

4Q20 and 2020
Earnings Results
March 11, 2021

2020 was transformational for SIMPAR and its Subsidiaries

- ☞ The pandemic tested and proven the **resilience and fundamentals** of our companies and evidenced the **capacity of our managers**
- ☞ We did not lose focus on the **execution and quality** of the services provided to our **customers**, preserving the health of our **people**
- ☞ Balance sheet strength of **all of our subsidiaries**, which have their capital structures **prepared** to operate in markets with **high growth potential**, with **lower financial costs** and **longer terms**
- ☞ We completed **strategic movements** with impact on **sustainable value creation** for **SIMPAR's** shareholders



Strategic Movements Concluded in 2020



IV JSL acquires Transmoreno

- Expansion of participation in the new vehicle transportation sector
- Cross-selling opportunities



October/20



December/20

V CS Brasil revisits its portfolio of clients and services

- EBITDA growth of 18.1% YoY, with a margin of 49.3% (+10.4 p.p. vs 2019)
- Light vehicles' fleet management grew 14.8% YoY, contributing to 83% of the EBITDA in 2020
- CS Brasil wins two auctions of port concessions: Long-term contracts for the provision of services and positioning in strategic sectors in Brazil



II JSL IPO

- Created as the largest road logistics company in Brazil
- Optimization of capital structure for new organic and inorganic growth cycle



September/20



III JSL acquires Fadel

- One of the leading urban distribution companies in Brazil
- Increased participation in the beverage, food and consumer goods sectors



I Corporate Reorganization

- Approval of minority shareholders voting unanimously
- SIMPAR started to operate as a holding company for all its subsidiaries
- New cycle of development of the subsidiaries



August/20




SIMPAR: Financial Highlights of 4Q20 and 2020

4Q20

 **All-Time High** Gross Revenue:
R\$3.0 bn | +3.0% YoY

 **All-Time High** Adjusted EBITDA¹ :
R\$700 mn | +14.5% YoY | 33.5% margin²

 **All-Time High** Adjusted Net Income¹ :
R\$215 mn | +78.2% YoY | 8.1% margin

2020

 **All-Time High** Gross Revenue :
R\$10.9 bn | +1.3% YoY

 **All-Time High** Adjusted EBITDA¹ :
R\$2.3 bn | +9.6% YoY | 33.4% margin²

 **All-Time High** Adjusted Net Income¹ :
R\$522 mn | +66.8% YoY | 5.3% margin

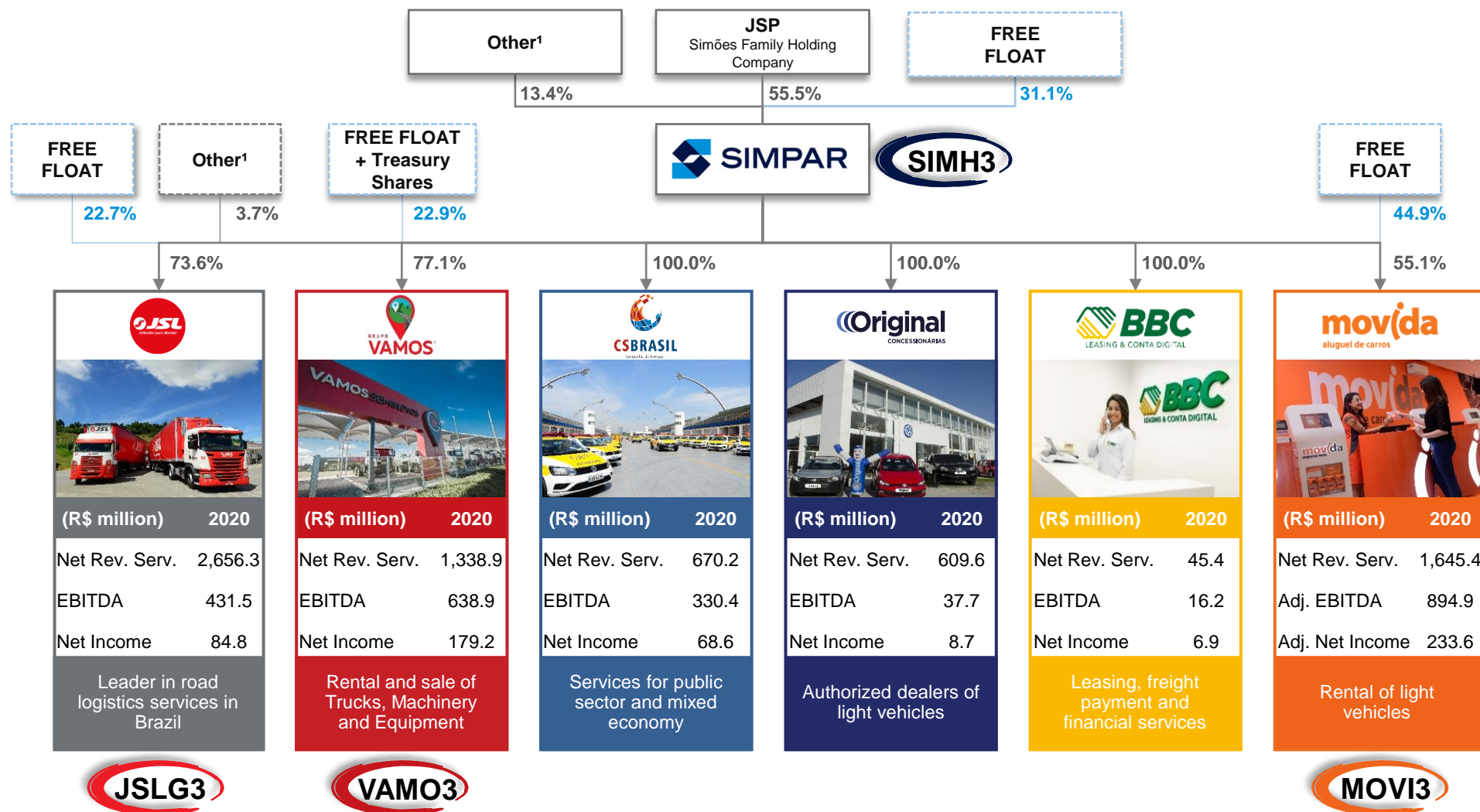
Leverage (Net Debt/EBITDA):
Reduction from 3.6x in 2019 to 3.5x in 2020
even with a **Net Capex of R\$2.9 billion** in the period

Average Term of Net Debt:
Increasing from 4.1 years to 8.5 years³



SIMPAR ready to support a new development cycle with a solid culture and people aligned with our values

Direct, control and, if necessary, support the execution of the business plans



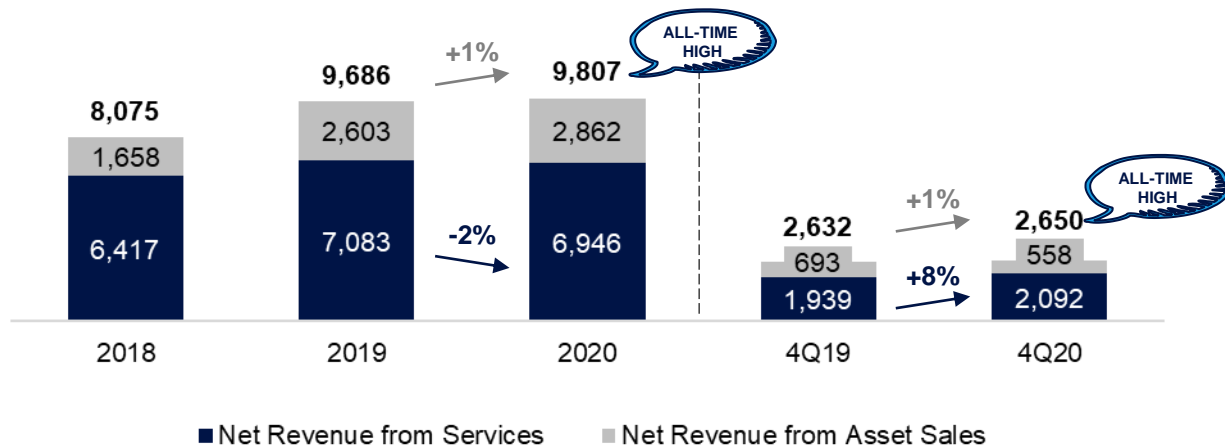
Notes: (1) Positions held directly in the individual by members of the Simões Family, Board Members and Treasury Shares; (2) Positions held directly in the individual by members of the Simões Family, Board Members, Treasury Shares and JSP Holding



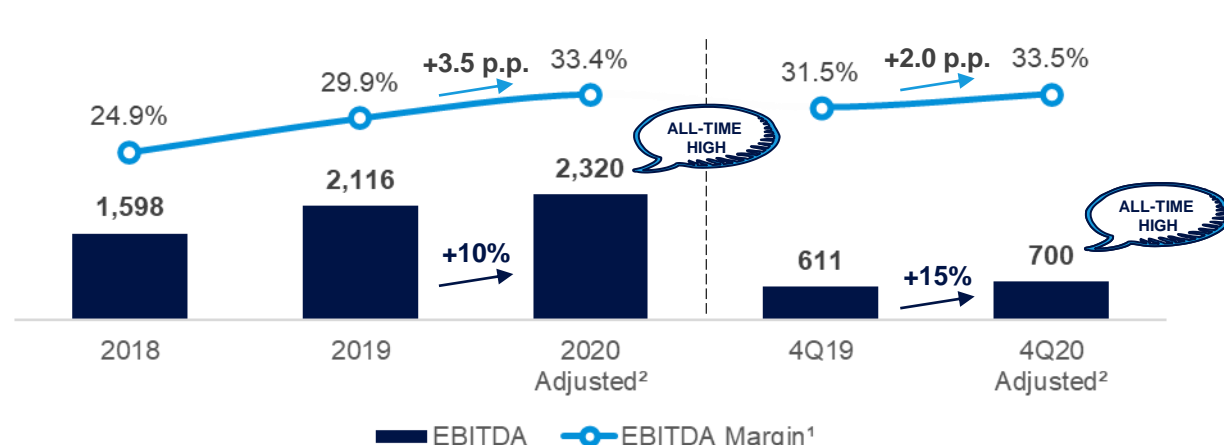
SIMPAR: Financial Highlights of 4Q20 and 2020

(R\$ million)

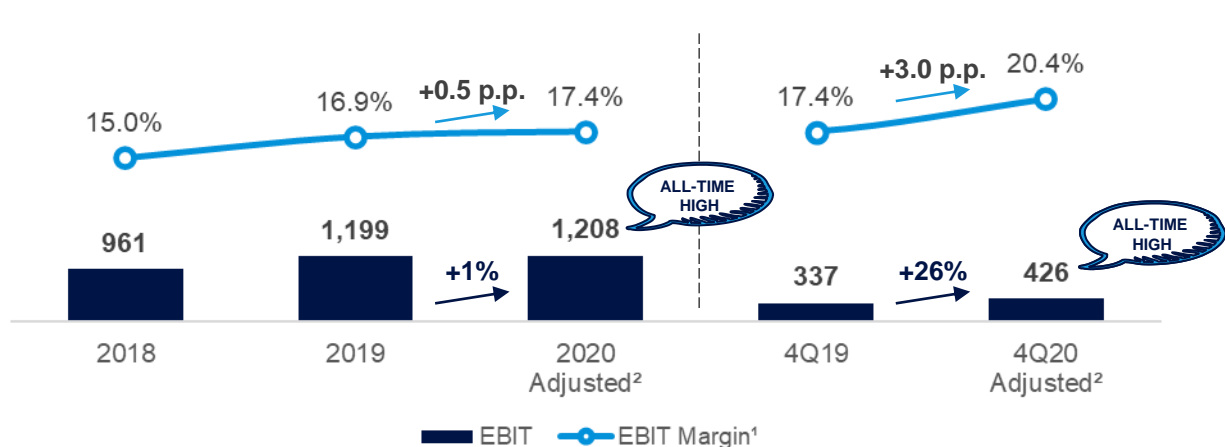
Net Revenue



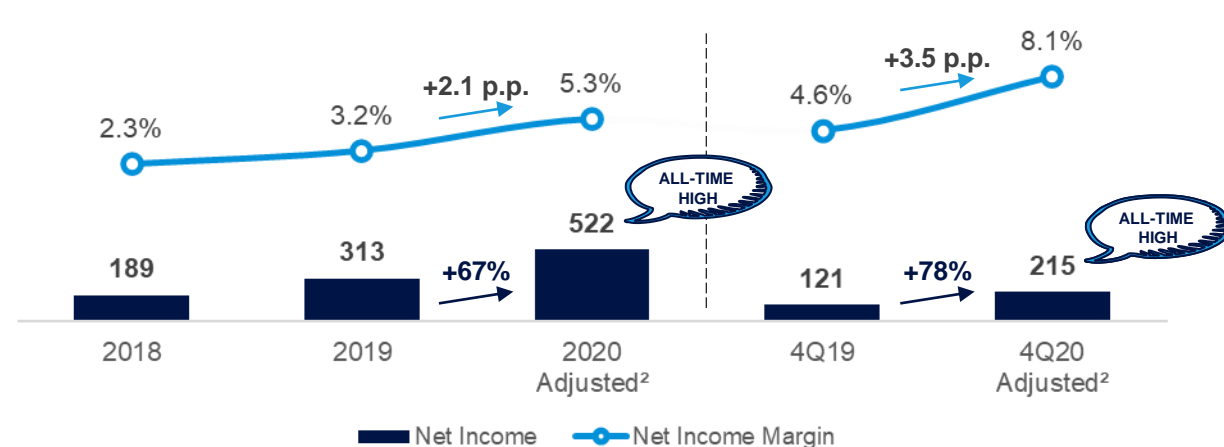
EBITDA



EBIT



Net Income



Indebtedness: SIMPAR Consolidated Proforma

(R\$ million)

Emission of Sustainability-Linked Bonds (SLB)

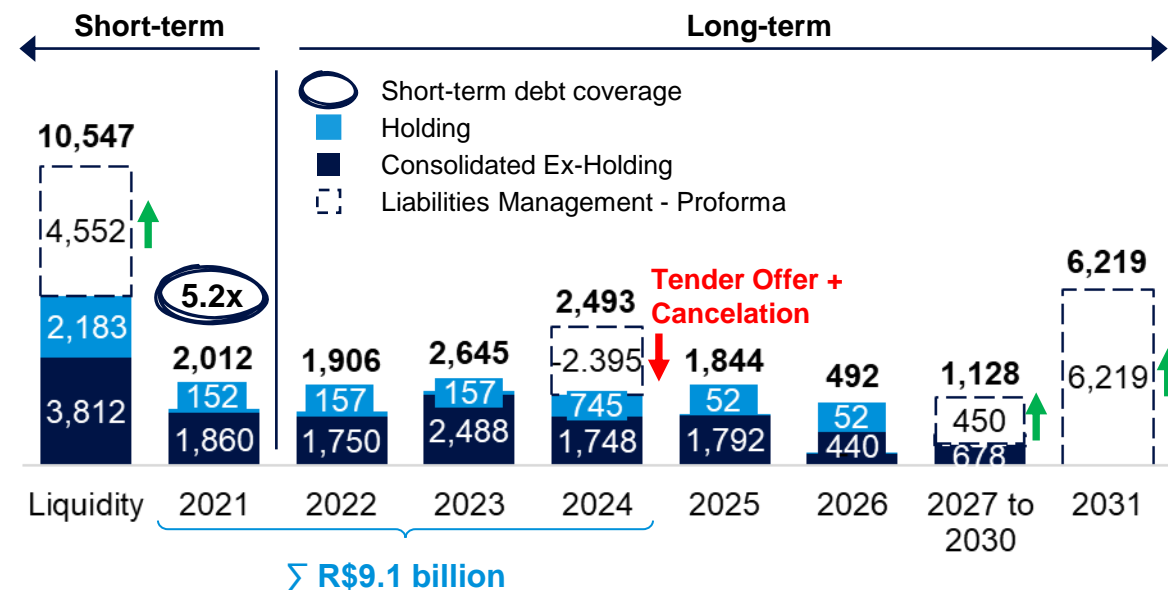
	Size	Term	GHG ¹ reduction target
<p>SIMPAR: the first SLB of the industry in the world on 01/14/21</p>	US\$625 mn	2031	15% until 2030
<p>Movida: the first SLB of the car rental industry in the world on 01/28/21</p>	US\$500 mn	2031	30% until 2030
<p>SIMPAR: the first SLB in reais settled in dollars from Brazil on 02/10/21</p>	R\$450 mn	2028	7.8% until 2025

Σ R\$9.1 billion

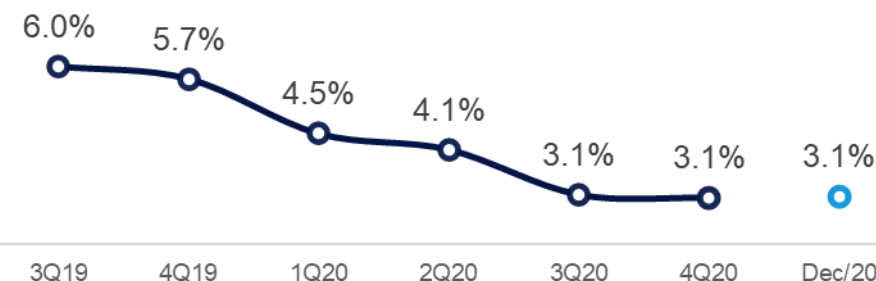
Leverage Indicators on December 31, 2020

Instrument	Indicator	Index	Covenants ²	Concept
Debentures, CRAs and NPs	Net Debt / EBITDA-A	1.7x	Max 3.5 x	Maintenance
	EBITDA-A / Net Interest	13.5x	Min 2.0x	Maintenance
Bonds	Net debt / EBITDA	3.5x	Max 4.0x	Incurrence

Gross Debt Amortization Schedule on December 31, 2020 (Including Sustainability-Linked Bonds)



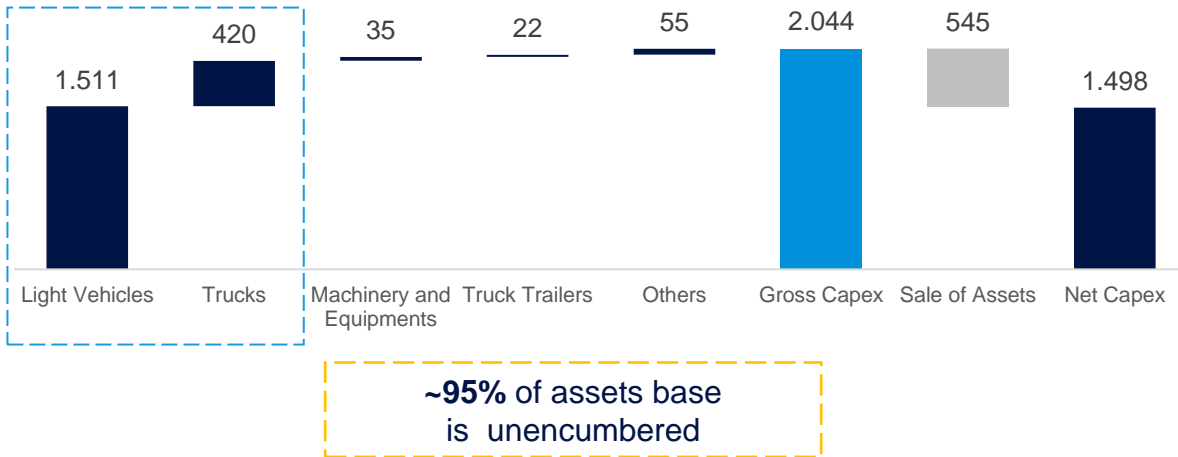
Average Cost of Net Debt after Tax (p.a.)



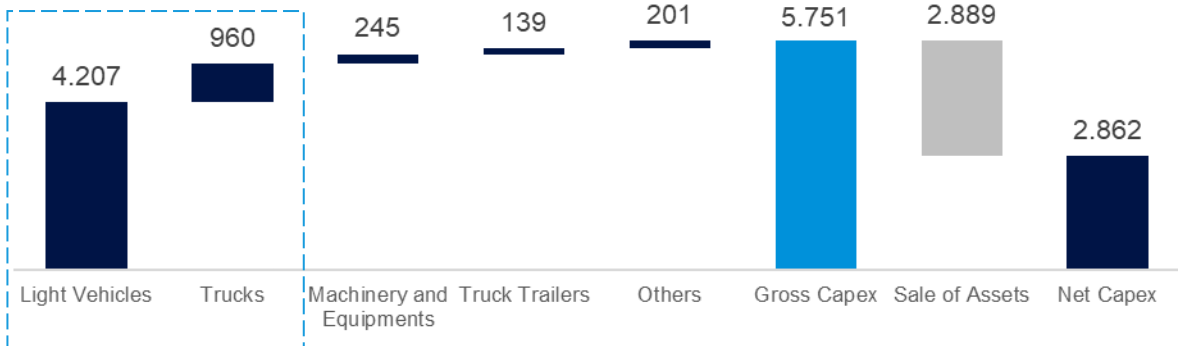
4Q20 and 2020 Investments

(R\$ million)

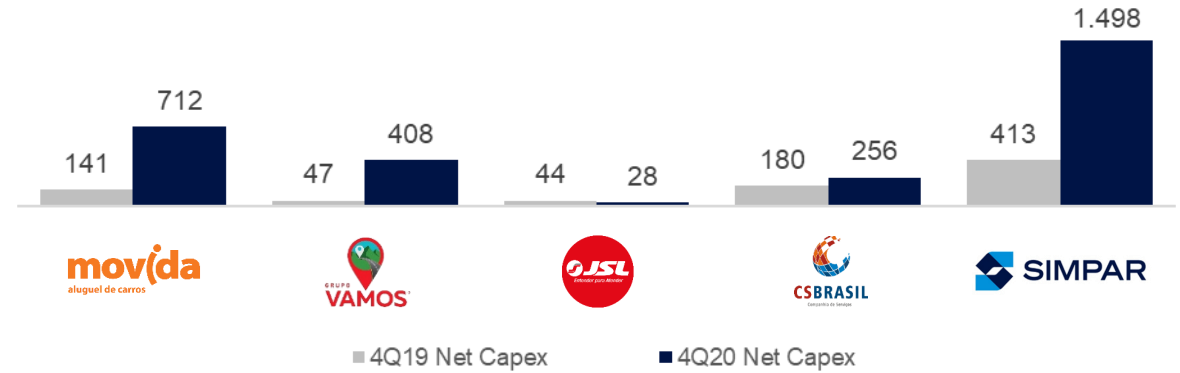
Breakdown of 4Q20 Capex by Asset Type



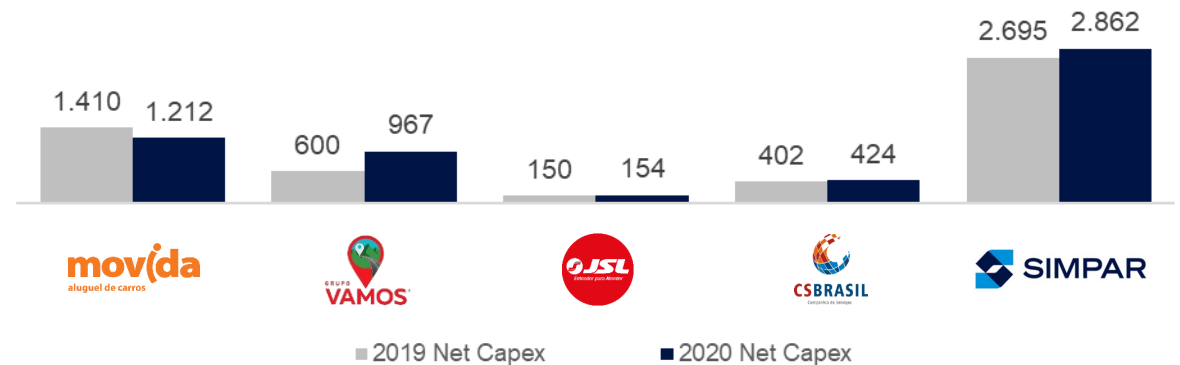
Breakdown of Capex 2020 by Asset Type



4Q20 Capex by Company

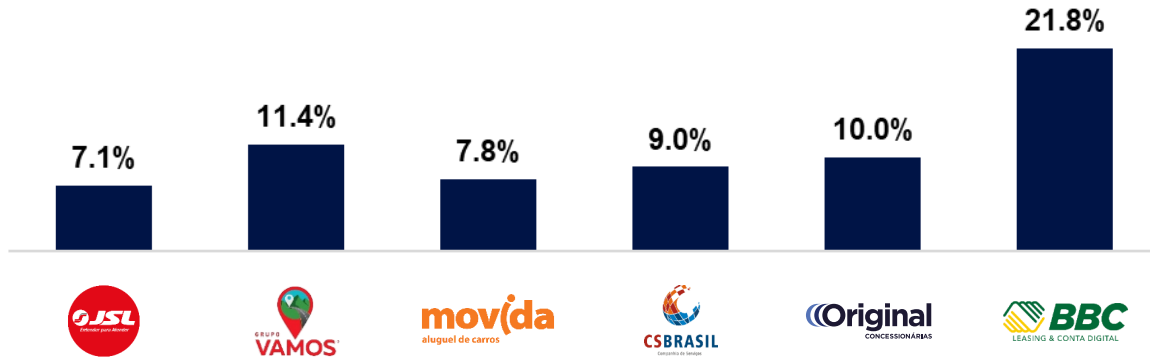


2020 Capex by Company

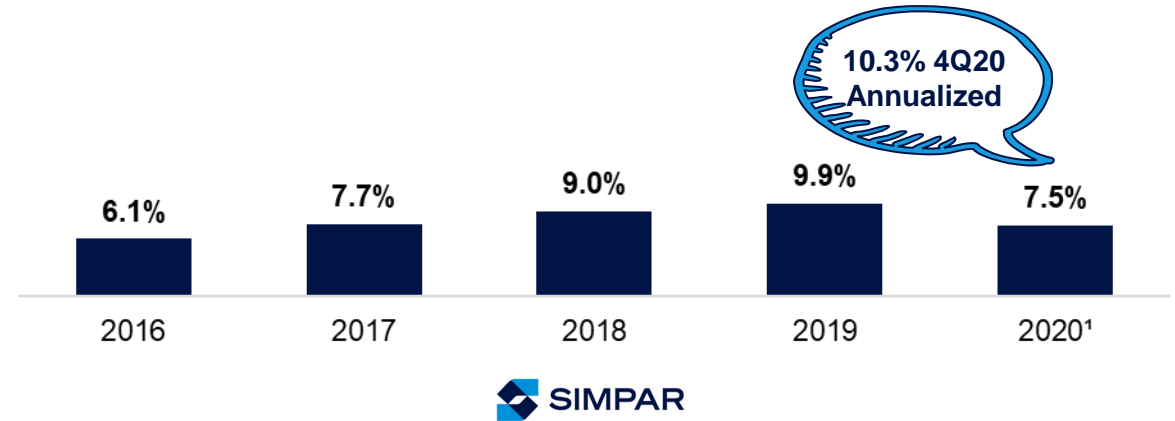


Return and Leverage

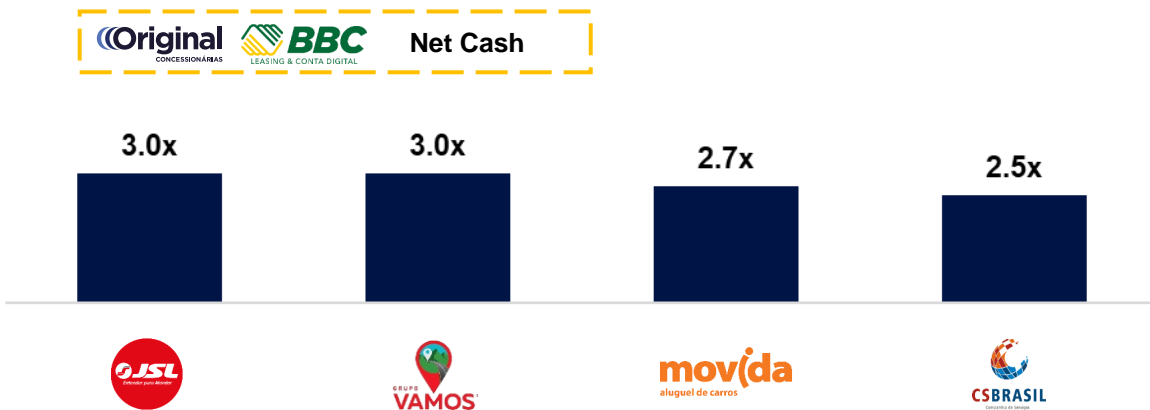
ROIC Subsidiaries 2020



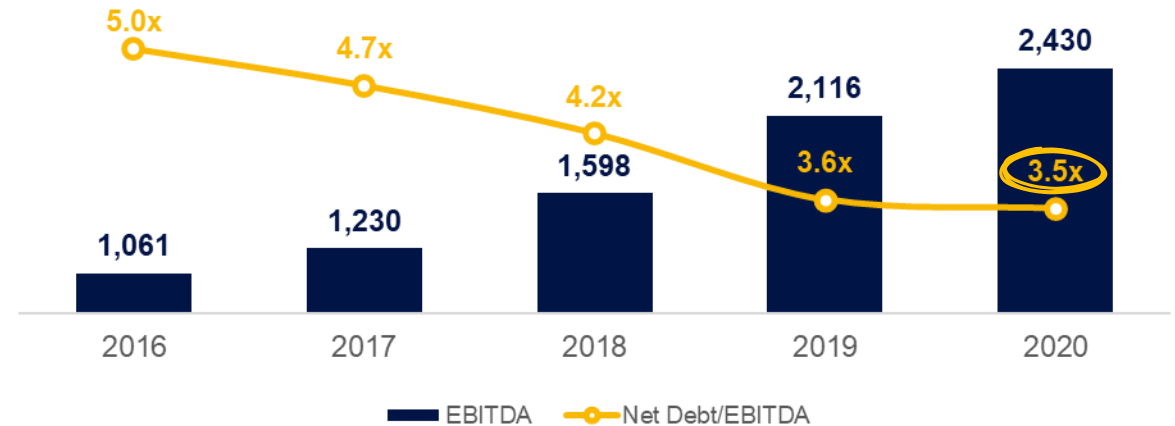
ROIC SIMPAR



Leverage Subsidiaries 2020



Leverage SIMPAR²



Notes: (1) Adjusted effective tax rate disregarding the write-off of deferred tax credits on tax losses totaling R\$38 million within the scope of the corporate reorganization; (2) EBITDA for leverage purposes disregards the effects of impairment and includes the EBITDA LTM of Fadel and Transmoreno, following the methodology contained in the covenants of debts issued



Operating and Financial Highlights of the Subsidiaries in 4Q20 and 2020

(R\$ million)



Gross Revenue of R\$986.0 million in 4Q20, +13.2% vs 3Q20 and 11% higher than 4Q19



Net Income of R\$37 million in 4Q20, +18% YoY, given capital structure optimization and operating margin improvement



Combined acquisitions of Fadel, Transmoreno, TPC¹ and Rodomeu¹ would add R\$1.1 billion to 2020 Net Revenue

	4Q20	▲YoY	2020	▲YoY
Net Rev. from Services	789.1	+8.7%	2,656.3	-9.5%
EBITDA	121.1	-0.3%	431.5	-16.0%
EBITDA Margin ³	15.3%	-1.4 p.p.	16.2%	-1.3 p.p.
EBIT	56.0	-10.8%	195.4	-31.2%
EBIT Margin ³	7.1%	-1.5 p.p.	7.4%	-2.3 p.p.
Net Income Logistics ²	36.8	+17.9%	84.8	-25.7%
Net Margin	4.5%	+0.5 p.p.	3.0%	-0.7 p.p.
Net Debt	1,632.1	-47.4%	1,632.1	-47.4%
Leverage	3.0x	-3.0x	3.0x	-3.0x



Backlog (contracted future revenue) of R\$3.1 billion at the end of 2020, +44% higher than at the end of 2019



EBITDA of R\$177.4 million in 4Q20, up 28.4% YoY, and R\$638.9 million in 2020, +21.1% YoY



ROE 2020 of 35.9%, an increase of 10.9 p.p. compared to 2019

	4Q20	▲YoY	2020	▲YoY
Net Rev. from Services	376.5	+45.8%	1,338.9	+34.0%
EBITDA	177.4	+28.4%	638.9	+21.1%
EBITDA Margin ³	47.1%	-6.4 p.p.	47.7%	-5.1 p.p.
EBIT	103.0	+33.3%	369.6	+26.3%
EBIT Margin ³	27.4%	-2.5 p.p.	27.6%	-1.7 p.p.
Net Income	54.3	+57.0%	179.2	+26.3%
Net Margin	12.8%	+2.1 p.p.	11.8%	+0.1 p.p.
Net Debt	1,920.4	+21.4%	1,920.4	+21.4%
Leverage	3.0x	0.0x	3.0x	0.0x



RAC: Record occupancy rate of 78.9% in 2020 and record R\$2,268 in revenue per car in 4Q20



GTF: Final fleet of 47.2 thousand cars, with addition of 8.5 thousand in 2020 and record volume of 3.6 million daily rentals in 4Q20



Used Cars Sales: Growth of +11.4% in the average ticket YoY in 2020, with record of R\$50,100 in 4Q20 and an EBITDA margin of 11.7% in 4Q20

	4Q20	▲YoY	2020	▲YoY
Net Rev. from Services	500.0	+9.4%	1,645.4	+1.5%
Adjusted EBITDA	305.3	+16.3%	894.9	+19.9%
EBITDA Margin ³	61.1%	+3.6 p.p.	54.4%	+8.3 p.p.
Adjusted EBIT	220.1	+38.9%	482.0	+2.9%
EBIT Margin ³	44.0%	+9.3 p.p.	29.3%	+0.4 p.p.
Adjusted Net Income	138.7	+64.8%	233.6	+2.5%
Net Margin	14.0%	+5.7 p.p.	5.7%	-0.2 p.p.
Net Debt	2,606.4	+37.1%	2,606.4	+37.1%
Leverage	2.7x	+0.3x	2.7x	+0.3x

Notes: (1) The conclusion of the transaction is subject to compliance with the obligations and conditions precedent usual for this type of transaction, including the approval of the Administrative Council for Economic Defense - CADE; (2) Net Income from logistics operating activity does not consider the treasury segment, which includes debts issued for investment in other companies of the group when JSL S.A. acted as a holding company. Consolidated net income including the treasury segment totaled R\$30.5 million in 4Q20 and R\$41.0 million in 2020; (3) Margin as a percentage of Net Service Revenues



Operating and Financial Highlights of the Subsidiaries in 4Q20 and 2020

(R\$ million)



Growth of **15.1%** in **GTF Net Revenue from Services** in 4Q20 and 10.7% in 2020 compared to previous year



35.3%¹ increase in **Operating Income** in 2020 versus 2019, disregarding non-recurring result of divestments in 4Q19



Net Income increased 49.2%¹ YoY in 4Q20 and 3.5%¹ YoY in 2020, despite higher net debt due to corporate reorganization

	4Q20	▲YoY	2020	▲YoY
Net Rev. from Services	173.9	-0.8%	670.2	-6.8%
EBITDA	84.8	+5.1%	330.4	+18.1%
EBITDA Margin ²	48.7%	+2.7 p.p.	49.3%	+10.4 p.p.
EBIT	42.9	+3.7%	166.2	+20.7%
EBIT Margin ²	24.7%	+1.1 p.p.	24.8%	+5.6 p.p.
Net Income	18.5	-16.8%	68.6	-9.9%
Net Margin	7.7%	-2.8 p.p.	8.1%	-0.8 p.p.
Net Debt	825.6	+17.8%	825.6	+17.8%
Leverage	2.5x	0.0x	2.5x	0.0x



Volume of direct sales was **29%** higher in 2020, with **40,649** units



Average ticket of vehicles sold was **18%** higher in 4Q20 versus 4Q19, reaching **R\$70.2 thousand**



Net Income of R\$5.9 million, the highest of the last 11 quarters, with annualized **ROIC 4Q20 of 27.2%**

	4Q20	▲YoY	2020	▲YoY
Net Rev. from Services	195.5	-8.1%	609.6	-24.8%
EBITDA	15.5	+45.1%	37.7	+0.3%
EBITDA Margin ²	7.9%	+2.9 p.p.	6.2%	+1.6 p.p.
EBIT	10.7	+47.6%	20.1	-11.2%
EBIT Margin ²	5.5%	+2.1 p.p.	3.3%	+0.5 p.p.
Net Income	5.9	+70.4%	8.7	-22.0%
Net Margin	3.0%	+1.4 p.p.	1.4%	0.0 p.p.
Net Cash	66.5	+269.4%	66.5	+269.4%
Leverage	n.a.	n.a.	n.a.	n.a.



Loan portfolio (NPV) grew **5%** in 4Q20 versus 3Q20, totaling **R\$183 million**



Delinquency remains stable in 4Q20 compared to previous quarters




The **Net Income increased 54.1% YoY** in 4Q20, totaling **R\$2.2 million**

	4Q20	▲YoY	2020	▲YoY
Net Rev. from Services	11.6	+5.8%	45.4	+13.5%
EBITDA	4.9	+41.2%	16.2	+18.1%
EBITDA Margin ²	41.9%	+10.5 p.p.	35.8%	+1.4 p.p.
EBIT	4.8	+31.7%	15.8	+21.7%
EBIT Margin ²	41.8%	+8.2 p.p.	34.9%	+2.4 p.p.
Net Income	2.2	+54.1%	6.9	-0.7%
Net Margin	18.8%	+5.9 p.p.	15.2%	-2.2 p.p.
Net Cash	57.0	+27.9%	57.0	+27.9%
Leverage	n.a.	n.a.	n.a.	n.a.



Starting 2021

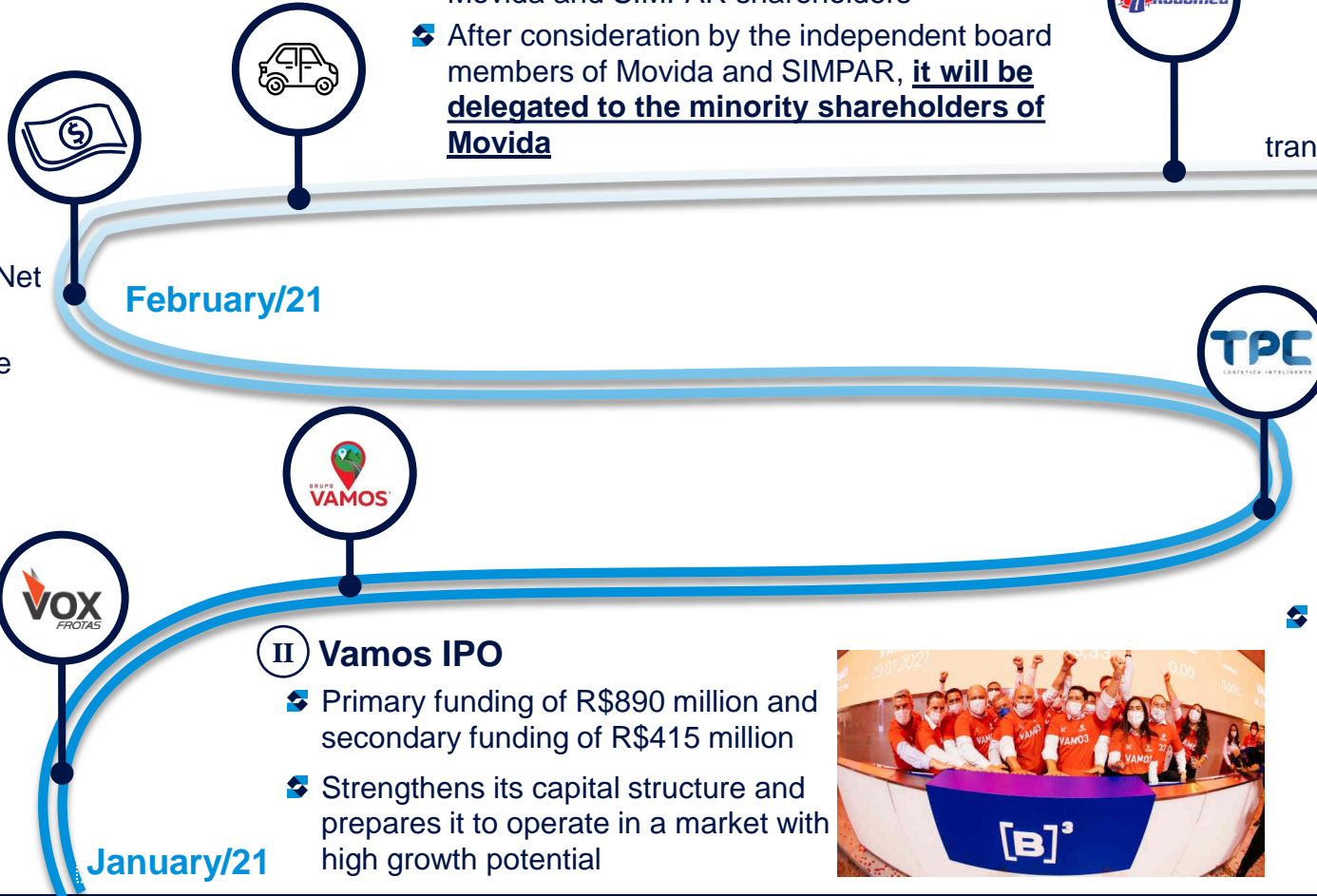
IV Bonds issued equivalent to R\$6.7 billion

- 
SIMPAR: US\$625 mn | 10 years
 R\$450 mn | 7 years
- 
Movida: US\$500 mn | 10 years
- 
 Extending the average term of the Net Debt from 4.3 to 8.5 years
- 
 Commitment to reduce Greenhouse Gas Emissions



I Movida acquires Vox¹




- 
 GTF Light Vehicles company
 - 
 Fleet: 1.8 thousand
- 
 Strengthens Movida's GTF in specific market niches



February/21



January/21

V Evaluation of Proposal for Integration of CS Frotas by Movida

- 
 Consolidate the activity of Light VehiclesGTF of the SIMPAR group in Movida
- 
 Growth and value generation agenda for Movida and SIMPAR shareholders
- 
 After consideration by the independent board members of Movida and SIMPAR, **it will be delegated to the minority shareholders of Movida**





II Vamos IPO

- 
 Primary funding of R\$890 million and secondary funding of R\$415 million
- 
 Strengthens its capital structure and prepares it to operate in a market with high growth potential






VI JSL acquires Rodomeu¹

- 
 Road transportation of highly complex cargo
 - 
 Entering into the compressed gases segment and higher scale in the transportation of machinery and equipment



III JSL acquires TPC¹

- 
 Logistics operator with focus on warehousing and logistics management
 - 
 Adds new sectors and customers, such as health care, cosmetics and telecom
 - 
 Differentials in fullcommerce and last mile



Strategic Opportunities

Our goal is to capture opportunities with agility, governance and motivated people to expand diversification and ensure the group's sustainable development



New cycle of sustainable **growth** organically and through acquisitions, leading the **consolidation** of the sector, seeking people and processes that contribute to offer better services to our customers and to the development of results



Grow profitably due to **unique positioning** with **scale** for **purchase and capillarity** for maintenance and sale of heavy assets, with the purpose of continuing **leading** the development of the sector in Brazil



Growth driven by **asset ownership replacement** use, proximity to customers, agility and innovation, meeting the growing demand for new products and markets



Grow in the provision of services based on **long-term contracts** with a focus on resilient revenues, positioning in key sectors in Brazil and preserving **capital discipline**



Expanding the **sale of vehicles** and **offer of after-sales** services of dealerships, as well as insurance through Madre Corretora, with strong synergy with SIMPAR's other businesses



To become the **main means of payment** of the cargo transportation ecosystem and app drivers in Brazil, as well as to expand the leasing offer to customers of the group's dealerships, contributing to the **loyalty** of its customers



THANK YOU!

Disclaimer

This Earnings Release is intended to detail SIMPAR S.A.'s financial and operating results in 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 prognoses. Consequently, there may be material differences between said statements and the Company's actual future results, performance and 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.



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