



Tegma

Gestão Logística SA

**Earnings release
2022 first quarter**

São Bernardo do Campo, May 3th, 2022

Results Conference Call

Wednesday, May 4th 2022

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[Portuguese with simultaneous translation to English]

[Portuguese Webcast](#)

Tel.: +55 11 4090 1621

Tel: +55 11 4210-1803

[English Webcast](#)

+1 412 717-9627

+1 844 204-8942

Tegma Gestão Logística S.A, one of the largest logistic providers for brand new vehicles in Brazil, hereby presents its 1Q22 results:



The **quantity of vehicles transported** in 1Q22 was 116,700, a 15.0% reduction compared to 1Q21, a 23.8% *market share* or 0.9 p.p. higher vs 1Q21 due to a more favorable customer mix. The average distance in 1Q22 was 978 km, 6.7% lower than in 1Q21 due to the increase of shorter export trips.

Net revenue was 3.1% higher in 1Q22 compared to 1Q21, positively impacted by Integrated Logistics despite the stability of the Automotive Division, even with the difficulties faced by the latter.



Consolidated gross margin was 16.2% in 1Q22, 2.0 p.p. lower than the 1Q21 due to the reduction in transported vehicles and the stability of certain operating costs necessary to meet the volumes expected in subsequent quarters.

EBITDA in 1Q22 was R\$ 35.1 million, representing a 14.6% margin, 3.9 p.p lower in the annual comparison (-1.0 p.p disregarding non-recurring events), due to the lower than expected # of vehicles transported and distance traveled by the Automotive Division, despite of the performance improvement of the Integrated Logistics Division.



Net income in 1Q22 was R\$ 18.8 million, 6.8% lower than in 1Q21, reflecting the worsening of the automotive sector and its impacts in the Automotive Division and despite the improvement in the Integrated Logistics Division results, in equity and in financial result.

Free cash flow in 1Q22 was positive by R\$ 72.2 million, higher than the R\$ 44.2 million in 1Q21 due to the release of working capital from the Automotive Division and to the settlement of part of overdue receivables in the same division.



Return on invested capital in 1Q22 was 16.3%, 2.1 p.p lower than 4Q21, mainly due to the production difficulties faced by the automotive industry with the semiconductor crisis and the economic difficulties arising from high inflation in Brazil and in the world.

Net cash in March 2022 was R\$ 91.3 million versus R\$ 18.2 million in December 2021, due to the release of working capital from the automotive operation and to the settlement of part of December 31 overdue receivables.



Operational and financial highlights	1Q22	Chg % vs	
		1Q21	1Q21
Net revenue (R\$ million)	241.1	3.1%	233.9
Gross profit (R\$ million)	39.1	-8.2%	42.6
<i>Gross margin %</i>	<i>16.2%</i>	<i>-2.0 p.p.</i>	<i>18.2%</i>
EBITDA* (R\$ million)	35.1	-18.8%	43.2
Adjusted EBITDA* (R\$ million)	35.1	-18.8%	43.2
<i>Adjusted EBITDA* margin %</i>	<i>14.6%</i>	<i>-3.9 p.p.</i>	<i>18.5%</i>
Net income (R\$ million)	18.8	-6.8%	20.2
<i>Net margin %</i>	<i>7.8%</i>	<i>-0.8 p.p.</i>	<i>8.6%</i>
Earnings per share (R\$)	0.3	-6.8%	0.3
Free cash flow (R\$ million)	72.2	63.5%	44.2
CAPEX (R\$ million)	4.4	-32.5%	6.5
Vehicles transported (in thousand)	116.7	-15.0%	137.3
<i>Market Share %</i>	<i>23.8%</i>	<i>0.9 p.p.</i>	<i>22.8%</i>
Average Km per vehicle transported	979	-6.7%	1,049

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[Click here](#) for the Financial historic and footnotes in EXCEL.

[Click here](#) for this report's spreadsheets in EXCEL.

Forward-looking statements

This communication contains forward-looking statements based on the current expectations and beliefs of Tagma's management. The ongoing COVID-19 pandemic imposes significant risks and uncertainties on the statements, including those discussed below. Unless indicated, Tagma is providing this information as of the date of this communication and does not undertake any obligation to update any forward-looking statements contained in this document as a result of new information, future events or otherwise.

No forward-looking statement can be guaranteed and actual results may differ materially from those we project.

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Quarters Highlights

Tegma awarded by Digital Transformation Brazil Award

Tegma Gestão Logística was one of the 17 organizations selected by the Instituto MicroPower – Transformação Digital to receive the Digital Transformation Brazil Award, which took place on April 5th.

According to the organizers, the initiative aims to identify and recognize institutions with experiences in innovation and digital transformation that stood out in 2021.

The Digital Transformation Brazil Award is an evolution of the e-Learning Brazil and Learning & Performance Brazil Awards, which have recognized since 2002 the best practices in learning, performance and digital transformation with the purpose of “promoting the development of projects for Innovation and digital transformation of processes and business models, aiming to consolidate the foundations that enable Brazil to play a leading role in the global digital transformation, and to operationalize the E-Digital – Brazilian Strategy for Digital Transformation, with special attention to the impact on people and society, in a sustainable way”, according to those responsible for the initiative.



Marcos Medeiros CEO, Celia Takano IT and tegUP Director and José de Souza Innovation Manager receive the award

Expected impacts of the Ukrainian conflict and the COVID outbreak in China on the automotive industry

In 1Q22 the conflict in Ukraine and the outbreak of COVID-19 in China have harmful potential for the automotive industry.

Russia, which suffers from severe economic embargoes, is a major producer of palladium along with South Africa. This ore, which is used in vehicle catalytic converters to reduce the potential of greenhouse gases emitted by diesel vehicles, has suffered a price increase due to unavailability that can compromise vehicle production around the world. On the other hand, Ukraine, which is a major producer of neon gas (used in vehicle headlights) and wire harnesses, has suffered from military attacks and has interrupted the production of these important inputs in vehicle production.

The crisis that could be observed with the lockdowns in large cities in China has repercussions on the production and logistics chains in Brazil. It is already possible to observe the increase (even more) in freight and difficulties to sell products on the Brazil-Asia route. In imports, delays and travel cancellations already indicate that there will be new logistical bottlenecks in the coming months, with the potential to affect vehicle production in Brazil. Furthermore, the indirect effects of increases in commodity prices have been reflected in high inflation in Brazil and worldwide, reducing the purchasing power of consumers.

tegUP - Conversion of convertible debenture with Startup and additional contribution

According to the minutes of the Board of Directors' Meeting held on April 20, the startup accelerator tegUP converted the debentures it held from Rabbot into shares (learn more at <https://rabbot.co/>) which were issued in August 2019 on amount of R\$ 3.2 million. Rabbot's capitalization process will also include a “Series A” investment round involving the innovation arm of a large financial institution.

Additionally, tegUP acquired shares from previous shareholders of Rabbot in the total amount of R\$ 4.0 million and, after the described steps, will end up with a 16.2% stake in the startup.

Rabbot has shown growth consistent with its plans and conquering a market that has great growth potential, either because of company's fleets need for greater control over the routine of its vehicles.

Automotive market

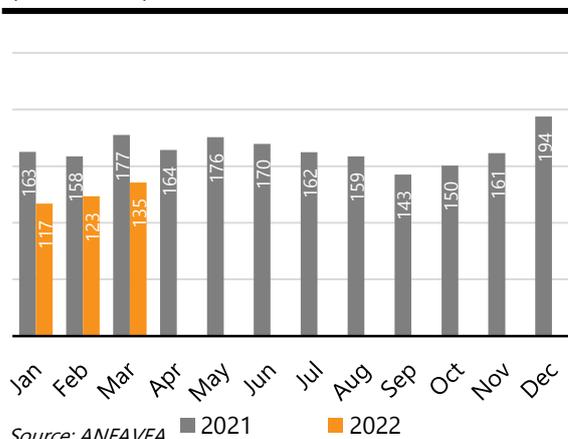
Vehicle production in 1Q22 was 18.5% lower year-on-year due to production difficulties coming from the shortage of parts and components that severely impacted the automotive sector along 2021 and has been extending into 2022. It is possible to affirm that the conflict in Ukraine also generates effects on global production and logistics chains, which indirectly and sometimes directly impact the production of vehicles in Brazil. Russia is a major producer of palladium, an essential product that goes into vehicle exhausts and Ukraine is a major producer of wires harness, essential for vehicle operation. Another important factor that explains the negative performance of production is the successive increase in vehicle prices and high inflation, which has reduced the purchasing power of final consumers. The prices dynamic influenced the 24.7% drop in **domestic sales** in the quarter in the annual comparison.

Vehicle production, however, was helped by the 14.5% increase in **exports** as a result of improved sales in Mercosur and in Chile.

Inventories in March 2022 were 125,600 thousand vehicles (25 days of sales), versus 101,100 vehicles in March 2021 (17 days of sales), according to ANFAVEA. Despite the increase both in nominal terms and in days of inventory, this level of inventories is lower if we consider the track record of the Brazilian automotive industry.

Sales of imported vehicles in 1Q22 had a positive performance in the annual comparison, mainly due to the change in the sales mix in Brazil, which has focused less on entry-models vehicles.

Chart 1 – Sales of vehicles in the domestic market (in thousand)



Source: ANFAVEA

	1Q22	Chg % vs	
		1Q21	1Q21
Vehicles and light commercial vehicles sales	477.9	-18.7%	588.2
Domestic	375.5	-24.7%	498.5
Exportations	102.4	14.2%	89.6
Estimated wholesale sales	491.2	-18.4%	601.6
(+) Production of vehicles and light commercial	456.1	-18.5%	559.5
(+) Importation of vehicles and light commercial*	49.9	8.8%	45.9
(-) OEM's inventories change	14.8	N/A	3.8
Inventories (In OEM and dealers)	125.6	24.2%	101.1
Inventories (In OEM and dealers in days of sales)	25	47.1%	17

Source: ANFAVEA, Fenabrave

(in thou)

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Operational highlights – Automotive Logistics Division

The **quantity of vehicles transported** by Tegma in 1Q22 was 15.0% lower yoy due to the drop in domestic sales, despite the excellent performance of exports in the period. This performance in 1Q22 corresponded to a market share of 23.8%, 0.9% higher in the annual comparison (as can be seen in the chart and table below), due to the growth in the share of automakers in which Tegma has greater representation in transport. In 1Q22, there was a four-week stoppage of production at GM's Gravataí-RS plant, which corresponds to a large portion of the automaker's sales volume. This stoppage negatively impacted Tegma's market share.

The **average distance of domestic trips** in 1Q22 was lower in the annual comparison, mainly due to the above mentioned stoppage plant, from which depart trips with longer distances. The **average distance of exports** increased in the annual comparison as a result of the greater share of road transport of vehicles to Mercosur. Due to the decrease in domestic distance and to the increase in the share of vehicles delivered for export in the consolidated mix, the **consolidated average distance** decreased by 6.7% in 1Q22.

Chart 2 – Number of vehicles transported by Tegma (in thous) and Tegma's market share

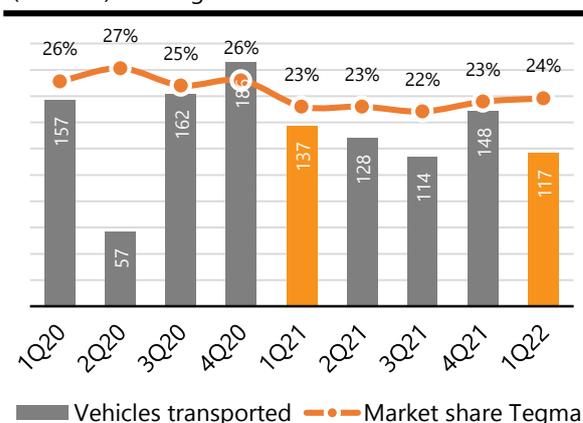


Chart 3 – Vehicles transported (thous)

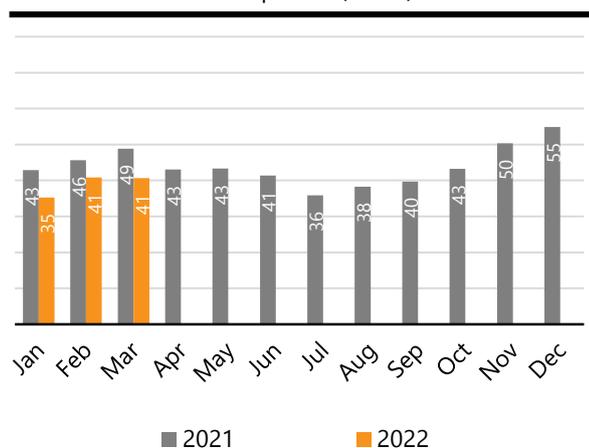
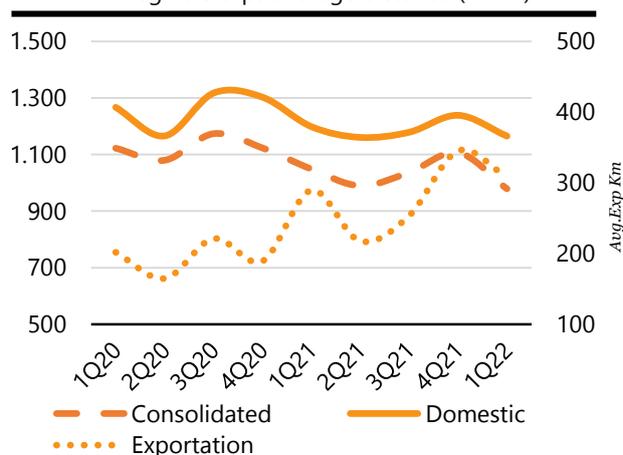


Chart 4 – Tegma's trips average distance (in km)



	1Q22	Chg % vs	
		1Q21	1Q21
Vehicles transported (thousand)	116.7	-15.0%	137.3
Domestic	91.3	-20.4%	114.7
Exportations	25.4	12.1%	22.6
<i>Market share %*</i>	<i>23.8%</i>	<i>0.9 p.p.</i>	<i>22.8%</i>
Average km per vehicle (km)	978.6	-6.7%	1,048.6
Domestic	1,164.9	-2.8%	1,198.5
Exportations	308.4	6.5%	289.6

* Considering as denominator the wholesale sales on the previous page

(in thousands, except average km and total km in million)

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Results – Automotive Logistics Division

Gross revenue from Automotive Logistics in 1Q22 was practically the same in the annual comparison. This stability is explained: i) negatively by the 15.0% drop in 1Q22 in the number of vehicles transported in the period, ii) negatively by the 6.7% decrease in average distance and iii) positively by the readjustments of transport and logistics services tariffs carried out throughout 2021 and 2022. Additionally, it is worth mentioning the good performance of the subsidiary Fastline, responsible for used-vehicle logistics, and the slight recovery of logistics services in the period.

The division's **gross margin** in 1Q22 was 14.4%, a 4.4 p.p reduction in the annual comparison. One of the main cost of-fenders in 1Q22 was personnel costs. In 1Q22, the number of operational employees remained equivalent to that of 1Q21, but with a 15% lower volume. This disparity was due to the sudden four-week production stoppage at the GM's plant in Gravataí-RS and also due to the automakers' forecast regarding the production resumption of vehicles in 2Q22 and 2S22. In addition, an increase in property maintenance costs and mechanical horses/semi-trailers can be noted in the period. This was due to projects that were postponed throughout 2021 and also due to the need for revitalization of own fleet of trucks that is being widely used for export delivery trips that have grown in the last 12 months.

The division's **EBITDA margin** in 1Q22 was 10.4%, a reduction of 6.1 p.p. versus 1Q21. If the two non-recurring events that positively impacted Automotive Logistics expenses by R\$ 6.7 million in 1Q21 were disregarded, the drop in the EBITDA margin would have been of 2.7 p.p, mainly due to the same explanations given on the evolution of the margin gross, given that expenses were reduced and contributed positively to EBITDA.

The 11.4% increase in **depreciation and amortization** in 1Q22 in the annual comparison mainly reflects the real estate rental readjustments in the period.

Chart 5 – Automotive Div. gross revenue (in R\$ mi)

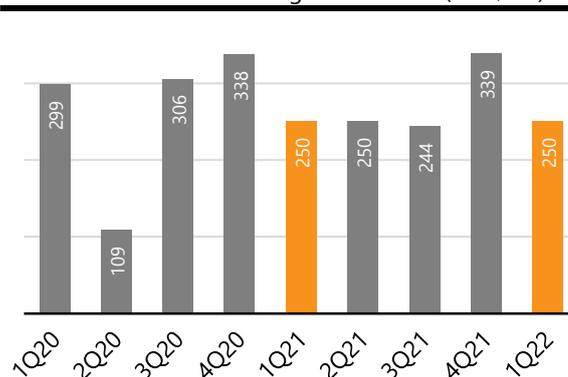
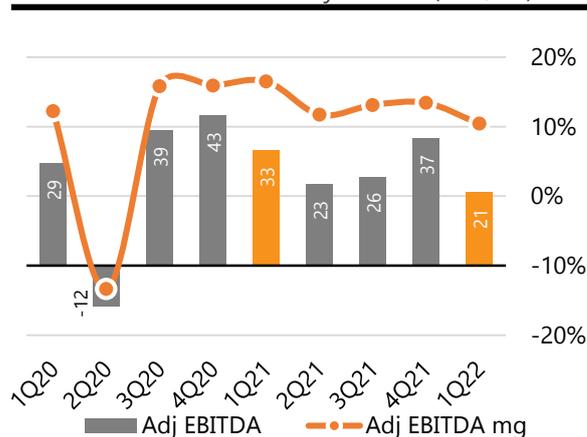


Chart 6 – Automotive Div Adj EBITDA* (in R\$ mi)



Automotive logistics division

	1Q22	Chg % vs 1Q21	1Q21
Gross revenue	250.0	-0.0%	250.1
Taxes and deductions	(48.2)	-2.2%	(49.3)
Net revenue	201.8	0.5%	200.8
Cost of services	(172.6)	5.5%	(163.7)
Gross profit	29.2	-21.5%	37.1
<i>Gross margin%</i>	<i>14.4%</i>	<i>-4.0 p.p.</i>	<i>18.5%</i>
Expenses	(17.3)	40.8%	(12.3)
Operating income	11.9	-52.2%	24.9
(-) Depreciation and amortization	(9.2)	11.4%	(8.2)
EBITDA	21.1	-36.4%	33.1
<i>EBITDA Margin %</i>	<i>10.4%</i>	<i>-6.1 p.p.</i>	<i>16.5%</i>

To access this spreadsheets in Excel, [Click here](#).

Results – Integrated Logistics Division

Gross revenue from Integrated Logistics in 1Q22 was up 18.8% year-on-year.

Gross revenue from the industrial logistics segment was up 20.6% in 1Q22 in the annual comparison, due to the mooring of two more ships vs expected that carries the inputs transported by the logistics of the **chemical operation** and despite the reduced production of the **household appliance operation**, consequence of the shortage of components and retail conditions in Brazil.

The division's **gross margin** in 1Q22 was 25.2%, 8.9 p.p. higher in the annual comparison. This margin was positively impacted by the two additional ships that docked in 1Q22, allowing for a better dilution of fixed costs and negatively impacted by the drop in household appliance logistics revenue.

The **EBITDA margin** of the Integrated Logistics operation was 35.7% in 1Q22, 5.3 p.p. higher in the annual comparison. The performance is explained by the same reasons as those explained by the evolution of the gross margin.

The reduction of **depreciation and amortization** in the period is due to the return of a warehouse used in the warehousing operation in March 21.

Chart 7 - Gross Revenue Integr. Logistics (in R\$ mi)

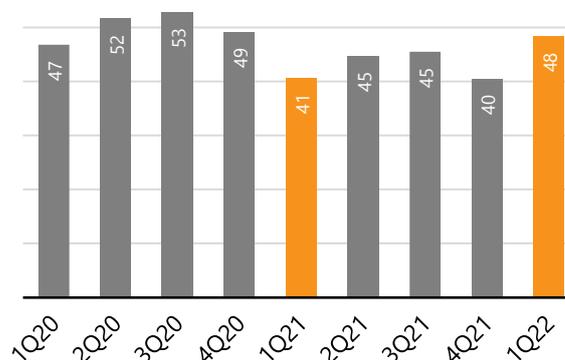
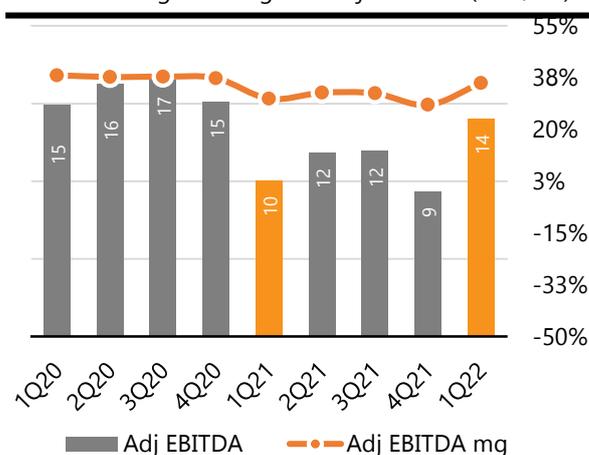


Chart 8 - Integrated Logistics adj. EBITDA* (in R\$ mi)



Integrated logistics division	1Q22	Chg % vs	
		1Q21	1Q21
Gross revenue	48.4	18.8%	40.7
Warehousing	0.9	-31.9%	1.4
Industrial logistics	47.4	20.6%	39.3
Gross revenue deductions	(9.1)	19.5%	(7.6)
Net revenue	39.3	18.7%	33.1
Cost of services	(29.4)	6.1%	(27.7)
Gross profit	9.9	82.8%	5.4
<i>Gross margin %</i>	25.2%	8.9 p.p.	16.4%
Expenses	(0.2)	142.4%	(0.1)
Operating income	9.7	81.8%	5.3
(-) Depreciation and amortization	(4.3)	-8.6%	(4.7)
EBITDA	14.0	39.3%	10.1
<i>EBITDA Margin %</i>	35.7%	5.3 p.p.	30.4%

To access this spreadsheets in Excel, [Click here](#).

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Results - Consolidated

The Company's **consolidated gross and net revenues** were negatively impacted by the 15% reduction in the quantity of vehicles transported and by the 6.7% reduction in the average distance in 1Q22. Despite all factors, the Company reported stability in revenue in the annual comparison due to tariffs readjustments in the Automotive Division and to the recovery of revenue from Integrated Logistics.

Consolidated **gross margin** in 1Q22 was 16.2%, a 2.0 p.p decrease in the annual comparison, mainly reflecting the lower volume transported by the Automotive Division vs expected, as well as the lower average distance, incurring a lower dilution of fixed costs.

Expenses in 1Q22 were R\$ 17.5 million, 41.6% higher in the annual comparison. This increase reflects non-recurring events that positively affected 1Q22 expenses¹. If the non-recurring events in 1Q21 were disregarded, expenses would be 8.2% lower compared to 1Q21 due to lower expenses with consulting and legal fees, in addition to lower legal contingencies.

The 1Q22 **EBITDA margin** was 14.6%, a 3.9 p.p decrease in the annual comparison, or -1.0 p.p excluding the non-recurring events in 1Q21¹. The reduction is mainly due to the reduction in the quantity of vehicles transported and in the average distance of the Automotive Logistics operation, despite the positive contribution of the EBITDA margin of Integrated logistics.

Chart 9 – Consolidated gross revenue (in R\$ mi)

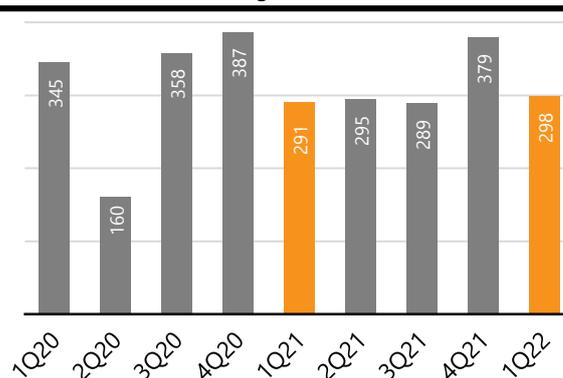
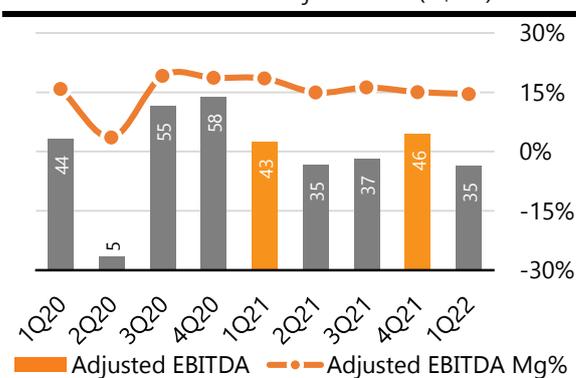


Chart 10 – Consolidated Adj EBITDA * (R\$ mi)



Consolidated	1Q22	Chg % vs	
		1Q21	1Q21
Gross revenue	298.3	2.6%	290.8
Automotive Logistics	250.0	-0.0%	250.1
Integrated Logistics	48.4	18.8%	40.7
Gross revenue deductions	(57.3)	0.7%	(56.9)
Net revenue	241.1	3.1%	233.9
Cost of services	(202.0)	5.6%	(191.3)
Gross profit	39.1	-8.2%	42.6
Gross margin %	16.2%	-2.0 p.p.	18.2%
Expenses	(17.5)	41.6%	(12.3)
Operating income	21.6	-28.6%	30.2
(-) Depreciation and amortization	(13.5)	4.1%	(13.0)
EBITDA	35.1	-18.8%	43.2
(+) Non-recurring	-	-	-
EBITDA	35.1	-18.8%	43.2
Adjusted Margin %	14.6%	-3.9 p.p.	18.5%

To access this spreadsheets in Excel, [Click here](#).

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¹ Two non-recurring events that positively impacted Automotive Logistics expenses by R\$6.7 million in 1Q21 (detailed in the 1Q21 ER).

Results – Consolidated ...continuing

In 1Q22, **revenue from financial investments** was R\$ 0.8 million higher than **interest expenses** due to the increase in the cash-to-debt ratio, contributing to the 81.3% **financial result** improvement.

	1Q22	Chg % vs 1Q21	1Q21
Revenue from financial investments	5.0	266.0%	1.4
Interest expenses	(4.2)	79.8%	(2.3)
Interest expenses, net of revenue from financial investments	0.8	-	(1.0)
Interest on leasing	(1.2)	-17.7%	(1.5)
Other financial revenues (expenses)	(0.1)	-84.1%	(0.4)
Financial result	(0.5)	-81.3%	(2.9)

Equity income², shown in the last table in this section, was positive by R\$ 3.0 million in 1Q22. This result is mainly explained by the profits measured by the joint venture GDL, as shown in the table to the side, containing 100% of its results. The table on the side shows a growth in the Joint Venture's **net revenue** of 64.9% in 1Q22. This performance occurred as a result of growing revenues coming from the bonded warehouse operations, which were responsible for the net and operating margins expansion.

GDL (100%)	1Q22	Chg % vs 1Q21	1Q21
Net revenue	28.4	64.9%	17.2
Operating income	8.9	349.8%	2.0
<i>Operating margin%</i>	<i>31.4%</i>	<i>19.9 p.p.</i>	<i>11.5%</i>
Net income	6.0	265.2%	1.6
<i>Net margin %</i>	<i>21.0%</i>	<i>11.5 p.p.</i>	<i>9.5%</i>

The **income tax** rate for 1Q22 was 22.0%. The main factor that reduced the tax rate in the quarter was the exclusion of ICMS tax credit from the tax calculation base.

	1Q22	Chg % vs 1Q21	1Q21
Income before tax	24.1	-14.5%	28.1
<i>Real tax rate</i>	<i>-34.0%</i>	<i>-</i>	<i>-34.0%</i>
Income tax and social contribution at the nominal rates	(8.2)	-14.5%	(9.6)
Presumed ICMS tax credit	1.4	2.1%	1.3
Permanent differences, equity equivalence and others	1.5	517.3%	0.2
Income tax	(5.3)	-33.8%	(8.0)
<i>Effective tax Rate</i>	<i>-22.0%</i>	<i>6.4 p.p.</i>	<i>-28.4%</i>

Net income in 1Q22 was R\$ 18.8 million, a 7.8% net margin, 0.8 p.p lower vs 1Q21. The reduction in net margin is a consequence of the negative impact of lower volumes of production and sales of vehicles in Brazil, despite the operational improvement of the Integrated Logistics Division. The improvement of equity income and the reduction of the financial result contributed positively to the 1Q22 earnings.

Consolidated	1Q22	Chg % vs 1Q21	1Q21
Operating income	21.6	-28.6%	30.2
Financial result	(0.5)	-81.3%	(2.9)
Equity	3.0	271.6%	0.8
Income before tax	24.1	-14.5%	28.1
Income tax	(5.3)	-33.8%	(8.0)
Net income	18.8	-6.8%	20.2
<i>Net margin (%)</i>	<i>7.8%</i>	<i>-0.8 p.p.</i>	<i>8.6%</i>

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² 50% of the operation of the company GDL (customs and general storage of Espírito Santo), 49% of the non-operating company Catlog and 16% of the Frete Rápido until Dec/21.

Cash flow

As mentioned in the earnings release since 2Q21, a commercial issue regarding how to charge the subcontracting service provided by Tegma to a vehicle logistics operator has been affecting the Company's working capital, although gradually being solved. In February and March 2022, Tegma received an amount referring to the outstanding balance and paid a portion withheld. It is important to mention that the payments and receipts for the 2022 trips are fully settled. The balance receivable related to this commercial matter (referring to 2021 trips) corresponded to R\$ 43.9 million in March 2022 (R\$ 56.8 million in December 2021) and to R\$ 15.0 million (\$19.8 million as of December 2021) payable to the counterparty and its subsidiaries. This event impacted the company's cash-to-cash cycle in March 2022 by 7 days (7 days in December 2021). The Administration's expectation is that this subject will be completely solved in the short/medium term.

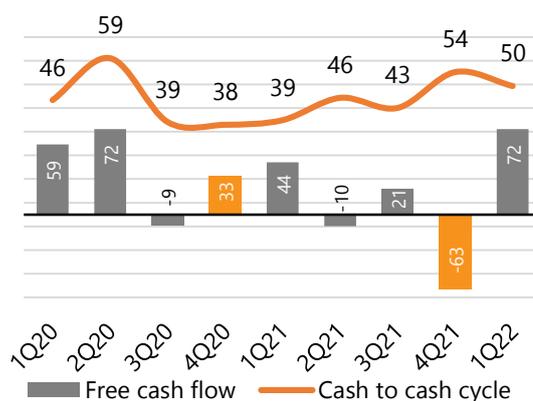
The Company's **free cash flow** in 1Q21 was positive by R\$ 72.2 million due to the settlement of part of past due receivables and to the working capital release from the automotive division.

CAPEX in 1Q22 was R\$4.4 million, as shown in the table below. In 1Q22, there was no individually relevant investment, except for the software renewal, which is accounted for R\$ 1.4 million.

Net cash from investing activities in 1Q22 was R\$4.6 million negative, influenced by the "cash" CAPEX of R\$5.7 million and by the receipt of R\$1.1 million in dividends from Joint Venture GDL.

Net cash from financing activities in 1Q22 was negative by R\$17.3 million due to the lease payment (IFRS-16), which totaled R\$7.3 million and to the settlement of debt in the amount of R\$ 10 million.

Chart 11 – Free cash flow (in R\$ mi) and cash-to-cash cycle (in days) consolidated



Cash to cash cycle: days receivable - days payable (Delivery and freight/daily CSP)

Consolidated CAPEX	1Q22	1Q21
Maintenance & general improvements	1.8	1.4
Logistic equipment purchases	0.2	3.2
IT	2.3	1.9
Total	4.4	6.5

	1Q22	1Q21
A - Cash at beginning of period	147.1	260.4
1- Net cash generated by operating activities	85.3	57.9
2 - Capital expenditures "cash"	(5.8)	(4.8)
3 - Payment of leasing	(7.3)	(8.9)
Free cash flow (1 + 2 + 3)	72.2	44.2
4 - Net cash generated by investing activities	(4.6)	(4.5)
5 - Net cash from financing activities	(17.3)	(8.9)
(=) Cash at end of period (A + 1 + 4 + 5)	210.5	304.9

(consolidated)

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Indebtedness and cash

The Company continues with an unleveraged capital structure in 1Q22. As of the second quarter of 2020, Tegma posts a cash position higher than its gross debt due to the consistent cash generation and to the low need for CAPEX to maintain its current operations.

The **net cash** for 1Q22 amounting R\$ 91.3 million, higher vs December/21's balance is due to the settling of past due receivables and to the working capital release in the automotive logistics.

The **net debt/adjusted EBITDA LTM index** was not applicable for 1Q22 and for 4Q20, since the Company presented net cash in both quarters. The calculation of the coverage ratio (which is equivalent to **adjusted EBITDA over the financial result**) for 1Q21 was 229x. The Company's covenants are <2.5x and >1.5x, respectively.

In 1Q22, the Company settled a maturing debt amounting R\$10 million in principal and, according to a subsequent event, another debt amounting R\$50 million was settled in April 2022.

The **total average cost of the Company's gross debt** on March 31, 2022 was CDI + 2.9%, an increase vs December 2021 level due to the payment of cheaper debt.

In April 2022, Fitch reaffirmed **Tegma's rating** in local terms A(Bra) with stable perspective, despite the unfavorable automotive scenario, a consequence of the Company's resilience.

Chart 12 – Consolidated debt and cash (in R\$ mi)

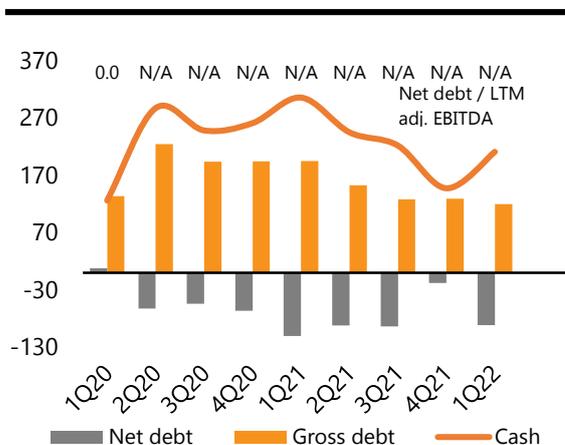
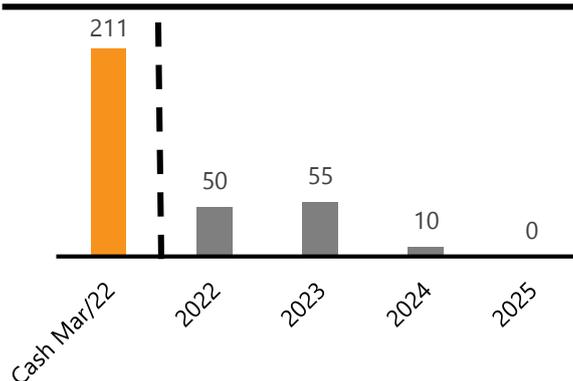


Chart 13 – Cash and Principal debt schedule amortization (R\$ mi)



	Jun-21	Sep-21	Dec-21	Mar-22
Current debt	87.3	62.7	63.9	64.3
Non-current debt	65.0	65.0	65.0	55.0
Gross debt	152.3	127.7	128.9	119.3
(-) Cash	1.0	1.3	1.2	3.2
(-) Banking investments	243.5	220.2	145.9	207.3
Net debt (cash)	(92.2)	(93.7)	(18.2)	(91.3)
Adjusted EBITDA* TTM	192.2	174.3	161.9	153.8
<i>Net debt / Adjusted EBITDA* LTM</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
Financial result TTM	(6.1)	(4.2)	(3.0)	(0.7)
<i>Adjusted EBITDA LTM / Financial result LTM</i>	<i>31.4</i>	<i>41.3</i>	<i>53.6</i>	<i>229.3</i>

(consolidated)

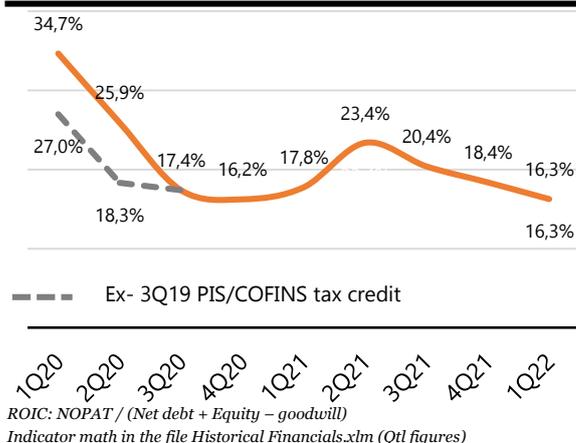
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Return on Invested Capital

The Management considers that monitoring the **return on invested capital** (ROIC) is extremely important for investors, since this metric reflects the creation of value by the Company. ROIC should not be considered a substitute for other accounting measures under IFRS and may not be comparable to similar measures used by other companies. The Company defines ROIC as operating income (after taxes of 34%), divided by invested capital (equity plus net debt less goodwill from mergers and acquisitions) in the last four quarters.

The 1Q22 ROIC was 16.3%, a 2.1 p.p decrease compared to the 4Q21's ROIC. The drop reflects the production difficulties of the automotive industry from the year 2021 on and the consequences of high inflation for vehicles. This indicator also reflects the Company's operational resilience, whose main operational indicator (number of vehicles transported) was almost 40% lower in 1Q22 vs 1Q20 (on a 12-month basis).

Chart 14 – Return on invested capital (ROIC) consolidated



	1Q20*	2Q20*	3Q20	4Q20	1Q21	2Q21	3Q21	4Q22	1Q22
ROIC (A / B)	34.7%	25.9%	17.4%	16.2%	17.8%	23.4%	20.4%	18.4%	16.3%
NOPAT (Oper inc *(1-34%) (A)	149.0	112.7	74.4	66.0	68.3	92.9	80.8	78.0	72.3
Operating income (TTM)	225.7	170.8	112.8	99.9	103.4	140.8	122.4	118.2	109.5
Capital employed (B) (previous 12 months)	429.8	434.7	427.7	405.9	384.0	397.4	395.9	424.2	444.1
(+) Net debt	34.4	10.8	(9.8)	(44.0)	(73.4)	(80.9)	(90.7)	(78.6)	(73.9)
(+) Equity	555.5	583.9	597.5	609.9	617.5	638.3	646.6	662.8	678.0
(-) Acquisitions goodwill	160.0	160.0	160.0	160.0	160.0	160.0	160.0	160.0	160.0

(consolidated)

*Due to the PIS COFINS credit that impacted NOPAT in 3Q19 in the amount of R\$ 50 million, the ROIC adjusted by NOPAT for these quarters were 29.5%, 29.4%, 26.9% and 18.3% respectively.

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Shareholder composition

Shareholder	# stocks TGMA3 ON	% Total
Mopia Participações e Empreendimentos Ltda.	15,396,481	23.3%
Cabana Empreendimentos e Participações Ltda.	4,817,704	7.3%
Coimex Empreendimentos e Participações Ltda.	13,207,034	20.0%
Other controlling shareholders (individuals)	509,473	0.8%
Directors and administration board	101	0.0%
Treasury	65,143	0.1%
Controllers, administrators e treasury	33,996,036	51.5%
Free float	32,006,979	48.5%
Total stocks	66,002,915	100.0%

Tegma Gestão Logística SA and subsidiaries Income statement (in R\$ million)

Income statement	1Q22	Chg % vs	
		1Q21	1Q21
Gross revenue	298.3	2.6%	290.8
Taxes and deductions	(57.3)	0.7%	(56.9)
Net revenue	241.1	3.1%	233.9
(-) Cost of services	(202.0)	5.6%	(191.3)
Personnel	(25.3)	6.3%	(23.8)
Freight	(155.8)	1.7%	(153.2)
Other costs	(37.7)	23.1%	(30.6)
Taxes credit (PIS and COFINS)	16.7	3.2%	16.2
Gross profit	39.1	-8.2%	42.6
General and administrative expenses	(18.1)	-0.1%	(18.1)
Other expenses and revenues	0.6	-89.8%	5.7
Operating income	21.6	-28.6%	30.2
Financial result	(0.5)	434.2%	(2.9)
Equity	3.0	271.6%	0.8
Income before tax	24.1	-14.5%	28.1
Income tax	(5.3)	-33.8%	(8.0)
Net income	18.8	-6.8%	20.2
<i>Net margin %</i>	<i>7.8%</i>	<i>-0.8 p.p.</i>	<i>8.6%</i>

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Tegma Gestão Logística SA and subsidiaries
Balance sheet
(in R\$ million)

	Mar-21	Dec-21	Mar-22
Current assets	520.3	507.2	493.9
Cash at bank and on hand	1.5	1.2	3.2
Short-term investments	303.4	145.9	207.3
Accounts receivable	169.1	302.7	223.7
Related parties	0.2	0.1	0.0
Inventories	0.4	1.3	1.3
Income tax and social contribution	0.8	1.2	1.9
Taxes to recover	30.2	43.4	44.1
Other receivables	9.5	8.9	7.6
Prepaid expenses	5.0	2.6	4.8
Non-current assets	45.8	56.3	56.4
Taxes to recover	9.6	9.7	9.1
Income tax and social contribution	-	12.9	12.9
Other accounts receivable	2.3	1.5	1.5
Deffered fiscal asset	13.6	9.3	8.2
Marketable securities	4.0	3.6	3.8
Related parties	1.1	1.1	1.1
Judicial deposits	15.2	18.2	19.8
Long term Assets	493.4	481.3	478.6
Investments	38.9	40.1	41.9
Property and equipment	202.1	206.9	204.7
Intangible assets	171.6	172.6	173.5
Right of use assets	80.8	61.8	58.4
Total assets	1,059.5	1,044.8	1,028.9
	Mar-21	Dec-21	Mar-22
Current liabilities	201.9	219.7	196.9
Loans and financing	54.3	63.9	64.3
Bonds	25.3	-	-
Lease liabilities	32.1	30.8	29.9
Suppliers	27.4	47.8	39.3
Taxes payable	14.1	16.2	14.4
Salaries and social charges	18.0	24.5	20.3
Other accounts payable	25.5	27.1	23.3
Related parties	0.1	0.1	0.1
Income tax and social contribution	5.2	9.3	5.4
Non-current liabilities	211.7	143.7	131.9
Loans and financing	115.0	65.0	55.0
Related parties	0.6	0.6	0.5
Lease liabilities	57.2	38.9	37.4
Deferred fiscal liabilities	3.4	5.6	6.4
Provision for contingencies and other liabilities	33.1	30.8	29.6
Actuarial liabilities	2.5	2.9	2.9
Shareholders equity	644.9	680.7	699.4
Capital stock	318.5	318.5	318.5
Profit reserve	299.1	342.5	346.0
Retained earnings	16.7	-	15.2
Treasury shares	(0.3)	(0.3)	(0.3)
Assets valuation adjustment	(1.6)	(2.3)	(2.3)
Additional proposed dividend	12.5	22.3	22.3
	-	-	-
Minority interest	0.9	0.6	0.6
Total liabilities and shareholders' equity	1,059.5	1,044.8	1,028.9

Tegma Gestão Logística SA and subsidiaries
Cash flow statement
(in R\$ million)

	1Q22	1Q21
Net income for the period	18.8	20.2
Depreciation and amortization	5.5	5.4
Right of use assets amortization	8.0	7.5
Interest and exchange variation on unpaid loans and debentures	4.0	2.3
(Reversal of) provision for contingencies	(0.0)	1.1
Interest on leasing	1.2	1.5
Equity	(3.0)	(0.8)
Loss (gains) on disposal of assets	0.1	(0.1)
Right of use of assets withdrawn	-	(0.0)
Allowance for (reversal of) doubtful accounts	0.1	0.1
Extemporaneous tax credits	(3.2)	-
Deferred income and social contribution taxes	1.9	4.5
Expenses (revenues) not affecting cash flows	14.5	21.7
Accounts receivable	78.9	42.9
Taxes recoverable	6.4	2.4
Judicial deposits	(1.0)	(0.2)
Other assets	(1.0)	(4.7)
Suppliers and freight payable	(7.2)	(5.6)
Salaries and related charges	(4.2)	(2.7)
Increase (decrease) in related parties	(0.0)	(0.1)
Other liabilities	(6.4)	(4.0)
Changes in assets and liabilities	65.4	28.0
Interest on loans, financing and swap	(3.6)	(1.5)
Interest on leasing	(1.7)	(1.5)
Lawsuits paid	(1.0)	(1.6)
Income and social contribution taxes paid	(7.1)	(7.2)
(A) Net cash generated by (used in) operating activities	85.3	57.9
Dividends received	1.1	-
Acquisition of intangible assets	(2.4)	(1.5)
Acquisition of property and equipment and intangible assets	(3.3)	(3.3)
Proceeds from sale of assets	-	0.4
(B) Net cash generated by (used in) investing activities	(4.6)	(4.5)
Payment of loans and financings	(10.0)	-
Payment of leasing	(7.3)	(8.9)
(C) Net cash generated by (used in) financial activities	(17.3)	(8.9)
Changes in cash (A + B + C)	63.4	44.5
Cash at beginning of period	147.1	260.4
Cash at end of year	210.5	304.9

Tegma Gestão Logística SA and subsidiaries
Statements of change in equity
(in R\$ million)

	Capital	Capital reserve	Legal reserve	Tax incentive reserve	Retained profit	Additional dividend proposed	Treasury stock	Equity adjustment	Retained earnings (accumulated losses)	Non-controlling interest	Total equity
Balance on January 1, 2021	318.5	-	32.6	58.2	204.7	12.5	(0.3)	(1.6)	-	1.0	625.6
Net income for the period	-	-	-	-	-	-	-	-	20.2	-	20.2
Deferred taxes on hedge accounting	-	-	-	3.6	-	-	-	-	(3.6)	-	-
Balance on March 31, 2021	318.5	-	32.6	61.8	204.7	12.5	(0.3)	(1.6)	16.7	0.9	645.8
Balance on January 1, 2022	318.5	-	38.0	73.7	230.8	22.3	(0.3)	(2.3)	-	0.6	681.3
Net income for the period	-	-	-	-	-	-	-	-	18.7	0.1	18.8
Tax incentives	-	-	-	3.5	-	-	-	-	(3.5)	-	-
Set up of reserves	-	-	-	-	-	-	-	-	-	-	-
Balance on March 31, 2022	318.5	-	38.0	77.2	230.8	22.3	(0.3)	(2.3)	15.2	0.6	700.1

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Tegma Gestão Logística SA and subsidiaries
Statements of change in value added
 (in R\$ million)

	Var % vs		
	1Q22	1Q21	1Q21
Gross sale of services	282.6	2.8%	275.0
Other income	0.2	-96.9%	6.9
(Reversal of) allowance for doubtful accounts	(0.1)	-21.1%	(0.1)
Income	282.7	0.3%	281.8
Cost of services provided	(155.8)	1.7%	(153.2)
Materials, energy, third-party services and other operating expenses	(28.4)	12.8%	(25.2)
Input products acquired from third parties	(184.2)	3.3%	(178.3)
Net value added produced by the Company	98.6	-4.7%	103.4
Depreciation and amortization	(5.5)	1.3%	(5.4)
Right of use assets amortization	(8.0)	6.1%	(7.5)
Gross value added	85.1	-5.9%	90.5
Equity pickup	3.0	272.0%	0.8
Financial income	6.3	311.9%	1.5
Total value added to be distributed	94.4	1.7%	92.8
	-	-	-
Personnel and related charges	31.7	4.9%	30.3
Direct compensation	24.4	7.5%	22.7
Benefits	5.8	-3.0%	6.0
FGTS	1.5	-3.4%	1.6
Taxes, charges and contributions	36.1	-4.4%	37.8
Federal	17.8	-11.4%	20.1
State	16.7	0.6%	16.6
Local	1.6	49.1%	1.1
Financing agents	26.5	7.2%	24.8
Interest and exchange variations	6.8	54.3%	4.4
Rent	0.9	426.7%	0.2
Dividends	-	-	-
Retained profits (losses)	18.7	-7.6%	20.2
Non-controlling interest	0.1	-	(0.1)
Value added distributed	94.4	1.7%	92.8

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