

2018-Q2 RESULTS

Webcast - Portuguese
August 9, 2018
10:00am (New York)
[Click Here](#)



Bernardo Gomes
CEO



Thiago Rocha
IRO



José Leoni
IR Manager



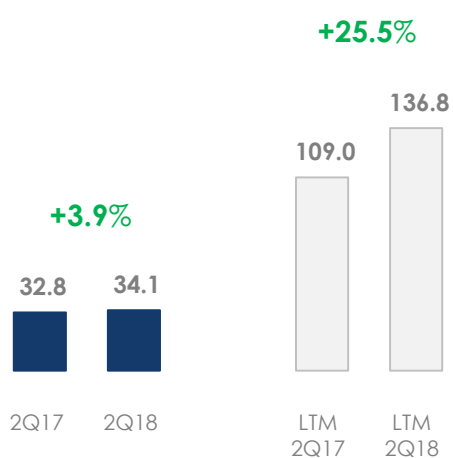
Olavo Aires
IR Analyst

DISCLAIMER: This material was prepared by Senior Solution S.A. ("Company") (B3: SNL3) and may contain certain statements expressing management's expectations, beliefs and/or forecasts regarding future events or results. These statements involve risks and uncertainties that could cause results materially different from those projections. Such statements are based on information currently available, from the Company and the industry in which the Company operates, and is not intended to be complete or serve as advice to potential investors, so readers should not rely exclusively on the contained. Investment in securities issued by the Company involves certain risks. Before making any investment decision, prospective investors should carefully consider all the information contained in the Reference Form, in the financial statements with the notes and, if applicable, in the offer memorandum, among others. Business, financial condition, results of operations, cash flow, liquidity or future business could be materially adversely affected by risk factors currently known or unknown. This presentation does not constitute an offer to sell or a solicitation to buy any securities of the Company

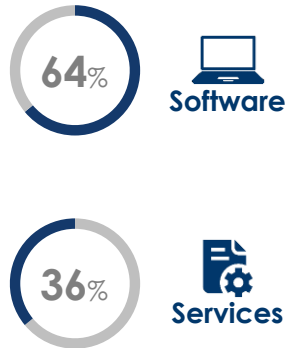
GROWTH IN LINE WITH INFLATION, DESPITE UNUSUAL CHURN

NET REVENUES (R\$ MM)

- **Services:** substantial growth (+14.7% vs. 2Q17)
- **Software:** slight reduction (-1.3% vs. 2Q17)

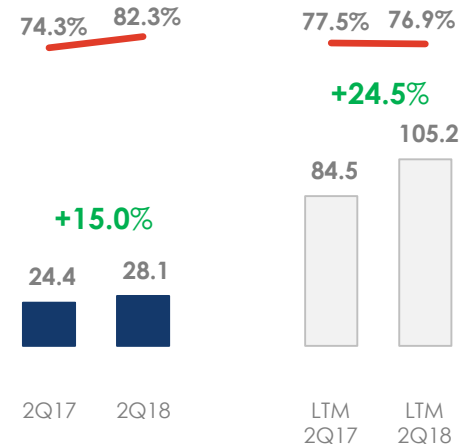


2Q18 BREAKDOWN



RECURRING REVENUES (R\$ MM | % NR)

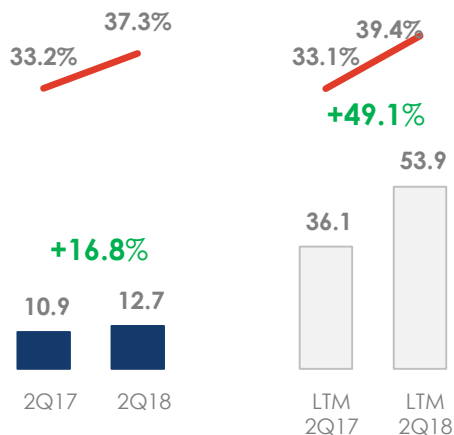
- **Record**, with growth in the **Outsourcing (+45.5% vs. 2Q17)** and **Subscription (+2.8% vs. 2Q17)** lines



EXPANSION OF GROSS PROFIT, EXPENSES¹ AND EBITDA

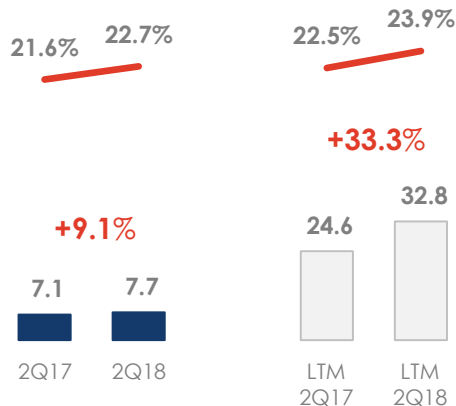
GROSS PROFIT (R\$ MM | Gross Mg.%)

- Increase due to the improvement in Services and Software, despite the increase in RD&I investments (+R\$ 0.5 MM vs. 2Q17)



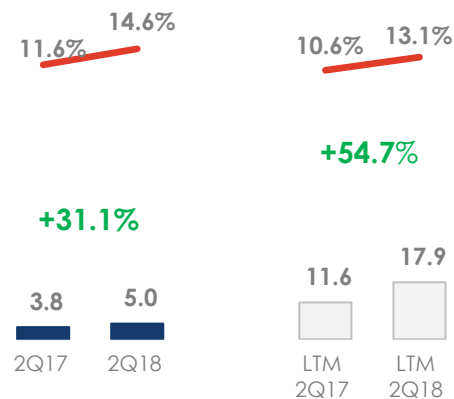
EXPENSES¹ (R\$ MM | % NR)

- Growth explained by the increase in bonuses provision (+R\$ 0.7 MM vs. 2Q17) with the alignment with corporate goals this year



EBITDA (R\$ MM | EBITDA Mg. %)

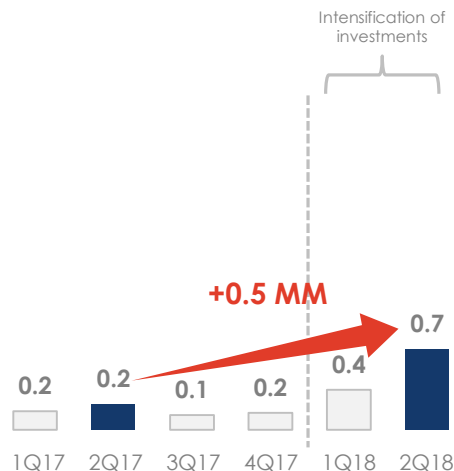
- Growth due to the increase in gross profit (+R\$1.8 MM vs. 2Q17) above expenses (+R\$ 0.6 MM vs. 2Q17)



REDUCTION WITH INCREASES IN RD&I AND BONUSES PROVISION

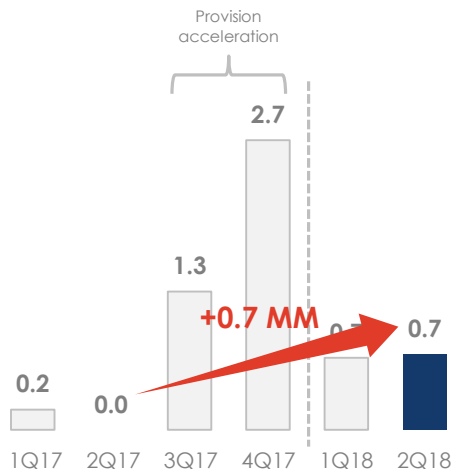
RD&I (COST)

- Higher investments this year, an increase of R\$ 0.5 MM in 2Q18 vs. 2Q17



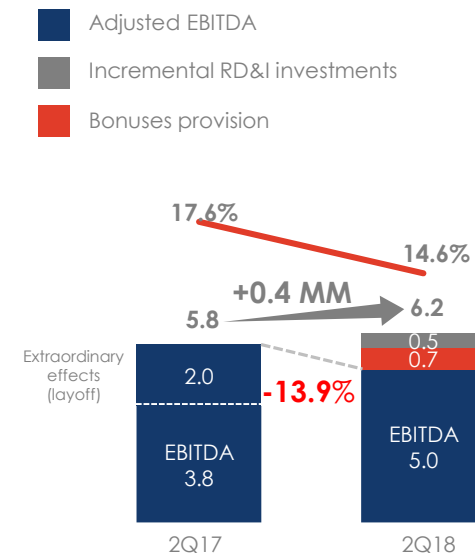
BONUSES PROV. (COST AND EXPENSES)

- Higher provision, an increase of R\$ 0.7 MM in 2Q18 vs. 2Q17, due to the alignment with corporate goals since the beginning of the year



ADJ. EBITDA² (R\$ MM | ADJ. EBITDA Mg. %)

- Reduction with the higher RD&I investments (+R\$ 0.5 MM vs. 2Q17) and bonuses provision (+R\$ 0.7 MM vs. 2Q17)



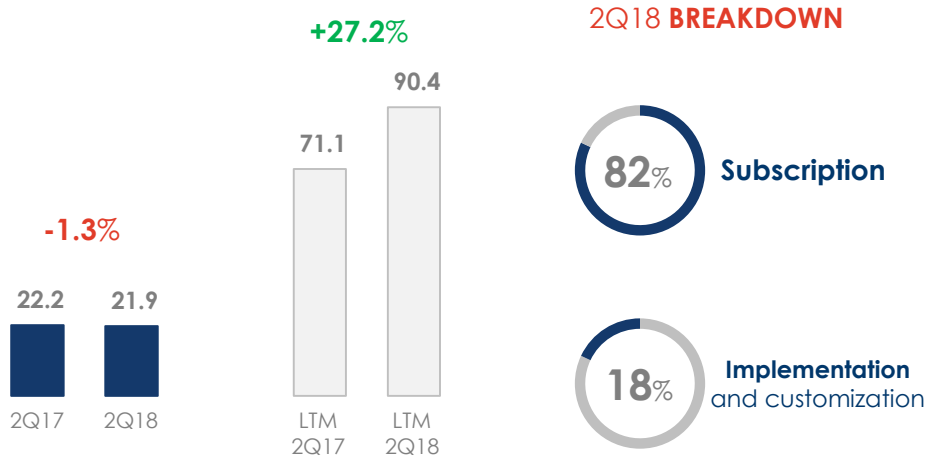
²Without extraordinary expenditures with attps integration in 2017.



INCREASE IN GROSS PROFIT DESPITE INCREMENTAL RD&I

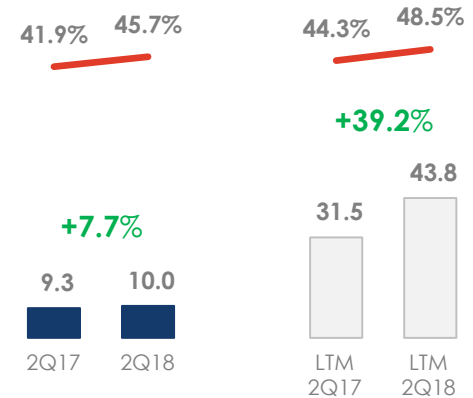
NET REVENUE (R\$ MM)

- **Subscription:** growth (+ 2.8% vs. 2Q17), mainly in investments and pension plans areas, which offset the unusual churn in asset management and consortium
- **Implementation:** reduction (-16.2% vs. 2Q17) in investment and pension plans areas, resulting mainly from the advance and/or conclusion of relevant setups



GROSS PROFIT (R\$ MM | Gross Mg.%)

- Growth (+ 7.7% vs. 2Q17) due to the reduction of extraordinary layoffs costs from attps integration in 2Q17
- Intensification of RD&I investments (+R\$ 0.5 MM vs. 2Q17), demonstrating commitment to the acceleration of organic growth

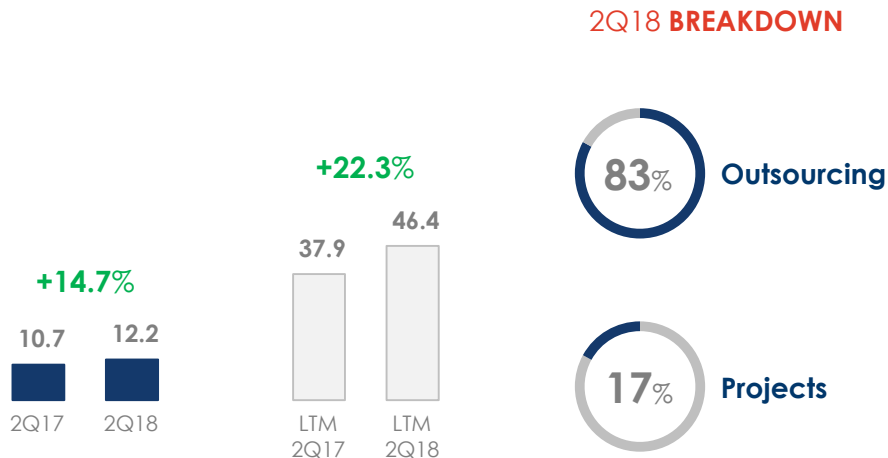




INCREASE IN GROSS PROFIT WITH OUTSOURCING EXPANSION

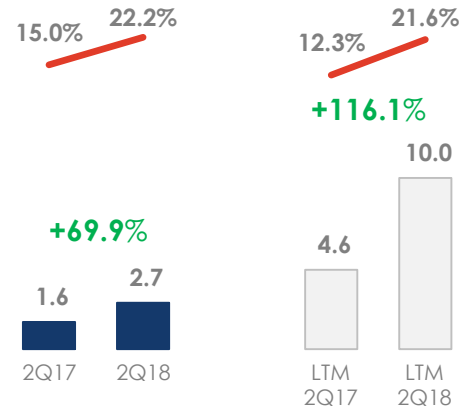
NET REVENUE (R\$ MM)

- **Outsourcing:** Record **(+45.5% vs. 2Q17)** due to the strong portfolio expansion, resulting from greater conversion of commercial opportunities and lower employee turnover, as well as the reclassification of attps revenues (R\$ 2.5 MM)
- **Projects:** Reduction **(-43.6% vs. 2Q17)**, related to the reclassification of attps revenues (excluding it, there was increase in all lines)



GROSS PROFIT (R\$ MM | Mg. bruta %)

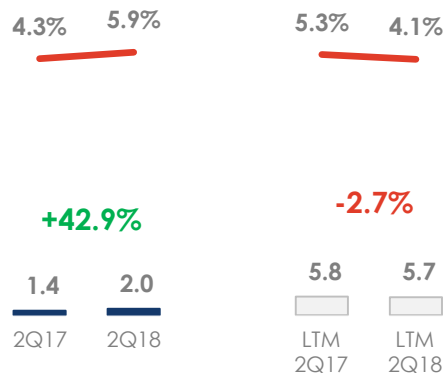
- Growth also due to the gain in profitability **(+7.2 p.p. vs. 2Q17)**, which showed a significant evolution after the revision of the Outsourcing portfolio in 1Q17



STRONG EXPANSION OF NET INCOME, WITH REDUCTION OF ADJ. CASH EARNINGS

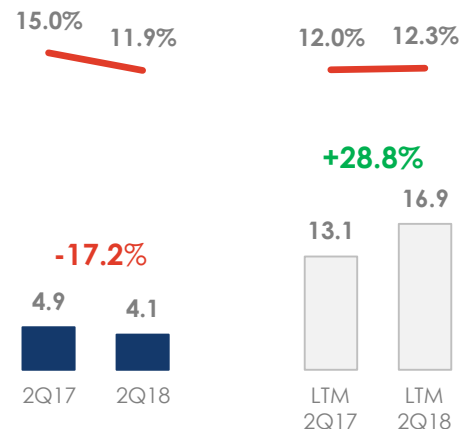
NET INCOME (R\$ MM | Net Mg.%)

- Growth resulting mainly from the higher **EBT (+ 83.8% vs. 2Q17)**, despite the higher **income tax** and **social contribution** of -R\$ 0.9 MM (vs. -R\$ 0.2 MM in 2Q17)



ADJ. CASH EARNINGS (R\$ MM | Adj. CA Mg.%)

- Resulting from reduction in **adjusted net income (-40.8% vs. 2Q17)**, partially offset by an increase in **deferred income tax** and **social contribution** to R\$ 0.6 MM (vs. R\$ 0.1 MM in 2Q17)

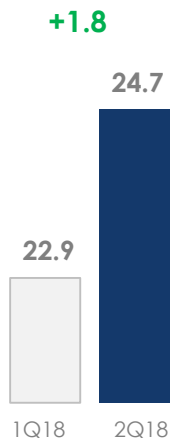




LEVERAGE REDUCTION TO 0.6x ADJ. EBITDA-LTM

GROSS CASH (R\$ MM)

- Increase mainly related to the sale of treasury shares (+R\$ 7.8 MM), despite a cash consumption with bonuses payment (-R\$ 4.0 MM) and interest on capital (-R\$ 2.1 MM)



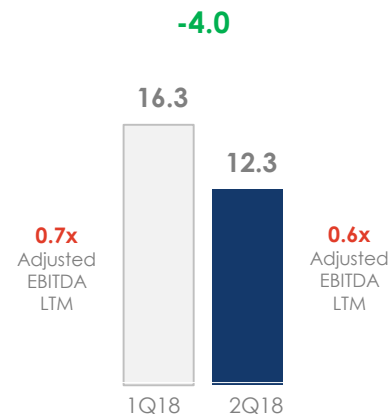
GROSS DEBT (R\$ MM)

- Reduction with amortization of obligations from acquisitions (-R\$1.2 MM) and borrowings (-R\$ 1.0 MM)



NET DEBT (R\$ MM)

- Reduction, representing only 0.6x adjusted EBITDA of the last 12 months (vs. 0.7x in 1Q18)
- Comfortable position to continue with acquisitions





Recent event

NEW HEADQUARTERS



WBC Building
Work Bela Cintra



CAPACITY EXPANSION IN SÃO PAULO

To house the expected organic growth in the coming years



INFRASTRUCTURE IMPROVEMENT

Reduce energy and telecom costs, increasing **efficiency**



WORK ENVIRONMENT MODERNIZATION

Easier **attraction** and **retention** of talents and team **integration**



MARGINAL EFFECTS ON RESULTS

Irrelevant Capex and stable expenses



2Q18 RESULTS

Figures in line with inflation in the last 12 months, interpreted as **favorable** due to **unusual churn** in the previous quarters



2018 ORGANIC

We increased our **RD&I** investments and adjusted our **commercial** model, with a significant improvement in the sales indicators of the last months



2018 ACQUISITION

Comfortable financial position, with **net debt of 0.6x Adjusted EBITDA** of the last 12 months, which makes the Company ready for acquisitions



THANK YOU!

Q&A



www.seniorsolution.com.br/ri



ri@seniorsolution.com.br



+55 (11) 3478-4845/788