recorded in the previous quarter. The expansion reflects TC's strong growth in recent months, with product launches, new acquisitions and improved tools to serve our customers.

The Company believes that it has reached its optimal headcount size and will no longer require substantial staff additions in the coming quarters, even considering the creation of new products and the growth of the user base.

It is important to note that in September the Company received the GTPW ("Great Place to Work") seal, which is a renowned global consulting firm that supports organizations in the development of better results, with a view to strengthening a culture of trust, high performance, and innovation.

In the survey, a score of **89** was achieved, which means that almost 9 employees in every 10 recommend TC as a great place to work.

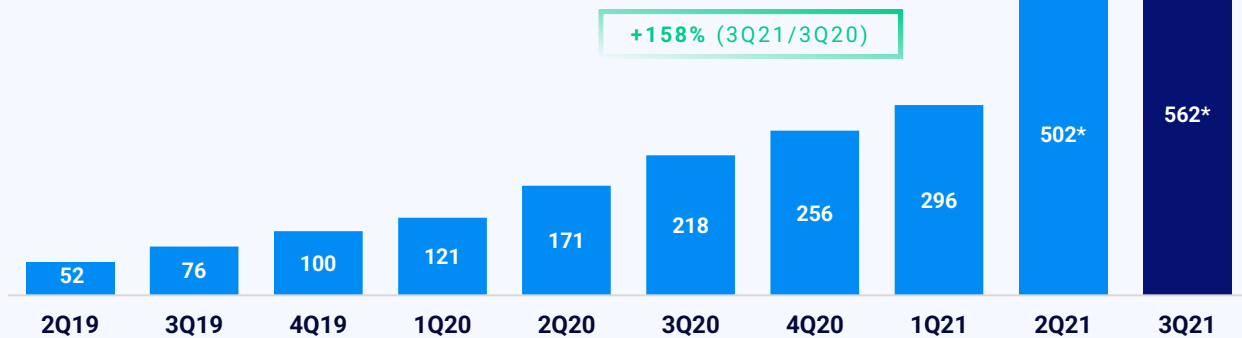
Number of employees



## REGISTERED USERS

TC ended 3Q21 with **562 thousand registered users** on the platform, an increase of 157.8% compared to 3Q20 and 12.0% higher compared to 2Q21. The growth is explained by the strategy adopted by the Company, focused on expanding the user base for subsequent conversion into subscriptions and other monetized services offered on the platform.

Number of registered users  
(thousand)

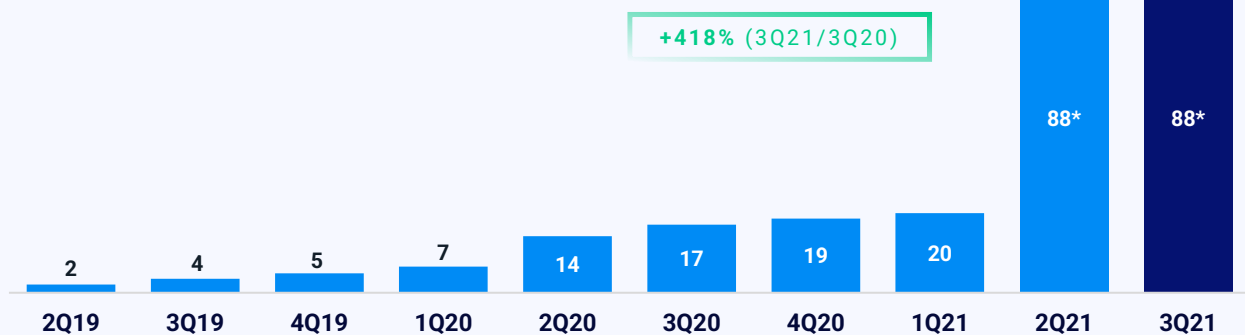


\*Including Sencon users.

## PAYING USERS

At the end of September 2021, the number of **paying users** reached **88 thousand**, an increase of 417.6% compared to 3Q20 and stable compared to the number observed in 2Q21, demonstrating strong resilience of the base, even with the expressive performance of the stock market during the third quarter (-13% between July and September).

Number of paying users  
(thousand)



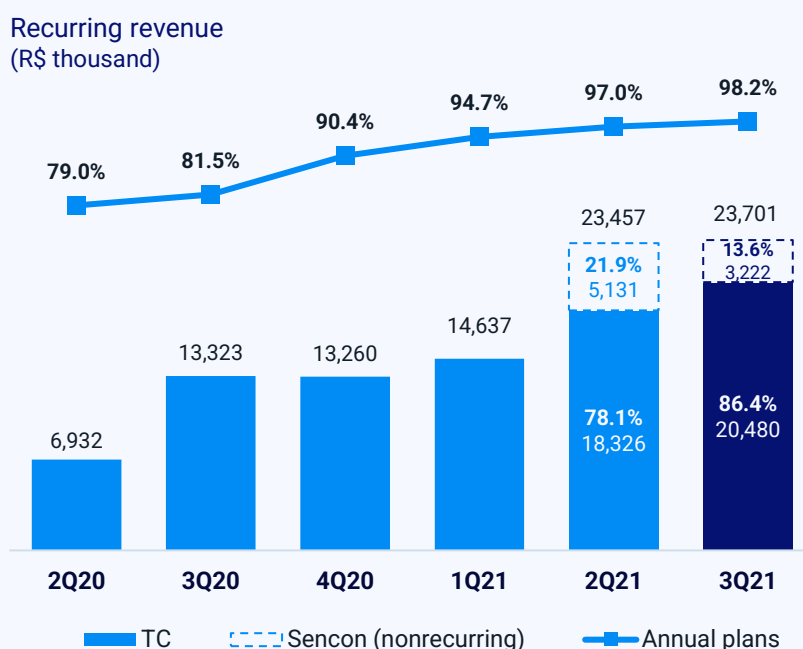
\*Including Sencon users.

## RECURRING REVENUE

TC is a true SaaS (Software as a Service) Company, providing technology through its services to customers, with **98.2%** (+1.2 percentual points compared to 2Q21) of its subscriptions linked to annual plans with automatic renewal, providing resilience and greater revenue predictability for the business.

It is important to note that TC succeeded in expanding its recurring revenue, even in an adverse period in terms of economic scenario, with a sharp drop in the stock market and political instability.

Sencon's revenues, on the other hand, are not yet fully in the SaaS model, and are quite susceptible to the seasonality of the annual income tax return, which makes the second quarter stronger compared to the others.



## NET MONTHLY RECURRING REVENUE RETENTION

Our policy is to adopt annual plans, which mitigates the seasonality of the base churn. Overall, churn is a metric that indicates the level of customers who canceled their plans during the period analyzed, which may generate a revenue loss.

Aiming to measure the revenue volume that is maintained within the Company in each cohort, we use a metric called Net Monthly Recurring Revenue Retention, which indicates how much net revenue we can retain in percentage terms in relation to the number of customers who have canceled or migrated their plans during the same period.

The chart below shows the behavior of the average revenue retention of TC's clients as measured by the monthly cohorts. The behavior of the curve obtained indicates that, between customer

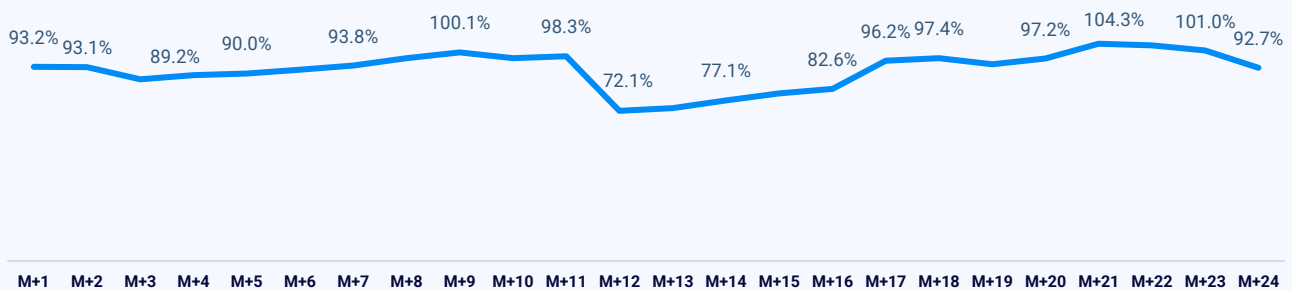


movements (upgrades, downgrades, cross-sell and cancellations), the revenue from TC cohorts is, on average, well supported during the first year.

The drop observed in the M+12 period reflects the seasonality of plan renewals, since most of them are annual.

After this period, it is possible to observe a revenue recovery from the clients that remained in the cohort - which happens especially due to the launch of new products and promotional campaigns - and that usually, clients that remain in the TC tend to increase their average ticket to compensate the loss of revenue by clients that leave over time.

### Net MRR retention rate



## PROFORMA NET REVENUE

TC totaled **proforma net revenue** of **R\$ 31 million** at the end of 3Q21, 108.9% higher than the same period of last year and 33.4% higher than 2Q21. The adjustments were made to reflect the acquisitions of RIWeb and Economatica, both closed in the beginning of October.

We decided to disclose the proforma net revenue, considering the recent acquisitions, to evidence to our investors that the acquired companies are already in a stage of sufficient development to generate revenues and not only expenses.

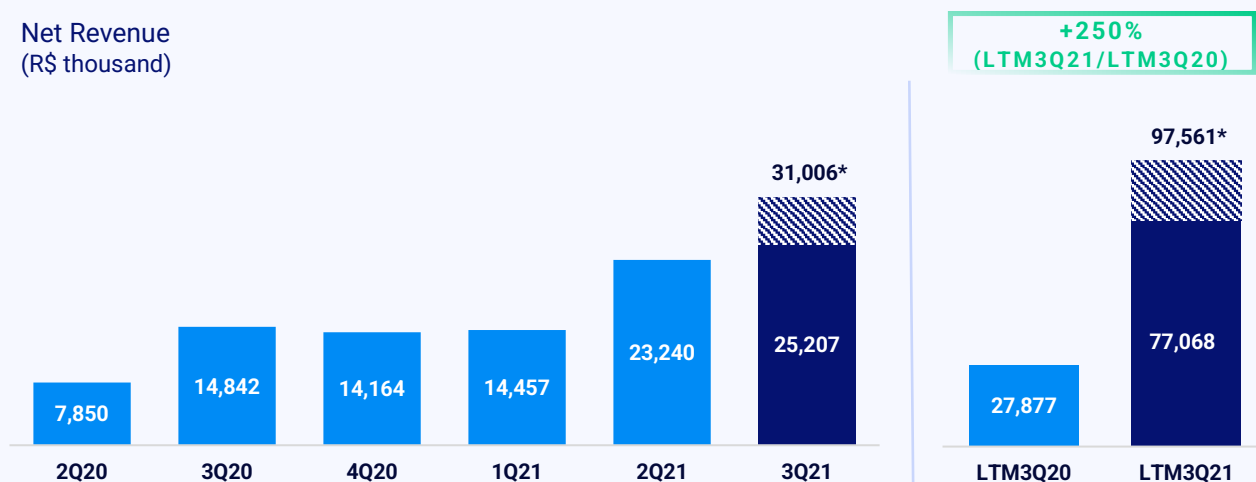
(R\$ thousand)	3Q21	2Q21	Var. (%)	3Q20	Var. (%)
<b>Proforma gross revenue*</b>	<b>34,616</b>	<b>26,359</b>	<b>31.3%</b>	<b>15,921</b>	<b>117.4%</b>
<i>(-) Proforma adjustment</i>	<i>6,244</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<b>Gross revenue</b>	<b>28,372</b>	<b>26,359</b>	<b>7.6%</b>	<b>15,921</b>	<b>78.2%</b>
Deductions	-3,165	-3,119	1.5%	-1,079	193.3%
<b>Net revenue</b>	<b>25,207</b>	<b>23,240</b>	<b>8.5%</b>	<b>14,842</b>	<b>69.8%</b>
<i>(+) Proforma adjustment</i>	<i>5,799</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<b>Proforma net revenue*</b>	<b>31,006</b>	<b>23,240</b>	<b>33.4%</b>	<b>14,843</b>	<b>108.9%</b>

\*Includes proforma numbers for the RIWeb and Economatica acquisitions, closed October 1, 2021.



At the end of the twelve-month period ending September 2021, the Company's **accumulated net revenue** totaled **R\$ 77.1 million**, an increase of 176.5% compared to LTM3Q20. The LTM3Q21 **proforma net revenue**, in turn, totaled **R\$ 97.6 million**, 250% higher than the revenue accumulated in LTM3Q20.

Net Revenue  
(R\$ thousand)

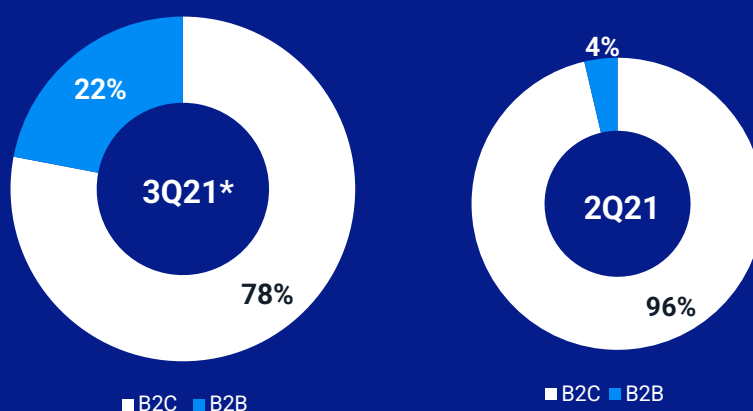


\*Includes proforma numbers for the RIWeb and Economatica acquisitions, closed October 1, 2021.

The acquisitions made by the Company since the IPO sought to complement the TC ecosystem, with complementarities between businesses and gains in synergy. Important to mention the Company's new revenue profile focused on B2B, a more resilient revenue line, with a lower churn level.

At the end of September, adjusted with RIWeb and Economatica revenues, approximately 22% of the Company's gross revenue resulted from the B2B line. The growth of the B2B line is the result of the company's work in this segment and should be a visible trend in the next results.

### BREAKDOWN OF GROSS REVENUE



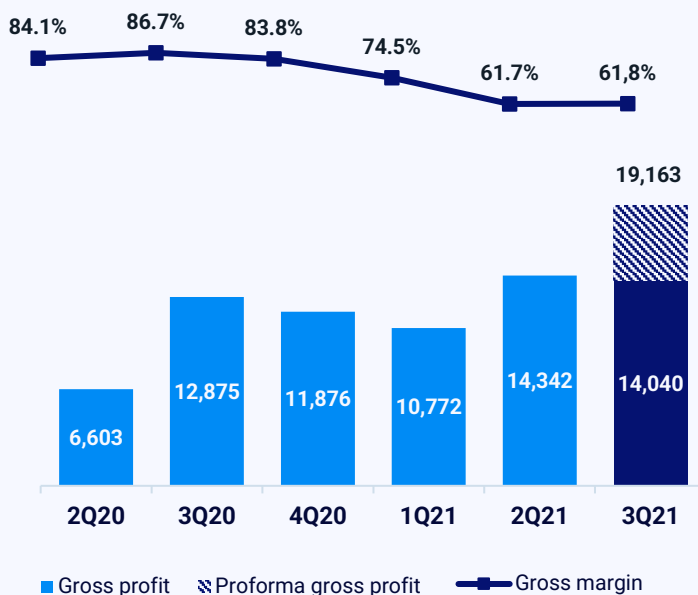
\*Includes proforma numbers for the RIWeb and Economatica acquisitions, closed October 1, 2021.

## GROSS PROFIT AND GROSS MARGIN

The Company's **proforma gross profit** totaled **R\$ 19.2 million** in 3Q21, accounting for a growth of 33.6% when compared to the same period of the previous year and 48.8% higher than the gross profit recorded in 2Q21. The **proforma gross margin** reached 61.8% in the period, relatively stable compared to the second quarter of 2021.

(R\$ thousand)	3Q21	2Q21	Var. (%)	3Q20	Var. (%)
<b>Proforma net revenue*</b>	<b>31,006</b>	<b>23,240</b>	<b>33.4%</b>	<b>14,842</b>	<b>108.9%</b>
Cost of service rendered*	-11,843	-8,898	33.1%	-1,967	502.1%
<b>Proforma gross profit*</b>	<b>19,163</b>	<b>14,342</b>	<b>33.6%</b>	<b>12,875</b>	<b>48.8%</b>
<i>Proforma gross margin*</i>	<i>61.8%</i>	<i>61.7%</i>	<i>0.1 p.p.</i>	<i>86.7%</i>	<i>-24.9 p.p.</i>
<i>(-) Proforma adjustment</i>	<i>5,123</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<b>Gross profit</b>	<b>14,040</b>	<b>14,342</b>	<b>-2.1%</b>	<b>12,875</b>	<b>9.0%</b>
<i>Gross margin</i>	<i>55.7%</i>	<i>61.7%</i>	<i>-6.0 p.p.</i>	<i>86.7%</i>	<i>-31.0 p.p.</i>

\*Includes proforma numbers for the RIWeb and Economatica acquisitions, closed October 1, 2021.



The pro forma **CSS (Cost of Services Sold)**, which represents the costs incurred in the sale of a product, reached **R\$11.8 million** in 3Q21. The strong growth is explained by the increase in costs related to the hiring of additional employees for the technology team, due to the diversification of products and the Company's strong growth. This increase in the staff, with a consequent increase in CSS, anticipates the additional growth expected for revenues, given that it is

necessary to prepare the Company for the provision of new services and expansion of current services, which have the potential to generate revenue growth.

## OPERATING RESULT

The **operating expenses** reached R\$ **20.8 million** in 3Q21. The increase in comparison with the other periods is due to the growth in the number of employees, reflected in the payroll allocated to "General and administrative expenses".

(R\$ thousand)	3Q21	2Q21	Var. (%)	3Q20	Var. (%)
<b>Operating (expenses) income</b>	<b>-20,782</b>	<b>-18,595</b>	<b>11.8%</b>	<b>-4,053</b>	<b>412.8%</b>
<i>General and administrative expenses</i>	<i>-16,606</i>	<i>-12,041</i>	<i>37.9%</i>	<i>-2,872</i>	<i>478.2%</i>
<i>Sales/Marketing expenses</i>	<i>-3,353</i>	<i>-4,341</i>	<i>-22.8%</i>	<i>-1,181</i>	<i>183.9%</i>
<i>Other operating net (expenses) income</i>	<i>-823</i>	<i>-2,213</i>	<i>-62.8%</i>	<i>-</i>	<i>-</i>

## FINANCE INCOME (COSTS)

At the end of 3Q21, the Company recorded a positive **financial result** of R\$ **3.7 million**. The result was mainly due to the increase in revenue for the period, as a result of the income from financial investments with available cash.

(R\$ thousand)	3Q21	2Q21	Var. (%)	3Q20	Var. (%)
<b>Financial Income</b>	<b>3,716</b>	<b>-240</b>	<b>n.a.</b>	<b>-61</b>	<b>n.a.</b>
<i>Financial Revenues</i>	<i>4,274</i>	<i>281</i>	<i>1421.0%</i>	<i>22</i>	<i>19327.3%</i>
<i>Financial Expenses</i>	<i>-558</i>	<i>-521</i>	<i>7.1%</i>	<i>-83</i>	<i>572.3%</i>

## CASH AND CASH EQUIVALENTS

The Company's **cash position** at the end of September 2021 was extremely comfortable, at around R\$ **525.9 million**. A large part of the availability observed came from the proceeds of the IPO.

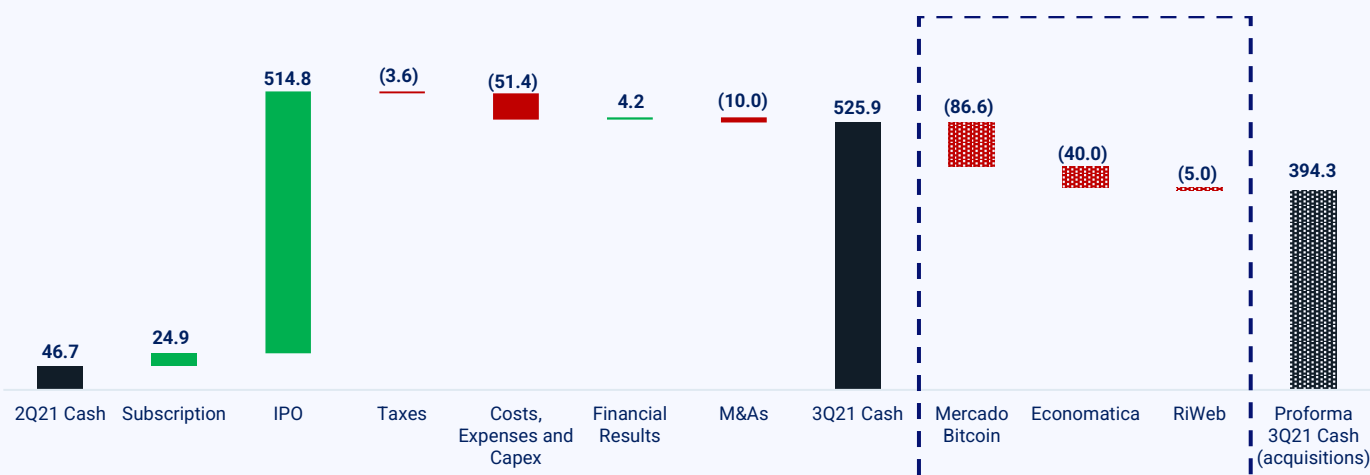
(R\$ thousand)	3Q21	2020	Var. (%)
Banks	4,055	1,914	111.9%
Financial applications	521,825	4,266	12132.2%
<b>Cash and cash equivalents</b>	<b>525,880</b>	<b>6,180</b>	<b>8409.4%</b>

After the end of the quarter, TC completed the acquisition of RIWeb for R\$ 5 million of Economatica, for R\$ 40 million and entered into an investment agreement with 2TM (Mercado Bitcoin's holding company), in the total amount of R\$ 86.6 million.

In the cash flow statement (attached) it is possible to observe that there was **operational cash generation** in the amount of **R\$ 733 thousand** through the indirect model. In other words, the net result discounted from the non-cash effects related to the operational assets and liabilities generates a positive balance.

The biggest impact is from the deferred tax, which is a tax credit and, therefore, does not generate income, despite positively affecting the result. On the other hand, the increase in trade payables indicates that there was more control over payment terms in order to ensure a more efficient management of the funds raised in the IPO.

Considering adjustments of the acquisitions mentioned in the Company's cash and not considering any **entry**, the proforma **net cash** totaled **R\$ 394.3 million**.



The details of these operations can be found in the "Subsequent Events" section in this document and on the TC's IR [website](#).

## NET PROFIT AND NET MARGIN

In the quarter, the Company's **net profit** totaled **R\$ 11.4 million**, a growth of **62.7%** compared to 3Q20, surpassing the loss of R\$ 2.2 million presented in the previous quarter.

Considering the proforma of the acquisitions concluded in the beginning of October, the Company calculated a **proforma net profit** of **R\$ 11.9 million**.

(R\$ thousand)	3Q21	2Q21	Var. (%)	3Q20	Var. (%)
<b>Gross Profit</b>	<b>14,040</b>	<b>14,342</b>	<b>-2.1%</b>	<b>12,875</b>	<b>9.0%</b>
(-/+ ) Operating Income	-20,782	-18,595	11.8%	-4,053	412.8%
(-/+ ) Financial Income	3,716	-240	n.a.	-61	n.a.
(-/+ ) Income Taxes and Social Contribution*	14,464	2,290	531.6%	-1,729	n.a.
<b>Net profit (loss)</b>	<b>11,438</b>	<b>-2,203</b>	<b>n.a.</b>	<b>7,032</b>	<b>62.7%</b>
<i>Net margin</i>	<i>45.4%</i>	<i>-9.5%</i>	<i>54.9 p.p.</i>	<i>47.4%</i>	<i>-2.0 p.p.</i>
<b>Proforma net profit**</b>	<b>11,897</b>	<b>-2,203</b>	<b>n.a.</b>	<b>7,032</b>	<b>69.2%</b>
<i>Proforma net margin***</i>	<i>38.4%</i>	<i>-9.5%</i>	<i>47.9 p.p.</i>	<i>47.4%</i>	<i>-9.0 p.p.</i>

\* The variation in income tax and social contribution is explained substantially by the deferred tax arising from the expenses capitalized during the primary stock offering.

\*\*Includes proforma numbers for the RIWeb and Economatica acquisitions, closed October 1, 2021.

\*\*\* Net margin calculated on proforma net revenue.

## EBITDA AND EBITDA MARGIN

The Company reported **proforma adjusted EBITDA** of **R\$3.5 million** at the end of 3Q21, with a margin of 11.4%. In the 12-month period ended in September, using the same adjustment metrics, the Company's EBITDA reached **R\$16.5 million**, with a margin of 16.9%. It is important to note that the adjustment of growth demonstrated by the Company seeks to reflect the real situation of the TC, along with expenses with hiring personnel and expenses related to the expansion of the Company to another level, mainly on the B2B front. In other words, the adjustment shows TC at cruising speed in operational terms, disregarding the extraordinary expenses for boosting the Company.

(R\$ thousand)	3Q21	3Q20	Var. (%)	LTM3Q21	LTM3Q20	Var. (%)
<b>Net profit</b>	<b>11,438</b>	<b>7,032</b>	<b>62.7%</b>	<b>11,706</b>	<b>11,866</b>	<b>-1.3%</b>
(+/-) Income taxes and social contribution	14,464	-1,729	n.a.	14,438	-3,010	n.a.
(+/-) Financial income	3,716	-61	n.a.	3,155	-83	n.a.
(-/+ ) Depreciation/amortization	2,575	214	1103.3%	5,696	331	1620.8%
<b>EBITDA</b>	<b>-4,167</b>	<b>9,036</b>	<b>n.a.</b>	<b>-191</b>	<b>15,290</b>	<b>n.a.</b>
<i>EBITDA margin</i>	<i>-13.4%</i>	<i>38.9%</i>	<i>-52.3 p.p.</i>	<i>-0.3%</i>	<i>54.8%</i>	<i>-15.9 p.p.</i>
<b>Proforma EBITDA*</b>	<b>-2,869</b>	<b>-</b>	<b>n.a.</b>	<b>6,776</b>	<b>-</b>	<b>n.a.</b>
<i>Adjusted EBITDA margin**</i>	<i>-9.3%</i>	<i>-</i>	<i>n.a.</i>	<i>6.9%</i>	<i>-</i>	<i>n.a.</i>
(+/-) Nonrecurring items***	2,361	-	n.a.	4,318	-	n.a.
(+/-) Growth adjustment****	4,056	-	n.a.	5,370	-	n.a.
<b>Proforma adjusted EBITDA*</b>	<b>3,548</b>	<b>9,036</b>	<b>-60.7%</b>	<b>16,464</b>	<b>15,290</b>	<b>7.7%</b>
<i>Proforma adjusted EBITDA margin**</i>	<i>11.4%</i>	<i>38.9%</i>	<i>-27.5 p.p.</i>	<i>16.9%</i>	<i>54.8%</i>	<i>-15.9 p.p.</i>

\* 3Q21 and LTM3Q21 include proforma numbers for the RIWeb and Economatica acquisitions, closed on October 1, 2021.

\*\* Margin calculated on proforma net revenue.

\*\*\* Refers to nonrecurring expenses related to M&A (legal services) and marketing expenses related to the IPO.

\*\*\*\* Refers to the exclusion of the effects of hiring carried out in order to prepare the Company for the growth expected for the coming periods, especially with respect to B2B products that are being developed but have not yet been launched.

## Events after the reporting period

### ACQUISITION OF RIWEB

On September 16, 2021, the Company announced the acquisition of all the shares issued by RIWeb Ltda., in an agreement entered into by the Board of Directors on the same date. TC completed the transaction on October 1, 2021, after compliance with all formalities and precedent conditions.

RIWeb has approximately 80 listed companies as customers in its database, in addition to privately held companies and investment funds. With the acquisition, TC intends to transform investor relations, adding much more technology and multimedia content to the market, supported by modern user interface (UI) and user experience (UX) strategies.

### ACQUISITION OF ECONOMATICA

On September 30, 2021, the Company's Board of Directors approved the acquisition of all the shares issued by Economatica Software de Apoio a Investidores Ltda.

Founded in 1986, Economatica is a benchmark in the development of systems for investment analysis. The platform is fed with information that allows the user to handle large volumes of data, create insights, perform advanced simulations and generate reports. Economatica offers its customers the most relevant data on investment funds and shares of companies in over 40 countries.

With the acquisition, TC intends to deliver a new experience to the platform's users, supported by the improvement of Economatica's user interface (UI) and user experience (UX) parameters. The acquisition will serve both the Company's B2B and B2C segments, integrating data and services into the TC ecosystem.

### INVESTMENT AGREEMENT WITH 2TM

As of October 5, 2021, the Board of Directors of TC entered into an Investment Agreement through the acquisition of Convertible Notes issued by 2TM Holding Company Ltd. ("2TM"), in the total amount of US\$ 15 million.

The investment in Convertibles Notes is made in a strategic context for the Company, considering the partnership negotiations maintained so far between TC and 2TM, to expand the offer of services aimed at the crypto assets market, through the platforms Mercado Bitcoin and other subsidiaries of 2TM. The Company understands that the industry of crypto assets is extremely important for its activities, with a high penetration in the Brazilian population.

Only in Mercado Bitcoin, there are more than 3.0 million registered users. Thus, possible partnerships with 2TM would allow the Company to expand revenues through cross-selling to its own customers, as well as reaching new customers native to the crypto asset market, expanding its addressable audience.

Moreover, in line with the intended partnership between TC and 2TM, the Company will be able to incorporate its main functionalities into the Mercado Bitcoin platform, with the purpose of creating the largest crypto asset community in Latin America. At the same time, the potential partnership may allow the Company to develop its first experience of integration with a broker, allowing in-app trades for customers who wish to trade crypto assets without leaving the TC community, expected later this year. The execution of crypto asset orders within the TC platform via Mercado Bitcoin will generate an additional source of income independent of the subscriptions currently offered by the Company.

## INVESTMENT OF QOOORE CORPORATION

On November 9, 2021, the Company has concluded a future agreement to acquisition of an interest in Qooore Corporation in the amount of US\$ 200 thousand. The instrument has conversion to a valuation cap of US\$ 15 million. The agreement provides the Company with the right to receive shares of Qooore ([www.qooore.com](http://www.qooore.com)) upon the occurrence of certain events, such as the raising of an investment round, in accordance with common market practices.

Qooore is an American investment app focused mainly on users belonging to the Y and Z generation. The application's mission is to change the way young people invest by offering insights and financial education with emphasis on social connections and intuitive interface support.

The Company sees in the agreement a huge potential gain in synergies between the two companies, as well as an exchange of intelligence, important for both parties.

## Additional information

### SHARE REPURCHASE PROGRAM

On September 21, 2021, the Board of Directors approved the Share Buyback Program, with a limit of up to one million (1,000,000) common shares of the Company, with the purpose of applying the available resources to maximize the generation of value for shareholders and future results, in addition to the fact that the shares may also be used for our variable compensation and talent retention program.

It is important to point out that if the Company were to repurchase all the shares in the Program at a cost of R\$6.00, we would use R\$ 6,000,000.00 of our cash, which today is approximately R\$ 526 million - of these, approximately R\$ 25 million were generated just with the subscriptions to our SaaS services in this last quarter, which represents approximately 4x the total disbursements required to face the Program.

Additionally, it is also important to emphasize that in order to be able to repurchase the shares, it is necessary to have a basis in the profit or capital reserves, according to art. 7 of CVM Instruction 567/15. Today the Company has a balance of approximately R\$ 56 million in these reserves, which represents approximately 9x the total disbursements required to face the Program.





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If we consider the cash balance and reserves of the previous quarter, the Program represents, respectively, 8x the balance of cash and cash equivalents and 7x the balance of profit and capital reserves.

### **RELATIONSHIP WITH THE AUDITORS**

The Company's policy for contracting services not related to external auditing with independent auditors is based on principles that preserve its independence. These principles consist of internationally accepted standards, in which: (a) the auditor should not audit their own work; (b) the auditor should not exercise a management role for his client; and (c) the auditor must not create conflicts of interest with its clients.

During the period ended September 30, 2021, Grant Thornton Auditores Independientes was not hired to perform services unrelated to external audit.

## Annexes

### STATEMENT OF FINANCIAL POSITION (CONSOLIDATED)

(R\$ thousand)	3Q21	2020
<b>ASSETS</b>	<b>675,333</b>	<b>20,014</b>
<b>Current assets</b>	<b>545,579</b>	<b>10,653</b>
Cash and cash equivalents	525,880	6,180
Trade receivables	13,317	4,196
Advances	1,670	87
Recoverable taxes	1,045	27
Other receivables	3,360	163
Related parties	307	-
<b>Non-current assets</b>	<b>129,754</b>	<b>9,361</b>
Other receivables - LT	1,829	1,150
Deferred tax assets	17,075	-
Property and equipment	21,375	5,624
Intangible assets	89,475	2,587
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>675,333</b>	<b>20,014</b>
<b>Current liabilities</b>	<b>34,665</b>	<b>5,409</b>
Payroll and related taxes	5,974	43
Taxes payable	2,648	2,071
Contract liabilities	4,896	1,948
Leases	3,332	1,010
Other trade payables	17,815	337
<b>Non-current liabilities</b>	<b>5,162</b>	<b>2,041</b>
Lease - LT	5,160	2,041
Contingent liabilities	2	-
<b>Shareholders' equity</b>	<b>635,506</b>	<b>12,564</b>
Share capital	580,901	5,000
Capital reserve	36,640	-
Earnings reserve	17,965	7,564

## STATEMENTS OF INCOME (CONSOLIDATED)

(R\$ thousand)	3Q21	3Q20
<b>Net revenue</b>	<b>25,207</b>	<b>14,842</b>
Cost of service rendered	-11,167	-1,967
<b>Gross profit</b>	<b>14,040</b>	<b>12,875</b>
<b>Other operating revenues (expenses)</b>	<b>-20,782</b>	<b>-4,053</b>
Sales / marketing expenses	-3,353	-1,181
General and administrative expenses	-16,606	-2,872
Other net operating revenues (expenses)	-823	-
<b>Operating profit before financial income (costs)</b>	<b>-6,742</b>	<b>8,822</b>
Financial income	4,274	22
Financial costs	-558	-83
<b>Net financial income (costs)</b>	<b>3,716</b>	<b>-61</b>
<b>Profit before income tax and social contribution</b>	<b>-3,026</b>	<b>8,761</b>
Current income tax and social contribution	-427	-1,729
Deferred income tax and social contribution	14,891	-
<b>Profit (loss) for the period</b>	<b>11,438</b>	<b>7,032</b>

## STATEMENTS OF CASH FLOWS (CONSOLIDATED)

(R\$ thousand)	3Q21	3Q20
<b>Operating activities</b>		
Profit (loss) for the period	11,438	7,032
<b>Adjustments due to:</b>	<b>-648</b>	<b>7,291</b>
Depreciation and amortization	2,575	214
Deferred taxes	-14,891	-
Interest expenses	228	45
Contingent liabilities	2	-
<b>Decrease (increase) in assets</b>		
Trade accounts receivables	-3,677	192
Advances	-1,089	-105
Recoverable taxes	-251	-7
Other	-1,106	-368
<b>(Decrease) increase in liabilities</b>		
Payroll and related taxes	3,529	6
Taxes payable	670	784
Contract liabilities	527	-61
Other trade payables	2,778	-966
<b>Net cash generated (consumed) in operating activities</b>	<b>733</b>	<b>6,766</b>
<b>Cash flow from investing activities</b>		
Acquisition of subsidiary, net of cash	-9,464	-
Acquisition of property and equipment	-5,785	-1,240
Acquisition of intangible assets	-7,657	-901
<b>Net cash used in investing activities</b>	<b>-22,906</b>	<b>-2,141</b>
<b>Cash flow from financing activities</b>		
Net funding of debentures convertible into shares	-72,516	-
Payment of leases	-869	247
Related parties - Assets	-	-3,770
Paid-up capital	575,191	3,995
<b>Net cash consumed in financing activities</b>	<b>501,806</b>	<b>472</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>479,089</b>	<b>5,097</b>
<b>Cash and cash equivalents</b>		
At the beginning of year	46,791	2,775
At the end of year	525,880	7,872
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>479,089</b>	<b>5,097</b>

## Glossary

**AMORTIZATION:** It is the installment payment of a debt during a pre-established period. In other words, the payment of a loan, financing or something similar, in installments.

**ASSETS:** Goods, values or credits that form the assets of an individual or company.

**BALANCE SHEET:** It is a financial statement that presents a "picture" of the company's financial position.

**BR GAAP:** refers to the set of accounting standards in force in Brazil.

**CPC:** Created by CFC Resolution No. 1.055/05, the CPC has the objective "the study, preparation and issuance of technical documents on Accounting procedures and the disclosure of information of this nature, to allow the issuance of standards by the Brazilian regulatory entity, aiming at the centralization and standardization of its production process, always taking into account the convergence of Brazilian Accounting to international standards."

**CSV (COST OF SERVICES SOLD)/ COGS (COST OF GOODS SOLD):** Represents the costs that are incurred from the sale of a product or service provided by a company.

**DEBENTURES:** They are fixed income investments where you make a loan to a company. In other words, they are simply debt securities of private companies.

**DEPRECIATION:** Depreciation indicates how much of an asset's value has been used. It is used in accounting to try to match the cost of an asset to the income the asset helps the company earn.

**DIVIDEND:** Dividend is the long-awaited profit of a company, divided among shareholders.

**EBITDA/ADJUSTED EBITDA:** It is a result indicator that excludes costs that do not necessarily impact the core business of the analyzed company. The acronym "EBITDA" means Earnings Before Interest, Taxes, Depreciation and Amortization. It basically shows a company's earning before discounting what it spent with interest and taxes, and lost with depreciation and amortization. When it is disclosed as "adjusted", it means that the calculation was made in a customized way by a company, using its own rules.

**IFRS (INTERNATIONAL FINANCIAL REPORTING STANDARDS):** A set of international accounting standards issued and reviewed by the IASB (International Accounting Standards Board).

**IPO (INITIAL PUBLIC OFFERING):** The Initial Public Offering, also known as IPO, refers to the process in which a company sells its assets to the public for the first time.

**LIABILITIES:** It is the balance of everything that is owed by an individual or a company.

**LTM (LAST TWELVE MONTHS):** accumulated values over the last twelve months.

**NET DEBT:** Is the indicator that shows the degree of debt of the companies in relation to their equity.

**SHAREHOLDERS' EQUITY:** Shareholders' equity represents the residual value of a company's assets after deducting all its liabilities.

**ROA (RETURN ON ASSETS):** It is an indicator that shows how profitable the company is in relation to the total assets it owns.

**RSE OR RETURN ON SHAREHOLDERS' EQUITY:** It is the acronym for Return on Shareholders' Equity. A company's equity is simply the own capital it produces. In other words, this indicator can measure how much value a company generates from its own funds and the funds of its shareholders.

**SG&A:** The acronym means Selling, General and Administrative Expenses. Selling, general and administrative expenses include all costs that are not directly related to production, such as employee salaries and marketing expenses.

**STOCK OPTIONS:** company offers the employee the option to buy company stock for a predetermined amount over a period previously stipulated in a contract.

**UPGRADE/UPSELL:** Strategy that aims to sell a product with higher added value compared to that originally held by the consumer.