



**Earnings Release  
2Q21 and 6M21**

# Our Purpose

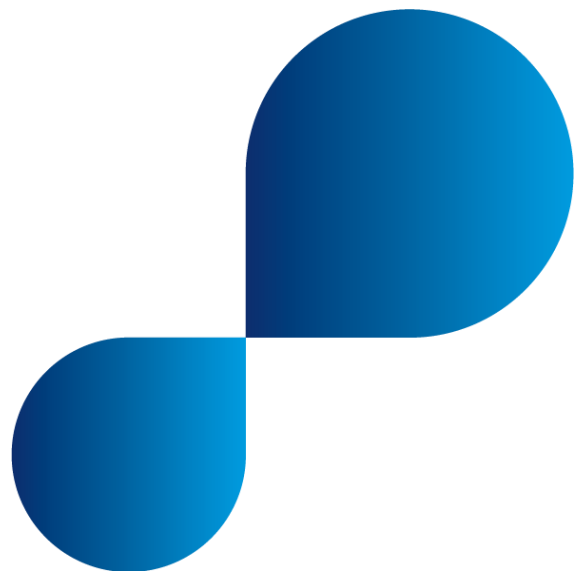
Reimagining Animal Health

# Our Values

Play to Win

Care for People

Connected with the World



## Highlights

Company's consolidated net revenue grows 41% in 6M21, amounting to R\$ 400 million

6M21 adjusted EBITDA grows 74% and reaches R\$ 76 million

Operating cash generation at R\$ 43.8 million

Net debt declines 10% and leverage is 0.97x Adjusted EBITDA

## Video conference

**Portuguese with simultaneous translation into English**

August 06, 2021

3pm (BRT) / 2 pm (ET)

[https://ourofino.zoom.us/webinar/register/WN\\_q6\\_CtdD\\_RPSncaCqho03wQ](https://ourofino.zoom.us/webinar/register/WN_q6_CtdD_RPSncaCqho03wQ)

## Investor Relations

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**Cravinhos, August 5, 2021** - Ouro Fino Saúde Animal Participações S.A. (“Company” or “Ourofino”) (B3: OFSA3), a company engaged in research, development, production and sales of veterinary drugs, vaccines and other products for production and companion animals, announces today its financial results for the period ended June 30, 2021 (2Q21 and 6M21).

## Message from Management

We remain focused on accelerating the initiatives based on our strategic planning, advancing in the consolidation of our growth journey towards “Ourofino 2.0”, associating sustainability, innovation and the Company's growth.

We are proud to celebrate, this August, a year of reformulation of our organizational culture, an achievement that we consider a milestone for the Company and that has enabled us to achieve, and even overcome, the transformational actions outlined in our strategy, through an even deeper engagement of our employees with the goals of our business, based on the three core values that govern us: Play to Win, Care for People and Connected with the World.

Evolving every day and adapting quickly to changes, we plan, seek and achieve goals that surprise us, revealing the extent to which “We Play to Win” and that, above all, we seek the best results on a sustainable basis. That is why we believe in the need to further accelerate our actions in the ESG area, actively working towards the consolidation of best practices in our environmental, social and corporate governance, increasingly adapting our business model to the major transformations we are experiencing.

Aspects of sustainability have become increasingly present in the Company's routines and, in view of this scenario, we launched a robust process towards the definition of our materiality. We are certain that the relationship of partnership and trust we maintain with all our stakeholders will help us to engage with the applied methodology and will be helpful in our sustainability strategy, as this will ensure that our efforts are focused on the most relevant aspects to our business.

Aiming to advance our innovation strategies and keep us increasingly “Connected to the World”, we have expanded our digitalization-oriented initiatives, focused on the evolution of the customer journey, optimizing processes and further improving our products and services. To this end, we partnered with a “digital innovation laboratory” and promoted a “data journey” in the Company and, as a result of this actions, we are being able to assertively connect our initiatives and to materialize numerous projects.

We combine our unique and adaptable ability to access market with the maintenance of the positive outlook of the market in which we operate, which has been showing excellent results, according to data released by the National Union of the Animal Health Products Industry (Sindan), which reported a 16.5% growth in the animal health market in 2020 as compared to the previous year, and we experienced one more quarter with solid financial results, with strong net revenue growth, dilution of expenses and the resulting expansion of Adjusted EBITDA. Highlight for the 10% reduction in net debt and leverage at 0.97x Adjusted EBITDA.

In Production Animals, the positive external scenario and protein prices remain favorable, factors that further encourage producers to invest in animal health, seeking to increase their productivity. Complementing the market opportunities, we continue with our close and unique relationship with our broad and diversified customer base, highlighting the results achieved through initiatives such as the “Productivity Trail”, a program that seeks to promote in the market the importance of applying the correct management to ensure the best productivity and profitability in the field.

In view of this scenario, in 2Q21, net revenue increased 28% as compared to the previous year, amounting to a 40% growth in the half-year period, mainly due to the positive impact on the sales of products in the reproductive line, which are directly linked to the increase in technification and rural productivity.

The segment of Companion Animals also maintains strong positive prospects, increasingly supported by the growth drivers: humanization of pets, which are living longer and, consequently, demanding more specialized

care; the growth of animals at homes, with a highlight for cat population; the increased concern to the animals' needs by the owners, who now spend more time with their pets at home.

In line with this scenario and with the assertive efforts by our team, we highlight the 53% growth in net sales in 6M21. In 2Q21, we saw 66% growth as compared to 2Q20, which was the quarter most impacted by the effects of the uncertainties of the pandemic and restrictions on the movement of people in 2020, effects that were later overcome with the confirmation of the strengthening of affective bonds and the emotional importance of companion animals during this period. We remain optimistic with the guarantee of robust results, albeit with the prospect of slower growth than that experienced at the beginning of the year, ensuring our efforts to maintain gross margin gains obtained in the segment.

In International Operations, we achieved a 46% growth in net revenue in 2Q21, amounting to a 33% growth in 6M21, a result based on the efforts of the commercial teams, committed to generating demand, based on the close relationship with customers and distributors who represent us in these countries. In 1H21, it is worth highlighting the growth in local currency in Mexico and Colombia, with increased sales volume and gains in gross margin, in addition to the positive impact of the exchange rate.

As a tradition in our quarterly message, we once again must express our gratefulness for the dedication and diligence of our entire team, who lives, day after day, the essence of our values and purpose, showcasing that while we “Care for People”, people care for the business. The way we challenge conventional thinking allows us to take the leading role of our evolution and ensures the transformation, not only of our reality as a company, but also of the reality around us. And that is how, by leading our own evolution and the evolution of the industry in which we operate, we ensure that our agenda of sustainable growth and value creation for the Company is upheld.

We thus affirm our confidence in our actions and initiatives, which have consistently ensured our growth, with improved profitability and liquidity, aggregating results that will be the driving force for our growth for the future and that will allow us to advance in our strategy.

**Kleber Gomes**  
Chief Executive Officer

**Marcelo da Silva**  
Chief Financial Officer and  
Investor Relations Officer

# Financial Performance

R\$ Million	2Q20	2Q21	Var %	6M20	6M21	Var %
Net revenue	172.5	231.0	33.9%	284.4	399.8	40.6%
Cost of goods sold	(82.2)	(115.2)	40.1%	(142.8)	(200.7)	40.5%
Gross profit	90.3	115.8	28.2%	141.6	199.1	40.6%
(gross margin)	52.3%	50.1%	-2.2 p.p.	49.8%	49.8%	0.0 p.p.
Net expenses*	(77.6)	(76.9)	-0.9%	(130.2)	(141.5)	8.7%
Operating profit (loss)	12.7	38.9	206.2%	11.4	57.6	405.1%
(operating margin)	7.4%	16.8%	9.4 p.p.	4.0%	14.4%	10.4 p.p.
Net financial result	(0.6)	(3.7)	514.2%	(2.1)	(8.2)	289.8%
Income tax and social contribution*	3.1	(6.1)	N.A.	2.8	(10.6)	N.A.
Adjusted profit (loss)	15.2	29.1	91.5%	12.1	38.8	220.8%
(adjusted profit margin)	8.8%	12.6%	3.8 p.p.	4.3%	9.7%	5.4 p.p.
Adjusted EBITDA **	38.6	50.8	31.6%	43.8	76.0	73.5%
(Adjusted EBITDA margin)	22.4%	22.0%	-0.4 p.p.	15.4%	19.0%	3.6 p.p.

(\*) Excluding non-recurring expenses in 6M20 with EY consultancy and Follow on expenses. Excluding non-recurring expenses in 6M21 with refurbishment of the corporate building and extemporaneous credits from previous years. Including respective tax effects in both periods reported.

(\*\*) Also excluding in 6M20 and 6M21 expenses related to intangible asset projects.



# Net Revenue

R\$ Million	2Q20	2Q21	Var %	6M20	6M21	Var %
Net sales revenue	172.5	231.0	33.9%	284.4	399.8	40.6%
Production animals	135.7	173.6	27.9%	207.2	289.2	39.6%
Companion animals	18.2	30.1	65.6%	39.2	60.1	53.4%
International operations	18.6	27.2	46.3%	38.0	50.4	32.6%

The Company's consolidated net revenue in 2Q21 amounted to R\$ 231.0 million, a 33.9% increase as compared to the same period of the previous year. For the six-month period, net revenue growth was 40.6%, amounting to R\$ 399.8 million. Below are the comments on the performance for the three segments:

**Production animals:** the segment recorded net revenue at R\$ 173.6 million in 2Q21, a 27.9% increase as compared to 2Q20. In the half-year period, revenues grew 39.6% and reached R\$ 289.2 million. This result is based on volume and price gains, substantially in the ectoparasiticide, endectocide, reproductive and inoculant line, both in the quarter and 6M21.

We seized market opportunities allied to the engagement of the team, which spared no efforts to maintain our relationship with customers and increase demand generation and sales conversion, ensuring significant gains both in volume and price with a highlight to important product lines, such as ectoparasiticides and endectocides.

Investments in the use of technologies and good production practices, increasingly seeking increase rural productivity, have a special impact on sales of products of reproductive line, which have been gaining even more strength in view of the positive scenario for exports and protein prices. It is important to emphasize that the increase in grain prices has boosted the importance of using silage, ensuring conservation and reducing losses for producers, with positive impacts in the inoculants market.

**Company animals:** the segment recorded R\$ 30.1 million in net revenue in 2Q21, a 65.6% increase as compared to 2Q20, which was the quarter most impacted by the effects of the pandemic last year. In 6M21, growth was 53.4%, with net revenue at R\$ 60.1 million, due to both volume and price gains.

The prospects for the segment remain positive, given the increase in pet care and the increasingly humanized relationships with companion animals. The trend toward a closer concern for pets' needs and the affective bonds, strengthened even further during the pandemic, have remained an important driver of revenue growth, after a strong recovery we have seen in the second half of 2020. It is also worth highlighting our constant efforts to generate demand and increase sales conversion, to expand *sell-out* and maintain inventory levels at distributors.

**International Operations:** the segment recorded net revenue at R\$ 27.2 million in 2Q21, a 46.3% increase as compared to 2Q20. In the half-year period, growth stood at 32.6%, with a highlight to the growth in local currency, substantially in Mexico and Colombia, with volume gains when compared to the same period of last year and 2019. In addition, the exchange rate effect has led to a 14% positive impact in net revenue growth.

## Gross Profit and Gross Margin

R\$ Million	2Q20	2Q21	Var %	6M20	6M21	Var %
Gross profit	90.3	115.8	28.2%	141.6	199.1	40.6%
(gross margin)	52.3%	50.1%	-2.2 p.p.	49.8%	49.8%	0.0 p.p.
Gross profit - production animals	65.0	77.3	18.9%	90.8	123.4	35.9%
(gross margin - production animals)	47.9%	44.5%	-3.4 p.p.	43.8%	42.7%	-1.1 p.p.
Gross profit - companion animals	12.7	21.4	68.5%	26.5	42.5	60.4%
(gross margin - companion animals)	69.8%	71.0%	1.2 p.p.	67.6%	70.7%	3.1 p.p.
Gross profit - international operations	12.6	17.1	35.7%	24.3	33.2	36.6%
(gross margin - international operations)	67.7%	62.9%	-4.8 p.p.	63.9%	65.9%	2.0 p.p.

Gross margin in 2Q21 was 50.1%, with a 2.2 p.p. decline as compared to 2Q20. In 6M21, margin was in line with the previous year, at 49.8%, due to the positive impact of the increase in gross margin in the production animals and international operations segments, which offset the fall in the companion animals segment, as a result of the factors detailed below:

**Production Animals:** the segment recorded 44.5% gross margin in 2Q21, with a 3.4 p.p. decline versus 2Q20. In the half-year period, gross margin declined 1.1 p.p. as compared to the same period of the previous year. This result was due to the increase in sales of foot-and-mouth disease drugs, which entail lower margins when compared to the other product lines, as well as the pressure from prices in the input chain, impacting the cost of goods sold in the period.

**Companion Animals:** the segment recorded 71.0% gross margin in 2Q21, with 1.2 p.p. growth as compared to 2Q20. In 6M21, margin increased 3.1 p.p., when compared to the same period of the previous year. This result is explained by the significant gain in volume and prices, as well as the dilution of manufacturing costs.

**International Operations:** the segment recorded a 4.8 p.p. drop in gross margin in 2Q21, an impact mainly due to the foot-and-mouth drugs exports to Uruguay and Bolivia, which was not seen in 1Q21. In the half-year period, margin increased 2.0 p.p., mainly due to the improvement in the sales mix to Colombia and the favorable exchange rate.



## Selling, General and Administrative Expenses

R\$ Million	2Q20	2Q21	Var %	6M20	6M21	Var %
Selling, general and administrative expenses and others	(67.2)	(63.1)	-6.1%	(111.9)	(116.2)	3.8%
Percentages on net revenue	38.9%	27.3%	-11.6 p.p.	39.4%	29.1%	-10.3 p.p.

Net selling, general and administrative and other expenses, in 2Q21, showed a 6.1% decrease compared to 2Q20, with 11.6 p.p. dilution of the percentage as related to net revenues. This result was mainly due to the recognition of provisions in 2Q20, in the amount of R\$ 19.1 million, relating to specific investments made in the development of some products, compared to the R\$ 6.1 million provisioned in 2Q21.

In the half-year period, excluding the provision effect, expenses showed a 17.9% increase versus a 41% growth in net revenue, 6M20, which generated a SG&A dilution of 5.2 p.p., compared to 6M20. This result was mainly due to higher personnel expenses, resulting from the provision of variable compensation policy amounts approved for 2021 (called short-term incentive), which aims to reward the performance of professionals for achieving results and pre-agreed goals, in addition to the impact of the collective bargaining agreement.

## Expenses on Research and Development

R\$ Million	2Q20	2Q21	Var %	6M20	6M21	Var %
Expenses on research and innovation and portfolio management	(10.3)	(13.8)	33.3%	(18.3)	(25.4)	39.0%
Percentages on net revenue	6.0%	6.0%	0.0 p.p.	6.4%	6.3%	-0.1 p.p.

Research and development expenses in the quarter amounted to R\$ 13.8 million, a 33.3% growth compared to 2Q20, with accumulated increase of 39.0% in 6M21. The percentage in relation to net revenues remained in line with the same period of the previous year, both in the quarter and in the half-year period.

## EBITDA and EBITDA Margin

R\$ Million	2Q20	2Q21	Var %	6M20	6M21	Var %
Adjusted profit	15.2	29.1	91.5%	12.1	38.8	220.8%
(+) Non-recurring results*	(0.5)	2.8	N.A.	0.5	2.7	443.5%
Profit for the period	14.7	31.9	117.2%	12.6	41.5	229.6%
(+) Net financial result	0.6	3.7	514.2%	2.1	8.2	289.8%
(+) Income tax and social contribution*	(3.2)	7.5	N.A.	(2.2)	12.0	N.A.
(*) Depreciation and amortization	6.8	6.4	-6.2%	13.2	12.9	-2.4%
EBITDA	18.9	49.5	161.8%	25.7	74.6	190.2%
(+) Non-recurring effects	0.6	(4.2)	N.A.	(1.0)	(4.1)	311.7%
(+) Others**	19.1	5.5	-70.9%	19.1	5.5	-70.9%
Adjusted EBITDA	38.6	50.8	31.6%	43.8	76.0	73.5%
Net sales revenue	172.5	231.0	33.9%	284.4	399.8	40.6%
EBITDA margin	11.0%	21.4%	10.4 p.p.	9.0%	18.7%	9.7 p.p.
Adjusted EBITDA margin %	22.4%	22.0%	-0.4 p.p.	15.4%	19.0%	3.6 p.p.

(\*) Excluding non-recurring expenses in 6M20 with EY consultancy and Follow on expenses. Excluding non-recurring expenses in 6M21 with refurbishment of the corporate building and extemporaneous credits from previous years. Including respective tax effects in both periods reported.

(\*\*) In 6M20 and 6M21, corresponds to projects of intangible assets.

Adjusted EBITDA in 2Q21 amounted to R\$ 50.8 million, representing a 31.6% growth versus 2Q20. In 6M21, Adjusted EBITDA showed a 73.5% growth versus 6M20, reaching R\$ 76.0 million. The increase is due to the significant growth in net revenue, as well as the dilution of SG&A.

## Financial Result

R\$ Million	2Q20	2Q21	Var %	6M20	6M21	Var %
Net financial result	(0.6)	(3.7)	514.2%	(2.1)	(8.2)	289.8%

Net financial result in the half-year period recorded a negative amount of R\$ 8.2 million, versus negative amount of R\$ 2.1 million in 6M20. The impact of exchange rate variation on "non-cash" operations related to the natural hedge between assets and liabilities accounts (accounts receivable and suppliers), which was less favorable in 6M21 when compared to the same period of the previous year.

Additionally, financial expenses increased, both due to fundraising carried out throughout 2020, and due to the increase in the average cost of working capital and NCE operations in the first six months of 2021, compared to the same period of the previous year.

## Income Tax and Social Contribution

R\$ Million	2Q20	2Q21	Var %	6M20	6M21	Var %
Income tax and social contribution	3.1	(6.1)	N.A.	2.8	(10.6)	N.A.
Percentage on profit before IT and SC	25.6%	-17.3%	-42.9 p.p.	30.1%	-21.4%	-51.5 p.p.

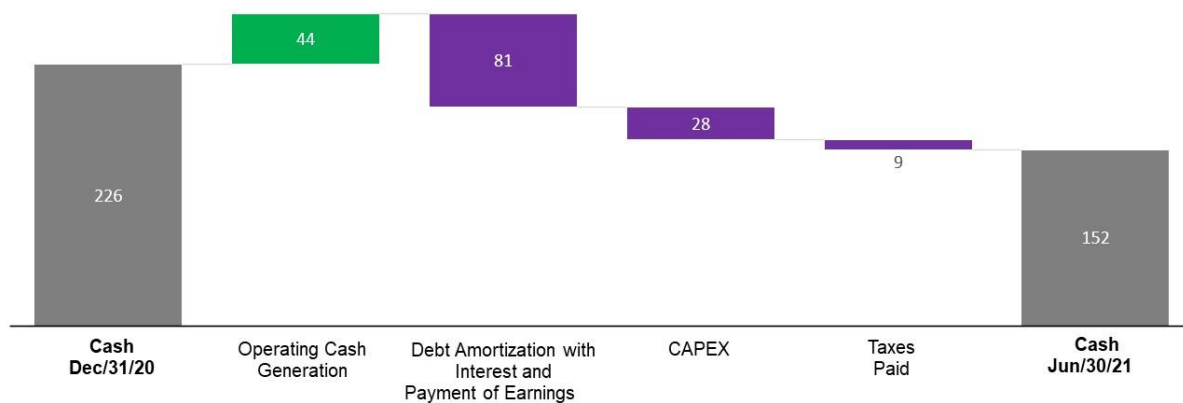
Income tax and social contribution in 6M21 recorded a negative balance of R\$ 10.6 million compared to a R\$ 2.8 million positive balance in 6M20. It should be noted that the calculation of income tax and social contribution is performed on tax bases that temporarily differ from the accounting result.

## Adjusted Net Profit

R\$ Million	2Q20	2Q21	Var %	6M20	6M21	Var %
Adjusted net profit (loss)	15.2	29.1	91.5%	12.1	38.8	220.8%
margin	8.8%	12.6%	3.8 p.p.	4.3%	9.7%	5.4 p.p.

Adjusted net income in 6M21 amounted to R\$38.8 million, versus R\$12.1 million in 6M20. This result is due to the gain in gross profit and SG&A dilution which offset the impact of the financial result and income tax and social contribution.

## Cash Position and Financial Cycle



In 2Q21, operating cash generation reached R\$ 43.8 million, even with the growth in sales and the higher need for working capital due to the increase in inventories and the payment of short-term incentives to teams (cash effect from the impact on 4Q20 results); excluding such effects, operating cash generation would have grown as compared to the same period last year.

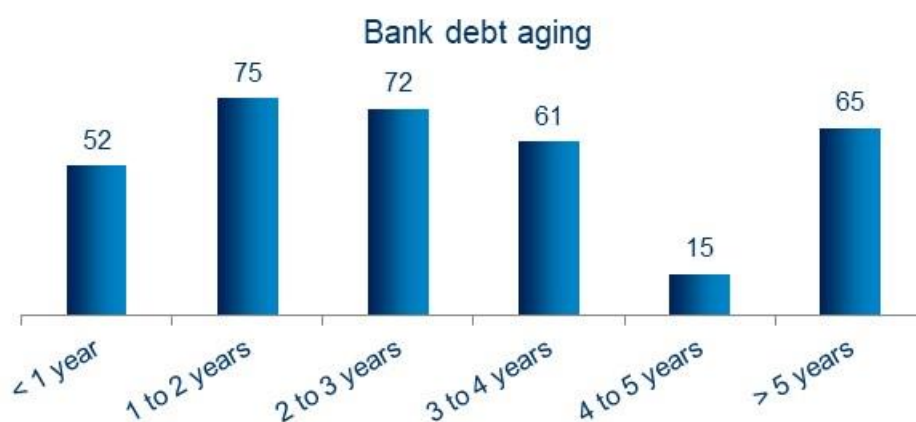
The increase in working capital needs, mainly relating to inventories, was due to the efforts of the supply chain monitoring management, aiming to ensure adequate levels of supply for our operations, in view of the current scenario and the sales growth in the period.

It is worth mentioning that there was an improvement both in the average storage period, as well as in the average billing period, when compared to the same period of the previous year.

## Indebtedness

In R\$ million	June 30, 2020	June 30, 2021
Current	186.2	52.0
Non-current	136.7	287.8
Gross Debt	322.9	339.8
Related derivative financial instruments	(1.7)	-
Gross Debt considering related derivatives	321.2	339.8
(-) Cash and cash equivalents and short-term investments	132.8	170.2
Net Debt	188.4	169.6
Average cost of debt (year) <sup>1</sup>	5.19%	6.15%
LTM net debt/adjusted annual EBITDA	1.62	0.97

<sup>1</sup>Net debt with banks considering related derivatives and bank-issued guarantee costs.

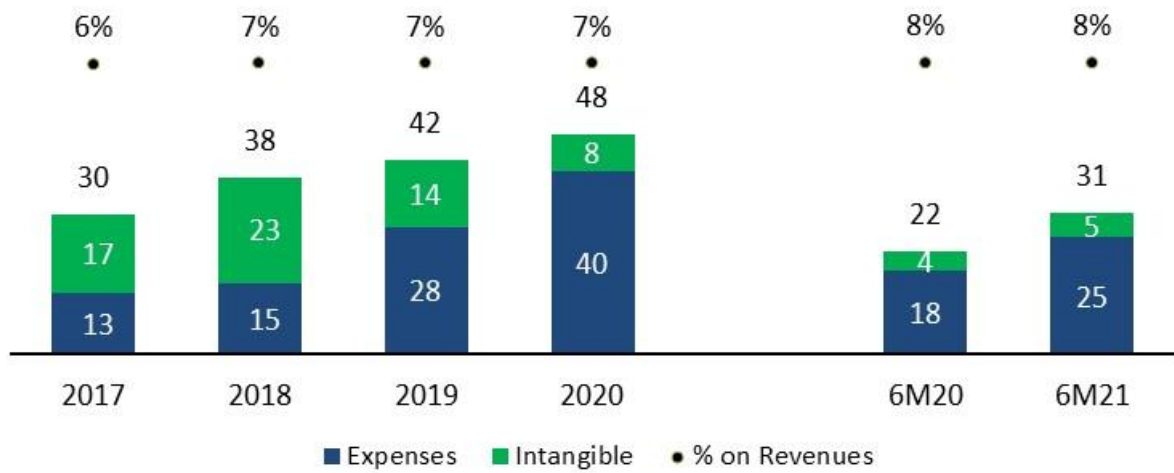


There was a reduction in the degree of leverage, from 1.62x to 0.97x Adjusted EBITDA, with net debt 10% lower compared to the 6M20.

Additionally, the average cost of debt in 6M21 is 6.15% p.a., substantially influenced by the current level of the Selic rate, at 4.25% p.a., versus 2.25% in the first half of 2020.

## Investments in Research and Development

In 6M21, 8% of net revenues was invested in R&D, amounting to R\$ 31 million. While the amount invested was higher, the dilution of investments was higher as a result of the increase in net revenue, remaining at the same percentage as in 6M20. The graph below shows the Company's R&D total investments from 2017 to the first half of 2021:



## Income Statement - Adjusted

Income Statement (R\$ thousands)	2Q20	6M20	2Q21	6M21
Revenues	172,535	284,414	230,981	399,765
Cost of sales	(82,184)	(142,760)	(115,187)	(200,708)
Gross profit	90,351	141,654	115,795	199,057
Selling Expenses	(37,157)	(71,506)	(44,080)	(84,825)
Expenses on research and innovation	(10,326)	(18,251)	(13,714)	(25,365)
General and administrative expenses*	(11,228)	(21,326)	(12,423)	(24,656)
Other expenses, net*	(18,985)	(19,125)	(6,588)	(6,688)
Operating profit (loss)	12,655	11,446	38,990	57,523
Financial revenues	1,160	1,470	1,522	2,691
Financial expenses	(3,756)	(6,502)	(5,044)	(9,795)
Derivative financial instruments, net	1,309	14,990	687	1,962
Foreign exchange variation, net	697	(12,033)	(872)	(3,043)
Financial result	(590)	(2,075)	(3,707)	(8,185)
Profit (loss) before income tax and social contribution	12,065	9,371	35,283	49,338
Current and deferred income tax and social contribution	3,219	2,760	(6,071)	(10,587)
Net income (loss) for the period	15,284	12,131	29,212	38,751

(\*) Excluding non-recurring expenses and their respective tax effects.

# Income Statement - Corporate

Income Statement (R\$ thousands)	2Q20	6M20	2Q21	6M21
Revenues	172,535	284,414	230,981	399,765
Cost of sales	(82,184)	(142,760)	(115,186)	(200,708)
Gross profit	90,351	141,654	115,795	199,057
Selling Expenses	(37,157)	(71,506)	(44,080)	(84,825)
Expenses on research and innovation	(10,326)	(18,251)	(13,714)	(25,365)
General and administrative expenses	(11,813)	(22,350)	(12,423)	(24,656)
Other expenses, net	(18,985)	(17,131)	(2,396)	(2,571)
Operating profit	12,070	12,416	43,182	61,640
Financial revenues	1,160	1,470	1,522	2,691
Financial expenses	(3,756)	(6,502)	(5,044)	(9,795)
Derivative financial instruments, net	1,309	14,990	687	1,962
Foreign exchange variation, net	697	(12,033)	(872)	(3,043)
Financial result	(590)	(2,075)	(3,707)	(8,185)
Profit (loss) before income tax and social contribution	11,480	10,341	39,475	53,455
Current and deferred income tax and social contribution	3,254	2,231	(7,497)	(11,987)
Net income (loss) for the period	14,734	12,572	31,978	41,468



# Cash Flow Statement

Cash Flow Statement (R\$ thousands)	6M20	6M21
<b>Cash flows from operating activities</b>		
Profit (loss) before income tax and social contribution	10,341	53,455
Adjustments for:		
Provision (reversal) for expected credit loss	103	(98)
Provision for inventory losses and write-offs	4,135	5,642
Provision (reversal) of returns on sales	119	
Reversal of provision for customer bonuses	(900)	(958)
Depreciation and amortization	13,190	12,879
Provision (reversal) for impairment of intangible assets	16,749	5,550
Gain (loss) on disposal of property, plant and equipment	(330)	(72)
Gain (loss) on disposal of intangible assets	2,330	-
Interest and monetary/foreign exchange variations, net	22,304	10,014
Derivative financial instruments	(14,990)	(1,962)
Provision for contingencies	(210)	(1,569)
Stock options expenses	72	248
Changes in working capital		
Trade accounts receivable	44,590	20,874
Inventories	(12,906)	(51,854)
Taxes recoverable	(3,238)	736
Other assets	(3,303)	(2,459)
Trade accounts payable	(9,661)	5,247
Taxes payable	806	(1,261)
Other liabilities	9,868	(10,654)
<b>Cash provided by operations</b>	<b>79,069</b>	<b>43,758</b>
Interest paid	(6,093)	(8,052)
Income tax and social contribution paid	(2,688)	(8,543)
<b>Net cash from operating activities</b>	<b>70,288</b>	<b>27,163</b>
<b>Cash flows from investment activities</b>		
Investment in intangible assets	(4,904)	(4,619)
Purchase of property, plant and equipment	(11,727)	(24,004)
Proceeds from sale of property, plant and equipment	485	714
<b>Net cash used in investing activities</b>	<b>(16,146)</b>	<b>(27,909)</b>
<b>Cash flows from financing activities</b>		
New loans and financing	120,000	9,000
Repayments of loan and financing	(97,152)	(64,765)
Lease payments		(154)
Payment of dividends and interest on equity	(836)	(21,308)
Realized derivative financial instruments	11,048	4,260
<b>Net cash provided by (used in) financing activities</b>	<b>33,060</b>	<b>(72,967)</b>
<b>Increase (decrease) in cash and cash equivalents, net</b>	<b>87,202</b>	<b>(73,713)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>45,009</b>	<b>225,575</b>
<b>Foreign exchange gains on cash and cash equivalents</b>	<b>551</b>	<b>1</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>132,762</b>	<b>151,863</b>

## Balance Sheet

Balance Sheet (R\$ thousands)	12/31/2020	6/30/2021
<b>Assets</b>		
<b>Current assets</b>	679,623	631,482
Cash and cash equivalents	225,575	151,863
Financial investments	18,039	18,312
Trade accounts receivable	209,409	187,422
Derivative financial instruments	2,298	-
Inventories	190,301	234,492
Taxes recoverable	22,751	27,682
Income tax and social contribution to recover	3,891	2,141
Related parties	427	445
Other assets	6,932	9,125
<b>Non-Current Assets</b>	424,314	430,893
Long-term receivables	73,068	65,517
Taxes recoverable	44,024	36,758
Deferred income tax and social contribution	24,121	24,736
Inventories	3,332	2,324
Other assets	1,591	1,699
Permanent	351,246	365,376
Intangible	73,941	71,391
Property, plant and equipment	277,305	293,985
<b>Total assets</b>	<b>1,103,937</b>	<b>1,062,375</b>
<b>Liabilities and equity</b>		
<b>Current Liabilities</b>	238,693	165,242
Trade accounts payable	55,812	58,864
Loans and financing	96,553	52,023
Salaries and payroll charges	39,434	33,932
Taxes payable	6,718	3,611
Income tax and social contribution payable		3,025
Dividends and interest on equity	21,309	-
Related parties	150	281
Commissions on sales	5,782	4,040
Other liabilities	12,935	9,466
<b>Non-Current Liabilities</b>	304,434	294,825
Loans and financing	297,786	287,792
Provision for contingencies	6,384	4,625
Other liabilities	264	2,408
<b>Total liabilities</b>	<b>543,127</b>	<b>460,067</b>
<b>Total Net Equity</b>	<b>560,778</b>	<b>602,282</b>
Non-controlling interest	32	26
<b>Total liabilities and equity</b>	<b>1,103,937</b>	<b>1,062,375</b>

