

Interim Financial Information

(unaudited)

Sequoia Logística e Transportes S.A.

March 31, 2022

with Report on Review of Interim Financial Information

Sequoia Logística e Transportes S.A.

Interim financial information

March 31, 2022

Contents

Management report

Report on review of interim financial information.....1

Interim financial information

Statements of financial position.....	3
Statements of profit or loss.....	5
Statements of comprehensive income.....	6
Statements of changes in equity.....	7
Statements of cash flows.....	8
Statements of value added.....	9
Notes to the interim financial information.....	10



sequoia

RELEASE 1Q22

Earnings Conference

May 6th, 2022
(Friday)
10h BRT

Portuguese

Tel: +55 11 3181-8565

[Webcast Link](#)

English

(Simultaneous Translation)

Tel: +1 412 717-9627

+44 20 3795-9972

[Webcast Link](#)

B3:SEQL3

R\$10,22

Per share

(05/05/2022)

139.898.823

Total Shares

R\$1,4 Bi

Market Cap

ri@sequoialog.com.br

1Q22 EARNINGS RELEASE

São Paulo, May 05, 2022 – Sequoia Logística e Transportes S.A. (“Sequoia” or “Company”; B3: SEQL3), a leader in e-commerce and technology logistics operations, announces results for the first quarter of 2022 (“1Q22”). All numbers are compared to the same period of the previous year, unless specified.

As of 2022, the Company will no longer adjust Gross Profit and EBITDA for the effects of IFRS 16. To better represent the business’ economic reality, Gross and Net Profit will be presented excluding the amortization of intangibles generated in the acquisitions (“ Ex Intangibles”). The reconciliation of Net Profit is presented on page 10 and the impacts related to IFRS 16 in the EBITDA on page 15.

1Q22 Highlights

- **Number of Orders** accelerated, reaching 19,6 million, an 81,3% growth. Strong B2C grow with 18.1 million orders, an 87.7% increase.
- **Gross Revenue** reached R\$ 538.1 million, growing 39.0%. Organic growth of 27.7%.
- **B2C Gross Revenue** was R\$ 360.9 million, total growth 57.0%. Organic growth of 51.6%.
- **EBITDA** reaches R\$ 38.4 million, a growth of 83,5%. EBITDA margin reaches 8.6% (+2.2 p.p.)
- **ROIC:** Reaches 37.3%, an increase of 2.9 p.p. YoY.

*Thousand, unless otherwise indicated

Highlights	1Q22	1Q21	Δ
B2C	18.1	9.7	87.7%
B2B	1.4	1.1	25.8%
Quantity of Orders	19.6	10.8	81.3%
B2C	360.9	229.9	57.0%
B2B	129.4	114.3	13.2%
Logistics	47.8	42.9	11.4%
Gross Revenue	538.1	387.1	39.0%
Net Revenue	449.1	326.4	37.6%
Gross Profit	81.5	57.2	42.5%
Gross Margin	18.1%	17.5%	0.6 pp
EBITDA	38.4	20.9	83.5%
EBITDA Margin	8.6%	6.4%	2.2 pp
Adjusted EBITDA¹	46.7	30.6	52.4%
Adjusted EBITDA Margin	10.4%	9.4%	1.0 pp
Adjusted Net Profit²	(4.6)	(3.7)	24.2%
Adjusted Net Margin	-1.0%	-1.1%	0.1 pp
ROIC³	37.3%	34.4%	2.9 pp

1 Excludes non-recurring expenses with: (i) mergers and acquisitions; and (ii) other income/expenses.

2 Excludes intangible amortization from acquisitions and non-recurring expenses.

3 Sum of Adjusted EBITDA LTM plus Depreciation LTM, multiplied by (1 - Income Tax Rate) divided by Residual Value + Working Capital (The Income Tax and Social Contribution Rate used to calculate the ROIC was 34%).

MESSAGE FROM THE MANAGEMENT

Significant growths of 88% in the number of Orders and 57% in Gross Revenue in the B2C segment, reflecting the Company's strong ability to gain market share.

1Q22 recorded significant growths in Orders and Gross Revenue, led by the B2C segment. Despite seasonality, with lower demand expected for the beginning of the year, the Company was able to gain strong organic growth, maintaining total Gross Revenue at the same level as that reported in 4Q21, through new customers and share gain in same-client sales.

The total number of Orders reached 19.6 million in the period, up by 81% over 1Q21, and above the figure reported in 4Q21. Gross Revenue grew by 39%, with organic growth increasing by 28%.

For the second consecutive quarter, the volume of Orders in the B2C segment significantly increased. The volume of Orders grew by 88% in 1Q22, to 18.1 million, and virtually 100% of such growth was organic (~98%). Such increase is mainly related to the light goods segment, with packages with less than 3kg. The Gross Revenue of the B2C segment also recorded a significant growth of 57%, with organic growth increasing by 52%.

The performance reported in 1Q22 makes us confident to deliver a solid result in 2022 and to continue exploring growth opportunities in the coming years through a synergistic model between our B2C and B2B businesses with innovative solutions that will generate great benefits for our customers.

EBITDA Margin grows by 2.2 p.p. YoY, a strong increase led by higher volume and efficiency gains.

The upturn in the number of Orders, with a subsequent increase in Gross Revenue, reflected the growth in EBITDA and margin between 1Q22 and 1Q21. The EBITDA reported solid growth of 84%, reaching a margin of 8.6%, 2.2 percentage points higher than in 1Q21.

The effect of operational leverage, with growing route volume, mainly of light products of the B2C segment, was essential for the increase in the EBITDA margin, contributing to the YoY dilution of costs and operational expenses.

It is worth noting that the appropriate comparison for margin growth is on an annual basis, since the Company's cost dynamics are impacted by seasonality and the subsequent level of occupation of structures and routes during the year and are also influenced by the maturity of the routes and growing structures. Despite the similar Gross Revenue of 4Q21, the seasonality of the B2B and Logistics segments was maintained in 1Q22, with a lower occupancy level and in line with the period seasonality.

The recent increase in fuel prices by Petrobras in March did not impact our cost structure in the quarter, given the Company's asset-light operation model. At the end of 1Q22, we adjusted freight costs to our partner drivers, based on the impact of higher fuel prices. At the same time, we adjusted revenue with our customers, neutralizing by 100% the possible impact on 2Q22 margins.

SFx has over 11 million Orders in the quarter. We continue progressing in the integration of our digital solutions.

SFx, our digital collection solution in multiple origins focused on small and medium sellers, was key to the growing volume reported in the B2C segment. In 1Q22, SFx contributed more than 11 million Orders by collecting in 551 different cities to more than 11,000 small and medium sellers. The integration of SFx with the other solutions that are part of the Company's digital ecosystem (Drops, Frenet, and Lincros) will be essential to the sustainability of our growth.

In 1Q22, Drops, which has pick-up and drop-off ("PUDOs") points and reverse logistics operation, registered 1,500 approved PUDOs. In 1Q22, the Company also launched a tool for small and medium sellers to directly contract Drops' solutions for the delivery of their orders, marking the entry of Drops in direct contact with small

and medium sellers. For large retailers, the Company is progressing in negotiations that may quickly and significantly increase volumes to the PUDO's network.

Frenet, our digital freight solution platform, reached 32,000 active sellers that use the platform for freight pricing. Over 1Q22, the company made progress in negotiations with several platforms and we expect to increase the active seller base over the first half. SFX's and Drops' solutions will be incorporated into Frenet in 2022 to capture the active sellers of the platform, which were responsible for R\$678 million in freight negotiations in 2021.

In 1Q22, Sequoia and Lincros started a project to develop a new routing system. A pilot project enabled in some cities showed that the new solution has the potential to increase delivery efficiency in the first and last miles. We will provide more details during the progress of the project.

OPERATING REVENUE

Our activities are segmented into three categories: (i) **B2C** (business to consumer) transport, (ii) **B2B** (business to business) transport and (iii) **Logistics** services.

Gross Revenue by Segment

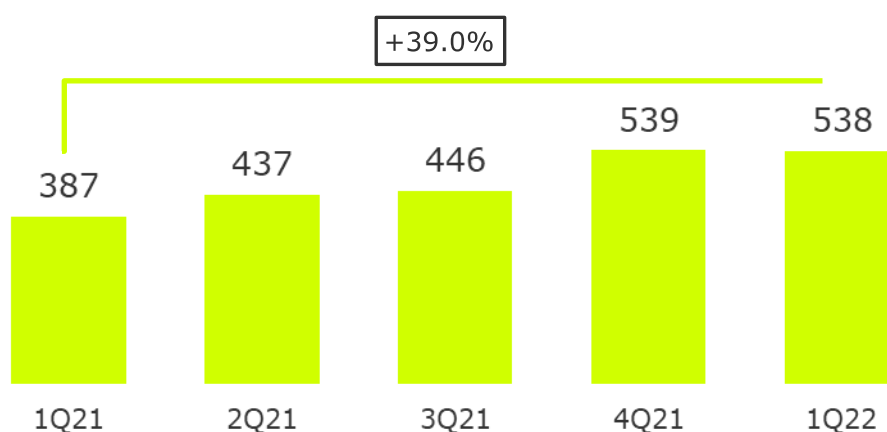
*thousands, otherwise if indicated

	1Q22	1Q21	Δ
B2C	360,900	229,900	57.0%
B2B	129,400	114,300	13.2%
Logistics	47,800	42,940	11.3%
Gross Operating Revenue	538,100	387,141	39.0%
Taxes levied	(88,960)	(60,701)	46.6%
% Gross Revenue	16.5%	15.7%	0.8 p.p.
Net Operating Revenue	449,140	326,440	37.6%

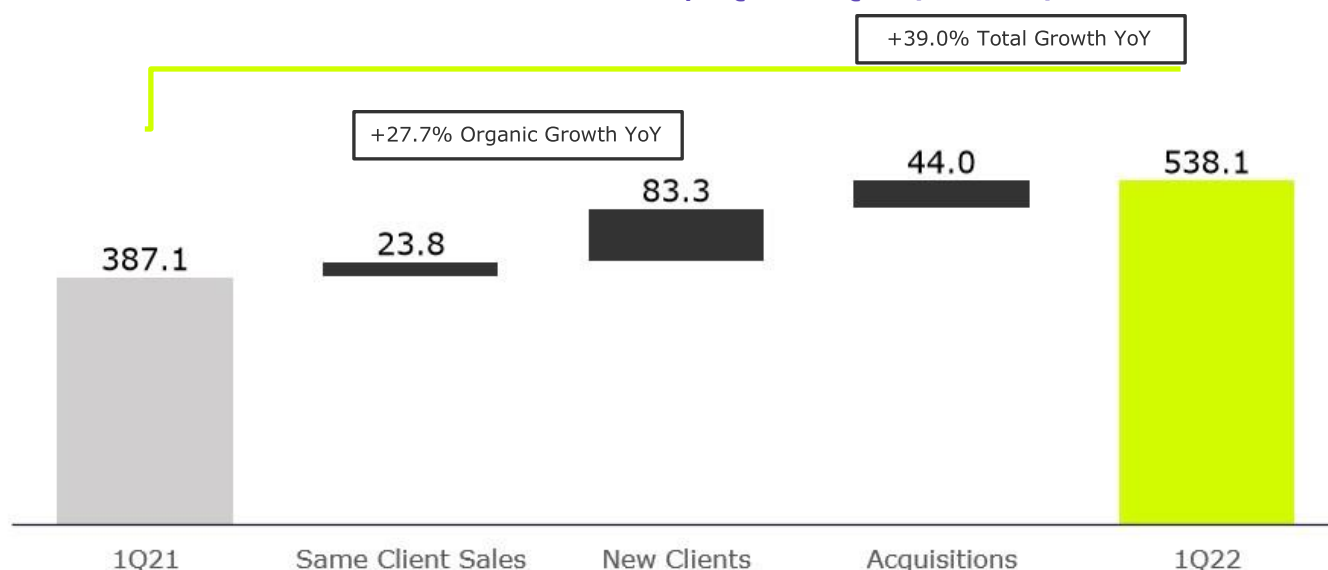
In 1Q22, the Company's Gross Revenue totaled R\$538.1 million, an increase of 39.0%. We highlight the expansion of B2C Gross Revenue, which grew by 57.0% in 1Q22.

Taxes on Gross Revenue totaled R\$89.0 million in the quarter, representing an increase of 0.8 p.p. in the ratio of Taxes on Gross Revenue versus the same period of the previous year, as a result of the mix of States in the provision of transport services that have different ICMS rates, considering the origin and destination of the packages.

Gross Revenue (R\$ million)



Gross Revenue Evolution | 1Q21 x 1Q22 (R\$ million)

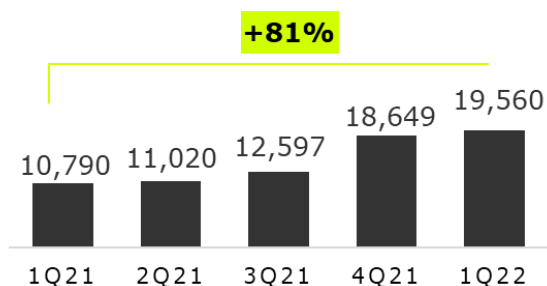


The change in Gross Revenue in the quarter stems from:

- (i) **Same Client Sales (SCS)**: increase of R\$23.8 million (+6.1%), with an important recovery compared to 3Q21 (R\$3.9 million) and 4Q21 (6.7 million), mainly impacted by the strong organic growth of the B2C segment that reached increase of 51.6% (SCS + New Customers). The consolidated growth presented, lower than the historical series, reflects: (i) the strong basis of comparison of B2C in the second half of 2021, which presented high and atypical volume due to the change in scale of e-commerce; (ii) the impact of forced churn in the B2C Heavy and B2B segments, carried out in 3Q21, with a positive impact on the Company's profitability; and (iii) impacts related to the B2B segment, which has shown a timid recovery so far, given the impacts caused by the pandemic on its supply and demand for products with higher added value.
- (ii) **New Clients**: strong increase of R\$ 83.3 million in Revenue, representing the highest annual growth rate since 3Q20, the first result released by the Company after the IPO. The growth was mainly impacted by the B2C segment with the acceleration of the SFX model and the entry of new marketplace players; and
- (iii) **M&As**: increase in Revenue as a result of the acquisitions, mainly of Prime, Plimor and, lesser impact of Frenet (logtech), which combined contributed with R\$ 44.0 million. We highlight that, as of 4Q21, Direcional's operation started to be considered in organic growth.

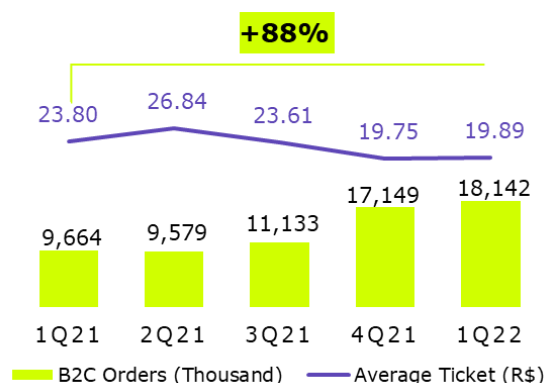
We emphasize that, in the quarter, both Same Client Sales and M&As revenues were negatively impacted by the forced and one-off churn in the B2C Heavy and B2B segments, carried out in 3Q21, due to: (i) customers with a profile of products that are not "drawable", not adhering to the investments made by the Company in automatic drawing, generating low profitability in operations; and (ii) customers with smaller operations whose contracts expired in 3Q21 and did not accept the price adjustment due to high inflation in the period.

Consolidated Orders (thousands)



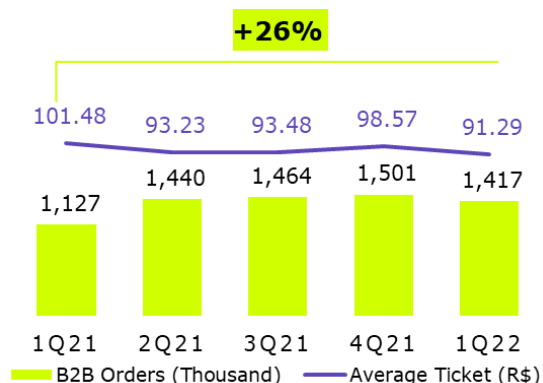
In the quarter, the Company made 19.6 million deliveries, representing a growth of 81%. The new level achieved in relation to previous periods reflects the strong increase in the number of orders in categories with a lower average ticket through SFx, which reached 11.6 million orders in the quarter.

B2C Orders (thousands)



In **B2C**, we reached 18.1 million deliveries in 1Q22, an increase of 88% compared to 1Q21, with an average ticket retraction of 16.4% YoY, mainly reflecting the impact of the acceleration of the lighter items segment (light goods B2C), which have a lower average ticket.

B2B Orders (thousands)



In **B2B**, we reached 1.4 million deliveries in 1Q22, growth of 26% compared to 1Q21, with an average ticket retraction of 10.0%, reflecting the mix by the greater share of the number of LTL (Less-Than- truckload) and field service.

GROSS PROFIT AND MARGIN

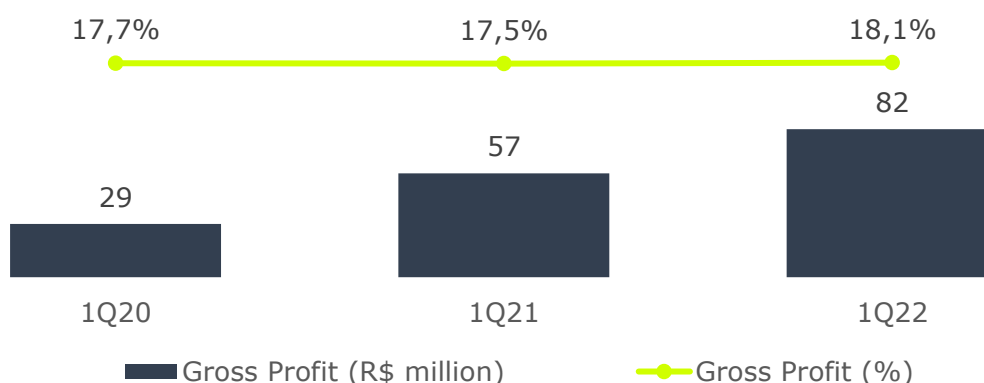
*Thousand, unless otherwise indicated

	1Q22	1Q21	Δ
Cost of services rendered	(367,615)	(269,246)	36.5%
Gross margin	18.1%	17.5%	0.6 p.p.
Distribution and transportation	(271,118)	(196,804)	37.8%
Others	(96,498)	(72,442)	33.2%

The Company's costs essentially comprise expenses with freight, fuel, tolls, personnel and other fixed costs related to the provision of storage and transportation services. In the quarter, Cost totaled R\$367.6 million, representing a growth of 36.5% in relation to the same period of the previous year. Gross margin increased by 0.6 p.p., reaching 18.1% in 1Q22.

The increase in Cost reflects: (i) the impacts of inflationary pressure in the last 12 months, mainly in 2021 related to fuel, rent and materials; (ii) increase in the variable part of Costs with volume growth; and (iii) expansion of the operation to meet the strong demand of the B2C segment.

Gross Profit and Margin Evolution



In the quarter, Gross Profit totaled R\$81.5 million, a growth of 42.5% in relation to the same period of the previous year. Even amid the aforementioned scenario of inflationary pressure, the Gross Margin reached 18.1% in the quarter, an improvement of 0.6 p.p. compared to 1Q21.

Historically, the Gross Margin of the three segments (B2C, B2B and Logistics) has presented similar levels, however, in the last 15 months, the categories were impacted in different ways. Despite the positive impact on the gross margin from the increase in volume, mainly from the B2C segment, we understand that there is an opportunity to gain efficiency with the recovery and growth of the B2B segment. In 1Q22, the B2B segment presented a lower contribution margin than the B2C segment, due to a lower level of occupancy of the structures.

SELLING, ADMINISTRATIVE, GENERAL AND OTHER EXPENSES

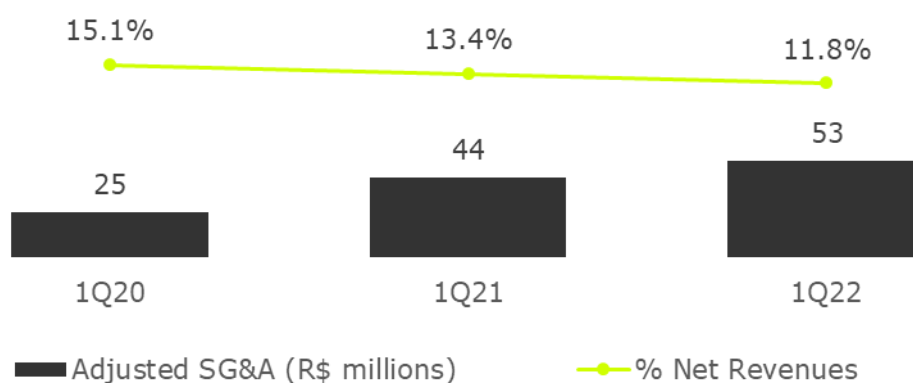
*Thousand, unless otherwise indicated

	1Q22	1Q21	Δ
Selling, Administrative, General and Other adjusted expenses	(80,338)	(62,061)	29.4%
% Net Revenue	17.9%	19.0%	-1.1 p.p.
Depreciation and amortization	19,235	8,501	126.3%
M&A Expenses	8,270	9,697	-14.7%
Adjusted Selling, Administrative, General and Other Expenses	(52,833)	(43,863)	20.4%
% Net Revenue	11.8%	13.4%	-1.6 p.p.
Personnel Expenses	(27,042)	(23,507)	15.0%
Other Expenses	(25,791)	(20,356)	26.7%

1 Excludes non-recurring expenses with: (i) mergers and acquisitions; and (ii) Depreciation and Amortization

In 1Q22, total Expenses reached R\$ 80.3 million, essentially comprising personnel, sales, administrative, third-party services, depreciation and amortization expenses. In comparison with the same period of the previous year, Expenses increased 29.4% and presented a dilution of 1.1 p.p. Adjusting Expenses for non-recurring effects (M&A expenses), depreciation and amortization of intangible assets, the latter originated from acquisitions, Adjusted Expenses totaled R\$52.8 million, increasing 20.4% with a dilution of 1.6 p.p. compared to 1Q21.

Evolution of Selling, Administrative, General and Other Adjusted Expenses



EBITDA AND ADJUSTED EBITDA

*Thousand, unless otherwise indicated

	1Q22	1Q21	Δ
EBITDA	38,421	20,943	83.5%
EBITDA Margin	8.6%	6.4%	2.2 p.p.
M&A Expenses (non-recurring)	8,270	9,697	-14.7%
Adjusted EBITDA¹	46,691	30,640	52.4%
Adjusted EBITDA Margin ¹	10.4%	9.4%	1.0 p.p.

1 Adjusted EBITDA is calculated by EBITDA, excluding M&A expenses and non-recurring income/expenses.

As a result of the factors listed above, EBITDA totaled R\$38.4 million in the quarter, with a strong expansion of 83.5% compared to 1Q21. The EBITDA margin reached 8.6%, 2.2 p.p. higher than the same period in 2021.

Adjusted EBITDA for non-recurring effects was R\$46.7 million with a margin of 10.4%, an expansion of 52.4% and 1.0 p.p., respectively.

The non-recurring items adjusted in EBITDA are Expenses with projects for acquisitions and integration of acquired companies (Prime, Frenet and Plimor).

NET INCOME

*Thousand, unless otherwise indicated

	1Q22	1Q21	Δ
Net Income (Loss)	(29,797)	(18,592)	60.3%
Intangible Amortization	17,539	8,505	106.2%
M&A (non-recurring)	8,270	9,697	-14.7%
Effect from Early Settlement of Debentures	2,221	-	-
Income Tax / Social Contribution	(2,813)	(3,297)	-14.7%
Adjusted Net Income (Loss)	(4,580)	(3,687)	24.2%
Adjusted Net Margin	-1.0%	-1.1%	0.1 p.p.

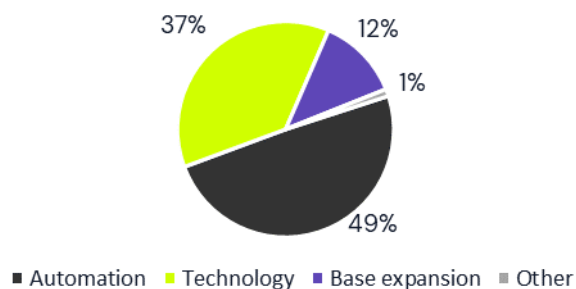
In the quarter, Adjusted Net Income for non-recurring effects and amortization of intangibles generated by acquisitions reached R\$ (4.6) million, compared to R\$ (3.7) million in 1Q21.

In the comparison between 1Q22 and 1Q21, Net Income was negatively impacted by the variation in the Financial Result (Financial Expenses) as a result of the increase in the Brazilian economy's basic interest rate ("Selic Rate"). Isolating only the effect of the increase in the interest rate related to the Company's financings, the result would be an increase of R\$ (11.4) million in 1Q22 versus 1Q21. Disregarding this effect, Adjusted Net Income would post a positive evolution in the quarter.

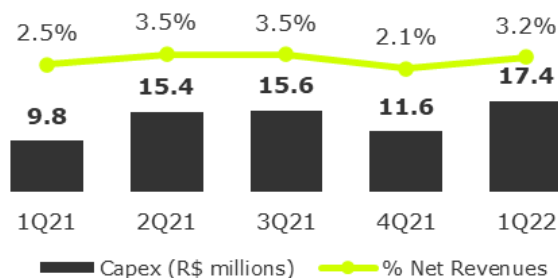
CAPEX

Historically, the Company's investments are mostly directed to (i) the expansion and automation of its Distribution Centers, Hubs and Bases, with higher capillarity and a positive impact on the Company's operating efficiency; and (ii) technological training in data storage and processing, software development and integration processes with new customers.

1Q22 CAPEX



CAPEX EVOLUTION



CAPEX totaled R\$17.4 million in 1Q22, an increase of 78.0% when compared to 1Q21. CAPEX invested in the quarter, divided by Gross Revenue for the same period, reached 3.2%.

ROIC – RETURN ON INVESTED CAPITAL

*Thousand, unless otherwise indicated

ROIC ¹	1Q22	1Q21	Δ
Adjusted EBITDA² LTM	A 217,364	148,739	46%
Depreciation LTM	B (77,831)	(57,329)	36%
Residual Value (Property & Equipment + Software)	C 155,581	117,769	32%
Accounts Receivable	366,994	247,517	48%
Suppliers	(147,324)	(100,477)	47%
Tax and Labor Liabilities	(128,168)	(89,341)	43%
Working Capital	D 91,503	57,700	59%
Income Tax Rate	E 34%	34%	
ROIC ((A+B)*(1-E))/(C+D)	37.3%	34.4%	2.9 pp

¹ Sum of Adjusted EBITDA LTM plus Depreciation LTM, multiplied by (1 - Income Tax Rate) divided by Residual Value + Working Capital (The Income Tax and Social Contribution Rate used to calculate the ROIC was 34%).

² Excludes non-recurring expenses with: (i) mergers and acquisitions; and (ii) other income/expenses.

In the last 12 months ended in 1Q22, ROIC reached 37.3%, 2.9 p.p. above that presented in the same period of the previous year. The result reflects the Company's ability to balance the strong growth of the operation, with the increased demand for working capital, with the benefit of the asset light model and the higher-level increase in Operating Profit.

To calculate the ROIC, the Company used the statutory rate of 34% – and not the effective rate – as it understands that it is temporarily benefiting from the tax loss carryforwards and goodwill on acquisitions, and the Adjusted EBITDA LTM is the basis for calculating NOPAT. As of 1Q22, as in the comparison periods, we started to use Adjusted EBITDA as a basis for calculating NOPAT and ROIC. In this way, we understand that the calculation better represents the economic reality of the business.

NET DEBT

*Thousand, unless otherwise indicated

	Mar 22	Dec 21	Δ
(A) Indebtedness	497,776	500,757	-0.6%
Loans, Financing, Debentures and Derivatives	383,141	381,418	0.5%
Accounts payable due to acquisition of subsidiaries	113,624	120,825	-6.0%
(B) Cash and Cash Equivalents	(198,960)	(203,461)	-2.2%
(C=A+B) Net Debt	297,805	298,782	na
¹ CVM 527 EBITDA (b)	200,544	184,043	9.0%
Financial Leverage Ratio (C/b)	1.5x	1.6x	-0.1x

¹The EBITDA consists of the net profit (loss) from the net financial result, the income tax and social contribution – current and deferred and expenses and depreciation and costs; calculated based on the provisions of CVM Instruction 527 of October 4, 2012, considering the last 12 months of each period.

At the end of March/22, the Company's Financial Leverage Ratio reached 1.5x (1.6x in December/21), remaining at a healthy level.

ESG AGENDA

In the previous quarter, the Company concluded its materiality matrix, taking an important step towards maturing our ESG agenda. Based on this extensive discussion with our stakeholders, the pillars that will be the focus of this agenda were defined: Emissions & Waste, Mobility, Community and Drivers.

Considering these pillars, we defined four ambitions to be achieved by 2030:

- Pursuing carbon neutrality
- Favor sustainable urban mobility in priority cities
- Increase human development in the Sequoia ecosystem
- Ensure safety, development and fair work for partner drivers

To achieve these ambitions, the Company has been working on defining strategic priorities, as well as annual goals and objectives. Our vision for the future is to make Sequoia the best logistics integrator with a positive socio-environmental impact. Below are the main projects implemented in 1Q22:

- Launch of the I'm Green Program, a circular economy project aimed at recycling plastic cups and producing ecological packaging for Natura;
- Conclusion of the 1st CO2 Inventory (2021) based on the GHG ("Greenhouse Gas") protocol. The data will be published in the Sustainability Report with disclosure scheduled for the second half of the year;
- Beginning of the pilot project for the Frota Carbono Zero, with the arrival of the first electric vehicle for testing. We expect to increase the electric fleet throughout 2022, aiming at our quest to neutralize emissions by 2030;
- Conducting research with partner drivers with the aim of drawing up a social diagnosis and guiding new projects in the areas of health, safety, working conditions, journey, income and development;
- "Elas in Logistics" Campaign held, with the production of digital content addressing stories of overcoming and motivating female leadership with the engagement of more than 2,000 women from the company and third-party companies.

DISCLAIMER

The statements in this document related to business prospects, forecasts on operating and financial results and those related to Sequoia's growth outlook are merely forecasts and, as such, are based solely on the Executive Board's estimates on the future of the business.

These estimates substantially depend on market conditions, the Brazilian economy, the segment, and international markets and, therefore, are subject to changes without prior notice. All variations presented herein are calculated based on the number in thousands of reais, as well as rounding.

This performance report includes accounting and non-accounting data such as operating, pro forma financial statements and forecasts based on the Company's management expectations. Non-accounting data were not subject to review by the Company's independent auditors.

INVESTOR RELATIONS CONTACT

ri@sequoialog.com.br | <https://ri.sequoia.com.br/>

EBITDA RECONCILIATION | IFRS16

*Thousand, unless otherwise indicated

	1Q22	1Q21	Δ
EBITDA	38,421	20,943	83.5%
EBITDA Margin	8.6%	6.4%	2.2 p.p.
M&A Expenses (non-recurring)	8,270	9,697	-14.7%
Adjusted EBITDA¹	46,691	30,640	52.4%
Adjusted EBITDA Margin ¹	10.4%	9.4%	1.0 p.p.
Rental Expenses	-15,166	-14,748	2.8%
Adjusted EBITDA Ex IFRS²	31,526	15,891	98.4%
Adjusted EBITDA Margin Ex IFRS ²	7.0%	4.9%	2.1 p.p.

1 Adjusted EBITDA is calculated by EBITDA, excluding M&A expenses and non-recurring income/expenses.

INCOME STATEMENT

	*thousand	
	1Q22	1Q21
Net operating revenue	449,140	326,440
Costs of services provided	(367,615)	(271,344)
Gross profit	81,525	55,096
Operational expenses:		
Commercial, administrative and general expenses	(93,184)	(58,077)
Other income (expenses), net	12,846	(3,983)
Equity income	(1,166)	-
	(81,504)	(62,060)
Operating income before financial income	21	(6,964)
Financial expenses	(35,279)	(20,224)
Financial revenues	4,319	2,949
	(30,960)	(17,275)
Earnings before income tax and social contribution	(30,939)	(24,239)
Income tax and social contribution - current	(2,057)	(573)
Income tax and social contribution - deferred	3,199	6,220
Period losses	(29,797)	(18,592)

BALANCE SHEET

*thousand

ASSETS	Mar 22	Dec 21	LIABILITIES	Mar 22	Dec 21
Current			Current		
Cash and cash equivalents	163,904	168,931	Borrowings and debentures	34,421	43,298
Accounts receivable	408,509	411,291	Derivatives	-	4,252
Advances	7,809	20,415	Lease liabilities	35,845	80,346
Taxes recoverable	32,492	24,442	Accounts payable and suppliers credit assignment	208,325	175,530
Prepaid expenses	9,655	7,444	Labor and tax obligations	129,368	121,926
Other accounts receivable	10,598	10,698	Payables for acquisition of investments	68,156	63,309
Total current assets	632,967	643,221	Other payables	13,979	27,862
			Total do passivo circulante	490,094	516,523
Non-current			Non-current		
Restricted financial investments	35,056	34,529	Borrowings and debentures	349,731	329,688
Indemnification assets due to acquisition of companies	38,266	36,356	Derivatives	-	2,694
Deferred income tax and social contribution	90,245	87,046	Lease liabilities	251,180	214,786
Judicial deposits	9,898	9,185	Labor and tax obligations	65,322	63,854
Investments	33,252	34,419	Payables for acquisition of investments	45,468	57,516
Property and equipment	142,990	138,332	Provision for legal claims	192,356	196,059
Right by option in the acquisition of investment	7,026	7,026	Other payables	153	221
Intangible assets	723,955	735,006	Total noncurrent liabilities	904,210	864,818
Right-of-use assets	249,608	257,053			
Total noncurrent assets	1,330,296	1,338,951	Total liabilities	1,394,304	1,381,341
			Equity	572,656	600,831
			Share capital	654,590	653,872
			Share issue expenses	(24,247)	(24,247)
			Capital reserves	4,460	3,556
			Income reserves	9,969	9,969
			Accumulated losses	(72,116)	(42,319)
Total Assets	1,963,263	1,982,172	Total liabilities and equity	1,966,960	1,982,172

STATEMENTS OF CASH FLOW | INDIRECT METHOD

*thousand

Cash flow from operating activities	Mar 22	Dec 21
Result before income tax and social contribution	(30,939)	(24,239)
Cash flow generated by (applied in) operating activities	20,233	(51,939)
investment activities		
Increase in fixed assets and intangible assets	(17,384)	(9,767)
Acquisition of subsidiaries net of cash acquired I M&A's	(3,693)	(7,744)
Cash flow applied to investing activities	(21,077)	(17,511)
Financing activities		
Borrowing, financing and debentures	107,462	18,958
Amortization of loans, financing and debentures - principal	(100,357)	(1,837)
Amortization of leases - principal	(12,006)	(12,876)
Capital increase	718	4,516
Restricted financial application	-	(25,000)
Payment of dividends on preferred shares	-	-
Net cash flow generated by financing activities	(4,183)	(16,239)
Net increase (decrease) in cash and cash equivalents	(5,027)	(85,689)
Opening balance of cash and cash equivalents	168,931	409,183
Closing balance of cash and cash equivalents	163,904	323,494
	(5,027)	(85,689)

A free translation from Portuguese into English of Independent Auditor's Review Report on Quarterly Information prepared in Brazilian currency in accordance with NBC TG 21 and IAS 34 - Interim Financial Reporting and with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR)

Independent auditor's review report on quarterly information

The Shareholders, Board of Directors and Officers
Sequoia Logística e Transportes S.A.

Introduction

We have reviewed the accompanying individual and consolidated interim financial information, contained in the Quarterly Information Form (ITR) of Sequoia Logística e Transportes S.A. (the "Company") for the quarter ended March 31, 2022, comprising the statement of financial position as of March 31, 2022 and the related statements of profit or loss, of comprehensive income, of changes in equity and of cash flows for the three-month period then ended, including the explanatory notes.

Management is responsible for preparation of the individual and consolidated interim financial information in accordance with Accounting Pronouncement NBC TG 21 - Interim Financial Reporting, and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of the Quarterly Information Form (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 the Brazilian and international standards on review engagements (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 auditing standards 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 quarterly information referred to above is not prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information Form (ITR), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).



Other matters

Statements of value added

The abovementioned quarterly information includes the individual and consolidated statement of value added (SVA) for the three-month period ended March 31, 2022, prepared under the Company management's responsibility and presented as supplementary information under IAS 34. These statements have been subject to review procedures performed together with the review of the quarterly information with the objective to conclude whether they are reconciled to the interim financial information and the accounting records, as applicable, and if their format and content are in accordance with the criteria set forth by NBC TG 09 – Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, in accordance with the criteria set forth by this Standard and consistently with the overall individual and consolidated interim financial information.

São Paulo, May 4, 2022.

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP034519/O-6

A handwritten signature in blue ink, appearing to read 'Lazaro Angelim Serruya', is placed above the printed name.

Lazaro Angelim Serruya
Accountant CRC-1DF015801/O-7

Sequoia Logística e Transportes S.A.

Statements of financial position

At March 31, 2022 and December 31, 2021

(In thousands of reais - R\$)

		Company		Consolidated	
		03/31/2022	12/31/2021	03/31/2022	12/31/2021
Notes					
Current assets					
Cash and cash equivalents	4	141,680	150,834	163,904	168,931
Accounts receivable	5	295,552	294,380	408,509	411,292
Taxes recoverable	6	24,540	16,208	32,492	24,442
Advances		6,420	19,370	7,809	20,415
Prepaid expenses		6,099	5,146	9,655	7,444
Other receivables		5,014	4,915	10,598	10,697
Total current assets		479,305	490,853	632,967	643,221
Noncurrent assets					
Restricted financial investments	4	35,056	34,529	35,056	34,529
Derivatives	10.2	3,697	-	3,697	-
Indemnification assets due to acquisition of companies		-	-	38,266	36,356
Deferred income tax and social contribution	21	63,645	65,046	90,245	87,046
Related parties	22	8,818	5,187	-	-
Judicial deposits		650	551	9,898	9,185
Call option from investment	7.5	7,026	7,025	7,026	7,025
Investments	7	474,576	467,719	33,252	34,420
Property and equipment	9	75,106	63,973	142,990	138,332
Intangible assets	10	190,184	191,076	723,955	735,005
Right-of-use assets	12	221,864	215,734	249,608	257,053
Total noncurrent assets		1,080,622	1,050,840	1,333,993	1,338,951
Total assets		1,559,927	1,541,693	1,966,960	1,982,172

		Company		Consolidated	
	Notes	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Current liabilities					
Borrowings and debentures	11.1	32,998	41,890	34,421	43,298
Derivatives	11.2	-	4,252	-	4,252
Lease liabilities	12	26,117	53,233	35,845	80,346
Accounts payable and suppliers credit assignment	13.1	163,704	126,527	208,325	175,530
Labor and tax obligations	14	81,938	67,500	129,368	121,926
Payables for acquisition of investments	8	30,086	36,217	68,156	63,309
Other payables	13.2	26,234	33,740	13,979	27,862
Total current liabilities		361,077	363,359	490,094	516,523
Noncurrent liabilities					
Borrowings and debentures	11.1	347,440	327,031	349,731	329,688
Derivatives	11.2	-	2,694	-	2,694
Lease liabilities	12	228,471	192,206	251,180	214,786
Related parties	22	7,671	11,228	-	-
Labor and tax obligations	14	6,883	7,305	65,322	63,854
Payables for acquisition of investments	8	19,499	19,380	45,468	57,516
Provision for legal claims	15.1	15,725	16,709	192,356	196,059
Provision for losses on investments	7	505	950	-	-
Other payables	13.2	-	-	153	221
Total noncurrent liabilities		626,194	577,503	904,210	864,818
Total liabilities		987,271	940,862	1,394,304	1,381,341
Equity					
Share capital	16	654,590	653,872	654,590	653,872
Share issue expenses	16	(24,247)	(24,247)	(24,247)	(24,247)
Capital reserves	16	4,460	3,556	4,460	3,556
Income reserves	16	9,969	9,969	9,969	9,969
Accumulated losses		(72,116)	(42,319)	(72,116)	(42,319)
		572,656	600,831	572,656	600,831
Total liabilities and equity		1,559,927	1,541,693	1,966,960	1,982,172

The accompanying notes are part of the interim financial information.

Sequoia Logística e Transportes S.A.

Statements of profit or loss

Three-month periods ended March 31, 2022 and 2021

(In thousands of reais - R\$)

	Notes	Company		Consolidated	
		03/31/2022	03/31/2021	03/31/2022	03/31/2021
Net revenues	17	319,001	205,067	449,140	326,440
Cost of services rendered	18	(233,822)	(161,271)	(367,615)	(271,344)
Gross profit		85,179	43,796	81,525	55,096
Operating expenses:					
Selling, general and administrative expenses	18	(52,914)	(31,215)	(93,184)	(58,077)
Other operating income (expenses), net	19	12,739	(6,144)	12,846	(3,983)
Share of profit (loss) of investees	7	(44,799)	(14,971)	(1,166)	-
		(84,974)	(52,330)	(81,504)	(62,060)
Operating profit (loss) before financial (expenses) income		205	(8,534)	21	(6,964)
Financial expenses	20	(30,630)	(17,473)	(35,279)	(20,224)
Financial income	20	4,086	1,946	4,319	2,949
		(26,544)	(15,527)	(30,960)	(17,275)
Profit (loss) before income tax and social contribution		(26,339)	(24,061)	(30,939)	(24,239)
Current income tax and social contribution	21	(2,057)	-	(2,057)	(573)
Deferred income tax and social contribution	21	(1,401)	5,469	3,199	6,220
Loss for the period		(29,797)	(18,592)	(29,797)	(18,592)
Loss per share attributable to equity holders of the Company (expressed in R\$ per share)					
Basic loss per share	16.3	(0.21358)	(0.14622)		
Diluted loss per share	16.3	(0.21358)	(0.14622)		

The accompanying notes are part of the interim financial information.

Sequoia Logística e Transportes S.A.

Statements of comprehensive income

Three-month periods ended March 31, 2022 and 2021

(In thousands of reais - R\$)

	Company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Loss for the period	(29,797)	(18,592)	(29,797)	(18,592)
(+/-) Other comprehensive income	-	-	-	-
Total comprehensive income for the period	(29,797)	(18,592)	(29,797)	(18,592)

The accompanying notes are part of the interim financial information.

Sequoia Logística e Transportes S.A.

Statements of changes in equity

Three-month periods ended March 31, 2022 and 2021

(In thousands of reais - R\$)

			Capital reserves	Income reserves		
	Share capital	Share issue expenses	Share-based payment plan	Tax incentive reserve	Accumulated losses	Total
At January 1, 2022	653,872	(24,247)	3,556	9,969	(42,319)	600,831
Loss for the period	-	-	-	-	(29,797)	(29,797)
Capital increase	718	-	-	-	-	718
Share-based payment plan	-	-	904	-	-	904
At March 31, 2022	654,590	(24,247)	4,460	9,969	(72,116)	572,656

			Capital reserves	Income reserves		
	Share capital	Share issue expenses	Share-based payment plan	Tax incentive reserve	Accumulated losses	Total
At January 1, 2021	438,043	(27,881)	3,160	9,969	(11,966)	411,325
Tax effects on share issue expenses	-	9,478	-	-	(9,478)	-
Loss for the period	-	-	-	-	(18,592)	(18,592)
Tax incentive reserve	-	-	-	2,641	(2,641)	-
Capital increase	4,516	-	-	-	-	4,516
Share-based payment plan	-	-	139	-	-	139
At March 31, 2021	442,559	(18,403)	3,299	12,610	(42,677)	397,388

The accompanying notes are part of the interim financial information.

Sequoia Logística e Transportes S.A.

Statements of cash flows

Three-month periods ended March 31, 2022 and 2021

(In thousands of reais - R\$)

	Company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Cash flow from operating activities				
Loss before income tax and social contribution	(26,339)	(24,061)	(30,939)	(24,239)
Adjustments to reconcile profit (loss) before income tax and social contribution				
Depreciation and amortization	13,902	12,509	37,234	27,908
Share of profit (loss) of investees	44,799	14,971	1,166	-
Provision for legal claims	(504)	289	(2,029)	(103)
Allowance for expected credit losses	3,209	-	3,426	(9)
Interest on borrowings and debt	24,321	10,777	27,299	12,513
Share-based payment plan	904	139	904	139
Net gain (loss) on sale/disposal of property and equipment	(889)	(121)	(5,792)	(13)
Financial income on restricted financial investments	(560)	(323)	(560)	(323)
Fair value of derivatives	(10,643)	3,689	(10,643)	3,689
Price adjustment	(5,941)	6,532	(5,941)	6,532
Changes in assets and liabilities				
Accounts receivable	(4,381)	(20,995)	(643)	(15,457)
Advances	12,950	(4,616)	12,606	(5,093)
Taxes recoverable	(8,299)	(138)	(8,017)	2,497
Prepaid expenses	(953)	(864)	(2,211)	(1,917)
Judicial deposits	(99)	(234)	(713)	(702)
Other receivables	73	1,955	(1,645)	1,730
Related parties	(7,188)	-	-	-
Accounts payable	37,177	(17,625)	32,795	(29,377)
Labor and tax obligations	12,009	(275)	6,205	(4,597)
Other payables	(7,506)	(17,939)	(13,951)	(18,124)
Interest paid on borrowings and debentures	(12,266)	(4,216)	(12,381)	(4,589)
Interest paid on leases	(4,270)	(1,797)	(5,937)	(2,404)
Net cash flows used in operating activities	59,506	(42,343)	20,233	(51,939)
Investing activities				
Purchase of property and equipment and intangible assets	(15,483)	(6,297)	(17,384)	(9,767)
Capital increase and advance for future capital increase	(52,101)	(37,425)	-	-
Acquisition of subsidiaries, net of cash acquired	(909)	-	(3,693)	(7,744)
Net cash flows used in investing activities	(68,493)	(43,722)	(21,077)	(17,511)
Financing activities				
Proceeds from borrowings and debentures	107,462	18,958	107,462	18,958
Repayment of borrowings and debentures - principal	(100,000)	-	(100,357)	(1,837)
Payment of principal portion of lease liabilities	(8,347)	(6,281)	(12,006)	(12,876)
Capital increase	718	4,516	718	4,516
Restricted financial investments	-	(25,000)	-	(25,000)
Net cash flows from (used in) financing activities	(167)	(7,807)	(4,183)	(16,239)
Decrease in cash and cash equivalents	(9,154)	(93,872)	(5,027)	(85,689)
Cash and cash equivalents at the beginning of the period	150,834	397,386	168,931	409,183
Cash and cash equivalents at the end of the period	141,680	303,514	163,904	323,494
	(9,154)	(93,872)	(5,027)	(85,689)

The accompanying notes are part of the interim financial information.

Sequoia Logística e Transportes S.A.

Statements of value added

Three-month periods ended March 31, 2022 and 2021

(In thousands of reais - R\$)

	Company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Revenues	395,014	235,080	551,588	383,424
Revenue from services rendered	382,415	243,688	541,363	391,093
Unconditional discounts	(823)	(2,703)	(3,312)	(3,924)
Other operating income	13,422	(5,905)	13,537	(3,745)
Inputs acquired from third parties (including ICMS, PIS and COFINS)	(207,883)	(127,959)	(307,976)	(218,861)
Cost of services rendered	(173,026)	(109,410)	(266,283)	(192,178)
Materials, electric power, outsourced services and others	(34,857)	(18,549)	(41,693)	(26,683)
Gross value added	187,131	107,121	243,612	164,563
Retentions	(13,902)	(12,510)	(37,234)	(27,908)
Depreciation, amortization and depletion	(13,902)	(12,510)	(37,234)	(27,908)
Net value added	173,229	94,611	206,378	136,655
Value added received in transfer	(42,063)	(12,491)	1,858	3,483
Share of profit (loss) of investees	(44,799)	(14,971)	(1,166)	-
Financial income	2,736	2,480	3,024	3,483
Total value added for distribution	131,166	82,120	208,236	140,138
Distribution of value added	131,166	82,120	208,236	140,138
Personnel and charges	62,582	48,128	106,787	74,359
Direct compensation	48,803	37,847	82,890	57,044
Benefits	11,131	8,239	18,559	13,466
Unemployment Compensation Fund (FGTS)	2,648	2,042	5,338	3,849
Taxes, charges and contributions	68,059	32,824	92,899	59,021
Federal	43,337	21,894	55,894	37,630
State	22,293	10,429	34,220	20,652
Municipal	2,429	501	2,785	739
Interest and leases	30,322	19,760	38,347	25,350
Equity remuneration	(29,797)	(18,592)	(29,797)	(18,592)
Accumulated losses	(29,797)	(18,592)	(29,797)	(18,592)

The accompanying notes are part of the interim financial information.

Sequoia Logística e Transportes S.A.

Notes to the interim financial information

March 31, 2022

(In thousands of reais - R\$, unless otherwise stated)

1. Operations

Sequoia Logística e Transportes S.A. ("Company" or "Sequoia Transportes") is a publicly-held corporation with shares traded on the "Novo Mercado" corporate governance segment of B3 S.A. - Brasil, Bolsa, Balcão, under ticker SEQL3, and headquartered at Avenida Isaltino Victor de Moraes, nº 437, Bairro Vila Bonfim, Embu das Artes, State of São Paulo, Brazil, and is mainly engaged in the provision of services in the areas of consolidated and fractionated indoor and outdoor logistics, warehouse operational management ("fulfillment"), inland transportation and urban delivery to various customers, mainly in the e-commerce, retail fashion, teaching and education systems sectors and for retail banks. The Company stands out for implementing integrated logistics and transportation solutions, with intensive use of technology and systems that support the operating activities and interactions with its customers, developing customized systems to fully meet the needs of such operations.

2. Summary of significant accounting policies

The consolidated interim financial information comprises the operations of the Company and its subsidiaries, as follows:

		Headquarter		Equity interest		
Direct interest		Core activity	country	03/31/2022	12/31/2021	03/31/2021
Transportadora Americana Ltda. ("Transportadora Americana")	(a)	Logistics and transport services	Brazil	100%	100%	100%
Direcional Transporte e Logística S.A. ("Direcional")	(b)	Logistics and transport services	Brazil	100%	100%	100%
Lithium Software Ltda. ("Frenet")	(c)	Digital platform	Brazil	100%	100%	-
SF 350 Ltda. ("SFX")	(d)	Intermediation services	Brazil	100%	100%	-
Indirect interest - via Direcional						
Prime Express Logística e Transporte Ltda. and Prime Time Logística e Transportes Ltda. ("Prime")	(e)	Logistics and transport services	Brazil	-	-	100%
Indirect interest - via Transportadora Americana						
Transportadora Plimor Ltda. ("Plimor")	(f)	Logistics and transport services	Brazil	100%	100%	-

(a) Company acquired on February 28, 2020.

(b) Company acquired on October 02, 2020.

(c) Company acquired on April 05, 2021.

(d) Company incorporated on September 2, 2021.

(e) Company acquired on January 29, 2021 and merged on September 15, 2021.

(f) Company acquired on May 14, 2021.

The Company does not have control over the following companies in which it has equity interest and, therefore, they are presented in the investment group in the consolidated financial statements:

Direct interest		Core activity	Headquarter country	Equity interest		
				03/31/2022	12/31/2021	03/31/2021
Uello Tecnologia S.A. ("Uello")	(g)	Digital platform	Brazil	15%	15%	17%
GHSX Tecnologia e Intermediação ("Drops")	(h)	Intermediation services	Brazil	51%	51%	-
Lincros Soluções em Software S.A. ("Lincros")	(i)	Digital platform	Brazil	41%	41%	-

(g) Equity interest, without significant influence, acquired on October 7, 2020.

(h) Company incorporated on August 8, 2021, under shared control.

(i) Equity interest with shared control acquired on November 11, 2021.

The issue of the individual and consolidated interim financial information was authorized by the Board of Directors on May 4, 2022.

The interim financial information has been prepared in accordance with CVM Resolution 673/11, which establishes the minimum content of interim financial information, and the recognition and measurement principles for full or condensed interim financial information.

The interim financial information, in this case, aims to provide the quarterly information based on the latest full annual financial statements. Therefore, it focuses on new activities, events and circumstances and does not duplicate information previously disclosed, except when Management considers important to maintain certain information.

The interim financial information presented herein has been prepared based on the accounting policies and estimate calculation methods adopted in the preparation of the annual financial statements for the year ended December 31, 2021.

There have been no changes with respect to these accounting policies and estimate calculation methods. As permitted by CVM Resolution 673/11, Management elected not to disclose again in detail the accounting policies adopted by the Company. Accordingly, this individual and consolidated interim financial information should be read in conjunction with the individual and consolidated financial statements for the year ended December 31, 2021.

Statement of compliance and basis of preparation

The individual and consolidated interim financial information has been prepared and is being presented in accordance with the technical pronouncement CPC 21 (R1) - Interim Financial Reporting and with the international accounting standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board ("IASB"), consistently with the standards issued by the Securities and Exchange Commission of Brazil ("CVM"), applicable to the preparation of quarterly information.

Impacts of COVID-19

Since the beginning of the pandemic, Sequoia has been monitoring the development of the COVID-19 pandemic with respect to economic, financial, social and health aspects, in line with the guidelines of the government and of the OMS, which were implemented for the care of the employees.

On March 9, 2022, the government of São Paulo relaxed the use of masks in internal and external environments, except in public transportation and in locations that provide health services.

Internally, Management continues to monitor its risk management practices, in order to make the necessary decisions to ensure the continuity of its operations and to neutralize adverse social, financial, and economic impacts that may occur.

Impact on operations

Some business lines had adverse impacts due to the pandemic. The distribution activities internally referred to as B2B (business to business), consisting of the provision of services to corporate customers and aimed at the supply of physical stores, commercial establishments, shopping malls, among others, suffered a sharp reduction in demand due to the quarantine period and the closure of these establishments.

On the other hand, the Company's main business line is in the B2C (business to client) market, involving the delivery to consumers' homes of purchases made through online sales channels, where there was a significant increase in demand and, consequently, growth in revenue, compared to the prior year.

Our measures during the pandemic and our prominent position in B2C are adequate to ensure the achievement of our objectives and the maintenance of our future business plan.

It is important to highlight that the idleness generated by the decrease in B2B operations was largely absorbed by the increase in B2C activities, not generating any need to record impairment losses.

Financial and economic impacts

Financial leverage: Management monitors the cash flow of the Company and its subsidiaries, as well as the financial leverage ratio, on a daily basis.

Accounts receivable and accounts payable: Management constantly monitors the default arising from invoicing for transport and logistics services (B2B and B2C), and the risk of shortages in the case of strategic suppliers. All risks were assessed, and no need to set up or reverse the loss allowance was identified.

We are constantly in contact with our suppliers, service providers, and the lessors of our operating units, such as our distribution centers, seeking to adapt the contracts to the new market realities, whether through price negotiation or extension of the payment term. In order to carry out the negotiations, the Company identified the contracts in effect whose renegotiation could have the most significant impacts, such as lessors of our operating units, that is, those with greater possibility of generating savings, and started the negotiations.

Asset impairment testing: The Company tests nonfinancial assets annually in order to identify any risk of impairment. For the three-month period ended March 31, 2022, Management did not identify any indication of impairment of assets.

2.1 New pronouncements, interpretations and amendments adopted

There are no standards or interpretations that have been issued or amended and are not yet effective that, in the Company's understanding at the time of adoption, may have a significant impact on the profit or loss or equity disclosed by the Company.

3. Financial instruments

The main financial instruments and their values recorded in the interim financial information by category, as well as the respective fair values, are as follows:

Company					
At March 31, 2022	Fair value hierarchy	Measured at fair value through profit or loss	Amortized cost	Carrying amount	Fair value
Financial assets:					
Cash and cash equivalents	Level 2	141,680	-	141,680	141,680
Restricted financial investments	Level 2	35,056	-	35,056	35,056
Accounts receivable	Level 2	-	295,552	295,552	295,552
Derivatives	Level 2	3,697	-	3,697	3,697
Total assets		180,433	295,552	475,985	475,985
Financial liabilities:					
Borrowings and debentures	Level 2	-	(383,124)	(383,124)	(383,124)
Lease liabilities		-	(254,588)	(254,588)	(254,588)
Accounts payable and suppliers credit assignment	Level 2	-	(163,704)	(163,704)	(163,704)
Taxes in installments	Level 2	-	(10,707)	(10,707)	(10,707)
Payables for acquisition of investments	Level 2	-	(49,585)	(49,585)	(49,585)
Total liabilities		-	(861,708)	(861,708)	(861,708)

Consolidated					
At March 31, 2022	Fair value hierarchy	Measured at fair value through profit or loss	Amortized cost	Carrying amount	Fair value
Financial assets:					
Cash and cash equivalents	Level 2	163,904	-	163,904	163,904
Restricted financial investments	Level 2	35,056	-	35,056	35,056
Accounts receivable	Level 2	-	408,509	408,509	408,509
Derivatives	Level 2	3,697	-	3,697	3,697
Total assets		202,657	408,509	611,166	611,166
Financial liabilities:					
Borrowings and debentures	Level 2	-	(386,838)	(386,838)	(386,838)
Lease liabilities		-	(287,025)	(287,025)	(287,025)
Accounts payable and suppliers credit assignment	Level 2	-	(208,325)	(208,325)	(208,325)
Taxes in installments	Level 2	-	(80,745)	(80,745)	(80,745)
Payables for acquisition of investments	Level 2	-	(113,624)	(113,624)	(113,624)
Total liabilities		-	(1,076,557)	(1,076,557)	(1,076,557)

a) Risk considerations

Credit risk

The operation of the Company and its subsidiaries comprises the provision of logistics services, mainly represented by the transportation of cargo in general, governed by specific contracts, which have certain conditions and terms, being substantially indexed to inflation compensation indexes for a period longer than one year. The Company adopts specific procedures for the selection and analysis of the customer portfolio in order to prevent default losses.

Liquidity risk

This is the risk of the Company and its subsidiaries not having sufficient liquid funds to fulfill their financial commitments, due to a mismatch of term or volume between expected receipts and payments. To monitor the cash liquidity, assumptions of future disbursements and receipts are established, which are daily monitored by the treasury area.

Interest rate risk

The Company obtains borrowings from the main financial institutions to meet cash needs for investment and growth.

As a result of the aforementioned, the Company is exposed to interest rate risk referenced to Interbank Deposit Certificate ("CDI"). The balances of financial investments indexed to the CDI, and the interest rate swaps partially neutralize this effect.

Capital management

The main objective of the Company's capital management is to ensure that it maintains a strong credit rating and a well-established capital ratio in order to support business and maximize shareholder value. The Company manages the capital structure and adjusts it considering the changes in economic conditions.

There were no changes in the objectives, policies or processes during the three-month period ended March 31, 2022.

Capital management can be presented as follows:

	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Borrowings and debentures	383,124	370,407	386,838	374,472
Derivatives	(3,697)	6,946	(3,697)	6,946
Payables for acquisition of investments	49,585	55,597	113,624	120,825
(-) Cash and cash equivalents and restricted financial investments	(176,736)	(185,362)	(198,960)	(203,461)
Net debt	252,276	247,588	297,805	298,782
Equity	572,656	600,831	572,656	600,831
Equity and net debt	824,932	848,419	870,461	899,613

b) Measurement of financial instruments

The measurement of all financial instruments of the Company and its subsidiaries corresponds to the characteristics of Level 2 and Level 3:

Level 2

- (i) Cash and cash equivalents and restricted financial investments - the carrying amounts of financial investments in Bank Deposit Certificates measured at amortized cost approximate their fair values due to the fact that the operations are carried out at floating rates.
- (ii) Borrowings and debentures, payables for acquisition of investments, derivatives, and payables for redemption of shares - the carrying amounts are measured at amortized cost and disclosed at fair value.
- (iii) Accounts receivable - it is estimated that the carrying amounts of accounts receivable approximate their market fair values, due to the short term of the operations carried out.

Level 3

- (i) Investments: the recorded amounts are measured at fair value based on projections provided by the investee. As at March 31, 2022, the only investment classified in Level 3 was the equity interest in Uello. Management did not identify any material event or factor that could change the fair value during the quarter.

The Company did not change the level classification in the three-month period ended March 31, 2022.

c) Transactions with derivative instruments

From December 11, 2020 to January 12, 2022, the Company maintained interest rate swap contracts to hedge against interest rate risks. On January 17, 2022, the Company entered into an equity swap agreement, in line with the agreement for repurchase of shares signed on January 11, 2022. These contracts are classified as derivative financial instruments and initially recognized at fair value on the date the contract is signed and subsequently remeasured monthly at fair value, with the adjustments being posted directly to the statement of profit or loss.

Derivatives are presented as financial assets when the fair value calculated is positive, or as financial liabilities when the fair value is negative.

The Company does not have derivative financial instruments for speculation purposes and believes that the existing internal controls are adequate to control the risks associated with each strategy in the financial market.

The swap contracts signed on December 11, 2020 have a notional value of R\$30,117 and R\$58,200, allowing the Company to pay a fixed rate (identical to the interest rate defined in the debentures issued in 2019) and receive a floating rate indexed to the CDI. The equity swap contracts signed have a notional value indicated on each trading date, which allows the Company to pay a floating rate indexed to the CDI and to receive the variation of the value of its shares on B3.

The fair value of swap contracts was calculated considering the indices disclosed by Bm&fBovespa S.A., the data available on the calculation date and a specific calculation methodology for this type of transaction.

d) Sensitivity analysis

The Company is exposed to the variation of the Interbank Deposit Certificate (CDI), the index for borrowings in local currency and for income from financial investments (CDB). In order to check the sensitivity of these indexes, three different scenarios were defined:

For the probable scenario, according to an assessment prepared by Management, an oscillation of 5% was considered. Additionally, two other scenarios are presented (A and B). The Company assumed an oscillation of 25% (scenario A) and 50% (scenario B - extreme situation scenario) in the projections. The sensitivity analysis for each type of risk deemed relevant by Management is shown in the following table:

Transaction	Risk	03/31/2022	Consolidated		
			Gains and/or (losses)		
			Probable	Scenario A	Scenario B
Borrowings indexed to CDI	CDI increase	386,838	19,342	96,709	193,419
Payables for acquisition of investments	CDI increase	113,624	5,681	28,406	56,812
Financial investments indexed to CDI	CDI decrease	154,249	(7,345)	(30,850)	(51,416)
Restricted financial investments indexed to CDI	CDI decrease	35,056	(1,669)	(7,011)	(11,685)
	CDI increase ¹	11.65%	12.23%	14.56%	17.48%
	CDI decrease ¹	11.65%	11.10%	9.32%	7.77%

1) CDI disclosed by CETIP.

4. Cash and cash equivalents and Restricted financial investments

	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Cash	106	114	282	308
Banks	4,255	19,833	9,373	36,125
Financial investments in CDB	137,319	130,886	154,249	132,499
Cash and cash equivalents	141,680	150,833	163,904	168,932
Restricted financial investments (a)	35,056	34,529	35,056	34,529
	176,736	185,362	198,960	203,461

- (a) These financial investments are part of the “Quota Purchase and Sale Agreement” entered into upon acquisition of Lótus, merged on August 31, 2019, and will be released on behalf of the sellers on the 5th year anniversary of the acquisition, less any indemnified losses and plus net income earned and they are also part of the guarantee for bank debts, being released for use according to the agreed-upon schedule. These investments are remunerated at 97% of the CDI or by the Reference Rate (*TR or Taxa Referencial*).

5. Accounts receivable

The breakdown of accounts receivable is as follows:

	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Domestic customers	229,087	204,450	311,075	325,332
Unbilled customers (a)	81,669	101,925	122,394	107,494
	310,756	306,375	433,469	432,826
(-) Allowance for expected credit losses	(15,204)	(11,995)	(24,960)	(21,534)
	295,552	294,380	408,509	411,292

- (a) Services provided that will be billed in subsequent periods, which are recognized on an accrual basis.

The aging of accounts receivable is as follows:

	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Falling due	208,983	227,888	305,079	340,206
Past due				
1 to 30 days past due	14,538	6,744	21,603	9,487
31 to 90 days past due	13,473	7,792	27,619	12,453
91 to 180 days past due	6,785	15,557	2,844	17,868
181 to 365 days past due	31,679	31,014	39,164	32,681
More than 365 days past due	35,298	17,380	37,160	20,131
Subtotal past due	101,773	78,487	128,390	92,620
	310,756	306,375	433,469	432,826

Set out below is the movement in the allowance for expected credit losses of accounts receivable:

	Company	Consolidated
At December 31, 2021	(11,995)	(21,534)
Additions	(3,209)	(3,560)
Reversals	-	134
At March 31, 2022	(15,204)	(24,960)

	Company	Consolidated
At December 31, 2020	(7,831)	(11,464)
Reversals	-	9
Addition from acquisition of subsidiary	-	(4,487)
At March 31, 2021	(7,831)	(15,942)

The average consolidated collection period is approximately 72 days (78 days at December 31, 2021).

6. Taxes recoverable

The breakdown of the taxes recoverable balance is as follows:

	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
PIS and COFINS	10,490	11,130	13,438	14,158
ICMS	-	-	2,933	2,933
Prepayments of income tax (IRPJ) and social contribution (CSLL)	231	231	1,508	1,508
INSS (a)	9,555	1,019	9,890	1,577
Tax withholdings	4,000	3,640	4,459	4,078
Other	264	188	264	188
	24,540	16,208	32,492	24,442

(a) The Company recalculated the INSS paid to the S System in 2021, considering the limit of 20 minimum wages instead of the payroll.

7. Investments

The breakdown of investments is as follows:

	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Investments in subsidiaries	441,323	433,299	-	-
Investments in joint venture	1,236	1,236	1,236	1,236
Investment in associate	29,303	30,470	29,302	30,470
	471,862	465,005	30,538	31,706
Investments measured at fair value	2,714	2,714	2,714	2,714
	474,576	467,719	33,252	34,420
Investments in subsidiaries, joint venture and associate	471,862	465,005	30,538	31,706
Provision for losses on investments	(505)	(950)	-	-
	471,357	464,055	30,538	31,706

7.1. Investments in subsidiaries, joint venture and associate

The movement and breakdown of the balance are as follows:

	Company					
	Transportadora					
	Americana	Direcional	Frenet	Drops	Lincros	Total
At January 1, 2022	212,890	196,293	23,165	1,237	30,470	464,055
Share of profit (loss) of investees	(38,280)	(3,713)	(1,640)	-	(1,166)	(44,799)
Advance for future capital increase	26,730	23,721	1,650	-	-	52,101
At March 31, 2022	201,340	216,301	23,175	1,237	29,304	471,357
Investments in subsidiaries	175,721	177,000	-	-	-	352,721
Investments in joint venture	-	-	-	1,237	-	1,237
Investments in associate	-	-	-	-	2,917	2,917
Provision for loss on investments	-	-	(505)	-	-	(505)
Goodwill on acquisition of investment	25,619	39,301	23,680	-	26,387	114,987

	Company		
	Transportadora		
	Americana	Direcional	Total
At January 1, 2021	27,876	66,536	94,412
Share of profit (loss) of investees	(10,092)	(4,879)	(14,971)
Capital increase	-	10,600	10,600
Advance for future capital increase	7,200	19,625	26,825
At March 31, 2021	24,984	91,882	116,866
Investments in subsidiaries	(5,698)	44,092	38,394
Goodwill on acquisition of investment	30,682	47,790	78,472

	Consolidated		
	GHSX	Lincros	Total
At January 1, 2022	1,237	30,470	31,707
Share of profit (loss) of investees	-	(1,166)	(1,166)
At March 31, 2022	1,237	29,304	30,541
Investments in joint venture	1,237	-	1,237
Investments in associate	-	2,917	2,917
Goodwill on acquisition of investment	-	26,387	26,387

The significant financial information of the subsidiaries is as follows:

March 31, 2022					
Subsidiary	Assets	Liabilities	Equity	Net revenue	Profit (loss) for the period
Transportadora Americana	346,354	(170,633)	(175,721)	41,126	(37,649)
Direcional	314,090	(137,090)	(177,000)	60,937	(1,336)
Frenet	3,793	(4,298)	505	2,053	(1,205)

March 31, 2021					
Subsidiary	Assets	Liabilities	Equity	Net revenue	Profit (loss) for the period
Transportadora Americana	117,921	(123,619)	5,698	53,438	(7,897)
Direcional Transportes	85,260	(41,168)	(44,092)	38,957	(2,163)

The main information of the joint venture and associate can be presented as follows:

March 31, 2022							
Investee	Equity interest %	% in voting capital	Assets	Liabilities	Equity	Net revenue	Profit (loss) for the period
Drops	51%	51%	3,971	(1,672)	(2,209)	-	-
Lincros	41%	41%	6,318	(3,401)	(2,917)	2,370	(676)

7.2. Investments measured at fair value

	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Uello		2,714	2,714	2,714

7.3. Formation of joint venture

On August 08, 2021, the Company signed a contract for the formation of Drops with Gigahub Serviços Ltda. ("Gigahub"). The objective of this new company will be to transform existing commercial points that operate with Gigahub into a pick-up, drop-off (PUDO) network, acronym in Portuguese which means "pick up and drop", and represents a type of collection and delivery of parcels as part of a wider network of services, enabling new distribution channels for sellers, generating traffic for commercial partners and meeting the preferences of the final consumer, who seeks

agility and ease in deliveries and returns. On September 15, 2021, after fulfilling the conditions precedent, the incorporation term and the shareholders' agreements were signed.

Although the Company has the majority of votes, the entity is accounted for using the equity method as the shareholders' agreement provides those certain relevant decisions must be shared between the parties.

Intangible asset contributed

While Sequoia contributed financial resources to the joint venture to cover its equity interest, the partner holding the remaining shares contributed its knowledge to the joint venture to form the network of PUDOs. This contribution was measured and recorded as an intangible asset in the amount of R\$1,457.

The process to determine the value of the intangible asset considered the “with or without” model and involved the use of assumptions, judgments and estimates on future cash flows, such as revenue growth rate, costs and expenses, investment estimates and future working capital, perpetuity and discount rate. The main assumptions adopted for this measurement were:

- Cash flow discount rate: 18% per year, reflecting the weighted cost of capital.
- Cash flow projection for 10,2 years with a perpetuity growth rate of 3.2%, which considers the expectation of organic growth, price adjustment based on projected inflation and expected economic growth.
- Revenue growth of 72% between 2022 and 2029, with operations starting on Nov/21, considering the growth in the volume of transactions based on expectations of e-commerce growth and growth in the fee per transaction due to projected inflation.

The estimated useful life for amortization of this intangible asset was 10.2 years, from the start of activities.

Call and put option

As part of the Shareholders' Agreement, the shareholder holding the remaining 49% equity interest in Drops was granted an option to sell its entire interest to Sequoia, effective between the second and fourth anniversary of the signing of the shareholder agreement. Additionally, a call option was granted to Sequoia to acquire

the entire remaining interest in Drops, effective between the fourth and fifth anniversary of the signing of the shareholders' agreement.

The exercise value of the options must be determined based on an appraisal report on the date the option is exercised. The Company concluded that the assessment of the fair value of the options does not generate a current benefit for any of the parties, since the measurement will be made when the options are actually exercised.

7.4. Corporate restructuring transactions

Merger of Prime Express and Prime Time

At the Extraordinary General Meeting held on September 15, 2021, Direcional Transportes approved the merger of Prime Express and Prime Time. The main purpose of this merger was to allow operating gains for the companies. The merged net assets are as follows:

	Current assets	Noncurrent assets	Current liabilities	Noncurrent liabilities	Merged net assets
Prime Express	38,357	52,306	57,972	85,826	(53,135)
Prime Time	1,595	10,567	2,113	10,035	14

7.5. Acquisition of equity interest

(a) Lincros Soluções em Software S.A. ("Lincros")

On November 11, 2021, after the fulfillment of the conditions precedent, the Company concluded the acquisition of 41% of the shares of Lincros Soluções em Software S.A. ("Lincros"), which will provide logistics services through the SaaS (Software as a Service) application for companies in the B2B segment, which helps large shippers in Brazil to be more efficient in their transport operations, offering a complete package of high quality solutions at competitive prices, such as: routing services, freight optimization, real-time tracking and TMS Embarcador (Transportation Management System).

The fair value of identifiable assets and liabilities of Lincros was recorded preliminarily as shown below:

Upon closing, the Company paid the installment in cash and settled the balance related to the installment withheld on January 12, 2022, concluding the consideration amount of R\$37,050.

As part of the shareholders' agreement, signed on November 11, 2021, Sequoia was granted a call option to purchase all the remaining 59% interest in Lincros, effective between the third and seventh anniversary of the signing of this shareholders' agreement. Additionally, the shareholders with the remaining 59% interest were granted a put option to sell all of their equity interest to Sequoia effective between the fourth and seventh anniversary of the signing of this shareholders' agreement, provided that Sequoia holds more than 50% of the common shares.

The exercise value of the options will be determined based on a multiple of net revenue, less net debt. The fair value of this option was measured using the Monte Carlo Simulation, since the options are based on multiples of future revenue, which generates a situation with some level of uncertainty and this method allows integrating the effects of this uncertainty into the estimate of volatility of the revenues. The main assumptions adopted in this calculation are as follows:

- Revenue growth, in a risk-neutral scenario, of 7.4% between 2024 and 2026, considering growth in transaction volume and growth in transaction fee due to projected inflation.
- Probability of exercising the call option ranging from 23.7% to 37.3%.
- Volatility of 44.1%, considering an average of companies in the sector over a period of 5 years.
- Cash flow discount rate of 10.5% per annum, which reflects the weighted cost of capital.

The fair value of the call options of R\$7,026 was recorded in assets as an investment call option.

The acquisition of 41% of Lincros' shares did not provide Sequoia with the power (pursuant to CPC 36) to control and, consequently, consolidate Lincros' financial statements. Significant influence (pursuant to CPC 18) over Lincros was defined by the fact that Sequoia holds more than 20% of the voting capital, has members in the Board of Directors and participates in Lincros' financial and operational decisions.

(b) Transportadora Plimor Ltda. ("Plimor")

On May 14, 2021, after the fulfillment of the conditions precedent and final approval of the transaction by CADE, Transportadora Americana concluded the acquisition of the total capital of Transportadora Plimor Ltda. ("Plimor"), headquartered in the State of Rio Grande do Sul and engaged in transportation and logistics, with a focus on light e-

commerce (parcels of up to 30 kilograms) and less-than-truckload or “LTL” shipping, serving customers from a wide range of industries, such as IT, pharmaceutical, footwear and apparel companies, among others.

The fair value of Plimor’s identifiable assets and liabilities was recorded on a preliminarily basis:

Upon closing, the Company paid the installment in cash and will settle the 6 remaining installments with deduction of the amount of indemnifiable losses incurred and monetarily adjusted based on the CDI variation. As at March 31, 2022, the monetarily adjusted amount of the debt balance was R\$53,237 (R\$54,681 as at December 31, 2021).

(c) Acquisition of Lithium Software Ltda. (“Frenet”)

On April 5, 2021, after the fulfillment of the conditions precedent, the Company concluded the acquisition of the total capital of Lithium Software S/S Ltda. (“Frenet”), headquartered in the city of Birigui, State of São Paulo, a platform of digital transport solutions for the B2C market, which offers integrated solutions to its customers.

The fair value of identifiable assets and liabilities of Frenet was recorded definitively.

Upon closing, the Company paid the installment in cash and will settle the 2 remaining installments with deduction of the amount of indemnifiable losses incurred and monetarily adjusted based on the CDI variation and considering the achievement of certain targets, calculated annually starting in 2022 and ending in 2024. As at March 31, 2022, the monetarily adjusted amount of the debt balance was R\$16,143 (R\$15,727 as at December 31, 2021).

(d) Acquisition of Prime Express Logística e Transporte Ltda. and Prime Time Logística e Transportes Ltda. (“Prime”)

On January 29, 2021, after the fulfillment of the conditions precedent and the final and unappealable approval of the transaction by the Brazilian antitrust authority (CADE), the subsidiary Direcional completed the acquisition of the total capital of Prime Express Logística e Transporte Ltda. and Prime Time Logística e Transporte Ltda. (together referred to as “Prime”), companies that operate in the transportation and logistics segment, with a focus on e-commerce of large products, known as “medium road transport” and “heavy road transport”, under the cross docking, door to

door, milk run and reverse logistics models for B2C, in the South and Southeast regions, the Federal District, and the state of Goiás in Brazil.

Prime is made up of two legally independent companies, acquired separately. When allocating the transaction amounts, Direcional understood that there was only one single cash-generating unit, considering the independence of the operations and the sharing of facilities, such as the distribution center and warehouse.

The fair value of the identifiable assets and liabilities of Prime was recorded definitively.

Direcional will pay two installments with deduction of the amount of indemnifiable losses incurred and monetarily adjusted based on the CDI variation until January 2025. As at March 31, 2022, the monetarily adjusted amount of the debt balance was R\$10,802 (R\$10,546 as at December 31, 2021).

After reviewing the transaction values to define the “Price adjustment”, as well as the terms of the agreement, Direcional understood that it is not currently possible to measure this amount reliably, and therefore did not consider any price adjustment in the determination of the preliminary allocations on the acquisition date.

Allocation of fair value

	Lincros	Plimor	Frenet	Prime
	Note (a)	Note (b)	Note (c)	Note (d)
Assets				
Cash and cash equivalents	16,371	1,182	762	2,789
Accounts receivable	1,877	7,186	176	31,243
Taxes recoverable	1,014	-	-	2,933
Deferred income tax and social contribution	-	-	-	16,020
Other receivables	307	1,257	17	515
Intangible assets				
Customer portfolio	9,187	114,843	1,386	26,362
Non-compete agreement	-	12,858	-	9,879
Software	37,764	-	14,995	-
Other intangible assets	4,135	261	509	-
Property and equipment	-	-	-	-
Surplus value of property and equipment	-	29,687	-	9,067
Other property and equipment	646	9,411	238	24,885
Right-of-use assets	-	2,217	-	21,598
	71,301	178,902	18,083	145,291
Liabilities				
Borrowings	(10,310)	(10,603)	(815)	(30,391)
Lease liabilities	-	(2,254)	-	(23,683)
Accounts payable	(2,259)	(17,965)	(202)	(21,902)
Labor and tax obligations	(1,956)	(10,185)	(518)	(73,654)
Taxes in installments	(43)	(16,449)	(935)	(25,281)
Contingencies	(393)	(113,648)	-	(43,081)
Other payables	(410)	(10,789)	(107)	(26,649)
	(15,371)	(181,893)	(2,577)	(244,641)
Total	55,930	(2,991)	15,506	(99,350)
% of equity interest acquired	41%	100%	100%	100%
Total identifiable assets (liabilities assumed), net	22,931	(2,991)	15,506	(99,350)
Goodwill on acquisition	8,003	196,008	9,037	120,011
Total consideration	30,934	193,017	24,543	20,661
Payable for acquisition of investments	37,959	193,017	24,543	20,661
Option to buy and sell	(7,025)	-	-	-
Cash flow on acquisition				
Cash paid, net of cash acquired (classified as investing activities)	37,050	115,953	9,238	7,744
Acquisition cost (classified as operating activities)	606	821	400	567
Cash paid on acquisition	37,656	116,774	9,638	8,311

The fair value of accounts receivable is the amount expected to be fully received and the goodwill generated comprises the value of future economic benefits arising from synergies arising from the acquisition.

Acquisition costs were recorded in the statement of profit or loss when they were incurred.

Measurement method and useful life of the identified intangible assets

The Company engaged a valuation firm to assist it with the purchase price allocation.

The intangible assets related to the **customer portfolio** were measured under the “Income Approach - Multi Period Excess Earnings” method, those related to the **non-competes agreement** were measured under the “With or Without” method, and those related to the **software** were measured under the “Relief from Royalty” method. The “Cost measurement method”, where the price quotes of the evaluated products are consulted, was used to measure the surplus value of property and equipment, in line with the principles of the Brazilian Association of Technical Standards (ABNT).

The following amounts and useful lives have been estimated:

Acquiree	Description	Customer portfolio	Non-competes agreement	Surplus value of property and equipment	Software
Lincros (*)	Allocated amount	3,760	-	-	15,630
	<i>Amortization in years</i>	<i>9.2</i>	-	-	<i>10</i>
Plimor	Allocated amount	114,843	12,858	29,687	-
	<i>Amortization in years</i>	<i>5</i>	<i>5</i>	<i>3</i>	-
Frenet	Allocated amount	1,386	-	-	14,995
	<i>Amortization in years</i>	<i>5.8</i>	-	-	<i>10</i>
Prime	Allocated amount	26,362	9,879	9,067	-
	<i>Amortization in years</i>	<i>5</i>	<i>5</i>	<i>10</i>	-

(*) Considers the percentual acquired.

8. Payables for acquisition of investments

The breakdown is as follows:

	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Yep (a)	12,179	18,121	12,179	18,121
Lótus	7,938	7,750	7,938	7,750
Nowlog	4,020	3,946	4,020	3,946
Transportadora Americana	5,546	5,474	5,546	5,474
Direcional	3,759	3,670	3,759	3,670
Prime	-	-	10,802	10,547
Frenet	16,143	15,727	16,143	15,727
Plimor	-	-	53,237	54,681
Lincros	-	909	-	909
	49,585	55,597	113,624	120,825
Current	30,086	36,217	68,156	63,309
Noncurrent	19,499	19,380	45,468	57,516

- (a) On November 16, 2016, Sequoia Transportes acquired 100% of Intec TI Logística S.A. ("Yep Log") and Intec Tecnologia da Informática S.A. ("Yep Tec"), and merged the subsidiaries on December 31, 2016. On March 17, 2022, the Company and the sellers renegotiated the debt and agreed to pay R\$12,000 in two installments monetarily adjusted based on the CDI maturing on April 5, 2022 and October 5, 2022, resulting in a reduction of the total debt by R\$5,941, which was classified in Other income in the statement of profit or loss.

9. Property and equipment

The breakdown and movement of property and equipment is as follows:

	Company								
	Vehicles and trucks	Facilities	Machinery and equipment	Furniture and fittings	IT equipment	Leasehold improvements	Property and equipment In progress	Other property and equipment	Total
Cost:									
On January 1, 2022	31,148	8,271	19,891	5,201	16,143	17,117	24,363	6,163	128,297
Additions	-	5	8,574	56	894	38	4,089	7	13,663
Transfers	2,430	2	-	-	(4,980)	(1)	-	2,549	-
On March 31, 2022	33,578	8,278	28,465	5,257	12,057	17,154	28,452	8,719	141,960
On January 1, 2021	31,082	8,155	14,758	4,990	13,297	16,983	8,964	5,590	103,819
Additions	-	91	113	44	694	111	1,188	99	2,340
Transfers	-	-	4,666	-	-	84	(4,750)	-	-
On March 31, 2021	31,082	8,246	19,537	5,034	13,991	17,178	5,402	5,689	106,159
Depreciation:									
On January 1, 2022	(27,476)	(5,307)	(7,207)	(3,785)	(9,213)	(8,709)	-	(2,627)	(64,324)
Depreciation	(717)	(216)	(448)	(100)	(653)	(395)	-	(1)	(2,530)
On March 31, 2022	(28,193)	(5,523)	(7,655)	(3,885)	(9,866)	(9,104)	-	(2,628)	(66,854)
On January 1, 2021	(24,017)	(4,445)	(5,451)	(3,382)	(6,736)	(7,231)	-	(2,621)	(53,883)
Depreciation	(537)	(214)	(361)	(99)	(524)	(447)	-	(389)	(2,571)
On March 31, 2021	(24,554)	(4,659)	(5,812)	(3,481)	(7,260)	(7,678)	-	(3,010)	(56,454)
Net Residual Value:									
On March 31, 2022	5,385	2,755	20,810	1,372	2,191	8,050	28,452	6,091	75,106
On March 31, 2021	6,528	3,587	13,725	1,553	6,731	9,500	5,402	2,679	49,705

	Consolidated								
	Vehicles and trucks	Facilities	Machinery and equipment	Furniture and fittings	IT equipment	Leasehold improvements	Property and equipment in progress	Other property and equipment	Total
Cost:									
On January 1, 2022	141,200	9,410	49,765	8,875	31,355	23,635	33,821	47,415	345,476
Additions	52	5	8,578	77	1,203	38	4,323	12	14,288
Disposals	(52)	-	-	-	(1)	-	-	-	(53)
Transfers	3,164		101	(104)	(6,052)	(2)	(1)	2,894	-
On March 31, 2022	144,364	9,415	58,444	8,848	26,505	23,671	38,143	50,321	359,711
On January 1, 2021	52,572	7,571	14,780	4,321	18,221	19,760	21,962	9,702	148,889
Acquisition of subsidiaries (b)	22,477	-	392	46	335	-	1,635	-	24,885
Surplus value of property and equipment (b)	5,974	-	-	-	-	-	-	-	5,974
Additions	-	91	115	53	717	111	4,613	110	5,810
Disposals	-	-	(23)	(36)	(2)	-	-	(47)	(108)
Transfers	-	-	4,666	-	-	84	(4,750)	-	-
On March 31, 2021	81,023	7,662	19,930	4,384	19,271	19,955	23,460	9,765	185,450
Depreciation:									
On January 1, 2022	(86,804)	(6,009)	(32,183)	(6,377)	(21,956)	(11,672)	345	(42,488)	(207,144)
Depreciation	(6,856)	(243)	(947)	(156)	(788)	(558)	-	(29)	(9,577)
On March 31, 2022	(93,660)	(6,252)	(33,130)	(6,533)	(22,744)	(12,230)	345	(42,517)	(216,721)
On January 1, 2021	(36,105)	(3,415)	(4,870)	(1,691)	(10,986)	(8,739)	(8,964)	(4,587)	(79,357)
Depreciation	(3,595)	(232)	(447)	(872)	(615)	(469)	-	(562)	(6,792)
On March 31, 2021	(39,700)	(3,647)	(5,317)	(2,563)	(11,601)	(9,208)	(8,964)	(5,149)	(86,149)
Net Residual Value:									
On March 31, 2022	50,704	3,163	25,314	2,315	3,761	11,441	38,488	7,804	142,990
On March 31, 2021	41,323	4,015	14,613	1,821	7,670	10,747	14,496	4,616	99,301

Management did not identify any impairment indicators in the three-month period ended March 31, 2022.

10. Intangible assets

The movement is as follows:

	Company					
	Software and other	Goodwill	Customer portfolio	Non-compete agreement	Surplus value of property and equipment	Total
<i>Cost:</i>						
On January 1, 2022	62,401	139,547	34,642	5,446	6,585	248,621
Additions	1,820	-	-	-	-	1,820
At March 31, 2022	64,221	139,547	34,642	5,446	6,585	250,441
On January 1, 2021	33,436	139,547	22,545	2,222	404	198,155
Additions	3,957	-	-	-	-	3,957
On March 31, 2021	37,393	139,547	22,545	2,222	404	202,112
<i>Amortization:</i>						
On January 1, 2022	(23,087)	-	(23,374)	(4,632)	(6,452)	(57,545)
Depreciation	(723)	-	(1,880)	(91)	(18)	(2,712)
On March 31, 2022	(23,810)	-	(25,254)	(4,723)	(6,470)	(60,257)
On January 1, 2021	(7,104)	-	(3,760)	(486)	(126)	(11,477)
Depreciation	(685)	-	(1,880)	(243)	(85)	(2,893)
On March 31, 2021	(7,789)	-	(5,640)	(729)	(211)	(14,370)
<i>Net Residual Value:</i>						
On March 31, 2022	40,411	139,547	9,388	723	115	190,184
On March 31, 2021	29,604	139,547	16,905	1,493	193	187,742

	Consolidated					
	Software and other	Goodwill	Customer Portfolio	Non-compete agreement	Surplus value of property and equipment	Total
<i>Cost:</i>						
On January 1, 2022	79,052	487,534	227,279	34,463	6,452	834,780
Additions	3,096	-	-	-	-	3,096
On March 31, 2022	82,148	487,534	227,279	34,463	6,452	837,876
On January 1, 2021	46,633	160,160	85,964	13,770	6,585	313,112
Acquisition of subsidiaries	-	143,764	29,030	9,879	-	182,673
Additions	3,957	-	-	-	-	3,957
On March 31, 2021	50,590	303,924	114,994	23,649	6,585	499,742
<i>Amortization:</i>						
On January 1, 2022	(24,374)	-	(58,878)	(10,071)	(6,452)	(99,775)
Amortization	(1,171)	-	(11,401)	(1,556)	(18)	(14,146)
On March 31, 2022	(25,545)	-	(70,279)	(11,627)	(6,470)	(113,921)
On January 1, 2021	(20,264)	-	(21,493)	(4,419)	(6,307)	(52,483)
Amortization	(687)	-	(5,314)	(1,008)	(85)	(7,094)
On March 31, 2021	(20,951)	-	(26,807)	(5,427)	(6,392)	(59,577)
<i>Net Residual Value:</i>						
On March 31, 2022	56,603	487,534	157,000	22,836	(18)	723,955
On March 31, 2021	29,639	303,924	88,187	18,222	193	440,165

Management did not identify any impairment indicators in the three-month period ended March 31, 2022.

11. Borrowings, debentures and Derivatives

10.1. Borrowings and debentures

		Company		Consolidated	
% - Interest p.a.		03/31/2022	12/31/2021	03/31/2022	12/31/2021
Working capital	CDI + 1.9% to 4.9% or pre-set from 12% to 22%	383,124	269,943	386,812	273,954
Debentures	CDI + 4.0% and CDI + 4.75%	-	100,464	-	100,464
Others	pre-set from 0.77% to 8.70%	-	-	26	54
		383,124	370,407	386,838	374,472
Transaction costs		(2,686)	(1,486)	(2,686)	(1,486)
		380,438	368,921	384,152	372,986
Current		32,998	41,890	34,421	43,298
Noncurrent		347,440	327,031	349,731	329,688

The balance movement can be viewed in note 25.

The amounts recorded in noncurrent liabilities have the following maturity schedule:

	Company	Consolidated
From Apr/22 to Mar/23	31,092	32,514
From Apr/23 to Mar/24	130,568	132,142
From Apr/24 to Mar/25	143,605	144,322
From Apr/25 onwards	75,173	75,174
	380,438	384,152

The guaranteed borrowing amounts can be presented as follows:

	Company	Consolidated
Assignment of receivables	383,124	386,838

CCBs and Debentures provide for covenants, including: (i) provision of annual financial information, (ii) default in transactions with financial institutions and (iii) maintenance of certain financial ratios, defined by the Net Debt / EBITDA ratio, which must be less than or equal to the 2.0x at the end of each year and by the Net Debt/Equity ratio, which must be less than or equal to 1.0x at the end of each year.

As at March 31, 2022, the Company was fully compliant with the covenants mentioned above and in other contracts.

11.2. Derivatives

The amounts calculated at the end of the period can be presented as follows:

Notional value	Fair value		
	Long position	Short position	Net receivable/(payable)
9,911	11,580	(10,539)	1,041
20,113	24,032	(21,376)	2,656
	35,612	(31,915)	3,697

The fair value is presented in noncurrent assets, since the financial settlement is expected in July 2023.

12. Right-of-use assets and lease liabilities

The following are the carrying amounts of recognized right-of-use assets (gross PIS and COFINS) and changes in the period:

Company						
	Useful life (years)	12/31/2021	Additions	Disposals	Depreciation	03/31/2022
Distribution centers and properties	2 to 12	214,735	15,575	(82)	(9216)	221,012
Trucks	5	146	-	-	(66)	80
Monitoring systems	5	853	-	-	(81)	772
		215,734	15,575	(82)	(9,363)	221,864

Company						
	Useful life (years)	12/31/2020	Additions	Disposals	Depreciation	03/31/2021
Distribution centers and properties	2 to 12	185,138	32,212	(349)	(7,619)	209,382
Trucks	5	438	-	(71)	(78)	289
Monitoring systems	5	1,223	-	-	(73)	1,150
		186,799	32,212	(420)	(7,770)	210,821

Consolidated						
	Useful life (years)	12/31/2021	Additions	Disposals	Depreciation	03/31/2022
Distribution centers and properties	2 to 12	256,547	16,265	(9,006)	(14,557)	249,249
Trucks	5	146	-	-	(66)	80
Monitoring systems	5	360	-	-	(81)	279
		257,053	16,265	(9,006)	(14,704)	249,608

	Useful life (years)	Consolidated					
		12/31/2020	Acquisition of subsidiaries	Additions	Renegotiation of contracts	Disposals	Depreciation
							03/31/2021
Distribution centers and properties	2 to 12	226,504	21,598	32,575	(1,177)	(235)	(14,932)
Trucks	5	438	-	-	-	(71)	(78)
Monitoring systems	5	1,223	-	-	-	-	(73)
		228,165	21,598	32,575	(1,177)	(306)	(15,083)
							265,772

The carrying amounts of lease liabilities and the movement during the period are shown below:

	Company	Consolidated
At January 1, 2022	245,439	295,132
Principal payment	(8,347)	(12,006)
Interest payment	(4,270)	(5,937)
New contracts	15,575	16,265
Disposals	(970)	(14,850)
Interest expense on lease liabilities	7,161	8,421
At March 31, 2022	254,588	287,025
Current	26,117	35,845
Noncurrent	228,471	251,180

	Company	Consolidated
At January 1, 2021	197,171	242,021
Principal payment	(6,281)	(12,876)
Interest payment	(1,797)	(2,404)
Lease liabilities from acquisition of subsidiary	-	23,683
New contracts	32,025	32,533
Disposals	(355)	(355)
Interest expense on lease liabilities	6,180	6,978
At March 31, 2021	226,943	288,403
Current	41,026	74,175
Noncurrent	185,917	214,228

The impact on the statement of financial position of embedded nominal interest is shown below:

	Company	Consolidated
Nominal flow	377,145	414,394
(-) Embedded interest	(122,557)	(127,369)
	254,588	287,025

The maturities of the noncurrent balance are shown below:

	Company	Consolidated
From Apr/23 to Mar/24	32,028	39,688
From Apr/24 to Mar/25	33,307	37,777
From Apr/25 onwards	163,136	173,715
	228,471	251,180

13. Accounts payable and other payables

13.1 Accounts payable and suppliers credit assignment

	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Accounts payable	7,218	41,269	21,204	69,495
Suppliers credit assignment (a)	156,486	85,258	187,121	106,035
	163,704	126,527	208,325	175,530

- (a) The Company entered into agreements with banks to structure the operation called "suppliers financing" with its main freight suppliers. In this transaction, suppliers transfer the rights to receive the notes to the bank, which, in turn become creditor in the transaction. The Company expanded its offer to strategic suppliers and freight service providers in order to facilitate the financial flow of these partners. Despite the increase in the volume made available, Management reviewed the composition of this operation's portfolio and concluded that there was no significant change in the terms, prices and conditions previously established when a complete analysis of suppliers by category was performed, therefore, the Company presents this operation under the Trade and other payables line item.

13.2 Other payables

	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Provision for operating costs	19,467	26,404	6,584	19,942
Provision for bonus and profit sharing	4,525	2,912	4,525	2,912
Provision for employee benefits	300	2,513	836	3,130
Provision for losses on operation	1,100	1,670	1,100	1,670
Other cost / expense provisions	842	241	1,087	429
	26,234	33,740	14,132	28,083
Current liabilities	26,234	33,740	13,979	27,862
Noncurrent liabilities	-	-	153	221

14. Labor and tax obligations

	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Salaries payable	5,247	5,501	11,521	12,322
Provision for vacation and 13 th salary	15,642	13,372	28,590	25,012
Payroll charges	5,942	4,326	9,973	7,699
Federal taxes on revenue	41,909	35,035	51,166	46,329
Federal taxes on third-party services	3,051	1,747	4,289	2,860
Corporate Income Tax ("IRPJ") and Social Contribution on Net Income ("CSLL")	6,323	4,265	7,718	5,999
Labor claims payable	-	95	688	1,165
Federal and state taxes in installments (a)	10,707	10,464	80,745	84,394
	88,821	74,805	194,690	185,780
Current	81,938	67,500	129,368	121,926
Noncurrent	6,883	7,305	65,322	63,854

- (b) The Company joined the installment plans for payment in up to 60 months of state taxes and certain federal taxes. The subsidiaries had already adhered to ordinary and simplified tax installment plans before the acquisition by the Company. The opening of the balance by tax can be presented as follows:

	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
PIS and COFINS	5,840	5,260	56,439	55,309
ICMS	3,284	3,487	12,428	16,513
IPTU	-	-	1,754	1,871
IRPJ and CSLL	1,583	1,717	2,045	2,179
INSS	-	-	6,222	6,642
Other	-	-	1,857	1,880
Total	10,707	10,464	80,745	84,394

15. Provision for legal claims

15.1. Probable losses

The movement in the provision for legal claims to cover probable and possible risks was as follows:

	Company			
	Labor	Civil	Tax	Total
At January 1, 2022	4,577	600	11,532	16,709
Payment of claims	(557)	(97)	-	(654)
Complement (reversal) of provision	963	(188)	(1,105)	(330)
At March 31, 2022	4,983	315	10,427	15,725

	Company			
	Labor	Civil	Tax	Total
At January 1, 2021	6,271	94	13,749	20,114
Payment of claims	(2,410)	-	-	(2,410)
Complement of provision	482	(57)	-	425
At March 31, 2021	4,343	37	13,749	18,129

	Consolidated			
	Labor	Civil	Tax	Total
At January 1, 2022	29,391	20,619	146,049	196,059
Payment of claims	(1,738)	(97)	-	(1,835)
Complement (reversal) of provision	1,559	(221)	(3,206)	(1,868)
At March 31, 2022	29,212	20,301	142,843	192,356

	Consolidated			
	Labor	Civil	Tax	Total
At January 1, 2021	12,508	4,134	54,363	71,005
Addition of provision - acquisition of Prime	3,610	3,781	35,690	43,081
Payment of labor claims	(2,755)	-	-	(2,755)
Complement (reversal) of provision	(1,247)	(1,370)	(1,733)	(4,350)
At March 31, 2021	12,116	6,545	88,320	106,981

The following is a summary of the main lawsuits:

Labor contingencies

As at March 31, 2022, the Company and its subsidiaries are parties to approximately 1,115 labor claims (714 as at December 31, 2021) filed by former employees, service providers and drivers, requesting the payment of severance pay, occupational

illnesses, salary premiums, overtime, and amounts due for subsidiary liability, and discussion about the recognition of employment relationship. The provisions are periodically reviewed based on the development of the lawsuits and the history of losses on labor lawsuits, in order to better reflect the current estimate.

Tax contingencies

Under CPC 15 - Business Combinations, the acquirer must recognize, at the acquisition date, a contingent liability assumed in a business combination, even it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

15.2. Possible losses

	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2021	12/31/2020
Civil	2,514	4,453	15,164	18,442

Most civil lawsuits are filed by customers with a compensation claim for inconsistencies in deliveries made or damage to delivered goods.

The calculation of the labor contingency amounts considers the historical loss (convictions and ratified agreements) and the total lawsuits in progress, regardless of the estimated loss. Therefore, there are no amounts related to possible losses of a labor nature to be disclosed.

16. Equity

16.1. Share capital

As at March 31, 2022, the Company's share capital was R\$654,590, comprised of 139,898,823 registered common shares with no par value, fully paid-up, and can be presented as follows:

	Shares	Equity interest %
Controlling shareholders and officers	12,488,649	8.9%
Outstanding shares	127,410,174	91.1%
At March 31, 2022	139,898,823	100%

The movement in the share capital is as follows:

	R\$	Shares
January 31, 2022 (a)	56	24,712
March 09, 2022 (a)	401	174,444
March 24, 2022 (a)	261	268,558
	718	467,714

(a) The Board of Directors approved the increase of the Company's capital, within the limit of the authorized capital, by private subscription, to meet the exercise of the Company's stock options granted under the First Stock Option Plan.

16.2. Share-based payment plan

The main information related to the **Plan 1** is summarized below:

March 31, 2022						Number of options					
Series	Grant date	First exercise		Expiry date	Exercise price	Fair value	Granted	Exercised	Expired	Total	Exercisable
		date	date							outstanding	
1	Jul/17	Jul/18	Jul/23	R\$ 1.79	R\$ 0.83	3,143,850	2,330,152	813,698	-	-	
2	Mar/18	Mar/19	Jul/23	R\$ 1.79	R\$ 0.62	1,353,699	1,102,190	251,509	-	-	
3	Mar/19	Mar/20	Jul/23	R\$ 1.79	R\$ 0.62	1,928,271	820,411	548,818	559,042	252,791	
4	Jun/19	Jun/20	Jul/23	R\$ 1.79	R\$ 0.62	475,437	237,718	-	237,719	-	
5	Nov/19	Nov/20	Jul/23	R\$ 1.79	R\$ 0.38	494,240	-	-	494,240	247,120	
6	Jan/20	Jan/21	Jul/23	R\$ 1.79	R\$ 0.36	98,848	49,424	-	49,424	-	
7	Feb/20	Feb/21	Jul/23	R\$ 1.79	R\$ 0.36	172,984	86,492	-	86,492	-	
8	Jun/20	Jun/21	Jul/23	R\$ 1.79	R\$ 0.36	98,848	49,424	49,424	-	-	
9	Aug/20	Aug/21	Jul/23	R\$ 1.79	R\$ 0.44	51,894	17,383	-	34,511	259	
10	Sept/20	Sept/21	Jul/23	R\$ 1.79	R\$ 0.44	88,963	-	-	88,963	30,247	
						7,907,034	4,693,194	1,663,449	1,550,391	530,417	

March 31, 2021						Number of options				
Series	Grant date	First		Exercise price	Fair value	Granted	Exercised	Expired	Total outstanding	Exercisable
		exercise date	Expiry date							
1	Jul/17	Jul/18	Jul/23	R\$1.79	R\$0.83	3,143,850	824,838	813,698	1,505,314	922,775
2	Mar/18	Mar/19	Jul/23	R\$1.79	R\$0.62	1,353,699	834,366	196,027	323,306	82,888
3	Mar/19	Mar/20	Jul/23	R\$1.79	R\$0.62	1,928,271	481,898	430,030	1,016,343	285,049
4	Jun/19	Jun/20	Jul/23	R\$1.79	R\$0.62	475,437	118,859	-	356,578	-
5	Nov/19	Nov/20	Jul/23	R\$1.79	R\$0.38	494,240	-	-	494,240	123,560
6	Jan/20	Jan/21	Jul/23	R\$1.79	R\$0.36	98,848	24,712	-	74,136	-
7	Feb/20	Feb/21	Jul/23	R\$1.79	R\$0.36	172,984	43,246	-	129,738	-
8	Jun/20	Jun/21	Jul/23	R\$1.79	R\$0.36	98,848	-	-	98,848	-
9	Aug/20	Aug/21	Jul/23	R\$1.79	R\$0.44	51,894	-	-	51,894	-
	Sept/20					88,963	-	-	88,963	-
10	0	Sept/21	Jul/23	R\$1.79	R\$0.44					
						7,907,034	2,327,919	1,439,755	4,139,360	1,414,272

At the EGM held on September 15, 2020, the Company's Second Stock Option Plan (**"Plan 2"**) was approved, and the Board of Directors and the Executive Board were authorized to take the necessary measures to implement this plan.

The main characteristics of the Plan 2 are as follows:

Limit of 5% of the total common shares

Vesting period: 10% on the first anniversary, 20% on the second anniversary, 35% on the third anniversary, and 35% on the fourth and last anniversary.

Exercise price: R\$12.40 monetarily adjusted based on CDI from the grant date to the vesting date.

Extinguishing period: 6 years from the grant date or in case of termination of the employment relationship at the beneficiary's will, the optant will have 30 days to exercise his vested options; in case of termination at the Company's will for cause, the options will be considered automatically extinguished; in case of termination at the Company's will without cause, the beneficiary will have 6 months to exercise the vested options.

The Company does not have any legal or constructive obligation to repurchase or settle the options in cash. The fair value of the options granted was calculated separately by type of option. The fair value of the "executive length of stay" feature options was calculated based on the Black & Scholes' continuous valuation model.

The main information related to the **Plan 2** is summarized below:

March 31, 2022						Number of options				
Series	Grant date	First exercise date	Expiry date	Exercise price	Fair value	Granted	Exercised	Expired	Total outstanding	Exercisable
1	Jan/22	Jun/22	Jan/28	R\$12.40	R\$3.01	4,150,000	-	-	4,150,000	-
						4,150,000	-	-	4,150,000	-

The changes in the number of outstanding stock options and their corresponding weighted average prices for the period are as follows:

	Plan 1		Plan 2		Total
	Average exercise price per share in reais		Average exercise price per share in reais		
		Options		Options	Options
At December 31, 2021	1.79	2,140,156	-	-	2,140,156
Exercised	2.17	(467,714)	-	-	(467,714)
Expired	1.79	(122,051)	-	-	(122,051)
Granted	-	-	12.40	4,150,000	4,150,000
At March 31, 2022	1.79	1,550,391	12.40	4,150,000	5,700,391

	Plan 1	
	Average exercise price per share in reais	
		Options
At December 31, 2020	1.79	6,235,594
Exercised	2.15	(2,096,234)
At March 31, 2021	1.79	4,139,360

The expense recognized in the Company's profit or loss in the three-month period ended March 31, 2022 was R\$ 904 (R\$ 139 in 2021).

16.3. Earnings (loss) per share

	Basic loss	
	03/31/2022	03/31/2021
Loss for the period	(29.797)	(18,592)
Weighted average number of outstanding common shares - in thousands	139,509	127,150
Basic loss per share - in R\$	(0.21358)	(0.14622)

	Diluted loss	
	03/31/2022	03/31/2021
Loss for the period	(29.797)	(18,592)
Weighted average number of outstanding common shares - in thousands	139,509	127,150
Diluted loss per share - in R\$	(0.21358)	(0.14622)

Due to the fact that the Company reported a loss for the period ended March 31, 2022 and 2021, stock options were not considered in the calculation as there is no dilutive effect in this case.

17. Net revenues

	Company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Provision of logistics and transport services	381,592	240,984	538,052	387,168
Taxes levied thereon	(62,591)	(35,917)	(88,912)	(60,728)
	319,001	205,067	449,140	326,440

18. Costs and expenses by nature

	Company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Expenses on:				
Distribution and transport	(174,471)	(111,194)	(271,118)	(196,804)
Personnel	(64,204)	(50,758)	(111,540)	(78,640)
Depreciation and amortization	(4,538)	(4,739)	(22,530)	(12,795)
Amortization of right-of-use assets	(9,364)	(7,770)	(14,704)	(15,113)
Selling expenses	(12,253)	(5,025)	(14,656)	(6,592)
General and administrative expenses	(12,861)	(8,977)	(16,606)	(12,878)
Third-party services	(9,045)	(4,023)	(9,645)	(6,599)
	(286,736)	(192,486)	(460,799)	(329,421)
Presented as:				
Cost of services rendered	(233,822)	(161,271)	(367,615)	(271,344)
Selling, general and administrative expenses	(52,914)	(31,215)	(93,184)	(58,077)
	(286,736)	(192,486)	(460,799)	(329,421)

19. Other operating income (expenses), net

	Company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Price adjustment (a)	5,941	(6,532)	5,941	(6,532)
Other expenses and income (b)	6,798	388	6,905	2,549
	12,739	(6,144)	12,846	(3,983)

- (a) On 03/31/2021, it refers to the price adjustment for the acquisition of Transportadora Americana and on 03/31/2022, it refers to the price adjustment for the acquisition of YEP, according to note 8, both formalized after 12 months from the date of acquisition of the investment.
- (b) Refers mainly to extemporaneous tax credits arising from the INSS recalculation, according to note 6.

20. Financial income and expenses

	Company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
<u>Financial expenses:</u>				
Interest on leases	(7,161)	(6,117)	(8,421)	(7,565)
Interest on borrowings and debt	(17,159)	(4,508)	(18,810)	(5,412)
Net gain (loss) on financial instruments	-	(3,296)	-	(3,296)
Interest expense on late payment	(597)	(2,203)	(1,480)	(2,351)
Bank expenses	(3,265)	(811)	(3,526)	(961)
Interest on discounting of receivables	(2,204)	(383)	(2,449)	(383)
Other financial expenses	(244)	(155)	(593)	(256)
	(30,630)	(17,473)	(35,279)	(20,224)
<u>Financial income:</u>				
Net gain (loss) on financial instruments - see note 11.2	1,477	-	1,477	-
Income from financial investments	2,357	1,380	2,391	1,399
Discounts obtained	27	366	248	1,308
Other financial income	225	200	203	242
	4,086	1,946	4,319	2,949
	(26,544)	(15,527)	(30,960)	(17,275)

21. Income tax and social contribution

The breakdown of deferred income tax and social contribution assets is as follows:

	Company		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Tax losses	66,095	67,725	69,538	67,725
Provision for legal claims	1,749	1,893	14,960	15,521
Allowance for expected credit losses	3,437	2,217	4,511	3,485
Temporary differences - allocation of intangible assets	11,256	9,789	22,678	17,870
Temporary differences - Tax goodwill	(26,868)	(25,928)	(31,646)	(28,658)
Lease liabilities	10,807	9,478	13,372	11,542
Derivatives	1,257	2,361	1,257	2,361
Extemporaneous credit	(4,088)	(2,575)	(4,425)	(2,913)
Others	-	86	-	113
	63,645	65,046	90,245	87,046

The movement in deferred taxes is as follows:

	Company		Consolidated	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021
Opening balance	65,046	54,481	87,046	59,270
Movements with impact on results:				
Tax losses	(1,628)	1,338	1,813	1,338
Temporary differences	227	4,131	1,386	4,882
	(1,401)	5,469	3,199	6,220
Closing balance	63,645	59,949	90,245	65,493

The table below is a reconciliation of the tax expense presented in profit or loss and the amount calculated by applying the statutory tax rate of 34% (25% for income tax and 9% for social contribution):

	Company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Profit before income tax and social contribution	(26,339)	(24,061)	(30,939)	(24,239)
Expected income tax and social contribution at the statutory rate of 34%	8,955	8,181	10,519	8,241
Permanent differences:				
Share of profit (loss) of investees	(15,232)	(3,420)	(396)	-
Share-based payment plan	(307)	(1)	(307)	(1)
Tax incentive reserve	-	898	751	1,742
Investee adopting the presumed profit	-	-	-	553
Deferred taxes not set up on tax losses	-	-	(10,572)	(4,675)
Other permanent differences	3,126	(189)	1,147	(213)
Effect on profit or loss	(3,458)	5,469	1,142	5,647
Current income tax and social contribution	(2,057)	-	(2,057)	(573)
Deferred income tax and social contribution	(1,401)	5,469	3,199	6,220
Effective rate	13.1%	22.7%	3.7%	23.3%

22. Related-party transactions

Business transactions

In the ordinary course of its business the Company carries out transactions with related parties represented by the purchase and sale of services, contracted at rates compatible with those practiced with third parties, taking into account the reduction of the risk of losses. Transactions with subsidiaries, where applicable, are eliminated in full on consolidation and in the calculation of the share of profit (loss) of investees.

	Company		
	Liabilities	Liabilities	Cost
	Accounts payable	Other payables	
Transportadora Americana	87	9,110	(1,039)
Direcional	1	70	(10)
Plimor	1	2,388	(859)
	89	11,568	(1,908)

Sharing of expenses

The Company has an agreement with the subsidiaries for the sharing of certain corporate expenses that are initially paid by the Company and subsequently reimbursed by the subsidiaries.

	Company		
	Assets	Liabilities	Administrative costs
Transportadora Americana	6,582	7,671	294
Direcional	2,236	-	578
	8,818	7,671	873

Key management personnel compensation

	03/31/2022	03/31/2021
Direct compensation	1,977	3,344
Share-based payment plan and benefits	847	233

23. Insurance coverage

Coverage description	Coverage in R\$
Fire, lightning, explosion or implosion, windstorm, hurricane, cyclone, tornado, hail or smoke, collapse, internal movement, and flooding or overflowing.	194,042
Impact of land vehicles, crash of airplane or any other aircraft or spacecraft	45,796
Loss of profits	41,580
Civil liability	102,097
Theft of assets, goods or valuables	25,000
Loss or payment of rent	10,000
Spill or leak from sprinklers and hydrants	4,000
Debris removal	3,000
Pain and suffering, property damage or bodily injury (vehicle collision)	13,237
Electrical damage	400
Stationary, mobile and electronic equipment	2,250
Riot, strike or lock-out	100
Breakage of glass and luminous signs	100
Recovery of records or documents	100

The insurance covers 100% of the price stated by the FIPE chart for each vehicle.

24. Non-cash transactions

	Company		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
New lease contracts	15,575	32,025	16,265	32,533
Indemnity contingencies	173	-	162	-

25. Changes in liabilities of financing activities

	Company			
	Borrowings and debentures	Transaction costs	Lease liabilities	Total
At January 1, 2022	370,407	(1,486)	245,439	614,360
Cash flows	(100,000)	-	(8,347)	(108,347)
Interest paid	(12,266)	-	(4,270)	(16,536)
Accrued interest	13,637	2,684	7,162	23,483
New leases	-	-	15,575	15,575
New funding	111,346	(3,884)	-	107,462
Write-offs	-	-	(971)	(971)
At March 31, 2022	383,124	(2,686)	254,588	635,026
At January 1, 2021	354,124	(1,819)	197,171	549,476
Cash flows	-	-	(6,281)	(6,281)
Interest paid	(4,216)	-	(1,797)	(6,013)
Accrued interest	4,324	184	6,180	10,688
New leases	-	-	32,025	32,025
New funding	20,000	(1,042)	-	18,958
Write-offs	-	-	(355)	(355)
At March 31, 2021	374,232	(2,677)	226,943	598,498

	Consolidated			
	Borrowings and debentures	Transaction costs	Lease liabilities	Total
At January 1, 2022	374,472	(1,486)	295,132	668,118
Cash flows	(100,357)	-	(12,006)	(112,363)
Interest paid	(12,381)	-	(5,937)	(18,318)
Accrued interest	13,758	2,684	8,422	24,864
New leases	-	-	16,265	16,265
Write-offs	111,346	(3,884)	-	107,462
New funding	-	-	(14,851)	(14,851)
At March 31, 2022	386,838	(2,686)	287,025	671,177
At January 1, 2021	358,921	(1,819)	242,021	599,123
Acquisition of subsidiary	30,391	-	23,683	54,074
Cash flows	(1,837)	-	(12,876)	(14,713)
Interest paid	(4,589)	-	(2,404)	(6,993)
Accrued interest	5,225	184	6,978	12,387
New leases	-	-	32,533	32,533
Renegotiation of contracts	-	-	(1,177)	(1,177)
Write-offs	-	-	(355)	(355)
New funding	20,000	(1,042)	-	18,958
At March 31, 2021	408,111	(2,677)	288,403	693,837

26. Events after the reporting period

Sale of equity interest of Uello

On April 4, 2022, the Company entered into an agreement for sale of all equity interest held in Uello for an amount of R\$16,824, which was received in full on the same date.
