

**Plascar Participações Industriais S.A.**

**1Q22 EARNINGS  
RELEASE  
MARCH/2022**

**Plascar**

Jundiaí, state of São Paulo, may 04th, 2022.

## Plascar accumulates more than BRL 192 million in revenue in the first quarter of 2022

Plascar Participações Industriais S.A. (Bovespa: PLAS3), a manufacturer of parts for interior and exterior finishing of light and heavy motor vehicles, announced consolidated **net revenue of R\$ 192.8 million** in the first quarter of 2022. The value represents an increase of **35.4% if compared to the same period in 2021**.

The Company's **gross result** showed an advance of **2.6 percentage points** compared to the first quarter of last year and reached the mark of **R\$ 25.7 million**, which represents a **gross margin of 13.3%**.

The Company also increased its **EBITDA by R\$ 2.5 million** compared to last quarter of 2021, **reaching a total of R\$ 11.7 million**, with a margin of 6.1%.

### PERFORMANCE IN THE PERIOD

R\$ thousand	1Q22	1Q/21	Var %
Gross Sales	238,042	173,382	37.3%
Net Revenue	192,762	142,345	35.4%
Gross Result	25,717	15,238	68.8%
Gross Margin %	13.3%	10.7%	2.6p.p.
EBITDA	11,748	9,179	28.0%
EBITDA Margin %	6.1%	6.4%	-0.3p.p.
Net Loss	(20,111)	(14,208)	41.5%

DESEM

## General Informations

# Plascar



#### **SHARE PRICE (03/31/22)**

PLAS3 – R\$ 9.34

#### **MARKET VALUE IN 03/31/22**

R\$ 116.0 million

#### **NUMBER OF SHARES**

Common Shares: 12,425 M

#### **ADMINISTRATIVE COUNCIL**

Paulo Silvestri  
Andrew C. de Araújo  
Antonio Farina  
Rui Chammas  
Paulo Zimath

#### **FISCAL COUNCIL**

Marcelo Ferreira do Nascimento  
Edson Luiz da Silva  
Charles Dimetrius Popoff

#### **IR CONTACT**

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*CEP 13213-000*

The Company's operating and financial information, unless otherwise indicated, is consolidated and the monetary values are expressed in thousands of Reais.

## **Management Comment**

# **Plascar**

The numbers achieved by Plascar in the first quarter of 2022 are the result of an increase in the volume of its production and, consequently, of its net revenue, mainly driven by the entry of new projects, which also generated high investments by the company.

However, the automotive sector remains marked by the challenge of overcoming the lack of semiconductor components, which generates a halt in the production of automakers, demanding from Plascar a great effort to adapt production capacity and production planning.

The significant increases in raw material prices and the current inflationary environment have also brought challenges that have been tackled through an intense process of negotiating prices with customers and suppliers, engineering developments and the search for operational efficiency, in order to mitigate the impact of such effects.

In terms of profitability, the increase is mainly explained by actions to improve performance and operational efficiency, in addition to the effect of the increase in the Company's volumes and billing, which generates a greater absorption of fixed costs. The Company's net income, however, remains a challenge and added up to a loss of R\$ 20,111. The result is still below expectations and management is focused on developing actions for its reversal in future periods.

Plascar's recovery with the continued maintenance of production volume, new projects, recomposition of margins and strengthening of cash generation continue to be the focus of management in 2022. The Company ended March 31, 2022 with a workforce of 1,965 employees (1,718 on March 31, 2021).

# Plascar

## About Plascar

Innovation, high technology and cutting-edge quality.

This is Plascar, a Brazilian industry that has been operating in the plastics transformation market and development of parts and finishes for vehicles for more than five decades.

A solid company, managed under the best corporate governance practices and responsible for supplying the majority of automotive manufacturers installed in Brazil with high quality products.

Today, Plascar has four plants strategically located in the states of São Paulo and Minas Gerais, where it houses a park of injection molding machines with a closing force capacity of 70 to 3,200 tons and lines for painting, chrome plating, extrusion, thermoforming, CMC presses, in addition to its own tooling for the construction of molds.

Always acting with ethics, integrity and reliability, in a safe and healthy work environment and respecting people and the environment.

- 1963** Founded in Jundiaí/SP, the Oscar S.A. Industria de Artefatos de Borracha
- 1973** The company starts to operate in the automotive market
- 1982** Plascar S.A. Industria e Comércio was incorporated
- 1989** The company is listed on the Stock Exchange
- 1991** Start of activities at the new unit in Jundiaí/SP
- 1994** Start of activities in Betim/MG
- 1994** Start of activities in Varginha/MG
- 1997** Creation of Plascar Industria e Comércio Ltda
- 2000** S.W Textron International Holding S.L. takes control of Plascar

# Plascar

- 2005** Change of name to Plascar Industria de Componentes Plásticos Ltda
- 2006** Controlling acquired from Collins & Aikman Corporation, by International Automotive Componentes Group Brazil, LLC.
- 2019** Mapa Capital takes control of Plascar

On January 31, 2019, the Company's capital stock was increased with the payment through the use of credits held against Plascar Ltda by private subscription, in the amount of R\$ 449,483, through the issue of 7,455,251 common shares, acquired by the company Pádua IV S.A., thus concluding the Company's restructuring process.

Thus, the shareholding control of Plascar S.A. became the property of Pádua IV S.A., with a 59.99% share of its capital, which is also composed of Permali do Brasil Indústria e Comércio Ltda., with 18.44%, by Postalís Instituto de Seguridade Social dos Correios e Telégrafos with 7.12% and by other individual shareholders who jointly own 14.45%.



# Plascar

# Automotive Market

Vehicle production in the first quarter of 2022 fell by 17% over the same period in 2021, according to ANFAVEA - National Association of Motor Vehicle Manufacturers.

Despite the result, the Association maintains its initial projections for the Brazilian market this year, suggesting a 9.4% growth in vehicle production over 2021.

AUTOMOTIVE SCENARIO	SOURCE: ANFÁVEA – BRAZIL		
	Accum. Jan to Mar/2021	Accum. Jan to Mar/2022	VAR. %
VEHICLE PRODUCTION	598	496	-17.0%
VEHICLE SALES	528	406	-23.1%

The Company's Management believes that the continued shortage of electronic components, an unstable economic scenario, high interest rates and the risk of aggravation of the conflict and sanctions related to Ukraine, Russia and/or Belarus and its consequences, make this forecast very challenging and difficult. achievement.

It is worth noting that the production of trucks had an expressive result in the period, with 34,400 trucks produced. In comparison with the same period last year, the increase was 3.9%, and the expectation for 2022 is a growth of 8% in this segment.

## ANFAVEA Projection 2022

Vehicles: Automobiles, Light Commercials, Trucks and Buses		Accomplished 2020 thousand units	2021 thousand units Δ %		PROJECTIONS 2022 thousand units Δ %	
Licensing	Total	2,058	2,120	3.0	2,300	8.5
	Light vehicles	1,955	1,977	1.1	2,143	8.4
	Heavy vehicles	104	143	37.8	157	10.0
Exports	Total	324	376	16.0	390	3.6
	Light vehicles	307	349	13.8	361	3.3
	Heavy vehicles	17	27	55.1	29	7.7
Production	Total	2,014	2,248	11.6	2,460	9.4
	Light vehicles	1,905	2,071	8.7	2,268	9.5
	Heavy vehicles	109	178	62.5	192	8.2

# Plascar

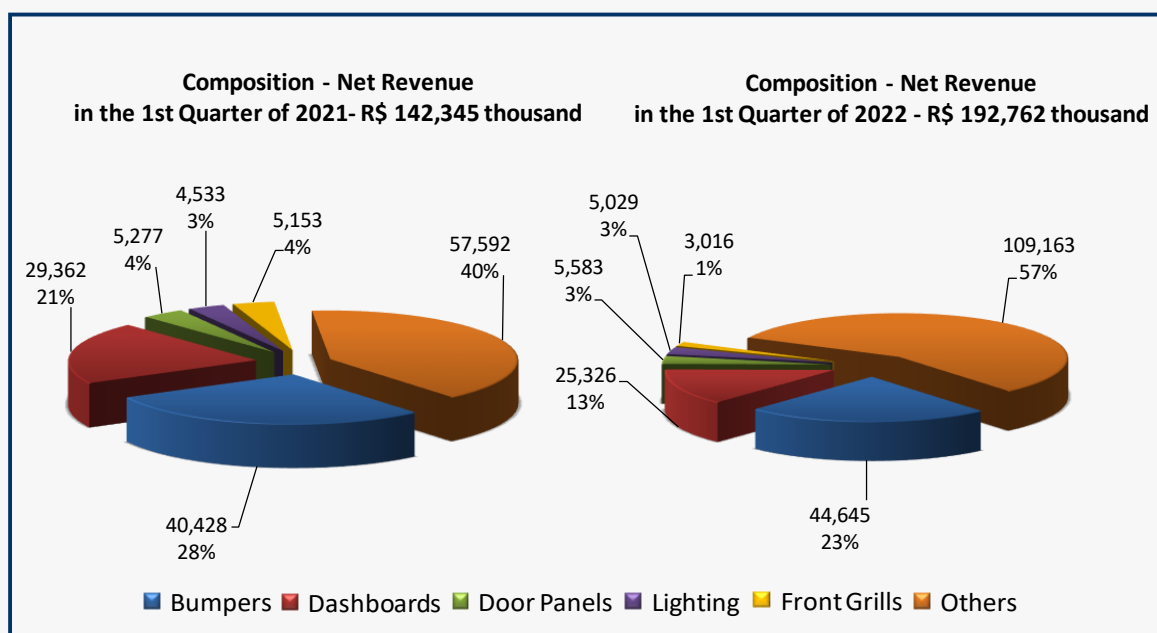
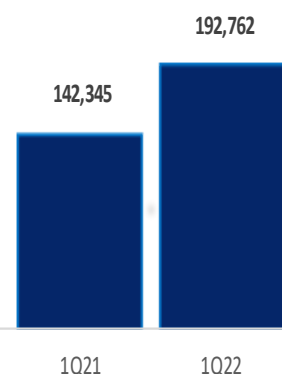
# Operational and Financial Performance

## Net Revenue

A Plascar's Net Revenue grew by 35.4% compared to the first quarter of 2021.

This increase is due to the success of the new projects initiated during the period, in addition to the advance in trucks and new business lines. This movement is evidenced by the mix of products sold, since, although bumpers continue to be the main product sold, representing 23% of sales, there is greater variety in the production mix, since the 5 main items sold had their share reduced from 60% to 43% of total items sold.

Performed 1Q22 vs. 1Q21



## Profitability

In this period, the Company presented an improvement in its gross margin as a result of the greater absorption of fixed costs due to the increase in revenues in the first three months of 2022, in addition to productivity improvement actions that have been implemented.

# Plascar



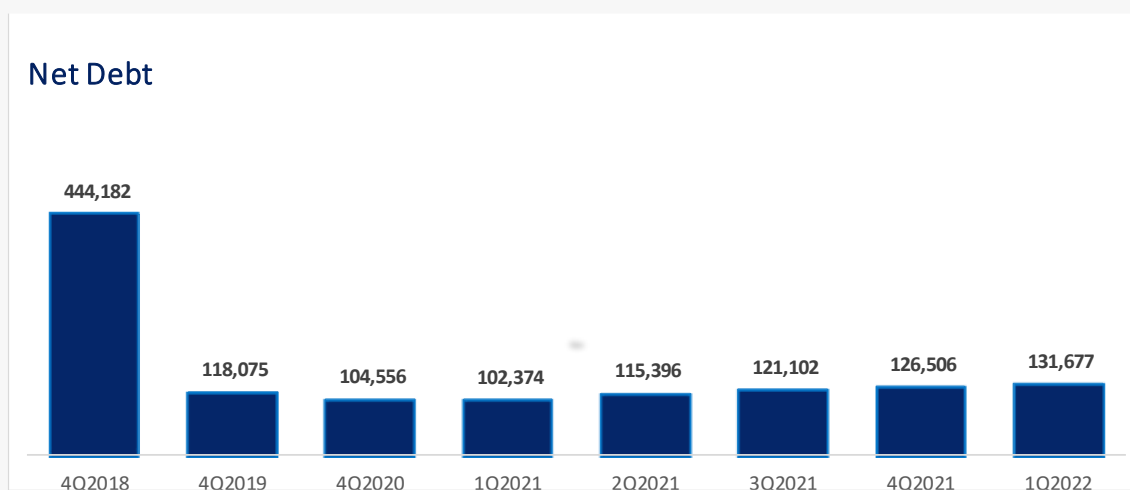
Plascar's gross income improved by R\$ 10,479, from R\$ 15,238 in 1Q21 to R\$ 25,717, with a gross margin of 13.3% in 1Q22. EBITDA in 1Q22 totaled R\$ 11,748 against R\$ 9,179 in 1Q21, with margins of 6.1% and 6.4%, respectively.

The Company's net loss in 1Q22 totaled R\$ 20,111, against R\$ 14,208 in 2021. Despite the increase in EBITDA, it was still not enough to offset the volumes of depreciation and current financial expenses, which ended up contributing to a lower result than scheduled for the period.

R\$ thousand	1Q22	1Q21	Δ%	4Q21	Δ%
Gross Result	25,717	15,238	68.8%	17,215	49.4%
Gross Margin %	13.3%	10.7%	2.6p.p	10.5%	2.8p.p
EBITDA	11,748	9,179	28.0%	4,884	140.5%
EBITDA Margin %	6.1%	6.4%	-0.3p.p	3.0%	3.1p.p
Loss of the Period	(20,111)	(14,208)	41.5%	(25,046)	(19.7%)

## Net Debt

Management continues to monitor liabilities in order to adjust them to the Company's cash generation capacity. Over the years following the restructuring, certain liabilities were renegotiated, which have been kept in line with Management's leverage control strategy.



## Other Relevant Informations

### **Credit Exclusion of ICMS from the PIS/COFINS calculation basis**

In September 2017, the Company obtained a favorable decision in the lower court and, in October 2019, obtained a new favorable decision in the appeal level (STF). In the same act, the process became res judicata. In view of this, the Company initiated a procedure to collect amounts unduly paid as of 2005 and claim their respective reimbursement. The Company calculated and measured the respective amounts reliably. On August 19, 2019, the Company obtained a favorable decision for the use of ICMS highlighted in the invoices to calculate the credit. In the fourth quarter of 2019, based on the opinion and report prepared by its advisors, the Company recorded the amount of R\$ 179,069 under recoverable taxes in the balance sheet to offset current taxes administered by the Brazilian Federal Revenue Service in future periods. The principal amount of the credits, net of attorneys' fees, was recognized as other operating income and the monetary restatement amount was recognized under financial income in the income statement for the year.

The approval and authorization of R\$ 123,396 related to the part of said credit with the Federal Revenue Service of Brazil for future tax compensation, took place on January 3, 2020, and the remaining amount of the credit in the amount of R\$ 55,673 will be subject to analysis by the Federal Revenue Service of Brazil for refund or future compensation of taxes previously paid in installments.

In the 3rd quarter of 2021, the Company revisited its financial projections for the years 2022 to 2024 and, considering the opening balance of R\$ 179,069, minus the offsets made until the 3rd quarter of 2021 of R\$ 63,469 and adding the monthly monetary restatement of the credit accumulated amount of R\$ 27,694, the Company concluded that it will not be possible to offset 100% of the current balance during the 5-year statute of limitations, starting in October 2019 and ending in October 2024. Therefore, a provision (impairment) was recorded. in the amount of R\$ 20,629 in the income for the year. The Company offset until March 31, 2022 the amount of R\$ 76,931 and expects to offset all the credits within the statute of limitations. Management reviewed the projections for the first quarter of 2022 and there was no need to supplement the provision.

# Results Report

Income statements for the period ended March 31,  
2022 and 2021  
(In Thousands of Reais)

	Controller		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Net Operating Revenue	-	-	192,762	142,345
Cost of Sales	-	-	(167,045)	(127,107)
<b>Gross Profit</b>	<b>-</b>	<b>-</b>	<b>25,717</b>	<b>15,238</b>
<b>Operating income (expenses)</b>				
Selling expenses	-	-	(7,026)	(6,525)
Administrative and general expenses	(446)	(445)	(19,772)	(15,952)
Equity in the results of investees	(19,668)	(13,791)	-	-
Other operating income (expenses), net	-	-	(33)	71
<b>Operating result</b>	<b>(20,114)</b>	<b>(14,236)</b>	<b>(26,831)</b>	<b>(22,406)</b>
<b>Loss before financial result</b>	<b>(20,114)</b>	<b>(14,236)</b>	<b>(1,114)</b>	<b>(7,168)</b>
<b>Financial result</b>				
Financial expenses	(4)	(4)	(22,693)	(12,643)
Financial income	7	32	3,777	5,690
	3	28	(18,916)	(6,953)
<b>Loss before income tax and social contribution</b>	<b>(20,111)</b>	<b>(14,208)</b>	<b>(20,030)</b>	<b>(14,121)</b>
<b>Deferred income tax and social contribution</b>				
Deferred	-	-	(81)	(87)
	-	-	(81)	(87)
<b>Loss for the year</b>	<b>(20,111)</b>	<b>(14,208)</b>	<b>(20,111)</b>	<b>(14,208)</b>
<b>Loss attributable to:</b>				
Controlling shareholders	-	-	(20,111)	(14,208)
	-	-	(20,111)	(14,208)

# Plascar

# Balance Sheet

## Assets

### Balance Sheet

(In thousands of Reais)

	Controller		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
<b>Current Assets</b>				
Cash and cash equivalents	4,751	7,384	7,595	12,487
Trade receivables	-	-	51,413	31,509
Inventory	-	-	108,621	118,357
Taxes to recover	-	-	27,499	34,746
Other Assets	17	17	2,743	2,836
<b>Total Current</b>	<b>4,768</b>	<b>7,401</b>	<b>197,871</b>	<b>199,935</b>
<b>Non Current Assets</b>	<b>03/31/2022</b>	<b>12/31/2021</b>	<b>03/31/2022</b>	<b>12/31/2021</b>
Taxes to recover	-	-	88,981	88,959
Judicial deposits	-	-	2,368	2,317
Other Assets	-	-	140	150
Investment property			8,340	8,362
Fixed assets	7	7	321,743	303,338
Assets use rights			90,161	15,604
<b>Total Non Current</b>	<b>7</b>	<b>7</b>	<b>511,733</b>	<b>418,730</b>
<b>Total Assets</b>	<b>4,775</b>	<b>7,408</b>	<b>709,604</b>	<b>618,665</b>

# Plascar

# Balance Sheet

## Liabilities

### Balance Sheet

(In thousands of Reais)

	Controller		Consolidated	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
<b>Current Liabilities</b>				
Borrowings and Financings	-	-	57,858	51,531
Lease Liabilities	-	-	24,397	1,546
Trade Payables	-	-	84,624	72,830
Taxes and contributions to collect	85	27	96,008	78,896
Salaries, vacations and social charges payable	-	-	177,490	160,757
Advance from customers	-	-	52,645	51,608
Other Liabilities	-	-	42,560	40,265
<b>Total Current</b>	<b>85</b>	<b>27</b>	<b>535,582</b>	<b>457,433</b>
<b>Non Current Liabilities</b>	<b>03/31/2022</b>	<b>12/31/2021</b>	<b>03/31/2022</b>	<b>12/31/2021</b>
Borrowings and Financings	-	-	81,414	87,462
Lease liabilities	-	-	108,412	53,988
Related parts	19,901	22,148	7,348	8,132
Salaries, vacations and social charges payable	-	-	14,223	9,265
Taxes and contributions to collect	-	-	80,803	94,333
Deferred income tax and social contribution	-	-	19,378	19,297
Provision for contingencies	-	-	6,219	6,502
Provision for losses on investment in subsidiary	316,346	296,679	-	-
Other Liabilities	-	-	187,782	193,699
<b>Total Non Current</b>	<b>336,247</b>	<b>318,827</b>	<b>505,579</b>	<b>472,678</b>
	336,332	318,854	1,041,161	930,111
<b>Equity</b>				
Share Capital	931,455	931,455	931,455	931,455
Equity valuation adjustment	320	321	320	321
Accumulated losses	(1,263,332)	(1,243,222)	(1,263,332)	(1,243,222)
<b>Attributed to the participation of controllers</b>	<b>(331,557)</b>	<b>(311,446)</b>	<b>(331,557)</b>	<b>(311,446)</b>
<b>Total Equity</b>	<b>(331,557)</b>	<b>(311,446)</b>	<b>(331,557)</b>	<b>(311,446)</b>
<b>Total liabilities and equity</b>	<b>4,775</b>	<b>7,408</b>	<b>709,604</b>	<b>618,665</b>

# Cash Flow Statement

## Statements of cash flows for the period ended March 31, 2022 and 2021

(In thousands of Reais)

Cash flows from operational activities	Controller		Consolidated	
	03/31/2022	03/31/2021	03/31/2022	03/31/2021
Net loss for the year before income tax and social contribution	(20,111)	(14,208)	(20,030)	(14,121)
<b>Adjustments to reconcile net income to cash generated by (used in) operational activities:</b>				
Depreciation	-	-	8,226	9,713
Amortization	-	-	4,497	6,611
Interest and monetary variation, net	-	-	20,297	9,708
Provision for lawsuits	-	-	1,573	1,350
Provision for adjustment of inventories to market value and obsolescence	-	-	31	(5)
Constitution (reduction) of allowance for doubtful debts	-	-	(1,219)	796
Others	-	-	153	-
Equity pickup result	19,668	13,791	-	-
<b>(Increase)/decrease in asset and liability accounts</b>				
Trade receivables	-	-	(18,685)	(17,505)
Inventory	-	-	9,705	(13,740)
Taxes to recover	-	-	7,225	2,940
Judicial deposits	-	-	(51)	806
Other asset accounts, net	-	-	126	(197)
Suppliers	-	-	11,717	5,239
Salaries, vacations and social charges payable	-	-	16,012	9,257
Advances from customers	-	-	(1,077)	13,960
Taxes, contributions and installments payable	57	-	314	137
Provision for lawsuits (payments)	-	-	(1,856)	(2,424)
Other liability accounts, net	-	-	(3,349)	(437)
Interest paid	-	-	(5,996)	(1,971)
<b>Net cash from (used in) operating activities</b>	<b>(386)</b>	<b>(417)</b>	<b>27,613</b>	<b>10,117</b>
<b>Cash flows from investing activities</b>				
Fixed Asset Acquisitions	-	-	(26,783)	(5,391)
<b>Net cash used in investing activities</b>	<b>-</b>	<b>-</b>	<b>(26,783)</b>	<b>(5,391)</b>
<b>Cash flows from financing activities</b>				
Borrowings	-	-	11,465	750
Payment of loans and financing (main)	-	-	(16,403)	(5,324)
Net increase in loans receivable from related parties	(2,247)	1,872	(784)	581
<b>Net cash used in financing activities</b>	<b>(2,247)</b>	<b>1,872</b>	<b>(5,722)</b>	<b>(3,993)</b>
<b>(Decrease)/Increase in cash and cash equivalents</b>	<b>(2,633)</b>	<b>1,455</b>	<b>(4,892)</b>	<b>733</b>
Cash and cash equivalents at the beginning of the period	7,384	31,444	12,487	33,682
Cash and cash equivalents at the end of the period	4,751	32,899	7,595	34,415
<b>(Decrease)/Increase in cash and cash equivalents</b>	<b>(2,633)</b>	<b>1,455</b>	<b>(4,892)</b>	<b>733</b>

# Plascar