

Blau Farmacêutica reaches Net Revenues of R\$334 million and EBITDA of R\$79 million on the first half of 2018

São Paulo, August 13th, 2018 - **Blau Farmacêutica, one of the main Brazilian pharmaceutical companies in the non-retail segment**, announced its consolidated financial statements for the second quarter 2018 (2Q18). This document was prepared based on the financial statements as of June 30th, 2018 of Blau Farmacêutica S.A. which were prepared in accordance with accounting practices adopted in Brazil, include the rules of the *Comissão de Valores Mobiliários (CVM; Securities and Exchange Commission of Brazil)* and the pronouncements of the Brazilian Accounting Pronouncement Committee (CPC). These financial statements are in conformity with the International Financial Reporting Standards - IFRS issued by the International Accounting Standards Board - IASB and were audited by our independent auditors in accordance with Brazilian and international auditing standards.

Highlights

- **Record sales to private entities on the 1H18 and 2Q18**, an increase by 24,1% and 52,1% in comparison with the previous year.

| (R\$ million) | 1H17 | %NR | 1H18 | %NR | Δ% | Δ p.p. |
|-----------------------|------|--------|------|--------|--------|------------|
| Net Revenues | 336 | 100,0% | 334 | 100,0% | -0,5% | - |
| Private | 149 | 44,3% | 185 | 55,3% | 24,1% | - |
| Public | 187 | 55,7% | 149 | 44,7% | -20,2% | - |
| Gross Profit | 164 | 48,7% | 133 | 39,8% | -18,7% | -8,9 p.p. |
| Operational Expenses | (64) | -19,0% | (61) | -18,3% | -3,9% | 0,6 p.p. |
| Adjusted EBITDA | 118 | 35,2% | 79 | 23,7% | -33,0% | -11,5 p.p. |
| Net Income | 62 | 18,6% | 38 | 11,3% | -39,5% | -7,3 p.p. |
| Operational Cash Flow | 79 | 23,5% | 41 | 12,4% | -47,7% | -11,1 p.p. |

| | 2Q17 | %RL | 2Q18 | %RL | Δ% | Δ p.p. |
|-----------------------|------|--------|------|--------|--------|------------|
| Net Revenues | 200 | 100,0% | 182 | 100,0% | -9,0% | - |
| Private | 74 | 37,1% | 113 | 62,0% | 52,1% | - |
| Public | 126 | 62,9% | 69 | 38,0% | -45,0% | - |
| Gross Profit | 108 | 53,8% | 66 | 36,2% | -38,7% | -17,6 p.p. |
| Operational Expenses | (34) | -17,1% | (32) | -17,4% | -7,8% | -0,2 p.p. |
| Adjusted EBITDA | 82 | 41,2% | 39 | 21,4% | -52,8% | -19,8 p.p. |
| Net Income | 46 | 23,2% | 15 | 8,2% | -67,7% | -14,9 p.p. |
| Operational Cash Flow | 69 | 34,3% | 17 | 9,2% | -75,5% | -25,0 p.p. |

IR Team

Douglas Rodrigues
CFO & IRO

Renato Braun
Head of IR

Priscilla Scherer
IR Analyst

Site: ir.blau.com

Email: ir@blau.com

Ph.: +55 (11) 4615-9413

Summary

| | |
|---------------------------------------|----|
| About Blau Farmacêutica | 3 |
| Management Letter | 3 |
| Operational and Financial Performance | 5 |
| Summarized Income Statement | 5 |
| Net Revenues | 5 |
| Gross Profit | 6 |
| Operational Expenses | 7 |
| Adjusted EBITDA | 8 |
| Financial Expenses | 9 |
| Net Income | 9 |
| Net Debt | 9 |
| Balance Sheet | 11 |
| Income Statement | 11 |
| Cash Flow Statement | 12 |
| Disclaimer | 13 |

About Blau Farmacêutica

Blau Farmacêutica is a 100% Brazilian company with 30 years of operations that has become a multinational in the pharmaceutical sector focused on non-retail market (Hospital and Clinics). It is specialized in the production of highly complex drugs - mostly injectables.

The Company has an extensive line of medicines for hospitals and clinics for its daily routine, such as biologicals, antibiotics, anesthetics, among others. It has a wide sales structure with national and international coverage, and exports its medicines to Latin America and Asia.

Today, Blau has about 1.200 employees in four manufacturing sites in Brazil and five international subsidiaries in Argentina, Chile, Colombia, Peru and Uruguay, producing and selling medicines with own brands in therapeutic classes as nephrology, hematology, infectiology and oncology.

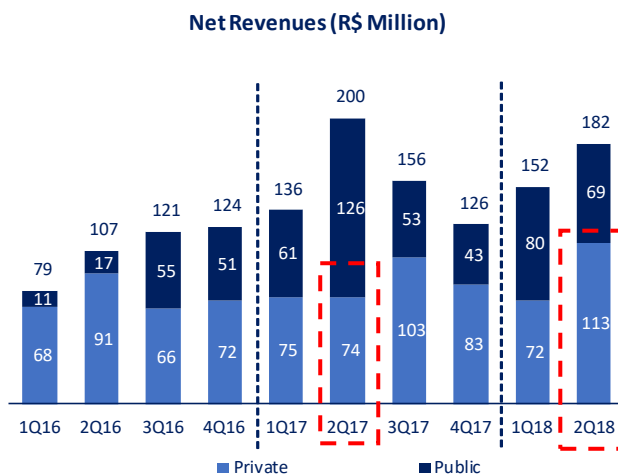
According to IQVIA in 2017, Blau is the leading company among the domestic companies in Brazilian non-retail market and 8th place including foreign companies.

Management Letter

During the 2nd quarter of this year, we advanced in the delivery of growing and sustainable results – although we still have restrictions in our manufacturing capacity. The impact of orders not met in this quarter was approximately R\$30 million. As well as other products of our portfolio that we could promote to medical community and we cannot do with such restrictions. We have conviction that our expansion plans will give the support to better exploit the potential of portfolio and pipeline.

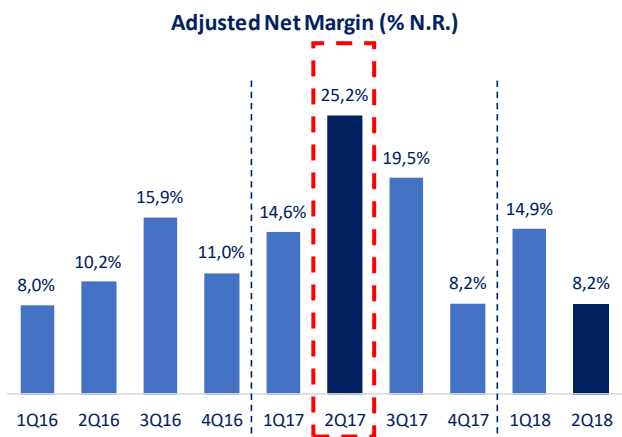
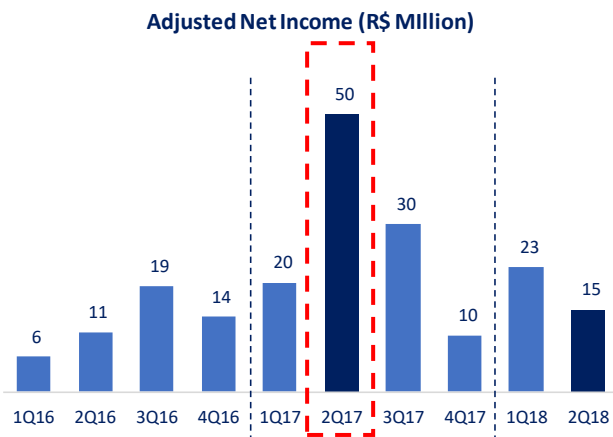
We have also advanced in efficiency of our internal process. Among many initiatives, I highlight the advances in the process optimization with SAP, the wider use of SuccessFactors® (SAP module for people management) for online training to our employees, improvement in our market intelligence and our 1st own register in Peru.

Regarding our financial performance, we reached the highest sale to private entities in our history with an increase of 52,1% in the 2Q18 in comparison with the same period of previous year. These sales offset the reduction in revenues from governmental entities – which were a highlight in the 2nd quarter of previous year, as per the chart below.



Additionally, following the accounting practice, it is worth to note that about R\$20 million were not recognized in the 2Q18 by invoiced purchases, shipped and not delivered in time mainly due to logistics issues.

As we mentioned above, sales to public entities in the 2nd quarter of previous year were especially meaningful due to higher than its track record sales of some products of our portfolio that we had agility to produce and supply, as we can note in the previous chart (Net Revenues). Such products had gross margin higher than Company's average and it caused a peak in net profit and net margin at that moment – as per the chart below.



We are on track with our planning to deliver the forecasted results for 2018.

About our debt, we have succeeded in our first debenture issuance of R\$180 million with attractive conditions for companies with our profile (DI + 1,05%; 5 years; non-convertible with the shareholder endorsement). This financial instrument extended the debt profile and, it will give support in our expansion plans, as well as reduces our financial expenses.

As I usually mention, I reinforce our commitment with the market to demonstrate the advances of Blau Farmacêutica. Do not hesitate in contact our Investor Relations team to visit personally our operations or to clarify any question about the Company and our markets.

The contact data of our IR team is on this Earnings Release cover.

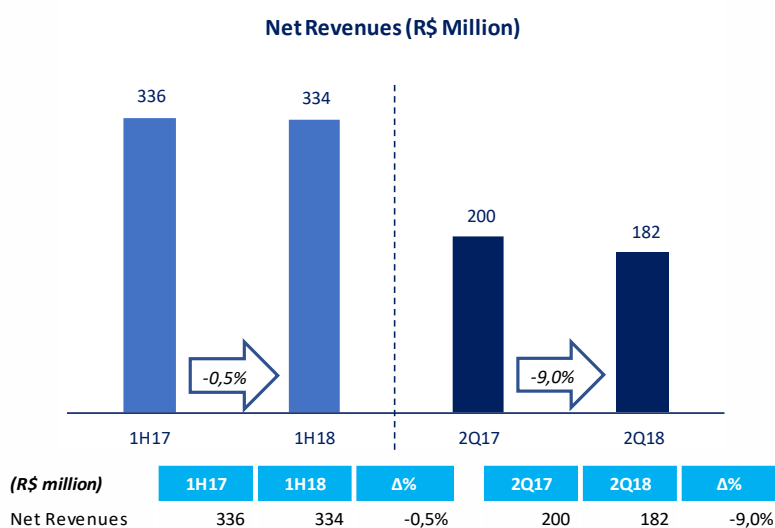
Marcelo R. Hahn
CEO

Operational and Financial Performance

Summarized Income Statement

| (R\$ million) | 1H17 | %NR | 1H18 | %NR | Δ% | 2Q17 | %NR | 2Q18 | %NR | Δ% |
|--------------------------|-------|--------|-------|--------|--------|------|--------|-------|--------|--------|
| Net Revenues | 336 | 100,0% | 334 | 100,0% | -0,5% | 200 | 100,0% | 182 | 100,0% | -9,0% |
| COGS | (172) | -51,3% | (201) | -60,2% | 16,7% | (92) | -46,2% | (116) | -63,8% | 25,7% |
| Gross Profit | 164 | 48,7% | 133 | 39,8% | -18,7% | 108 | 53,8% | 66 | 36,2% | -38,7% |
| Operational Expenses | (64) | -19,0% | (61) | -18,3% | -3,9% | (34) | -17,1% | (32) | -17,4% | -7,8% |
| Sales | (14) | -4,2% | (18) | -5,4% | 27,3% | (9) | -4,3% | (10) | -5,4% | 14,5% |
| Research & Development | (7) | -2,0% | (6) | -1,7% | -14,9% | (4) | -1,9% | (3) | -1,5% | -29,1% |
| General & Administrative | (43) | -12,7% | (37) | -11,1% | -12,6% | (22) | -11,0% | (19) | -10,5% | -12,9% |
| Others | 2 | 0,6% | 3 | 0,8% | 35,2% | 1 | 0,4% | 2 | 1,2% | 172,4% |
| EBIT | 102 | 30,4% | 75 | 22,3% | -26,9% | 74 | 37,1% | 37 | 20,1% | -50,7% |
| Net Financial Expenses | (12) | -3,5% | (20) | -6,1% | 72,5% | (7) | -3,6% | (15) | -8,4% | 113,8% |
| EBT | 90 | 26,8% | 54 | 16,2% | -39,9% | 67 | 33,5% | 21 | 11,7% | -68,2% |
| Income Tax and CSLL | (28) | -8,3% | (17) | -5,0% | -40,7% | (21) | -10,4% | (6) | -3,5% | -69,4% |
| Net Income | 62 | 18,6% | 38 | 11,3% | -39,5% | 46 | 23,2% | 15 | 8,2% | -67,7% |

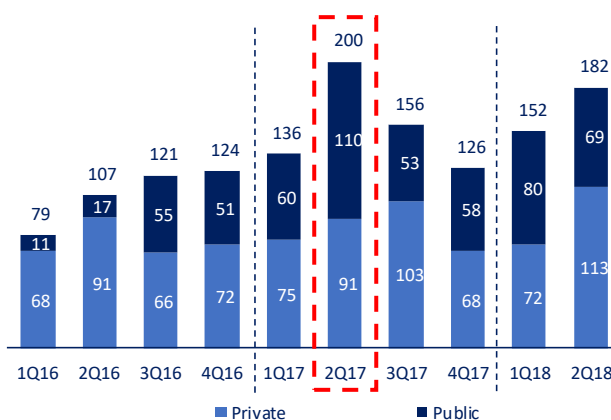
Net Revenues



Net Revenues presented on the 1H18 remained practically stable in comparison with the same period of previous year.

Regarding 2Q18, there is a reduction of 9,0% over the same period in 2017. It is due to a sale higher than its track record in the 2nd quarter of previous year to the Ministry of Health of products from our portfolio. The impact of this sale can be observed in the chart below, where we present our Net Revenues between public and private entities over the quarters since the beginning of 2016 (2Q17 – highlighted).

Net Revenues (R\$ Million)

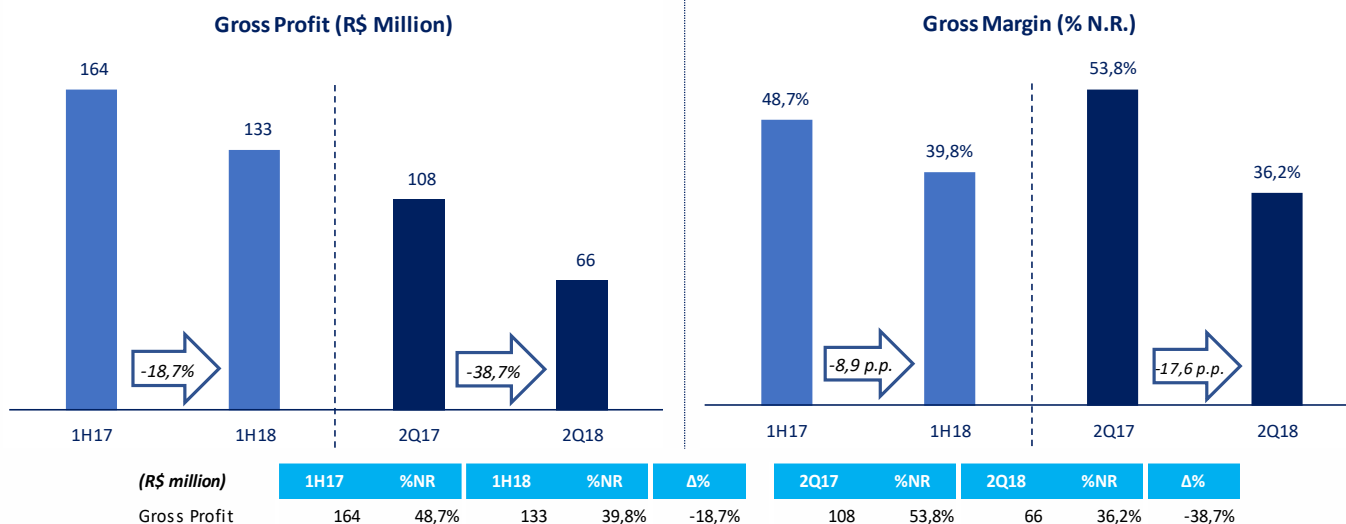


If this one-off effect was excluded, the sales to public entities would have remained practically stable, while private entities present an increase by 52,1% in the quarter or by 24,1% in the half when compared to the same period of the previous year. In this quarter – which we reached our historic sales record to private entities – the revenues of public entities were practically compensated by the increase of sales to private entities.

It is worth emphasizing that is expected that sales to public entities shows significant variations over the months. It happens because various governmental entities purchase seasonally in large volumes.

Additionally, there were invoiced and shipped orders, however not delivered in time, of about R\$ 20 million which according to the accounting practices, we do not recognize as revenues for the 2nd quarter of this year (cut off).

Gross Profit

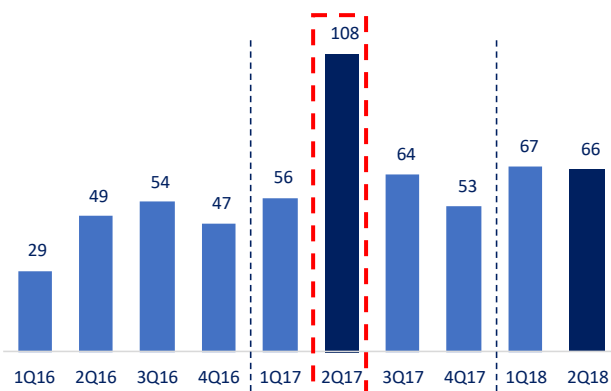


The Company's Gross Profit on 1H18 presented a reduction of 18,7% in comparison with the same period of the previous year while the Gross Margin decreased 8,9 p.p. in the same period. It is mainly due to the sale to the Federal Government mentioned above. Those products had gross margins above the Company's average in that period.

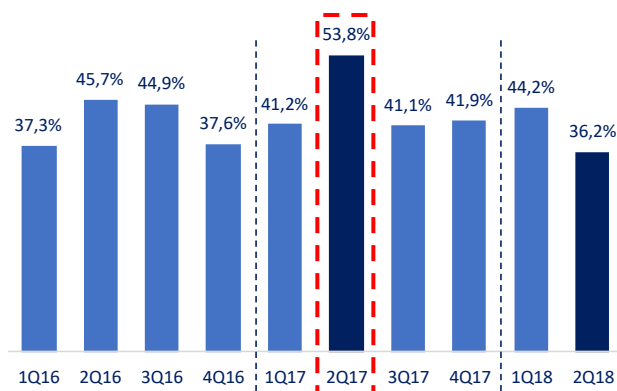
This same sale in the 2Q18 to the Federal Government also explains the reduction observed of Gross Profit (38,7%) and Gross Margin (17,6p.p.).

As in Net Revenues, we can observe a peak in Gross Profit and Gross Margin in 2Q17, as per the charts below.

Gross Profit (R\$ Million)

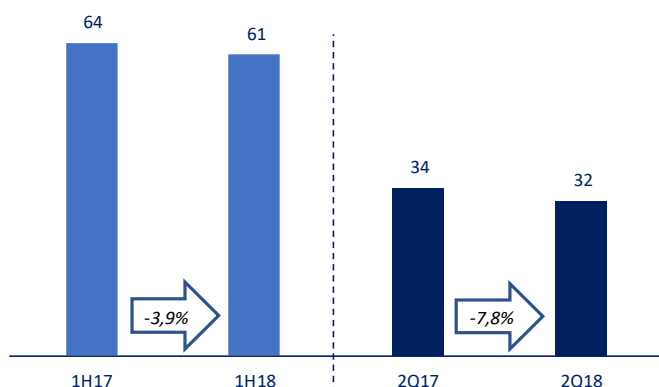


Gross Margin (% N.R.)

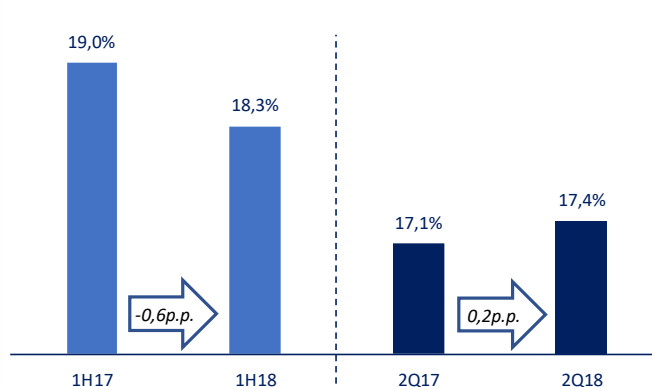


Operational Expenses

Operational Expenses (R\$ Million)



Operational Expenses (% N.R.)



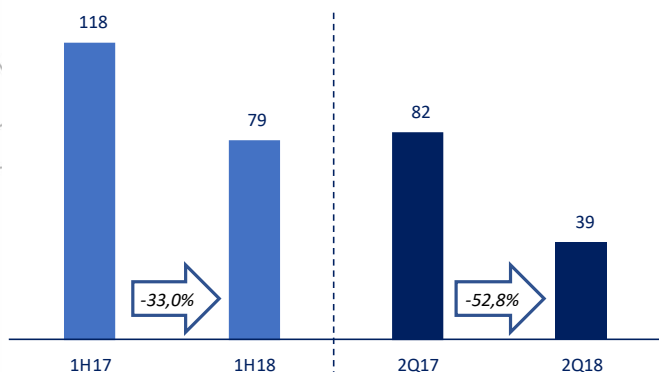
| (R\$ million) | 1H17 | %NR | 1H18 | %NR | Δ% | 2Q17 | %NR | 2Q18 | %NR | Δ% |
|-----------------------------|-------------|---------------|-------------|---------------|--------------|-------------|---------------|-------------|---------------|--------------|
| Operational Expenses | (64) | -19,0% | (61) | -18,3% | -3,9% | (34) | -17,1% | (32) | -17,4% | -7,8% |
| Sales | (14) | -4,2% | (18) | -5,4% | 27,3% | (9) | -4,3% | (10) | -5,4% | 14,5% |
| R&D | (7) | -2,0% | (6) | -1,7% | -14,9% | (4) | -1,9% | (3) | -1,5% | -29,1% |
| General and Administrative | (43) | -12,7% | (37) | -11,1% | -12,6% | (22) | -11,0% | (19) | -10,5% | -12,9% |

Operational Expenses decreased by 3,9% in 1H18 in comparison with the same period of the last year mainly due to discontinuing rent payment of the Company's facilities since July of the previous year. Disconsidering this effect, there is an increase of 17,3% mainly due to hiring of new staff in Sales Team (promotion of dermatologic products).

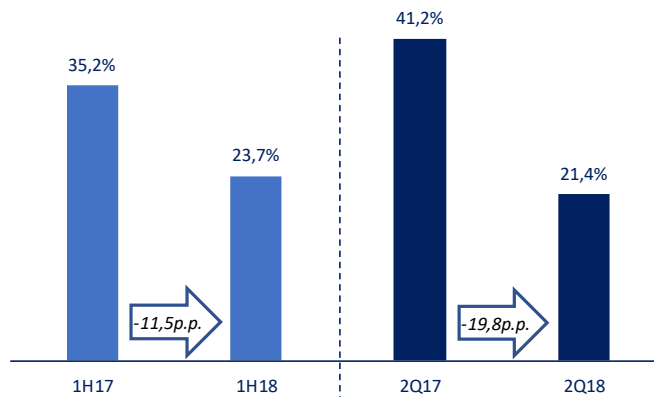
In 2Q18, it is noted this same effect of discontinuing rent payment that, once excluded, shows an increase of 14,3% in Operational Expenses.

Adjusted EBITDA

Adjusted EBITDA (R\$ Million)



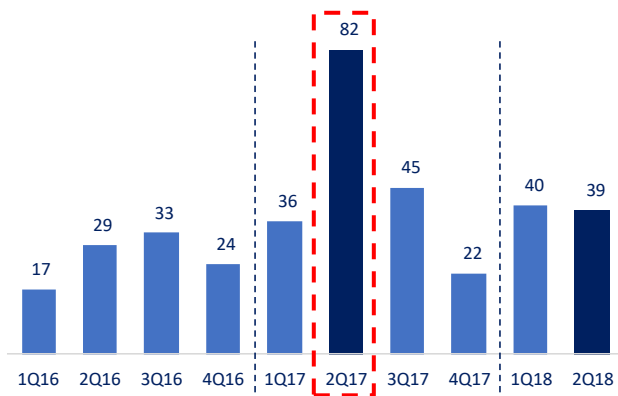
Adjusted EBITDA Margin (% N.R.)



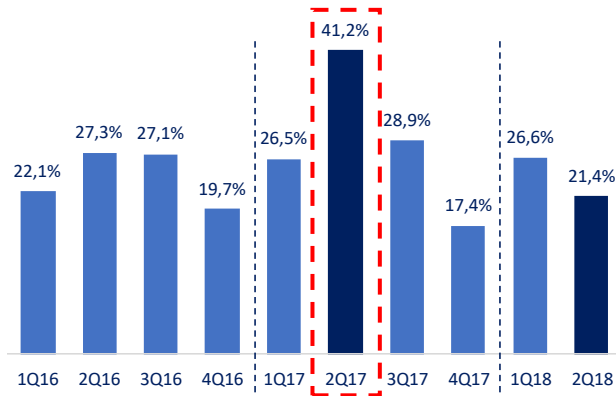
| (R\$ million) | 1H17 | %NR | 1H18 | %NR | Δ% | 2Q17 | %NR | 2Q18 | %NR | Δ% |
|-------------------------------|------|-------|------|-------|---------|------|--------|------|-------|---------|
| Net Income | 62 | 18,6% | 38 | 11,3% | -39,5% | 46 | 23,2% | 15 | 8,2% | -67,7% |
| Income Tax and CSLL | 28 | -8,3% | 17 | -5,0% | -40,7% | 21 | -10,4% | 6 | -3,5% | -69,4% |
| Net Financial Expenses | 12 | -3,5% | 20 | -6,1% | 72,5% | 7 | -3,6% | 15 | -8,4% | 113,8% |
| Depreciation and Amortization | 4 | 1,3% | 5 | 1,4% | 9,3% | 2 | 1,1% | 2 | 1,3% | 8,9% |
| Accounting EBITDA | 106 | 31,6% | 79 | 23,7% | -25,4% | 76 | 38,2% | 39 | 21,4% | -49,0% |
| Rental | 12 | 3,6% | - | 0,0% | -100,0% | 6 | 3,0% | - | 0,0% | -100,0% |
| Adjusted EBITDA | 118 | 35,2% | 79 | 23,7% | -33,0% | 82 | 41,2% | 39 | 21,4% | -52,8% |

Adjusted EBITDA in both cases (1H18 and 2Q18) were impacted by the sale to the Federal Government in comparison with the same period of previous year mentioned above.

Adjusted EBITDA (R\$ Million)



Adjusted EBITDA Margin (% N.R.)

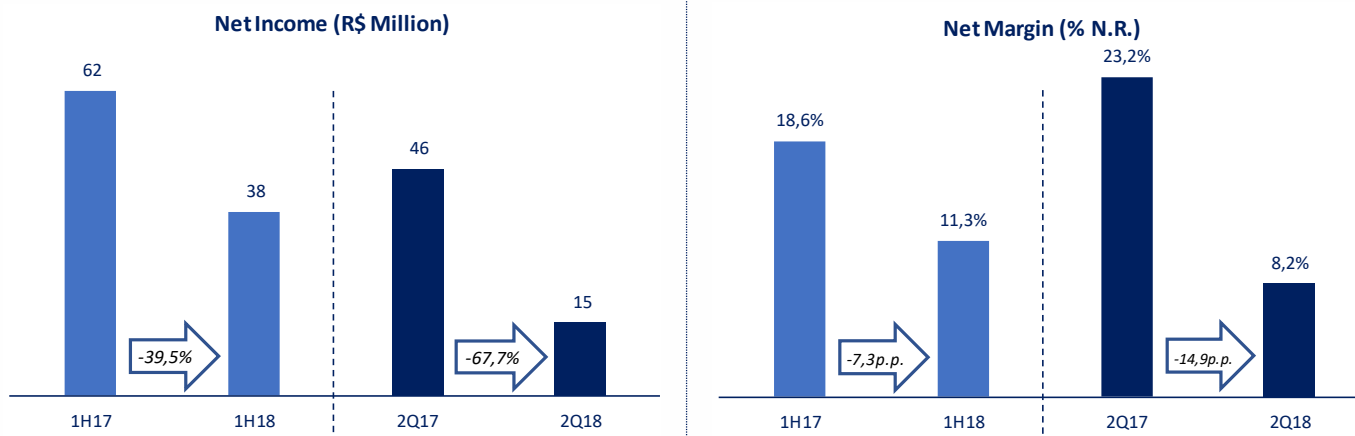


Financial Expenses

| (R\$ million) | 1H17 | %NR | 1H18 | %NR | Δ% | 2Q17 | %NR | 2Q18 | %NR | Δ% |
|-------------------------------|-------------|--------------|-------------|--------------|--------------|------------|--------------|-------------|--------------|---------------|
| Net Financial Expenses | (12) | -3,5% | (20) | -6,1% | 72,5% | (7) | -3,6% | (15) | -8,4% | 113,8% |
| Fx Variation | (3) | -0,9% | (15) | -4,4% | 392,1% | (5) | -2,6% | (13) | -6,9% | 136,0% |
| Net Interest Expenses | (7) | -2,1% | (6) | -1,7% | -16,7% | (4) | -1,8% | (3) | -1,8% | -6,0% |
| SWAPS | (2) | -0,7% | 1 | 0,2% | -133,3% | (1) | -0,5% | 1 | 0,7% | -209,8% |
| MTMs | 2 | 0,5% | - | 0,0% | -100,0% | 3 | 1,5% | (1) | -0,4% | -124,6% |
| Others | (1) | -0,3% | (1) | -0,2% | -43,7% | (0) | -0,1% | 0 | 0,1% | -174,4% |

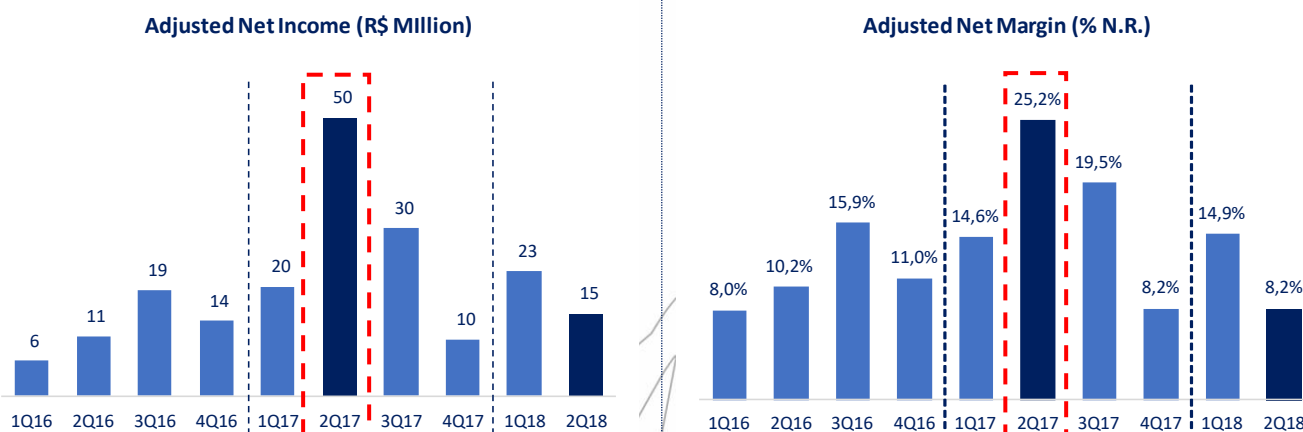
Both periods mentioned above (half and quarter) increased mainly due to local currency depreciation in comparison with the same periods of previous year.

Net Income



| (R\$ million) | 1H17 | %NR | 1H18 | %NR | Δ% | 2Q17 | %NR | 2Q18 | %NR | Δ% |
|------------------------|------------|--------------|-----------|--------------|---------------|-----------|--------------|-----------|--------------|---------------|
| EBIT | 102 | 30,4% | 75 | 22,3% | -26,9% | 74 | 37,1% | 37 | 20,1% | -50,7% |
| Net Financial Expenses | (12) | -3,5% | (20) | -6,1% | 72,5% | (7) | -3,6% | (15) | -8,4% | 113,8% |
| EBT | 90 | 26,8% | 54 | 16,2% | -39,9% | 67 | 33,5% | 21 | 11,7% | -68,2% |
| Income Tax and CSLL | (28) | -8,3% | (17) | -5,0% | -40,7% | (21) | -10,4% | (6) | -3,5% | -69,4% |
| Net Income | 62 | 18,6% | 38 | 11,3% | -39,5% | 46 | 23,2% | 15 | 8,2% | -67,7% |

Net Income and Net Margin presented above decreased in both cases (half and quarter) mainly due to the sale to the Federal Government in the 2nd quarter of previous year and local currency depreciation.



Net Debt

| <i>(R\$ million)</i> | 12.31.2017 | 06.30.2018 |
|----------------------|-------------|-------------|
| Short Term | 103 | 89 |
| Long Term | 1 | 180 |
| Gross Debt | 104 | 270 |
| Cash & Equivalents | (13) | (179) |
| Net Debt | 91 | 91 |
| Leverage* | 0,5x | 0,6x |

*Net Debt/ LTM EBITDA

The Company's leverage remained practically stable in comparison to the end of 2017.

By the end of the 2Q18, Blau Farmacêutica issued debentures of R\$180 million with a term of 5 years and remuneration of DI + 1,05%. This instrument extended the profile of the Company's Debt and will give the support to its expansion plan.

Balance Sheet

| (R\$ thousand) | 12.31.2017 | 06.30.2018 | | 12.31.2017 | 06.30.2018 |
|---|----------------|----------------|---|----------------|----------------|
| Assets | | | Liabilities and Shareholder's Equity | | |
| Current Assets | 246.332 | 447.285 | Current liabilities | 222.072 | 227.443 |
| Cash and Cash Equivalents | 13.175 | 178.897 | Suppliers | 75.853 | 107.268 |
| Accounts Receivables | 104.111 | 133.382 | Loans and Financing | 102.979 | 89.422 |
| Inventories | 119.080 | 126.421 | Taxes Payable | 1.776 | 3.385 |
| Recoverable Taxes | 6.955 | 4.735 | Income Tax and Social Contribution | 6.742 | 4.951 |
| Other Assets | 3.011 | 3.850 | Labour | 13.855 | 15.274 |
| Non-Current Assets | 119.749 | 140.058 | Other Accounts Payable | 20.867 | 7.143 |
| Long Term Assets | 10.477 | 13.731 | Non-Current Liabilities | 5.673 | 185.214 |
| Judicial Deposits | 2.373 | 2.282 | Loans and Financing | 938 | 180.350 |
| Recoverable Taxes | 3.373 | 770 | Deferred Income Tax and Social Contribution | 111 | - |
| Deferred Income Tax and Social Contribution | 1.953 | 4.867 | Provisions for Contingencies | 4.624 | 4.864 |
| Other Assets | 2.778 | 5.812 | Shareholders' Equity | 138.336 | 174.686 |
| Property, Plants and Equipments | 109.272 | 126.327 | Capital | 56.500 | 100.640 |
| Investments | 15 | 15 | Accumulated Profit | - | 33.602 |
| Biologic Asset | 306 | 306 | Profit Reserve | 76.660 | 32.521 |
| Property, Plant and Equipment | 99.655 | 117.331 | Other Comprehensive Income | 5.176 | 7.923 |
| Intangible Assets | 9.296 | 8.675 | | | |
| Total Assets | 366.081 | 587.343 | Total Liabilities and Shareholders' Equity | 366.081 | 587.343 |

Income Statement

| (R\$ thousand) | 1H17 | %NR | 1H18 | %NR | 2Q17 | %NR | 2Q18 | %NR |
|------------------------------|----------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|
| Net Revenues | 335.945 | 100,0% | 334.172 | 100,0% | 200.195 | 100,0% | 182.245 | 100,0% |
| Cost of Goods Sold | (172.242) | -51,3% | (201.046) | -60,2% | (92.421) | -46,2% | (116.199) | -63,8% |
| Gross Profit | 163.703 | 48,7% | 133.126 | 39,8% | 107.774 | 53,8% | 66.046 | 36,2% |
| Operational Expenses | (63.675) | -19,0% | (61.199) | -18,3% | (34.286) | -17,1% | (31.623) | -17,4% |
| Commercial Expenses | (21.082) | -6,3% | (23.961) | -7,2% | (12.350) | -6,2% | (12.506) | -6,9% |
| Administrative Expenses | (42.593) | -12,7% | (37.238) | -11,1% | (21.936) | -11,0% | (19.117) | -10,5% |
| Others | 1.974 | 0,6% | 2.668 | 0,8% | 812 | 0,4% | 2.212 | 1,2% |
| EBIT | 102.002 | 30,4% | 74.595 | 22,3% | 74.300 | 37,1% | 36.635 | 20,1% |
| Net Financial Expenses | (11.802) | -3,5% | (20.361) | -6,1% | (7.146) | -3,6% | (15.276) | -8,4% |
| EBT | 90.200 | 26,8% | 54.234 | 16,2% | 67.154 | 33,5% | 21.359 | 11,7% |
| Income Tax and CSLL | (27.877) | -8,3% | (16.544) | -5,0% | (20.739) | -10,4% | (6.347) | -3,5% |
| Current Income Tax and CSLL | (28.585) | -8,5% | (19.295) | -5,8% | (21.793) | -10,9% | (6.577) | -3,6% |
| Deferred Income Tax and CSLL | 708 | 0,2% | 2.751 | 0,8% | 1.054 | 0,5% | 230 | 0,1% |
| Net Income | 62.323 | 18,6% | 37.690 | 11,3% | 46.415 | 23,2% | 15.012 | 8,2% |

Cash Flow Statement

| (R\$ thousand) | 1H17 | 1H18 | 2Q17 | 2Q18 |
|---|-----------------|------------------|-----------------|------------------|
| Cash Flows from Operating Activities | | | | |
| Income (Loss) Before Taxes | 90.200 | 54.234 | 67.154 | 21.359 |
| Depreciation and Amortization | 4.320 | 4.720 | 2.119 | 2.307 |
| P,P&E and Intangible Assets Write-off | 4.999 | 1.558 | 1.926 | 1.098 |
| Financial Charges on Loans | 5.894 | 4.688 | 2.908 | 2.363 |
| Fx Variation on Loans and Provision of SWAP / MTM | (146) | 2.160 | 98 | 974 |
| Fx Variation on Suppliers and Clients | - | (217) | 3.371 | - |
| Doubtful Accounts | (470) | 627 | (536) | 717 |
| Inventories Provisions | 1.622 | 1.535 | 3.157 | 2.168 |
| Others | (1.186) | - | (1.654) | - |
| Provisions for Contingencies | 203 | 240 | (1) | 1 |
| Adjusted Results | 105.436 | 69.545 | 78.542 | 30.987 |
| Decrease (Increase) in Assets | (81.594) | (44.416) | (22.250) | (30.853) |
| Trade Accounts Receivable | (55.680) | (29.904) | (21.036) | (16.990) |
| Inventories | (11.561) | (8.876) | 8.978 | (9.476) |
| Recoverable Taxes | (4.296) | (1.854) | (4.519) | (1.712) |
| Other Credits | (10.048) | (3.873) | (5.673) | (2.675) |
| Judicial Deposits and Others | (9) | 91 | - | - |
| Increase (Decrease) in Liabilities | 55.058 | 16.154 | 12.332 | 16.707 |
| Suppliers | 30.308 | 31.638 | (9.190) | 25.010 |
| Labor Charges | 2.992 | 1.419 | 2.787 | 1.489 |
| Tax Charges | 1.429 | 1.609 | (54) | 930 |
| Other Accounts Payable | 20.329 | (18.512) | 18.789 | (10.722) |
| Cash Provided by Operating Activities | 78.900 | 41.283 | 68.624 | 16.841 |
| Paid Income Taxes CSLL | (14.979) | (14.055) | (14.979) | (10.195) |
| Net Cash Flow Provided by Operating Activities | 63.921 | 27.228 | 53.645 | 6.646 |
| Cash flows from Investing Activities | | | | |
| Acquisitions of Property, Plant and Equipment | (31.905) | (23.276) | (24.367) | (19.645) |
| Intangible Aquisitions | (35) | (58) | (24) | (8) |
| Financial Investments | - | (110.000) | - | (110.000) |
| Net Cash Used in Investing Activities | (31.940) | (133.334) | (24.391) | (129.653) |
| Cash Flows from Financing Activities | | | | |
| Dividends and Interest Over Capital | (3.915) | - | (2.162) | - |
| Loans and Financing | 34.438 | 210.071 | - | 183.518 |
| Related Parties | 333 | - | 333 | - |
| Repayment of Loans - Principal | (53.029) | (46.190) | (18.490) | (16.289) |
| Repayment of Loans - Interest | (5.742) | (4.874) | (2.947) | (2.050) |
| Net Cash Used In Financing Activities | (27.915) | 159.007 | (23.266) | 165.179 |
| Cash Variation | 4.066 | 52.901 | 5.988 | 42.172 |
| Beginning of the Period | 10.199 | 13.175 | 8.512 | 24.514 |
| Fx Effect on Cash and Cash Equivalents | (168) | 2.821 | (403) | 2.211 |
| End of The Period | 14.097 | 68.897 | 14.097 | 68.897 |
| Cash Variation | 4.066 | 52.901 | 5.988 | 42.172 |

Disclaimer

This release contains forward-looking statements that are exclusively related to the prospects of the business, its operating and financial results, and prospects for growth. These data are merely projections and, as such, based exclusively on our management's expectations for the future of the business and its continued access to capital to fund its business plan. These forward-looking statements substantially depend on changing market conditions, government regulations, competitive pressures, the performance of the Brazilian economy and the industry, among other factors, as well as the risks shown in our filed disclosure documents, and are therefore subject to change without prior notice.

In addition, unaudited information herein reflects management's interpretation of information taken from its quarterly information and their respective adjustments, which were prepared in accordance with market practices and for the sole purpose of a more detailed and specific analysis of our results. Therefore, these additional points and data must also be analyzed and interpreted independently by shareholders and market agents, who should carry out their own analysis and draw their own conclusions from the results reported herein. No data or interpretative analysis provided by our management should be treated as a guarantee of future performance or results and are merely illustrative of our directors' vision of our results.

Our management is not responsible for compliance or accuracy of the management financial data discussed in this report, which must be considered as for informational purposes only, and should not override the analysis of our audited consolidated financial statements or our reviewed quarterly information for purposes of a decision to invest in our stock, or for any other purpose.