

# OUROFINO SAÚDE ANIMAL

## EARNINGS PRESENTATION

1Q22

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Thank you. We have Kleber's presence, our CEO and Marcelo Silva, our financial and investor relationship director.

Kleber, it's your turn, thank you!

**Kleber Gomes:** Thank you, Ju for this introduction. Good morning, everyone. Today is a Friday, 13 th, it's a very positive day to the Company; it's a Lucky day for our company!

We made the Ourofino day recently. It's a event totally online, in our TV studio for our clientes mainly Ourofino em Campo, and we prepared Ourofino Day with taking care about everything to our investors and these material are available in our website. And if everyone to know about our business, and it's just to see at our website these informations.

We continue to make this company like a very strong company. And we are always looking for these and looking for the people and we are classified at 2022 at GPTW like a one of the best company to work by our employers and they strongly participated- 99% of then and We know that this is a dofferential to keep the comany like a success company.

We announced it at the end of the year process acquisition of a startup Regenera, it's a innovator treatment for a company animals. And we conclude this recently, it's a success partnership and We are launching this product to the market.

Neo Stem it's our innovative product mesenchymal stem cells for osteoarthritis, distemper sequelae and keratoconjunctivitis dogs. The treatment is less invasive and very efficient and we have a lot of information about that, but then we are produced this product at the market. We will start the aware the veterinary doctors and tutors about this about this treatment.

We start this work for tv, radio, and We saw like a very positive way to this therapy, that have a good space at the world, connecting with the world.

I want to inform too about the new launch ; it's our new platform, 19th May, iUse Saber, it's a digital platform of knowledge and our propose is re-imagining the animal health. We want the participation for everyone; a very strong participation, and we want to take this knowledge to veterinarians, to the field and this are made by our team.

We want to take the knowledge for everyone: clientes, stakeholders. It will be a digital launch at May 19th, at night, ad We Will have Other platforms during this year.

We made a integrated relatory regarding our financial demonstrative at awards by ABRASCA and We are very happy because it was a very good relatory, all questions about business, risks on business. And this material are available at our website.

I would to remember about this two lasts Years, We have the new managment, with a excelente markets, resilient markets. We saw a very good results with a new management and I'm very happy with these results.

At this semester, We grew a little bit less than at first semester from pandemic year but We have an excellent drivers and We are a resilient market and We are a very potential market. We work very hard to empower our employees to make the things differents on the marketing- like for example the stem cells and this it that We want and We are a very Strong at our internal policies.

**Operator:** Thank you, Kleber, for your participation. Kleber, about iUse, I'll insert the link to participate, ok?

Now, Marcelo Silva will present the results. Marcelo, it's your turn, please.

**Marcelo Silva:** Hello, good morning for everyone; thank you Kleber, Thank you, Juliana. We will start to present the the company's results and We can see a big grow – it was 19,9% When We make a comparative with the same period from last year. We have an accumulated growth more than 80% at the first quarter from 2021 against 2020 year. And this shows that the company has a good grow drivers.

We can see a gross margin from 48,3%, and it's a Little bit less from the same semester from 2021. At the last 2021 quarter, We decided to make a bigger purchase for the stock. We saw a more difficult at logistic area and the decision to make a good stock at our factory was a really good decision but We payed for this stock at a more expansive taxes rates (around R\$ 5,6) and

We started this first quarter with a dollar a little bit more higher that brings a more pressure at international sales.

We still have some challenges regarding the international logistic, because a large amount of our raw material come from China, in addition to inflation.

We continue made the price transfer and the commitment to grow sustainably.

Regarding production Animals, We have a relevant grow- 21,6% and We doubled our size when We compared with the same period from 2020 year. Even with the pressure from Logistic supply chain, We had a relevant grow with a lot of business line, mainly at IATF and at anti-parasitic line, and this it's de biggest challenge in Brazil.

At Company Animals, We have a grow from 11,3% and in the accumulated of the semester was 59%. It's a amazing grow;We are on recuperation related at pandemic year and We saw a recuperation tendency.

At international operations , We are keeping up good growth, regarding the local operations at Mexico and Colombia and together, they're very Strong.

The 22,5% of grow could be more bigger if we didn't have inflation and Real Exchange rate Against the dollar and the last margin reflects this devaluation of the real at this period and this impressed us.

At our Operational Results from Ebitda, We grow 15,1% and our gross margin was impacted by the reasons that I mentioned before and this contributed for the company besides of Grow revenue.

The efforts to made the management of cost, We reduce the net Revenue about 29% at the 2022 first semester. The last semester 2021 We have a Strong impact but now, We are seeing a grow at the Revenue. We keep the investments on Research and Development it was 15,8 milion and We have a lot of parters at business investments.

We kept the cash generation like a 17 milion of cash and now, We can say that this cash could be more higher and it's important to mention about the acquisition of Regenera and We payed a parcel of it- something like 14 milions. And this situation kept us in a very comfortable position. We are continue to reduce the time to receive the bills.

Besides the hight taxes, the mediun costs was 9,2% . Now, more the 54% it's to Finep and this is the biggest indebt at the company. This give to us the capacity to keep our schedule.

We have 78% at indebtedness at long term, more than 25 % above the last 5 years and this show us We have the capacity to keep this schedule on investments, mainly at Research and Development.

I want to say We are very confident at our grow and We will continue growing regarding Generation cash and We have the structure of capital to keep this strategic for investments. We have more than 16 millions at Finep with a competitive taxes and a long term to pay.

Thank you for everyone and I wish a good week for everybody.

Now, We are open our Q&A; if you want to participate it's Only to write at our Q&A and any question, it's a very welcome. Kleber, I'll pass to you to conduce these questions.

Thank you, Juliana.

**Operator:** Thank you, Carlos, for your question. Carlos asked us: How it was M&A to the company?

**Kleber Gomes:** As I told before, the company is Always looking for a organic grow and We are very attentive for this organic grow.

When We saw a marketing like a proactive manner, We did the first M&A, it's a small but very relevant and We are looking for another opportunities with new Technologies and at adjacent marketing with animal health has the same synergy with us. Carlos asked about synergy at Regenera. Regenera is a start up, they have the technology and We saw the sinergic point that is to make a marketing to this technology because We are working near to the veterinary doctors and We have a good team wich visit all these veterinarians but remembered we Will sell this product to the veterinary and then, they show to the tutors.

We have a good market plan for the next years and talking with the doctors and tutors -wich those has some animals with the diseases- to give a Good health to the company animals.

We are very positive and continue looking for another activities.

There is another questions? We will wait some minutes, if anyone wants to participate, it's Only to write at Q&A and untill We are waiting, I would to reinforce luse launch will be at next Thrusday, it will be 7:30 pm at brazilian time and I will put the link here on chat for everyone who wants to participate.

There is a new question from Enzo Simas.

Hello, good morning. I want to nknow more about the logistic problem. I'll pass to Marcelo explain this, because Marcelo is the financial director and responsable for supply chain too.

Marcelo, please.

**Marcelo Silva:** Thank you, Kleber, thank you Enzo for your question.

It's a good question because everybody are thinking about this. A good quantity from our raw material comes from India and China. But We are in a continues process, considering one, two, three, a lot of supplires for raw material. We have a structure on China, some people works to Ourofino and stay there and this make us more near from the suppliers. Like We saw on Covid-19, logistics international Crisis, Russia war, so, We decide to anticipate our stocks regarding our more important items to avoid any risk at supply chain. So, We don't have this problem

here, now. Our big Challenger is the logistic area, We decide to anticipate our purchases about the more relevant items.

**Kleber Gomes:** Thank you, Marcelo, for your participation. I want to say thank you for this presentation and if We dont't have any Other question, We are finish our Q&A and I will pass the word to Kleber and I want to reinforce We Always be here if anyone has a question our doubts. Kleber, could you please can finish this presentation?

I would to say thank you to everybody and for Every worker from Ourofino because They Always are looking for staying together like a team but We are very confident this year will have a lot of things to do and at our strategic planner and workers too. I'm available to everyone. Thank you everyone to stay with us.