

# 1Q20 EARNINGS PRESENTATION

ITAG B3 IGC B3 IGC-NM B3 **ALPK**  
B3 LISTED NM



# Disclaimer

This document may contain forward-looking estimates and statements, which are mostly based on current expectations, projections about future events and financial trends that may affect our business. Several important factors may adversely affect our results, such as in our estimates and forward-looking statements. Words such as “believe”, “can”, “aim”, “estimate” and similar terms aim to identify estimates and projections.

Considerations about forward-looking estimates and statements include information on results and projections, strategies, financing plans, competitive position, sectorial environment, potential growth opportunities, the effects of future regulations and competition. Such estimates and projections refer only to the date on which they were expressed, and we do not undertake the obligation to publicly update or revise any of these estimates in light of new information, future events or any other factors, except pursuant to current regulations, especially CVM Instructions 480 and 358.

## Non-GAAP measures

The quarterly financial information in this report is presented in millions of Reais (R\$ million) and has managerial purposes. The information presented is based on the standards prior to the adoption of IFRS 16 CPC 06 (R2), unless otherwise indicated. The reconciliation can be found in the document 1Q20 Earnings Results on our website [ri.estapar.com.br](http://ri.estapar.com.br). The information contained in this report must be analyzed together with the interim financial information, prepared in accordance with the International Financial Reporting Standards (IFRS), approved by the Brazilian Securities and Exchange Commission (CVM) and the Federal Accounting Council (CFC), and in accordance with all pronouncements issued by the Accounting Pronouncements Committee (CPC), which are available on the websites of the Company ([ri.estapar.com.br](http://ri.estapar.com.br)) and of the Brazilian Securities and Exchange Commission (CVM).

# AGEND

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# COVID-19 Initiatives

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## COVID-19 INITIATIVES



- War Room implemented on March 10

- Sanitary measures in line with the health authorities' guidelines, such as social distancing, sanitization of premises, measuring of body temperature, distancing from high-risk groups, suspension of business travels and the distribution of kits containing face masks and hand sanitizers, among others

- Improvement of corporate communication and medical guidance for all employees

- Adoption of the work-from-home model by the administrative staff and part of the operating staff

- Beginning of the initiatives to **reduce costs and expenses** and **preserve cash**

# COVID-19 INITIATIVES



- **Full or partial closure** of 56.8% of the off-street operations and of 78.3% of the on-street operations
- Executive Decree 936: **reduction of working hours and suspension** of employment contracts, including the Board of Executive Officers and the administrative staff
- Executive Decree 927: extension of the date for the payment of social charges
- **Working capital** credit line of R\$29.2 million

- Reduction and renegotiation of rental expenses and operating costs. **A saving of 78.8% <sup>(1)</sup> vs. April 2019**
- **Reduction** of operational labor costs. **A saving of 42.2% <sup>(1)</sup> <sup>(2)</sup> vs. April 2019**
- Reduction of general and administrative expenses. **A saving of 30.6% vs. April 2019 <sup>(1)</sup> <sup>(2)</sup>**
- Postponement and temporary suspension of investments (CAPEX)

(1) Preliminary, unaudited (2) Does not include FGTS (governance severance pay fund) fine

## COVID-19 INITIATIVES



- **Full or partial closure** of 46.9% of the off-street operations and of 63.1% of the on-street operations
- Capitalization of the Company through the IPO

- Reduction and renegotiation of rental expenses and operating costs. **A saving of 73.4% <sup>(1)</sup> vs. May 2019**
- **Reduction** of operational labor costs. **A saving of 44.9% <sup>(1) (2)</sup> vs. May 2019**
- Reduction of general and administrative expenses. **A saving of 31.1% vs. May 2019 <sup>(1) (2)</sup>**

(1) Preliminary, unaudited (2) Does not include FGTS (governance severance pay fund) fine

# COVID-19 INITIATIVES



**Full or partial closure** of 32.8% of the off-street operations in June

**Resumption of the on-street operations**, in June, in **all** municipalities where we operate

**Revenue<sup>(1)</sup>**: The company posted the worst revenue in April, with recovery in May and June.

## Monitoring of Revenue <sup>(1)</sup>



April 2020 vs. April 2019	May 2020 vs. April 2020	June 2020 <sup>(2)</sup> vs. May 2020
-89.9%	+27.5%	+74.1%
-90.0%	+93.7%	+159.6%
-48.6%	-7.8%	+3.3%
-83.3%	+11.9%	+41.2%

(1) Preliminary, unaudited. Does not include sponsorships, rental revenues, etc.

(2) June: comparison between June 1 and 19, and May 2020.





# Highlights



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## HIGHLIGHTS



Concession of the pay-and-display areas in the city of São Paulo (SP) for 15 years

We entered into a concession agreement with the Municipal Government of São Paulo on May 19



Concession of the pay-and-display areas in the city of Santo André (SP) for 10 years

We won the public bid for a 10-year concession, extendable for another 10 years <sup>(1)</sup>

(1) We are awaiting the assessment of the commercial proposal by the Technical Area, the deadline for appeals/objections, and the award and approval of the agreement to be signed with the municipal government of



### Inauguration of Parque Shopping Bahia on March 17

Shopping mall in the city of Lauro de Freitas, in the state of Bahia, with 144.000 m<sup>2</sup> of GLA and 2.800 parking spaces (Long-Term Contract of 15 years)

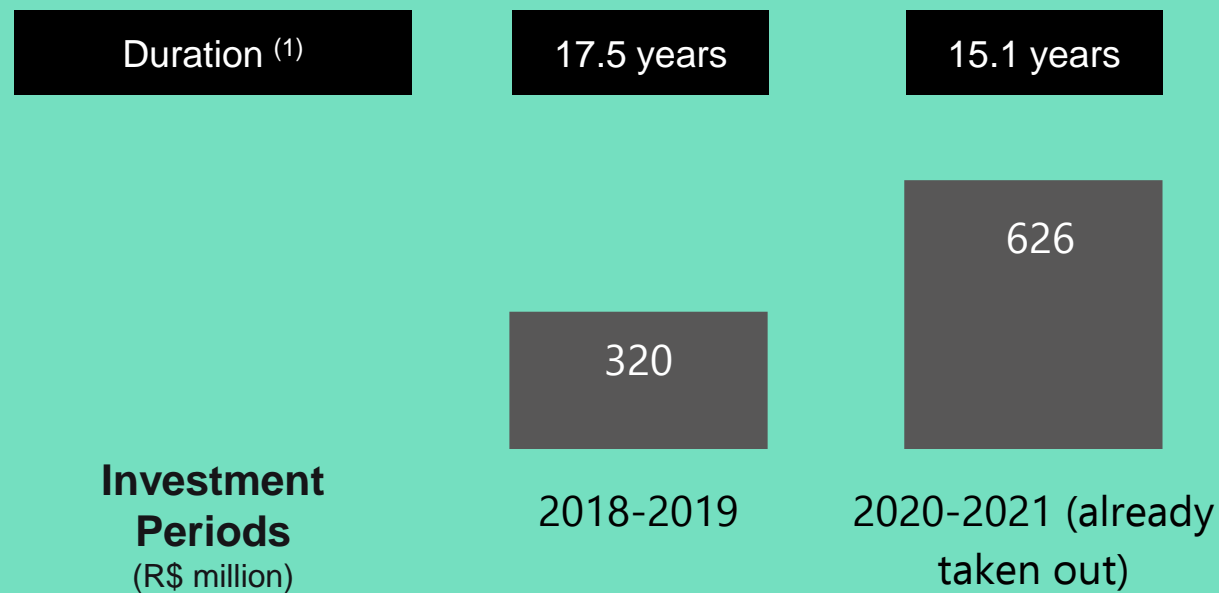


### Urban Mobility Hub Initiatives

- Agreements with the main car rental companies in Brazil to offer parking, store and service spaces
- Expansion from 3 to 10 Loop's Park & Sell stores in our operations
- Worldwide launch of VW Nivus – the OEM's first vehicle equipped with the Vaga Inteligente (Smart Parking) App in its Infotainment system.

# INVESTMENTS

Estapar made investments of R\$320 million in 2019 and 2020, which are in the maturation phase, and has already taken out a credit line of R\$626 million for the 2020-2021 period.



(1) Duration: average term of contracts weighted by matured EBITDA. Unaudited data.



# 1Q20 Results

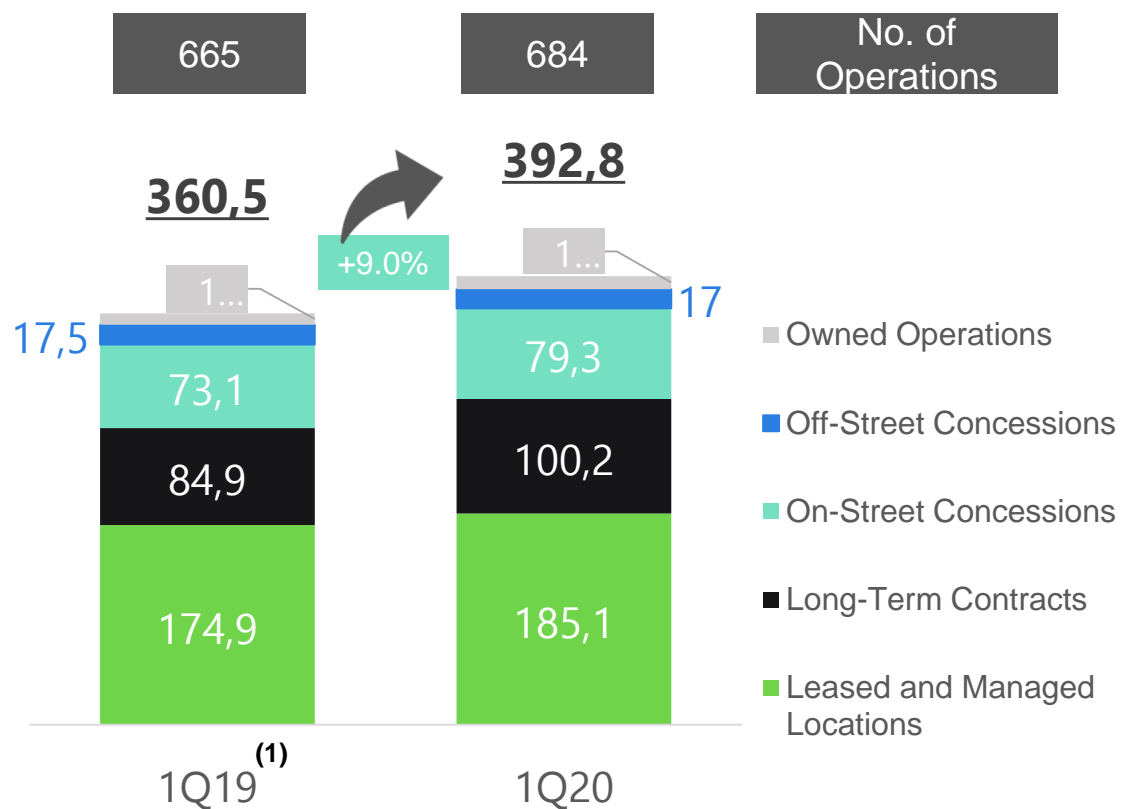
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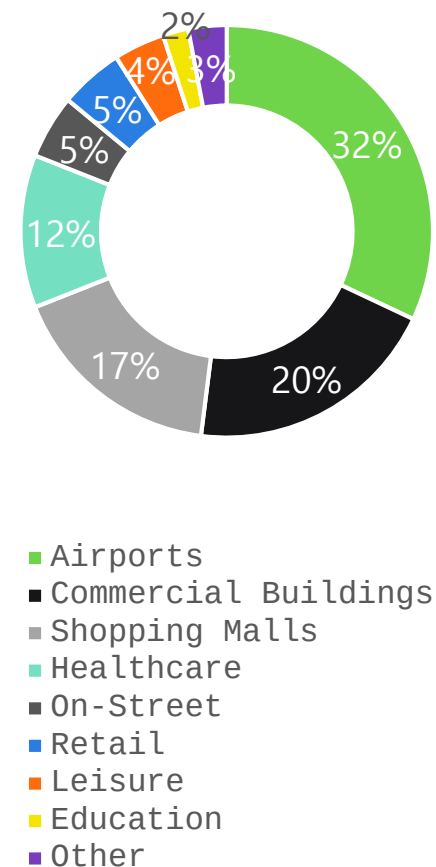
# OPERATIONS

Growth in the number of operations and parking spaces per segment  
(‘000 parking spaces)

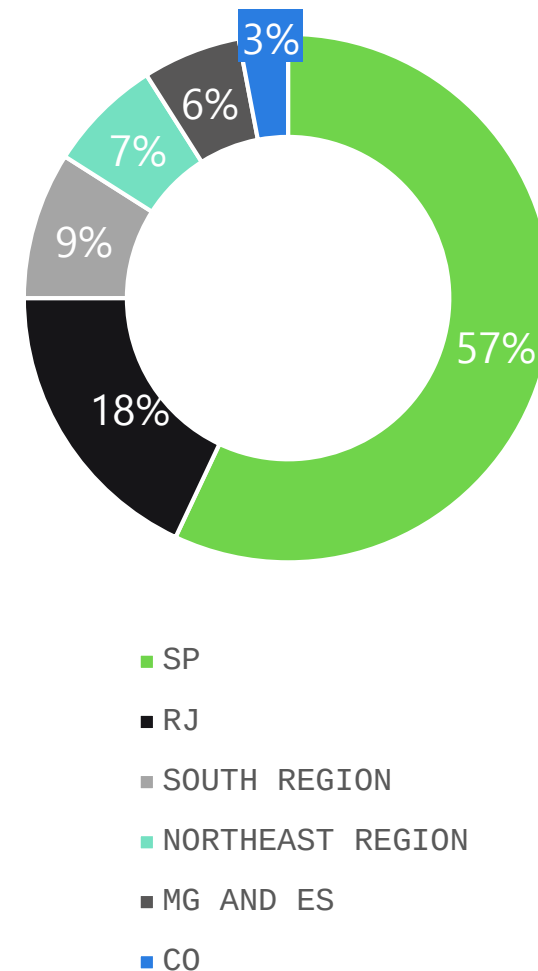


(1) 1Q19: does not include the digital pay-and-display areas in the city of Belo Horizonte (MG)

Breakdown of Net Revenue in 1Q20 by Sector



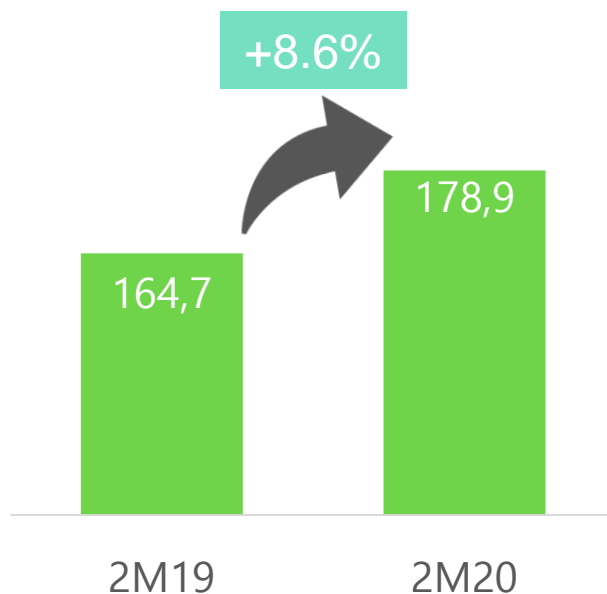
Distribution of Net Revenue in 1Q20 by State



# NET REVENUE (PRE-COVID-19)

Consolidated in R\$ million

2M20 vs. 2M19



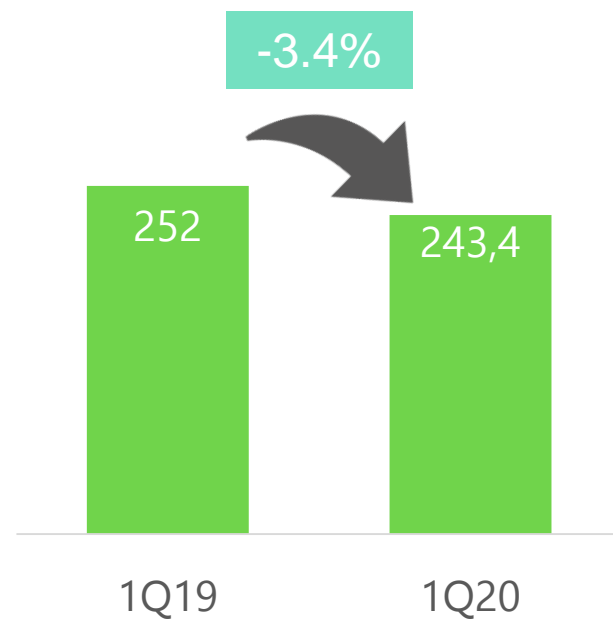
by Segment	2M19	2M20	Chg.%
Leased and Managed Locations	75.5	84.2	+11.4%
Long-Term Contract	57.1	57.5	+0.6%
Off-Street Concessions	18.5	22.3	+20.8%
On-Street Concessions	7.4	8.9	+20.3%
Owned Operations	5.0	4.9	-1.0%
Other	1.2	1.1	-3.4%
<b>Total</b>	<b>164.7</b>	<b>178.9</b>	<b>+8.6%</b>

- An **8.6% growth** in January and February compared to 2019, despite the heavy rain that affected Southeastern Brazil, especially in the sector of Shopping Malls and Commercial Buildings
- Beginning of the on-street concessions in the city of Taubaté and São Bernardo do Campo and the maturation of the Congonhas Airport operation (winning of the 20-year off-street concession at the end of 2018)

# NET REVENUE

Consolidated in R\$ million

1Q20 vs. 1Q19



by Segment	1Q19	1Q20	Chg.%
Leased and Managed Locations	116.9	114.5	-2.1%
Long-Term Contract	85.8	77.5	-9.7%
Off-Street Concessions	29.0	29.5	+1.8%
On-Street Concessions	11.2	12.5	+11.7%
Owned Operations	7.5	8.1	+8.6%
Other	1.6	1.3	-19.9%
<b>Total</b>	<b>252.0</b>	<b>243.4</b>	<b>-3.4%</b>

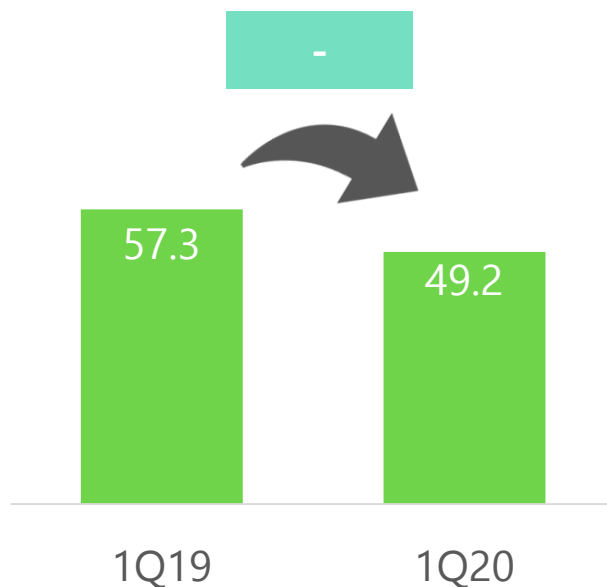
- A 3.4% drop due to the restrictions imposed by the COVID-19 crisis in March, mainly in the sectors of Airport, Education and Leisure
- Sectors such as Commercial Buildings, Hospitals, Corporate Single Users and Retail were marginally impacted until March

# CASH GROSS PROFIT

Pre-IFRS 16, consolidated, in R\$ million

1Q20 vs. 1Q19

Normalized, excluding one-off effects



by Segment	1Q19	1Q20	Chg.%
Leased and Managed Locations	22.0	19.8	-9.8%
Long-Term Contract	34.2	25.4	-25.5%
Off-Street Concessions	5.9	5.1	-13.7%
On-Street Concessions	3.2	2.8	-12.4%
Owned Operations	3.9	4.3	+10.9%
Other	-8.0	-9.4	+18.7%
<b>Total</b>	<b>61.1</b>	<b>47.9</b>	<b>-21.5%</b>
(-) One-off effects <sup>(1)(2)</sup>	(3.7)	1.2	N/A
<b>Total (normalized)</b>	<b>57.3</b>	<b>49.2</b>	<b>-14.3%</b>

- 1.4% drop (excluding one-off effects) due to the impacts of COVID-19, mainly on the sectors of Airports, Education, Leisure and Land
- The cost reduction and renegotiation initiatives, and the format of some contracts (especially airports), will be important to mitigate the impacts of COVID-19.

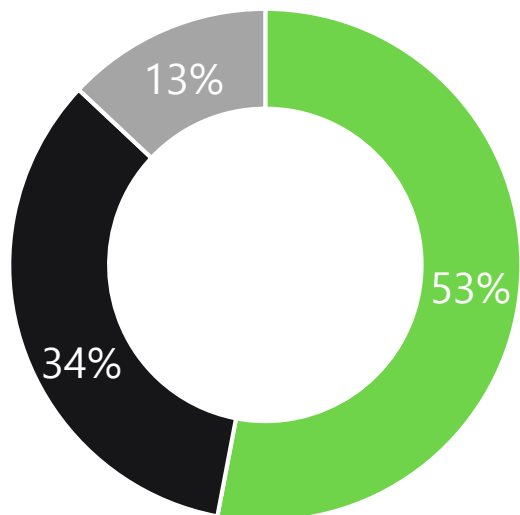
(1) One-off commercial agreement related to Airports at the end of 2018, with impacts in 1Q19 pay fund) fine

(2) Staff restructuring expenses and FGTS (governance severance



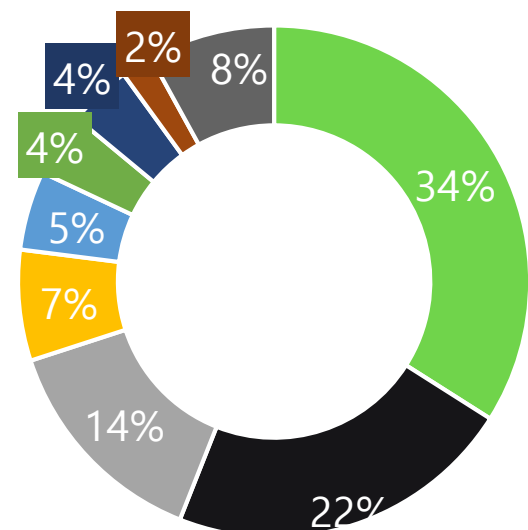
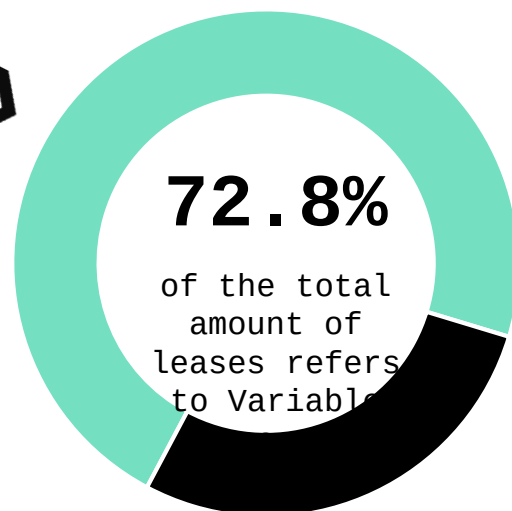
# CASH GROSS PROFIT - BREAKDOWN OF COSTS

Pre-IFRS 16,  
Consolidated



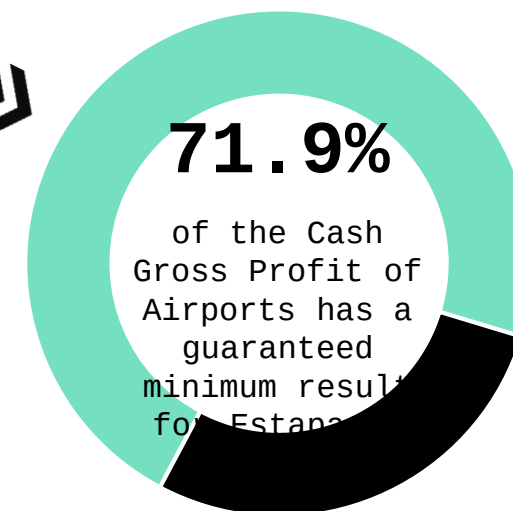
- Occupational Costs
- Labor Costs
- Other Costs

Breakdown of Costs  
in 1Q20



- Airports
- Commercial Buildings
- Healthcare
- Shopping Malls
- Retail
- On-Street
- Leisure
- Education

Cash Gross Profit by  
Sector in 1Q20

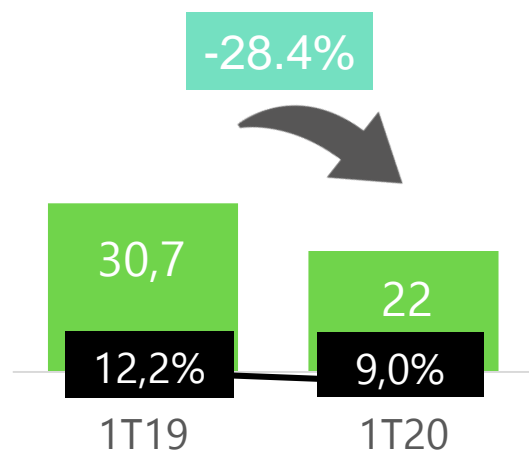


(1) Estapar's Minimum Guarantee: contract protection guaranteeing the minimum result. If the result is not achieved, future rental costs will be reduced, and the contract maturity will be extended.

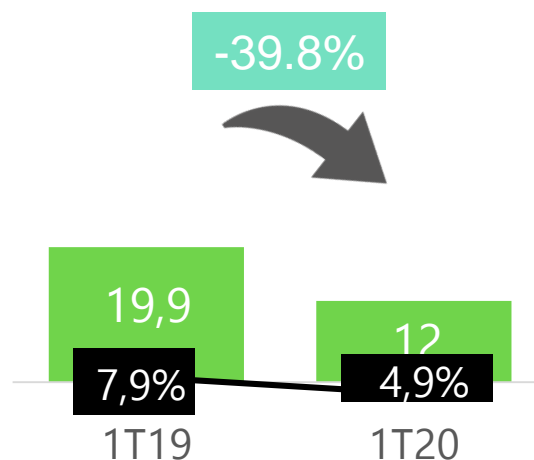
# FINANCIAL RESULTS

Pre-IFRS 16, Consolidated, in R\$ million and % of Net Revenue

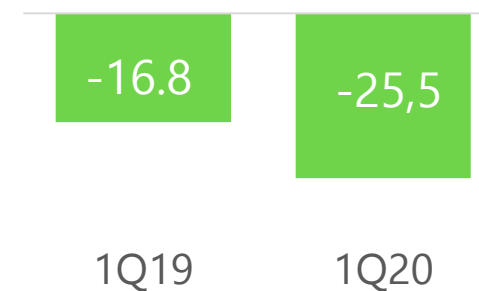
Adjusted EBITDA and Adjusted EBITDA Margin



Adjusted FFO and Adjusted FFO Margin<sup>(1)</sup>



Net Loss (IFRS)



The results were negatively impacted by the restrictions imposed by the COVID-19 pandemic

The results were also negatively impacted by the one-off effects (same as Cash Gross Profit)

The effects of the cost and expense reduction initiatives will be shown in the results as of April 2020

Net Loss (IFRS), without Pre-IFRS 16 adjustments

(1) Non-recurring administrative expenses to prepare and register the IPO

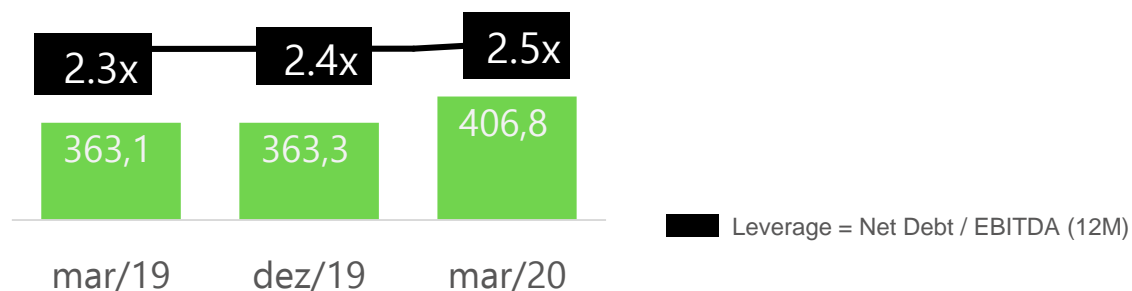
# DEBT

Pre-IFRS 16, in R\$ million

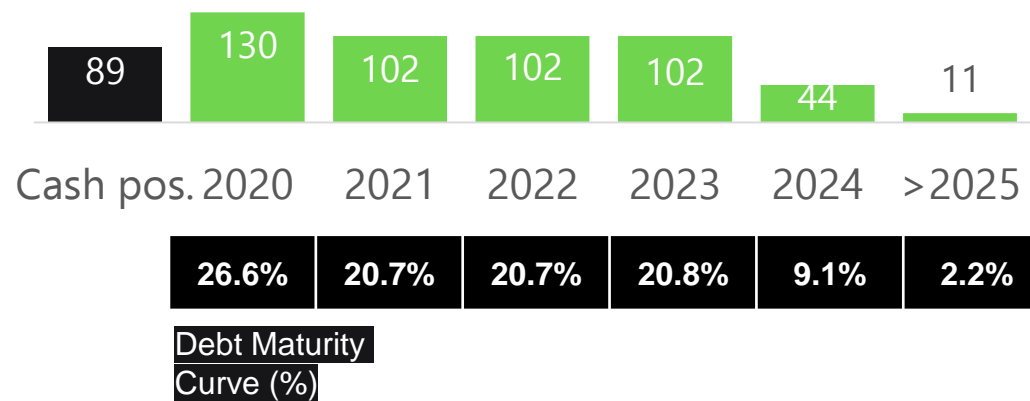
Debt Breakdown	MAR 2019	DEC 2019	MAR 2020
Debentures	139.9	353.1	358.3
Working Capital	211.9	76.8	75.3
Working Capital (Swap)	62.6	53.9	62.6
(-) Borrowing Costs	3.3	5.8	5.6
Bank Loans	271.1	124.9	132.3
Other Obligations <sup>(1)</sup>	9.4	5.4	5.5
Gross Debt	420.4	483.5	496.2
(-) Cash and Cash Equivalents	57.3	120.2	89.4
<b>Net Debt</b>	<b>363.1</b>	<b>363.3</b>	<b>406.8</b>
Average Cost (Spread CDI+)	2.30%	1.94%	2.08%
CDI (at the end of the period)	6.40%	4.40%	3.65%
<b>Total Cost</b>	<b>8.85%</b>	<b>6.43%</b>	<b>5.81%</b>

(1) Accounts payable related to investments and tax installments

## Evolution of Net Debt and Leverage



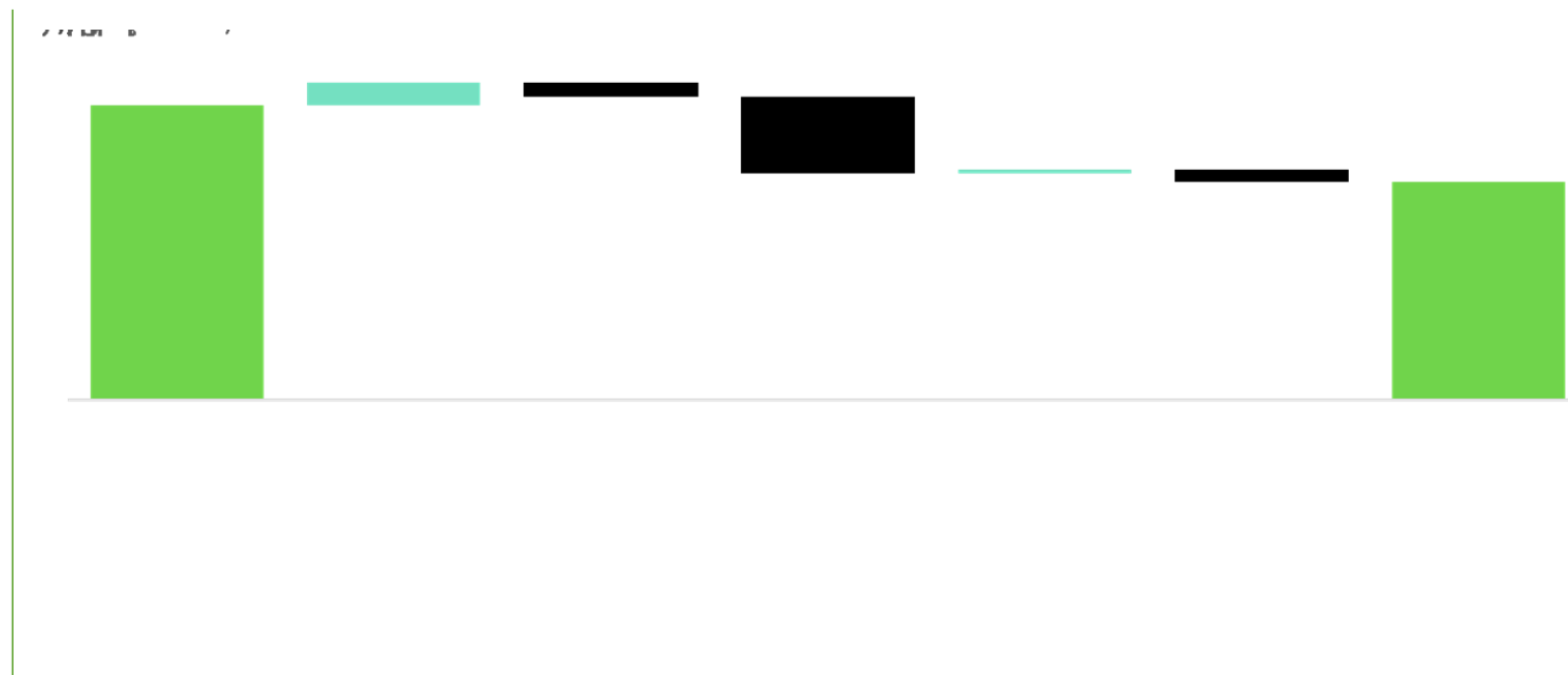
## Debt Amortization Schedule



# 1Q20 CASH FLOW

Consolidated in R\$ million

- Net Operating **Cash Generation** of R\$9.2 million
- Prepaid expenses** of R\$5.5 million: Urban Real Estate Tax (IPTU) payments at the start of the year
- CAPEX: payment of investments made before the COVID-19 pandemic
- Net Loans and Financing of R\$1.7 million (net): **rollover** of working capital **transactions**



The background features several thick, bright green lines that form a stylized, interconnected geometric pattern, resembling a maze or a series of overlapping paths. These lines are set against a solid black background.

# Social Responsibility and Sustainability

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## SOCIAL RESPONSIBILITY



### Estacionamento Solidário (Charity Parking) Program

- For over 15 years, the Estacionamento Solidário (Charity Parking) Program of Estapar has been partially allocating the income from the pay-and-display areas to charitable institutions and social initiatives.
- The program has contributed to more than 30 charitable institutions in 15 municipalities over the past five years.
- COVID-19 INITIATIVES: granting of free parking spaces to physicians in the city of São Paulo - SP (Health Secretariat of the State of São Paulo).



# SUSTAINABILITY



## Electric vehicle charging stations

- Estapar currently has 50 charging stations for electric and hybrid vehicles
- The charging points are free for vehicles of all brands <sup>(1)</sup>



Electric vehicle charging point



## Reduction of carbon emissions

- Estapar contributes to the reduction of carbon emissions by removing from circulation vehicles that are looking for parking spaces (approximately 30% of the traffic)
- On-street solar-powered self-service charging stations
- Several bike and electric scooter racks in our parking lots



São Paulo (SP)

(1) Provided that the vehicles are compatible with the type 2 socket



# Closing remarks

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## CLOSING REMARKS

Safety and comfort to our clients and employees: continuity of sanitary protocols

Post-COVID-19: upward trend in individual transportation

Disciplined resource management

Unique asset portfolio: leverage in the economic recovery

Urban Mobility Hub: capturing of new revenue opportunities





# Q&A

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# Thank you!

**André Iasi** - CEO

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