



**Results presentation  
2019 Q3**

November 8th, 2019

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# Quarter highlights

Gennaro Oddone

## Tax credit relating to ICMS-exemption of PIS/CONFIS base

- Credit registred in September/19 relating to 2003-2017 period amounting R\$ 91.4 million
- Net profit positive impact of R\$ 55.3 million

## Measures to be taken in face of the search and seizure operation

(...) Organization of an Independent Committee, consisting of three members and advised by a specialized law office

- To carry out an in-depth and thorough investigation of the facts attributed to the Company, object of the documentation contained in the Leniency Agreement that gave rise to the aforementioned search and seizure.

## tegUP - investment Rabbot

- In 3Q18 tegUP, Tegma startup accelerator invested in Rabbot, na automated fleet management company
- tegUP will invest R\$ 3.2 million in convertible debentures in three tranches(...)

## IR team awarded

- Tegma IR team was indicated for the second consecutive year in the IR Magazine Awards – Brazil
- One of the five best CEO and CFO / IR of Small Caps companies in Brazil – Gennaro Oddone and Ramón Pérez and one out of five IR executives of Small companies in Brazil -Ian Nunes



# Results (3Q19 vs 3Q18 ex non recurring events / IFRS 16)

Gennaro Oddone

- Increase of **5.3%** domestic sales
- **0.4%** drop in wholesale sales
- Imports fell 19% and production increased **2.3%**
- Decrease in exports (**-20%**).
- 22% increase in inventories (in days)

Source: ANFAVEA  
Fenabrave e BACEN

Auto market

Operational  
Auto division

- Qty of vehicles transported was **1.1%** lower, **0.2 pp** loss of mkt share (25.7%)
- Increase of **6.4%** average consolidated distance (+ **4.6%** domestic) (...)
- **5.2%** increase in total distance
- Increase of yard management in Araquari

- Yard Management revenue increase
- Transport price readjustment in May/19
- Drop in transfer between yards revenues (...)
- **1.3%** growth in net revenue

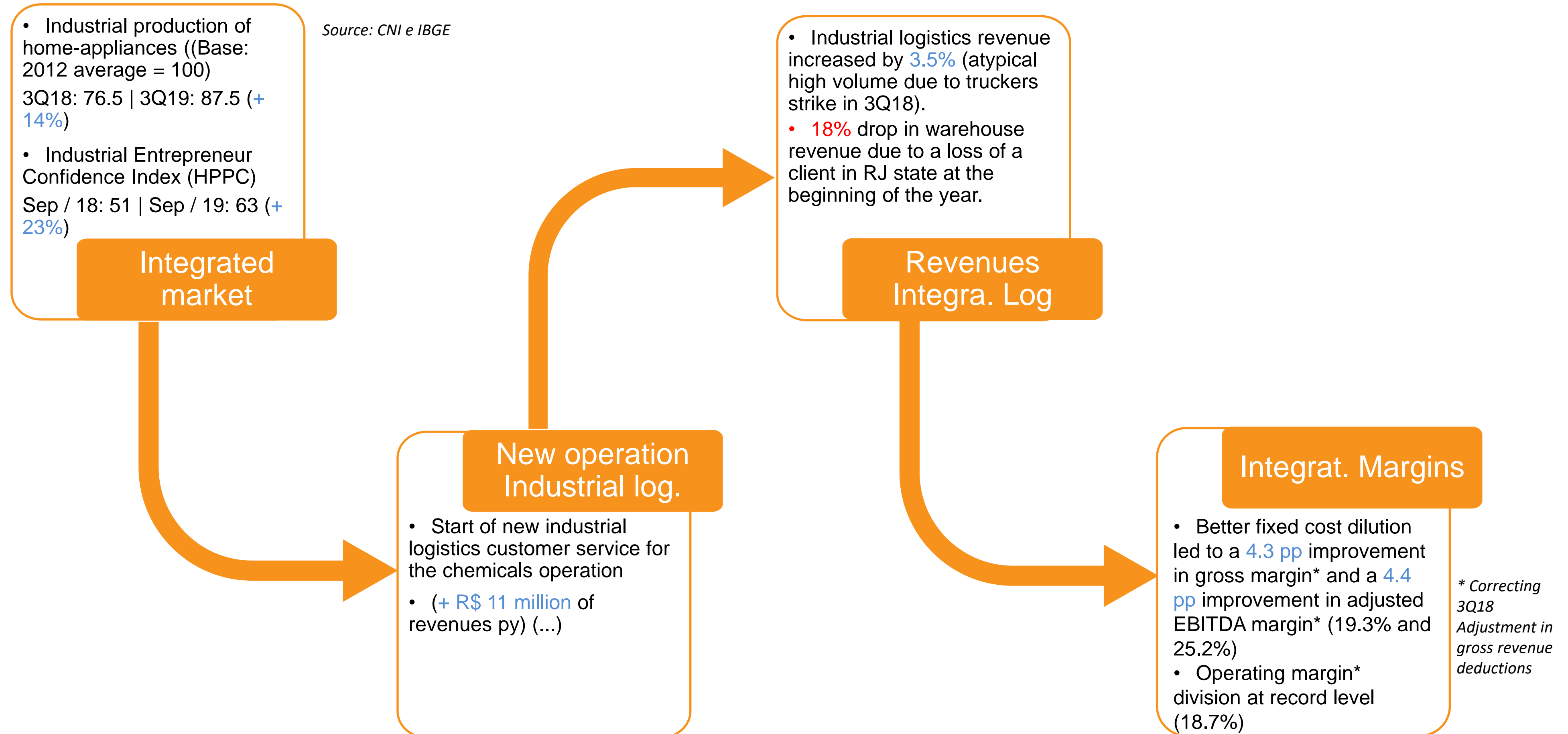
Revenues Auto

Auto Margins

- Gross margin stability due to revenue stability
- Adjusted EBITDA margin decreased by **1.6 pp** (15.0%) due to the **R\$ 4.5 million** increase of provision for lawsuit (...)

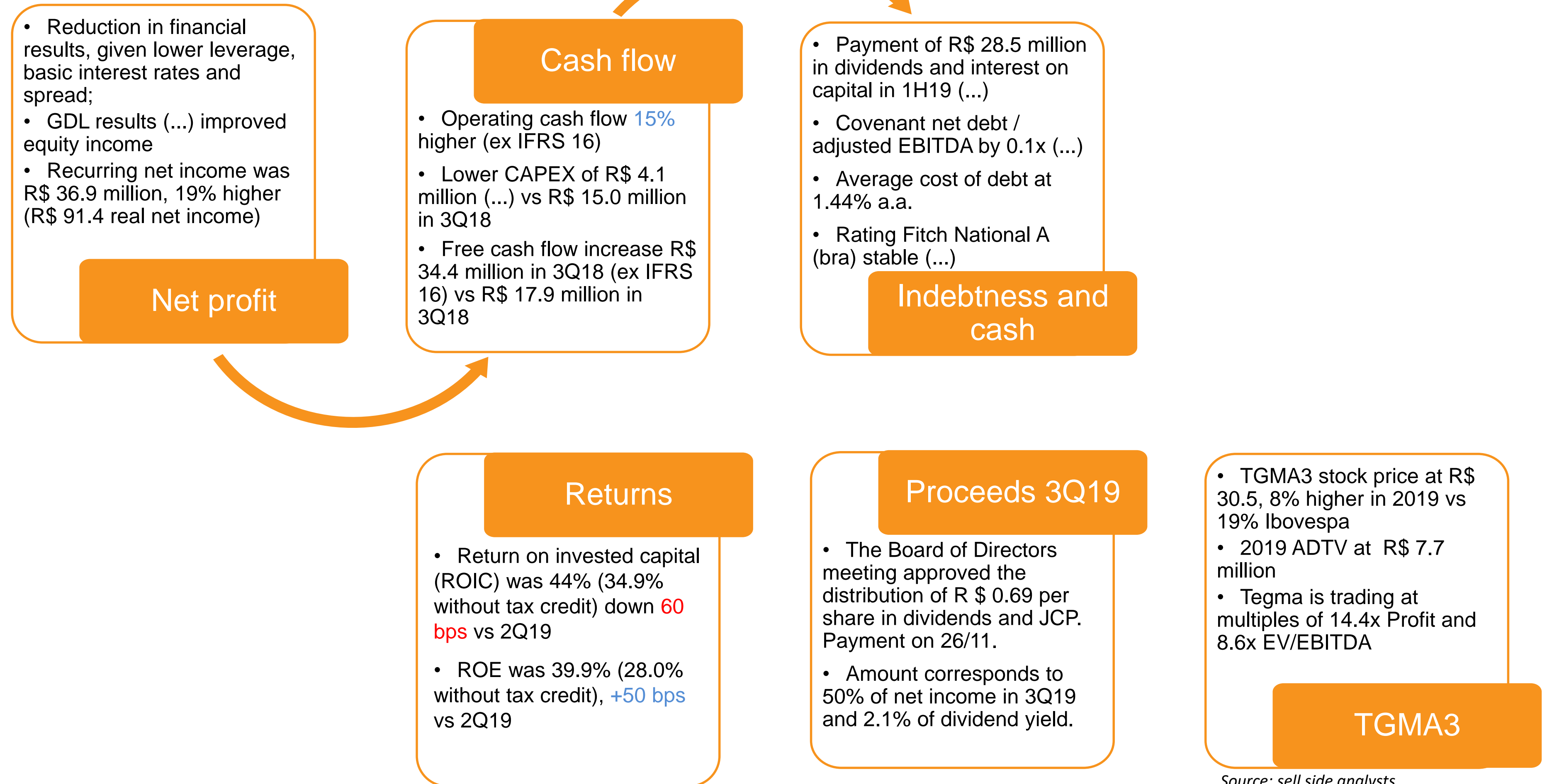
# Results (3Q19 vs 3Q18 ex non recurring events / IFRS 16)

Gennaro Oddone



# Highlights and indicators (3Q19 vs 3Q18 ex non-recurring events / IFRS 16)

Ramón Pérez



Source: sell side analysts

# New spreadsheet in Historical financials .xls

Ramón Pérez

Consolidated income statement	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19
<b>Gross revenue</b>	<b>320.126</b>	<b>360.399</b>	<b>415.846</b>	<b>439.626</b>	<b>367.282</b>	<b>406.331</b>	<b>415.849</b>
Taxes and deductions	(60.386)	(67.123)	(79.388)	(76.879)	(70.602)	(74.743)	(75.126)
<i>PIS/COFINS tax base revision</i>	-	-	-	4.478	-	-	-
<i>Spontaneous denunciation TCE</i>	-	-	(5.252)	-	-	-	-
<b>Net revenue</b>	<b>259.740</b>	<b>293.275</b>	<b>336.457</b>	<b>362.747</b>	<b>296.681</b>	<b>331.588</b>	<b>340.723</b>
Cost of services*	(204.685)	(229.983)	(258.371)	(274.428)	(229.558)	(258.037)	(260.810)
<i>PIS/COFINS tax base revision lawsuit costs</i>	-	-	-	-	-	-	(6.084)
<i>IFRS16</i>	-	-	-	-	9.699	8.272	9.105
<b>Gross profit</b>	<b>55.055</b>	<b>63.292</b>	<b>78.086</b>	<b>88.319</b>	<b>67.122</b>	<b>73.551</b>	<b>79.913</b>
Expenses*	(25.434)	(18.144)	(20.294)	(20.245)	(20.796)	(22.379)	(24.500)
<i>Direct civil contingency</i>	-	-	-	(14.500)	-	-	-
<i>PIS/COFINS tax base revision</i>	-	-	-	-	-	-	56.476
<i>Succumbency costs Samsung lawsuit</i>	-	-	-	(2.859)	-	-	-
<b>Adjusted EBITDA</b>	<b>29.621</b>	<b>45.148</b>	<b>57.792</b>	<b>68.074</b>	<b>46.326</b>	<b>51.171</b>	<b>55.413</b>
Depreciation and amortization	(6.594)	(8.910)	(6.854)	(6.617)	(6.470)	(6.498)	(6.567)
Depreciation and amortization (COGS)	(5.766)	(8.056)	(5.991)	(5.744)	(5.569)	(5.543)	(5.599)
<i>IFRS16</i>	-	-	-	-	(8.713)	(6.957)	(8.057)
Depreciation and amortization (SG&A)	(828)	(854)	(863)	(873)	(902)	(955)	(968)
<i>IFRS16</i>	-	-	-	-	(217)	(186)	(209)
<b>Operating income</b>	<b>23.027</b>	<b>36.238</b>	<b>50.938</b>	<b>61.458</b>	<b>39.856</b>	<b>44.673</b>	<b>48.846</b>
Financial result	(1.889)	(825)	(2.961)	(1.414)	(592)	(1.071)	(1.045)
<i>IFRS16</i>	-	-	-	-	(1.307)	(1.616)	(1.718)
<i>Interest and fines - Spontaneous denunciation TCE</i>	-	-	(2.030)	-	-	-	-
<i>PIS/COFINS tax base revision monetary correction</i>	-	-	-	-	-	-	33.292
Equity	(911)	(227)	341	682	(529)	322	844
<b>Income before tax</b>	<b>20.227</b>	<b>35.186</b>	<b>48.318</b>	<b>60.725</b>	<b>38.735</b>	<b>43.925</b>	<b>48.644</b>
Income Tax	(6.233)	(7.000)	(12.406)	(17.813)	(11.576)	(10.924)	(11.675)
<i>Income tax - Direct express civil contingenc</i>	-	-	-	4.930	-	-	-
<i>Income tax - Spontaneous denunciation TCE</i>	-	-	2.476	-	-	-	-
<i>Income tax - PIS/COFINS tax base revision</i>	-	-	-	-	-	-	(28.382)
<b>Net income</b>	<b>13.994</b>	<b>28.186</b>	<b>35.913</b>	<b>42.912</b>	<b>27.159</b>	<b>33.001</b>	<b>36.969</b>

# Q&A section

Gennaro Oddone – CEO and IRO  
Ramón Pérez - CFO

[ri.tegma.com.br/en/](http://ri.tegma.com.br/en/)

