

# SIMPAR



The group was born over 64 years ago

JSL – Logistics Services

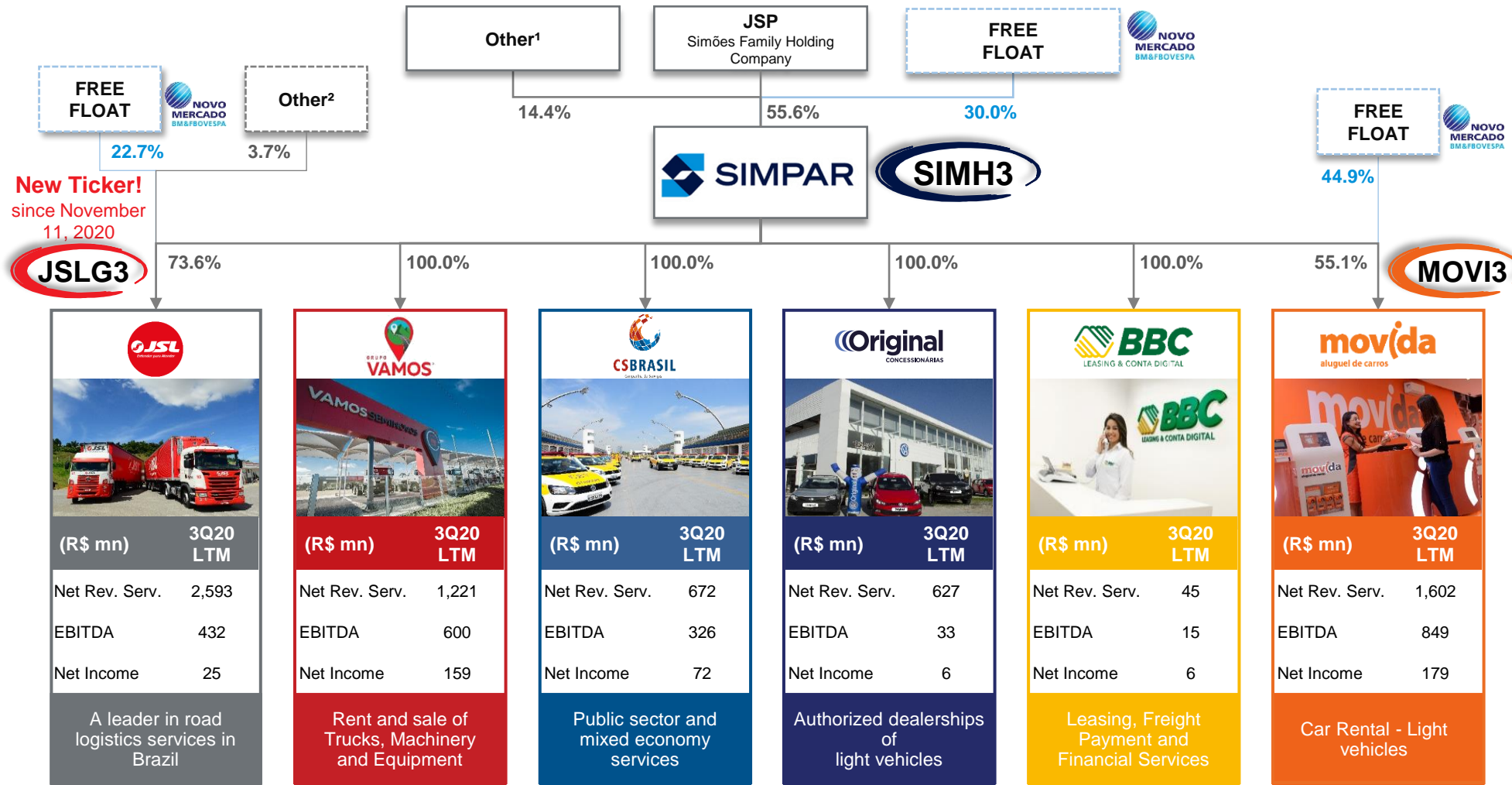
## 3Q20 Results

November 13, 2020



# SIMPAR's New Development Cycle and Sustainable Value Generation

Directing, controlling and, if necessary, supporting the implementation of the business plans



- Corporate Reorganization **unanimously** approved by **minority shareholders** on August 5, 2020
- IPO of the Subsidiary JSL with 100% primary funding reaching R\$694 mm, which on November 11, 2020 started to trade with ticker **JSLG3**
- Strong balance sheet for **all its subsidiaries**, whose capital structures are **ready** to operate in markets with **high growth potential**
- SIMPAR** ready to support a **new development cycle** with a **solid culture** and **people** aligned with our values

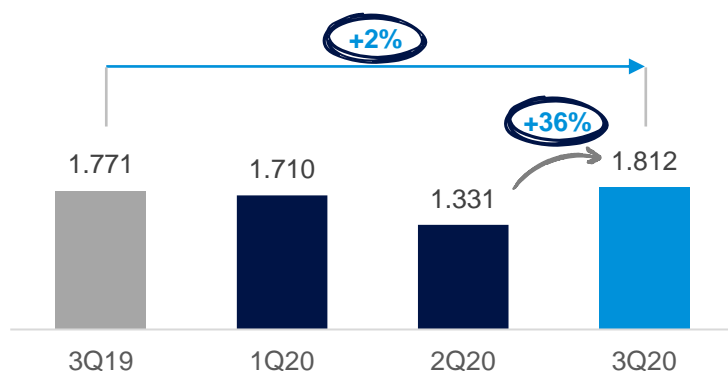


# SIMPAR: 3Q20 Main Financial Highlights

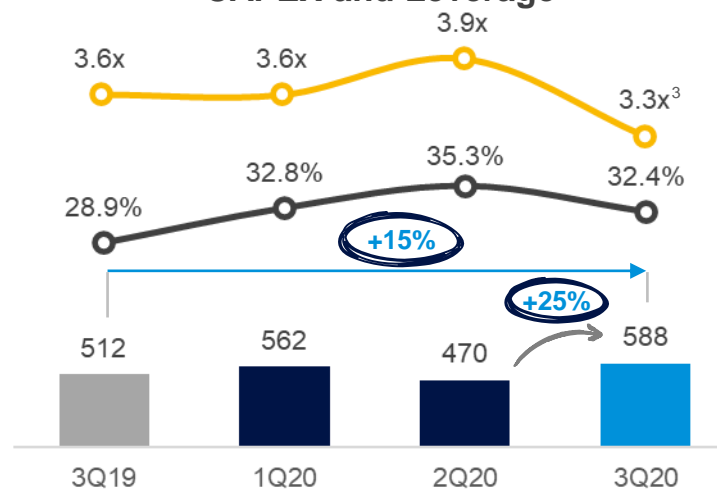
(R\$ million)

- Net Income of R\$96.0 million in 3Q20, up by 45% over 3Q19, and 7x higher than 2Q20, excluding 2Q20's non-recurring effects
- EBITDA totals R\$587.5 million in 3Q20, up by 15% over 3Q19 and by 25% over 2Q20, with an EBITDA Margin of 32.4%, up by 3.5 p.p. YoY, showing the focus on group efficiency
- Net Revenue from Services reaches R\$1.8 billion in 3Q20, up by 2% over 3Q19 and 36% over 2Q20
- Leverage fell from 3.9x in 2Q20 to 3.3x in 3Q20<sup>3</sup>, the lowest level in the last 10 years

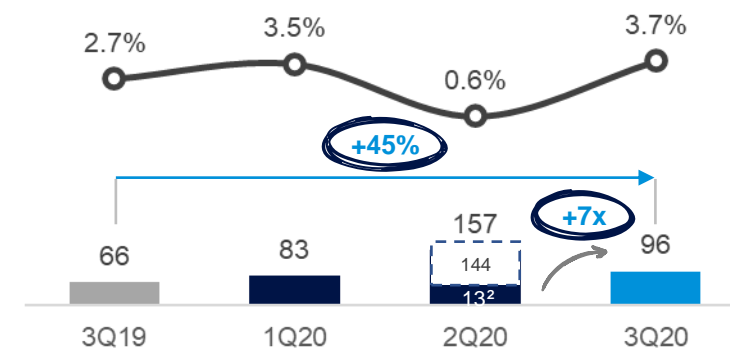
### Net Revenues from Services



### CAPEX and Leverage



### Net Income



Legend: EBITDA (blue bar), EBITDA Margin<sup>1</sup> (black line), Net Debt/EBITDA (yellow line)

Legend: Adjusted Net Income (dark blue bar), Net Income Margin (black line)

Notes: (1) Margin as a percentage of Net Revenue from Services; (2) Adjusted Net Income excluding gains from settling and re-contracting swaps and writing-off tax credits from the corporate reorganization totaling R\$144 million in 2Q20; (3) Includes unaudited figures for Fadel and Transmoreno. Leverage would have been 3.4x disregarding Fadel and Transmoreno numbers



# High Governance Standard with Independent Executives and Teams

Preserving values, management model, attracting, training and retaining people, which is our biggest advantage

## Qualified Executives with Vast Experience

## Board of Directors

## Committees






+25,000

**SIMPAR**
























 <b>Fernando A. Simões</b> (CEO)	 <b>Denys Ferrez</b> (CFO)	 <b>Antonio Barreto</b> (Strategic Planning Officer)	 <b>Juliana Simões</b> (People and Culture Officer)	 <b>Samir Ferreira</b> (Controller)
---	---	---	--	--






**SIMPAR**

 <b>Adalberto Calil</b> (Chairman)	 <b>Fernando A. Simões Filho</b> (Vice-Chairman)	 <b>Fernando A. Simões</b> (Board Member)	 <b>Álvaro Novis</b> (Independent)	 <b>Augusto Marques da Cruz</b> (Independent)
---	---	--	---	--

- ✓ Audit
- ✓ Finance
- ✓ Ethics and Compliance
- ✓ Sustainability






<p><b>JSL</b></p>   <b>Fernando A. Simões</b> (CEO)	<p><b>mov(da)</b></p>   <b>Renato Franklin</b> (CEO)	<p><b>GRUPO VAMOS</b></p>   <b>Gustavo Couto</b> (CEO)	<p><b>CSBRASIL</b></p>   <b>João Bosco</b> (CEO)	<p><b>BBC</b></p>   <b>Pablo Gomes</b> (General Director – Digital Account)	<p><b>Original</b></p>   <b>Sidnei Ongarelli</b> (CEO)
 <b>Guilherme Sampaio</b> (CFO)	 <b>Edmar Neto</b> (CFO)	 <b>Gustavo Moscatelli</b> (CFO)	 <b>Anselmo Tolentino</b> (CFO)	 <b>Paulo Pinho</b> (General Director - Leasing)	 <b>Fernando Franco</b> (Controller)
 114	 304	 69	 19	 8	 33
 10 years	 3 years	 5 years	 8 years	 1 year	 7 years
 +17.7 th	 +3.1 th	 +900	 +3.0 th	 +50	 +500

**JSL**

 <b>Denys Ferrez</b> (Chairman)	 <b>Fernando A. Simões</b> (Board Member)	 <b>Antonio Barreto</b> (Board Member)	 <b>Gilberto Xandó</b> (Independent)	 <b>Germán Quiroga</b> (Independent)
--	--	---	---	---




- ✓ Audit
- ✓ Finance
- ✓ Ethics and Compliance
- ✓ Sustainability
- ✓ Technology and Innovation

**mov(da)**

 <b>Fernando A. Simões</b> (Chairman)	 <b>Adalberto Calil</b> (Board Member)	 <b>Denys Ferrez</b> (Board Member)	 <b>Marcelo José Ferreira e Silva</b> (Independent)	 <b>Ricardo Florence dos Santos</b> (Independent)
--	---	--	--	--

- ✓ Audit
- ✓ Finance
- ✓ Ethics and Compliance
- ✓ Sustainability

**GRUPO VAMOS**

 <b>Fernando A. Simões</b> (Chairman)	 <b>Denys Ferrez</b> (Board Member)	 <b>Paulo Kakinoff</b> (Independent)
--	--	---

- ✓ Ethics and Compliance
- ✓ Sustainability



# 3Q20 Highlights of Subsidiaries

(R\$ million)



**Net Income of R\$25 million (+12% YoY)** showing clear recovery in volume compared to 2Q20. **Combined<sup>3</sup> Net Income was R\$41mm**



**IPO in September 2020**, raising R\$694 mn



**CADE's approval without restrictions to acquire Fadel and Transmoreno**

	R\$ mm	▲ YoY	▲ QoQ
Net Rev. from Services	661	-11%	+20%
EBITDA	118	-6%	+44%
EBITDA <sup>1</sup> Margin	17.9%	+1.0 p.p.	+3.0 p.p.
EBIT	64	-5%	+141%
EBIT <sup>1</sup> Margin	9.7%	+0.7 p.p.	+4.9 p.p.
Net Income Logistics <sup>2</sup>	25	+12%	+5,017%
Net Margin	3.5%	+0.6 p.p.	+3.4 p.p.
Net Debt	1,322	-2%	-34%
Leverage <sup>3</sup>	2.6x	-0.1x	-2.0x



**Backlog totaled R\$2.9 billion in 3Q20**, up by +34% over 4Q19



**EBITDA grew 28%** in 3Q20 with increased rental margin (+5.7 p.p. YoY) and dealerships margin (+2.0 p.p. YoY)



**ROE reached 30.7%**, up by +5.7 p.p. over 2019

	R\$ mm	▲ YoY	▲ QoQ
Net Rev. from Services	415	+61%	+40%
EBITDA	170	+28%	+11%
EBITDA <sup>1</sup> Margin	40.9%	-10.7 p.p.	-10.4 p.p.
EBIT	101	+37%	+19%
EBIT <sup>1</sup> Margin	24.4%	-4.3 p.p.	-4.3 p.p.
Net Income	49	+28%	+25%
Net Margin	10.6%	-1.6 p.p.	-1.3 p.p.
Net Debt	1,900	+61%	+4%
Leverage	3.2x	+0.8x	-0.1x



**RAC: Record occupancy rate totaling 82.7%** in 3Q20 (+6.6 p.p. YoY), final fleet at 67,978 cars and average ticket at R\$70



**GTF: Record EBITDA of R\$850/car** in the monthly average, including 2,590 cars in the operational fleet



**Used Car Sales: Record average ticket totaling R\$45,3 k** in 3Q20 (+12.6% YoY) and 14,321 cars sold

	R\$ mm	▲ YoY	▲ QoQ
Net Rev. from Services	395	-5%	+32%
EBITDA	213	+14%	+41%
EBITDA <sup>1</sup> Margin	54.0%	+8.8 p.p.	+3.4 p.p.
EBIT	94	-21%	+89%
EBIT <sup>1</sup> Margin	23.9%	-4.8 p.p.	+7.2 p.p.
Net Income	37	-38%	+1,323%
Net Margin	3.6%	-2.4 p.p.	+3.3 p.p.
Net Debt	2,132	+40%	-7%
Leverage	2.4x	+0.1x	-0.2x

Notes: (1) Margin as a percentage of Net Revenue from Services; (2) Net Income from logistics operations (R\$25 million) does not consider the treasury segment, which includes debts issued for investment in other companies in the group when JSL S.A. was a holding company. Consolidated Net Income including the treasury segment totaled R\$17 million in 3Q20. With the IPO, the treasury segment will be eliminated; (3) Includes unaudited figures for Fadel and Transmoreno. If we exclude the effects of Fadel and Transmoreno, the leverage would be 3.1x



# 3Q20 Highlights of Subsidiaries

(R\$ million)



GTF's **Net Revenue** grew **14.2%** in 3Q20 versus 3Q19



**Operating Profit** grew **47%** in 3Q20 versus 3Q19, given the greater focus on GTF. In 3Q20, **+3,000** vehicles were won in new GTF contracts to be performed



**Net Income** grew **6% YoY** in 3Q20, even with the larger net debt due to the corporate reorganization

	R\$ mm	▲YoY	▲QoQ
Net Rev. from Services	164	-9%	+2%
EBITDA	80	+29%	-4%
EBITDA <sup>1</sup> Margin	48.4%	+14.1 p.p.	-3.4 p.p.
EBIT	39	+47%	-9%
EBIT <sup>1</sup> Margin	23.6%	+9.0 p.p.	-3.1 p.p.
Net Income	15	+6%	-22%
Net Margin	7.1%	+0.7 p.p.	-3.3 p.p.
Net Debt	788	+395%	-6%
Leverage	2.4x	+1.8x	-0.3x



Volume of vehicles sold at retail was around **3x** higher in 3Q20 vs. 2Q20, totaling **2,701** units



Average ticket of vehicles sold grew **11%** in 3Q20 versus 2Q20, reaching **R\$55.1 k**



Net Income totaled **R\$5 million**, the highest in the last 10 quarters, with annualized 3Q20 ROIC of **23.6%**

	R\$ mm	▲YoY	▲QoQ
Net Rev. from Services	174	-17%	+184%
EBITDA	14	+78%	+593%
EBITDA <sup>1</sup> Margin	7.9%	+4.2 p.p.	+4.7 p.p.
EBIT	9	+118%	-515%
EBIT <sup>1</sup> Margin	5.3%	+3.3 p.p.	+9.0 p.p.
Net Income	5	+177%	-310%
Net Margin	2.8%	+2.0 p.p.	+6.6 p.p.
Net Debt	-79	+197%	+20%
Leverage	-	-	-



Loan Portfolio (NPV) grew **5%** in 3Q20 versus 2Q20, totaling **R\$175 million**



Default remains stable in 3Q20 over previous quarters



BBC Conta Digital's Transactional Value (TPV) grew **11x** in 3Q20 versus 2Q20, reaching **R\$19.5 million** in the quarter

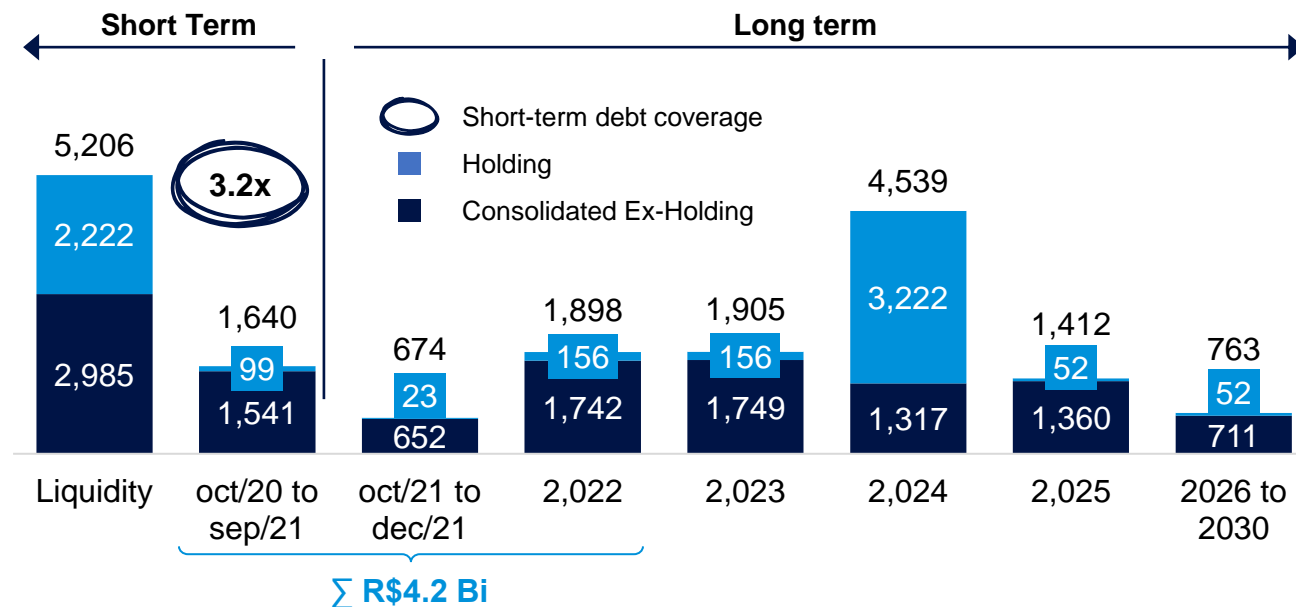
	R\$ mm	▲YoY	▲QoQ
Net Rev. from Services	12	+14%	+10%
EBITDA	4	-12%	+33%
EBITDA <sup>1</sup> Margin	34.8%	-10.0 p.p.	+5.9 p.p.
EBIT	4	+1%	+41%
EBIT <sup>1</sup> Margin	34.6%	-4.3 p.p.	+7.4 p.p.
Net Income	2	-25%	+58%
Net Margin	14.5%	-7.6 p.p.	+4.4 p.p.
Net Debt	-62	+43%	+12%
Leverage	-	-	-



# Indebtedness: SIMPAR Consolidated

(R\$ million)

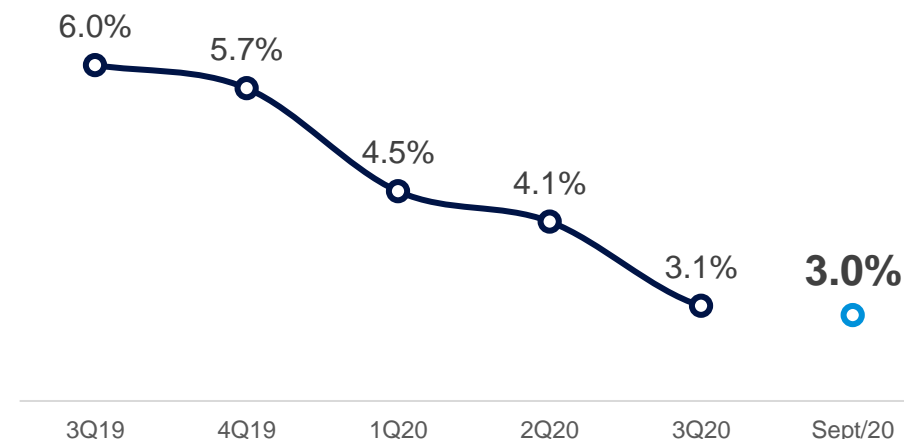
## Gross Debt Amortization Schedule on September 30, 2020



## Breakdown on September 30, 2020

Instrument	Ratio	Index	Covenants <sup>2</sup>	Events
Debentures, CRAs and PN's	Net Debt / EBITDA-A <sup>1</sup>	1.5x	Max 3.5x	Maintenance
	EBITDA-A / Net Interests <sup>1</sup>	12.8x	Min 2.0x	Maintenance
Bonds	Net Debt / EBITDA <sup>3</sup>	3.3x	Max 4.40x <sup>4</sup>	Incurrence

## Average Cost of Net Debt after taxes (p.a.)



## Breakdown on September 30, 2020

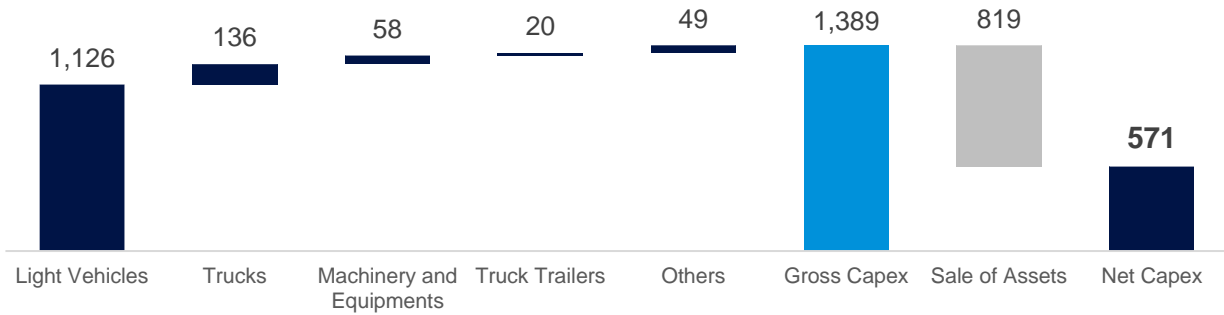
	Gross Debt	Cash	Net Debt	▲ YoY	▲ QoQ
<b>Holding</b>	3,761	2,222	1,539	-46%	-3%
<b>Consolidated</b>	12,830	5,206	7,624	+8%	-10%



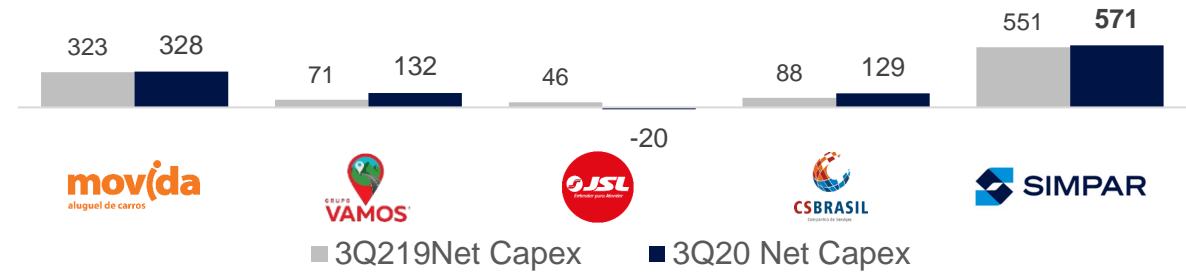
# 3Q20 and 9M20 Investments

(R\$ million)

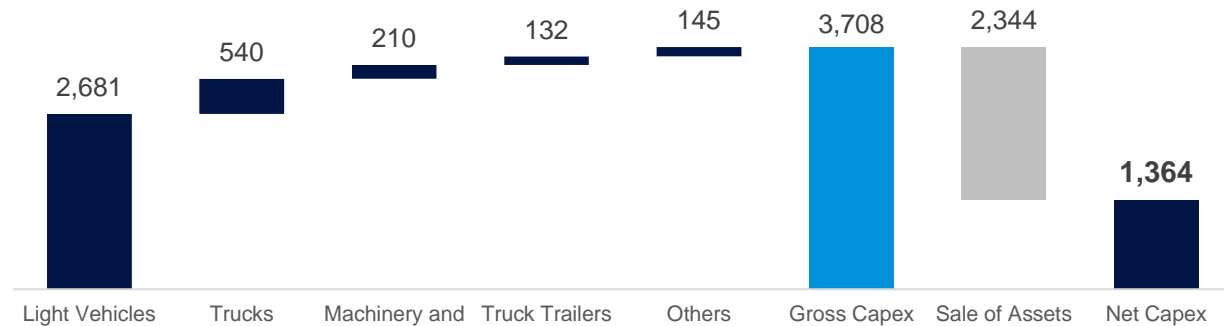
## Breakdown of 3Q20 Capex by Type of Asset



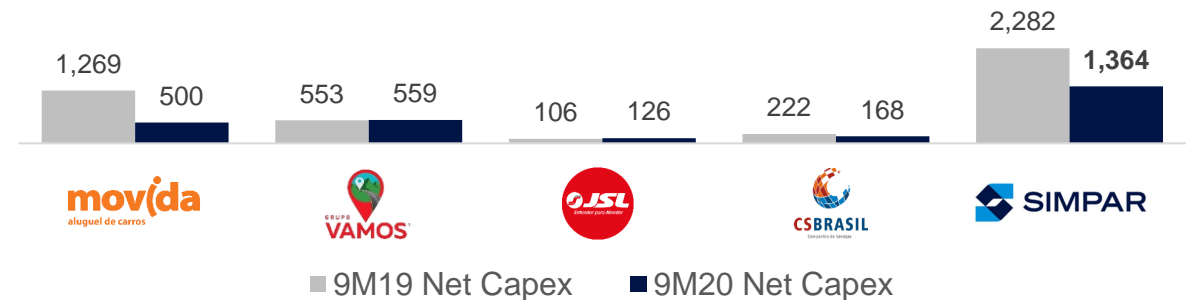
## 3Q20 Capex by Company



## Breakdown of 9M20 Capex by Type of Asset



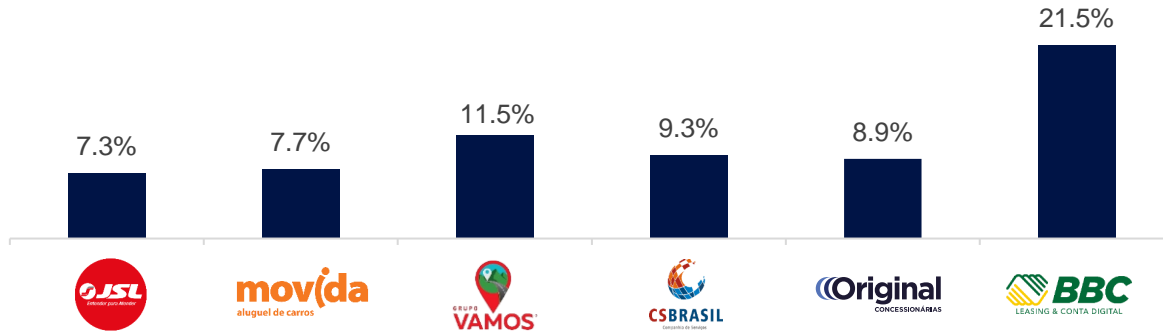
## 9M20 Capex by Company



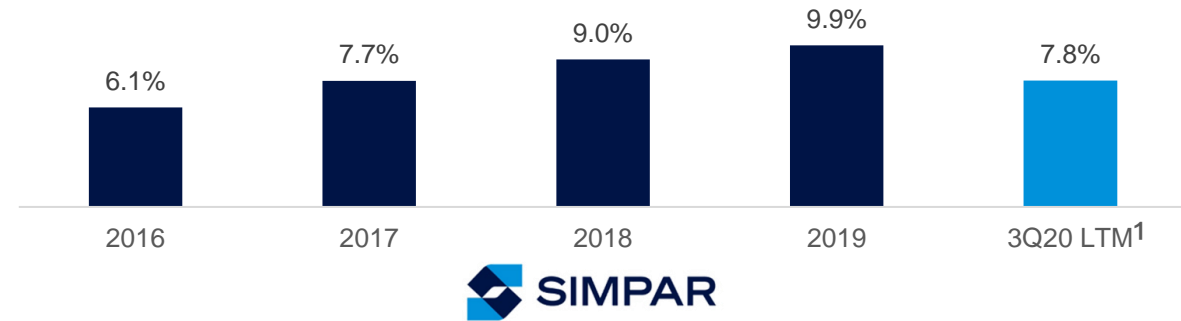


# Return and Leverage

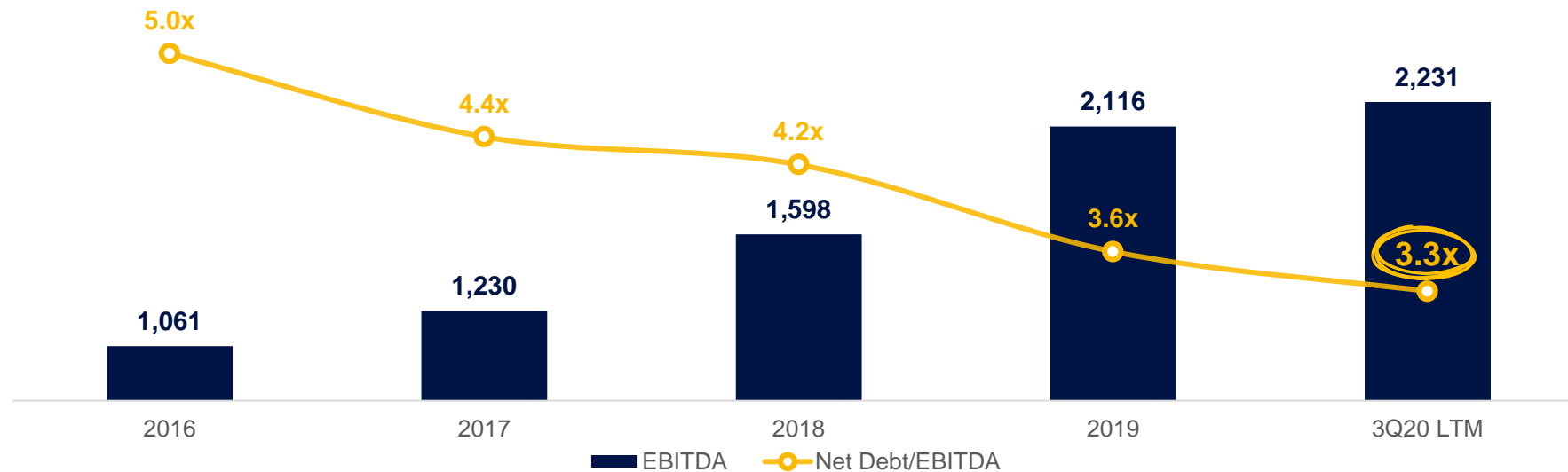
## ROIC Subsidiaries 3Q20 LTM



## ROIC SIMPAR



## Leverage



Notes: (1) Adjusted actual tax rate disregarding the write-off of deferred tax credits on tax losses totaling R\$38 million within the corporate reorganization. (2) Includes unaudited figures for Fadel and Transmoreno. If Fadel and Transmoreno's numbers were disregarded, the leverage would be at 3.4x.



# Strategic Opportunities

Our purpose is to attract opportunities with promptness, governance and motivated people to expand diversification and ensure the group's sustainable development.



New cycle of sustainable **growth** organically and by acquisitions, leading the **consolidation** of the sector



Growth with profitability from an **unique positioning** with **scale** to buy and **capillarity** to maintain and sell heavy assets, with the purpose to remain as **leader** of the industry development in Brazil



Growth driven by the **replacement of property by the use** of assets, proximity to customers, speed and innovation, meeting the growing demand for new products and markets



Intensify the focus on excellence and **improving the quality of public service**, taking advantage of the great **growth** potential in fleet management through the adoption of best **governance and transparency practices**



Expand **vehicle sales** and offer **after-sales** services to dealerships, as well as **insurance** through Madre Corretora, with strong synergy with other SIMPAR businesses



Being the **main mean of payment** for the ecosystem of cargo transportation and app drivers in Brazil, as well as to expand the leasing offer for customers of the group's concessionaires, contributing to their **customers' loyalty**



# THANK YOU!

### Disclaimer

This Earnings Release's purpose is to detail SIMPAR S.A.'s financial and operating results for the third quarter of 2020.

Some of the statements contained herein constitute additional information that has not been audited or reviewed by the auditors and is based on Management's current opinion and prognosis. Consequently, there may be material differences between said statements and the Company's actual results, performance and future events. Actual results, performance and events may differ substantially from those expressed or implied by said statements as a result of various factors, including the general and economic situation in Brazil and other countries; interest, inflation and exchange rates; changes in laws and regulations; and general competitive factors (at global, regional or national level). Consequently, Management accepts no responsibility for the conformity or accuracy of the additional information in this report that has not been audited or reviewed by the auditors. Said information should be examined and interpreted in an independent manner by shareholders and market agents who could carry out their own analyses and reach their own conclusions regarding the results disclosed herein.



### Investor Relations

Phone: +55 (11) 2377-7178

Email: [ri@simpar.com.br](mailto:ri@simpar.com.br)

Website: [ri.simpar.com.br](http://ri.simpar.com.br)