



1Q22 Earnings Release



Results webcast in Portuguese with simultaneous translation into English

05.10.2022 (Tuesday)

10 a.m. (New York) / 11 a.m. (Brasília) /
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Webcast: **[Register Here](#)**

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Price: R\$ 16.35

Market Cap.: R\$ 1,438 million

Number of shares: 87,941,972

Base 05.09.2022

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São Paulo, May 9, 2022. Sinqia S.A. (B3: SQIA3) ("**Company**"), a leading provider of technology for the financial system, announces its consolidated results for the first quarter of 2022 ("**1Q22**").

Highlights

Software ARR

Record of R\$457.1 million in 1Q22 **(+101.2% vs. 1Q21)**

Number of Customers

Record of 714 customers at the end of 1Q22 **(+322 vs. 1Q21)**

Net Revenues

Record of R\$138.9 million in 1Q22 **(+103.5% vs. 1Q21)**

The run rate of R\$555.4 million

Recurring Revenues

Record of R\$113.5 million in 1Q22 **(+82.6% vs. 1Q21)**

The run rate of R\$453.8 million

Adjusted EBITDA

Record of R\$36.2 million **(+191.7% vs. 1Q21)**

The run rate of R\$144.9 million

Adjusted EBITDA Margin

Record of 26.1% **(+7.9p.p. vs. 1Q21)**

Legal Disclaimer

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MESSAGE FROM MANAGEMENT

Today we report the results that confirm 2022 as a promising year for Singia. 1Q22 results comprise, albeit partially, the acquisitions closed during the year: NewCon, LOTE45, and Mercer Seguridade. Added to other acquisitions from previous quarters, they emphasize the birth of a “new Singia”. Why?

First, because the company rose to the next level. In 1Q22, we achieved records in all lines and substantial growth over the comparable quarter last year. We recorded net revenue of R\$138.9 million (+103.5% vs. 1Q21), adjusted EBITDA of R\$36.2 million (+191.7%), and adjusted net income of R\$16.6 million (+3.0x vs. 1Q21). It is worth noting that these results still do not include an entire quarter of LOTE45 and Mercer Seguridade, which were consolidated as of February.

Second, because the company gained quality. In 1Q22, the revenue mix presented a new composition, with all business units reaching a relevant scale, namely Banks representing 20.7%, Funds 13.1%, Pension 21.7%, Consortium 16.3%, Digital 12.6%, and Services 15.7%. And, in parallel, the concentration of revenue in the largest customer reached 2.5%, the lowest figure in the series. Without losing focus on the financial sector, we managed to build a balanced and resilient business.

Third, because the company accelerated growth. In 1Q22, Software ARR (annual recurring revenues) registered organic growth of 22.4%, and total revenues recorded organic growth of 23.5% vs. 1Q21, Software with 21.7%, and Services with 28.0%. We have a more comprehensive product portfolio and a robust customer base, surpassing the mark of 700 names. These are the drivers of our successful cross-selling strategy and thanks to them, organic growth is increasingly predictable and representative.

Fourth, because the company gained profitability. In 1Q22, the adjusted EBITDA margin reached 27.0% (+8.8 p.p. vs. 1Q21). With continuous gains of scale, we are seeking to reach the level of profitability of the main global comparable, which have an EBITDA margin above 30.0%. We have followed a successful path, and we know where we are headed and how we're going to get there.

At the beginning of 2022, the integration of recent acquisitions has been a priority. We see several opportunities for revenues synergies through cross-selling optimization, and costs synergies through the unification and integration of the acquired companies' products. As we have made many acquisitions in the recent past, the volume of synergies to be captured is enormous.

Our net debt was R\$218.4 million in 1Q22. Respecting the covenants applicable to our debentures and considering the possibility of using treasury shares, we still have approximately R\$200 million to invest in M&A and CVC. We have already achieved relevant participation in Pension

and Consortium, so we intend to allocate these funds to acquisitions in the Banks, Funds, and Digital units and we consider opening new units, always within the financial segment. As the pipeline continues to be very extensive, we will maintain our selectivity.

We always deliver the results we promise, and the first quarter is further proof of that. This was possible because we have been executing a consistent and diligent consolidation strategy for 17 years. We are not starting now, but the potential of this strategy is enormous, and we still have a long way to go, a path that we know very well.

RECENT EVENTS

Creation of an Internal Audit area. On April 05, we set up an Internal Audit area whose objective is to assess the quality of the Company's internal controls and risk management processes, fulfilling the prerequisites of the Novo Mercado Regulation. We understand that this new area can make a significant contribution to the business, ensuring that the growth in complexity and size of the company takes place in an environment of adequate controls. In the coming months, the area should carry out a diagnosis and propose an audit plan to the Statutory Audit Committee, guided by opportunities to generate value

Implementation of the Statutory Audit Committee. At the Board of Directors' Meeting held on March 22, we installed Statutory Audit Committee ("CAE"), an advisory body to advise the Board of Directors whose objective is to provide greater reliability, integrity, and quality to the Company's financial statements, among other attributions described in its Internal Rules. To compose the CAE, Messrs. Luiz Antonio Guariente (Coordinator), Edna Sousa de Holanda (Member), and Rodrigo Heilberg (Independent Director), whose terms will end at the Annual General Meeting of 2023.

Implementation of the Fiscal Council. At the AGM held on April 29, the Fiscal Council ("CF") was implemented. This body has the objective to supervise the acts of administrators and verify compliance with their legal and statutory duties, in addition to giving an opinion on financial statements and management reports, among other attributions described in Art. 163 of the Corporate Law. To compose the CF were elected Messrs. Augusto Frederico Caetano Schaffer (Member) and Eduardo Sanchez Palma (Alternate); Wesley Montechiari Figueira (Member) and Cristiana Pereira (Alternate); and Hugo Paulo Ehrentreich (Member) and Bruno Cals de Oliveira (Alternate).

Election of the members of the Board of Directors. At the AGM held on April 29, our shareholders elected the Board of Directors ("CA") for the next term. The Board continues to be composed of 7 members, of which 6 were re-elected and 1 new member joined the body. Mr. Edson Rigonatti Marquette Rigonatti (Independent Member) is no longer part of the Board and has made a valuable contribution to discussions about the commercial strategy and the innovation program. Mr. Gustavo José Costa Roxo da Fonseca (Independent Member) joined the team.

Payment of Interest on Own Capital ("JSCP"). Additionally, the AGM of April 29 approved the payment of JSCP for the fiscal year 2021 amounting to R\$5,638,279.03, equivalent to R\$0.066493364 per share. The Company's shareholders shall be entitled to JSCP on the base date of May 6, 2022, inclusive; shares will be traded "ex-JSCP" as of May 9, 2022, inclusive; and the payment of JSCP will be made, in Brazilian reais, in a single installment, as of May 16, 2022, without any inflation adjustments.

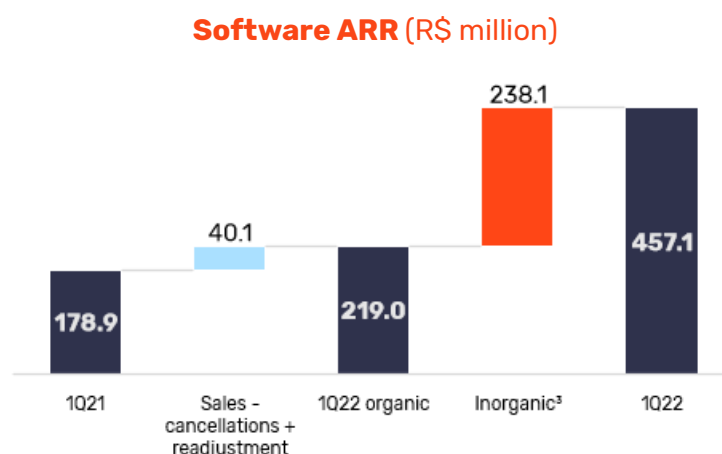
OPERATIONAL PERFORMANCE

Software ARR¹

In 1Q22, Software ARR reached a record R\$457.1 million, up 101.2% on 1Q21, as a result of the organic addition of R\$40.1 million and the inorganic addition of R\$238.1 million referring to contract portfolios from ISP, Simply, FEPWeb, QuiteJá, NewCon, LOTE45, and Mercer Seguridade.

Consequently, the ARR² showed organic growth of 22.4% over the comparable quarter last year. This reflects the ARR added by sales net of cancellations of 12.6% and the ARR added by inflation and volume of 9.8%, in line with the 2021 IPCA (Brazilian inflation index), confirming our ability to pass through prices in an inflationary scenario.

Sales, net of cancellations, benefited from the substantial volume of gross sales to both new and existing customers, especially in the Banks, Funds, and Pension units, connected with the expansion of the product portfolio and improvement in customer satisfaction indicators, which also resulted in low volume of cancellations.

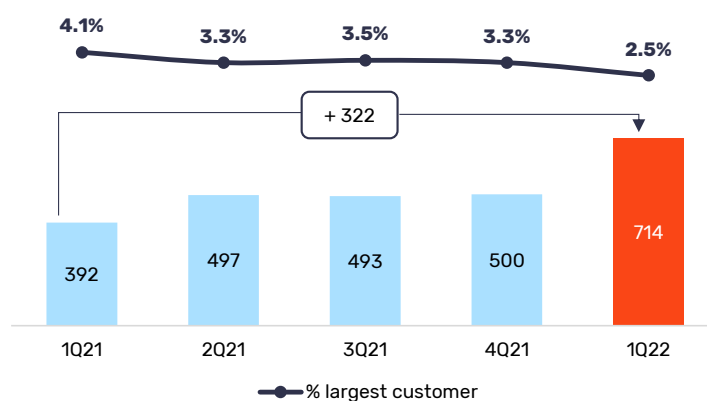


Number of Customers

In relation to 1Q21, 322 customers were added to the base, totaling 714 in 1Q22, mainly as a result of the entry of customers from the latest acquisitions. The largest customer accounted for 2.5% of net revenue in the quarter, a reduction of 1.6 p.p. from the year-ago period, reflecting the dilution of the customer portfolio with the consolidation of the results from the latest acquisitions.

¹ Annualized executed contracts implemented or otherwise, that will generate recurring revenues after the conclusion of implementation. ² Resulting from the sum of sales, contract cancellations and contractual and volume adjustments. ³ As of 1Q22, inorganic ARR includes acquisitions made in the 4 quarters prior to the current disclosure. In 1Q22, the results of ISP, FEPWeb, Simply, QuiteJá, NewCon, LOTE45, and Mercer Seguridade were recorded as inorganic.

Number of Customers

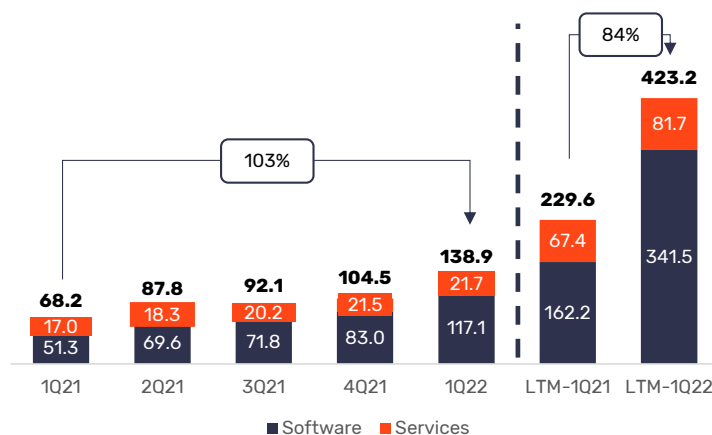


FINANCIAL PERFORMANCE

Net Revenues

Net revenues hit an all-time high of R\$138.9 million, a growth of 103.5% year on year, driven by the 128.5% increase in Software, which totaled R\$117.1 million, and by the 28.0% increase in Services, which amounted to R\$21.7 million in the period

Net Revenues (R\$ million)

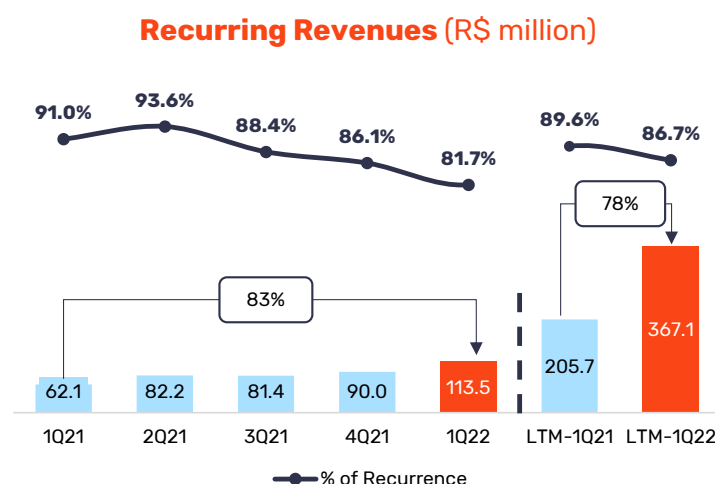


Total organic growth was R\$74.4 million, 23.5% higher than in 1Q21, influenced by the Company's solid operating performance of practically all business units in the period. The inorganic portion reached R\$64.5 million, an addition of R\$56.5 million compared to 1Q21 corresponded to the consolidation of the results from the acquisitions made in the last 5 quarters, namely, ISP, Simply, FEPWeb, QuiteJá, NewCon, LOTE45, and Mercer Seguridade.

Recurring Revenues

New record recurring revenues of R\$113.5 million in the quarter, 82.6% higher than in 1Q21. The R\$51.3 million addition observed in the period is the result of an inorganic increase of R\$41.2 million and an organic increase of R\$10.1 million, which in turn was driven by both the sales volume and price adjustments upon the renewal of Software contracts.

Recurrence stood at 81.7% of total revenues versus 91.0% in the same period of the previous year and was largely affected by the consolidation of the results from the latest acquisitions, especially NewCon's, which had a relevant backlog of new contracts to be implemented, which at the time of entry into production will contribute with new recurring revenues.



Costs

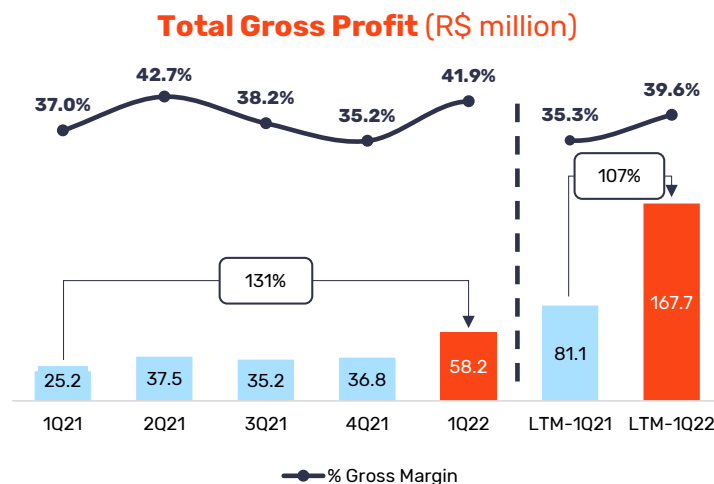
Costs totaled R\$80.6 million, up 87.6% over 1Q21, mainly due to the incorporation of costs from acquisitions made in the last 5 quarters, which amounted to R\$30.7 million. Excluding this effect, this line would have grown 33.1% year on year, mainly reflecting the increase in headcount to support operational growth in all business units.

In 1Q22, the Depreciation and Amortization line impacted costs by R\$2.2 million.

Gross Profit and Gross Margin

Gross profit reached an all-time high of R\$58.2 million in 1Q22, 130.6% higher than in the year-ago period due to the solid performance of Software in the period. Gross margin ended the quarter at

41.9%, 4.9 p.p. above that observed in 1Q21, mainly reflecting the consolidation of results from the latest acquisitions, which have higher margins than the Company's organic average.



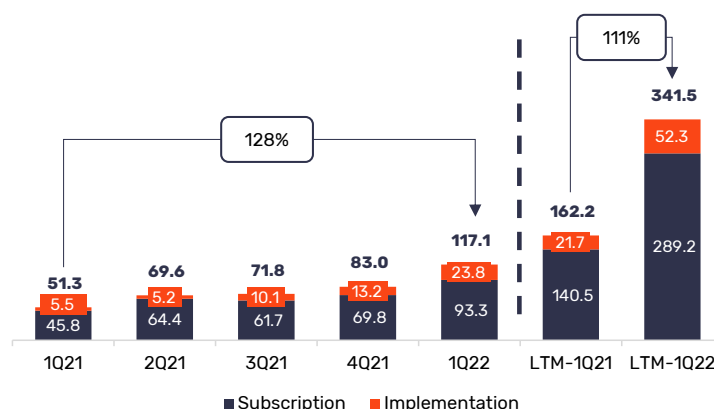
Software Unit

Net Revenues from Software

Net revenues from Software reached a record R\$117.1 million in 1Q22, up 128.5% year on year, chiefly explained by the consolidation of the results from acquisitions made in the last 5 quarters in the amount of R\$64.5 million.

Net subscription revenue was R\$93.3 million, 103.8% higher than in 1Q21, while implementation and customization totaled R\$23.8 million, a R\$336.2% increase over 1Q21, the highest level ever observed, mainly reflecting the higher volume of NewCon's implementation projects, which had an excellent commercial performance in the quarters prior to the acquisition by Sinqia.

Net Revenue from Software (R\$ million)



It is worth noting that, the evolution of the commercial model to the subscription format, in which we exempt the customer from the implementation fee but charge a higher monthly fee from the moment the contract is signed, continues to reinforce subscription revenue. In addition, we continue at a fast pace in the implementation of the backlog originating from new sales and recent acquisitions.

Software organic net revenues totaled R\$52.6 million, 21.7% higher than 1Q21, and considers the incorporation of the results from acquisitions made over 5 quarters in the entire comparative base, namely Tree (Banks unit) and Fromtis (Funds unit).

Net Revenue from Software (R\$ thousand)

(R\$ '000)	1Q22	1Q21	1Q22 x 1Q21	4Q21	1Q22 x 4Q21
Net Revenues from Software	117,120	51,260	128.5%	83,001	41.1%
Organic	52,618	43,230	22%	53,192	-1.1%
Banks	28,690	24,017	19%	29,892	-4%
Funds	12,003	8,379	43.2%	10,590	13.3%
Pension	9,836	9,094	8.2%	10,551	-6.8%
Consortium	2,090	1,741	20.1%	2,159	-3.2%
Digital	-	-	-	-	-
Inorganic	64,501	8,030	703%	29,809	116%
Banks	-	-	-	-	-
Funds	6,121	-	-	-	-
Pension	20,360	8,030	156%	14,243	43%
Consortium	20,557	-	-	-	-
Digital	20,557	-	-	15,567	32%

We highlight that the organic addition of R\$9.4 million compared to 1Q21, distributed among the business units, is explained by: (i) recurring revenue sales already implemented; (ii) the annual adjustment of contracts for inflation and volume; (iii) increase in customization projects in several

customers of the base, especially for the addition of new modules; and (iv) allocation of dedicated teams focused on service and customization to certain clients.

Software Costs

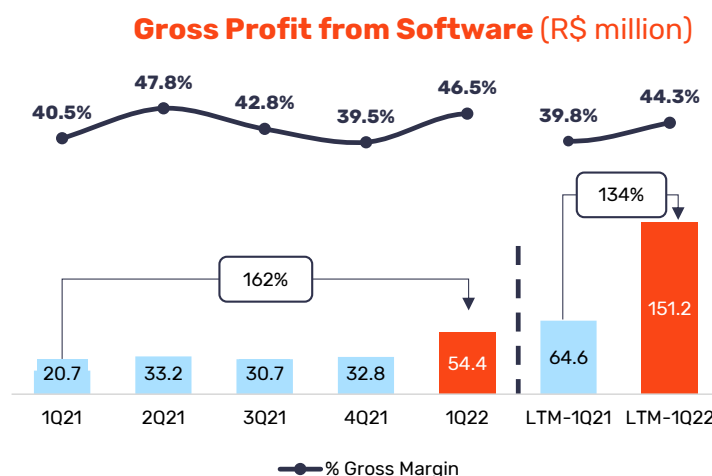
Software costs totaled R\$62.7 million in the quarter, 105.5% higher than those registered in 1Q21, mainly due to the inorganic increase of R\$25.2 million from acquisitions made in the last 5 quarters. Excluding this effect, this line would have grown 27.8%, reflecting both the increase in headcount and the hiring of outsourced labor to support operational growth in practically all business units.

Depreciation and Amortization Costs amounted to R\$1.6 million in the quarter.

Gross Profit and Gross Margin from Software

Gross profit reached a record R\$54.4 million in the quarter, up 162.3% on the same period of the previous year, while gross margin reached 46.5%, 6.0 p.p. above 1Q21, mainly reflecting the consolidation of the results from the acquisitions made in the last 5 quarters, which, to a great extent, have higher margins than the organic average.

It is worth mentioning that the Company has dedicated R&D efforts to carry out system integrations and launch new solutions that will increase operating profitability in the coming periods, with emphasis on the Pension unit, which could potentially reach margin levels higher than the current scenario, when concluded the migration of customers from several platforms onto one.

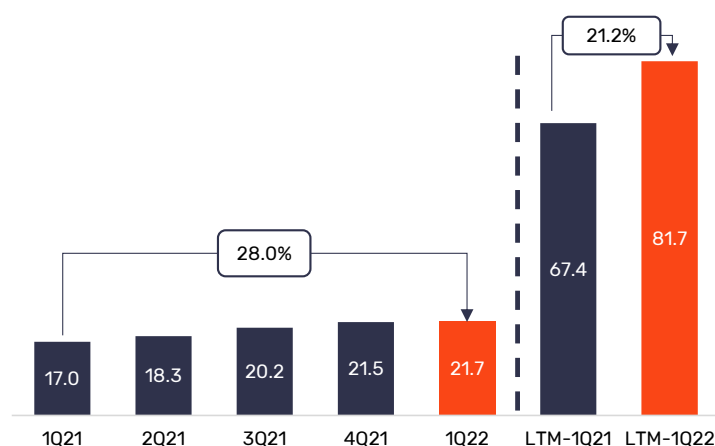


Services Unit

Net Revenues from Services

Net revenue from Services reached an all-time high of R\$21.7 million, up 28.0% over the comparable quarter last year. Outsourcing revenue was R\$20.1 million, up 23.3% over 1Q21, mainly driven by the growth in managed services, due to the increase in operations with the customer base and the entry of new customers. The Projects line, in turn, totaled R\$1.6 million, 144.2% higher than in 1Q21, largely reflecting projects related to the structuring of products in the customer base.

Net Revenues from Services (R\$ million)



Service Costs

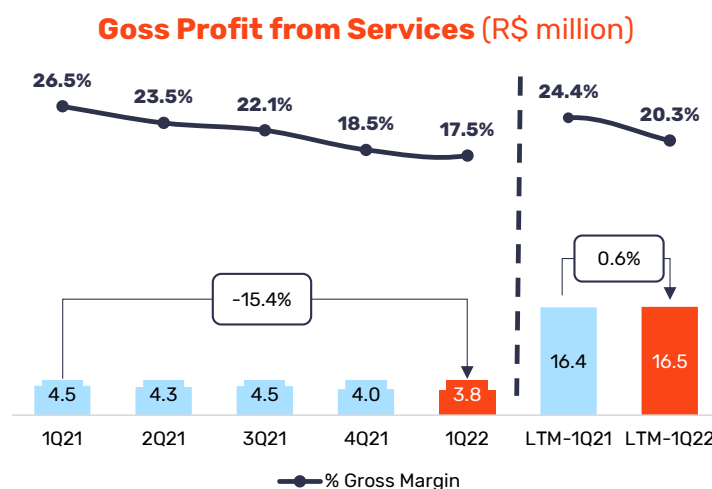
In the quarter, service costs totaled R\$17.9 million, 43.7% higher than the costs reported in 1Q21, mainly as a result of the hiring of professionals to strengthen the teams to support new sales both in Outsourcing and in Projects.

Depreciation and Amortization costs amounted to R\$0.7 million in the quarter.

Gross Profit and Gross Margin from Services

Gross profit from Services totaled R\$3.8 million, down 15.4% year on year, while gross margin reached 17.5%, 9.0 p.p. lower than in 1Q21, impacted, mainly by increased competition and higher turnover observed in the segment – which is putting pressure on margins.

Excluding depreciation and amortization costs, gross margin from Services would have stood at 20.6% in 1Q22.



Operating Expenses

Selling, General, and Administrative Expenses

Selling, general and administrative expenses totaled R\$24.2 million in 1Q22, a 74.4% increase over the same period of the previous year, affected by the consolidation of expenses from acquisitions made in the last 4 quarters amounting to R\$13.4 million, spread over several lines in 1Q21. As a proportion of revenue, these expenses represented 17.5% in 1Q22, a reduction of 2.9p.p. over the same period of the previous year, reflecting the scale gains provided by recent acquisitions

Organic expenses totaled R\$12.2 million in the quarter, remaining flat with 1Q21, there were small increases in several lines offset by a reduction in M&A expenses due to the lower volume of transactions in progress. R&D expenses are largely related to the development of the migrator to be used in the Pension unit, an important project to enable the profitability gain of this unit in the medium term.

SG&A Expenses (R\$ thousand)

(R\$ '000)	1Q22	1Q21	1Q22 x 1Q21	4Q21	1Q22 x 4Q21	LTM-1Q22	LTM-1Q21	LTM-1Q22 x LTM-1Q21
SG&A Expenses	24,238	13,899	74.4%	18,306	32.4%	81,561	45,803	78.1%
% of Revenue	17.5%	20.4%	-2.9 p.p.	17.5%	-0.1 p.p.	19.3%	19.9%	-0.7 p.p.
Commercial	5,817	3,132	85.7%	4,626	25.7%	17,357	11,019	57.5%
Marketing	918	575	59.6%	762	20.4%	2,636	1,796	46.8%
Administrative	7,014	4,083	71.8%	5,072	38.3%	22,880	14,540	57.4%
IT and Facilities	3,581	2,791	28.3%	2,509	42.7%	14,318	10,165	40.9%
M&A	1,394	1,795	-22.4%	812	71.7%	4,282	4,647	-7.9%
RD&I	2,316	795	191.3%	1,990	16.4%	8,564	2,673	220.4%
Other expenses	2,805	452	520.5%	1,981	41.6%	9,442	(265)	n.a

Depreciation and Amortization

Total depreciation and amortization, which comprises both the portion that transits in costs and expenses, came to R\$14.2 million in 1Q22, 83.1% higher than in the same period of the previous year. Depreciation grew by 31.3% compared to 1Q21, mainly driven by the increase in property leases and computers. Amortization, in turn, totaled R\$11.7 million in the quarter, up 100.0% over 1Q21, due to: (i) the amortization of intangible assets generated from Company acquisitions in of R\$5.7 million; and (ii) the increase in the lease of servers and third-party software, resulting from the expansion of the workforce and the use of new functionalities.

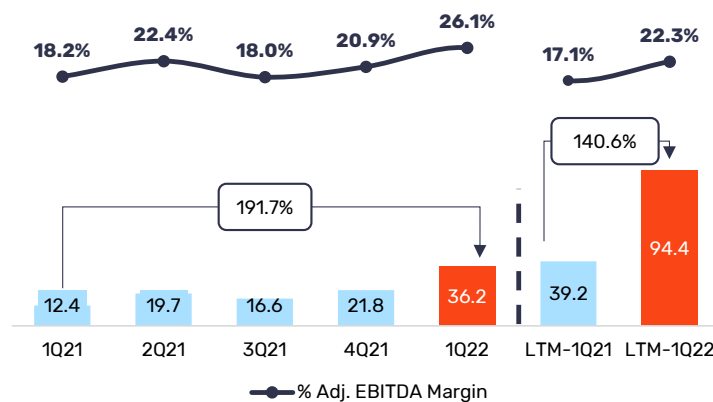
Depreciation & Amortization (R\$ thousand)

(R\$ '000)	1Q22	1Q21	1Q22 x 1Q21	4Q21	1Q22 x 4Q21	LTM-1Q22	LTM-1Q21	LTM-1Q22 x LTM-1Q21
Depreciation and Amortization	14,216	7,762	83.1%	14,666	-3.1%	53,316	26,248	103.1%
Depreciation	2,498	1,903	31.3%	4,974	-49.8%	12,093	6,534	85.1%
Amortization	11,718	5,859	100.0%	9,692	20.9%	41,221	16,884	144.1%
Acquisitions amortization	5,690	3,259	74.6%	2,835	100.7%	20,283	10,064	101.5%
Other amortizations	6,028	2,600	131.8%	6,857	-12.1%	20,938	6,820	207.0%

EBITDA and Adjusted EBITDA

In the quarter, Adjusted EBITDA reached a record high R\$36.2 million, representing a 191.7% increase over the year-ago period, with the Adjusted EBITDA Margin expanding 7.9 p.p. and reaching a record of 26.1% in the period. This performance is mainly explained by the consolidation of results from the acquisitions made in the last 5 quarters and by the increase in scale during the period.

Adjusted EBITDA (R\$ million)



Reconciliation of EBITDA² and Adjusted EBITDA³ (R\$ thousand)

(R\$ '000)	1Q22	1Q21	1Q22 x 1Q21	4Q21	1Q22 x 4Q21	LTM-1Q22	LTM-1Q21	LTM-1Q22 x LTM-1Q21
EBITDA	36,235	12,422	191.7%	20,593	76.0%	92,997	39,151	137.5%
(+) Extraordinary expenses - earnout	-	-	n.a	1,223	n.a	1,361	42	3141.5%
(+) Extraordinary costs - integration	-	-	n.a	-	n.a	-	30	n.a
Adjusted EBITDA	36,235	12,422	191.7%	22,058	64.3%	94,358	39,265	140.3%
<i>Adj. EBITDA Margin</i>	<i>26.1%</i>	<i>18.2%</i>	<i>7.9 p.p.</i>	<i>20.9%</i>	<i>5.2 p.p.</i>	<i>22.3%</i>	<i>17.1%</i>	<i>5.2 p.p.</i>

Financial Result

The financial result was a negative R\$5.3 million. Financial income reached R\$4.1 million, 198.6% higher than in 1Q21, explained by the increase in the average cash position and interest rates in the period. In turn, financial expenses totaled R\$9.4 million, 154.5% higher than the same period of the previous year, reflecting the increase in gross debt caused by the issuance of debentures, the obligations contracted in recent acquisitions, and the interest rate in the period.

Financial Result (R\$ thousand)

(R\$ '000)	1Q22	1Q21	1Q22 x 1Q21	4Q21	1Q22 x 4Q21	LTM-1Q22	LTM-1Q21	LTM-1Q22 x LTM-1Q21
Financial Result	(5,329)	(2,333)	128.4%	8,212	n.a	(344)	(3,422)	-89.9%
Financial revenues	4,118	1,379	198.6%	15,427	-73.3%	27,944	7,454	274.9%
Financial expenses	(9,447)	(3,712)	154.5%	(7,215)	30.9%	(28,288)	(10,876)	160.1%

Income Tax and Social Contribution

Income tax and social contribution were negative R\$5.2 million in the quarter. Current tax amounted to a negative R\$6.8 million, mainly due to improvement in the Company's results in the quarter and in the results from companies acquired under the presumptive profit regime. Deferred tax amounted to R\$1.7 million with no cash impact, comprising temporary differences, mainly due to the loss carryforward of a subsidiary, which has tax amortization of the goodwill generated in acquisitions (R\$1.3 million in 1Q22).

Income Tax and Social Contribution (R\$ thousand)

(R\$ '000)	1Q22	1Q21	1Q22 x 1Q21	4Q21	1Q22 x 4Q21	LTM-1Q22	LTM-1Q21	LTM-1Q22 x LTM-1Q21
Income Tax and Social Contribution	(5,153)	(1,548)	233%	(1,709)	201%	(6,051)	(4,176)	45%
Current	(6,824)	(2,622)	160%	(6,354)	7%	(26,052)	(5,959)	337%
Deferred	1,671	1,074	56%	4,645	-64%	20,001	1,783	1022%

² EBITDA is a non-accounting measurement prepared by the Company, according to CVM Instruction 527/12, that consists of the net result for the period plus taxes on income, financial result, minority interest, and depreciation and amortization.

³ Adjusted EBITDA corresponds to EBITDA, plus one-off effects with acquisitions and non-recurring events.

Net Income

Net Income reached R\$9.7 million in the quarter, 12.4 times higher than in 1Q21. The R\$8.9 million growth reflects the following changes: (i) an improvement of R\$23.8 million in EBITDA; (ii) a R\$6.5 million deterioration in the Depreciation and Amortization line; (iii) a R\$3.0 million decline in the financial result; (iv) a R\$3.6 million deterioration in income tax and social contribution and (v) a R\$1.9 million deterioration in minority interest related to the portion of results from FEPWeb, QuiteJá and LOTE45 held by the other partners.

Adjusted Net Income (R\$ thousand)

(R\$ '000)	1Q22	1Q21	1Q22 x 1Q21	4Q21	1Q22 x 4Q21	LTM-1Q22	LTM-1Q21	LTM-1Q22 x LTM-1Q21
Net income	9,665	779	1141.0%	11,620	-16.8%	29,061	5,292	449.2%
(+) Extraordinary effects	-	-	n.a	1,223	n.a	1,361	72	1790.9%
(+) Intangible Amortization from acquisitions	5,690	3,259	74.6%	2,835	100.7%	20,283	10,064	101.5%
(+) Def. income tax/Social Contr. (goodwill on acquisitions)	1,250	1,496	-16.4%	2,164	-42.2%	7,448	5,718	30.3%
Adjusted net income by goodwill tax benefit	16,605	5,534	200.1%	17,842	-6.9%	58,154	21,146	175.0%

Adjusted net income, which excludes the items highlighted in the table above related to the amortization of intangibles and the tax benefit of goodwill from acquisitions, totaled R\$16.6 million in the quarter, R\$11.1 million higher than 1Q21.

FINANCIAL POSITION

Gross Cash

We ended the period with a total cash position of R\$104.8 million (-R\$456.4 million vs. 4Q21), compared to R\$561.2 million in 4Q21. The reduced gross cash was mainly due to (i) the R\$14.6 million variation in the “Treasury shares” line (the proceeds were used to repurchase shares under the 7th Program); and (ii) the payment of R\$447.5 million from the acquisition of Newcon, Mercer Seguridade, and LOTE45.

Gross Debt

Gross Debt was R\$360.6 million at the end of the period (+R\$93.2 million vs. 4Q21), compared to R\$267.5 million in the previous quarter. This change was mainly because of an increase in the balance of obligations due to the acquisition of investment, also due to the acquisitions of Newcon, Mercer Seguridade, and LOTE45.

Net Debt

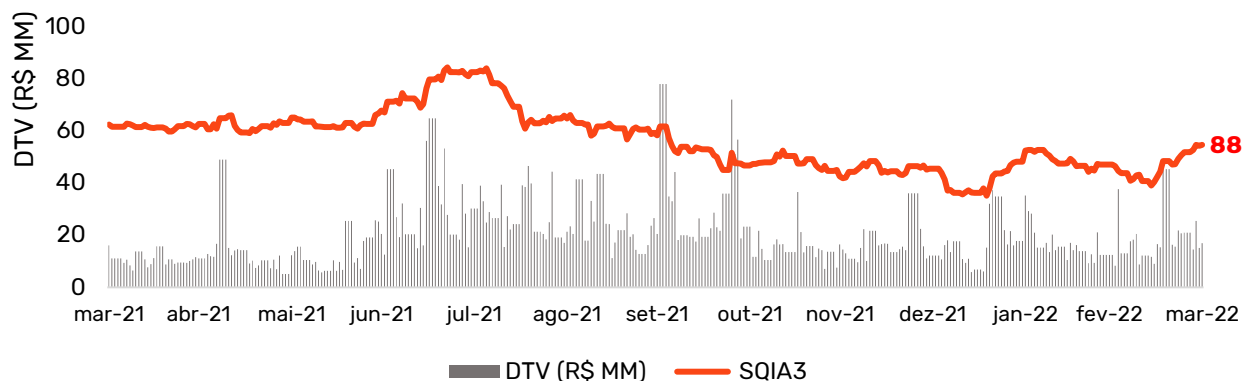
We ended the period with net debt of R\$255.8 million, compared to R\$293.7 million in net cash in the last quarter. This net debt represents 1.8x the 1Q22 annualized adjusted EBITDA. Respecting the covenants applicable to our 3.0x debentures at the end of 2022, and considering the possibility of using treasury shares, we still have approximately R\$200 million to invest in M&A and CVC.

CAPITAL MARKET

Stock Performance

The Company's shares (B3: SQIA3) closed 1Q22 at R\$19.86 **(+20.1% vs. 4Q21)**, compared to R\$16.53 in the previous quarter.

Stock Performance - Base 100 (R\$ million)



Market Capitalization

At the end of 1Q22, the Company reached a market capitalization of R\$1.75 billion **(+20.1% vs. 4Q21)**, compared to R\$1.44 billion in 4Q21.

Average Daily Trading Volume (ADTV)

Our shares' liquidity declined in 1Q22. The average daily trading volume was R\$17.6 million **(-18.9% vs. 4Q21)** compared to R\$21.7 million in 4Q21.

Shareholder Base

The shareholder base closed the quarter with 93,000 shareholders **(-7.4% vs. 4Q21)**, compared to 100,400 in 4Q21.

Outstanding Shares (free float)

We closed the quarter with 82.0% of floating shares **(-0.7 p.p. vs. 4Q21)**, compared to 82.7% in 4Q21.

Statement from the Executive Board. According to items V and VI of article 25 of CVM Instruction 480/09, the Executive Board of Sinqia S.A. hereby declares that it has reviewed, discussed, and agreed on (i) the opinions expressed in the independent auditors' report, and (ii) the Financial Statements for the period ended March 30, 2022.

EXHIBIT – FINANCIAL STATEMENTS

Exhibit I – Income Statement (Consolidated)

(R\$ '000)	1Q22	1Q21	1Q22 x 1Q21	4Q21	1Q22 x 4Q21	LTM-1Q22	LTM-1Q21	LTM-1Q22 x LTM-1Q21
Gross Revenues	153,689	76,789	100.1%	117,069	31.3%	472,693	258,400	82.9%
Software	129,253	57,691	124.0%	92,914	39.1%	380,866	182,594	108.6%
Subscription	103,286	51,424	100.9%	78,064	32.3%	322,642	156,920	105.6%
Implementation	25,967	6,267	314.3%	14,850	74.9%	58,224	25,674	126.8%
Services	24,437	19,097	28.0%	24,155	1.2%	91,827	75,805	21.1%
Outsourcing	22,650	18,358	23.4%	22,754	-0.5%	87,599	72,845	20.3%
Projects	1,787	739	141.7%	1,401	27.5%	4,228	2,960	42.8%
Sales taxes	(14,833)	(8,549)	73.5%	(12,586)	17.8%	(49,481)	(28,789)	71.9%
Software	(12,133)	(6,431)	88.7%	(9,913)	22.4%	(39,357)	(20,370)	93.2%
Subscription	(9,954)	(5,618)	77.2%	(8,259)	20.5%	(33,424)	(16,426)	103.5%
Implementation	(2,179)	(813)	167.9%	(1,654)	31.8%	(5,932)	(3,943)	50.4%
Services	(2,700)	(2,118)	27.5%	(2,673)	1.0%	(10,124)	(8,419)	20.2%
Outsourcing	(2,524)	(2,039)	23.8%	(2,548)	-0.9%	(9,700)	(7,661)	26.6%
Projects	(176)	(80)	120.9%	(125)	40.2%	(424)	(759)	-44.1%
Net Revenues	138,856	68,239	103.5%	104,483	32.9%	423,212	229,611	84.3%
Software	117,120	51,260	128.5%	83,000	41.1%	341,509	162,225	110.5%
Subscription	93,331	45,806	103.8%	69,805	33.7%	289,218	140,494	105.9%
Implementation	23,788	5,454	336.2%	13,197	80.3%	52,292	21,731	140.6%
Services	21,736	16,979	28.0%	21,482	1.2%	81,703	67,386	21.2%
Outsourcing	20,125	16,319	23.3%	20,206	-0.4%	77,899	65,184	19.5%
Projects	1,611	660	144.2%	1,276	26.3%	3,804	2,201	72.8%
Net Revenues	138,856	68,239	103.5%	104,483	32.9%	423,212	229,611	84.3%
Recurring	113,457	62,126	82.6%	90,011	26.0%	367,117	205,679	78.5%
Variable	25,400	6,114	315.4%	14,472	75.5%	56,095	23,932	134.4%
% of Recurrence	81.7%	91.0%	-9.3 p.p.	86.1%	-4.4 p.p.	86.7%	89.6%	-2.8 p.p.
Costs	(80,633)	(42,990)	87.6%	(67,690)	19.1%	(255,474)	(148,559)	72.0%
Software	(62,701)	(30,510)	105.5%	(50,192)	24.9%	(190,321)	(97,618)	95.0%
Services	(17,931)	(12,480)	43.7%	(17,498)	2.5%	(65,154)	(50,940)	27.9%
Outsourcing	(16,806)	(11,814)	42.3%	(16,996)	-1.1%	(62,819)	(48,497)	29.5%
Projects	(1,125)	(667)	68.7%	(502)	124.1%	(2,334)	(2,443)	-4.5%
Gross profit	58,224	25,249	130.6%	36,792	58.3%	167,738	81,052	107.0%
Gross margin	41.9%	37.0%	4.9 p.p.	35.2%	6.7 p.p.	39.6%	35.3%	4.3 p.p.
Software	54,418	20,750	162.3%	32,809	65.9%	151,189	64,606	134.0%
Software gross mg.	46.5%	40.5%	6.0 p.p.	39.5%	6.9 p.p.	44.3%	39.8%	4.4 p.p.
Services	3,805	4,500	-15.4%	3,984	-4.5%	16,548	16,447	0.6%
Services gross mg.	17.5%	26.5%	-9.0 p.p.	18.5%	-1.0 p.p.	20.3%	24.4%	-4.2 p.p.
Outsourcing	3,319	4,507	-26.4%	3,210	3.4%	15,079	16,688	-9.6%
Outsourcing gross mg.	16.5%	27.6%	-11.1 p.p.	15.9%	0.6 p.p.	19.4%	25.6%	-6.2 p.p.
Projects	486	(7)	n.a	774	-37.2%	1,469	(242)	n.a
Projects gross mg.	30.2%	-1.0%	n.a	60.7%	-30.5 p.p.	38.6%	-11.0%	n.a
Expenses	(36,205)	(20,590)	75.8%	(30,866)	17.3%	(128,057)	(68,150)	87.9%
% of net revenues	26.1%	30.2%	-4.1 p.p.	29.5%	-3.5 p.p.	30.3%	29.7%	0.6 p.p.
General/administrative	(24,238)	(13,899)	74.4%	(18,306)	32.4%	(81,561)	(45,803)	78.1%
% of net revenues	17.5%	20.4%	-2.9 p.p.	17.5%	-0.1 p.p.	19.3%	19.9%	-0.7 p.p.
Depreciation/amort.	(11,967)	(6,691)	78.9%	(12,560)	-4.7%	(46,496)	(22,347)	108.1%
% of net revenues	8.6%	9.8%	-1.2 p.p.	12.0%	-3.4 p.p.	11.0%	9.7%	0.1 p.p.
EBIT	22,019	4,660	372.5%	5,927	271.5%	39,681	12,903	207.5%
Financial result	(5,329)	(2,333)	128.4%	8,212	n.a	(344)	(3,422)	-89.9%
Financial income	4,118	1,379	198.6%	15,427	-73.3%	27,944	7,454	274.9%
Financial expenses	(9,447)	(3,712)	154.5%	(7,215)	30.9%	(28,288)	(10,876)	160.1%
EBT	16,690	2,327	617.3%	14,139	18.0%	39,337	9,481	314.9%
Income tax/social contribution	(5,153)	(1,548)	232.9%	(1,709)	201.4%	(6,051)	(4,176)	44.9%
Current	(6,824)	(2,622)	160.3%	(6,354)	7.4%	(26,052)	(5,959)	337.2%
Deferred	1,671	1,074	55.6%	4,645	-64.0%	20,001	1,783	1021.8%
Results after IT and SC	11,537	779	1381.3%	12,430	-7.2%	33,286	5,305	527.5%
Minority interest	(1,872)	-	n.a	(809)	0.0%	(4,222)	(13)	32378.9%
Net income	9,665	779	1141.0%	11,620	-16.8%	29,061	5,292	449.2%
Net margin	7.0%	1.1%	5.8 p.p.	11.1%	-4.2 p.p.	6.9%	2.3%	2.0 p.p.

(R\$ '000)	1Q22	1Q21	1Q22 x 1Q21	4Q21	1Q22 x 4Q21	LTM-1Q22	LTM-1Q21	LTM-1Q22 x LTM-1Q21
EBITDA	36,235	12,422	191.7%	20,593	76.0%	92,997	39,151	137.5%
EBITDA margin	26.1%	18.2%	7.9 p.p.	19.7%	6.4 p.p.	22.0%	17.1%	4.9 p.p.
(+) Extraordinary expenses	-	-	n.a	1,223	n.a	1,361	42	n.a
(+) Extraordinary costs	-	-	n.a	-	n.a	-	30	n.a
Adjusted EBITDA	36,235	12,422	191.7%	21,816	66.1%	94,358	39,223	140.6%
Adj. EBITDA Margin	26.1%	18.2%	7.9 p.p.	20.9%	5.2 p.p.	22.3%	17.1%	5.2 p.p.
Depreciation and Amortization	14,216	7,762	83.1%	14,666	-3.1%	53,316	26,248	103.1%
Depreciation	2,498	1,903	31.3%	4,974	-49.8%	12,093	6,534	85.1%
Amortization	11,718	5,859	100.0%	9,692	20.9%	41,221	16,884	144.1%
Acquisitions amortization	5,690	3,259	74.6%	2,835	100.7%	20,283	10,064	101.5%
Other amortizations	6,028	2,600	131.8%	6,857	-12.1%	20,938	6,820	207.0%
Net income	9,665	779	1141.0%	11,620	-16.8%	29,061	5,292	449.2%
(+) Extraordinary effects	-	-	n.a	1,223	n.a	1,361	72	1790.9%
(+) Intangible Amortization from acquisitions	5,690	3,259	74.6%	2,835	100.7%	20,283	10,064	101.5%
(+) Def. income tax/Social Contr. (goodwill on acquisitions)	1,250	1,496	-16.4%	2,164	-42.2%	7,448	5,718	30.3%
Adjusted Net Income	16,605	5,534	200.1%	17,842	-6.9%	-	-	n.a

Exhibit II – Balance Sheet (Consolidated)

	31.03.2022	31.12.2021	Var.	31.03.2021	Var. YoY
ASSETS	1,447,336	1,254,857	15%	658,970	120%
Current	167,574	608,967	-72%	264,326	-37%
Cash and cash equivalents	29,745	24,192	23%	234,026	-87%
Financial Investments	75,082	537,000	-86%	-	-
Receivables	43,035	34,510	25%	22,473	91%
Advanced expenses	3,547	3,452	3%	553	541%
Taxes and contributions recoverable	11,935	7,261	64%	6,185	93%
Other receivables	4,230	2,552	66%	1,089	288%
Non-current	1,279,762	645,890	98%	394,644	224%
Securities	79,199	70,219	13%	3,012	2529%
Taxes and contributions recoverable	3,051	3,765	-19%	19,328	-84%
Deposits in court	174	174	0%	289	-40%
Deferred income tax and social contrib.	72,333	47,596	52%	29,108	148%
Property and equipment	52,778	47,831	10%	47,357	11%
Intangible assets	1,072,227	476,305	125%	295,550	263%
LIABILITIES AND EQUITY	1,447,336	1,254,857	15%	658,970	120%
Current	190,371	130,381	46%	88,173	116%
Loans and financing	36,746	27,300	35%	12,500	194%
Leasing	16,804	16,660	1%	8,824	90%
Trade payables	9,675	2,323	316%	5,564	74%
Advances from customers	10,372	10,110	3%	5,022	107%
Labor liabilities	53,781	41,230	30%	27,529	95%
Tax liabilities	10,200	3,993	155%	1,385	636%
Liabilities arising from invest. acquisition	46,620	22,294	109%	24,528	90%
	5,638	6,471	-13%	2,821	100%
	535	-	-	-	-
Non-current	474,785	339,020	40%	170,413	179%
Loans and financing	134,170	146,339	-8%	24,022	459%
Leasing	59,419	62,810	-5%	33,617	77%
	7,968	-	-	-	-
Tax liabilities	-	-	-	1,883	-100%
Provisions for legal proceedings	130,138	58,347	123%	44,639	192%
Liabilities arising from invest. acquisition	143,090	71,524	100%	66,252	116%
Equity	782,180	785,456	0%	400,384	95%
Share capital	813,303	813,303	0%	413,261	97%
Treasury shares	(55,457)	(40,896)	36%	(37,626)	47%
Shares issue expenses	(48,890)	(48,890)	0%	(23,915)	104%
Capital reserve	12,329	12,227	1%	15,511	-21%
Earnings reserve	56,580	46,915	21%	33,153	71%
Total Equity of controlling shareholders	777,865	782,659	-1%	400,384	94%
Non-controlling interests	4,315	2,797	54%	-	-

Gross debt	360,626	267,457	35%	127,302	110%
Borrowings	170,916	173,639	-2%	36,522	375%
Liabilities arising from invest. acquisition	189,710	93,818	102%	90,780	3%
Net debt (cash) position	255,799	(293,735)	-187%	(106,724)	175%
Net debt/Adj. EBITDA Run Rate	1.8x	NA	-	NA	-

Sinqia S.A. and Subsidiaries

Quarterly Information - ITR as of
March 31, 2022 and Independent Auditor's
review report

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MESSAGE FROM MANAGEMENT

Dear shareholders and stakeholders,

Under the legal provisions, Sinqia S.A., a technology provider for the financial sector, hereby submits to the analysis of its shareholders and other stakeholders, the Management Report and related Financial Information, accompanied by the independent auditor's review report, for the period ended March 31, 2022, prepared according to Technical Standard CPC 21 - Interim Financial Statement, and international standard IAS 34 – Interim Financial Reporting.

RELATIONSHIP WITH INDEPENDENT AUDITORS

The Company's policy when engaging independent auditor services other than those related to external audits is based on principles that safeguard its independence. These principles consist of internationally accepted standards where (a) auditors must not audit their own work; (b) auditors must not perform management roles for their clients; and (c) auditors must not have conflicts of interest with their clients.

Procedures adopted by the Company, according to item III of article 2 of CVM Instruction 381/03: as a formal procedure, before engaging professional services other than those related to external audits, the Company and its subsidiaries must consult independent auditors and the Board of Directors to ensure that the provision of said services does not affect their independence and objectivity, which are necessary for the audit services, as well as obtain approval from the Board of Directors.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders, Board of Directors and Management of
Sinqia S.A.

Introduction

We have reviewed the accompanying individual and consolidated interim financial information of Sinqia S.A. ("Company"), included in the Interim Financial Information Form (ITR), for the quarter ended March 31, 2022, which comprises the individual and consolidated balance sheets as at March 31, 2022 and the corresponding individual and consolidated statements of income and of comprehensive income for the three-month period then ended and the individual and consolidated statements of changes in equity and the of cash flows for the three-month period then ended, including the explanatory notes.

The Company's Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with technical pronouncement CPC 21 (R1) and international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, as well as for the presentation of such information in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of Interim Financial Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and international standards on review of interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the standards on auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the ITR referred to above was not prepared, in all material respects, in accordance with technical pronouncement CPC 21 (R1) and international standard IAS 34, applicable to the preparation of the ITR, and presented in accordance with the standards issued by CVM.

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Other matters

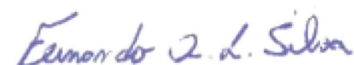
Statements of value added

The aforementioned interim financial information includes the individual and consolidated statements of value added (DVA) for the three-month period ended March 31, 2022, prepared under the responsibility of the Company's Management and presented as supplementary information for the purposes of international standard IAS 34. These statements have been subject to review procedures performed in conjunction with the review of the ITR to determine whether they are reconciled with the interim financial information and the accounting records, as applicable, and if their form and content are in accordance with the criteria defined in technical pronouncement CPC 09 - Statement of Value Added. Based on our review, nothing comes to our attention that causes us to believe that these statements of value added were not prepared, in all material respects, in accordance with the criteria set out in this standard and consistently with respect to the individual and consolidated interim financial information taken as a whole.

The accompanying individual and consolidated interim financial information has been translated into English for the convenience of readers outside Brazil.

São Paulo, May 9, 2022


DELOITTE TOUCHE TOHMATSU
Auditores Independentes Ltda.


Fernando Augusto Lopes Silva
Engagement Partner

SINQIA S.A.
STATEMENTS OF FINANCIAL POSITION AS OF MARCH 31, 2022 AND DECEMBER 31, 2021
(In thousands of Reais, unless otherwise stated)

	Parent Company		Consolidated	
	03.31.2022	12.31.2021	03.31.2022	12.31.2021
ASSETS				
Current				
Cash and cash equivalents (Note 6)	7.879	10.354	29.745	24.192
Financial investments (Note 6)	65.852	537.000	75.082	537.000
Receivables (Note 7)	25.344	25.784	43.035	34.510
Prepaid expenses	2.338	2.333	3.547	3.452
Taxes and contributions recoverable (Note 8)	6.936	4.594	11.935	7.261
Other receivables	82	261	4.230	2.552
Total current assets	108.431	580.326	167.574	608.967
Non-current				
Accounts receivable from related parties (Note 9)	2.588	4.277	-	-
Taxes and contributions recoverable (Note 8)	2.987	2.868	3.051	3.765
Securities (Note 6)	38.095	33.144	79.199	70.219
Court deposits (Note 16)	163	163	174	174
Deferred income tax and social contribution (Note 22)	34.873	37.561	72.333	47.596
Investments (Note 5)	815.406	350.733	-	-
Property and equipment (Note 10)	22.345	22.397	52.778	47.831
Intangible assets (Note 11)	117.476	124.674	1.072.227	476.305
Total non-current assets	1.033.933	575.817	1.279.762	645.890
Total assets	1.142.364	1.156.143	1.447.336	1.254.857

The management's notes are an integral part of the financial information.

SINQIA S.A.
STATEMENTS OF FINANCIAL POSITION AS OF MARCH 31, 2022 AND DECEMBER 31, 2021
(In thousands of Reais, unless otherwise stated)

	Parent Company		Consolidated	
	03.31.2022	12.31.2021	03.31.2022	12.31.2021
LIABILITIES				
Current				
Loans and financing (Note 12)	36.746	27.300	36.746	27.300
Lease (Note 24)	13.402	13.121	16.804	16.660
Trade payables	4.244	1.804	9.675	2.323
Advances from customers	4.534	7.214	10.372	10.110
Labor liabilities (Note 13)	32.816	28.332	53.781	41.230
Earnings to be distributed	5.638	5.638	5.638	6.471
Tax liabilities (Note 14)	3.583	1.985	10.200	3.993
Payables to related parties (Note 9)	12.288	12.003	46.620	22.294
Liabilities from investment acquisition (Note 15)	163	-	535	-
Total current liabilities	113.414	97.397	190.371	130.381
Non-current				
Loans and financing (Note 12)	134.170	146.339	134.170	146.339
Lease (Note 24)	39.053	41.651	59.419	62.810
Advances from customers	-	-	7.968	-
Provisions for lawsuits (Note 16)	37.374	37.553	130.138	58.347
Liabilities from investment acquisition (Note 15)	40.488	50.544	143.090	71.524
Total non-current liabilities	251.085	276.087	474.785	339.020
Equity (Note 17)				
Share capital	813.303	813.303	813.303	813.303
Treasury shares	(55.457)	(40.896)	(55.457)	(40.896)
Share issue costs	(48.890)	(48.890)	(48.890)	(48.890)
Capital reserves	12.329	12.227	12.329	12.227
Profit reserves	46.915	46.915	46.915	46.915
Retained profit	9.665	-	9.665	-
Total equity from controlling shareholders	777.865	782.659	777.865	782.659
Non-controlling interest	-	-	4.315	2.797
Total equity	777.865	782.659	782.180	785.456
Total liabilities	1.142.364	1.156.143	1.447.336	1.254.857

The management's notes are an integral part of the financial information.

SINQIA S.A.
INCOME STATEMENTS FOR THE THREE-MONTH PERIODS ENDED
MARCH 31, 2022 AND 2021
(In thousands of Reais, unless otherwise stated)

	Company		Consolidated	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Net operating income (Note 18)	67.834	24.754	138.856	68.240
Cost of services (Note 19)	(35.711)	(19.752)	(80.632)	(42.990)
Gross profit	32.123	5.002	58.224	25.250
General, administrative, and selling expenses (Note 20)	(14.584)	(13.525)	(36.205)	(20.590)
Equity pick-up (Note 5)	1.522	7.280	-	-
Operating result before the financial result	19.061	(1.243)	22.019	4.660
Net financial result (Note 21)	(4.401)	(770)	(5.329)	(2.333)
Income (loss) before income tax and social contribution	14.660	(2.013)	16.690	2.327
Current income tax and social contribution (Note 22)	(2.307)	-	(6.824)	(2.622)
Deferred income tax and social contribution (Note 22)	(2.688)	2.792	1.671	1.074
Profit after income tax and social contribution	9.665	779	11.537	779
Non-controlling interest	-	-	(1.872)	-
Net income for the period	9.665	779	9.665	779
Basic earnings per share – in Reais (Note 23)			0,114	0,011
Diluted earnings per share – in Reais (nota 23)			0,113	0,011

The management's notes are an integral part of the financial information.

SINQIA S.A.
STATEMENTS OF COMPREHENSIVE INCOME FOR THE THREE-MONTH PERIODS ENDED ON
MARCH 31, 2022 AND 2021
(In thousands of Reais, unless otherwise stated)

	Parent Company		Consolidated	
	03.31.2022	03.31.2021	03.31.2021	03.31.2021
Net income for the period	9.665	779	11.537	779
Items that will be subsequently reclassified to profit (loss)	-	-	-	-
Items that will not be subsequently reclassified to profit (loss)	-	-	-	-
Total comprehensive income for the period	9.665	779	11.537	779
Net income for the period	9.665	779	9.665	779
Non-controlling interest	-	-	1.872	-

The management's notes are an integral part of the financial information.

SINQIA S.A. AND SUBSIDIARIES.
March 31, 2022
(In thousands of Reais, unless otherwise stated)

SINQIA S.A.
STATEMENTS OF CHANGES IN EQUITY
(In thousands of Reais, unless otherwise stated)

	Share Capital	Capital Reserve	Treasury Shares	Share Issue Costs	Profit Reserve		Retained Profit	Equity	Non-Controlling Interest	Consolidated Equity
					Legal Reserve	Profit Reserve				
Balances as of December 31, 2020	413.261	15.497	(1.689)	(23.915)	2.533	29.841	-	435.528	-	435.528
Net income for the period	-	-	-	-	-	-	779	779	-	779
Share-based compensation (Note 17)	-	14	-	-	-	-	-	14	-	14
Purchase of treasury shares (Note 17)	-	-	(35.937)	-	-	-	-	(35.937)	-	(35.937)
Balances as of March 31, 2021	413.261	15.511	(37.626)	(23.915)	2.533	29.841	779	400.384	-	400.384
	Share Capital	Capital Reserve	Treasury Shares	Share Issue Costs	Profit Reserve		Retained Profit	Equity	Non-Controlling Interest	Consolidated Equity
					Legal Reserve	Profit Reserve				
Balances as of December 31, 2021	813.303	12.227	(40.896)	(48.890)	3.542	43.373	-	782.659	2.797	785.456
Net income for the period	-	-	-	-	-	-	9.665	9.665	1.872	11.537
Minority interest	-	-	-	-	-	-	-	-	(354)	(354)
Share-based compensation (Note 17)	-	102	-	-	-	-	-	102	-	102
Purchase of treasury shares (Note 17)	-	-	(14.561)	-	-	-	-	(14.561)	-	(14.561)
Balances as of March 31, 2022	813.303	12.329	(55.457)	(48.890)	3.542	43.373	9.665	777.865	4.315	782.180

The management's notes are an integral part of the financial information.

SINQIA S.A.
CASH FLOW STATEMENTS FOR THE THREE-MONTH PERIODS ENDED
MARCH 31, 2022 AND 2021
(In thousands of Reais, unless otherwise stated)

	Parent Company		Consolidated	
	03.31.2022	03.31.2021	03.31.2022	03.31.2021
CASH FLOW FROM OPERATING ACTIVITIES				
Net income for the year	9.665	779	11.537	779
Adjustments for:				
Equity pick-up	(1.522)	(7.280)	-	-
Share-based compensation plan	102	14	102	14
Depreciation and amortization	10.512	4.187	14.216	7.762
Result from the write-off/sale of property and equipment	-	-	-	6
Allowance for estimated losses on doubtful accounts	(174)	180	(341)	291
Provision (reversal of provision) for lawsuits	(41)	(89)	(1.057)	(1.442)
Provision for bonuses and profit-sharing	1.907	1.259	3.174	1.707
Interest and PVA incurred	7.628	1.772	9.231	3.161
Current and deferred income tax and social contribution	4.994	(2.792)	5.087	1.548
Changes in operating assets and liabilities accounts				
Receivables	614	1.130	(1.253)	(937)
Court deposits	-	76	0	(50)
Taxes and contributions recoverable	(2.461)	(669)	(3.960)	(2.600)
Other receivables	1.544	(492)	(9.956)	(1.101)
Trade payables	2.604	3.021	7.511	2.767
Labor liabilities	2.577	1.032	4.971	2.037
Tax liabilities	522	(541)	2.149	801
Lawsuits paid	(334)	-	(336)	-
Advances from customers	(2.680)	(1.395)	3.064	(3.233)
Receivables (payment) from related parties	1.689	(20.677)	-	-
CASH GENERATED BY (USED IN) OPERATIONS	37.146	(20.485)	44.139	11.510
Income tax and social contribution paid	(1.230)	-	(3.187)	(2.622)
Interest paid	(8.264)	(2.248)	(9.683)	(3.691)
NET CASH FROM (USED IN) OPERATIONS	27.652	(22.733)	31.269	5.197
CASH FLOW FROM INVESTING ACTIVITIES				
Acquisition of property & equipment and intangible assets	(2.419)	(4.803)	(5.808)	(4.891)
Acquisition of companies, net of cash	-	(33.620)	(438.637)	(30.417)
Payment of liabilities due to acquisition of investment	(7.791)	(1.150)	(9.359)	(1.956)
Capital increase in controlled entities	(463.151)	-	-	-
Financial investments	471.150	-	461.918	-
Investment in securities	(4.952)	(1.284)	(8.980)	(14.009)
NET CASH USED IN INVESTING ACTIVITIES	(7.163)	(40.857)	(866)	(51.273)

SINQIA S.A. AND SUBSIDIARIES.
March 31, 2022
(In thousands of Reais, unless otherwise stated)

CASH FLOW FROM FINANCING ACTIVITIES

Amortization of loans and financing	(3.125)	(2.538)	(3.125)	(2.538)
Lease payment	(5.277)	(1.484)	(6.331)	(2.486)
Acquisition of treasury shares	(14.562)	(35.937)	(14.562)	(35.937)
Dividends paid	-	-	(832)	-
NET CASH USED IN FINANCING ACTIVITIES	(22.964)	(39.959)	(24.850)	(40.961)
DECREASE IN CASH AND CASH EQUIVALENTS	(2.475)	(103.549)	5.553	(87.037)
Cash and cash equivalents at the beginning of the year	10.354	296.828	24.192	321.063
Cash and cash equivalents at the end of the year	7.879	193.279	29.745	234.026
DECREASE IN CASH AND CASH EQUIVALENTS	(2.475)	(103.549)	5.553	(87.037)

The management's notes are an integral part of the financial information.

SINQIA S.A.
VALUE ADDED STATEMENTS FOR THE THREE-MONTH PERIODS ENDED
MARCH 31, 2022 AND DE 2021
(In thousands of Reais, unless otherwise stated)

	Parent Company		Consolidated	
	03.31.2022	03.31.2021	03.31.2022	03.31.2021
1 – REVENUES	76.350	27.660	154.028	76.498
1.1 - Sale of products and services	76.176	27.840	153.687	76.789
1.2 - Estimated loss on receivables from doubtful accounts - reversal (creation)	174	(180)	341	(291)
2 - INPUTS ACQUIRED FROM THIRD PARTIES (ICMS, IPI, PIS, and COFINS)	(7.663)	(4.518)	(18.665)	(10.053)
2.1 - Costs of products and services sold	(5.187)	(2.663)	(13.245)	(5.373)
2.2 - Materials, energy, third-party services, and other	(2.476)	(1.855)	(5.420)	(4.680)
3 - GROSS VALUE ADDED (1-2)	68.687	23.142	135.363	66.445
4 - DEPRECIATION AND AMORTIZATION	(10.512)	(4.187)	(14.216)	(7.762)
5 - NET VALUE ADDED PRODUCED BY THE ENTITY (3-4)	58.175	18.956	121.147	58.683
6 - VALUE ADDED RECEIVED IN TRANSFER	4.843	8.511	4.118	1.379
6.1 - Equity pick-up	1.522	7.280	-	-
6.2 - Financial income	3.321	1.231	4.118	1.379
7 - TOTAL VALUE ADDED TO DISTRIBUTE (5+6)	63.018	27.467	125.265	60.062
8 - DISTRIBUTION OF VALUE ADDED	63.018	27.467	125.265	60.062
8.1 - Personnel	31.672	24.213	82.423	45.591
8.1.1 - Direct compensation	33.686	19.644	66.297	37.533
8.1.2 - Benefits	(4.203)	3.340	11.925	5.702
8.1.3 - Government Severance Fund (FGTS)	2.189	1.229	4.201	2.356
8.2 - Taxes, fees, and contributions	13.533	295	20.160	10.097
8.2.1 - Federal	11.403	(478)	15.741	7.713
8.2.2 - Municipal	2.130	773	4.419	2.384
8.3 - Third-party capital compensation	8.148	2.180	11.145	3.595
8.3.1 - Interest	7.627	1.484	9.232	2.228
8.3.2 - Rents	521	696	1.913	1.367
8.4 - Shareholder compensation	9.665	779	11.537	779
8.4.1 - Retained earnings of the year	9.665	779	9.665	779
8.4.2 - Non-controlling interest in retained earnings	-	-	1.872	-

The management's notes are an integral part of the financial information.

NOTES TO THE QUARTERLY INFORMATION AS OF MARCH 31, 2022

Section A - General Information

1.1 Operations

Sinqia S.A. ("Company") is a publicly held company headquartered at Rua Bela Cintra, 755 - 7º andar, in the city and state of São Paulo, with its shares traded in the Novo Mercado listing segment of B3 – Brasil, Bolsa, Balcão.

The Company was created in 1996, with the main purpose of providing IT products and services for the financial market.

The Company is the Parent Company of Sinqia Tecnologia Ltda., Torq Inovação Digital Ltda., Homie do Brasil Informática Ltda., Rosk Software S.A., Newcon Software Ltda., Newcon Tecnologia e Serviços Ltda., Sinqia Seguridade Ltda., and Lote45 Participações S.A., whose purpose is to work in a complementary manner to the Company's activities.

On May 9, 2022, the Board of Directors approved the disclosure of these financial statements.

1.2 Basis of Preparation

The Company's interim financial information, including the parent company and consolidated interim financial information, identified as "Parent Company" and "Consolidated", has been prepared and presented according to CPC 21 (R1) - Interim Financial Statements, issued by the Accounting Pronouncements Committee ("CPC") and approved by the Brazilian Securities and Exchange Commission ("CVM"), and according to the international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board ("IASB"), and show all relevant information of the financial statements, and this information alone, which is consistent with those used by management.

There have been no changes in the main accounting policies concerning those described in Note 28 to the Financial Statements for the fiscal year ended December 31, 2021.

The financial statements were prepared using historical cost as the base of value, except for the valuation of certain assets and liabilities such as those arising from financial instruments, which are measured at fair value.

The preparation of interim financial information requires the use of certain critical accounting estimates and the judgment of the Company's Management to adopt its accounting policies. Those areas that require a higher degree of judgment and are more complex, as well as areas where assumptions and estimates are significant to the financial information, are disclosed in Note 2.

The Parent Company and Consolidated Value Added Statements are mandatory under Brazilian Corporation Law and Brazilian accounting practices for publicly held companies. The Value Added Statement was prepared under the criteria defined in Technical Pronouncement CPC 09 - "Value Added Statement". IAS 34 - Interim Financial Reporting does not require the presentation of this statement. Therefore, under IFRS, this statement is presented as supplementary information, without prejudice to the financial information.

1.3 Consolidation

The Company consolidates all entities under its control, that is, when the Company is exposed or entitled to variable returns arising from its involvement with the investee and can run relevant activities of the investee.

The subsidiaries included in the consolidation are described in Note 5.

Section B - Risks

2 Critical accounting estimates and judgments

Accounting estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events, considered reasonable for the circumstances.

2.1 Critical accounting estimates and assumptions

There have been no changes in critical accounting estimates and assumptions regarding those described in Note 28 to the financial statements of December 31, 2021.

2.2 Critical judgments in the adoption of accounting policies

There have been no changes in critical judgments in the adoption of accounting policies regarding those described in Note 28 to the financial statements of December 31, 2021.

2.3 New standards, changes, and interpretations of accounting pronouncements mandatory as of January 1, 2022

When preparing this quarterly information, the Company's Management considered, where applicable, new revisions and interpretations to IFRS and the following technical pronouncements, issued by IASB and CPC, respectively, which became mandatory for accounting periods starting January 1, 2022.

No new standards applicable to the Company have been issued in this period.

3 Financial risk management

3.1 Financial risk factors

There have been no changes in financial risk factors and risk management policy regarding the information described in the financial statements presented on December 31, 2021, issued on March 17, 2022.

3.2 Capital management

The purpose of the Company's capital management is to ensure that a strong credit rating is held with the institutions and an optimal capital ratio to support the Company's business and maximize shareholder value.

The Company controls its capital structure by making changes and adjusting them to current economic conditions. To maintain this structure adjusted, the Company may pay dividends, return capital to shareholders, take out new loans, issue promissory notes, and contract derivative transactions.

3.3 Fair value estimate

There have been no changes in the criteria or methods to measure the fair value of assets and liabilities, as well as to classify financial instruments regarding those disclosed in the financial statements for December 31, 2021.

3.4 Financial instruments offset

Financial assets and liabilities are offset (with the same counter-party) and the net amount is reported in the statement of financial position when there is a legal right to offset the recognized amounts and there is an intention to settle them on a net basis or realize the asset and settle the liability simultaneously.

Section C - Segment reporting

4 Segment reporting

The Company's businesses aim to supply IT products and services, in addition to related consulting services, intended to assist the financial market. Although the products are aimed at several segments within the financial institutions, they are not controlled and managed by Management as independent segments, and the Company's results are monitored and assessed in an integrated manner.

SINQIA S.A. AND SUBSIDIARIES.

March 31, 2022

(In thousands of Reais, unless otherwise stated)

Section D - Group structure

5 Investments

(a) Changes in investments

	Senior Solution Serviços em Informática Ltda.	Sinqia Tecnologia Ltda.	Controlpart Consultoria e Participações Ltda.	Consult Brasil Ltda.	Intellectual Capital Ltda.	Att/ps Informática Ltda.	Torq Inovação Digital Ltda.	Sinqia Administração Previdenciária Ltda.	Dendron Tecnologia S.A.	Homie do Brasil Informática Ltda.	Simply Sistemas S.A.	Rosk Software S.A.	Total
Balance as of December 31, 2020	14.017	89.080	2.724	2.559	3.454	40.003	857	-	-	-	-	-	152.694
Capital increase	-	8.000	-	-	-	-	28.721	-	-	-	-	-	36.721
Business combination (i)	-	-	-	-	-	-	-	56.340	25.287	23.015	32.364	40.712	177.718
Equity pick-up	10.041	(5.711)	-	-	-	-	4.535	17.057	714	3.627	5.748	(71)	35.940
Corporate reorganization (ii)	(24.058)	-	-	-	-	-	-	(23.232)	(214)	-	(4.836)	-	(52.340)
Balance as of December 31, 2021	-	91.369	2.724	2.559	3.454	40.003	34.113	50.165	25.787	26.642	33.276	40.641	350.733
Capital increase (iii)	-	457.885	-	-	-	-	5.266	-	-	-	-	-	463.151
Equity pick-up	-	105	-	-	-	-	(40)	-	-	1.398	-	59	1.522
Balance as of March 31, 2022	-	549.359	2.724	2.559	3.454	40.003	39.339	50.165	25.787	28.040	33.276	40.700	815.406

(i) In 2021, the amounts refer to the acquisitions of (1) Itaú Administração Previdenciária Ltda., (2) Dendron Tecnologia S.A., (3) Homie do Brasil Informática Ltda., (4) Simply Sistemas S.A. and (5) Rosk Software S.A..

(ii) On October 1, 2021, Sinqia Administração Previdenciária Ltda., Dendron Tecnologia S.A., Senior Solution Serviços em Informática Ltda. and Simply Sistemas S.A., were merged into Sinqia S.A. (parent company).

(iii) The capital increase in Sinqia Tecnologia Ltda. was made for the acquisitions described in note 26.

SINQIA S.A. AND SUBSIDIARIES.
March 31, 2022
(In thousands of Reais, unless otherwise stated)

(b) Information on subsidiaries

Direct investments	Equity	Interest (%)	Goodwill	Result for the year	Total investment		Equity pick-up	
					03.31.2022	12.31.2021	03.31.2022	12.31.2021
Senior Solution Serviços Ltda.	N/A	N/A	-	-	-	-	-	3.276
Sinqia Tecnologia Ltda.	549.359	100%	-	105	549.359	91.369	105	2.671
Controlopart Consultoria e Participações Ltda.	N/A	N/A	2.724	-	2.724	2.724	-	-
Consult Brasil. Ltda.	N/A	N/A	2.559	-	2.559	2.559	-	-
Intellectual Capital Ltda.	N/A	N/A	3.454	-	3.454	3.454	-	-
Att/ps Informática Ltda.	N/A	N/A	40.003	-	40.003	40.003	-	-
Torq Inovação Digital Ltda.	39.339	100%	-	(40)	39.339	34.113	(40)	(88)
Sinqia Administração Previdenciária Ltda.	N/A	N/A	50.165	-	50.165	50.165	-	1.421
Dendron Tecnologia S.A	N/A	N/A	25.787	-	25.787	25.787	-	-
Homie do Brasil Informática Ltda.	2.342	60%	26.635	2.330	28.040	26.642	1.398	-
Simply Sistemas S.A.	N/A	N/A	33.276	-	33.276	33.276	-	-
Rosk Software S.A.	2.700	51%	39.323	116	40.700	40.641	59	-
					815.406	350.733	1.522	7.280

(c) Indirect investments (Controlled by Sinqia Tecnologia Ltda.)

Indirect investments	Equity	Interest (%)	Result for the year	Total investment		Equity pick-up	
				03.31.2022	12.31.2021	03.31.2022	12.31.2021
Sinqia Seguridade Ltda.	3.974	100%	1.117	3.974	-	1.117	-
Lote45 Participações S.A.	4.335	52%	1.893	2.254	-	983	-
Newcon Software Ltda.	6.639	100%	4.476	6.639	-	4.476	-
Newcon Tecnologia Ltda.	635	100%	(2)	635	-	(2)	-
				13.502	-	6.574	-

Section E – Selected significant Notes

6 CASH AND CASH EQUIVALENTS

a) Cash and cash equivalents

	Parent Company		Consolidated	
	03.31.2022	12.31.2021	03.31.2022	12.31.2021
Banks	449	2.287	11.711	5.135
Fixed-income securities in local currency (i)	7.430	8.067	18.034	19.057
	7.879	10.354	29.745	24.192

(i) The Company has financial investment policies that require investments to be concentrated in low-risk securities and are substantially remunerated based on percentages of the variation in Interbank Deposit Certificates (CDI). Therefore, they refer to investments in fixed-income funds and Bank Deposit Certificates (CDBs), yielding average interest from 94,80% to 115,17% of the CDI on December 31, 2021 (from 91% to 104,18% of the CDI on December 31, 2020), with immediate liquidity, that is, without a grace period for redemptions.

b) Financial investments

	Parent Company		Consolidated	
	03.31.2022	12.31.2021	03.31.2022	12.31.2021
Fixed-income securities in local currency	65.852	537.000	75.082	537.000
	65.852	537.000	75.082	537.000

The value of the financial investments line refers to cash aimed at financial activities, including future business combinations, and follows the same liquidity and compensation policies of the cash and cash equivalents line.

c) Marketable securities

	Parent Company		Consolidated	
	03.31.2022	12.31.2021	03.31.2022	12.31.2021
Collateralized amounts (ii)	37.020	32.069	37.020	32.069
Investments in private entities (iii)	1.075	1.075	42.179	38.150
	38.095	33.144	79.199	70.219

(ii) Collateralized amounts mainly correspond to financial investments held as a guarantee for the payment of the installments of the investment acquisition liability and the debentures.

(iii) The amounts correspond to the fair value of investments in shares, private equity funds, and loans convertible into shares.

7 ACCOUNTS RECEIVABLE

	Parent Company		Consolidated	
	03.31.2022	12.31.2021	03.31.2022	12.31.2021
Amounts billed	17.112	21.835	34.381	30.672
Unbilled services (i)	9.726	5.381	10.891	6.416
(-) Estimated losses from doubtful accounts (ii)	(1.494)	(1.432)	(2.237)	(2.578)
	25.344	25.784	43.035	34.510

(i) Unbilled services refer to revenue from services provided to customers, but which had not been billed until the base date of the accounting information.

(ii) The changes in estimated losses from doubtful accounts are as follows:

	Parent Company		Consolidated	
	(1.432)	(410)	(2.578)	(685)
Balances as of December 31, 2021 and 2020				
Additions due to corporate reorganization (i)	(236)	-	-	(542)
Additions	(67)	(180)	(67)	(291)
Reversals	241	-	408	-
Balances as of March 30, 2022 and 2021	(1.494)	(590)	(2.237)	(1.518)

(i) Refer to the acquisition of Itaú Administração Previdenciária Ltda. In 2021.

The aging list is as follows:

	Parent Company		Consolidated	
	03.31.2022	12.31.2021	03.31.2022	12.31.2021
Unbilled services	9.726	5.381	10.891	6.416
Falling due	13.845	18.916	27.643	23.626
Overdue from 1 to 90 days	1.745	1.386	4.301	3.838
Overdue from 91 to 180 days	146	149	355	966
Overdue from 181 to 270 days	73	440	104	473
Overdue from 271 to 360 days	389	303	421	677
Overdue more than 360 days	914	641	1.557	1.092
	26.838	27.216	45.272	37.088

8 TAXES AND CONTRIBUTIONS RECOVERABLE

	Parent Company		Consolidated	
	03.31.2022	12.31.2021	03.31.2022	12.31.2021
IRRF (withholding income tax), income tax, and social contribution to be offset (i)	9.906	7.427	13.390	10.935
Withholding PIS, COFINS, and social contribution (ii)	-	19	116	36
Other	17	16	1.480	55
Total	9.923	7.462	14.986	11.026
Current	6.936	4.594	11.935	7.261
Non-current	2.987	2.868	3.051	3.765

(i) Refer to withholding income tax and prepaid income tax and social contribution.

9 RELATED PARTIES

a) INFORMATION ON RELATED PARTIES

The following table presents information on outstanding balances on March 31, 2022 and December 31, 2021 between the Parent Company, its subsidiaries, and the Company's management:

Related parties	Parent Company			
	Receivables from related parties (Assets)	Payables to related parties (Liabilities)	Receivables from related parties (Assets)	Payables to related parties (Liabilities)
	03.31.2022		12.31.2021	
Sinqia Tecnologia Ltda.	904	-	4.277	-
Newcon Software Ltda.	1.684	-	-	-
Non-current assets	2.588	-	4.277	-

Intergroup transactions refer to expenses shared, mainly administrative, and are carried out based on signed agreements e loan agreements between the parties. There are no intercompany transactions for the purchase and sale of products or services.

b) MANAGEMENT COMPENSATION

The Company has no additional post-employment obligations, nor does it offer other long-term benefits, such as leave and other benefits for the time of service. The Company also does not offer other severance benefits to the members of the senior management, besides those defined in the Brazilian labor law in effect.

Short-term benefits

Short-term benefits include salaries, fees, payroll charges, variable benefits, and bonuses. Expenses related to the compensation of the main senior executives and management of the Company and its subsidiaries are as follows:

	Parent Company and Consolidated	
	03.31.2022	12.31.2021
Salaries, fees, and payroll charges	1.208	4.550
Benefits	122	324
Variable bonuses and share-based payments	23	1.237
	1.353	6.111

c) SHARE-BASED COMPENSATION PLAN

The purpose of the Share-Based Compensation Plan ("Plan") is to offer the Company's top executives the opportunity to multiply the value of their annual financial bonus ("Annual Bonus") through the assignment of additional resources ("Additional Bonus"), by the Company, that must be used by eligible executive officers ("Beneficiary") to acquire Company shares ("Shares"). The Plan establishes that the Additional Bonus will be calculated by applying a multiplier to the Annual Bonus, which is granted by the Company under the Profit-Sharing Program ("PPLR").

The Additional Bonus under this Plan will be calculated by applying a multiplier to the Annual Bonus. The multiplier ranges from 50% to 80% depending on the role performed in the Company.

The number of shares to be acquired by each beneficiary will be calculated based on the average market value of the shares in a certain period.

The shares acquired will vest as follows: 40% of the total shares acquired, after twelve (12) months from the acquisition; 30% of the total, after twenty-four (24) months from the acquisition; and the remaining 30%, after thirty-six (36) months from the acquisition. The acquisition date will be considered to be the date on which the Company receives from the beneficiary the amounts related to the sale and in which the share purchase agreement is executed.

This plan comprises 250,232 shares.

d) STOCK-OPTION PLAN TO PURCHASE OR SUBSCRIBE SHARES

The Stock Option Plan to Purchase or Subscribe Shares ("Plan") provides for the granting of options to purchase or subscribe to common shares ("Options") of the Company. The purpose of the Plan is to (a) attract, retain, and engage key professionals in the management of the Company ("Beneficiaries"), (b) align the interests of the Beneficiaries with the interests of the Company and its shareholders in a long-term perspective, and c) encourage the Beneficiaries to contribute to the achievement of good results for the Company.

Number of Shares Included in the Plan: The options granted under the Plan, including those already exercised or not, and discounting those canceled due to termination, death, permanent disability, or retirement, may grant rights on common shares representing up to three percent (3%) of the Company's share capital on the approval date of the Plan.

Exercise of Options: The options granted may be exercised provided that the terms and conditions defined in this Plan and by the Board of Directors are met, as well as the terms and conditions provided for in the respective Option Agreements. The Beneficiary may exercise all or part of the Exercisable Options, provided that the Beneficiary exercises at least 25% of the Options held and exercisable in each partial exercise of the Options. The exercise of part of the Options by the Beneficiary shall not affect the exercise of the other Options held.

The fair value of the options granted is estimated on the grant date based on the Black-Scholes option-pricing model.

The expense related to the stock option plan totaled R\$109 in 2022 (R\$459 in 2021).

The main events related to the current plans, the variables used in the calculations, and the results are as follows:

Grants				Fair value assumptions			
				Expected:		Risk-free interest rate	Maturity
Date	Number of options/shares	Exercise price in Reais	Fair value of shares in Reais	Dividends	Volatility		
08/01/2018	177.716	7,38	19,24	0,23%	37,57%	4,50%	5 years
03/31/2021	200.424	17,24	25,50	0,00%	48,26%	6,00%	4 years

10 PROPERTY AND EQUIPMENT

a) Property and equipment breakdown

SINQIA S.A. AND SUBSIDIARIES.
March 31, 2022
(In thousands of Reais, unless otherwise stated)

			Parent Company	
			03.31.2022	12.31.2021
	Useful life (years)	Cost	Accumulated Depreciation	Net
			Net	Net
Facilities and improvements	9 – 10	7.443	(2.439)	5.004
Electric devices and materials	9 – 12	1.858	(1.607)	251
Furniture and fixtures	9 – 12	3.208	(1.782)	1.426
Right of use - leases	2 – 10	6.728	(1.715)	5.013
Computers and peripherals	4 – 5	17.869	(7.218)	10.651
		37.106	(14.761)	22.345
				22.397

			Consolidated	
			03.31.2022	12.31.2021
	Useful life (years)	Cost	Accumulated Depreciation	Net
			Net	Net
Facilities and improvements	9 – 10	9.948	(4.298)	5.650
Electric devices and materials	9 – 12	2.273	(1.895)	378
Furniture and fixtures	9 – 12	5.718	(3.457)	2.261
Right of use - leases	2 – 10	35.409	(7.574)	27.835
Computers and peripherals	4 – 5	25.226	(11.634)	13.592
Vehicles	5	380	(129)	251
Buildings	25	3.899	(1.088)	2.811
		82.853	(30.075)	52.778
				47.831

b) Changes in property and equipment - Parent Company

	Facilities and improvements	Electric devices and materials	Furniture and fixtures	Right of use - lease	Computers and peripherals	Total
Balances as of December 31, 2020	5.404	345	1.696	3.413	5.701	16.559
Additions	90	-	99	-	7.382	7.571
Additions right of use (i)	-	-	-	2.386	-	2.386
Transfer between subsidiaries	5	25	5	-	-	35
Write-offs	-	-	-	-	(5)	(5)
Depreciation	(443)	(99)	(301)	(1.327)	(1.979)	(4.149)
Balances as of December 31, 2021	5.056	271	1.499	4.472	11.099	22.397
Additions	73	-	-	-	201	274
Additions – right of use (i)	-	-	-	730	-	730
Write-offs	-	-	-	-	-	-
Depreciation	(125)	(20)	(73)	(189)	(649)	(1.056)
Balance as of March 31, 2022	5.004	251	1.426	5.013	10.651	22.345

(i) The additions related to CPC 06 (R2) recognize the right of use of the new real estate lease agreements.

SINQIA S.A. AND SUBSIDIARIES.

March 31, 2022

(In thousands of Reais, unless otherwise stated)

c) Changes in property and equipment - Consolidated

	Facilities and improvements	Electric devices and materials	Furniture and fixtures	Right of use - lease	Computers and peripherals	Vehicles	Buildings	Total
Balances as of December 31, 2020	6.701	451	2.057	22.235	6.670	24	-	38.138
Additions	98	2	99	-	7.381	-	-	7.580
Additions – right of use (i)	-	-	-	13.096	-	-	-	13.096
Additions due to company acquisition	-	198	135	-	192	-	-	525
Write-offs	-	-	-	-	(10)	-	-	(10)
Depreciation	(1.238)	(322)	(484)	(6.947)	(2.483)	(24)	-	(11.498)
Balances as of December 31, 2021	5.561	329	1.807	28.384	11.750	-	-	47.831
Additions	129	-	44	-	2.283	-	-	2.456
Additions – right of use (i)	-	-	-	720	-	-	-	720
Additions due to company acquisition (ii)	170	74	540	-	368	267	2.850	4.269
Depreciation	(210)	(25)	(130)	(1.269)	(809)	(16)	(39)	(2.498)
Balance as of March 31, 2022	5.650	378	2.261	27.835	13.592	251	2.811	52.778

(i) The additions related to CPC 06 (R2) recognize the right of use of the new real estate lease agreements.

(ii) Aumento dos ativos advindos da combinação de negócios da Newcon Software Ltda., Sinqia Seguridade Ltda. e Lote45 Participações S.A.

11 INTANGIBLE ASSETS

a) Intangible assets breakdown

			Parent Company	
			03.31.2022	12.31.2021
	Useful life (years)	Cost	Accumulated Amortization and impairment	Net
Right of use - software	5	21.425	(16.532)	4.893
Trademarks and patents	5-10	2.277	(2.112)	165
Software acquired	5	28.059	(11.247)	16.812
Customer portfolio	10	62.887	(12.341)	50.546
Non-compete agreement	5	4.575	(4.575)	0
Development of new products (i)	-	6.327	(6.301)	26
Right of use - servers	1-3	55.847	(10.813)	45.034
		181.397	(63.921)	117.476
				124.674

			Consolidated	
			03.31.2022	12.31.2021
	Useful life (years)	Cost	Amortization accumulated and/or impairment	Net
Goodwill on the acquisition of subsidiaries	-	635.463	(2.860)	632.603
Right of use - software	5	31.616	(22.903)	8.713
Trademarks and patents	5-10	51.563	(2.663)	48.900
Software acquired	5	86.375	(23.505)	62.870
Customer portfolio	10	299.157	(26.793)	272.364
Non-compete agreement	5	9.068	(7.351)	1.717
Development of new products (i)	-	6.327	(6.301)	26
Right of use - servers	1-3	55.847	(10.813)	45.034
		1.175.416	(103.189)	1.072.227
				476.305

SINQIA S.A. AND SUBSIDIARIES.

March 31, 2022

(In thousands of Reais, unless otherwise stated)

b) Changes in intangible assets - Parent Company

	Right of use - software	Trademarks and patents	Software acquired	Customer portfolio	Development of new products	Right of use - servers	Total
Balances as of December 31, 2020	1.670	912	1.601	15.093	1.210	13.802	34.288
Additions	8.422	-	-	-	-	-	8.422
Additions due to corporate reorganization	-	-	21.199	42.471	-	-	63.670
Additions – right of use (i)	-	-	-	-	-	42.800	42.800
Amortization	(5.138)	(317)	(4.674)	(4.971)	(1.210)	(8.196)	(24.506)
Balances as of December 31, 2021	4.954	595	18.126	52.593	-	48.406	124.674
Additions	2.119	-	-	-	26	-	2.145
Additions – right of use (i)	-	-	-	-	-	113	113
Amortization	(2.180)	(430)	(1.314)	(2.047)	-	(3.485)	(9.456)
Balance as of March 31, 2022	4.893	165	16.812	50.546	26	45.034	117.476

(i) The additions related to CPC 06 (R2) recognize the right of use of the server's new lease agreements.

SINQIA S.A. AND SUBSIDIARIES.

March 31, 2022

(In thousands of Reais, unless otherwise stated)

c) Changes in intangible assets - Consolidated

	Goodwill on the acquisition of subsidiaries	Right of use - software	Trademarks and patents	Software acquired	Customer portfolio	Non-competes agreement	Development of new products	Right of use - servers	Total
Balances as of December 31, 2020	134.902	4.238	5.210	12.714	47.757	2.877	1.210	13.802	222.710
Additions	-	8.882	-	-	-	-	-	-	8.882
Additions due to company acquisition	159.732	-	7.740	25.825	43.976	-	-	-	237.273
Additions – right of use (i)	-	-	-	-	-	-	-	42.802	42.802
Transfers	(43)	36	-	-	7	-	-	-	-
Amortization	-	(8.102)	(320)	(7.475)	(9.096)	(961)	(1.210)	(8.198)	(35.362)
Balances as of December 31, 2021	294.591	5.054	12.630	31.064	82.644	1.916	-	48.406	476.305
Additions	-	3.326	-	-	-	-	26	-	3.352
Additions due to company acquisition (i)	338.012	2.876	36.700	33.834	192.753	-	-	-	604.175
Additions – right of use (i)	-	-	-	-	-	-	-	113	113
Amortization	-	(2.543)	(430)	(2.028)	(3.033)	(199)	-	(3.485)	(11.718)
Balance as of March 31, 2022	632.603	8.713	48.900	62.870	272.364	1.717	26	45.034	1.072.227

(i) The additions referring to CPC 06 (R2) consist of the recognition of the right to use the new server lease agreements.

(ii) Increase in assets arising from the preliminary allocation of the price paid disclosed in Note 26, referring to the business combination of Newcon Software Ltda., Sinqia Seguridade Ltda. and Lote45 Participações S.A.

(iii) The entire balance of goodwill recognized is allocated to the Company's sole cash-generating unit.

12 LOANS AND FINANCING

			Parent Company and Consolidated	
	Charges	Maturity	03.31.2022	12.31.2021
First Debenture Issue (i)	CDI + 1,50%	02/22/2024	24.438	27.161
Second Debenture Issue (ii)	CDI + 2,30%	07/15/2026	146.478	146.478
Total			170.916	173.639
Current			36.746	27.300
Non-current			134.170	146.339

- (i) The first issue of simple debentures, not convertible into shares, is backed by credit rights arising from receivables. In addition, the Company is required to hold a deposit of R\$3,000, which was recorded in "marketable securities", under non-current assets.
- (ii) The second issue of simple debentures, not convertible into shares, is backed by credit rights arising from receivable accounts linked to the operation and the funds deposited therein, arising from the contracts between the Company and its clients.

The changes in loans and financing are as follows:

	Consolidated
Balance as of December 31, 2021	173.639
Incurred interest	5.500
Interest paid	(5.098)
Amortization	(3.125)
Balance as of March 31, 2022	170.916

The expectation for the payment of loans and financing is as follows:

	Consolidated
2022	24.737
2023	49.236
2024	38.803
2025	36.716
2026	21.424
Total	170.916

(a) COVENANTS

The debentures have financial restrictive clauses that must be calculated as of December 31. In 2022 the Net Debt divided by Ebitda must be less than or equal to 3 and from 2023 to 2026 the Net Debt divided by Ebitda must be less than or equal to 2,75.

Gross bank debt is the sum of short- and long-term loans and financing, including (i) discounted securities with return and anticipation of receivables, (ii) lease, except if the lease arises from rental

agreements of operating properties and server right-of-use contracts, (iii) non-convertible fixed-income securities arising from public or private issue, in local or international markets, (iv) liabilities arising from derivative financial instruments, (v) financial debts of the acquired companies, provided that the interest is higher than fifty percent (50%) of the share capital of the respective acquired company, not yet consolidated, (vi) debts and convertible securities, and (vii) loan liability net of loan asset, duly represented in the Issuer's consolidated statement of financial position, under "Loans and Financing" of the consolidated interim financial information or consolidated annual financial statements.

On this date, the Company expects to comply with all covenants.

13 LABOR LIABILITIES

	Parent Company		Consolidated	
	03.31.2022	12.31.2021	03.31.2022	12.31.2021
INSS/FGTS payable	2.396	2.898	5.911	6.466
IRRF on wages	2.866	3.482	3.989	5.306
Vacation	15.271	13.982	25.958	20.958
Christmas Bonus	1.640	-	3.325	-
Bonuses, commissions, and profit-sharing (i)	9.554	7.701	10.732	8.001
Other	1.089	269	3.866	499
	32.816	28.332	53.781	41.230

- (i) The provision for bonuses and profit-sharing is monthly recorded, and depends on the achievement, by the employees, of corporate and individual goals. These amounts are always paid in April of the following year.

14 TAX LIABILITIES

	Parent Company		Consolidated	
	03.31.2022	12.31.2021	03.31.2022	12.31.2021
Income tax and social contribution payable	2.327	517	7.009	1.550
ISS payable	769	839	1.696	1.365
PIS/COFINS payable	310	407	824	779
Other taxes payable	177	222	671	299
Total	3.583	1.985	10.200	3.993

15 LIABILITIES FROM INVESTMENT ACQUISITION

These refer to installments payable for investment acquisitions made by the Company and its subsidiaries, negotiated with payment in installments, and for agreements that do not have market interest rates, the present value is adjusted (using the average rate of 7%). They are recorded in current and non-current liabilities, as follows:

	Parent Company		Consolidated	
	03.31.2022	12.31.2021	03.31.2022	12.31.2021
Acquisition of Atena	-	-	3.870	4.727
Acquisition of ADSPrev	-	-	1.015	1.481
Acquisition of SoftPar	-	-	7.723	7.589
Acquisition of Stock&Info	-	-	239	236
Acquisition of Tree Solution	-	-	4.866	5.444
Acquisition of Fromtis	-	-	12.007	11.794
Acquisition of ISP	41.005	50.776	41.005	50.776
Acquisition of Dendron	5.294	5.294	5.294	5.294
Acquisition of Simply	6.477	6.477	6.477	6.477
Acquisition of Lote 45	-	-	14.301	-
Acquisition of Mercer	-	-	9.285	-
Acquisition of Newcon	-	-	83.628	-
Total	52.776	62.547	189.710	93.818
Current	12.288	12.003	46.620	22.294
Non-current	40.488	50.544	143.090	71.524

The changes in liabilities due to the investment acquisition are as follows:

	Parent Company	Consolidated
Balance as of December 31, 2021	62.547	93.818
Incurred interest	483	995
Additions due to company acquisition	-	107.215
Interest paid	(2.463)	(2.959)
Amortization	(7.791)	(9.359)
Balance as of March 31, 2022	52.776	189.710

The expected payment of liabilities due to investment acquisition is as follows:

	Parent Company	Consolidated
2022	12.288	38.523
2023	17.182	63.747
2024	11.177	32.211
2025	12.129	28.529
2026	-	12.650
2027	-	12.650
2028	-	1.400
Total	52.776	189.710

16 PROVISION FOR LAWSUITS

In the normal course of its activities, the Company is subject to tax, civil, and labor lawsuits. Management, supported by the opinion of its legal counsel, assesses the expected outcome of the undergoing lawsuits and establishes the need for creating a provision for contingencies at amounts deemed sufficient to cover the expected losses.

The table below shows the provisions for lawsuits:

	Parent Company		Consolidated	
	03.31.2022	12.31.2021	03.31.2022	12.31.2021
Civil	9.872	10.024	10.126	10.024
Labor	15.749	12.005	45.907	26.645
Tax	11.753	15.524	74.105	21.678
	37.374	37.553	130.138	58.347

The changes in the provisions for lawsuits are as follows:

	Parent Company	Consolidated
Balance as of December 31, 2021	37.553	58.347
Additions (i)	448	747
Additions due to company acquisition (ii)	-	72.942
Reversals	(489)	(1.804)
Interest incurred	196	242
Payments	(334)	(336)
Balance as of March 31, 2022	37.374	130.138

(i) Additions include new processes and changes in values of processes already registered.

(ii) Refers to amounts arising from the acquisition of Newcon Software Ltda., Sinqia Seguridade Ltda. and Lote45 Participações S.A.

The Company and its subsidiaries are also parties to labor and tax lawsuits with a possible risk of loss – according to its legal counsel and Management – for which no provision has been recognized. The amount of the updated causes corresponds to R\$32.531 in the Parent Company as of March 31, 2022 (as of December 31, 2021 – R\$29.366) and R\$35.081 in the Consolidated as of March 31, 2022 (as of December 31, 2021 – R\$31.280). Additionally, the Company has escrow deposits, which correspond to R\$163 in the Parent Company as of March 31, 2022 (as of December 31, 2021 – R\$163) and R\$174 in the Consolidated as of March 31, 2022 (as of December 31, 2021 - BRL 174).

a) Labor

Labor lawsuits generally refer to overtime, health hazard allowances, salary equalization, vacation pay, pain and suffering resulting from occupational accidents, occupational disease, and secondary liability involving service providers, among others.

b) Tax

Tax lawsuits refer to legal disputes involving municipal and federal taxes, especially unapproved claims for compensation and/or refund, in addition to tax risks identified in acquisition processes.

c) **Civil**

Civil lawsuits refer mainly to suits filed under the allegation of certain problems in the provision of services and refunds.

17 EQUITY

17.1 Share Capital

At a meeting held on August 26, 2021, the Board of Directors approved an increase in the Company's share capital, within the limit of the authorized capital, under Article 5 of the Bylaws, of R\$400,042 through the issue of seventeen million, three hundred and ninety-three thousand, one hundred and sixty (17,393,160) common shares.

The Company's share capital is R\$813,303 and is currently represented by 87,941,972 registered common shares with no par value. Common shareholders are entitled to one vote per share at the Company's shareholders' meetings.

The table below shows the number of shares held by shareholders with 5% or more common shares issued by the Company, in addition to treasury shares.

Shareholders	03.31.2022		12.31.2021	
	Shares	%	Shares	%
HIX Investimentos Ltda.	8.748.459	9,95%	6.295.047	7,16%
Antonio Luciano de Camargo Filho	6.078.979	6,91%	6.078.979	6,91%
SFA Investimentos Ltda.	5.739.900	6,53%	5.739.900	6,53%
Bernardo Francisco Pereira Gomes	5.690.370	6,47%	5.970.180	6,79%
Ações em Tesouraria	3.167.573	3,60%	2.191.561	2,49%
Other shareholders	58.516.691	66,55%	61.666.305	70,12%
Total	87.941.972	100%	87.941.972	100%

17.2 Profit Reserve

The profit retained reserve includes the legal reserve and the profit retention reserve arising from capital budget allocations approved at Annual Shareholders' Meetings.

a) **Legal Reserve**

On December 31, 2021, the legal reserve totaled R\$1.009. No legal reserve has been created yet in 2022, which will be created on December 31, 2021.

a) **Dividends and interest on equity**

On December 31, 2021, a dividend distribution was calculated in the amount of R\$5.638. No dividends have been calculated yet in 2022 but will be calculated by December 31, 2022.

17.3 Capital reserve

The capital reserve balances are mainly composed of the share-based compensation plan and variation in acquisition and sale prices of treasury shares.

In 2022, the Company recorded a variation of R\$102 (R\$331 in 2021) referring to the share-based compensation plans of 2018 and 2020, and, in 2021, there was a variation of R\$3.601 in the capital reserve referring to the difference between the acquisition and sale prices of treasury shares in the acquisitions and compensation plan.

17.4 Treasury shares

At a meeting held on March 10, 2021, the Board of Directors authorized the acquisition of up to 5,241,054 shares, representing 8,9% of the outstanding shares, by opening the Sixth Share Buyback Program.

In 2021, we acquired shares in the amount of R\$99.777 and sold shares in the amount of R\$56.109, mainly for the payment of the newly acquired companies Simply Sistemas S.A., Dendron Tecnologia S.A., Homie do Brasil Informática Ltda., and Rosk Software S.A.

In 2022, shares were acquired for an amount of R\$14.562, resulting in a balance of the treasury shares account of R\$55.458 (R\$40.896 in 2021).

17.5 Share issue costs

The share issue costs line reflects the changes in Equity due to the issue of new shares. In 2021, we recorded expenses of R\$24.975 from the increase of the Company's share capital, within the authorized capital limit, according to Article 5 of the Bylaws.

17.6 Non-controlling shareholders

Non-controlling interest refers to the interest held by the shareholders of Homie do Brasil Informática Ltda., Rosk Software S.A., and Lote45 Participações S.A., which jointly represented an amount of R\$4.341 in 2022 (R\$2.797 in 2021).

18 NET OPERATING INCOME

	Parent Company		Consolidated	
	03.31.2022	03.31.2021	03.31.2021	03.31.2022
Software	52.107	20.819	129.252	57.692
Services	24.069	7.021	24.435	19.097
Gross operating income	76.176	27.840	153.687	76.789
Tax on services (ISS)	(2.129)	(773)	(4.418)	(2.384)
PIS and COFINS	(2.782)	(1.036)	(5.555)	(3.345)
Employer's social security	(3.431)	(1.277)	(4.858)	(2.820)
Taxes on sales	(8.342)	(3.086)	(14.831)	(8.549)
Software	46.951	18.497	117.118	51.260
Services	20.883	6.257	21.738	16.980
Net operating income	67.834	24.754	138.856	68.240

The average tax rate levied on sales in the period was 9,65% in the Consolidated (11,13% on March 31, 2021), which includes the Social Integration Program (PIS/PASEP), Financial Contribution for Social Security (COFINS), Tax on Services of Any Nature (ISSQN), and Employer's INSS (National Institute of Social Security).

19 COSTS OF SERVICES

	Parent Company		Consolidated	
	03.31.2022	03.31.2021	03.31.2021	03.31.2021
Third-party services	2.247	1.689	7.248	4.244
Personnel, payroll charges, and benefits	28.215	15.923	64.937	36.432
Depreciation and amortization	2.249	1.071	2.249	1.071
Other costs	3.000	1.069	6.198	1.243
	35.711	19.752	80.632	42.990

20 SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

	Parent Company		Consolidated	
	03.31.2022	03.31.2021	03.31.2022	03.31.2021
Third-party services	1.468	569	4.212	2.416
Personnel, charges, and benefits	391	5.264	13.921	7.024
Commissions	1.140	735	1.247	735
Rentals, insurance, condominiums, and others	438	391	783	649
Additional provision for bonuses and profit-sharing	1.907	1.259	3.174	1.707
Additional (reversal) provision for lawsuits	(41)	(89)	(1.057)	(1.442)
Supplement to estimated provision for doubtful accounts	(174)	180	(341)	291
Energy, communication, and other	220	171	443	244
Consultants, lawyers, and auditors	134	264	565	373
Advertising and marketing	290	290	365	294
Transportation and lodging expenses	49	6	56	6
Other expenses	499	295	870	531
Depreciation and amortization	8.263	4.190	11.967	7.762
	14.584	13.525	36.205	20.590

21 FINANCIAL RESULT, NET

	Parent Company		Consolidated	
	03.31.2022	03.31.2021	03.31.2022	03.31.2021
Financial expenses:				
Interest in investment acquisition	(483)	(689)	(995)	(1.227)
Interest on loans	(5.500)	(322)	(5.500)	(322)
Bank expenses	(19)	(44)	(110)	(142)
Present value adjustment	(1.448)	(375)	(2.495)	(954)
IOF expenses	(32)	(34)	(46)	(36)
Interest and monetary restatement of lawsuits	(196)	(386)	(242)	(556)
Other financial expenses	(44)	(7)	(59)	(287)
Installments	-	(88)	-	(123)
Financial revenues:				
Income from financial investments	3.310	1.175	4.048	1.309
Other financial revenues	11	-	70	5
	(4.401)	(770)	(5.329)	(2.333)

22 PROVISION FOR INCOME TAX AND SOCIAL CONTRIBUTION

Current income tax and social contribution were calculated under prevailing tax rates and deferred income tax and social contribution are calculated on temporary differences and accumulated tax loss carryforwards.

a) Current and deferred income tax

The reconciliation of the expense calculated by adopting income tax and social contribution tax rates is as follows:

	Parent Company	
	03.31.2022	03.31.2021
Profit (Losses) for the period before taxes	14.660	(2.013)
Credit due to the combined official tax rate (34%)	(4.984)	684
Adjustments to calculate the actual rate:		
Equity pick-up	517	2.475
Non-deductible bonus	(517)	(428)
Other permanent differences (i)	(11)	61
Expense due to the effective tax rate	(4.995)	2.792
Effective tax rate	34%	-
Current income tax and social contribution	(2.307)	-
Deferred income tax and social contribution	(2.688)	2.792

	Consolidated	
	03.31.2022	03.31.2021
Profit for the period before taxes	16.690	2.327
Expense due to the combined official tax rate (34%)	(5.675)	(791)
Adjustments to calculate the actual rate:		
Presumed profit from subsidiaries (ii)	(536)	(580)
Non-deductible bonus	62	
Other permanent differences (i)	996	(177)
Expense due to the effective tax rate	(5.153)	(1.548)
Effective tax rate	30%	67%
Current income tax and social contribution	(6.824)	(2.622)
Deferred income tax and social contribution	1.671	1.074

(i) The other permanent differences line mainly includes non-deductible expenses, special tax rates, and Worker's Food Program (PAT).

(ii) The difference is due to the companies in the group that use the income tax and social contribution based on the presumed profit method.

b) Deferred income tax and social contribution - assets

Breakdown of deferred income tax and social contribution:

	Parent Company		Consolidated	
	03.31.2022	12.31.2021	03.31.2022	12.31.2021
Non-current assets				
Tax loss carryforwards	28.389	29.398	45.240	41.339
Provision for doubtful accounts	428	487	761	877
Provision for profit-sharing	372	279	459	365
Provision for lawsuits and other obligations	10.463	10.524	41.079	17.594
Amortization of tax goodwill in business combination	(10.153)	(8.301)	(20.274)	(17.089)
Other provisions	383	408	(700)	450
Change in the fair value of financial assets	-	-	(2.667)	(2.667)
Lease	4.991	4.766	8.435	6.727
	34.873	37.561	72.333	47.596

Deferred income tax and social contribution were created based on studies prepared by Management regarding the generation of taxable income that allow the total realization of these amounts in the next years, in addition to the expectation of realization of deductible or taxable temporary differences, as shown below:

	Parent Company	Consolidated
2022	5.455	8.097
2023	4.990	11.399
2024	6.660	13.933
2025	7.508	15.616
2026	8.953	17.826
2027	8.540	10.900
2028	2.920	12.239
2029	-	2.597
Total deferred tax asset	45.026	92.607
Goodwill tax benefit	(10.153)	(20.274)
Total	34.873	72.333

23 EARNINGS PER SHARE

The calculation of basic earnings per share is made by dividing the net income for the year, attributed to common shareholders of the Parent Company, by the weighted average number of outstanding common shares during the period.

Diluted earnings per share are calculated by dividing the net income for the period, attributed to common shareholders of the Parent Company, by the weighted average number of outstanding common shares during the period, plus the weighted average number of common shares that would be issued in the conversion of all potential common shares diluted into common shares.

The following tables show data on the result and shares used to calculate the basic and diluted earnings per share:

	Parent Company and Consolidated	
	03.31.2022	03.31.2021
Basic earnings per share		
Numerator		
Net income for the period attributed to the Company's shareholders	9.665	779
Denominator		
Weighted average number of outstanding common shares	84.992.966	69.970.260
Basic earnings per share (in Reais)	0,114	0,011

	Parent Company and Consolidated	
	03.31.2022	03.31.2021
Diluted earnings per share		
Numerator		
Net income for the period attributed to the Company's shareholders	9.665	779
Denominator		
Weighted average number of outstanding common shares	84.992.966	69.970.260
Potential increase in common shares due to the stock option plan and restricted shares	434.913	375.897
Diluted earnings per share (in Reais)	0,113	0,011

24 LEASE

Lease liabilities were recognized as required by accounting standard IFRS 16/ CPC 06 (R2), which requires the liability for future payments and the right to use the leased assets to be recorded for all agreements in the standard's scope. For current leases, the average discount rate of 7.38% was used.

	Final Maturity	Parent Company		Consolidated	
		03.31.2022	12.31.2021	03.31.2022	12.31.2021
Escritório Belo Horizonte	31/12/2028	6.279	5.246	6.279	5.246
Escritório São Paulo	01/07/2028	-	-	23.454	24.193
Escritório Curitiba	01/07/2022	-	-	314	505
Servidores	31/12/2022 e 2026	46.176	49.526	46.176	49.526
Total		52.455	54.772	76.223	79.470
Circulante		13.402	13.121	16.804	16.660
Não circulante		39.053	41.651	59.419	62.810

According to OFFICIAL LETTER/CVM/SNC/SEP/02/2019, the Company adopted the requirements of CPC06 (R2) as accounting policy to measure and remeasure its right of use, using the discounted cash flow technique without considering inflation (actual flow discounted at a nominal rate). Management assessed the use of nominal flows and concluded that they do not present relevant distortions in the information presented.

To preserve the reliable representation of the information concerning the requirements of CPC06 (R2) and to meet the guidelines of the technical areas of CVM, the liability balances without inflation, effectively accounted for (real flow x nominal rate), and the estimate of the inflated balances in the comparison periods (nominal flow x nominal rate) are provided.

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Other assumptions, such as the maturity schedule of liabilities and interest rates used in the calculation are disclosed in other items of this same note. The inflation rates are those observable in the market so that nominal flows can be prepared by users of financial statements.

	Parent Company		Consolidated	
	03.31.2022	12.31.2021	03.31.2021	12.31.2022
Actual flow discounted at a nominal rate				
Lease liabilities	60.051	63.051	89.515	93.863
Present value adjustment	(7.596)	(8.279)	(13.292)	(14.393)
	52.455	54.772	76.223	79.470
Nominal flow discounted at a nominal rate				
Lease liabilities	62.387	64.770	92.998	95.002
Present value adjustment	(7.892)	(9.856)	(13.810)	(14.457)
	54.495	54.914	79.188	80.545

The changes in leases are as follows:

	Parent Company	Consolidated
	54.772	79.470
Balance as of December 31, 2021		
Additions	2.214	2.214
Incurred interest	1.448	2.495
Interest paid	(703)	(1.626)
Amortization	(5.276)	(6.330)
Balance as of March 31, 2022	52.455	76.223

25 NON-CASH TRANSACTIONS

Investing and financing transactions that do not involve the use of cash or cash equivalents are not included in the cash flow statements. The Company carried out the following non-cash investing and financing activities:

	Parent Company		Consolidated	
	03.31.2022	03.31.2021	03.31.2022	03.31.2021
Recognition of lease assets	2.214	1.584	2.214	8.583
Recognition of lease liabilities	(2.214)	(1.083)	(2.214)	(6.880)
Business combination installments	-	48.826	109.657	48.826
Assets acquired in business combinations	-	89.617	309.877	89.617
Liabilities acquired in business combination	-	(89.617)	(309.877)	(89.617)

26 BUSINESS COMBINATION

In the March 31, 2022 period, the Company concluded the acquisitions of Newcon Software S.A., Mercer Seguridade Ltda., and Lote45 Participações Ltda.

In 2022, there was an update in the balances of the Rosk Software Ltda business combination, which was concluded and disclosed in the financial statements as of December 31, 2021. The change in the price allocation report caused an increase of 1,592 in the Goodwill item on the acquisition of subsidiaries – Goodwill.

a) Newcon Software S.A.

On January 06, 2022, the Company concluded the acquisition of the full share capital of Newcon Software S.A. The transaction involved the initial amount of R\$338.872 in cash, paid on the acquisition date, and installments of R\$83.628 to be paid in five annual installments, of which two installments of R\$19.314, one of R\$15.000, and two of R\$11.250, in addition to installments of R\$3.750, to be paid in January 2022 and January 2023.

Newcon is one of the main providers of technology for the financial system in Brazil that specializes in software used by consortium administrators linked to the main financial conglomerates and automakers, in addition to independent companies.

The total amount of the transaction was R\$422.500.

a.1) Corresponding entry:

Payment in cash	338.872
Installments	83.628
Total	422.500

a.2) Assets and liabilities recognized at fair value on the acquisition date:

STATEMENT OF FINANCIAL POSITION OF THE ACQUIRED COMPANY

	<u>01/06/2022</u>		<u>01/06/2022</u>
Current assets		Current liabilities	
Cash and cash equivalents	3.591	Loans and financing	4.066
Receivables	2.708	Advances from customers	4.715
Taxes recoverable	758	Suppliers	66
Advances to employees	118	Tax liabilities	2.773
Advances to suppliers	79	Labor liabilities	2.957
Prepaid expenses	7	Accounts payable	107
Other assets	2.251		
Total current assets	<u>9.512</u>	Total current liabilities	<u>14.684</u>
Non-current assets		Non-current liabilities	
Net property and equipment	3.788	Provision for lawsuits	63.340
Intangible assets	225.373		
Deferred tax assets	21.536		
Total non-current assets	<u>250.697</u>	Total non-current liabilities	<u>63.340</u>
		Total equity	182.185
Total assets	<u>260.209</u>	Total liabilities	<u>260.209</u>

a.3) Preliminary goodwill from the acquisition

Estimated price	422.500
(-) Fair value of acquired assets:	
Software	(16.710)
Customer portfolio	(177.089)
Brand	(28.749)
Deferred tax assets	(21.536)
(+) Fair value of liabilities assumed:	
Contingencies	63.340
(-) Net book equity on the acquisition date	1.441
Goodwill for expected future profitability generated in the acquisition	<u>240.315</u>

The following table shows the acquired intangible assets that were not initially recorded in the acquired company's accounting books, as well as the estimated useful life and amortization method:

<u>Intangible assets</u>	<u>Value</u>	<u>Useful life</u>	<u>Amortization method</u>
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Software	16.710	10 years	Straight line
Customer portfolio	177.089	13 years	Straight line
Brand	28.749	8 years	Straight line

b) Mercer Seguridade Ltda.

On February 01, 2022, the Company concluded the acquisition of the full share capital of Mercer Seguridade Ltda. The transaction involved the initial amount of R\$27.754 in cash, disbursed on the acquisition date, and installments of R\$7.000 to be paid in five annual installments of R\$1.400, and a price adjustment of R\$4.727.

Mercer Seguridade has software and services focused on customer service, accounting, treasury, risk, and social security areas of closely held private pension companies.

The total amount of the transaction was R\$37.479.

b.1) Corresponding entry:

Payment in cash	25.753
Installments	7.000
Variable installment	4.727
Total	37.480

a.2) Assets and liabilities recognized at fair value on the acquisition date:

STATEMENT OF FINANCIAL POSITION OF THE ACQUIRED COMPANY

	<u>02/01/2022</u>		<u>02/01/2022</u>
Current assets		Current liabilities	
Cash and cash equivalents	344	Trade payables	1
Receivables	3.475	Advances from customers	374
		Tax liabilities	587
		Labor liabilities	2.247
Total current assets	<u>3.819</u>	Total current liabilities	<u>3.209</u>
Non-current assets		Non-current liabilities	
Intangible assets	23.511	Contingencies	2.462
Total non-current assets	<u>23.511</u>	Total non-current liabilities	<u>2.462</u>
		Total equity	21.659
Total assets	<u>27.330</u>	Total liabilities	<u>27.330</u>

b.3) Preliminary goodwill from the acquisition

Estimated price	37.480
(-) Fair value of acquired assets:	
Software	(11.456)
Customer portfolio	(12.055)
(+) Fair value of the liabilities assumed:	
Contingencies	2.462
Labor liabilities	2.246
(-) Negative book equity on the acquisition date	2.857
Goodwill for expected future profitability generated in the acquisition	<u>15.820</u>

The following table shows the acquired intangible assets that were not initially recorded in the acquired company's accounting books, as well as the estimated useful life and amortization method:

<u>Intangible assets</u>	<u>Value</u>	<u>Useful life</u>	<u>Amortization method</u>
Software	11.456	12.5 years	Straight line
Customer portfolio	12.055	13 years	Straight line

c) Lote45 Participações S.A.

On January 18, 2022, the Company concluded the acquisition of 52% of the share capital of Lote45 Participações Ltda. The transaction involved the initial amount of R\$76.773 in cash and a subscription of R\$3.000 on the acquisition date. Moreover, the Company will pay a variable amount estimated at R\$14.302 in cash in 2023.

Lote45 specializes in risk management software that is used by over 100 clients from the investment fund industry, especially family offices and asset management companies.

The total amount of the transaction was R\$94.075.

c.1) Corresponding entry:

Payment in cash	76.773
Subscription payment in cash	3.000
Variable installment	14.302
Total	<u>94.075</u>

c.2) Assets and liabilities recognized at fair value on the acquisition date:

STATEMENT OF FINANCIAL POSITION OF THE ACQUIRED COMPANY

	<u>01/18/2022</u>		<u>01/18/2022</u>
Current assets		Current liabilities	
Cash and cash equivalents	2.818	Trade payables	167
Receivables	1.471	Tax liabilities	530
Taxes recoverable	7	Labor liabilities	1.662
Advances to employees	21	Accounts payable	60
Advances to suppliers	36		
Prepaid expenses	13		
Other assets	292		
Total current assets	<u>4.658</u>	Total current liabilities	<u>2.419</u>
Non-current assets		Non-current liabilities	
Property, plant & equipment	479	Contingencies	
Intangible assets	33.152	Other obligations	13.728
Deferred tax assets	4.668		294
Total non-current assets	<u>38.299</u>	Total non-current liabilities	<u>14.022</u>
		Total equity	26.516
Total assets	<u>42.957</u>	Total liabilities	<u>42.957</u>

c.3) Preliminary goodwill from the acquisition

Estimated price	94.075
(-) Fair value of acquired assets:	
Software	(5.670)
Brand	(7.951)
Contracts	(3.610)
Deferred tax assets	(2.427)
(+) Fair value of the liabilities assumed:	
Contingencies	7.139
(-) Negative book equity on the acquisition date	1.271
Goodwill for expected future profitability generated in the acquisition	<u>80.285</u>

The following table shows the acquired intangible assets that were not initially recorded in the acquired company's accounting books, as well as the estimated useful life and amortization method:

<u>Intangible assets</u>	<u>Value</u>	<u>Useful life</u>	<u>Amortization method</u>
Software	5.670	7.5 years	Straight line
Brand	7.951	6.7 years	Straight line
Contracts	3.610	1.51 years	Straight line