

3Q25 Results Conference Call

Ian: Good afternoon to all, this is Ian Nunez speaking. I am your IR manager of Tegma. Welcome to the conference call to discuss the earnings concerning the third quarter of 2025. This conference call is being recorded and the replay may be accessed in the company's IR website.

We inform that all participants will be in listen-only mode during the presentation, after which we will have the Q&A session when further instructions to participate will be provided. For those listening in English, we have in the chat the link to the presentation in English because here we will be showing only the version in Portuguese. I'd like to give the floor now to Mr. Nivaldo Tuba, CEO of Tegma, who will begin the presentation. Nivaldo, you may proceed.

Nivaldo: Good afternoon everyone, this is Nivaldo Tuba speaking, CEO of Tegma, and on behalf of the entire company, I thank you once again for participating in our earnings conference call. With me here are Ramón Perez, our CFO and IRO, and Ian Nunes, our Investor Relations Executive Manager.

As usual, we start our presentation on slide two. On slide two, you can find our disclaimer regarding our forward-looking statements. Moving on to slide three, we present the highlights of the quarter.

Firstly, we would like to highlight the distribution of dividends and interest on equity approved by the Board of Directors in the meeting yesterday. It was decided that the payment for the third quarter of 2025 will be 64 million BRLs to be paid on November the 18th, corresponding to 80% of net income for the period or approximately 8.2% dividend yield also over the last 12 months. This distribution is the highest advance payment ever made by the company for a third quarter.

The second highlight is an important investment made by Tegma in a plot of land in the city of Camaçari, which will be used as a yard for storage, PDI or pre-delivery inspection, consolidation and shipment of vehicles, especially for BYD vehicles. This land covers 200,000 square meters and is located next to the Chinese carmaker, allowing for greater agility in the transfer of vehicles. With this extra area, we intend to expand our capacity to provide automotive logistics services in that industrial hub.

Total investment will be around 43 million BRLs, including payment for the land and improvements. The third highlight concerns the catastrophic weather event that occurred at Toyota's engine factory in Porto Feliz, state of São Paulo. As a supplier to Toyota for so many decades, we regret this disaster and are available to provide any kind of assistance they may need.

The damage caused halted the automaker's vehicle production throughout October. At the beginning of this month, production gradually resumed with imported engines. In addition, imported vehicles maintained their normal flow.

As a result, Toyota's sales declined in October. In order to mitigate the effects on Tegma's results, the company decided to grant collective vacations to the operation and to reassign the team that was dedicated to serving the two Toyota factories. The

fourth highlight of the quarter refers to an initiative with a positive environmental impact on Tagma's operations.

As is widely known, decarbonization of long-distance road transport faces many challenges due to operational and economic issues. Given these limitations, Tagma decided to go for an intermediate option, which was to convert diesel-powered vehicles to a hybrid model that consumes diesel and compressed natural gas, CNG. This option has proven effective for Tagma's own truck operations, which involve very long haul trips to Mercosur.

The results are promising, pointing to a 35% reduction in greenhouse gas emissions and also a competitive cost per kilometer travelled. In fact, these trucks are on their way to COP30 along with Chevrolet's electric cars to support the event. We would also like to highlight that we are the official logistics operator for Omoda Jaecoo, a Chinese automaker that arrived in Brazil in 2024.

And in just a few months, they have already risen in the sales rankings with the success of two electrified models, and they will begin selling two more models in the upcoming months. On slide four, we will address the key data for the market of new vehicles in Brazil. As expected, as a result of high interest rates, we can see in the top chart that domestic sales in the third quarter of 2025 were stable year on year.

This performance reduced growth in the year-to-date period, which advanced at 3% compared to 2024. On the bottom left, we show that production in Q325 also stabilized compared to Q324 due to the performance of domestic sales and high inventories. However, it can be noted that exports from Brazil grew 30% in Q3.

This was a consequence in turn of higher demand from Argentina. Year-to-date of note is that exports grew by almost 50%. On slide five, we present the main operating indicators of the automotive logistics division.

The number of vehicles transported in the third quarter of 2025 was 198,000 units. In other words, down 2.6% year on year. This decline reflects stable domestic sales and a reduction in Market Share, which fell 1.8 percentage point compared to Q324, reaching 24% in the third quarter of 2025.

This year on year decline in Market Share was due to the below average performance of OEMs to which we have significant exposure. It is important to note, however, that this is the highest Market Share level in 2025, demonstrating a recovery in this indicator. Lastly, average distance traveled in Q325 was 4.6% higher year on year on the back of increased vehicle sales in the north and northeast regions of Brazil.

After these initial highlights, I will now hand over to our Chief Financial Officer, Ramón Pérez. He will talk about our results, cash flow, and other indicators. Ramón, over to you.

Ramón: Good afternoon, everyone. Moving on to slide six, let's talk about the results of the automotive logistics division. We can see in the top chart that there was a 7% growth in the division's net revenue in the third quarter, which stemmed from an increase in average distance traveled and tariff adjustments.

The positive performance of FastLine, our logistics unit for preowned vehicles and new motorcycles, also contributed positively to this growth. This quarter, we had some non-recurring events, which negatively affected deductions in gross revenue by 5.2 million BRLs, such as changes in the company's interpretation regarding ICMS tax credits and commercial discounts, as detailed in our earnings release. The bottom chart shows that EBITDA in the third quarter was approximately 112 million, with an EBITDA margin of 18.7%, down 2.2 percentage points.

This decline is due to the factors explained, which impacted net revenue, plus some additional costs resulting from peaks in vehicle handling in regions that required additional support, such as the north region and the operation in Espírito Santo for imported vehicles. On slide seven, we show the results of the integrated logistics division. We can see that the division's net revenue in the third quarter decreased by 18% year-on-year.

This drop is due to the decline in volume faced by some customers in our portfolio and the non-renewal of one inbound transport contract for soda ash and sulfate for one of the main customers in this segment. Q3 EBITDA totaled 5 million BRLs, resulting in EBITDA margin of 14%, down from 19.1% in the yearly comparison. This result is explained by lower dilution of fixed costs that could not be adjusted given the loss of the inbound contract.

Moving on to slide eight, we show GDL's financial highlights. We can see in the top bar chart the net revenue in the third quarter grew 9% year-on-year, reaching 81 million BRLs. This growth is the result of the increased demand for bonded warehousing services, which has seen an increase in imports of heavy machinery, as well as have increased the demand for storage and handling services for imported light vehicles.

In the two graphs below, on the left, we see the joint ventures net income, which was 16 million in Q3, with a drop in margins compared to Q324. Despite the expansion in revenue, this decline is due to rent adjustments for the main areas used by GDL in September 2024, as explained in the previous earnings goals. In the chart on right next to it, we see that GDL's dividends for 2025 were substantially lower than those for 2024 due to the payment in 2024 of accumulated profits from previous periods.

Moving on to slide nine, we present the company's consolidated results. Net revenue in Q3 was 634 million BRLs, up 5% year-on-year. This revenue growth results from the growth reported by the Automotive Logistics Division.

Below, we see that in Q3, EBITDA margin declined from 20.8% to 18.4% in the yearly comparison due to, one, non-recurring events in gross revenue deductions and additional operating costs in the Automotive Logistics Division, and two, increased expenses. Expenses, in turn, grew 14% due to higher legal fees, partly related to the dismissal of lawsuits, increased personnel costs resulting from head count adjustments, and increased amortization related to the new ERP system, as detailed in our earnings release. Lastly, net income for the third quarter totaled 80 million, down 5% in the yearly comparison with a 1.4% point reduction in net margin, which stood at 12.6%. This reduction can be explained by a decline in operating margins and a slight reduction in equity income.

On slide 10, the graph on the left shows the company's cash-to-cash cycle at the end of Q3, which was 37 days practically flat compared to the past quarter. CapEx in the third quarter totaled 19 million, or 2.9% of net revenue. Among the most significant investments, we highlight the acquisition of trucks and semi-trailers for the vehicle operation in the amount of 11 million BRLs, as well as improvements to yards.

Lastly, on the right, we show the free cash flow of the company, which in the third quarter was positive, 15 million BRLs. This cash generation, lower than Q324, is the result of higher CapEx, the advance payment for the land in Bahia, amounting to 10 million BRLs, and higher income tax payers. Due to the end of DTAs that existed last year.

On slide 11, we present details of our capital structure. In the chart on the left, we can see the current cash of 246 million BRLs, which is significantly higher than the debt amortizations for the upcoming years. In this quarter, Tegma repaid 23 million BRLs of a bank loan.

In the table below, we see that our net cash position in September was 160 million BRLs, 76 million lower than the June balance, due to the payment of dividends and interest on equity, as well as the advance payment for the purchase of land in Bahia, and the disbursement for the purchase of Buskar.Me. Lastly, on the top right, we present the history of our cost of debt, which currently remains at CDI plus 1.6%. Moving on to slide 12, we show the company's profitability indicators. Return on invested capital for the third quarter in grey was 37.1%, therefore, lower than in the previous quarter, due to the recent loss of Market Share in the vehicle transportation operation over the last 12 months, and the negative performance of the integrated logistics division.

Also, in the case of ROE, shown in orange, ROE was 28.6%, slightly below that of the last quarter. This was due to lower operating performance more recently. In the graph in the bottom left, we see that the company's EVA showed a decline related to lower ROIC.

On the right, we show the history of dividends and interest on equity paid by the company. This chart already includes the proceeds mentioned at the beginning of the call approved yesterday of 64 million BRLs, referring to the advance payment of the third quarter results scheduled for payment on November the 18th. The dividend yield for distributions over the last 12 months was 8.2%. In the last slide, as shown in the top chart, we see our share performance, the orange line, compared to the IBOVESPA index in black and the small caps index in red.

Taking last year's closing price as a base, Tegma's shares performed in line with the IBOVESPA and small caps indices, due to the resilience of our results. Finally, in the chart below, we present a history of the multiples at which Tegma's shares have been trading. Despite our robust indicators and results, our shares continue to trade at multiples below their historical average.

With that, I would like to thank everyone once again for your participation and your interest in our company. We will now begin the question and answer session.

Ian: Thank you, Ramón. We will now start the Q&A session for investors and analysts. If you would like to ask a question, please press the *raise hand* button. If your question has been answered, you can leave the queue by clicking *lower hand*.

If you would like to ask a question in writing, please type your question into the Q&A field at the bottom of the screen. We have a question from Lucas Esteves with Santander. Lucas, go ahead.

Lucas: Good afternoon. Thank you for the opportunity. I have two questions.

First, about Market Share. We've seen Market Share reducing, given that some relevant customers were lost and you mentioned Toyota. I would like to understand how the new contract with Omoda and Jaecoo and the new investment in Camaçari that you mentioned will meet the local production of BYD.

How can this influence Tegma's Market Share in the upcoming months? Can we expect a gradual gain in Market Share related to these facts?

The second question, even with volumes under pressure, you have managed to sequentially increase revenue helped by an expansion of average distance traveled and also increasing prices of these services. This has been happening quarter after quarter. So, how do you see the pricing landscape looking forward? How can the new Omoda Jaecoo contract play a role? Does this contribute to an average price or was it a competitive process to win that contract? Thank you.

Nivaldo: Hello, Lucas. Good afternoon and thank you for the questions. As regards Market Share, you're correct.

There was a slight reduction. And this represents stability of some brands and the reduction of some brands to which Tegma has a significant exposure. As for Omoda, we disclosed our share in this contract, but it will definitely contribute positively.

And the land was a strategic acquisition. This was a plot of land of almost 200,000 square meters located right next to the BYD facility. And this will definitely be a logistics arm for BYD, not only in terms of forming loads and cargoes, but also in terms of PDI and also storage of vehicles.

So, this will be another revenue stream that will add new gains for Tegma. Thank you.

Lucas: And what about pricing? There was another point that I mentioned.

How do you see the pricing landscape looking forward and whether the Omoda contract has contributed positively for the average price?

Ramón: Lucas, this is Ramón speaking. Good afternoon. As it relates to the new entrants, the new customers, we see some stability in the margins in this new revenue stream.

Indeed, we had a positive impact given the increase in average distance travelled, as you yourself mentioned. But overall, we expect to regain Market Share for the reasons explained here by Nivaldo. But in terms of margin, we expect greater dilution of fixed costs.

And this should bring a positive result. What I would like to highlight here is that it's kind of hard for us to precise what will be our share in these new customers. But I would like to highlight how agile the company has been in being present, in getting a share in the distribution of vehicles of these new entrants.

Because above all, this is a way for us to defend our Market Share. If we have a significant share with the new entrants, if they grow their own Market Share, this will benefit us eventually. So, this is what I can comment regarding your second point.

Lucas: Perfect. Very clear. Ramón, Nivaldo.

Ian: Thank you, Lucas. Now, we have Gabriel Rezende with Itaú BBA. Gabriel, go ahead.

Gabriel: Hello, I have one question. I would just like to understand in line with Lucas's question whether the company has any investment in the radar for 2026 that could lead to a compression of payout. We see a payout of 80% the first half and now in the third quarter.

So, is this level to remain flat? Thank you.

Nivaldo: Thank you, Gabriel, for your question. Well, we are in the process of discussing our budget for next year.

And indeed, we've had a very high payout, 80% this year, both in the first half and in Q3. And this payout is obviously linked to the company's capacity to generate cash. Our company is not very capital intensive and this is also linked to our M&A initiatives.

So, we will be fine-tuning the payout as we evolve in these two items, CAPEX and M&A deals. We cannot really give you more on this at this point, but what we can say is that the company is known to have an aggressive payout. I'd like to remind you that our indicative payout is 50%, but we have been offering much higher levels than 50%.

But there's nothing really that I can tell you about next year that could change our level of aggressiveness, whether our payout will be 60%, 70% or 80%. It will really depend on the tactical management of our day-to-day operations. But this will not change in any way the company's strength to maintain an aggressive payout.

That's all I can say for now.

Gabriel: It's clear. Thank you very much. Have a good day.

Ian: Thank you, Gabriel. Now, we have a set of questions sent over the chat.

Niels from Set Investments has sent a question. He wrote: *"The growth of sales in the North and Northeast regions, does it continue in Q4 or was this a one-off event? If so, is it possible that we will see an impact on the margins given greater support as happened in Q3?"* Nivaldo, you can answer that.

Nivaldo: Tahara, thank you for the question.

You're correct. Growth in Q4 in the North and Northeast continue above the average growth for the country. So, we do expect a positive effect on the margins. All right?

Ian: We have a second question, this time by Eduardo Pelagio with Organon Capital. He says: *“Good afternoon. What were the motivations to buy the land in Bahia? Could you detail the advantages that you will have in providing services to BYD with this new land?”* Nivaldo?

Nivaldo: Thank you, Eduardo. Well, the main motivation was strategic and logistics because we will be right next to the BYD factory. Consequently, we will be the first logistics option available to them when they think about the need to storage vehicles, putting together certain cargo and PDI.

It was a strategic purchase. I'd like to remind you that we have a land in Camaçari, which is about eight kilometers away from BYD and this will also be used and it will use to complement the logistics needs of BYD, in fact, industrial hub. So, that purchase was strategic and aiming to supply the logistics needs of BYD.

Ian: Thank you, Nivaldo. We received another question from an investor, an individual investor about GDL. Caio Sosa asks: *“Today we no longer see the same growth levels for GDL that we saw in 2024. What are the short-term prospects for GDL?”* Nivaldo?

Nivaldo: Thank you, Caio. You see, GDL growth continues to be robust and it follows the behavior of the import market. We saw a great boom in 2024 in the imports of Chinese vehicles.

In the first nine months, sales of imported vehicles was 37% and this year only 11%. This points to a slow down in the sales of imported vehicles, but on the other hand, GDL has offset that by expanding services to other customers as it did in the past, but now with a modified infrastructure, an improved one. So, now we are serving heavy machinery, pharmaceuticals, auto parts, both for distribution centers and bonded warehousing services.

So, we understand that although it is not easy to repeat the growth level of 2024, GDL will continue to seek diversification of services and sectors, as well as we will pursue the new entrants, the new automakers that are coming to Brazil, and that will take advantage of the tax benefit of the state of Espírito Santo. Coupled with that, there was a slight reduction in profitability of the company and this was due to realignment of the rentals in that region. Our areas had been or had had no adjustment in rental for quite a while and the rental adjustments took place that impacted our cost and consequently our profitability.

Ian: Now, we will group together some questions in the Q&A, please hold. We will read a question from Caio, another Caio, a question to Nivaldo: *“What about the performance of the vehicle logistics and FastLine, the logistics of previously owned vehicles and motorcycles?”*

Nivaldo: Well, FastLine has been surprising us, it has had a very positive performance. I'd like to highlight that the previously owned vehicles is very different than a brand new vehicle market and we are advancing along in that front. We saw a positive performance driven by the logistics of motorcycles in the region of Manaus. As a reminder, these come semi-assembled, they come from India, they are assembled in the free trade zone of Manaus and then they are distributed all over Brazil and I would like to highlight the acquisition that happened some months ago of Buskar.Me and we

are very confident about this integration and the synergies with our platform that will support the results of FastLine.

FastLine had a revenue of 42 million in the first nine months of 2025 and FastLine grew 28% year on year and in this period the profit was about 6 million BRLs.

Ian: Thank you, Nivaldo. As a last call for questions, do we have any other questions before we close? Nivaldo, your final statements.

Nivaldo: Well, thank you very much for participating in our earnings conference call. Again, we would like to ratify our earnings releases with good results and an excellent payout in Q3. We will continue to work hard to maintain these good results and earnings in Q4 so that we can end 2025 with a lot of success.

Have a good day.