



**Operator**

Good morning, ladies and gentlemen and welcome to Automob's conference call to discuss the results for 4Q25 and Full Year 2025. This conference call is being recorded and a replay will be available on the company's website at [ri.Automob.com.br](http://ri.Automob.com.br). The presentation will also be available for download. Please note that all participants will be in listen-only mode during the company's presentation.

*(0:39 - 1:20)*

We will then begin the Q&A session at which point further instructions will be provided. Before we begin, I'd like to remind you that any forward-looking statements made during this conference call are based on beliefs and assumptions of Automob's management and on information currently available to the company. These statements involve risks and uncertainties as they relate to future events and therefore depend on circumstances that may or may not occur.

*(1:21 - 1:39)*

Investors, analysts, and members of the press should be aware that macroeconomic conditions, industry trends, and other factors may cause actual results to differ materially from those in such forward-looking statements. Joining us today are Sebastian Los, the company's CEO, and Paulo Prado, Investor Relations Officer. I will now hand the call over to Mr. Los to start the presentation.

**Sebastián Darío Los (CEO)**

*(1:40 - 4:39)*

Good morning, everyone. I'd like to start by thanking first our employees that with their daily commitment execute our strategy, our executives for their leadership, our board of directors for their support and long-term vision, the OEMs, suppliers, and customers who choose to move forward with us, and our investors. Thank you for joining us on this journey.

On page three, I'd like to reinforce that Automob is the largest and most diversified dealership network in Brazil. We operate with 38 brands across light vehicles, trucks, machinery, and equipment, holding a leading position in the regions where we operate. We are in a highly fragmented sector and our strategy is clear to build leadership positions in selected brands within the markets where we have the greatest execution capacity and ability to create value.

Our 2025 results clearly reflect this discipline. We achieved the number one position in sales in Brazil in key brands such as Volkswagen, BMW, Honda, Volkswagen Trucks and Buses, Pandit, and Harley Davidson. In addition to holding strong positions across several others, this is a direct reflection of the quality of our operation.

On page four, I want to highlight that we are strengthening the foundations that support profitable growth. Throughout 2025, we made consistent progress in structural initiatives that are already generating tangible operational impact and prepare us for a more efficient and scalable expansion cycle. Starting with network modernization, we completed 46 store renovations during the year, 14 in the fourth quarter.

Nearly our entire network has already been transformed, significantly reducing the need for additional capex. This is already reflected in our numbers as we ended the fourth quarter with a 52% reduction in capex compared to the same period last year. Another key pillar of our thesis is expanding sales per store, and the 2025 results confirm this direction.

In new light vehicles, average sales per store grew 5%. In used vehicles, we saw a 21% increase. The used-to-new ratio increased from 0.6 times to 0.7 times, which represents just the beginning of capturing this potential.

Capital discipline remains a priority. We reduced paid inventory by more than 410 million reais during the year and improved turnover by 20 days, reinforcing the company's cash generation. We also created three cross-function leadership areas dedicated to strategic businesses, used cars, parts, and armoring.

We made significant progress in technology. 30% of our light vehicle stores were migrated to our ERP system in the fourth quarter. Benefits have not yet been fully captured, which we expect throughout 2026 and fully in 2027.

Even in a year of intense internal transformation, we grew above the market. We sold more than 50,000 new light vehicles in retail, up 8.5%, and more than 33,000 used cars, a strong expansion of 25.6%. We also advanced consistently in services. F&I revenue per vehicle exceeded 1,700 reais, growing more than 90%, while after-sales gross margin reached 40%, up 4.3 percentage points in the year, a result that reflects the quality of execution throughout 2025.

In summary, we are building a more efficient, integrated, and disciplined model capable of delivering sustainable, profitable growth. On page five, we bring our key financial highlights. Starting with net revenue, we ended the fourth quarter of 2025 at 3.4 billion reais.

For the fourth year, we reached 12.8 billion, a 6.9% increase compared to the previous year. Gross profit also showed strong growth, reaching 470 million reais in the quarter and 1.9 billion reais in the year, up 11% with margin improvement driven by operational efficiency, a sale mix with higher service penetration, and commercial discipline. Adjusted EBITDA totaled 134 million in the quarter and 529 million reais in the year, a 6.2% increase year-over-year.

At the adjusted net income level, we reported a loss of 102 million reais in the fourth quarter and 188 million for the full year 2025. To provide greater visibility into profit composition per segment, we'll go into more detail on a dedicated page. But the key takeaway is that segments representing over 90% of the company's gross revenue, that is, light vehicles, trucks, and buses, delivered positive net income of 37 million reais in the quarter and 190 million for the full year 2025, reinforcing Automob's value creation potential and positive results.

On page 6, you can see more clearly the breakdown of revenue and gross profit, which reinforces the consistency of our execution. In net revenue for the fourth quarter, we grew 0.7% with contributions from both light and heavy vehicles. For the full year, growth was 0.9%, driven primarily by an 8.9% increase in light vehicles, while the agribusiness segment with lower revenue kept heavy vehicles stable on a consolidated basis.

Gross profit grew even more consistently with margin gains year-over-year. EBITDA margins remained stable and still reflect the impact of the agribusiness segment. The agribusiness segment continues to show positive gross margin, but weaker demand and lower volumes reduce fixed cost dilution, which in turn creates a clear opportunity for future value capture.

The next page, I will give you more details on the net income breakdown. On page 7, we take a deeper look at the company's net income. In this analysis, in addition to separating debt from the corporate reorganization, we allocate the remaining debt across segments based on paid inventory, allowing for greater visibility where value is being created.

In the fourth quarter, we recorded just a net loss of R\$102 million. However, the light vehicle segment responsible for approximately 80% of gross revenue generated net income of R\$23 million. The trucks and buses segment representing around 12% of revenue contributed with more than R\$14 million.

In other words, 92% of the business generated net income of R\$37 million in the quarter, a healthy level that clearly shows the company's long-term value generation capacity. What makes our consolidated results negative are two clearly identified effects, a R\$53 million loss in the agricultural equipment and machinery on the right, and R\$45 million in negative financial results at the holding level. In gray, applying the same rationale for the full year 2025, light vehicles, trucks, and buses generated R\$190 million in net income.

It's important to highlight that the agribusiness result is not a structure. It is part of the scenario. Brazil is currently facing a particularly challenging period for agribusiness, but the segment has delivered strong margins in the past.

Finally, regarding capital structure, we continue taking concrete steps to reduce inventory levels and gradually improve net debt. I will give you more color on that on the next slide. On page eight, I would like to highlight the progress in working capital management.

The results are already tangible and clearly. Consolidated paid inventory decreased by 28% compared to 24, a reduction of R\$410 million. In the fourth quarter, we continue reducing paid inventory in the heavy segment with a drop of approximately 9%.

In the light vehicle segment, there was a temporary increase driven by early purchases of new vehicles ahead of OEM's holiday shutdown, a seasonal and well-managed effect. We also improved our cash conversion cycle by 20 days year over year with progress in both light and heavy segments. This is an indicator that we are following from close because it shows how fast we are transforming our assets into cash.

The focus remains unchanged. We'll continue with the same discipline in the coming quarters and the results delivered so far give us confidence that there is still additional value to be captured. On page nine, we show our investments.

In the quarter, we opened a new IP motors dealership in San Luis Maranhao and completed more than 14 renovations, closing 25 with 46 store modernizations. More than 90% of our network has now been transformed. Our stores are more modern with expanded space for used cars and better prepared to serve customers and convert sales.

This indicates a lower capital requirement going forward. This investment cycle maturity is clearly reflected in our numbers. Fourth quarter capex decreased by 52% compared to the same period 24, freeing up resources and increasing our financial flexibility for future growth cycles.

On page 10, we bring you a concrete example to give you visibility into renovations. The example is the HPoint in Pinheiros, a store located on Avenida Eusebio Matoso, right across Shopping Eldorado, a high traffic, well-positioned location in Sao Paulo. As we can see on the pictures, we renovated the showroom and increased the space for used cars, enhancing both the mix and the volume of vehicles available.

But the transformation was not only physical. We combined the renovation with a team fully dedicated to used cars and clear performance targets. Result was immediate.

Total vehicle sales increased by more than 50%, with used cars growing 66% when compared to pre- and post-renovation periods. This is just an example, but it clearly illustrates what we believe. A modern store, focused team, and well-structured process translate directly into higher sales and greater profitability per location.

Despite the progress achieved, there is still significant upside potential driven by a more mature team, optimized used car mix, and more efficient inventory turnover in the future. On page 11, we bring you a second example, the BMW dealership on Avenida Nações Unidas. Many of you are familiar with the location.

It was the site of our Investors Day, one of the largest BMW dealerships in Latin America and a benchmark in our network. As in previous examples, we expanded the capacity for used car display and the results followed the same trend. Sales grew significantly.

What excites us is that this is not a story of isolated cases. We are scaling it across the entire network, with more than 90% of the stores already renovated. We now have the installed base to capture this potential systematically, store by store, brand by brand, region by region.

We are still at the beginning of this journey and the results we already see give us confidence that the best is yet to come. On page 12, we bring our capital structure. I'd like to highlight an important step taken in the first quarter 26, extending the debt maturity profile through liability management.

The dark blue columns show the pro forma view after year-end 25, incorporating two debenture issuances totaling 275 million reais and long tenor instruments that replaced debts maturing in 26 and 27. This move reduces short-term maturity concentration and provides greater flexibility to execute our strategy. The company ended 25 with 522 million in cash, enough to cover Brough's debt until mid-27.

When combined with available four plan lines, we have a comfortable liquidity position of 1.1 billion reais, positioning as well for the next cycle. With that, I close my first part of the

presentation and invite Paulo Prado, our investor relations officer, to walk you through each of our business segments. Paulo?

**Paulo Prado (Investor Relations Officer)**

Thank you, Sebastian. Now let's go through the results by segment, starting on page 14, which presents our new light vehicle retail performance, a segment that accounts for 32% of our gross profit. We continue, once again, to grow above market, delivering consistent volume expansion alongside margin improvement. Vehicle sales increased to 4.6% in the fourth quarter and 8.5% for the year, outperforming the market by six percentage points in 25.

The performance reflects the diversification of our brand portfolio and the quality of our customer service. The top right corner of the slide, you can see Brough's transaction revenue, which includes the full value of direct retail sales, not just commissions received by direct sales. This metric increased 4.5% in the quarter and 6.9% in the year, supported by higher volumes in the period.

In the bottom left corner, we show gross profit evolution. Gross was 18.7% in the quarter and 10.4% in the year compared to the other periods of 24. These figures show disciplined growth with margin preservation and strong operational profitability.

On page 15, we present our used light vehicle results. The segment represents 12% of consolidated gross profit and has been gaining increasing relevance in our strategy. Volume grew 15.3% in the fourth quarter and 25.6% for the year, more than eight percentage points above the market.

It's worth noting that this growth took place alongside the acceleration in new vehicle sales, which still led to an increase in the used-to-new ratio from 0.6 times in 24 to 0.7 times in 25. We continue to evolve and remain focused on reaching our benchmark of at least one-to-one ratio between used and in-vehicles in our stores, which highlights the significant upside still to be captured. With higher volumes, growth revenue increased 18.5% in the quarter and 31% for the year.

Gross profit grew 20.1% in the quarter and 10.3% for the full year. It's important to contextualize gross margin in the period. We accelerated sales through the wholesale channel at year-end, a strategic decision aligned with industry seasonality and the IPVA payment cycle.

As expected, this temporarily pressed margins in the short term. On page 16, we bring our F&I results, financing and add-on products. Although the segment represents only 1.5% of gross revenue, it accounts for 10% of consolidated gross profit, highlighting its importance for profitability.

Revenue increased 21% in the fourth quarter and 32% for the year. Consistent growth across all business lines, financing, documentation services, insurance, armoring and consortium sales. On the right hand, we highlight a key element of this strategy, the connection between used cars and F&I.

The first chart shows financing profitability, meaning the commission we receive for intermediating between banks and retail customers. Profitability on used vehicles is more than double that of new vehicles and over the past two years has increased by 300 base points, reflecting both scale and stronger negotiation power driven by the higher credit volume generated through used car sales. The pie charts reflect the same dynamics.

Used vehicle financing accounts for only 25% of total finance value, but generates approximately 43% of commission revenue. That means that every increase in the used to new ratio that we showed you the page before, not only impacts vehicle volume, but also directly expands F&I profitability. Finally, F&I gross profit per vehicle continues to trend upward, reaching approximately 2,800 per unit.

We still see significant room for growth through scale gains, process improvements, and training of our teams. We have the largest financing platform in Brazil with strategic partnerships with more than 20 financial institutions. This ensures a highly competitive credit offering for customers and supports sustainable growth.

On page 17, we highlight our after sales performance, accounting for 22% of consolidated gross profit. Gross profit in the segment grew 12% in 25 driven by our strategy to strengthen recurring revenue and enhance service quality. The fourth quarter specifically presented a temporary challenge related to system integration.

About 30% of our stores, including some of our most relevant brands, had their systems migrated to our ERP system during the quarter. That was necessary and important for the long term, but it caused some instability in billing, service scheduling, and inventory visibility, impacting performance in the segment in the period. Now the process is stable and we continue advancing with the integration of the remaining network.

Looking ahead, there is significant growth potential in the segment. The expansion of new vehicle sales naturally increases the addressable after sales market as each car sold today becomes a recurring service customer in the future. Combined with this, more system

integration, ongoing enhancement in CRM solutions will enable us to capture potential with greater precision, customization, and efficiency.

On page 18, we present a final slide for the light vehicle segment. This slide summarizes one of the most important transformations at OMOP, consistent and accelerated growth of services as a key driver of profitability. Looking at the 25 gross profit breakdown, F&I and after sales combined already account for more than 40% of total gross profit.

In 24, it was 37%. That's an increase of 3.5 percentage points in just one year, which shows clearly the change of profile that is going on in the business. What makes this even more relevant is the contrast between gross revenue breakdown.

On the left-hand side, F&I and after sales together account for only 12.8% of revenue, yet they account for more than 40% of gross profit on the right-hand side. These are businesses with naturally higher margins, strong recurrence, and significant scalability, which benefit directly from the growth in new and used vehicle sales we discussed earlier. On page 20, we present the truck and bus segment, which accounts for 16% of consolidated gross profit.

The segment delivered strong performance in 25, particularly when compared to the market. Sales volume increased 7.2% in the fourth quarter and 18.6% for the year, in a market that in the same period had a drop of 7%. This outperformance in a challenging environment reflects the quality of our operation and the positioning we are building in the regions where we operate.

Gross revenue increased 15.2% in the quarter, 9.1% for the year. It's important to note that this growth is naturally lower than volume growth, as in direct sales and consignment transactions, we recognize only commissions and not the full value of the asset. Gross profit grew 17% in the quarter and 13.6% for the year, with margin expansion supported by two key drivers, a higher share of direct sales in the mix and improved margins in services, tires, parts, and accessories.

This latter point deserves emphasis. As shown in the pie chart on the right, 23% of revenue in the segment comes from services and parts, a recurring revenue base that adds resilience and contributes meaningfully to profitability. Finally, on page 22, we bring the agribusiness equipment and machinery segment, which is going through a challenging period, which is reflected in our results.

Machinery sales volume had a drop of 21% in 4Q and 16% for the full year, driven by weaker demand for higher house power equipment in the regions where we operate, Mato Grosso, Goiás, and Paraná. Gross revenue, however, increased 3.4% in the quarter, partially offsetting the 12.6% decline for the full year. The performance was supported by a higher average price,

driven by a more favorable mix, with greater share of harvester and improved commercial conditions that helped offset lower volumes.

Gross profit for 2025 totaled \$62 million, with a 6% margin, stable year-over-year. The stability reflects two important factors, the repricing of legacy inventory in coordination with OEMs and a higher share of current products in the mix. In other words, it's not only older inventory that is being sold.

Following the recognition of impairment and renegotiation of commercial terms, we are already seeing margin improvement. However, margins remain below historical levels, such as in 22, when we reached 16%, which was more than sufficient to absorb fixed costs and deliver strong profitability. We continue making progress in inventory.

We reduced paid inventory, but still have approximately \$150 million in excess inventory within agribusiness, which we are addressing in a disciplined manner, aligned with crop cycles. With that, I conclude the review of our business lines and hand it back to Sebastián.

### **Sebastian Dario Los (CEO)**

Thanks, Paulo. On page 24, I'd like to take a moment to discuss what I believe is a major milestone for Automob, the completion of system integrations for light vehicles. Since early 24, we have been working on a system integration journey that was completed in the first quarter of this year, with 100% of light vehicle operations consolidated into a single platform, 31 brands operating on the same tech base. But what does this mean in practice? Our tech platform is now ready to generate greater value as we increase adoption and effectiveness in using our management tools.

We have clear visibility on the benefits to be captured throughout 26 and fully in 27. That is, unified inventory visibility, process digitalization, and reduced bureaucracy. Integrated CRM with a 360-degree customer view across all brands and standardized accounting across each of these elements translates into something tangible, higher turnover, higher margin, better conversion, lower costs. On page 25, I say that used car sales is not a segment, it's a strategic lever that connects sourcing, profitability, pricing intelligence, facilitates new car sales, and enhances the customer experience in a single integrated flow. We are building this operation on four pillars that help each other.

Sourcing, dedicated teams, and a centralized appraisal process increase our conversion rates to 27.1% in 2025, up 3.4 percentage points. That is, every vehicle appraised that we did not

purchase in the past represented a missed opportunity. In 26, we'll focus on capturing a much larger share of these opportunities through a dedicated structure.

Inventory management will continue to follow clear discipline with maximum showroom time, autonomy for the wholesale decks to accelerate the sale of vehicles above 75 days, and a strong focus on reducing age inventory, freeing up capital, and improving returns on assets. In the wholesale channel, we grew volumes by 56% in the year, reaching more than 2,600 units. A platform of this scale gives us pricing intelligence, margin protection, and reach that few competitors can replicate.

And at the customer touchpoint, we focus on excellence in delivery, speed, efficiency, and reliability. This may seem like operational details, but they are what ultimately build long-term loyalty and reputation. On page 26, a final message on the agribusiness segment.

The sector is currently facing a convergence of adverse factors, creating one of the most challenging environments in recent years. And if you would think of the scenario comparing 25 to 21, the data speaks for itself. Interest rates have increased significantly, soybean and corn prices declined, fertilized courses rose, and subsidized credit has not kept pace.

This has been further compounded by climate effects, which have delayed investment decisions. In the regions where we operate, Mato Grosso, Goiás, and Paraná, machinery sales volumes have declined by up to 40%. It's not a structural long-term issue, but rather a convergence of pressures affecting producers' ability and willingness to invest in machinery.

That's precisely why we are adapting our operations to this environment, which is temporary but longer than expected. From a manager's standpoint, we have reduced paid stock by 35% since the fourth quarter of 2024 and continue to move in that direction with about \$150 million still to be addressed. From a strategic standpoint, we are converting points of sale into dual brand stores, which should generate approximately \$100 million a year in cost savings.

We are also diversifying our portfolio with complementary products, drones, implements, and precision agriculture technologies, which expand revenue, improve mix, and reduce dependence on heavy machinery cycles. We remain confident of the structural strengths of Brazilian agribusiness. Fleet renewal demand remains pent up, and the planted area continues to expand.

The cycle will turn, and when it does, we'll be better positioned to capture it more efficiently in the previous up cycle, and we are using this period to strengthen our fundamentals. Finally, on the last page, we have our 2027 Guidance and closing remarks. The targets themselves are not new, as they were already presented at our investor day.

*(4:28 - 6:52)*

What I want to reinforce is how we will get there. The answer is what we showed in the presentation. New vehicles will continue to grow, supported by brand diversification and increasing productivity per store.

In used cars, we are building a rapidly evolving operation across sourcing, pricing, turnover, and delivery, unlocking a powerful level for volume, margin expansion, and profitability that is not yet fully reflected in our numbers. In F&I, the scale we have built, the volumes of cars we'll generate, and our financial partnerships provide clear visibility on where additional value will come from. In after sales, system integration and a unified CRM will give us the visibility and personalization needed to expand services and margins, along with increased utilization of our existing capacity.

In agribusiness, our strategy is clear. Reduce costs, expenses, and inventory in the short term, while positioning the business to capture the next cycle more efficiently. What ties all of us together is a simple conviction.

The assets are in place, the foundations are built, and the initiatives are already underway. We are not dependent on major bets or favorable conditions across all fronts to deliver our commitments. We depend on continuing to execute with the same discipline and consistency we have demonstrated so far.

Our targets extend through 27, as we see in our Guidance, but will be delivered gradually along the way. Thank you so much for your time, for your continued trust, and we are now ready to move to Q&A.

## **Operator**

We'll now start the Q&A session for investors and analysts.

If you want to ask a question, please click the reactions button and then select raise hand. If your question is answered and you no longer wish to remain in the queue, lower your hand. If you prefer to submit a question in writing, please type your question in the Q&A box, followed by name and company.

*(6:53 - 9:16)*

Our first question comes from Mateus Santana from Bradesco BBI. Mr. Santana, your mic is open.

**Mateus Santana (Bradesco BBI)**

Hi, Sebastián, Paulo, good morning. I'd like to get a bit more color on the agribusiness segment. How much room do you see for the agribusiness to improve this year? The scenario continues to be tough, but we see things getting better, inventory levels and etc. So, perhaps just an overview of what you see in the short term and when you expect profits to be positive. These are my questions.

**Sebastián Dario Los (CEO)**

Thanks, Mateus, for your question. Well, what we can share with you is that during 2026, just for us to give you an overview, is that we are continuing with this dual brand process, reducing the amount of stores and fixed costs at the most without affecting services to customers.

And then paid inventory that continues to be our major focus to be addressed. We continue to be revisiting almost all operating lines, prices, services, mechanical services, margins on parts and mounted equipment. So, we are revisiting the whole of the business, considering that in 2026, we are going to have a gradual improvement compared to what we saw in 2025.

And we will continue to focus on that. Now, when does the agribusiness segment become positive? It depends a lot on the scenario, as I did mention in the presentation. We do believe the business, because agribusiness for Brazil and for our portfolio is strategic.

*(9:18 - 16:34)*

And we understand that if we consider our internal performance in recent years, in 2022, agribusiness accounted for in gross margin above 26%, which is what we showed in our Guidance for 2027. I think these are indicators for you to understand where we are aiming at for the future.

**Mateus Santana (Bradesco BBI)**

Very clear. Thank you very much.

## **Operator**

Our next question comes from João Ramiro, from XP. Mr. Ramiro, you may go on.

## **João Ramiro (XP)**

Hi. Good morning, Sebastián and Paulo. Thanks for taking my questions. I would like to have your view on store integration. In the fourth quarter, you did move forward quite well, as you mentioned in the presentation, but there's still some left for the first quarter of 2026. How can that impact the results for this quarter? And what's your view for this year? I think that you have a very robust Guidance for 2027, so I'd like to understand what are the main milestones for this year in terms of use to new ratio and others, and also a bit about the credit scenario.

We are seeing a macro scenario that might be a bit more challenging for a longer period of time. Has that affected the granting of credit or more pressure on that? Thank you very much.

## **Paulo Prado (Investor Relations Officer)**

Hi. I'm going to take your first question on integration, and then Sebastián is going to talk about credit. In the fourth quarter, we had an important part of integration, about 30% of stores that we brought to the integrated system, and we completed integration in February. That means that as of March, in terms of light vehicles, we were fully integrated, but that does not mean that we are already enjoying the benefit.

I think this is the beginning of a new stage. We start to have more visibility on our inventory in terms of digitalization of documents and processes, so we still have a lot to be captured, especially considering the perspective of customers, and also bringing more visibility to management and minimizing some things with regards of accounting standards and bank office. The benefit is going to be felt along 26, but we believe that 27 is going to be the first full year.

That is, there are some benefits to be seen as of March, but this is a stage that is starting and is not something that is going to fully show in the first quarter. We still have to complete our integration for heavy vehicles, which should take place along this year, and then we also have to terminate our legacy systems, which should bring less expenses to the company. We estimated that with regards to this, we should see 0.5% of revenue with the reduction of

costs regarding these legacy systems, but more important is to look forward how that will impact our operation.

The use of a single CRM, for instance, will bring us a much more accurate view on our customers, which will give us more consistency at front-end services. So, this is going to positively affect our sales and even open new front lines like AI services. It's so hard to quantify, but it's really a milestone for us to bring more efficiency and to have a group of dealerships sharing synergies that have not yet been captured.

Now, I'm going to turn to Sebastian to talk about credit.

### **Sebastian Dario Los (CEO)**

Okay. First, I'm going to separate light and heavy vehicles.

In light vehicles, we see that we are growing above market, and for 26, the trend is going to be the same because of all the levers that we showed in the presentation. Now, particularly and specifically talking about credit, in our case, we have a difference in our financing platform. Today, we have 22 financial institutions that are our partners.

We have a tech platform. We have expertise in generating credit that is really differentiated, and we are always incorporating more to the platform. So, in terms of credit, we do not see a major pressure so far.

We do see a gradual improvement in profitability that we are enjoying with our financial platform, so much more of a weakness. It is a strength. In terms of heavy vehicles, we still have the market financing with trucks.

The agribusiness started the government financing process a bit slower, and in March, we see it performing a lot better. So, this is what is being projected now, but again, our financial platform is a differentiator, and we believe it is a lever of profitability.

### **João Ramiro (XP)**

Very clear. Thank you very much.

**Operator**

Our next question comes from Samuel Alckmin from BTG Pactual. Mr. Alckmin?

**Samuel Alckmin (BTG Pactual)**

*(16:35 - 17:14)*

Good morning, everyone. Thanks for taking my question. I would just like to understand a bit more about direct sales. We did help a lot with your heavy vehicles volume in the quarter, and do you think that could be more of a recurring business from now on? Thank you.

**Paulo Prado (Investor Relations Officer)**

*(17:14 - 19:49)*

Hi, Samuel. Good morning. We did see better selling conditions this quarter, especially with a sale for a bus fleet owners.

We did bring the number up, but also with trucks that we have a very good point of sales for the segment. But I think that looking forward, we had a beginning of year that was a bit more challenging in the segment. We started with a bit of pressure on the first two months with a market drop of almost 25% to 30% year-over-year, which was a reflex of a higher cost of credit, but mainly because of the difficulty to work with the BNDS program of Brazil.

In March, we see the dynamics changing a bit. The operating barriers of the credit taking were overcome. So, we're still waiting for the last days of the month to have a better thermometer.

If we did meet the repressions demand, we see part of it being recovered. But I think that looking forward, there is nothing structured or any changes in direction for the segment. But to answer your question directly, direct sales were more related to the sale of buses.

**Samuel Alckmin (BTG Pactual)**

Thank you. Very clear.

**Paulo Prado (Investor Relations Officer)**

While the operators collect more questions, I do have a question in writing.

I think that it has already been partially answered in the beginning of the call, but I'm going to read it and Sebastian can add to that. Bruno is asking, what actions does the company intend to take regarding the machinery agriculture equipment segment, which is currently weighing on results? Would it be a possibility to reduce the company's exposure to the segment?

**Sebastian Dario Los (CEO)**

Thanks, Bruno. I don't think I want to be repetitive because we talked about that.

But just to reinforce, we believe that this is a strategic asset. We believe we are going through an adverse scenario, but we believe we are going to have good fruits in the future. So, we are not considering this possibility.

**Operator**

*(19:53 - 20:09)*

As a reminder, if you have questions, just raise your hand or type in your question on the Q&A add button. Please wait while we collect further questions.

The Q&A session is now closed. We are going to turn the call to Mr. Los for his closing remarks.

**Sebastian Dario Los (CEO)**

*(20:09 - 21:45)*

Well, thank you very much for your questions. And before closing, I'd like to thank you all, investors, analysts for following us, our board of directors for the support and long-term views, our leaders and employees that on the day-to-day perform with discipline, hard work and engagement our strategic plan, and mainly to our customers that are our reason for being.

We continue confident in our strategic plan and our capacity of execution, always in line with our values. And we are on a journey that demands consistency, discipline and clarity about what we believe in. And we know that there's still a lot of work to be done.

We are committed in continued delivering results with responsibility and a focus on the long term. Thank you very much and I wish you all the best.

**Operator**

Automob's conference call is now closed. We thank you very much for joining us and wish you a good day.