

Marcopolo S.A.

Quarterly Information at 6/30/2021 and Report on Review of Quarterly Information

(A free translation of the original report in Portuguese as published in
Brazil containing financial statements prepared in accordance with
accounting practices adopted in Brazil)

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Company Information/Capital Composition

Number of Shares (Units)	Current Quarter 06/30/21
Paid-in Capital	
Common	341,625,744
Preferred	605,267,138
Total	946,892,882
In Treasury	
Common	0
Preferred	7,252,882
Total	7,252,882

Individual Financial Statements / Balance Sheet - Assets**(Thousand Reais)**

Account Code Account	Account Description	Current Quarter 06/30/21	Previous Fiscal Year 12/31/20
1	Total Assets	4,665,706	4,191,895
1.01	Current Assets	1,530,961	1,426,798
1.01.01	Cash and cash equivalents	802,863	626,682
1.01.02	Financial investments	11	1,187
1.01.02.01	Financial investments measured at fair value through profit or loss	11	1,187
1.01.02.01.01	Securities for trading	11	1,187
1.01.03	Trade Receivables	279,475	387,514
1.01.03.01	Customers	279,475	387,514
1.01.04	Stocks	274,038	215,087
1.01.06	Taxes Recoverable	60,763	71,826
1.01.06.01	Current Taxes Recoverable	60,763	71,826
1.01.08	Other Current Assets	113,811	124,502
1.01.08.03	Other	113,811	124,502
1.02	Noncurrent Assets	3,134,745	2,765,097
1.02.01	Long-Term Assets	522,338	221,291
1.02.01.03	Financial investments assessed at amortized cost	80,567	69,295
1.02.01.04	Trade Receivables	332,988	48,756
1.02.01.04.02	Other accounts receivable	41,014	44,468
1.02.01.04.03	Taxes Recoverable	291,974	4,288
1.02.01.07	Deferred Taxes	108,783	103,240
1.02.01.07.01	Deferred income tax and social contribution	108,783	103,240
1.02.02	Investments	2,173,971	2,136,883
1.02.02.01	Equity interest	2,167,612	2,130,406
1.02.02.01.01	Interests in Affiliates	43,716	44,778
1.02.02.01.02	Interests in Subsidiaries	2,007,686	1,960,849
1.02.02.01.03	Interests in Jointly Controlled Companies	116,210	124,779
1.02.02.02	Investment properties	6,359	6,477
1.02.03	Fixed assets	429,324	399,190
1.02.03.01	Property, plant and equipment in operation	423,466	393,645
1.02.03.02	Right of Use in Lease	5,858	5,545
1.02.04	Intangibles assets	9,112	7,733
1.02.04.01	Intangible Assets	9,112	7,733
1.02.04.01.02	Intangible Assets	9,112	7,733

Individual Financial Statements / Balance Sheet - Liabilities**(Thousand Reais)**

Account Code	Account Description	Current Quarter	Previous Fiscal Year
Account		06/30/21	12/31/20
2	Total Liabilities	4,665,706	4,191,895
2.01	Current liabilities	705,815	654,473
2.01.01	Social and Labor Obligations	83,130	53,703
2.01.01.02	Labor Obligations	83,130	53,703
2.01.02	Suppliers	165,515	153,788
2.01.02.01	National Suppliers	152,906	142,004
2.01.02.02	Foreign Suppliers	12,609	11,784
2.01.03	Tax Liabilities	83,429	41,595
2.01.03.01	Federal Tax Obligations	80,727	40,128
2.01.03.01.01	Income Tax and Social Contribution Payable	80,727	40,128
2.01.03.02	State Tax Obligations	2,588	1,314
2.01.03.03	Municipal Tax Obligations	114	153
2.01.04	Loans and Financing	190,154	246,315
2.01.04.01	Loans and Financing	190,154	246,315
2.01.04.01.01	In Domestic currency	34,303	23,695
2.01.04.01.02	In Foreign Currency	155,851	222,620
2.01.05	Other Obligations	183,587	159,072
2.01.05.02	Other	183,587	159,072
2.01.05.02.02	Mandatory Minimum Dividend Payable	56,798	92
2.01.05.02.04	Customer advances	15,568	50,712
2.01.05.02.05	Commissioned representatives	19,880	33,801
2.01.05.02.06	Profit sharing for managers	1,838	3,608
2.01.05.02.07	Lease obligations	1,427	1,169
2.01.05.02.08	Other current accounts payable	88,076	69,690
2.02	Non-current liabilities	1,277,386	985,205
2.02.01	Loans and Financing	1,094,058	821,202
2.02.01.01	Loans and Financing	1,094,058	821,202
2.02.01.01.01	In Domestic currency	454,744	292,481
2.02.01.01.02	In Foreign Currency	639,314	528,721
2.02.02	Other Obligations	29,536	29,424
2.02.02.02	Other	29,536	29,424
2.02.02.02.03	Obligation on account of equity interest	24,406	24,406
2.02.02.02.04	Lease obligations	5,130	5,018
2.02.04	Provisions	153,792	134,579
2.02.04.01	Labor and Social Security Tax Provisions	86,683	74,663
2.02.04.01.01	Tax Provisions	10,901	10,823
2.02.04.01.02	Social Security and Labor Provisions	74,750	62,876
2.02.04.01.04	Civil Provisions	1,032	964
2.02.04.02	Other Provisions	67,109	59,916
2.02.04.02.04	Provision for losses on investments	67,109	59,916
2.03	Shareholders' Equity	2,682,505	2,552,217
2.03.01	Paid-in Capital Stock	1,334,052	1,334,052
2.03.02	Capital reserves	2,745	3,268
2.03.02.04	Options Granted	-8,751	-8,751
2.03.02.07	Capital transaction reserves	11,496	12,019
2.03.04	Profit reserves	899,489	798,068

Individual Financial Statements / Balance Sheet - Liabilities**(Thousand Reais)**

Account Code	Account Description	Current Quarter	Previous Fiscal Year
Account		06/30/21	12/31/20
2.03.04.01	Legal reserve	76,201	76,201
2.03.04.02	Statutory reserve	851,891	751,643
2.03.04.09	Treasury shares	-28,603	-29,776
2.03.06	Equity valuation adjustments	436,150	400,550
2.03.08	Other comprehensive income	10,069	16,279
2.03.08.01	Equity in comprehensive income of Subsidiaries and Affiliates	10,069	16,279

Individual Financial Statements / Income Statement

(Thousand Reais)

Account Code Account	Account Description	Current Quarter 04/01/2021 to 06/30/2021	Accumulated in the Current Fiscal Year 01/01/2021 to 06/30/21	Equal Quarter of the Previous Fiscal Year 04/01/2020 to 06/30/2020	Accumulated for the Fiscal Year Previous 01/01/2020 to 06/30/2020
3.01	Income on sale of goods and/or services	329,628	615,627	382,534	806,828
3.02	Cost of goods and/or services sold	-325,523	-588,331	-297,487	-635,535
3.02.01	Cost of goods and/or services sold	-324,226	-584,875	-288,148	-626,196
3.02.02	Cost of idleness	-1,297	-3,456	-9,339	-9,339
3.03	Gross Result	4,105	27,296	85,047	171,293
3.04	Operating Expenses/Revenue	94,245	64,068	-53,434	-85,033
3.04.01	Selling expenses	-22,630	-40,845	-28,124	-61,352
3.04.02	General and Administrative Expenses	-27,195	-50,863	-18,840	-42,787
3.04.05	Other Operating Expenses	119,739	106,743	-5,423	-14,898
3.04.06	Equity equivalence result	24,331	49,033	-1,047	34,004
3.05	Results before financial and taxes results	98,350	91,364	31,613	86,260
3.06	Financial result	153,134	124,010	-27,459	-119,109
3.06.01	Financial Revenue	91,147	191,368	86,188	274,876
3.06.02	Financial Expenses	61,987	-67,358	-113,647	-393,985
3.07	Earnings before income taxes	251,484	215,374	4,154	-32,849
3.08	Income Tax and Social Contribution	-48,145	-25,406	1,249	52,547
3.08.01	Current	-30,890	-30,950	988	23,646
3.08.02	Deferred	-17,255	5,544	261	28,901
3.09	Net income from continued operations	203,339	189,968	5,403	19,698
3.11	Losses/income for the period	203,339	189,968	5,403	19,698
3.99	Profit per Share - (Reais / Share)				
3.99.01	Basic Profit per Share				
3.99.01.01	Common	0.21474	0.20217	0.00571	0.02098
3.99.01.02	Preferred	0.21474	0.20217	0.00571	0.02098
3.99.02	Diluted Profit per Share				
3.99.02.01	Common	0.21640	0.20062	0.00575	0.02080
3.99.02.02	Preferred	0.21640	0.20062	0.00575	0.02080

Individual Financial Statements / Statement of Comprehensive**(Thousand Reais)**

Account Code Account	Account Description	Current Quarter 04/01/2021 to 06/30/2021	Accumulated in the Current Fiscal Year 01/01/2021 to 06/30/21	Equal Quarter of the Previous Fiscal Year 04/01/2020 to 06/30/2020	Accumulated for the Fiscal Year Previous 01/01/2020 to 06/30/2020
4.01	Net income for the period	203,339	189,968	5,403	19,698
4.02	Other comprehensive income	-44,539	29,390	52,611	216,925
4.02.01	Exchange variation on investments abroad	-41,478	35,600	57,547	221,043
4.02.02	Actuarial gains/losses	0	0	-6,218	-6,218
4.02.03	Deferred IR and CS on actuarial gains or losses	0	0	2,115	2,115
4.02.04	Participation in comprehensive income of subsidiary	-3,061	-6,210	-833	-15
4.03	Comprehensive result for the Period	158,800	219,358	58,014	236,623

Individual Financial Statements / Cash Flow Statement - Indirect Method**(Thousand Reais)**

Account Code Account	Account Description	Accumulated in the Current Fiscal Year 01/01/2021 to 06/30/21	Accumulated for the Fiscal Year Previous 01/01/2020 to 06/30/2020
6.01	Net Cash from Operating Activities	-54,260	-34,280
6.01.01	Cash Generated in Operations	158,080	178,235
6.01.01.01	Result for the period	189,968	19,698
6.01.01.02	Depreciation and amortization	16,911	15,631
6.01.01.03	Income from sale of property, plant and equipment and intangible assets	1,023	3,144
6.01.01.04	Equity	-49,033	-34,004
6.01.01.05	Allowance for doubtful accounts	3,989	2,341
6.01.01.06	Current and deferred income tax and social contribution	25,406	-52,547
6.01.01.07	Appropriate interest and variations	-30,184	223,972
6.01.02	Changes in assets and liabilities	-212,340	-212,515
6.01.02.01	(Increase) decrease in accounts receivable from customers	104,050	-216,625
6.01.02.02	(Increase) decrease in inventories	-58,951	-45,727
6.01.02.03	(Increase) decrease in other accounts receivable	-268,021	-73,547
6.01.02.04	(Increase) decrease in assets measured at fair value	-10,096	73,934
6.01.02.05	Increase (reduction) suppliers	11,727	-1,147
6.01.02.06	Increase (decrease) in actuarial liabilities	0	6,218
6.01.02.07	Increase (decrease) in other accounts payable and provisions	39,901	20,733
6.01.02.08	Profit taxes paid	-30,950	23,646
6.02	Net Cash Investing Activities	124	-72,864
6.02.01	Investments	-28,875	-22,537
6.02.02	Dividends of subsidiaries, joint ventures and affiliates	76,553	4,523
6.02.03	Fixed asset additions	-45,755	-53,438
6.02.04	Intangible additions	-2,535	-1,412
6.02.05	Receipts from sale of property, plant and equipment	736	0
6.03	Net Cash Financing Activities	230,317	-57,263
6.03.02	Loans from third parties	414,373	136,349
6.03.03	Loan payment - principal	-159,675	-116,010
6.03.04	Loan payment - interest	-8,492	-7,631
6.03.05	Payment of interest on net equity and dividends	-16,539	-69,971
6.03.06	Treasury shares	650	0
6.05	Increase (decrease) in cash and cash equivalents	176,181	-164,407
6.05.01	Opening balance of cash and cash equivalents	626,682	644,493
6.05.02	Closing balance of cash and cash equivalents	802,863	480,086

Individual Financial Statements / Statement of Changes in Shareholders' Equity / DMPL - 01/01/2021 to 06/30/2021**(Thousand Reais)**

Account Code	Account Description	Paid-in Capital Stock	Capital reserves, Granted options and Treasury shares	Profit reserves	Profit or loss Accumulated	Other income Comprehensive	Shareholders' Equity
5.01	Opening balances	1,334,052	-26,508	827,844	0	416,829	2,552,217
5.03	Adjusted opening balances	1,334,052	-26,508	827,844	0	416,829	2,552,217
5.04	Capital Transactions with Partners	0	650	-23,945	-65,775	0	-89,070
5.04.05	Treasury Shares Sold	0	650	0	0	0	650
5.04.06	Dividends	0	0	-23,945	0	0	-23,945
5.04.07	Interest on equity	0	0	0	-65,775	0	-65,775
5.05	Total comprehensive result	0	0	0	189,968	29,390	219,358
5.05.01	Net income for the period	0	0	0	189,968	0	189,968
5.05.02	Other comprehensive income	0	0	0	0	29,390	29,390
5.05.02.03	Equity in comprehensive income of Subsidiaries and Affiliates	0	0	0	0	-6,210	-6,210
5.05.02.04	Conversion Adjustments for the Period	0	0	0	0	35,600	35,600
5.07	Closing balances	1,334,052	-25,858	803,899	124,193	446,219	2,682,505

Individual Financial Statements / Statement of Changes in Shareholders' Equity / DMPL - 01/01/2020 to 06/30/2020**(Thousand Reais)**

Account Code	Account Description	Paid-in Capital Stock	Capital reserves, Granted options and Treasury shares	Profit reserves	Profit or loss Accumulated	Other income Comprehensive	Shareholders' Equity
5.01	Opening balances	1,334,052	-27,764	796,145	0	207,646	2,310,079
5.03	Adjusted opening balances	1,334,052	-27,764	796,145	0	207,646	2,310,079
5.04	Capital Transactions with Partners	0	0	-53,848	-23,473	0	-77,321
5.04.06	Dividends	0	0	-53,848	0	0	-53,848
5.04.07	Interest on equity	0	0	0	-23,473	0	-23,473
5.05	Total comprehensive result	0	0	0	19,698	216,925	236,623
5.05.01	Net income for the period	0	0	0	19,698	0	19,698
5.05.02	Other comprehensive income	0	0	0	0	216,925	216,925
5.05.02.03	Equity in comprehensive income of Subsidiaries and Affiliates	0	0	0	0	37	37
5.05.02.04	Conversion Adjustments for the Period	0	0	0	0	221,043	221,043
5.05.02.06	Actuarial gains/losses	0	0	0	0	-4,155	-4,155
5.07	Closing balances	1,334,052	-27,764	742,297	-3,775	424,571	2,469,381

Individual Financial Statements / Value Added Statement**(Thousand Reais)**

Account Code Account	Account Description	Accumulated in the Current Fiscal Year 01/01/2021 to	Accumulated for the Fiscal Year Previous
		06/30/21	01/01/2020 to 06/30/2020
7.01	Revenues	854,384	886,425
7.01.01	Sales of goods, products and services	691,801	886,570
7.01.02	Other Revenues	166,572	2,196
7.01.04	Provision/Reversal of Doubtful Accounts	-3,989	-2,341
7.02	Inputs Purchased from Third Parties	-635,343	-666,394
7.02.01	Costs of Products, Goods and Services Sold	-492,230	-550,121
7.02.02	Materials, energy, third-party services and others	-83,283	-99,179
7.02.03	Loss/Recovery of active values	-59,830	-17,094
7.03	Gross value added	219,041	220,031
7.04	Retention	-16,911	-15,631
7.04.01	Depreciation, amortization and depletion	-16,911	-15,631
7.05	Net value added produced	202,130	204,400
7.06	Value Added received as transfer	240,401	306,332
7.06.01	Equity equivalence result	49,033	34,004
7.06.02	Financial Revenue	191,368	272,328
7.07	Total value added to be distributed	442,531	510,732
7.08	Distribution of value added	442,531	510,732
7.08.01	Personnel	167,310	169,979
7.08.01.01	Direct remuneration	121,189	123,879
7.08.01.02	Benefits	28,971	33,131
7.08.01.03	F.G.T.S.	17,150	12,969
7.08.02	Taxes, fees and contributions	15,266	-73,882
7.08.02.01	Federal	32,719	-53,915
7.08.02.02	State	-18,125	-20,516
7.08.02.03	Municipal	672	549
7.08.03	Remuneration of third-party capital	69,987	394,937
7.08.03.01	Interest	67,358	391,437
7.08.03.02	Rent	2,629	3,500
7.08.04	Remuneration of equity	189,968	19,698
7.08.04.01	Interest on equity	65,775	23,473
7.08.04.03	Retained Profit/Loss of the Year	124,193	-3,775

Consolidated Financial Statements / Balance Sheet - Assets;**(Thousand Reais)**

Account Code Account	Account Description	Current Quarter 06/30/21	Previous Fiscal Year 12/31/20
1	Total Assets	6,193,422	5,860,911
1.01	Current Assets	3,138,890	3,171,052
1.01.01	Cash and cash equivalents	1,073,060	1,040,931
1.01.02	Financial investments	1,284	2,641
1.01.02.01	Financial investments measured at fair value through profit or loss	1,284	2,641
1.01.02.01.01	Securities for trading	1,284	2,641
1.01.03	Trade Receivables	846,841	970,452
1.01.03.01	Customers	846,841	970,452
1.01.04	Stocks	842,485	748,411
1.01.06	Taxes Recoverable	209,605	228,711
1.01.06.01	Current Taxes Recoverable	209,605	228,711
1.01.08	Other Current Assets	165,615	179,906
1.01.08.03	Other	165,615	179,906
1.02	Noncurrent Assets	3,054,532	2,689,859
1.02.01	Long-Term Assets	1,103,617	758,936
1.02.01.03	Financial investments assessed at amortized cost	66,348	67,961
1.02.01.04	Trade Receivables	871,681	526,250
1.02.01.04.01	Customers	418,018	449,933
1.02.01.04.02	Other accounts receivable	66,272	71,404
1.02.01.04.03	Taxes Recoverable	387,391	4,913
1.02.01.07	Deferred Taxes	165,588	164,725
1.02.01.07.01	Deferred income tax and social contribution	165,588	164,725
1.02.02	Investments	608,099	578,673
1.02.02.01	Equity interest	524,371	489,312
1.02.02.01.01	Interests in Affiliates	426,497	374,458
1.02.02.01.04	Interests in Jointly Controlled Companies	93,624	111,462
1.02.02.01.05	Other Investments	4,250	3,392
1.02.02.02	Investment properties	83,728	89,361
1.02.03	Fixed assets	1,007,990	1,006,320
1.02.03.01	Property, plant and equipment in operation	950,443	936,647
1.02.03.02	Right of Use in Lease	57,547	69,673
1.02.04	Intangible Assets	334,826	345,930
1.02.04.01	Intangible Assets	43,180	43,204
1.02.04.01.02	Intangible Assets	43,180	43,204
1.02.04.02	Goodwill	291,646	302,726

Consolidated Financial Statements / Balance Sheet - Liabilities**(Thousand Reais)**

Account Code	Account Description	Current Quarter	Previous Fiscal Year
Account		06/30/21	12/31/20
2	Total Liabilities	6,193,422	5,860,911
2.01	Current liabilities	1,708,087	1,718,308
2.01.01	Social and Labor Obligations	135,347	102,505
2.01.01.01	Social Obligations	135,347	102,505
2.01.02	Suppliers	375,614	358,825
2.01.02.01	National Suppliers	272,953	261,769
2.01.02.02	Foreign Suppliers	102,661	97,056
2.01.03	Tax Liabilities	143,809	82,399
2.01.03.01	Federal Tax Obligations	139,650	79,976
2.01.03.01.01	Income Tax and Social Contribution Payable	139,650	79,976
2.01.03.02	State Tax Obligations	3,894	2,107
2.01.03.03	Municipal Tax Obligations	265	316
2.01.04	Loans and Financing	630,525	727,820
2.01.04.01	Loans and Financing	630,525	727,820
2.01.04.01.01	In Domestic currency	263,983	270,962
2.01.04.01.02	In Foreign Currency	366,542	456,858
2.01.05	Other Obligations	422,792	446,759
2.01.05.02	Other	422,792	446,759
2.01.05.02.02	Mandatory Minimum Dividend Payable	56,798	92
2.01.05.02.04	Customer advances	125,815	202,149
2.01.05.02.05	Commissioned representatives	30,328	45,737
2.01.05.02.06	Profit sharing for managers	1,838	3,608
2.01.05.02.07	Lease obligations	18,533	18,371
2.01.05.02.08	Other current accounts payable	189,480	176,802
2.02	Non-current liabilities	1,752,080	1,534,607
2.02.01	Loans and Financing	1,524,489	1,302,965
2.02.01.01	Loans and Financing	1,524,489	1,302,965
2.02.01.01.01	In Domestic currency	851,441	756,580
2.02.01.01.02	In Foreign Currency	673,048	546,385
2.02.02	Other Obligations	66,880	90,890
2.02.02.02	Other	66,880	90,890
2.02.02.02.03	Other non-current accounts payable	1,186	13,887
2.02.02.02.04	Obligation on account of equity interest	24,406	24,406
2.02.02.02.05	Lease obligations	41,288	52,597
2.02.04	Provisions	160,711	140,752
2.02.04.01	Labor and Social Security Tax Provisions	116,823	97,478
2.02.04.01.01	Tax Provisions	23,973	18,179
2.02.04.01.02	Social Security and Labor Provisions	90,243	76,772
2.02.04.01.04	Civil Provisions	2,607	2,527
2.02.04.02	Other Provisions	43,888	43,274
2.02.04.02.04	Provision for losses on investments	43,888	43,274
2.03	Consolidated shareholders' equity	2,733,255	2,607,996
2.03.01	Paid-in Capital Stock	1,334,052	1,334,052
2.03.02	Capital reserves	2,745	3,268
2.03.02.04	Options Granted	-8,751	-8,751
2.03.02.07	Capital transaction reserves	11,496	12,019

Consolidated Financial Statements / Balance Sheet - Liabilities**(Thousand Reais)**

Account Code	Account Description	Current Quarter	Previous Fiscal Year
Account		06/30/21	12/31/20
2.03.04	Profit reserves	899,489	798,068
2.03.04.01	Legal reserve	76,201	76,201
2.03.04.02	Statutory reserve	851,891	751,643
2.03.04.09	Treasury shares	-28,603	-29,776
2.03.06	Equity valuation adjustments	436,150	400,550
2.03.08	Other comprehensive income	10,069	16,279
2.03.09	Participation of non-controlling shareholders	50,750	55,779

Consolidated Financial Statements / Income Statement**(Thousand Reais)**

Account Code Account	Account Description	Current Quarter 04/01/2021 to 06/30/2021	Accumulated in the Current Fiscal Year 01/01/2021 to 06/30/21	Equal Quarter of the Previous Fiscal Year 04/01/2020 to 06/30/2020	Accumulated for the Fiscal Year Previous 01/01/2020 to 06/30/2020
3.01	Income on sale of goods and/or services	823,692	1,657,666	798,469	1,717,868
3.02	Cost of goods and/or services sold	-763,143	-1,496,630	-668,008	-1,437,335
3.02.01	Cost of goods and/or services sold	-761,423	-1,491,380	-640,018	-1,409,345
3.02.02	Cost of idleness	-1,720	-5,250	-27,990	-27,990
3.03	Gross Result	60,549	161,036	130,461	280,533
3.04	Operating Expenses/Revenue	51,885	-51,256	-113,592	-184,320
3.04.01	Selling expenses	-49,094	-91,797	-53,757	-106,672
3.04.02	General and Administrative Expenses	-55,505	-105,451	-39,187	-86,857
3.04.05	Other Operating Expenses	150,772	134,236	31,170	26,873
3.04.06	Equity equivalence result	5,712	11,756	-51,818	-17,664
3.05	Results before financial and taxes results	112,434	109,780	16,869	96,213
3.06	Financial result	182,696	155,579	-16,908	-120,517
3.06.01	Financial Revenue	144,249	264,920	133,454	383,796
3.06.02	Financial Expenses	38,447	-109,341	-150,362	-504,313
3.07	Earnings before income taxes	295,130	265,359	-39	-24,304
3.08	Income Tax and Social Contribution	-94,272	-79,194	1,346	36,329
3.08.01	Current	-64,261	-83,110	3,235	3,145
3.08.02	Deferred	-30,011	3,916	-1,889	33,184
3.09	Net income from continued operations	200,858	186,165	1,307	12,025
3.11	Net profit/loss for the period	200,858	186,165	1,307	12,025
3.11.01	Assigned to Controlling Company's Shareholders	203,339	189,968	5,403	19,698
3.11.02	Assigned to Non-controlling Shareholders	-2,481	-3,803	-4,096	-7,673
3.99	Profit per Share - (Reais / Share)				
3.99.01	Basic Profit per Share				
3.99.01.01	Common	0.21474	0.20217	0.00571	0.02098
3.99.01.02	Preferred	0.21474	0.20217	0.00571	0.02098
3.99.02	Diluted Profit per Share				
3.99.02.01	Common	0.21640	0.20062	0.00575	0.09150

Consolidated Financial Statements / Income Statement

(Thousand Reais)

Account Code Account	Account Description	Current Quarter 04/01/2021 to 06/30/2021	Accumulated in the Current Fiscal Year 01/01/2021 to 06/30/21	Equal Quarter of the Previous Fiscal Year 04/01/2020 to 06/30/2020	Accumulated for the Fiscal Year Previous 01/01/2020 to 06/30/2020
3.99.02.02	Preferred	0.21640	0.20062	0.00575	0.09150

Consolidated Financial Statements / Comprehensive Income Statement**(Thousand Reais)**

Account Code Account	Account Description	Current Quarter 04/01/2021 to 06/30/2021	Accumulated in the Current Fiscal Year 01/01/2021 to 06/30/21	Equal Quarter of the Previous Fiscal Year 04/01/2020 to 06/30/2020	Accumulated for the Fiscal Year Previous 01/01/2020 to 06/30/2020
4.01	Consolidated net profit for the period	200,858	186,165	1,307	12,025
4.02	Other comprehensive income	-49,655	28,164	55,446	233,544
4.02.01	Exchange variation on investments abroad	-46,594	34,374	60,382	237,662
4.02.02	Actuarial gains/losses	0	0	-6,312	-6,312
4.02.03	Deferred IR and CS on actuarial gains or losses	0	0	2,157	2,157
4.02.04	Participation in comprehensive income of subsidiary	-3,061	-6,210	-781	37
4.03	Comprehensive Consolidated Income for the period	151,203	214,329	56,753	245,569
4.03.01	Assigned to Controlling Company's Shareholders	158,800	219,358	58,014	236,623
4.03.02	Assigned to Non-controlling Shareholders	-7,597	-5,029	-1,261	8,946

Consolidated Financial Statements / Cash Flow Statement - Indirect Method**(Thousand Reais)**

Account Code Account	Account Description	Accumulated in the Current Fiscal Year 01/01/2021 to 06/30/21	Accumulated for the Fiscal Year Previous 01/01/2020 to 06/30/2020
6.01	Net Cash from Operating Activities	-17,466	-225,487
6.01.01	Cash Generated in Operations	320,288	299,842
6.01.01.01	Result for the period	186,165	12,025
6.01.01.02	Depreciation and amortization	54,195	46,556
6.01.01.03	Income from sale of property, plant and equipment and intangible assets	6,571	2,551
6.01.01.04	Equity	-11,756	17,664
6.01.01.05	Allowance for doubtful accounts	13,625	3,777
6.01.01.06	Current and deferred income tax and social contribution	79,194	-36,329
6.01.01.07	Appropriate interest and variations	-3,903	261,271
6.01.01.08	Participation of non-controlling shareholders	-3,803	-7,673
6.01.02	Changes in assets and liabilities	-337,754	-525,329
6.01.02.01	(Increase) decrease in accounts receivable from customers	131,216	-396,523
6.01.02.02	(Increase) decrease in inventories	-112,571	-75,138
6.01.02.03	(Increase) decrease in other accounts receivable	-351,848	-133,733
6.01.02.04	(Increase) decrease in assets measured at fair value	2,970	75,717
6.01.02.05	Increase (reduction) of suppliers	27,679	-50,364
6.01.02.06	Increase (decrease) in actuarial liabilities	0	6,312
6.01.02.07	Increase (decrease) in other accounts payable and provisions	47,910	45,255
6.01.02.08	Profit taxes paid	-83,110	3,145
6.02	Net Cash Investing Activities	-57,528	-72,687
6.02.02	Dividends form subsidiaries, joint ventures and affiliates	4,302	448
6.02.03	Fixed asset additions	-59,925	-71,174
6.02.04	Intangible additions	-2,670	-1,961
6.02.05	Receipts from sale of property, plant and equipment	765	0
6.03	Net Cash Financing Activities	116,101	-17,262
6.03.02	Loans from third parties	532,699	362,623
6.03.03	Loan payment - principal	-367,554	-286,418
6.03.04	Loan payment - interest	-33,155	-23,496
6.03.05	Payment of interest on net equity and dividends	-16,539	-69,971
6.03.06	Treasury shares	650	0
6.04	Exchange rate change without cash and cash equivalents	-8,978	46,671
6.05	Increase (decrease) in cash and cash equivalents	32,129	-268,765
6.05.01	Opening balance of cash and cash equivalents	1,040,931	1,074,622
6.05.02	Closing balance of cash and cash equivalents	1,073,060	805,857

Consolidated Financial Statements / Statement of Changes in Shareholders' Equity / DMPL - 01/01/2021 to 06/30/2021**(Thousand Reais)**

Account Code	Account Description	Paid-in Capital Stock	Capital reserves, Granted options and Treasury shares	Profit reserves	Profit or loss Accumulated	Other income Comprehensive	Shareholders' Equity	Participation of Non-Controllers	Shareholders' Equity Consolidated
5.01	Opening balances	1,334,052	-26,508	827,844	0	416,829	2,552,217	55,779	2,607,996
5.03	Adjusted opening balances	1,334,052	-26,508	827,844	0	416,829	2,552,217	55,779	2,607,996
5.04	Capital Transactions with Partners	0	650	-23,945	-65,775	0	-89,070	0	-89,070
5.04.05	Treasury Shares Sold	0	650	0	0	0	650	0	650
5.04.06	Dividends	0	0	-23,945	0	0	-23,945	0	-23,945
5.04.07	Interest on equity	0	0	0	-65,775	0	-65,775	0	-65,775
5.05	Total comprehensive result	0	0	0	189,968	29,390	219,358	-5,029	214,329
5.05.01	Net income for the period	0	0	0	189,968	0	189,968	-3,803	186,165
5.05.02	Other comprehensive income	0	0	0	0	29,390	29,390	-1,226	28,164
5.05.02.03	Equity in comprehensive income of Affiliates	0	0	0	0	-6,210	-6,210	0	-6,210
5.05.02.04	Conversion Adjustments for the Period	0	0	0	0	35,600	35,600	-1,226	34,374
5.07	Closing balances	1,334,052	-25,858	803,899	124,193	446,219	2,682,505	50,750	2,733,255

Consolidated Financial Statements / Statement of Changes in Shareholders' Equity / DMPL - 01/01/2020 to 06/30/2020**(Thousand Reais)**

Account Code	Account Description	Paid-in Capital Stock	Capital reserves, Granted options and Treasury shares	Profit reserves	Profit or loss Accumulated	Other income Comprehensive	Shareholders' Equity	Participation of Non-Controllers	Shareholders' Equity Consolidated
5.01	Opening balances	1,334,052	-27,764	796,145	0	207,646	2,310,079	48,333	2,358,412
5.03	Adjusted opening balances	1,334,052	-27,764	796,145	0	207,646	2,310,079	48,333	2,358,412
5.04	Capital Transactions with Partners	0	0	-53,848	-23,473	0	-77,321	0	-77,321
5.04.06	Dividends	0	0	-53,848	0	0	-53,848	0	-53,848
5.04.07	Interest on equity	0	0	0	-23,473	0	-23,473	0	-23,473
5.05	Total comprehensive result	0	0	0	19,698	216,925	236,623	8,946	245,569
5.05.01	Net income for the period	0	0	0	19,698	0	19,698	-7,673	12,025
5.05.02	Other comprehensive income	0	0	0	0	216,925	216,925	16,619	233,544
5.05.02.03	Equity in comprehensive income of Affiliates	0	0	0	0	37	37	0	37
5.05.02.04	Conversion Adjustments for the Period	0	0	0	0	221,043	221,043	16,619	237,662
5.05.02.06	Pension plan	0	0	0	0	-4,155	-4,155	0	-4,155
5.07	Closing balances	1,334,052	-27,764	742,297	-3,775	424,571	2,469,381	57,279	2,526,660

Consolidated Financial Statements / Value Added Statement**(Thousand Reais)**

Account Code Account	Account Description	Accumulated in the Current Fiscal Year 01/01/2021 to	Accumulated for the Fiscal Year Previous
		06/30/21	01/01/2020 to 06/30/2020
7.01	Revenues	2,036,110	1,946,977
7.01.01	Sales of goods, products and services	1,822,269	1,905,432
7.01.02	Other Revenues	227,362	45,322
7.01.04	Provision/Reversal of Doubtful Accounts	-13,521	-3,777
7.02	Inputs Purchased from Third Parties	-1,649,809	-1,434,322
7.02.01	Costs of Products, Goods and Services Sold	-1,437,048	-1,245,330
7.02.02	Materials, energy, third-party services and others	-135,098	-155,864
7.02.03	Loss/Recovery of active values	-77,663	-32,948
7.02.04	Other	0	-180
7.03	Gross value added	386,301	512,655
7.04	Retention	-54,195	-46,556
7.04.01	Depreciation, amortization and depletion	-54,195	-46,556
7.05	Net value added produced	332,106	466,099
7.06	Value Added received as transfer	276,676	363,584
7.06.01	Equity equivalence result	11,756	-17,664
7.06.02	Financial Revenue	264,920	381,248
7.07	Total value added to be distributed	608,782	829,683
7.08	Distribution of value added	608,782	829,683
7.08.01	Personnel	281,035	352,236
7.08.01.01	Direct remuneration	211,704	272,678
7.08.01.02	Benefits	46,908	61,519
7.08.01.03	F.G.T.S.	22,423	18,039
7.08.02	Taxes, fees and contributions	28,023	-42,825
7.08.02.01	Federal	75,672	-22,342
7.08.02.02	State	-48,584	-21,396
7.08.02.03	Municipal	935	913
7.08.03	Remuneration of third-party capital	113,559	508,247
7.08.03.01	Interest	109,341	501,765
7.08.03.02	Rent	4,218	6,482
7.08.04	Remuneration of equity	186,165	12,025
7.08.04.01	Interest on equity	65,775	23,473
7.08.04.03	Retained Profit/Loss of the Year	120,390	-11,448

Caxias do Sul, August 2, 2021 - Marcopolo S.A. (B3: POMO3; POMO4) announces its results referring to the performance of the second quarter of 2021 (2Q21). The financial statements are presented in accordance with accounting practices adopted in Brazil and with IFRS – *International Financial Reporting Standards*, established by IASB - *International Accounting Standards Board*.

HIGHLIGHTS OF THE 2nd QUARTER 2021

- ✿ Marcopolo's **Total Production** reached 2,973 units, 27.3% higher than 2Q20.
- ✿ **Net Revenue** totaled BRL 823.7 million, an increase of 3.2% compared to 2Q20.
- ✿ **Gross Profit** reached BRL 60.5 million, with a margin of 7.4%.
- ✿ **EBITDA** totaled BRL 140.5 million, with a margin of 17.1%.
- ✿ **Net Profit** was BRL 200.9 million, with a margin of 24.4%.

(BRL million and percentage variation, unless otherwise indicated).

Selected Information	2Q21	2Q20	Var. %	1S21	1S20	Var. %
Net operating revenue	823.7	798.5	3.2%	1,657.7	1,717.9	-3.5%
Revenues in Brazil	460.1	356.3	29.1%	908.9	825.9	10.0%
Brazil's export revenue	147.3	247.7	-40.5%	304.2	461.6	-34.1%
Revenue overseas	216.3	194.5	11.2%	444.6	430.3	3.3%
Gross Profit	60.5	130.5	-53.6%	161.0	280.5	-42.6%
EBITDA ⁽¹⁾	140.5	40.9	243.5%	164.0	142.8	14.8%
Net Profit	200.9	1.3	15,353.8%	186.2	12.0	1,451.7%
Profit per Share	0.214	0.001	21,300.0%	0.198	0.021	842.9%
Return on Invested Capital (ROIC) ⁽²⁾	4.5%	6.4%	-1.9 pp	4.5%	6.4%	-1.9 pp
Return on Equity (ROE) ⁽³⁾	10.4%	4.7%	5.7 pp	10.4%	4.7%	5.7 pp
Investments	29.6	23.4	26.5%	62.6	73.1	-14.4%
Gross Margin	7.4%	16.3%	-8.9 pp	9.8%	16.3%	-6.5 pp
EBITDA Margin	17.1%	5.1%	12.0 pp	9.9%	8.3%	1.6 pp
Net Margin	24.4%	0.2%	24.2 pp	11.2%	0.7%	10.5 pp
Balance Sheet Data	06/30/21	03/31/21	Var. %			
Net Worth	2,682.5	2,588.8	3.6%			
Cash, cash equivalents and financial investments	1,140.7	1,070.1	6.6%			
Short-term financial liabilities	-630.5	-729.7	-13.6%			
Long-term financial liabilities	-1,524.5	-1,337.8	14.0%			
Net financial liabilities - Industrial Segment	-544.9	-506.1	7.7%			

Notes: ⁽¹⁾ EBITDA = Earnings before interest, taxes, depreciation and amortization; ⁽²⁾ ROIC (Return on Invested Capital) = (Nopat of the last 12 months) / (customers + inventories + other receivables + investments + intangible - suppliers - other payables). Banco Moneo's effects on the assets and liabilities base were excluded from the calculation. ⁽³⁾ ROE (Return on Equity) = Net Revenue of the last 12 months / Initial Net Equity; pp = percentage points.

PERFORMANCE OF THE BRAZILIAN BUS SECTOR

In 2Q21, Brazilian bus production reached 3,456 units, an increase of 4.7% compared to 2Q20.

a) Domestic Market. Domestic production totaled 2,599 units in 2Q21, 3.8% higher than 2,504 units produced in 2Q20.

b) Foreign Market. Exports totaled 857 units in 2Q21, 7.7% higher than the 796 units exported in 2Q20.

BRAZILIAN BUS PRODUCTION (in units)

PRODUCTS ⁽¹⁾	2Q21			2Q20			Var.
	MI	ME ⁽²⁾	TOTAL	MI	ME ⁽²⁾	TOTAL	%
Intercity	827	352	1,179	671	225	896	31.6%
Urban	1,243	465	1,708	1,313	553	1,866	-8.5%
Micro	529	40	569	520	18	538	5.8%
TOTAL	2,599	857	3,456	2,504	796	3,300	4.7%

PRODUCTS ⁽¹⁾	1S21			1S20			Var.
	MI	ME ⁽²⁾	TOTAL	MI	ME ⁽²⁾	TOTAL	%
Intercity	1,550	617	2,167	1,514	519	2,033	6.6%
Urban	2,079	655	2,734	3,509	1,100	4,609	-40.7%
Micro	1,544	76	1,620	1,161	41	1,202	34.8%
TOTAL	5,173	1,348	6,521	6,184	1,660	7,844	-16.9%

Sources: FABUS (Associação Nacional dos Fabricantes de Ônibus) and SIMEFRE (Sindicato Interestadual da Indústria de Materiais e Equipamentos Ferroviários e Rodoviários).

Notes: ⁽¹⁾ MI = Domestic Market; ME = Foreign Market, units produced for export; ⁽²⁾ Includes units exported in KD (dismantled).

OPERATIONAL AND FINANCIAL PERFORMANCE OF MARCOPOLO

Units recorded in Net Revenue

In 2Q21, 2,950 units were recorded in net revenue, 2,037 of which were invoiced in Brazil (69.1% of the total), 423 exported from Brazil (14.3%) and 490 abroad (16.6%).

OPERATIONS (in units)	2Q21	2Q20	Var. %	1S21	1S20	Var. %
BRAZIL:						
- Domestic Market	2,037	1,799	13.2%	4,107	4,011	2.4%
- Foreign Market	685	524	30.7%	1,127	1,172	-3.8%
SUBTOTAL	2,722	2,323	17.2%	5,234	5,183	1.0%
Exported KD eliminations ⁽¹⁾	262	36	627.8%	320	298	7.4%
TOTAL IN BRAZIL	2,460	2,287	7.6%	4,914	4,885	0.6%
OVERSEAS:						

- South Africa	90	33	172.7%	120	84	42.9%
- Australia	63	93	-32.3%	136	169	-19.5%
- China	2	9	-77.8%	2	17	-88.2%
- Mexico	190	167	13.8%	420	490	-14.3%
- Argentina	145	2	7,150.0%	242	28	764.3%
TOTAL OVERSEAS	490	304	61.2%	920	788	16.8%
GRAND TOTAL	2,950	2,591	13.9%	5,834	5,673	2.8%

Note: ⁽¹⁾ KD (*Knock Down*) = Partially or fully disassembled bodies.

PRODUCTION

Marcopolo's consolidated production was 2,973 units in 2Q21. In Brazil, production reached 2,483 units, 21.6% higher than in 2Q20, while abroad production was 490, 67.2% higher than the units produced in the same period of the previous year. In the related, unconsolidated operations, considering only Marcopolo's proportion in the respective share capital of the companies, production was 91 units, 19.5% lower than in 2Q20.

The significant increase in production in 2Q21 compared to 2Q20 is explained by the fact that Brazilian operations granted collective vacations in the first half of April 2020, returning with a reduction of approximately 50% after this period, as well as the partial shutdown of operations located abroad in 2Q20. In 2Q21, production continued to be negatively affected by the second wave of Covid-19 in the countries in which we have operations. The production associated with the quarter refers to sales made between 60 and 90 days before, still in a context of restrictions on locomotion, suspension of tourism and closure of cities under *lockdown*. In the domestic market, the production of buses continued to be supported by the charter sector, benefited by the use of more vehicles to maintain distance in the transportation of employees to companies, as well as by the volumes of Volares directed to the federal program Caminho da Escola. In exports, the recovery of volumes directed to the Chilean market continues to be the highlight. In international operations, the *ramp-up* of urban production in Argentina continues, while the recovery of volumes in South Africa and Mexico is related to the shutdown of activities in these countries in 2Q20.

Marcopolo's production data and its respective comparison with the previous year are presented in the following table:

MARCOPOLO - CONSOLIDATED GLOBAL PRODUCTION

OPERATIONS (in units)	2Q21	2Q20	Var. %	1S21	1S20	Var. %
BRAZIL: ⁽¹⁾						
- Domestic Market	2,084	1,742	19.6%	4,312	4,256	1.3%
- Foreign Market	661	336	96.7%	1,077	1,024	5.2%
SUBTOTAL	2,745	2,078	32.1%	5,389	5,280	2.1%
Exported KD eliminations ⁽²⁾	262	36	627.8%	320	298	7.4%
TOTAL IN BRAZIL	2,483	2,042	21.6%	5,069	4,982	1.7%

OVERSEAS:						
- South Africa	90	24	275.0%	120	75	60.0%
- Australia	63	93	-32.3%	136	169	-19.5%
- China	2	15	-86.7%	2	26	-92.3%
- Mexico	190	161	18.0%	420	514	-18.3%
- Argentina	145	-	-	242	13	1,761.5%
TOTAL OVERSEAS	490	293	67.2%	920	797	15.4%
GRAND TOTAL	2,973	2,335	27.3%	5,989	5,779	3.6%

UNCONSOLIDATED OPERATIONS (in units)	2Q21	2Q20	Var. %	1S21	1S20	Var. %
- Colombia (50%)	91	113	-19.5%	139	287	-51.7%
TOTAL AFFILIATES	91	113	-19.5%	139	287	-51.7%

Notes: ⁽¹⁾ Includes the production of the Volare model; ⁽²⁾ KD (*Knock Down*) = Partially or fully disassembled bodies; ⁽³⁾ Volume proportional to Marcopolo's participation in the respective companies.

MARCOPOLO - GLOBAL PRODUCTION CONSOLIDATED BY MODEL

PRODUCTS/MARKETS ⁽²⁾ (in units)	2Q21			2Q20		
	MI	ME ⁽¹⁾	TOTAL	MI	ME ⁽¹⁾	TOTAL
Intercity	522	137	659	244	142	386
Urban	495	942	1,437	704	462	1,166
Micro	235	29	264	356	7	363
SUBTOTAL	1,252	1,108	2,360	1,304	611	1,915
Volares ⁽³⁾	832	43	875	438	18	456
TOTAL PRODUCTION	2,084	1,151	3,235	1,742	629	2,371

PRODUCTS/MARKETS ⁽²⁾ (in units)	1S21			1S20		
	MI	ME ⁽¹⁾	TOTAL	MI	ME ⁽¹⁾	TOTAL
Intercity	931	282	1,213	767	358	1,125
Urban	794	1,559	2,353	1,730	1,390	3,120
Micro	761	46	807	711	29	740
SUBTOTAL	2,486	1,887	4,373	3,208	1,777	4,985
Volares ⁽³⁾	1,826	110	1,936	1,048	44	1,092
TOTAL PRODUCTION	4,312	1,997	6,309	4,256	1,821	6,077

Notes: ⁽¹⁾ The total production of ME includes the units exported in KD (partially or fully dismantled bodies); ⁽²⁾ MI = Domestic Market; ME = Foreign Market; ⁽³⁾ The production of Volares is not part of the data of SIMEFRE and FABUS, or the production of the sector.

MARCOPOLO - PRODUCTION IN BRAZIL

PRODUCTS/MARKETS ⁽²⁾ (in units)	2Q21			2Q20		
	MI	ME ⁽¹⁾	TOTAL	MI	ME ⁽¹⁾	TOTAL
Intercity	522	126	648	244	104	348
Urban	495	463	958	704	208	912
Micro	235	29	264	356	7	363
SUBTOTAL	1,252	618	1,870	1,304	319	1,623
Volares ⁽³⁾	832	43	875	437	17	454
TOTAL PRODUCTION	2,084	661	2,745	1,741	336	2,077

PRODUCTS/MARKETS ⁽²⁾ (in units)	1S21			1S20		
	MI	ME ⁽¹⁾	TOTAL	MI	ME ⁽¹⁾	TOTAL
Intercity	931	269	1,200	767	211	978
Urban	794	652	1,446	1,730	743	2,473
Micro	761	46	807	711	29	740
SUBTOTAL	2,486	967	3,453	3,208	983	4,191
Volares ⁽³⁾	1,826	110	1,936	1,048	41	1,089
TOTAL PRODUCTION	4,312	1,077	5,389	4,256	1,024	5,280

Note: See notes in the table Consolidated Global Production by Model.

PARTICIPATION IN THE BRAZILIAN MARKET

Marcopolo's market share in Brazilian bodywork production was 54.1% in 2Q21 compared to 49.2% in 2Q20.

The highlight of the quarter was the 16.2 percentage point increase in the road segment compared to 2Q20, related to the increase in the Company's interest in the charter sector. The charter market, the lightest bus within the bus category, represented 73% of the segment's volumes in 2Q21 (24% in 2Q20). The drop in the market in micros is related to the reduction in deliveries of this model to the federal program Caminho da Escola, whose sales were concentrated until 1Q21.

PARTICIPATION IN BRAZILIAN PRODUCTION (%)

PRODUCTS	2Q21	1S21	2Q20	1S20
Intercity	55.0	55.2	38.8	48.1
Urban	56.1	56.6	48.9	53.7
Micro	46.4	52.0	67.5	61.6
TOTAL ⁽¹⁾	54.1	53.0	49.2	53.4

Source: FABUS and SIMEFRE

Note: ⁽¹⁾ Volare is not calculated for market share purposes.

NET REVENUE

Consolidated net revenue reached BRL 823.7 million in 2Q21, of which BRL 460.1 million, or 55.9% of the total, came from the domestic market, and BRL 363.6 million, representing the remaining 44.1%, from the foreign market.

The highlight of 2Q21 was the performance of the Volare segment, with an 84.5% increase in net revenue in the quarterly comparison, benefited by the growth in volumes delivered to the Caminho da Escola program, and by the greater demand in the charter and exports sector.

The table and charts below present the net revenue opening by products and markets:

TOTAL CONSOLIDATED NET REVENUE
By Products and Markets (BRL Million)

PRODUCTS/MARKETS ⁽¹⁾	2Q21			2Q20		
	MI	ME	TOTAL	MI	ME	TOTAL
Intercity	131.8	79.6	211.5	98.1	92.2	190.3
Urban	76.0	235.5	311.6	94.1	275.5	369.6
Micro	32.7	6.0	38.6	37.4	5.8	43.2
Bodywork subtotal	240.6	321.1	561.6	229.6	373.5	603.1
Volares ⁽²⁾	185.1	14.5	199.6	105.9	2.3	108.2
Chassis	0.6	1.1	1.7	0.5	49.7	50.2
Bco. Moneo	20.5	-	20.5	16.0	-	16.0
Parts and Others	13.3	26.9	40.2	4.3	16.7	21.0
GRAND TOTAL	460.1	363.6	823.7	356.3	442.2	798.5

PRODUCTS/MARKETS ⁽¹⁾	1S21			1S20		
	MI	ME	TOTAL	MI	ME	TOTAL
Intercity	221.8	154.2	376.0	239.2	300.6	539.8
Urban	124.7	474.9	599.6	230.1	442.2	672.3
Micro	87.1	12.4	99.5	73.6	11.4	85.0
Bodywork subtotal	433.6	641.5	1,075.1	542.9	754.2	1,297.1
Volares ⁽²⁾	408.9	42.6	451.5	237.0	8.9	245.9
Chassis	0.7	9.0	9.7	4.3	90.3	94.6
Bco. Moneo	41.8	-	41.8	25.5	-	25.5
Parts and Others	23.8	55.6	79.4	16.3	38.5	54.8
GRAND TOTAL	908.8	748.7	1,657.6	826.0	891.9	1,717.9

Notes: ⁽¹⁾ MI = Domestic Market; ME = Foreign Market, units exported and produced in international operations by subsidiaries; ⁽²⁾ Volare revenue includes chassis.

GROSS PROFIT AND MARGINS

Consolidated gross profit in 2Q20 reached BRL 60.5 million, with a margin of 7.4%, versus BRL 130.5 million and a margin of 16.3% in 2Q20. The gross margin was affected by adjustments in the staff, by the greater exposure of revenue to the domestic market, by the greater representativeness of the revenue of the Volare segment, by the appreciation of the Brazilian Real against the dollar and by the lighter *mix* of products, especially in the segment of road with sales concentrated in the charter.

In 2Q21, the Company made dismissals seeking to adapt its staff to lower volumes than those foreseen in 2Q21 and 3Q21. In fewer numbers than the terminations made in 1Q21, the impact on gross margin was BRL 6.6 million in the quarter. If we excluded this effect, the gross margin would have reached 8.3% in the quarter.

SELLING EXPENSES

Sales expenses totaled BRL 49.1 million in 2Q21, or 6.0% of net revenue, versus BRL 53.8 million in 2Q20, 6.7% on net revenue. The reduction, both in absolute and relative values, is explained by the lower representativeness of sales directed to the foreign market and the cost reduction efforts made in 2020.

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses totaled BRL 55.5 million in 2Q21, or 6.7% of net revenue, while in 2Q20 these expenses totaled BRL 39.2 million, or 4.9% of net revenue. The growth in general and administrative expenses is explained by costs with indemnities associated with framework adjustments made in 2Q21, as well as by the reduced comparison base in 2Q20, benefited by the effects of collective vacation and suspension of employment contracts of approximately half of the administrative workforce in 2020.

OTHER NET OPERATING REVENUE/EXPENSES

In 2Q21, BRL 150,8 million were recorded as “Other Operating Revenues” against BRL 31.2 million recognized as “Other Operating Revenues” in 2Q20.

The Company recognized in the line of Other Operating Revenues a positive impact of BRL 182.0 million (net of attorney's fees related to the cases) associated with ICMS exclusion processes from the PIS and COFINS tax bases, as reported to the market on June 30 p.p.

In the quarter, provisions were also made for tax expenses (BRL 9.5 million) and labor contingencies arising from the personal adjustments made in 2H20 and 1Q21 (BRL 14.4 million). Additionally, the Company made an impairment related with its real estate located in Três Rios, RJ, in the amount of BRL 5.5 million.

EQUITY EQUIVALENCE RESULT

The equity equivalence result in 2Q21 was BRL 5.7 million positive compared to negative BRL 51.8 million in 2Q20.

The main contributions were originated by the Canadian affiliate NFI Group Inc., which brought positive equity of BRL 3.2 million, and by the Colombian Superpolo, with BRL 2.4 million.

The equity equivalence result is presented in detail in Explanatory Note No. 11 to the Quarterly Information.

NET FINANCIAL RESULT

The net financial result of 2Q21 was positive by BRL 182.7 million, compared to a result of negative BRL 16.9 million in 2Q20.

The main positive impact arises from the recognition of the monetary restatement levied on the amounts under discussion in the processes for excluding ICMS from the PIS and COFINS tax bases, contributing positively to BRL 166.2 million. Additionally, the appreciation of the Brazilian Real against the US Dollar on the dollar order portfolio also benefited the financial result, remembering that the Company performs the export exchange *hedge* at the time of confirmation of sales orders.

The financial result is presented in detail in Explanatory Note No. 28.

EBITDA

EBITDA was positive by BRL 140.5 million in 2Q21, with a margin of 17.1%, versus an *EBITDA* of 40.9 million and a margin of 5.1% in 1Q20.

EBITDA was positively affected by the recognition of the processes for excluding ICMS from the PIS and COFINS tax bases in the line of Other Operating Revenues, and negatively by adjustments in the staff, due to the lower representativeness of exports in the distribution of revenue, by the lighter *mix* aimed at buses with lower added value, and by the impact of labor and tax provisions.

The table below highlights the accounts that make up the *EBITDA*:

BRL million	2Q21	2Q20	1S21	1S20
Result before IR and CS	295.1	0.0	265.4	-24.3
Financial Revenue	-144.2	-130.9	-265.0	-381.2
Financial Expenses	-38.4	147.8	109.3	501.8
Depreciation / Amortization	28.0	24.0	54.2	46.6
EBITDA	140.5	40.9	163.9	142.8

NET PROFIT

Consolidated net profit in 2Q21 was of BRL 200.9 million, with a margin of 24.4%, versus a profit of BRL 1.3 million and a margin of 0.2% in 2Q20. The result was affected by the same effects reflected in *EBITDA*, also benefiting from the financial result, due to the recognition of the monetary restatement on the processes for excluding ICMS from the PIS and COFINS tax bases.

FINANCIAL DEBT

Net financial debt totaled BRL 1,014.3 million on June 30, 2021 (BRL 997.5 million on March 31, 2021). BRL 469.4 million of this total came from the financial segment (Banco Moneo) and BRL 544.9 million from the industrial segment.

It should be noted that the debt from the financial segment comes from the consolidation of Banco Moneo's activities and should be analyzed separately, since it has characteristics that are different from those of the Company's industrial activities. Banco Moneo's financial liabilities have as counterpart the "Customer" account in the Bank's Assets. The credit risk is properly provisioned. Since these are FINAME transfers, each disbursement from BNDES has an exact counterpart in the receivables account of Banco Moneo's customer, both in term and in rate.

On June 30, the net financial debt of the industrial segment represented 1.9 times *EBITDA* for the last 12 months.

CASH GENERATION

In 2Q21, operating activities consumed cash of BRL 62.5 million, while investment activities, net of dividends and exchange variation, demanded BRL 25.0 million and financing activities aggregated BRL 187.1 million.

The initial cash balance of BRL 1,070.1 million at the end of March 2021, considering the unavailable financial investments and decreasing BRL 29.0 million of the difference between the exchange rate change and the change in accounts related to unavailable financial investments, amounted to BRL 1,140.7 million at the end of June 2021.

INVESTMENTS IN FIXED ASSETS

In 2Q21, Marcopolo invested BRL 29.6 million in its fixed assets, BRL 20.0 million of which was spent by the parent company and invested as follows: BRL 14.3 million in machinery and equipment, BRL 1.4 million in *hardware* and *software*, BRL 4.0 million in buildings and improvements, and BRL 0.3 million in other fixed assets. BRL 9.6 million was invested in the subsidiaries, of which BRL 2.7 million was invested in Volare Veículos (São Mateus), BRL 1.7 million in Marcopolo Argentina, BRL 1.7 million in Marcopolo Australia, BRL 1.6 million in Marcopolo México and BRL 1.9 million in the other units.

CAPITAL MARKET

In 2Q21, transactions with Marcopolo shares moved BRL1,235.6 million. On June 30, the participation of foreign investors in Marcopolo's share capital amounted to 37.8% of the preferred shares and 24.9% of the total share capital. At the end of the period, the Company had 85,421 shareholders.

On June 30, the Company's Board of Directors approved the payment of interest on equity at the rate of BRL 0.07 per share. The shares traded ex-interest as of July 6 p.p. The proceeds will be paid from April 4, 2022.

The following table shows the evolution of the main indicators related to the capitals market:

INDICATORS	2Q21	2Q20	1S21	1S20
Traded value (BRL million)	1,235.6	2,179.8	3,004.8	4,857.2
Market value (BRL million) ⁽¹⁾⁽²⁾	3,210.0	2,774.4	3,210.0	2,774.4
Existing shares	946,892,882	946,892,882	946,892,882	946,892,882
Equity value per share (BRL)	2.83	2.63	2.83	2.63
POMO4 quotation at the end of the period	3.39	2.93	3.39	2.93

Notes: ⁽¹⁾ Quotation of the last transaction of the Book-entry Preferred share (PE) period, multiplied by the total of the shares (OE+PE) existing in the same period; ⁽²⁾ Of this total 7,252,882 preferred shares were in treasury on 06/30/2021.

ANALYSIS & PERSPECTIVES

The Company's results continued to be pressured by the context of the Covid-19 pandemic, reflecting, in 2Q21, the sales made in a period of increase in the number of cases of the disease in the main markets, especially between February and April 2021. The volume growth in the quarterly comparison against the weak 2020 base does not yet mark a demand inflection, but only highlights the exceptionality of the 2Q20 volumes, affected by collective vacation and plant shutdowns at that time.

The advancement of vaccination and the gradual reduction of contagion levels begin to indicate signs of recovery in the confidence of customers and users. The first indicator is given by the increase in purchase interest and greater use of stopped fleets, which should lead to effective purchases later on. The Company remains confident that demand will return more intensely at the end of 3Q21, with good prospects for 4Q21, when at least the first dose of the vaccine should be available to the majority of the Brazilian population. Essential activities for the bus segment such as tourism, face-to-face work and classes in schools and universities find broad support to return to normal operation and already positively influence circulation in cities.

In the short term, sales in Brazil continue to focus on segments that showed good performance during the pandemic, especially road, micro and Volares dedicated to chartering. In urban areas, the recovery is affected by the lack of support from municipalities in obtaining adequate compensation for the drop in demand in public transport. All segments will face the need to pass on cost increases to users, considering the high inflation scenario and the need for economic sustainability of their operations.

In 2Q21, the Company delivered 368 units for the federal program Caminho da Escola, with 120 micros, 18 urban and 230 Volare models. Over the last two years, the Company has supplied 4,612 vehicles with a potential of 4,800 units related to the bidding process that took place in the 2019 program, closing the deliveries of the previous notice in 2Q21. The auction of the new bidding has already taken place and the Company is awaiting approval for the direct or indirect supply (through a partnership with a chassis assembler) of 3,900 units of a total of 7,000 buses bid. The current forecast is that the manufacture of these vehicles will start at the end of 3Q21, with deliveries starting in 4Q21.

As in the case of Brazilian operations, exports continued to be affected by the new Covid-19 transmission waves, with a drop in sales in the quarterly comparison. When the Company returned from collective vacation in April 2020, we had a robust export order portfolio, a market that had not been significantly affected by the pandemic until then. In 2021, all markets are inserted in the context of the pandemic and the closing of orders is gradual. Countries that are more advanced in vaccination, such as Chile, show volume recovery, while important markets such as Peru and Central America progress slowly. The African continent remains an important market, with significant volumes also in 2H21. Maintaining this level, the exchange rate will benefit exports when the markets reopen and demand recovery.

In international operations, each subsidiary or affiliate experiences in a specific way the market environment guided by the retraction or the advance of the pandemic in the respective countries. In 2020, the Company's operations located in South Africa,

Argentina and Mexico were totally or partially interrupted due to the Covid-19 pandemic, a fact that explains the substantial increase in volumes in 2Q21.

Marcopolo Argentina maintains accelerated production of urban buses with positive bias for results. Marcopolo South Africa indicates a trend of volume recovery in the short term, reflecting purchases below those required in the country even before the pandemic. The unit has also benefited from restructuring initiated at the end of 2020. In Mexico, the operation still suffers from the composition of a *mix* more focused on products with lower added value, with lower demand for heavy buses as a result of the drop in tourism. Marcopolo China undergoes extensive reformulation, and has been focusing on establishing new partnerships, exploring *sourcing* opportunities and prospecting new markets.

In 2Q21, Marcopolo Australia continued to face a scenario of repressed demand, also reflecting the impacts of the pandemic and the consequent review of investments by local governments and customers. Even with the difficulties, the operation continues to reap the fruits of the reductions in expenses and efficiency gains, related to the restructuring promoted since 2019. These benefits should become even more evident as the local market begins to resume, which should happen as of 4Q21.

Even after the end of deliveries aimed at renewing the Bogota fleet, Colombian affiliate Superpolo maintains healthy results. Demonstrations in Colombia at the beginning of 2Q21 affected production in the quarter.

The Company anticipates a still challenging scenario in 3Q21, in a sales environment still affected by Covid-19 and a slow drop in contamination. In addition to the scenario, a quarter without volumes directed to the Caminho da Escola program, which helped increase production throughout the pandemic. It is projected that the structure adjustments will be completed in 3Q21 and that the inflection of volumes and operating results will occur from the beginning of 4Q21, with recovery in all relevant markets with the advance of vaccination.

In 2Q21, the Company announced two important launches. On May 25, Volare announced a new complete line of New Attack micros, combining the robustness, comfort and safety of the model with a more modern look. And on June 16 it was the turn of the Marcopolo Viaggio 800 model, dedicated to the charter sector. The differentials of the bodywork include the larger width, which provides more comfort and internal space to the passenger, positioning the product in the *premium* line of the segment that stood out in the period of the pandemic.

On July 20, Marcopolo announced the launch of the new generation of G8 buses to the market. Generation 8 buses feature substantial performance, safety, comfort and design evolutions, developed with a focus on customers and users. Marcopolo reinforces its position in the world bus market, proposing innovative solutions in mobility. The launches should contribute and stimulate sales from 3Q21, bringing news at a time of resumption of sales.

By proposing innovative solutions in processes and products for mobility, Marcopolo renews its role in the challenges created by the pandemic. Commitment to customers and users is reinforced by substantial investments in a revolutionary line of buses that indicate the future of public transport. Marcopolo has adapted and remains focused on supporting its customers in the search for economically and environmentally

sustainable buses, bringing people together in the world that will soon be open again to travel.

The Management.

1 Operating context

Marcopolo S.A. Marcopolo S.A. ("Marcopolo") is a publicly held company, having its head office situated in Caxias do Sul, State of Rio Grande do Sul. The Company's individual and consolidated quarterly information for the period ended on June 30, 2021 encompass Marcopolo and its subsidiaries, jointly controlled companies and associates (referred to as "Company").

Marcopolo's core activity is the manufacturing and sale of buses, automotive vehicles, bodies, parts, agricultural and industrial machinery, and imports and exports, and may also acquire equity interests in other companies.

Marcopolo has its shares traded on B3 (Brasil, Bolsa, Balcão) under the acronyms "POMO3" and "POMO4" and is listed in the segment of corporate governance level 2.

2 Summary of the main accounting policies

The main accounting policies employed in the preparation of this quarterly financial information are defined below. These accounting policies have been applied consistently to all periods presented in this individual and consolidated quarterly information.

2.1 Preparation basis

(a) Declaration of compliance

The individual and consolidated quarterly financial information contained in the Quarterly Information Form (ITR) was prepared, and is being presented in accordance with CPC 21 (R1) - Interim Financial Reporting, issued by the Accounting Pronouncements Committee ("CPC") and in accordance with IAS 34 - *Interim Financial Reporting* issued by the *International Accounting Standards Board* ("IASB"), in a manner consistent with the standards issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of the Quarterly Information Form (ITR).

Company Management affirms that all material information related to the financial information and that alone is being demonstrated and that it corresponds to that used by it in its management.

(b) Measurement basis

The individual and consolidated quarterly information has been prepared based on historical cost as a value base, in the case of financial assets (including derivative instruments) it is adjusted to reflect the measurement at fair value according to Note 2.6.

(c) Use of estimates and judgments

The Management used judgment, estimates and assumptions in the preparation of this individual and consolidated quarterly information which affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Information about judgments in applying accounting policies and uncertainties in the assumptions and estimates that pose a significant risk of an adjustment in the next financial year have been included in the following notes: Note 2.2 (a, ii) - Subsidiaries;

- Note 8 - Provision for doubtful accounts;
- Note 14(b) Goodwill test for *impairment* verification;
- Note 18 - Allowance for civil, labor-related and tax risks;
- Note 20 – Deferred taxes.

(d) Value added statement

The Company prepared individual and consolidated Value Added Statements (DVA) in accordance with technical pronouncement CPC 09 - Value Added Statement, which are presented as an integral part of the quarterly information according to BR GAAP applicable to publicly held companies, while consisting of supplementary financial information under IFRS.

2.2 Consolidation basis

(a) Consolidated financial information

The following accounting policies are applied in the preparation of the consolidated quarterly information.

(i) Non-controller shareholder equity interest

The Company elected to measure any non-controlling interest in the acquired entity according to the proportional interest in the liquid assets identifiable at the acquisition date.

Any changes in the Company's interest in a subsidiary which does not entail loss of control are recorded as shareholders' equity transactions.

(ii) Subsidiaries

Subsidiaries are all entities (including specific purpose entities) in which the Company has the power to determine the financial and operating policies, generally accompanied by an interest of more than half of the voting rights (voting share). The existence and the effect of possible voting rights currently exercisable or convertible are taken into account when evaluating whether the Company controls another entity. The subsidiaries are totally consolidated from the date on which the control is transferred to the Company. The consolidation is interrupted on the date when the control ends.

The Company uses the acquisition method of accounting to record the combination of businesses. The consideration transferred for the acquisition of a subsidiary is the fair value of transferred assets, liability incurred and equity instruments issued by the Company.

The transferred consideration includes the fair value of any assets or liabilities resulting from a contingent consideration agreement, when applicable. Costs related to acquisition are recorded in the statement of income for the period as incurred. Acquired assets identifiable, liabilities and the contingent liabilities assumed in a business combination are initially measured at fair values at the acquisition date.

Any excess consideration transferred and fair amount on the acquisition date of any prior equity interest in the acquired entity in relation to the fair value of the Company's interest in liquid identifiable liquid assets purchased is recorded as *goodwill*. In acquisitions where the Company assigns a fair value to non-controlling shareholders, the determination of goodwill also includes the amount of any non-controlling interest in the acquired entity, and goodwill is determined considering the interest of the Company and non-controlling shareholders. When the consideration transferred is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the statement of income for the period (Note 2.11).

(iii) Transactions eliminated in the consolidation

Intra-company balances and transactions, and any unrealized income or expenses arising from intra-company transactions, are eliminated. Unrealized gains arising from transactions with investees recorded by equity method are eliminated against the investment to the extent of the Company's interest in the investee. Unrealized losses are eliminated in the same manner as unrealized gains, but only to the extent that there is no evidence of impairment.

(iv) Investment in companies with joint businesses (joint venture - joint operation)

Joint businesses may be categorized as either *a joint operation* or *a joint venture*.

A *joint operation* is a joint business according to which the integral parts that have joint control of the business have rights over the assets, have obligations for the liabilities related to the business; and recognizes the assets, obligations, revenues and expenses that belong to it as a result of the joint operations.

A *joint venture* is a joint business that happens when an operator has rights over the liquid assets of the agreements and records the investment through the equity method.

(v) Loss of control

Upon loss of control, the Company ceases to recognize assets and liabilities of the subsidiary, any non-controlling interest and other components recorded in the shareholders' equity concerning this subsidiary. Any gain or loss originated from loss of control is recognized in profit or loss. If the Company retains any interest in the former subsidiary, this interest is measured by its fair value on the date when control is lost. Subsequently, this interest is recorded by using the equity method in associated companies or at cost fair value through profit or loss, depending on the retained influence level.

(vi) Associates

Associates are all entities over which the Company has a significant influence, but not control, usually together with an ownership interest of 20% to 50% of the voting rights.

Investments in associates are recorded through the equity method and are initially recognized at their cost value. The Company's investment in associates includes the goodwill identified in the acquisition, net of any accumulated *impairment* loss. See Note 2.11 regarding *impairment* of non-financial assets, including goodwill.

The Company's interest in the profits or losses of its associates post-acquisition is recognized in the income statement and its interest in the activity in post-acquisition reserves is recognized in the reserves. The post-acquisition cumulative transactions are adjusted against the investment's carrying amount. When the Company's interest in the losses of an associate is equal to or greater than its interest in that company, including any other receivables, the Company does not recognize additional losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealized gains on transactions between the Company and its associates are eliminated in proportion to the Company's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an *impairment* of the transferred asset. The accounting policies of the associates have been changed when required to ensure consistency with the policies adopted by the Company.

If the ownership interest in the associate is reduced but significant influence is retained, only a proportional part of the amounts previously recognized in other comprehensive income shall be reclassified in income or loss, where appropriate.

Gains and losses resulting from dilution occurring in interests in associates are recognized in the income statement.

(vii) Adjustment for inflation for hyperinflation – IAS 29 (CPC 42)

With cumulative inflation of more than 100% in the last three years in Argentina, the application of IAS 29 (CPC 42) – Accounting in a hyperinflationary economy – became required in 2018. According to the standard, non-monetary assets and liabilities, shareholders' equity and income statement of investees operating in highly inflationary economies are adjusted by the change in the general purchasing power of the currency, applying a general price index.

In the quarter, the Company carried out the adjustment for inflation in its subsidiary MP Argentina, its jointly owned Loma and its related Metalpar, headquartered in Argentina. Non-monetary assets and

liabilities recorded at historical cost and shareholders' equity were adjusted for inflation. The impacts of the adjustment for inflation were recorded as equity valuation adjustment, in shareholders' equity, in the negative amount of BRL 6,210 on June 30, 2021 (negative of BRL 4,287 on December 31, 2020) and in the consolidated income statement in the positive amount of BRL 7,202 (positive of BRL 2,664 on December 31, 2020) in equity income.

2.3 Presentation of information per segments

Information by operating segment is reported consistently with the internal report provided to the main operating decision makers. The main operating decision maker, responsible for the allocation of funds and performance evaluation of the operating segment, is the Board of Directors, also responsible for the Company's strategic decision-making.

2.4 Functional currency and presentation currency

The consolidated quarterly information is being presented in Reais (BRL), which is Marcopolo's functional currency and the Company's reporting currency. All balances have been rounded to the nearest thousand, except when otherwise indicated.

Items included in each of the Company's businesses quarterly information are measured by using the currency of the main economy in which the company operates ("functional currency").

Each entity's functional currency is listed below:

Subsidiaries	Denomination	Functional Currency	Country
Apolo Soluções em Plásticos Ltda.	Apolo	Brazilian Reais	Brazil
Arcanjos Investimentos e Participações Ltda.	Arcanjos	Brazilian Reais	Brazil
Banco Moneo S.A.	Banco Moneo	Brazilian Reais	Brazil
Ciferal Indústria de Ônibus Ltda.	Ciferal	Brazilian Reais	Brazil
Ilmot International Corporation.	Ilmot	US Dollar	Uruguay
Marcopolo (Changzhou) Bus Manufacturing Co; Ltd.	MBC	Renminbi	China
Marcopolo Australia Holdings Pty Ltd.	MP Australia	Australian Dollar	Australia
Marcopolo Auto Components Co.	MAC	Renminbi	China
Marcopolo Canada Holdings Corp.	MP Canada	Canadian Dollar	Canada
Marcopolo International Corp.	MIC	US Dollar	Virgin Islands
			United Arab
Marcopolo Middle East and Africa FZE.	MP Middle East	Dirham	Emirates
Marcopolo Next Serviços em Mobilidade Ltda.	MP Next	Brazilian Reais	Brazil
Marcopolo South Africa Pty Ltd.	Masa	Rand	South Africa
Marcopolo Trading S.A.	Trading	Brazilian Reais	Brazil
Metalsur Carrocerias S.R.L.	MP Argentina	Argentine Peso	Argentina
Moneo Investimentos S.A.	Moneo	Brazilian Reais	Brazil
Neobus Chile SPA.	Neobus Chile	Chilean Peso	Chile
NewRoad México S.A. de C.V.	NewRoad	Mexican Peso	Mexico
Polo Venture Participações Ltda.	Polo Venture	Brazilian Reais	Brazil
Pologren Austrália Pty Ltd.	Pologren	Australian Dollar	Australia
Polomex S.A. de C.V.	MP México	Mexican Peso	Mexico
Rotas do Sul Logística Ltda.	Rotas do Sul	Brazilian Reais	Brazil
San Marino Bus de México S.A. de C.V.	San Marino Mexico	Mexican Peso	Mexico
San Marino Ônibus Ltda.	San Marino	Brazilian Reais	Brazil
Syncroparts Comércio e Distribuição de Peças Ltda.	Syncroparts	Brazilian Reais	Brazil
Volare Comércio e Distribuição de Veículos e Peças Ltda.	Volare Comércio	Brazilian Reais	Brazil
Volare Veículos Ltda.	Volare Veículos	Brazilian Reais	Brazil
Volgren Austrália Pty Ltd.	Volgren	Australian Dollar	Australia
Jointly controlled companies	Denomination	Functional Currency	Country
Loma Hermosa S.A.	Loma	Argentine Peso	Argentina
Metalpar S.A.	Metalpar	Argentine Peso	Argentina
Superpolo S.A.	Superpolo	Colombian Peso	Colombia

<u>Associates</u>	<u>Denomination</u>	<u>Functional Currency</u>	<u>Country</u>
GB Polo Bus Manufacturing S.A.E.	GB Polo	Egyptian Pound	Egypt
Mercobus S.A.C.	Mercobus	Novo Sol	Peru
New Flyer Industries Inc.	New Flyer	US Dollar	Canada
Spheros Thermosystems Colombia Ltda.	Spheros Colombia	Colombian Peso	Colombia
Valeo Climatização do Brasil – Veículos Comerciais S.A.	Valeo	Brazilian Reais	Brazil
Valeo Thermal Commercial Vehicles México, SA CV	Valeo México	Mexican Peso	Mexico
WSul Espumas Indústria e Comércio Ltda.	WSul	Brazilian Reais	Brazil

2.5 Foreign currency

(a) Transactions in foreign currency

Transactions in foreign currency are converted into the respective functional currencies of the Company entities by the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated and calculated in foreign currencies on the balance sheet date are reconverted to the functional currency at the exchange rate on that date. Non-monetary assets and liabilities that are measured at fair value in foreign currency are reconverted to the functional currency at the exchange rate on the date in which the fair value was determined. Non-monetary items that are measured based on historical cost in foreign currency are converted at the exchange rate on the transaction date. The differences in foreign currency resulting from this conversion are generally acknowledged in the income or loss.

However, exchange differences resulting from the re-conversion of the items listed below are recognized in other comprehensive income:

- financial instruments (except in the case of impairment in which foreign exchange differences recognized in other comprehensive income are transferred to profit or loss);
- financial liability designated as a *hedge* of the net investment in a foreign operation, to the extent that the *hedge* is effective; and
- a qualified and effective cash flow *hedge*.

(b) Overseas operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments resulting from the acquisition, are translated into the Brazilian Real at the exchange rates determined on the balance sheet date. Income and expenses from foreign operations are translated into the Brazilian real at the exchange rates determined on the dates of the transactions.

Foreign currency differences generated on translation into the reporting currency are recognized in other comprehensive income and accumulated in equity valuation adjustments in equity. If the subsidiary is not a wholly-owned subsidiary, the corresponding portion of the conversion difference is attributed to non-controlling shareholders.

When a foreign operation (a subsidiary, jointly controlled or entities) is transferred, the cumulative amount in the equity valuation adjustment account is reclassified to the income statement as part of profit or loss in the transfer. When only part of the investment of a subsidiary including a foreign operation is transferred, so that the control is maintained, the relevant part of such accumulated value is reassigned to the non-controlling interest. In any other partial transfer of a foreign transaction, the portion corresponding to the transfer is reclassified to profit or loss.

2.6 Financial instruments

The Company classifies financial assets and liabilities in the following categories: at *fair value through profit or loss* (FVTPL), at *fair value through other comprehensive income* (FVOCI) and at amortized cost.

2.6.1 Non-derivative financial assets and financial liabilities - recognition and derecognition

The Company initially recognizes loans and receivables and debt instruments on the date they were originated. All other financial assets and liabilities are recognized on the trade date, when the entity becomes a party to the instrument's contractual provisions.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when the Company transfers the rights to receive the contractual cash flows from a financial asset in a transaction in which substantially all the risks and benefits of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

The Company derecognizes a financial liability when its contractual obligations are discharged, canceled or expire.

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

2.6.2 Non-derivative financial assets - measurement

(a) Financial assets measured at the fair value through other comprehensive income

A debt instrument is measured at FVOCI only if it meets both conditions below:

- the asset is kept within a business model the purpose of which is achieve both through the collection of contractual cash flows and the sale of financial assets; and
- the contractual terms of the financial asset, on specific dates, originate cash flows representing payment of principal and interest on the outstanding principal amount.

(b) Financial assets measured at the amortized cost

A financial asset is measured at amortized cost if it meets both conditions below:

- the asset is kept within a business model for the purpose of collecting contractual cash flows; and
- the contractual terms of the financial asset, on specific dates, originate cash flows that are only payments of principal and interest on the outstanding principal amount.

All the other financial assets are classified as measured at the fair value through profit or loss.

Furthermore, upon initial recognition, the Company may irrevocably designate a financial assets meeting the requirements to be measured at amortized cost, FVOCI or even FVTPL. This designation has the purpose of eliminating or significantly reducing a possible accounting mismatch arising from the result produced by the respective asset.

2.6.3 Non-derivative financial assets - measurement

(a) Financial liabilities measured at the fair value through profit or loss

A financial liability is classified as measured at the fair value through profit or loss in case it is classified as kept for trade or designated as such upon initial recognition. The transaction costs are recognized in profit or loss as they are incurred. Financial liabilities measured at the fair value through profit or loss are measured at fair value and any changes in the fair value of these liabilities, including interest and dividend gains, are recognized in the profit or loss for the period.

(b) Financial liabilities measured at the amortized cost

Non-derivative financial liabilities are initially measured at fair value and, provided it is not an item measured at the fair value through profit or loss, increased by transaction costs directly attributable to its acquisition or issuance.

2.6.4 Repurchase and reissue of shares - Treasury Share

When shares recognized as shareholders' equity are repurchased, the amount of the consideration paid, which includes any directly attributable costs, is recognized as deduction from the shareholders' equity. The repurchased shares are classified as treasury share and stated as deduction from the shareholders' equity. When treasury share is subsequently sold or reissued, the amount received is recognized as an increase in shareholders' equity and the gain or loss resulting from the transaction is stated as capital reserve.

2.6.5 Reduction to the recoverable value - Impairment

(a) Non-derivative financial assets

The Company evaluates, on a prospective basis, the expected credit losses associated with debt securities recorded at amortized cost and at fair value through other comprehensive income. The applied *impairment* methodology depends on whether or not there has been a significant increase in credit risk.

For the trade accounts receivable, the Company applies the simplified approach as permitted by IFRS 9/CPC 48 and, therefore, recognizes the expected losses over the useful life from the initial recognition of the receivables.

(b) Financial assets measured by the amortized cost

The Company considers evidence of loss of value of assets measured at amortized cost at both on an individual and on a collective level. All the individually significant assets are evaluated for impairment loss. Those that have not suffered loss of value individually are then evaluated collectively for any loss of value that may have happened but not yet been identified. Assets that are not individually significant are evaluated collectively for loss of value based on a group of assets with similar risk characteristics.

When evaluating impairment loss collectively, the Company uses historical trends for recovery periods and lost amounts incurred, adjusted to reflect the Management's judgment on whether the current economic and credit conditions are such that the actual losses will likely be greater or smaller than those suggested by the historical trends.

Impairment loss is computed as the difference between the carrying amount and the present value of future estimated cash flows, discounted at the asset's original effective interest rate. The losses are recognized in profit or loss and reflected in an allowance account. When the Company considers that there are no reasonable prospects of recovery, the amounts are reversed. When a subsequent event indicates a reduction in the loss of value, the reduction through loss of value is reversed by means of profit or loss.

(c) Investees accounted for under the equity method

An impairment loss concerning an investee appraised by the equity method is measured by comparing the investment's recoverable value against its carrying amount. An impairment loss is recognized in profit or loss and it is reversed if there has been any favorable change in the estimates used to determine the recoverable value.

(d) Non-financial assets

The carrying amount of the Company's non-financial assets, other than inventory, income tax and active deferred social contribution, are reviewed at each reporting date to check whether there is any indication of impairment loss. If such indication is found, then the asset's recoverable amount is estimated. In case of goodwill and intangible assets with undefined useful lives, the recoverable amount is tested annually.

Impairment losses are recognized in profit or loss. Recognized impairments relating to the Cash Generating Units (CGUs) are initially allocated to reduce any goodwill allocated to this CGU (or CGU group), and then to reduce the carrying amount of other CGU assets (or CGU group) on a *pro rata* basis.

An impairment related to goodwill is not reversed. As for other assets, impairment losses are reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, in case the loss of value had not been recognized.

2.7 Derivatives measured at fair value through profit or loss

Derivative instruments procured do not qualify for *hedge* accounting. The changes in the fair value of any of these derivative instruments are immediately recognized in the income statement under "financial revenue (expenses)".

2.8 Trade accounts receivable

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of the Company's business. If the deadline for receipt is equivalent to a year or less (or another that meets the normal cycle of the Company's operations), accounts receivable are classified in the current assets. Otherwise, they are presented as noncurrent assets.

Trade receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest rate method, less the allowance for *impairment*.

2.9 Inventory

Inventories are measured at the lower between cost and net realizable value. The cost of inventories is based on the average cost principle and includes expenses incurred in the purchase of inventories, production, transformation and other costs incurred to bring them to their places and existing conditions. In the case of manufactured inventories and products in progress, the cost includes a portion of the manufacturing overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, minus estimated costs of completion and selling expenses.

2.10 Property, Plant and Equipment

Recognition and measurement

Property, plant and equipment are measured at the historical cost of purchase of construction minus accumulated depreciation and accumulated (*impairment*) losses.

The cost includes expenses that are directly attributable to the purchase of an asset. Cost of assets built by the Company itself includes:

- Cost of materials and direct labor;
- Any other costs to place the asset in the necessary site and condition for it to operate as intended by the Management;
- Costs for disassembly and restoration of the site where such assets are located; and
- Loan costs on qualifiable assets.

When parts of an item of property, plant and equipment have different useful lives, they are recorded as separate items (major components) of property, plant and equipment.

Any gains and losses on the disposal of an item of property, plant and equipment are recognized in profit or loss.

Reclassification for investment property

When the property use changes from occupied by the owner to investment property, it is reclassified as investment property. The Company measures its investment properties using the cost method, recognizing depreciation over its useful life.

Subsequent losses

Subsequent expenses are capitalized to the extent that it is likely that future benefits associated to the expenses will be derived by the Company. Recurring maintenance and repair expenses are recorded in profit or loss.

Depreciation

Items of property, plant and equipment are depreciated by the straight-line method in the statement of income for the period based on the estimated economic useful life of each component. Leased assets are depreciated for the shorter period between the estimated useful life of the asset and the term of the agreement, unless it is reasonably certain that the Company will obtain ownership of the asset at the end of the lease term. Land is not depreciated.

Property, plant and equipment items are depreciated from the date they are installed and available for use or, in respect of assets built internally, from the date when the construction is completed and the asset is available for use.

The estimated useful lives for the current and comparative period are as follows:

	<u>Years</u>
Buildings	40-60
Machines	10-15
Vehicles	7-8
Furniture, fixtures and equipment	5-12

The depreciation methods, the useful lives and the residual values are reviewed at each balance sheet date and adjusted if appropriate.

2.11 Intangible assets and goodwill

(a) Goodwill

Goodwill consists of the positive difference between the amount paid or payable and the net amount of the acquired entity's assets and liabilities at fair value. Goodwill on acquisitions of subsidiaries is recorded as an "intangible asset." If the acquirer determines negative goodwill, it should record the amount as gain in profit or loss at period, on the date of acquisition. Goodwill is tested annually to check for likely *impairment* and recorded at cost minus accumulated *impairment* losses, which are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity sold.

(b) Trademarks and licenses

Trademarks and licenses purchased separately are stated at historical cost. Trademarks and licenses acquired in a business combination are recognized at fair value at the date of acquisition, since they have a defined useful life and are accounted for at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost of trademarks and licenses during their estimated useful life from 10 to 20 years.

(c) Software

The *software* licenses purchased are capitalized based on costs incurred to purchase the *software* and get it ready for use. These costs are amortized over their useful life of up to 5 years.

The costs associated with maintaining *software* are recognized as an expense, as incurred. Development costs directly attributable to the design and tests of identifiable and exclusive *software* products, controlled by the Company are recognized as intangible assets when the following criteria are met:

- . it is technically feasible to complete the *software* so it is available for use;
- . management intends to complete the *software* and use it or sell it;
- . the *software* can be sold or used;

- . the *software* will likely generate future and demonstrable economic benefits;
- . . . technical, financial and other suitable resources are available to complete the development for the use or sale of the *software*; and
- . the expense attributable to the *software* during the development thereof can be measured safely.

Other development expenses that do not meet these criteria are recognized as expenses as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

(d) Research and Development

Expenses on research activities are recognized in the income statement as incurred.

Development costs are capitalized only if development costs can be measured reliably, if the product or process is technically and commercially viable, if the future economic benefits are probable, and if the Company has the intention and resources sufficient to complete the development and use or sell the asset. Capitalized expenditures include the cost of materials, direct labor, manufacturing costs that are directly attributable to the preparation of the asset for its proposed use, and borrowing costs. Other development expenses are recognized in the income statement as incurred.

After initial recognition, capitalized development expenses are measured at cost, less accumulated amortization and impairments.

(e) Other intangible assets

Other intangible assets that are acquired by the Company and have finite useful lives are measured at cost, less accumulated amortization and any accumulated impairment losses.

(f) Subsequent expenses

Subsequent expenses are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenses, including expenses on goodwill generated internally and brands, are recognized in profit or loss as they are incurred.

(g) Amortization

Except for goodwill, amortization is recognized in profit or loss by the straight-line method considering the estimated useful lives of intangible assets, as of the date they are available for use.

2.12 Investment Property

Investment property is measured at the historical cost of purchase of construction minus accumulated depreciation and accumulated (*impairment*) losses.

Gains and losses in the transfer of investment property (calculated by the difference between the net amount received from the sale and the item's carrying amount) are recognized in profit or loss. When investment property previously recognized as property, plant and equipment is sold, any amount recognized in equity valuation adjustment is transferred to accumulated profit.

2.13 Accounts payable to suppliers

Accounts payable to suppliers are obligations to pay for goods or services that were purchased from suppliers in the ordinary course of business, being classified as current liabilities if the payment is due within one year or less (or within the normal business operating cycle, even if it is longer). Otherwise, the accounts payable are presented as non-current liabilities.

They are initially recognized at fair value and subsequently measured at amortized cost using the effective interest rate method. In practice, they are usually recognized at the amount of the corresponding invoice.

2.14 Loans and Financing

Loans are initially recognized at fair value, net of transaction costs incurred and are subsequently stated at the amortized cost. Any difference between the amounts raised (net of transaction costs) and the redemption value is recognized in the income statement while the loans are in progress, using the effective interest rate method.

Loans are classified as current liabilities, unless the Company has some unconditional right to defer the liability liquidation for at least 12 months after the balance sheet date.

2.15 Determining the adjustment to present value

Items subject to discount to present value are:

- Trade accounts receivable comprised of the forward sale to customers of the Company with low credit risk. The discount rate used by Management for the discount to present value for these items is 100% of the monthly CDI for domestic market customers and the market rate of the advance of foreign exchange contract for foreign market customers. The interest rate charged in a sales transaction is determined at the time of the initial registration of the transaction and is not adjusted subsequently; and
- Accounts payable to suppliers comprised of forward purchases from suppliers of the Company. The Company performed a calculation of the present value using the same assumptions used for accounts receivable.

2.16 Allowances

An allowance is recognized on the basis of a past event if the Company has a legal or constructive obligation that may be estimated reliably and it is likely that economic funds are required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and specific risks for the liability. Any financial costs incurred are recorded in profit or loss.

2.17 Provision for warranties

An allowance for warranties is recognized when the products or services are sold. The allowance is based on historical warranty data and by weighting all the possible results in respect of the associated probabilities.

2.18 Income tax and social contribution

The Income and Social Contribution Taxes for the period, both current and deferred, are computed based on the rates of 15% plus a surcharge of 10% on taxable income in excess of BRL 120 within the income tax period and 9% on taxable income for social contribution on net income within the period, considering the offsetting of tax losses and negative basis of social contribution limited to 30% of the taxable income.

The income tax and social contribution expense encompasses both current and deferred income tax. Current tax and deferred tax are recognized in profit or loss unless they refer to a combination of businesses or items directly recognized in shareholders' equity or other comprehensive income.

The Company applies technical interpretation IFRIC 23/ICPC 22, which deals with the accounting of taxes on profit when there is uncertainty about the acceptability of certain tax treatment. If the organization concludes that the tax authority is not likely to accept uncertain tax treatment, the entity reflects the effect of uncertainty in determining taxable income.

(a) Income tax and social contribution expenses - current

Current tax expense is the estimated tax payable or receivable on the taxable income or loss for the period and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is recognized in the balance sheet as tax assets or liabilities by the best estimate of the expected value of taxes to be paid or received, reflecting the uncertainties inherent to the determination thereof, if any. It is measured based on the tax rates that have been decreed on the balance sheet date.

Current tax assets and liabilities are offset only if certain criteria are met.

(b) Income tax and social contribution expenses - deferred

Deferred tax assets and liabilities are recognized in relation to temporary differences between the carrying amount of assets and liabilities for financial information purposes and those used for taxation purposes. The changes in deferred tax assets and liabilities in the period are recognized as a deferred income and social contribution tax expense. Deferred tax is not recognized for:

- temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and does not affect neither taxable profit or loss or net income;
- temporary differences related to investments in subsidiaries, associates and joint ventures, to the extent that the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not be reversed in the foreseeable future; and
- temporary taxable differences arising from the initial recognition of goodwill.

A deferred tax asset is recognized in respect of tax losses and deductible temporary differences not used, to the extent that it is probable that future taxable profits will be available against which they will be used. Deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that their realization is no longer likely.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to be applied to the temporary differences when they are reversed, based on the tax rates that have been enacted up to the balance sheet date.

The measurement of deferred tax assets and liabilities reflects the tax consequences arising from the manner in which the Company expects to recover or settle its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

2.19 Pension and post-employment benefits

The Company recognizes its obligations related to employee benefit plans and related costs, net of plan assets, in accordance with the following practices:

- (i) The cost of pension and other post-employment benefits provided to employees is actuarially determined using the projected unit credit method and the Management's best estimate of expected investment performance for fund plans, salary increases, retirement age of employees and expected health care costs. The discount rate used to determine the obligation for future benefits is an estimate of the current interest rate at the balance sheet date;
- (ii) Pension plan assets are evaluated at the market value;
- (iii) Past service costs arising from plan adjustments are amortized on a straight-line basis over the remaining service period of active employees at the adjustment date;
- (iv) Actuarial gains and losses are immediately recognized in the comprehensive income for the period;

- (v) Plan reductions result from significant changes in the expected length of service of active employees. A net loss is recognized with reduction when the event is probable and can be estimated, while the net gain with reduction is deferred until its realization.

In accounting for pension and post-employment benefits, various statistics and other factors are used in an attempt to anticipate future events in the calculation of the expense and the obligation related to the plans.

These factors include assumptions about discount rate, expected return on plan assets, future increases in cost with health care, and rate of future compensation increases.

In addition, actuarial consultants also use subjective factors such as termination, turnover and mortality rates to estimate these factors. The actuarial assumptions used by the Company may be materially different from actual results due to changes in economic and market conditions, regulatory events, court decisions, higher or lower termination rates or shorter or longer periods of life of participants.

2.20 Share Capital

Common shares

They are classified as shareholders' equity. Additional costs directly attributable to the issuance of shares and options are recognized as a deduction from shareholders' equity, net of any tax effects.

Preferred Shares

They are classified in shareholders' equity if they are not redeemable, or redeemable only at the option of the Company, and any dividends are discretionary. Discretionary dividends are recognized as distributions in shareholders' equity on the date of their approval by the Company's shareholders. According to the Company's bylaws, the preferred shares differ from the common ones by the priority of repayment in the capital.

The distribution of minimum dividends and interest on shareholders' equity to Marcopolo's shareholders is recognized as a liability in the Company's financial statements at the end of the year, based on Marcopolo's articles of incorporation. Any amount in excess of the mandatory minimum is only provisioned for on the date it is approved by the shareholders at the annual general meeting.

2.21 Revenue recognition

The operating revenue is recognized when the performance obligation is fulfilled, considering the following control transfer indicators: (i) the entity has a present right to pay for the asset; (ii) the client has legal ownership of the asset; (iii) the entity transferred the physical ownership of the asset; (iv) the customer has the significant risks and benefits of ownership of the asset; and (v) the customer accepted the asset. Revenue is measured net of returns, trade discounts and bonuses, as well as after elimination of intercompany sales.

(a) Bus sales

Revenue is not recognized until: (i) the cars have been delivered to the customer; (ii) the risks of obsolescence and loss have been transferred to the customer; (iii) the client has accepted the cars in accordance with the sales contract; and (iv) the acceptance provisions have been agreed, or the Company has objective evidence that all criteria for acceptance have been met.

Sales are recorded based on the price specified in the sales contracts, and are discounted to the present value.

(b) Financial services

We carry out financial intermediation operations through the subsidiary Banco Moneo, having as main objective the realization of financing for the acquisition of goods and services, aiming at serving the Company's customers. This income is recognized on an accrual basis and accounted for in revenue accounts, based on the effective interest rate and pro rata interest method for operations due up to the 59th day. After 60 days of delay, they are kept in revenues to be appropriated and recognized upon receipt of the amounts.

2.22 Financial income and financial expenses

The Company's financial income and expenses comprise:

- revenue and interest expense;
- net gains/losses on disposal of available-for-sale financial assets;
- net gains/losses on financial assets measured at fair value through profit or loss;
- net gains/losses from exchange rate change on financial assets and liabilities;
- impairment of fair value in contingent consideration classified as financial liabilities;
- impairment on financial assets (other than accounts receivable);
- net gains/losses in *hedge* instruments recognized in profit or loss; and
- reclassifications of net gains previously recognized in other comprehensive income.

Interest income and expense are recognized in the result using the effective interest method.

The Company classifies both the dividends and the interest on shareholders' equity received as cash flows from investing activities.

3 Critical accounting estimates and judgments

The estimates and accounting premises are continuously evaluated and based on historic experience and other factors, including expectations for future events that are considered reasonable for the circumstances.

Based on assumptions, the Company makes estimates concerning the future. By definition, the resulting accounting estimates will rarely be the same as their actual results. The estimates and assumptions that pose a significant risk, with the likelihood of causing a material adjustment to the carrying amount of assets and liabilities for the next year, are addressed below.

(a) Estimated loss (*impairment*) of goodwill

The Company is testing goodwill for *impairment* annually, in accordance with the accounting policy presented in Note 2.11. The recoverable amounts of CGUs were determined based on calculations of the value in use, based on estimates.

(b) Income tax, social contributions and other taxes

The Company is subject to income tax in all countries in which it operates. A significant judgment is required to determine the allowance for income taxes in these various countries.

(c) Allowance for doubtful accounts

The credit analysis area of the Company evaluates and judges the credit quality of the customer, taking into account their financial position, the guarantees offered and past experiences, periodically revisiting the balances.

(d) Contingencies

The Company has labor, civil and tax lawsuits and has been discussing these issues both at the administrative and judicial levels. The allowances for possible losses arising from these lawsuits are estimated and updated by Management, based on the opinion of its external and internal legal advisors.

4 Financial risk management

4.1 Risk Factors

(a) Market risk

(i) Foreign exchange risk

The Company's results are susceptible to variations, since its assets and liabilities are linked to the volatility of the exchange rate, mainly the US dollar.

As a strategy to prevent and reduce the effects of exchange rate fluctuation, the Management has adopted the policy of using natural *hedges* with the maintenance of related assets also susceptible to exchange variance.

As of June 30, 2021, and December 31, 2020, the Company had assets, liabilities and *forwards* denominated in foreign currency in the following amounts (in thousands of Brazilian Reais):

	Consolidated			
	06/30/21			
	Accounts receivable	Suppliers	Loans	Forwards
Currencies				
Dirham	408	283	-	-
US Dollars	184,033	13,570	803,064	146,627
Australian Dollars	30,239	29,062	149,573	12,709
Argentine Pesos	37,327	14,059	33,878	-
Chilean Pesos	-	-	-	-
South African Rand	26,962	4,003	11,840	6,142
Chinese Renminbis	1,453	2,554	33,371	-
Mexican Peso	29,105	39,130	-	-
Euro	-	-	-	162
	<u>309,527</u>	<u>102,661</u>	<u>1,031,726</u>	<u>165,640</u>
				Consolidated
				12/31/20
	Accounts receivable	Suppliers	Loans	Forwards
Currencies				
Dirham	431	943	-	-
US Dollars	243,565	12,481	752,842	266,466
Australian Dollars	71,172	31,859	166,185	9,065
Argentine Pesos	54,449	13,913	16,034	-
Chilean Pesos	-	1,828	-	-
South African Rand	14,690	3,576	9,069	7,430
Chinese Renminbis	6,526	1,535	53,390	-
Mexican Peso	26,209	30,589	-	-
Euro	-	-	-	4,357
	<u>417,042</u>	<u>96,724</u>	<u>997,520</u>	<u>287,318</u>

(ii) Interest rate risk

The Company's results are susceptible to losses due to fluctuations in interest rates that increase financial expenses related to loans and financing raised in the market, or decrease financial income related to financial investments. The Company continuously monitors the market interest rates in order to assess any requirement to contract new transactions to protect itself against the volatility risk of these rates.

(iii) Sale and purchase price risk

Considering that exports are equivalent to 40.2% of the projected revenues for 2021, a possible volatility of foreign exchange rates represents, in fact, a price risk that may alter the results planned by the Management.

On the other hand, the purchases of raw materials considered as commodities amount to approximately 22% of total purchases, and accordingly, the Company is subject to the effects of market price oscillations of these items.

To mitigate these risks, the Company continuously monitors price developments.

(b) **Credit risk**

Credit risk is managed corporately. Credit risk arises from cash and cash equivalents, derivative financial instruments, deposits at banks and financial institutions, as well as credit exposures to customers, including outstanding accounts receivable and committed transactions. If there is no independent rating, the credit analysis area evaluates the credit quality of the customer, taking into account their financial position, past experience and other factors. The individual risk limits are determined based on internal or external ratings or according to the limits established by the Board of Directors. The utilization of credit limits is monitored on a regular basis.

The Company also has a provision for doubtful accounts in the amount of BRL 39,434 (parent company) and BRL 155,167(consolidated) as of June 30, 2021 (BRL 37,354 and BRL 147,220 as of December 31, 2020) 12.4% and 10.9%, respectively, of the balance of trade accounts receivable of the parent company and the outstanding consolidated (8.8% and 9.4% as of December 31, 2020), which was set up against credit risk.

(c) **Liquidity risk**

It is the risk that the Company may not have sufficient net funds to honor its financial commitments, as a result of the mismatch of term or volume between expected receipts and payments.

Future receipt and payment premises are established to manage cash liquidity in domestic and foreign currency, which are monitored on a daily basis by the Treasury Department.

	<u>Consolidated</u>				
	<u>06/30/21</u>				
	<u>Contractual cash flow</u>				
	<u>Carrying Amount</u>	<u>Total</u>	<u>Between one and two years</u>	<u>Between two and five years</u>	<u>Over five years</u>
Non-derivative financial liabilities					
Loans and Financing	2,147,150	2,482,227	652,640	1,660,277	169,310
Lease obligations	59,821	59,821	34,270	17,514	8,037
Suppliers	375,614	375,614	375,614	-	-
Derivative financial liabilities					
Derivative financial instruments	7,864	7,864	7,864	-	-

	Consolidated				
	12/31/20				
	Contractual cash flow				
	Carrying Amount	Total	Between one and two years	Between two and five years	Over five years
Non-derivative financial liabilities					
Loans and Financing	2,025,062	2,244,671	753,561	1,300,813	190,297
Lease obligations	70,968	70,968	36,696	21,415	12,857
Suppliers	358,825	358,825	358,825	-	-
Derivative financial liabilities					
Derivative financial instruments	5,723	5,723	5,723	-	-

(d) Sensitivity analysis

The following table shows the sensitivity analysis of the financial instruments, which describes the risks that may cause material variations for the Company, with a more probable scenario (scenario I), according to an evaluation carried out by Management, considering a 12-month horizon when the next financial statements should be disclosed. Two more scenarios are presented which, if occurring, may generate adverse results for the Company, scenario II considering a possible deterioration of 25%; and scenario III, a deterioration of 50%.

Premises	Effects of accounts on net income	Probable scenario (Scenario I)	(Scenario II)	(Scenario III)
CDI - %		4.25	5.31	6.38
TJLP - %		4.88	6.10	7.32
Exchange Rate - USD		5.00	6.25	7.50
Exchange rate - Euro		5.93	7.41	8.89
LIBOR - %		0.16	0.20	0.24
ACC cost discount - %		2.40	3.00	3.60
	Financial investments	35,338	44,173	53,007
	Inter-financial relations	69,717	76,956	84,195
	Loans and Financing	(99,248)	(310,643)	(520,047)
	Forwards	5,244	30,464	60,104
	Accounts receivable subtracted from accounts payable	(78)	61,199	122,477
	Gain/(Loss)	<u>10,973</u>	<u>(97,851)</u>	<u>(200,264)</u>

4.2 Capital management

The Company's objective in managing capital is to safeguard the ability of its operational continuity, to guarantee return to shareholders, maintaining an optimized capital structure to reduce capital costs.

Seeking the sustainability and perpetuation of its business, in addition to social and environmental aspects, the Company places emphasis on the economic and financial results, which result in added value to the business and return to shareholders. In order to monitor the performance, the methodology known as Value-added Management was adopted in 2001, which focuses on operational actions which result in superior financial performance. The staff received training under this program on the development and use of measurement and control tools to accomplish targets, thus enabling the simulation and analysis of efficiency in the management of working capital and the effects of new investments on the Company's profitability. Simultaneously, Marcopolo adopted the concepts of BSC (*Balanced Score Card*) which translates each unit's strategy into objectives, drivers, targets and action plans, which are frequently monitored and managed. The tools related to the objectives are: WACC (*Weighted Average Cost of Capital*), Net Debt/EBITDA (*Earnings Before Interest, Taxes, Depreciation and Amortization*) and Debt/Shareholders' Equity Ratio. In recent years, these key indicators have been:

WACC - between 8% and 12% p.a.
Net Debt/EBITDA - between 0.90x and 2.50x
Debt/net equity ratio - between 15% and 80%

The financial leverage indexes as of June 30, 2021 and December 31, 2020 have been summarized below (Note 30):

	<u>Consolidated</u>		<u>Industrial Segment</u>		<u>Financial Segment (*)</u>	
	<u>06/30/21</u>	<u>12/31/20</u>	<u>06/30/21</u>	<u>12/31/20</u>	<u>06/30/21</u>	<u>12/31/20</u>
Total loans	2,147,150	2,025,062	1,641,417	1,449,439	505,733	575,623
Derivative financial instruments	7,864	5,723	7,864	5,723	-	-
Less: cash and cash equivalents	(1,073,060)	(1,040,931)	(1,036,726)	(989,248)	(36,334)	(51,683)
Less: financial investments	-	-	-	-	-	-
Less: derivative financial instruments	(1,284)	(2,641)	(1,284)	(2,641)	-	-
Net debt (A)	<u>1,080,670</u>	<u>987,213</u>	<u>611,271</u>	<u>463,273</u>	<u>469,399</u>	<u>523,940</u>
Total net equity (B)	<u>2,733,255</u>	<u>2,607,996</u>	<u>2,501,491</u>	<u>2,380,060</u>	<u>231,764</u>	<u>227,936</u>

Financial leverage ratio - % (A/B) 40 38 24 19 203 230

(*) Banco Moneo maintains equity compatible with the degree of risk of the structure of its assets, according to Resolution 2.099/94 of the National Monetary Council and complementary legislation.

4.3 Estimated fair value

It is assumed that the balances of accounts receivable from customers and accounts payable to suppliers at their carrying amount, less *impairment*, are close to their fair values. The fair value of financial liabilities for reporting purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

The Company applies CPC 40/IFRS 7 to financial instruments measured in the balance sheet at fair value, which requires disclosure of fair value measurements by the level of the following measurement hierarchy at fair value:

- . Quoted prices (unadjusted) on active markets for identical assets and liabilities (level 1);
- . Information other than quoted prices included within level 1 that is adopted by the market for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and
- . Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

The following table presents the Company's assets and liabilities that are measured at fair value on June 30, 2021 and December 31, 2020, which were fully classified at level 2:

	<u>Consolidated</u>	
	<u>06/30/21</u>	<u>12/31/20</u>
Assets		
Financial assets at fair value through profit or loss		
- Derivatives for trading	<u>1,284</u>	<u>2,641</u>
	<u>1,284</u>	<u>2,641</u>
Liabilities		
Financial liabilities at fair value through profit or loss		
- Derivatives for trading	<u>7,864</u>	<u>5,723</u>
	<u>7,864</u>	<u>5,723</u>

4.4 Other risk factors

The Company, at the initiative of the Board of Directors, may carry out internal evaluation procedures whenever external or internal factors indicate the possibility that misstatements in the quarterly data may have occurred. Such procedures are performed independently, with or without the support of external experts, and their results are reported to the Board of Directors.

5 Financial instruments by category

(a) Financial assets measured at fair value through profit or loss

- (i) Derivatives - The derivative instruments obtained by the Company are intended to protect its portfolio ordering operations and exposure to fluctuations risks in exchange rates and interest rates, and are not used for speculative purposes.

(b) Financial assets measured at the amortized cost

- (i) Cash and cash equivalents - Checking account balances held at banks have their market values similar to the accounting balances, considering their characteristics and maturities;
- (ii) Financial investments - Financial investments are measured at the amortized cost;
- (iii) Trade accounts receivable - Trade accounts receivable for the sale of goods and services rendered; and
- (iv) Related parties - Represented by loans.

(c) Financial liabilities measured at the fair value through profit or loss

- (i) Derivatives - The derivative instruments obtained by the Company are intended to protect its portfolio ordering operations and exposure to fluctuations risks in exchange rates and interest rates, and are not used for speculative purposes.

(d) Financial liabilities measured at the fair value through profit or loss

- (i) Loans and financing - Loans and financing are recorded based on the contractual interest of each operation. The difference between the book value and the market value, determined by the discounted cash flow method, can be summarized as follows:

<u>Nature of the asset</u>	<u>Consolidated</u>		<u>Consolidated</u>	
	<u>Equity value</u>	<u>Market value</u>	<u>Equity value</u>	<u>Market value</u>
Loans and Financing	2,147,150	2,163,150	2,025,062	2,031,995

- (ii) Suppliers - Represented by amounts payable for the purchase of merchandise and services.

(e) Derivative financial instruments

The table below presents an estimate of the market value of our position of Non-deliverable Forward (NDF) and *Forward* contracts. Unrealized gains and losses on derivative transactions are recorded (if loss) under the heading of derivative financial instruments or (if gain) under derivative financial instruments and the corresponding entry in the result in the heading financial income or expenses - exchange rate change, respectively.

Assets

Company	Counterpart	Position	Start	End	Notional value	Fair value		Values receivable	
					06/30/21	06/30/21	12/31/20	06/30/21	12/31/20
Marcopolo					USD thousand				
	BBA	Purchase	12/02/20	10/08/21	-	-	718	-	718
	BRADESCO	Purchase	06/29/21	12/14/21	500	11	285	11	285
	BRAZIL	Purchase	12/02/20	09/23/21	-	-	184	-	184
	FIBRA	Purchase	01/28/21	10/08/21	-	-	-	-	-
	PACTUAL	Purchase	02/10/21	07/15/21	-	-	-	-	-
	SAFRA	Purchase	12/02/20	07/12/21	-	-	184	-	184
						11	1,187	11	1,187
Masa					USD thousand				
	STD	Purchase	05/31/21	09/30/21	1,230	92	20	92	20
						92	20	92	20
Ciferal					USD thousand				
	BRADESCO	Sale	05/28/21	07/30/21	1,774	422	221	422	221
						422	221	422	221
San Marino					USD thousand				
	BRADESCO	Sale	04/14/21	07/15/21	916	631	1,213	631	1,213
						631	1,213	631	1,213
MP Australia					USD thousand				
	WESTERN UNION	Purchase	05/17/21	12/22/21	1,806	96	-	96	-
	WESTERN UNION	Purchase	05/17/21	12/22/21	1,000	21	-	21	-
	WESTERN UNION	Purchase	05/17/21	12/22/21	307	9	-	9	-
	WESTERN UNION	Purchase	05/17/21	12/22/21	38	2	-	2	-
						128	-	128	-
						1,284	2,641	1,284	2,641

Liabilities

Company	Counterpart	Position	Start	End	Notional value	Fair value		Values payable	
					06/30/21	06/30/21	12/31/20	06/30/21	12/31/20
Marcopolo					USD thousand				
	PACTUAL	Purchase	01/27/21	11/08/21	1,544	(649)	-	(649)	-
	BBA	Purchase	01/26/21	10/08/21	4,549	(2,152)	(3,255)	(2,152)	(3,255)
	BRADESCO	Purchase	04/09/21	12/14/21	5,493	(1,666)	(136)	(1,666)	(136)
	BRAZIL	Purchase	02/10/21	08/24/21	1,648	(791)	(101)	(791)	(101)
	FIBRA	Purchase	01/28/21	10/08/21	2,210	(1,301)	(207)	(1,301)	(207)
	SAFRA	Purchase	01/27/21	11/08/21	2,625	(1,241)	(9)	(1,241)	(9)
						(7,800)	(3,708)	(7,800)	(3,708)
Ciferal					USD thousand				
	BRADESCO	Sale	06/30/21	08/31/21	1,853	(10)	-	(10)	-
						(10)	-	(10)	-

<u>San Marino</u>					USD				
	BRADESCO	Sale	-	-	thousand	-	(243)	-	(243)
						-	(243)	-	(243)
<u>MP Australia</u>					USD				
	WESTERN UNION	Purchase	-	-	thousand	-	(825)	-	(825)
	WESTERN UNION	Purchase	05/17/21	12/22/21	CHF	325	(19)	(96)	(19)
					thousand				(96)
	WESTERN UNION	Purchase	-	-	SGD	-	-	(371)	-
					thousand				(371)
	WESTERN UNION	Purchase	-	-	EUR	-	-	(127)	-
					thousand				(127)
	WESTERN UNION	Purchase	-	-	CNY	-	-	-	-
					thousand				-
						(19)	(1,419)	(19)	(1,419)
<u>Masa</u>					USD				
	STD	Purchase	04/30/21	07/30/21	thousand	496	(35)	(353)	(35)
							(35)	(353)	(35)
							(35)	(353)	(35)
							(7,864)	(5,723)	(7,864)
							(7,864)	(5,723)	(7,864)

Marcopolo earned gains and losses on derivatives in the periods ended June 30, 2021 and 2020, as below:

	Realized gains/losses			
	Interest on derivatives		Exchange variation on derivatives	
	06/30/21	06/30/20	06/30/21	06/30/20
Marcopolo	(870)	(339)	(4,585)	7,092
Ciferal	131	126	965	(8,278)
San Marino	127	140	(1,150)	(7,006)
Masa	-	-	218	-
MP Australia	-	-	780	-

6 Consolidated financial information

The consolidated financial information includes the financial information of Marcopolo S.A. and its subsidiaries, listed below:

(a) Subsidiaries

	Percentage participation					
	06/30/21			12/31/20		
	Direct	Indirect	Non-controlling	Direct	Indirect	Non-controlling
Apolo	65.00	-	35.00	65.00	-	35.00
Arcanjos	-	100.00	-	-	100.00	-
Banco Moneo	-	100.00	-	-	100.00	-
Ciferal	99.99	0.01	-	99.99	0.01	-
Ilmot	100.00	-	-	100.00	-	-
MAC	100.00	-	-	100.00	-	-
Marcopolo Next	99.99	0.01	-	99.99	0.01	-
Masa	100.00	-	-	100.00	-	-
MBC	100.00	-	-	100.00	-	-
MP Argentina	43.99	26.01	30.00	43.99	26.01	30.00
MIC	100.00	-	-	100.00	-	-
Moneo	100.00	-	-	100.00	-	-
MP Australia	100.00	-	-	100.00	-	-
MP Canada	100.00	-	-	100.00	-	-
MP Middle East	100.00	-	-	100.00	-	-
Neobus Chile (2)	-	100.00	-	-	100.00	-
NewRoad (2)	-	100.00	-	-	100.00	-
Polo Venture	99.99	0.01	-	99.99	0.01	-
Pologren (1)	-	100.00	-	-	100.00	-
MP México	3.61	70.39	26.00	3.61	70.39	26.00
Rotas do Sul (2)	-	100.00	-	-	100.00	-
San Marino	100.00	-	-	99.90	0.10	-
San Marino Mexico (2)	-	100.00	-	-	100.00	-
Syncroparts	100.00	-	-	99.99	0.01	-
Trading	99.99	0.01	-	99.99	0.01	-
Volare Comércio	100.00	-	-	99.90	0.10	-
Volare Veículos	100.00	-	-	99.90	0.10	-
Volgren (1)	-	100.00	-	-	100.00	-

(1) Consolidation in MP Australia.

(2) Consolidation in San Marino.

In the preparation of the consolidated financial information, the following practices should be highlighted:

- (a) Elimination of asset and liability account balances between consolidated companies;
- (b) Elimination of equity, reserves and retained earnings of subsidiaries;
- (c) Elimination of the balances of revenues and expenses, as well as unrealized profits, arising from intercompany transactions. Unrealized losses are eliminated in the same manner, but only when there is no evidence of impairment of the related assets;
- (d) Elimination of tax charges on the portion of unrealized profit presented as deferred taxes in the consolidated balance sheet; and
- (e) Highlight of the value of the non-controlling interest in the consolidated financial information.

(b) **Jointly controlled entities (non-consolidated)**

	Percentage participation			
	06/30/21		12/31/20	
	Direct	Indirect	Direct	Indirect
Loma	51.00	-	51.00	-
Metalpar	1.00	49.00	1.00	49.00
Kamaz	-	-	50.00	-
Superpolo	20.61	29.39	20.61	29.39

The main balances of the financial information of these companies are as follows:

	Assets		Liabilities		Net revenue		Profit (loss)	
	06/30/21	12/31/20	06/30/21	12/31/20	06/30/21	06/30/20	06/30/21	06/30/20
Kamaz	-	565	-	743	-	-	314	(126)
Superpolo	359,383	412,468	180,562	199,198	103,356	251,607	5,614	7,394

(c) **Associates (non-consolidated)**

	Percentage participation			
	06/30/21		12/31/20	
	Direct	Indirect	Direct	Indirect
GB Polo	20.00	-	20.00	-
Mercobus	40.00	-	40.00	-
New Flyer	-	9.28	-	10.54
Valeo	40.00	-	40.00	-
Setbus (1)	-	40.00	-	40.00
Spheros Colômbia (1)	-	40.00	-	40.00
Valeo México (1)	-	40.00	-	40.00
WSul	30.00	-	30.00	-

(1) Consolidated in the associate (not consolidated) Valeo.

The main balances of the financial information of these companies are as follows:

	Assets		Liabilities		Net revenue		Profit (loss)	
	06/30/21	12/31/20	06/30/21	12/31/20	06/30/21	06/30/20	06/30/21	06/30/20
GBPolo	95,204	115,837	128,039	136,717	1,573	29,956	(13,685)	(2,755)
Mercobus	5,756	9,354	2,106	2,824	1,587	1,755	(360)	(130)
Valeo	174,670	155,686	73,512	56,408	83,506	72,584	1,270	8,088
WSul	11,537	12,348	5,560	4,165	15,892	12,735	(207)	537

7 Cash and cash equivalents, financial assets and derivatives

7.1 Cash and cash equivalents

	Parent company		Consolidated	
	06/30/21	12/31/20	06/30/21	12/31/20
Cash and bank deposits				
In Brazil	75,471	109,131	83,878	116,340
Overseas	281	481	103,302	72,552
Securities of immediate liquidity				
In Brazil (*)	727,111	517,070	867,167	825,633
Overseas	-	-	18,713	26,406
Total cash and cash equivalents	<u>802,863</u>	<u>626,682</u>	<u>1,073,060</u>	<u>1,040,931</u>

(*) Corresponds substantially to investments in Bank Deposit Certificates (CDB), remunerated at rates that vary between 98.0% and 105.0% of the CDI, resulting in a weighted average of 101.82% of the CDI on June 30, 2021.

7.2 Financial assets at fair value through profit or loss and derivative financial instruments

	Parent company		Consolidated	
	06/30/21	12/31/20	06/30/21	12/31/20
Current				
Derivative financial instruments				
Derivatives - <i>Non Deliverable Forwards</i>	11	1,187	1,284	2,641
	<u>11</u>	<u>1,187</u>	<u>1,284</u>	<u>2,641</u>
Noncurrent				
At amortized cost				
Related parties	80,567	69,295	66,348	67,961
	<u>80,567</u>	<u>69,295</u>	<u>66,348</u>	<u>67,961</u>

Derivative financial instruments are presented as current assets or liabilities. The Company does not have financial instruments that have been recorded under the *hedge accounting* method in accordance with IAS 39.

8 Trade accounts receivable

	Parent company		Consolidated	
	06/30/21	12/31/20	06/30/21	12/31/20
Current				
In the domestic market	70,041	136,928	325,118	327,049
In the foreign market	158,549	218,278	364,984	463,042
Related parties	92,322	71,603	-	-
Inter-financial relations	-	-	269,719	284,981
Adjustment to present value	(2,003)	(1,941)	(4,471)	(7,915)
Allowance for doubtful accounts	(39,434)	(37,354)	(108,509)	(96,705)
	<u>279,475</u>	<u>387,514</u>	<u>846,841</u>	<u>970,452</u>
Noncurrent				
Inter-financial relations	-	-	464,676	500,448
Allowance for doubtful accounts	-	-	(46,658)	(50,515)
	<u>-</u>	<u>-</u>	<u>418,018</u>	<u>449,933</u>
	<u>279,475</u>	<u>387,514</u>	<u>1,264,859</u>	<u>1,420,385</u>

Interbank relations refer to loans for bus financing by Banco Moneo, through onlending of the FINAME program of BNDES.

The composition of trade accounts receivable by maturity is as follows:

	Parent company		Consolidated	
	06/30/21	12/31/20	06/30/21	12/31/20
Amounts due	230,799	315,067	1,110,327	1,337,103
Overdue:				
Up to 30 days	10,789	18,324	70,785	53,907
Between 31 and 60 days	4,733	1,314	40,537	20,947
Between 61 and 90 days	2,805	1,189	11,942	7,822
Between 91 and 180 days	3,619	2,323	58,253	30,728
Over 181 days	68,167	88,592	132,653	125,013
Adjustment to present value	(2,003)	(1,941)	(4,471)	(7,915)
(-) Allowance for doubtful accounts	(39,434)	(37,354)	(155,167)	(147,220)
	<u>279,475</u>	<u>387,514</u>	<u>1,264,859</u>	<u>1,420,385</u>

The allowance for doubtful accounts is shown below:

	Parent company	Consolidated
Balance on December 31, 2020	(37,354)	(147,220)
Allowance recorded in the period	(3,989)	(14,537)
Reversal of allowance for accounts receivable (<i>write-off</i>)	1,909	5,109
Recovery of provisioned credits	-	638
Exchange variation	-	843
Balance on June 30, 2021	<u>(39,434)</u>	<u>(155,167)</u>

Accounts receivable are denominated in the following currencies:

	Parent company		Consolidated	
	06/30/21	12/31/20	06/30/21	12/31/20
Brazilian Real	120,926	169,236	955,332	1,003,343
Dirham	-	-	408	431
US Dollar	158,549	218,278	184,033	243,565
Australian Dollar	-	-	30,239	71,172
Argentine Pesos	-	-	37,327	54,449
Rand	-	-	26,962	14,690
Renminbi	-	-	1,453	6,526
Mexican Peso	-	-	29,105	26,209
	<u>279,475</u>	<u>387,514</u>	<u>1,264,859</u>	<u>1,420,385</u>

9 Inventory

	Parent company		Consolidated	
	06/30/21	12/31/20	06/30/21	12/31/20
Finished products	32,736	38,263	259,015	224,238
Products in preparation	58,211	34,983	120,751	110,781
Raw and auxiliary materials	180,594	135,164	439,053	372,143
Advances to suppliers and others	8,284	13,146	40,579	54,915
Allowance for losses in inventories	(5,787)	(6,469)	(16,913)	(13,666)
	<u>274,038</u>	<u>215,087</u>	<u>842,485</u>	<u>748,411</u>

The change in the allowance for inventory losses is shown below:

	<u>Parent company</u>	<u>Consolidated</u>
Balance on December 31, 2020	(6,469)	(13,666)
Reversal of allowance	2,715	4,247
Allowance recorded in the period	(2,033)	(7,711)
Exchange variation	-	217
	<u> </u>	<u> </u>
Balance on June 30, 2021	<u>(5,787)</u>	<u>(16,913)</u>

10 Taxes and contributions recoverable

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>06/30/21</u>	<u>12/31/20</u>	<u>06/30/21</u>	<u>12/31/20</u>
Current				
Corporate Income Tax (IRPJ)	12,962	25,408	18,432	35,704
Social Contribution on Net Income (CSLL)	14,311	17,266	16,080	21,873
Tax on Industrialized Products (IPI)	3,227	2,632	4,054	3,940
Tax on Circulation of Goods and Services (ICMS)	8,382	5,553	26,754	17,246
Social Integration Program (PIS)	2,450	2,768	13,938	20,746
Contribution to				
Social Security Financing (COFINS)	10,822	12,536	51,313	92,539
National Institute of Social Security (INSS)	-	-	585	584
Reintegra	820	3,241	1,743	4,191
Value Added Tax (IVA)	257	-	39,201	29,002
ICMS on the Pis/Cofins calculation basis	-	-	29,953	-
Other	7,532	2,422	7,552	2,886
	<u>60,763</u>	<u>71,826</u>	<u>209,605</u>	<u>228,711</u>
Noncurrent				
ICMS on the Pis/Cofins calculation basis	287,729	-	382,632	-
Tax on Circulation of Goods and Services (ICMS)	4,245	4,288	4,277	4,327
Value Added Tax (IVA)	-	-	482	586
	<u>291,974</u>	<u>4,288</u>	<u>387,391</u>	<u>4,913</u>
	<u>352,737</u>	<u>76,114</u>	<u>596,996</u>	<u>233,624</u>

11 Investments

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>06/30/21</u>	<u>12/31/20</u>	<u>06/30/21</u>	<u>12/31/20</u>
Subsidiaries	2,007,686	1,960,849	-	-
Subsidiaries in conjunction	116,210	124,779	93,624	111,462
Associates	43,716	44,778	426,497	374,458
Other investments	-	-	4,250	3,392
	<u>2,167,612</u>	<u>2,130,406</u>	<u>524,371</u>	<u>489,312</u>

(a) Investment in subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are as follows:

Subsidiaries:

																					Total	
	Apolo	Ciferal	Ilmot	Loma	MAC	MBC	MP	Masa	MP	MIC	Moneo	MP	MP	MP	San	Polo	Volare	Volare	06/30/21	12/31/20		
			(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(2)							
Investment Data																						
Share capital	3,850	20,000	77,025	15,178	31,013	10,402	84,346	10,871	15,178	7,002	150,000	179,640	1,362	5,000	49,498	288,055	20,000	4,000	5,000	263,260	11,000	
Adjusted net equity	7,652	137,538	178,804	8,508	(13,667)	(8,050)	88,480	67,336	8,508	7,118	232,710	470,533	(734)	(769)	175,042	534,002	7,218	6,138	8,759	221,532	5,400	
Shares or quotas held	3,250,000	124,994	50,000	4,897,938	1	1	100	100,000	4,897,938	1,400,000	150,000	4,925,530	1	4,999,500	3,011,659	288,054,976	19,998,000	4,000,000	4,999,850	263,260,000	10,989,000	
% participation	65.00	99.99	100.00	26.01	100.00	100.00	100.00	100.00	43.99	100.00	100.00	100.00	100.00	99.99	3.61	100.00	99.99	100.00	99.99	100.00	100.00	
Net profit (loss) for the period	746	26,823	(5,431)	(6,822)	(17,063)	(6,711)	(2,937)	(410)	(6,817)	4,764	3,818	8,360	(879)	(4,083)	(7,784)	46,125	(2,758)	36	241	1,623	-	
Changes in Investments																						
Opening balances:																						
By the equity value	4,489	180,705	196,619	3,596	-	-	98,056	68,506	30,952	2,449	231,147	406,955	81	-	6,833	487,509	3,250	6,101	8,517	219,690	5,394	
Reclassification of income for investment loss	-	-	-	-	(6,932)	(9,284)	-	-	-	-	-	-	-	(426)	-	-	-	-	-	-	(16,642)	
Payment of capital	-	-	-	-	10,323	7,599	-	-	-	-	-	-	-	3,740	-	441	6,725	1	-	219	6	
Advance for capital increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Dividends received/reversed	-	(69,996)	-	-	-	-	-	-	-	-	(2,255)	-	-	-	-	-	-	-	-	-	-	
Equity equivalence result	485	26,822	(5,431)	(1,773)	(17,063)	(6,711)	(2,937)	(410)	(2,999)	4,764	3,818	8,360	(879)	(4,083)	(281)	46,125	(2,758)	36	241	1,623	-	
Cumulative conversion adjustments	-	-	(12,384)	(474)	5	346	(6,639)	(760)	(801)	(95)	-	55,218	64	-	(233)	1	-	-	-	-	34,248	
Capital reduction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Exchange variation on capital reduction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Monetary correction for hyperinflation	-	-	-	864	-	-	-	-	1,469	-	-	-	-	-	-	-	-	-	-	-	2,333	
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital gains amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(74)	-	-	-	-	-	(74)	
Closing balances:	4,974	137,531	178,804	2,213	(13,667)	(8,050)	88,480	67,336	28,621	7,118	232,710	470,533	(734)	(769)	6,319	534,002	7,217	6,138	8,758	221,532	5,400	
Allowance for loss of investment	-	-	-	-	13,667	8,050	-	-	-	-	-	-	734	769	-	-	-	-	-	-	-	23,220
By the equity value	<u>4,974</u>	<u>137,531</u>	<u>178,804</u>	<u>2,213</u>	<u>-</u>	<u>-</u>	<u>88,480</u>	<u>67,336</u>	<u>28,621</u>	<u>7,118</u>	<u>232,710</u>	<u>470,533</u>	<u>-</u>	<u>-</u>	<u>6,319</u>	<u>534,002</u>	<u>7,217</u>	<u>6,138</u>	<u>8,758</u>	<u>221,532</u>	<u>5,400</u>	
																					<u>2,007,686</u>	<u>1,960,849</u>

(1) Enterprises overseas.

(2) These balances include investments and goodwill.

Jointly controlled companies:

	Jointly controlled companies				Total	
	Kamaz	Loma	Metalpar	Superpolo	06/30/21	12/31/20
	(1)	(1),(2)	(1)	(1)		
Investment Data						
Share capital	10,524	107,523	17,530	17,212		
Adjusted net equity	-	(25,347)	(69,600)	178,821		
Shares or quotas held	1	15,949,948	473,995	265,763		
% participation	50.00	51.00	1.00	20.61		
Net profit (loss) for the period	314	7,063	11,300	5,614		
Changes in Investments						
Opening balances:						
By the equity value	-	42,567	-	43,955	86,522	124,264
Reclassification of allowance for investment loss	(89)	-	(752)	-	(841)	(1,126)
Payment of capital	-	-	-	-	-	865
Dividends received	-	-	-	(2,909)	(2,909)	-
Equity equivalence result	157	3,602	113	1,157	5,029	(22,623)
Cumulative conversion adjustments	503	5,698	124	(5,348)	977	2,064
Monetary correction for hyperinflation	-	(8,362)	(181)	-	(8,543)	(10,011)
Exchange variation on disposal of investment	(510)	-	-	-	(510)	18,868
Disposal of investment	-	-	-	-	-	(25,069)
Subsidiary transfer in conjunction to associates/subsidiary	-	-	-	-	-	-
Capital gains amortization	-	(775)	-	-	(775)	(1,551)
Investment write-off	(61)	-	-	-	(61)	-
Closing balances:	-	42,730	(696)	36,855	78,889	85,681
Allowance for loss of investment	-	36,625	696	-	37,321	39,098
By the equity value	-	79,355	-	36,855	116,210	124,779
Goodwill on investment	-	(52,172)	-	-	(52,172)	(52,172)
Allocation of the purchase price	-	(22,967)	-	-	(22,967)	(23,824)
Indirect participation - Superpolo	-	-	-	52,553	52,553	62,679
By the consolidated equity value	-	4,216	-	89,408	93,624	111,462
(1) Enterprises overseas.						
(2) These balances include investments and goodwill.						

Associates:

	Associates						
	Total						
	<u>GBPolo</u>	<u>Mercobus</u>	<u>Valeo</u>	<u>WSul</u>	<u>New Flyer</u>	<u>06/30/21</u>	<u>12/31/20</u>
	(1)	(1)			(1)		
Investment Data							
Share capital	31,312	755	30,000	6,100	4,361,890		
Adjusted net equity	(32,835)	3,650	101,158	5,977	4,124,795		
Shares or quotas held	4,803,922	232	244,898	1,830,000	6,587,834		
% participation	20.00	40.00	40.00	30.00	9.28		
Net profit (loss) for the period	(13,685)	(360)	1,270	(207)	83,340		
Changes in Investments							
Opening balances:							
By the equity value	-	2,612	39,711	2,455	-	44,778	38,355
Reclassification of allowance for investment loss	(4,176)	-	-	-	-	(4,176)	(3,937)
Dividends received	-	(793)	-	(600)	-	(1,393)	(2,511)
Equity equivalence result	(2,737)	(144)	508	(62)	-	(2,435)	9,086
Cumulative conversion adjustments	346	(215)	244	-	-	375	(391)
Closing balances:	(6,567)	1,460	40,463	1,793	-	37,149	40,602
Allowance for loss of investment	6,567	-	-	-	-	6,567	4,176
By the equity value	-	1,460	40,463	1,793	-	43,716	44,778
Indirect participation - New Flyer	-	-	-	-	382,781	382,781	329,680
By the consolidated equity value	-	1,460	40,463	1,793	382,781	426,497	374,458
(1) Enterprise abroad.							

12 Investment property

The investment properties consist of three properties: one located in Três Rios; one in Duque de Caxias and the other in Caxias do Sul. The land located in Três Rios, in Rio de Janeiro has 140.000m², its constructed area is 20.378,87m². The property is measured at its book value of BRL 41,971 and was valued at its fair value by a specialized valuer, at BRL 41,971. The land located in Duque de Caxias, in Rio de Janeiro has 211,846.87m², its constructed area is 63,172.70m². The property is measured at its book value of BRL 35,398 and was valued at its fair value by a specialized valuer, at BRL 72,640. The land located in Caxias do Sul, in Rio Grande do Sul has 46,530.05m², its built area is 35,860.75m². The property is measured at its book value of BRL 6,359 and was valued at its fair value by a specialized valuer, at BRL 49,930. The fair values are net of marketing expenses and were calculated by specialized valuers. There are no operating activities being carried out at the sites, which are maintained to earn rental income or for the appreciation of the property. During the quarter ended June 30, 2021 there were only irrelevant expenditures on surveillance, insurance and energy. The movements are shown below:

	Parent company			
	Land	Buildings and Constructions	Machinery and Equipment	Total
Balances as of December 31, 2020	2,609	3,542	326	6,477
Fixed asset reclassification	-	-	-	-
Depreciation	-	(96)	(22)	(118)
Balances as of June 30, 2021	<u>2,609</u>	<u>3,446</u>	<u>304</u>	<u>6,359</u>
Cost of the investment property	2,609	3,558	330	6,497
Accumulated depreciation	-	(112)	(26)	(138)
Residual value	<u>2,609</u>	<u>3,446</u>	<u>304</u>	<u>6,359</u>
Annual depreciation rates - %		5.4	14.1	
	Consolidated			
	Land	Buildings and Constructions	Machinery and Equipment	Total
Balances as of December 31, 2020	29,076	57,264	3,021	89,361
Impairment	(2,679)	(2,905)	-	(5,584)
Fixed asset reclassification	-	-	1,388	1,388
Depreciation	-	(1,105)	(332)	(1,437)
Balances as of June 30, 2021	<u>26,397</u>	<u>53,254</u>	<u>4,077</u>	<u>83,728</u>
Cost of the investment property	26,397	57,187	5,753	89,337
Accumulated depreciation	-	(3,933)	(1,676)	(5,609)
Residual value	<u>26,397</u>	<u>53,254</u>	<u>4,077</u>	<u>83,728</u>
Annual depreciation rates - %		3.8	12.7	

13 Property, plant and equipment

a) Overview of the parent company's asset movements

	Land	Buildings and constructions	Machinery and equipment	Furniture and fixtures	IT equipment	Vehicles	Other fixed assets	Total	Building usage rights	Total
Balances as of December 31, 2020	15,659	130,368	232,355	3,278	9,938	1,872	175	393,645	5,545	399,190
Additions	-	6,607	36,860	179	2,056	53	-	45,755	1,044	46,799
Write-offs	-	(83)	(491)	(11)	(155)	(170)	-	(910)	-	(910)
Transfers	-	(396)	396	-	-	-	-	-	-	-
Depreciation	-	(1,815)	(11,184)	(337)	(1,578)	(110)	-	(15,024)	(731)	(15,755)
Balances as of June 30, 2021	<u>15,659</u>	<u>134,681</u>	<u>257,936</u>	<u>3,109</u>	<u>10,261</u>	<u>1,645</u>	<u>175</u>	<u>423,466</u>	<u>5,858</u>	<u>429,324</u>
Cost of fixed assets	15,659	204,296	430,427	9,511	30,507	5,588	175	696,163	8,553	704,716
Accumulated depreciation	-	(69,615)	(172,491)	(6,402)	(20,246)	(3,943)	-	(272,697)	(2,695)	(275,392)
Residual value	<u>15,659</u>	<u>134,681</u>	<u>257,936</u>	<u>3,109</u>	<u>10,261</u>	<u>1,645</u>	<u>175</u>	<u>423,466</u>	<u>5,858</u>	<u>429,324</u>
Annual depreciation rates - %		1.7	8.2	9.1	15.3	12.9				

b) Summary of movement of consolidated fixed assets

	Land	Buildings and constructions	Machinery and equipment	Furniture and fixtures	IT equipment	Vehicles	Other fixed assets	Fixed assets in progress	Total	Building usage rights	Machines Use Rights	Total
Balances as of December 31, 2020	55,624	424,655	386,285	8,333	12,119	4,986	13,084	31,561	936,647	65,341	4,332	1,006,320
Exchange rate effect	(20)	(3,077)	(3,800)	(546)	-	(130)	(455)	(91)	(8,119)	(2,788)	-	(10,907)
Monetary correction for hyperinflation	377	2,877	2,032	99	-	217	1,944	1,630	9,176	-	-	9,176
Additions	-	7,051	38,692	407	2,611	3,852	1,679	5,633	59,925	2,117	-	62,042
Write-offs	-	(2,432)	(1,318)	(1,011)	(264)	(317)	(153)	(23)	(5,518)	-	-	(5,518)
Reclassified for investment prop.	-	-	(1,388)	-	-	-	-	-	(1,388)	-	-	(1,388)
Transfers	6	19,434	967	1	-	89	(6)	(20,491)	-	-	-	-
Depreciation	-	(6,963)	(27,218)	(942)	(1,877)	(932)	(2,328)	(20)	(40,280)	(11,080)	(375)	(51,735)
Balances as of June 30, 2021	<u>55,987</u>	<u>441,545</u>	<u>394,252</u>	<u>6,340</u>	<u>12,589</u>	<u>7,766</u>	<u>13,765</u>	<u>18,199</u>	<u>950,443</u>	<u>53,590</u>	<u>3,957</u>	<u>1,007,990</u>
Cost of fixed assets	55,987	555,621	842,156	24,149	38,679	18,331	38,694	18,199	1,591,816	100,238	5,911	1,697,965
Accumulated depreciation	-	(114,076)	(447,904)	(17,809)	(26,090)	(10,565)	(24,929)	-	(641,373)	(46,648)	(1,954)	(689,975)
Residual value	<u>55,987</u>	<u>441,545</u>	<u>394,252</u>	<u>6,340</u>	<u>12,589</u>	<u>7,766</u>	<u>13,765</u>	<u>18,199</u>	<u>950,443</u>	<u>53,590</u>	<u>3,957</u>	<u>1,007,990</u>
Annual depreciation rates - %		1.7	8.2	9.1	15.3	12.9						

Land and buildings comprise mainly factories and offices.

(c) **Guarantee**

As of June 30, 2021, properties with a residual book value of BRL 20,459 (BRL 21,893 as of December 31, 2020) are subject to a registered guarantee to guarantee bank loans and contingencies.

14 Goodwill and intangible assets

(a) **Summary of the movement of the parent company's intangible assets**

	<u>Software</u>	<u>Trademarks and licenses</u>	<u>Total</u>
Balances as of December 31, 2020	7,243	490	7,733
Additions	2,496	39	2,535
Write-offs	-	-	-
Amortizations	(1,140)	(16)	(1,156)
Balances as of June 30, 2021	<u>8,599</u>	<u>513</u>	<u>9,112</u>
Cost of intangible assets	62,715	902	63,617
Accumulated amortization	(54,116)	(389)	(54,505)
Residual value	<u>8,599</u>	<u>513</u>	<u>9,112</u>
Average amortization rates - %	20.0	7.0	

(b) **Summary of the movement of consolidated goodwill and intangible assets**

	<u>Software</u>	<u>Trademarks and licenses</u>	<u>Customer portfolio</u>	<u>Other intangible assets</u>	<u>Goodwill</u>	<u>Total</u>
Balances as of December 31, 2020	8,852	9,611	23,952	789	302,726	345,930
Exchange rate effect	(87)	-	-	-	(11,080)	(11,167)
Monetary correction for hyperinflation	283	-	-	-	-	283
Additions	2,619	51	-	-	-	2,670
Write-offs	(6)	-	-	(424)	-	(430)
Transfers	282	1	4	(287)	-	-
Amortizations	(2,101)	(18)	(341)	-	-	(2,460)
Balances as of June 30, 2021	<u>9,842</u>	<u>9,645</u>	<u>23,615</u>	<u>78</u>	<u>291,646</u>	<u>334,826</u>
Cost of fixed assets	84,198	10,074	54,643	9,338	291,646	449,899
Accumulated amortization	(74,356)	(429)	(31,028)	(9,260)	-	(115,073)
Residual value	<u>9,842</u>	<u>9,645</u>	<u>23,615</u>	<u>78</u>	<u>291,646</u>	<u>334,826</u>
Average amortization rates - %	20.0	8.3	-	10.0		

Composition of goodwill:

	<u>Loma / Metalsur</u>	<u>San Marino</u>	<u>New Flyer</u>	<u>Pologren</u>	<u>Goodwill</u>	<u>Total</u>
Balances as of December 31, 2020	52,172	30,739	76,484	143,331	-	302,726
Exchange rate effect	-	-	(821)	(10,259)	-	(11,080)
Balances as of June 30, 2021	<u>52,172</u>	<u>30,739</u>	<u>75,663</u>	<u>133,072</u>	<u>-</u>	<u>291,646</u>

At the end of each year, the Company tests goodwill for *impairment*, or whenever there are indications that a loss may have occurred.

15 Related Parties - Parent Company

(a) Related party balances and transactions

The main balances of assets and liabilities with related parties as of June 30, 2021, as well as the transactions that influenced the results for the period are detailed in the table below:

Related Parties	Asset balances by loan and current account	Receivables from sales	Accounts payable for purchases	Sales of products/services	Product purchases/services
Apolo	-	-	1,188	-	5,490
Ciferal	-	22	26	348	7
GB Polo	3,793	13,085	-	-	-
Ilmot	935	-	-	-	-
Loma	62,555	1,076	-	-	-
Mac	12,573	2,240	157	633	1,761
Masa	-	14,413	238	7,505	-
Marcopolo Australia	-	151	-	20	-
MP Argentina	-	17,972	-	-	-
MP México	-	1,893	-	4,377	-
San Marino	-	32,140	632	93,185	2,218
Superpolo	-	540	-	1,024	-
Valeo	-	-	7,593	-	33,982
Volare Veículos	112	23,321	184	19,627	603
Volare Comércio	45	170	5	212	14
Marcopolo Next	554	-	-	-	-
WSul	-	-	5,954	-	18,934
Balance on June 30, 2021	<u>80,567</u>	<u>107,023</u>	<u>15,977</u>	<u>126,931</u>	<u>63,009</u>
Balance on December 31, 2020	<u>69,295</u>	<u>100,825</u>	<u>9,933</u>	<u>243,959</u>	<u>136,282</u>

The balances of loans and current accounts of companies headquartered in Brazil are subject to financial charges equivalent to the variation of the CDI, and with companies abroad are subject to interest calculated at the semi-annual LIBOR rate plus 3% p.a..

(b) Remuneration of key management personnel

Key management personnel include the directors, officers and members of the Executive Committee. The remuneration paid or payable is as follows:

	06/30/21				
	Fixed	Variable	Pension plan	Share-based payment	Total
Board of Directors and statutory directors	4,968	2,744	28	-	7,740
Non-statutory directors	3,209	2,247	114	-	5,570
	<u>8,177</u>	<u>4,991</u>	<u>142</u>	<u>-</u>	<u>13,310</u>

06/30/20

	<u>Fixed</u>	<u>Variable</u>	<u>Pension plan</u>	<u>Share-based payment</u>	<u>Total</u>
Board of Directors and statutory directors	3,185	1,193	23	-	4,401
Non-statutory directors	3,543	1,292	112	-	4,947
	6,728	2,485	135	-	9,348

16 Loans and Financing

	Average rate weighted % p.a.	Year of Maturity	Parent company		Consolidated	
			06/30/21	12/31/20	06/30/21	12/31/20
Domestic currency						
FINAME	3.51	2022 to 2025	440	545	3,516	4,357
Bank loans	5.17	2027	-	-	7,993	8,280
Interbank deposits	4.35	2021 to 2025	-	-	25,736	20,620
FINEP	5.25	2022 to 2030	304,196	315,631	322,480	339,164
FDE – Development funds	3.00	2025	-	-	84,523	92,729
Fundepar – ES		2026	-	-	30,000	30,000
Export credit notes - Compulsory	6.43	2023	184,092	-	184,092	-
Related parties	CDI	-	319	-	-	-
Foreign currency						
Advances on exchange contracts	1.84	2021	5,135	51,015	20,765	56,224
Pre-payment for export in US dollars	3.09	2022 to 2026	221,140	231,310	221,140	231,310
Export credit notes - USD	2.52	2022 to 2026	553,288	457,512	553,288	457,512
Financing in Rand	8.12	2021 to 2026	-	-	11,840	9,069
Financing in Renminbi	5.30	2021	-	-	33,371	53,390
Financing in Australian dollars	3.08	2021	-	-	149,573	166,185
Financing in Argentine Pesos	31.65	2022	-	-	33,878	16,034
Surety	-	-	7,802	7,796	7,871	7,796
Subtotal of domestic and foreign currency			<u>1,276,412</u>	<u>1,063,809</u>	<u>1,690,066</u>	<u>1,492,670</u>
Open market funding						
Domestic currency						
BNDES - Pre-fixed Operations	5.63	2026	-	-	347,183	370,426
BNDES - Post-fixed Operations	IPCA + 1.50	2026	-	-	53,791	76,364
BNDES - Post-fixed Operations	TJLP + 1.94	2021 to 2024	-	-	41,506	75,051
BNDES - Post-fixed Operations	SELIC + 1.59	2021 to 2026	-	-	14,604	10,551
Subtotal of open market funding			<u>-</u>	<u>-</u>	<u>457,084</u>	<u>532,392</u>
Subtotal of loans and financing			<u>1,276,412</u>	<u>1,063,809</u>	<u>2,147,150</u>	<u>2,025,062</u>
Derivative financial instruments			7,800	3,708	7,864	5,723
Total loans and financing			<u>1,284,212</u>	<u>1,067,517</u>	<u>2,155,014</u>	<u>2,030,785</u>
Current liabilities			<u>190,154</u>	<u>246,315</u>	<u>630,525</u>	<u>727,820</u>
Non-current liabilities			<u>1,094,058</u>	<u>821,202</u>	<u>1,524,489</u>	<u>1,302,965</u>

Long-term installments have the following payment schedule:

	Parent company		Consolidated	
	06/30/21	12/31/20	06/30/21	12/31/20
From 13 to 24 months	351,753	394,794	514,195	553,510
From 25 to 36 months	272,473	206,306	396,916	352,033
From 37 to 48 months	255,911	68,603	349,670	147,437
From 49 to 60 months	110,925	36,144	129,064	95,536
After 60 months	102,996	115,355	134,644	154,449
	1,094,058	821,202	1,524,489	1,302,965

(a) Loans and Financing

FINAME financing is guaranteed by a chattel mortgage of the financed assets in the amount of BRL 20,459 at June 30, 2021 (BRL 21,893 as of December 31, 2020).

(b) Open market funding

Open market funding refers to funding made by Banco Moneo, from BNDES, to finance FINAME operations.

The face value and fair value of funding in the open market is:

	Face value (future)		Fair value (present)	
	06/30/21	12/31/20	06/30/21	12/31/20
1 to 12 months	192,417	225,708	167,629	197,913
From 13 to 24 months	154,429	170,801	139,011	152,949
From 25 to 36 months	102,692	114,793	95,501	105,797
After 36 months	57,237	79,226	54,945	75,734
	506,775	590,528	457,086	532,393

The face value of current liabilities loans approximates their fair value.

(c) Debt reconciliation

				Consolidated
	Bank loans	Derivatives	Funding Open Market	Total
Debt as of December 31, 2020	1,472,050	5,723	553,012	2,030,785
Movements that affected the cash flow	231,828	2,141	(90,263)	143,706
Movements that did not affect the cash flow	-	-	-	-
Interest and exchange variations	(39,548)	-	20,071	(19,477)
Debt as of June 30, 2021	1,664,330	7,864	482,820	2,155,014

17 Lease obligations

The changes in the balances of the lease liabilities are shown below.

	Parent company		Consolidated	
	06/30/21	06/30/20	06/30/21	06/30/20
Opening balance	6,188	6,771	70,967	50,523
Interest and exchange variations	428	454	(1,546)	16,558
Additions	1,044	105	1,394	15,746
Considerations paid	(1,103)	(869)	(10,994)	(7,983)
	<u>6,557</u>	<u>6,461</u>	<u>59,821</u>	<u>74,844</u>

The lease maturity schedule is shown below.

	Parent company		Consolidated	
	06/30/21	12/31/20	06/30/21	12/31/20
1 to 12 months	1,427	1,169	18,533	18,371
From 13 to 24 months	1,558	1,309	15,737	18,325
From 25 to 36 months	1,677	1,497	9,296	12,459
From 37 to 48 months	411	895	4,413	5,095
From 49 to 60 months	471	342	3,805	3,861
Over 60 months	1,013	976	8,037	12,857
Present value of contracts	<u>6,557</u>	<u>6,188</u>	<u>59,821</u>	<u>70,968</u>

The potential right of Pis/Cofins to recover embedded in the lease consideration is shown below.

	Parent company and Consolidated		Parent company and Consolidated	
	06/30/21	06/30/21	12/31/20	12/31/20
	Nominal	Adjusted to present value	Nominal	Adjusted to present value
Lease Consideration	4,572	3,812	4,833	3,909
Potential Pis/Cofins (9.25%)	423	353	447	362

18 Allowances

(a) Passive contingencies

The Company is a party to labor, civil, tax and other lawsuits in progress and is discussing these issues both at the administrative and judicial levels. When applicable, the claims are supported by judicial deposits. The allowances for possible losses arising from these lawsuits are estimated and updated by Management, based on the opinion of its external and internal legal advisors.

The contingencies which, in the opinion of the Company's legal advisors, are considered as possible or probable losses as of June 30, 2021 and December 31, 2020 are presented below. Contingencies considered as probable losses are provisioned.

Nature	Parent company			
	06/30/21		12/31/20	
	Probable	Possible	Probable	Possible
Civil	1,032	24,454	964	24,362
Labor	74,750	58,003	62,876	47,564
Tax	10,901	265,267	10,823	254,641
	<u>86,683</u>	<u>347,724</u>	<u>74,663</u>	<u>326,567</u>
Nature	Consolidated			
	06/30/21		12/31/20	
	Probable	Possible	Probable	Possible
Civil	2,607	24,896	2,527	24,804
Labor	90,243	66,716	76,772	57,473
Tax	23,973	303,945	18,179	292,504
	<u>116,823</u>	<u>395,557</u>	<u>97,478</u>	<u>374,781</u>
Judicial deposits	Parent company		Consolidated	
	06/30/21	12/31/20	06/30/21	12/31/20
	Probable	Possible	Probable	Possible
Civil	2,987	3,064	3,936	3,878
Labor	18,812	21,326	22,830	25,789
Tax	18,667	20,078	35,841	37,003
	<u>40,466</u>	<u>44,468</u>	<u>62,607</u>	<u>66,670</u>

(i) Civil and labor

The Company is a party to civil and labor lawsuits, among which are claims for indemnification of work accidents and occupational diseases. None of these cases refer to individually significant amounts.

(ii) Tax

The Company and its subsidiaries are parties to tax lawsuits. Below is a description of the nature of the main causes:

Provisioned

	Parent company		Consolidated	
	06/30/21	12/31/20	06/30/21	12/31/20
REINTEGRA - credit appropriation (i)	662	662	662	662
Special Tax Regime - tax credit (ii)	735	728	735	728
IRPJ 2010, 2011 and 2012 (iii)	6,206	6,147	6,206	6,147
Other contingencies	3,298	3,286	16,370	10,642
	<u>10,901</u>	<u>10,823</u>	<u>23,973</u>	<u>18,179</u>

- (i) Contingency related to REINTEGRA credit - contingency arising from divergence of procedure in the request for Reintegra credit related to the 1st and 2nd Quarter of 2012.
- (ii) Contingency regarding the discussion of the procedures adopted for the enjoyment of tax benefits used in the commercialization of products.
- (iii) Contingency related to the discussion of the procedures adopted to offset the income tax paid abroad.

• **Not provisioned**

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>06/30/21</u>	<u>12/31/20</u>	<u>06/30/21</u>	<u>12/31/20</u>
PIS, COFINS and FINSOCIAL - offsets	2,188	2,165	2,188	2,165
COFINS - refund request (i)	23,749	23,592	23,749	23,592
PIS, COFINS - credit	9,999	9,376	9,999	9,376
PIS - offsets (ii)	12,754	12,616	12,754	12,616
IPI - credit	3,540	1,744	3,540	1,744
IRPJ - lower realized inflationary profit	3,071	3,058	3,071	3,058
IRPJ and CSLL - Negative Balance (iii)	18,727	18,606	18,727	18,606
IRPJ and CSLL - profits overseas (iv)	31,995	31,778	31,995	31,778
IRPJ and CSLL - IR paid overseas	1,206	1,192	1,206	1,192
IRPJ and CSLL - profits from overseas (v)	84,548	77,586	84,548	77,586
DCP - Monetary adjustment (vi)	29,187	28,948	29,187	28,948
REINTEGRA - Offset (vii)	17,387	17,265	17,387	17,265
ICMS - outputs with reduced tax rate for non-taxpayers (viii)	-	-	16,022	15,697
ICMS - unsuitable tax documents (ix)	2,111	2,094	2,111	2,094
ISS - services rendered by third parties	6,597	6,546	6,597	6,546
INSS - services rendered by legal entities	4,680	4,649	4,680	4,649
Other lower value contingencies	13,528	13,426	36,184	35,592
	<u>265,267</u>	<u>254,641</u>	<u>303,945</u>	<u>292,504</u>

(i) Contingencies whose prospects of loss are considered possible, related to procedures questioned by the inspection, regarding requests for COFINS refund. The administrative proceeding is in progress at the Federal Revenue Judgment Office.

(ii) Contingency whose perspective of loss is considered possible, related to amounts recorded in active debt, arising from unapproved offsetting derived from credits obtained in legal proceedings. The case is in progress at the first instance of the Federal Court of Caxias do Sul.

(iii) Contingency whose perspective of loss is considered possible, related to procedures questioned by the inspection, regarding requests for refund of the negative balance of IRPJ and CSLL. The case is in progress before the Administrative Council of Tax Appeals.

(iv) Contingency whose perspective of loss is considered possible, related to the discussion on the consolidation abroad of the results of indirect subsidiaries, before the offering of profits to taxation in Brazil. The case is in progress before the Federal Revenue Judgment Office.

(v) Contingency whose perspective of loss is considered possible, related to the discussion on the rejection of offsets made with foreign taxes. The proceeding is in progress before the Regional Judgment Office (DRJ).

(vi) Contingency whose perspective of loss is considered possible, related to the discussion on DCP credits, referring to the rejection of the monetary adjustment and isolated fine applied as a result of the declarations that were not approved. The proceeding is in progress before the Regional Judgment Office (DRJ).

(vii) Contingency whose perspective of loss is considered possible, related to the discussion on Reintegra's credit, due to divergence of procedure in the credit claim. The proceeding is in progress before the Regional Judgment Office (DRJ).

(viii) Contingency, whose perspective of loss is considered possible, of the subsidiary, related to ICMS - exits at a reduced rate for non-taxpayers established outside the State. The lawsuit is in progress before the Taxpayers' Council of the State of Rio de Janeiro.

(ix) Contingency whose perspective of loss is considered possible, related to discussions on ICMS, due to the alleged issuance of tax documents with error in the application of the tax rate, in sales transactions to non-taxpayers established outside the State. The lawsuit is in progress in the Court of Justice of the State of São Paulo.

(b) Active tax contingencies

During the first quarter, the Company enabled credit in the amount of BRL 87,716 related to the court decision that excluded monetary correction (corresponding to inflation) from the IRPJ and CSLL tax bases in financial investments. The Company recognized as revenue the amount of BRL 4,421 in the quarter, referring to the credits offset in the period.

19 Employee pension and post-employment benefits plan

Marcopolo is the main sponsor of Marcoprev Sociedade de Previdência Privada, a non-profit civil society founded in December 1995, whose main purpose is to grant complementary benefits to Social Security to all employees of the sponsors: Marcopolo (main), San Marino, Syncroparts, Trading, Banco Moneo and Fundação Marcopolo. In the period ended June 30, 2021, the amount of BRL 3,985 (BRL 4,399 at June 30, 2020) was spent on contributions at the consolidated level. The actuarial regime for determining the cost and contributions of the plan is the capitalization method. It is a mixed "defined benefit" plan, where contributions are the sole responsibility of the sponsor, and "defined contribution" where contributions are the responsibility of the sponsor and the participant, on an optional basis.

As of June 30, 2021 and December 31, 2020, the amounts related to post-employment benefits were determined based on an annual actuarial evaluation conducted by independent actuaries and are recognized in the financial statements as presented below.

The amounts recognized in the balance sheet are as follows:

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>06/30/21</u>	<u>12/31/20</u>	<u>06/30/21</u>	<u>12/31/20</u>
Present value of actuarial liabilities	(330,876)	(325,555)	(335,342)	(329,936)
Fair value of the plan assets	366,676	353,656	371,619	358,423
Surplus not subject to reimbursement or reduction in future contributions	<u>(35,800)</u>	<u>(28,101)</u>	<u>(36,277)</u>	<u>(28,487)</u>
Liabilities to be recognized	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

According to the prerogatives contained in the regulations of the retirement plan and in the accounting portion of the supplementary retirement plan, there is no possibility of reimbursement, increase in benefit or reduction in future contributions. Consequently, assets arising from the surplus of the plans were not recorded on June 30, 2021.

The movements in the defined benefit obligation during the period are shown below:

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>06/30/21</u>	<u>12/31/20</u>	<u>06/30/21</u>	<u>12/31/20</u>
On January 1	-	-	-	-
Contributions from plan participants	2,182	5,375	2,198	5,400
Actuarial losses (gains)	(2,182)	(5,375)	(2,198)	(5,400)
Recognized net annual revenue (expense)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
On June 30	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The changes in the fair value of the assets of the benefit plan in the periods presented are as follows:

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>06/30/21</u>	<u>12/31/20</u>	<u>06/30/21</u>	<u>12/31/20</u>
On January 1	353,656	341,022	358,423	345,164
Sponsors' contribution	2,182	5,357	2,198	5,400
Employee contribution	41	60	41	61
Benefits paid	(7,124)	(17,036)	(7,201)	(17,181)
Expected return on plan assets	17,921	24,253	18,158	24,979
On June 30	<u>366,676</u>	<u>353,656</u>	<u>371,619</u>	<u>358,423</u>

The changes in the actuarial obligation in the periods presented are as follows:

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>06/30/21</u>	<u>12/31/20</u>	<u>06/30/21</u>	<u>12/31/20</u>
On January 1	325,555	335,523	329,936	339,591
Actuarial (gains) losses	192	(9,883)	195	(9,778)
Cost of current services	886	(7,315)	892	(7,258)
Financial cost	11,326	24,206	11,479	24,501
Employee contribution	41	60	41	61
Benefits paid	(7,124)	(17,036)	(7,201)	(17,181)
On June 30	<u>330,876</u>	<u>325,555</u>	<u>335,342</u>	<u>329,936</u>

The amounts recognized in the income statement are:

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>06/30/21</u>	<u>12/31/20</u>	<u>06/30/21</u>	<u>12/31/20</u>
Cost of current services	886	(7,315)	892	(7,258)
Financial cost	(95)	(251)	(96)	(254)
Total included in personnel costs	<u>791</u>	<u>(7,566)</u>	<u>796</u>	<u>(7,512)</u>

The main actuarial assumptions at the balance sheet date are:

• **Economic hypotheses**

	<u>Percentage p.a.</u>			
	<u>Parent company</u>		<u>Consolidated</u>	
	<u>06/30/21</u>	<u>12/31/20</u>	<u>06/30/21</u>	<u>12/31/20</u>
Discount rate (*)	7.17	7.17	7.17	7.17
Expected rate of return on plan assets	7.17	7.17	7.17	7.17
Future salary increases	5.73	5.73	5.73	5.73
Inflation	3.25	3.25	3.25	3.25

(*) The discount rate is composed of: inflation 3.80% p.a. plus interest 3.48% p.a. for the period ended June 30, 2021 (inflation 3.80% p.a. plus interest 3.48% p.a. for the year ended December 31, 2020).

• **Demographic assumptions**

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>06/30/21</u>	<u>12/31/20</u>	<u>06/30/21</u>	<u>12/31/20</u>
Mortality table	AT 2000(*)	AT 2000(*)	AT 2000(*)	AT 2000(*)
Death and disability table	RRB 1983	RRB 1983	RRB 1983	RRB 1983
Disability entry table	RRB 1944	RRB 1944	RRB 1944	RRB 1944

(*) Table segregated by sex, based on the AT-2000 Basic smoothed by 10%.

20 Income tax and social contribution

(a) Deferred income tax and social contribution

The basis for the constitution of deferred taxes is as follows:

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>06/30/21</u>	<u>12/31/20</u>	<u>06/30/21</u>	<u>12/31/20</u>
Asset (liability)				
Provision for technical assistance	35,649	38,442	64,673	63,417
Provision for commissions	17,773	31,076	25,551	36,803
Allowance for doubtful accounts	10,979	7,733	66,812	63,356
Provision for profit sharing	38,865	20,400	40,252	22,069
Provision for contingencies	93,216	76,793	129,501	115,449
Allowance for losses in inventories	5,787	6,469	9,117	11,854
Provision for third party services	9,875	9,846	22,520	20,121
Provision for contract terminations	10,003	14,330	15,548	16,571
Unrealized inventories	8,457	7,933	8,457	7,933
Adjustment to present value	1,503	1,434	1,789	1,909
Suspended income tax at source	9,630	8,765	9,630	8,765
(Tax depreciation)	(23,179)	(21,690)	(23,179)	(21,690)
(Settlement of gains/losses with derivatives)	7,789	2,521	7,159	1,550
Exchange variation	45,040	82,515	45,040	82,515
Tax loss and negative social contribution base	-	-	52,573	46,128
Industrial Development Program	5,429	-	5,429	-
Other provisions	43,134	17,080	6,152	7,735
Calculation basis	319,950	303,647	487,024	484,485
Nominal rate - %	34	34	34	34
Deferred income tax and social contribution	<u>108,783</u>	<u>103,240</u>	<u>165,588</u>	<u>164,725</u>

(b) Estimated installments of realization of deferred tax assets and liabilities

The recovery of tax credits is based on projections of taxable income, as well as on the realization of temporary differences for the following years:

	<u>Parent company</u>		<u>Consolidated</u>	
	<u>06/30/21</u>	<u>12/31/20</u>	<u>06/30/21</u>	<u>12/31/20</u>
1 to 12 months	21,791	14,570	41,809	61,349
From 13 to 24 months	57,226	62,605	79,557	71,618
From 25 to 36 months	21,663	21,033	33,650	24,320
From 37 to 48 months	532	87	1,222	696
Over 48 months	7,571	4,945	9,350	6,742
	<u>108,783</u>	<u>103,240</u>	<u>165,588</u>	<u>164,725</u>

(c) **Reconciliation of current income tax and social contribution expenses**

	<u>Parent company</u>				<u>Consolidated</u>			
	<u>04/01/21</u> <u>to</u> <u>06/30/21</u>	<u>04/01/20</u> <u>to</u> <u>06/30/20</u>	<u>06/30/21</u>	<u>06/30/20</u>	<u>04/01/21</u> <u>to</u> <u>06/30/21</u>	<u>04/01/20</u> <u>to</u> <u>06/30/20</u>	<u>06/30/21</u>	<u>06/30/20</u>
Reconciliation								
Income before income tax and social contribution	251,484	4,154	215,374	(32,849)	295,130	(39)	265,359	(24,304)
Nominal rate - %	34	34	34	34	34	34	34	34
	<u>(85,505)</u>	<u>(1,412)</u>	<u>(73,227)</u>	<u>11,169</u>	<u>(100,344)</u>	<u>13</u>	<u>(90,222)</u>	<u>8,263</u>
Permanent additions and exclusions								
Equity	8,121	2,382	17,014	10,927	-	-	-	-
Interest on equity	22,364	-	22,364	7,981	22,364	-	22,364	7,981
Reintegra	-	-	-	(128)	-	(72)	-	(128)
Tax loss on subsidiaries	-	-	-	-	(10,506)	203	(6,430)	(4,160)
ICMS base PIS/COFINS	-	-	-	-	-	13,419	-	13,419
Industrial Development Program	2,310	-	2,310	-	2,310	-	2,310	-
Profit sharing for managers	157	-	(312)	(546)	157	(204)	(312)	(546)
IR/CS on results abroad	-	-	-	22,449	-	-	-	22,449
Supplementary Law 160	4,159	-	3,153	-	4,159	(13,352)	3,153	(13,352)
Other additions (exclusions)	249	279	3,292	695	(12,412)	1,339	(10,057)	2,403
	<u>(48,145)</u>	<u>1,249</u>	<u>(25,406)</u>	<u>52,547</u>	<u>(94,272)</u>	<u>1,346</u>	<u>(79,194)</u>	<u>36,329</u>
Income tax and social contribution								
Current	(30,890)	988	(30,950)	23,646	(64,261)	3,235	(83,110)	3,145
Deferred	(17,255)	261	5,544	28,901	(30,011)	(1,889)	3,916	33,184
	<u>(48,145)</u>	<u>1,249</u>	<u>(25,406)</u>	<u>52,547</u>	<u>(94,272)</u>	<u>1,346</u>	<u>(79,194)</u>	<u>36,329</u>

Effective rate - %

(*) Refers to ICMS benefits used as a subsidy for investments in the subsidiary San Marino.

21 Shareholders' equity

(a) **Share capital**

The Company's authorized share capital is 2,100,000,000 shares, of which 700,000,000 are common shares and 1,400,000,000 are registered preferred shares with no par value.

As of June 30, 2021, the subscribed and paid-in capital is represented by 946,892,882 (946,892,882 as of December 31, 2020) registered shares, of which 341,625,744 are common shares and 605,267,138 are preferred shares, without par value.

Of the total subscribed capital, 228,757,684 (240,469,955 as of December 31, 2020) registered preferred shares belong to foreign shareholders.

(b) **Reserves**

(i) **Legal reserve**

This is constituted at the rate of 5% of the net income ascertained in each fiscal year pursuant to article 193 of Law no. 6.404/76, up to the limit of 20% of the share capital.

(ii) **Statutory reserves**

Marcopolo allocates at least 25% (twenty-five percent) of the remaining profit to the payment of dividends to all shares of Marcopolo, as a minimum mandatory dividend. The remaining balance of the net profit will be allocated, in its entirety, to the formation of the following reserves:

- Reserve for future capital increase to be used in future capital increases, to be formed by 70% of the remaining balance of the net income for each year, not exceeding 60% of the share capital.
- Reserve for payment of interim dividends to be used for payment of interim dividends provided for in paragraph 1 of article 35 of the Bylaws, to be formed by 15% of the remaining balance of the net income of each fiscal year, not exceeding 10% of the share capital.
- Reserve for the purchase of own shares to be used for the acquisition of shares issued by Marcopolo, for cancellation, holding in treasury and/or respective disposal, to be formed by 15% of the remaining balance of the net income for each year, not exceeding 10% of the capital stock.

(iii) Tax incentives

Based on Article 30 of Law 12.973/14, amended after the enactment of Complementary Law 160 on August 7, 2017, the tax incentives granted by the States and the Federal District are considered grants for investments and cannot be distributed as profit or dividends to shareholders. The adoption of this procedure is the basis for non-taxation of the subsidy for investments in income tax and social contribution.

(c) Treasury shares

Corresponds to the treasury stock of 7,252,882 nominative preferred shares, acquired at the average cost of BRL 3.9437 (in Reais) per share. The value of treasury shares as of June 30, 2021 corresponds to BRL 28,603. The shares will be used to, pursuant to paragraph 3 of article 168 of Brazilian Corporate Law and CVM Instruction no. 390/03, grant stock options to Marcopolo's management and employees, in accordance with the Stock Option Plan approved by the Extraordinary General Meeting held on December 22, 2005.

22 Insurance Coverage

As of June 30, 2021, the Company had insurance coverage against fire and other risks for property, plant and equipment and inventories at amounts considered sufficient to cover possible losses.

The main insurance coverage is:

<u>Nature of the asset</u>	<u>Equity value</u>	<u>Consolidated</u>	
		<u>06/30/21</u>	<u>12/31/20</u>
Inventories, buildings and contents	Fire and various risks	999,512	1,038,494
Vehicles	Collision and civil liability	69,763	70,255
		<u>1,069,275</u>	<u>1,108,749</u>

23 Surety and guarantees

As of June 30, 2021, the Company had contracted sureties and/or guarantees in the amount of BRL 97,499 (BRL 96,589 as of December 31, 2020), granted to banks in financing transactions with clients, with a corresponding guarantee of the respective financed assets, as well as the residual book value of financed assets in the amount of BRL 20,459 (BRL 21,893 as of December 31, 2020) given in guarantees for bank loans and contingencies. The company had guarantee insurance in force as of June 30, 2021 in the amount of BRL 105,448 (BRL 92,779 as of December 31, 2020).

24 Employee Profit Sharing

Employee participation was calculated as established in the Marcopolo Target Effectiveness Program (EFIMAR) Agreement.

The amounts are classified in the income statement for the period as follows:

	Parent company				Consolidated			
	04/01/21	04/01/20	06/30/21	06/30/20	04/01/21	04/01/20	06/30/21	06/30/20
	to	to			to	to		
	06/30/21	06/30/20			06/30/21	06/30/20		
Cost of Products and Services Sold	3,489	228	5,094	7,340	3,965	216	6,111	9,207
Selling expenses	1,242	434	1,734	2,380	1,242	436	1,744	2,407
Administration expenses	1,423	278	5,558	1,478	1,795	692	6,314	2,392
	<u>6,154</u>	<u>940</u>	<u>12,386</u>	<u>11,198</u>	<u>7,002</u>	<u>1,344</u>	<u>14,169</u>	<u>14,006</u>

25 Revenue

The reconciliation of gross sales to net revenue is as follows:

	Parent company				Consolidated			
	04/01/21	04/01/20	06/30/21	06/30/20	04/01/21	04/01/20	06/30/21	06/30/20
	to	to			to	to		
	06/30/21	06/30/20			06/30/21	06/30/20		
Gross sales of products and services	382,778	415,812	711,130	887,365	932,717	900,420	1,858,334	1,948,207
Taxes on sales and returns	(53,150)	(33,278)	(95,503)	(80,537)	(109,025)	(90,931)	(200,668)	(205,012)
Net revenue	<u>329,628</u>	<u>382,534</u>	<u>615,627</u>	<u>806,828</u>	<u>823,692</u>	<u>809,489</u>	<u>1,657,666</u>	<u>1,743,195</u>

26 Expenditure by nature

	Parent company				Consolidated			
	04/01/21	04/01/20	06/30/21	06/30/20	04/01/21	04/01/20	06/30/21	06/30/20
	to	to			to	to		
	06/30/21	06/30/20			06/30/21	06/30/20		
Raw materials and consumables	224,134	210,374	388,351	426,677	585,238	458,952	1,183,579	996,064
Cost of idleness	1,297	9,339	3,456	9,339	1,720	27,990	5,250	27,990
Third party services and others	43,458	44,002	83,283	99,180	74,655	65,611	135,098	155,864
Direct remuneration	65,266	54,258	126,086	136,749	145,369	134,590	231,615	310,669
Remuneration of management	3,320	2,190	7,099	5,123	3,320	2,190	7,099	5,123
Employee participation in profits and results	6,154	940	12,386	11,198	7,002	1,344	14,169	14,006
Depreciation and amortization charges	8,441	7,903	15,505	15,631	28,024	24,000	52,076	46,556
Private pension expenses	1,717	1,625	3,487	3,939	1,965	1,833	3,985	4,399
Other expenses	21,561	13,820	40,386	31,838	20,449	44,442	61,007	70,193
Total costs and expenses of sales, distributions and administrative expenses.	<u>375,348</u>	<u>344,451</u>	<u>680,039</u>	<u>739,674</u>	<u>867,742</u>	<u>760,952</u>	<u>1,693,878</u>	<u>1,630,864</u>

27 Financial result

	Parent company				Consolidated			
	04/01/21	04/01/20			04/01/21	04/01/20		
	to	to			to	to		
	06/30/21	06/30/20	06/30/21	06/30/20	06/30/21	06/30/20	06/30/21	06/30/20
Financial income								
Interest and monetary variations received	129,431	4,121	131,694	5,157	165,647	27,014	168,026	28,939
Interest on derivatives	-	42	7	42	164	147	265	308
Income from financial investments	3,880	2,475	4,109	7,152	6,546	3,209	8,331	9,442
Adjustment to present value of accounts receivable	3,751	3,220	6,928	7,795	8,108	7,379	15,750	15,442
	<u>137,062</u>	<u>9,858</u>	<u>142,738</u>	<u>20,146</u>	<u>180,465</u>	<u>37,749</u>	<u>192,372</u>	<u>54,131</u>
Financial expenses								
Interest on loans and financing	(10,636)	(13,010)	(20,392)	(26,056)	(21,575)	(15,403)	(33,724)	(30,330)
Interest on derivatives	(563)	(381)	(877)	(381)	(563)	(381)	(877)	(381)
Bank expenses	673	(2,228)	(655)	(4,135)	(987)	(3,248)	(2,992)	(5,833)
Adjustment to present value of suppliers	(1,361)	(1,304)	(2,344)	(2,837)	(3,102)	(2,125)	(5,737)	(4,931)
	<u>(11,887)</u>	<u>(16,923)</u>	<u>(24,268)</u>	<u>(33,409)</u>	<u>(26,227)</u>	<u>(21,157)</u>	<u>(43,330)</u>	<u>(41,475)</u>
Currency variations								
Active exchange variation	(39,949)	71,730	49,693	247,638	(36,692)	89,761	67,430	322,553
Active exchange variation on derivatives	(5,966)	4,600	(1,063)	7,092	476	5,944	5,118	7,112
Passive exchange variation	81,656	(96,724)	(39,568)	(360,576)	73,545	(125,444)	(57,121)	(447,534)
Passive exchange variation on derivatives	(7,782)	-	(3,522)	-	(8,871)	(3,761)	(8,890)	(15,304)
	<u>27,959</u>	<u>(20,394)</u>	<u>5,540</u>	<u>(105,846)</u>	<u>28,458</u>	<u>(33,500)</u>	<u>6,537</u>	<u>(133,173)</u>
Financial result	<u>153,134</u>	<u>(27,459)</u>	<u>124,010</u>	<u>(119,109)</u>	<u>182,696</u>	<u>(16,908)</u>	<u>155,579</u>	<u>(120,517)</u>

28 Other operating income (expenses)

	Parent company				Consolidated			
	04/01/21	04/01/20			04/01/21	04/01/20		
	to	to			to	to		
	06/30/21	06/30/20	06/30/21	06/30/20	06/30/21	06/30/20	06/30/21	06/30/20
Process exclusion of ICMS from the PIS and Cofins tax bases (*)	157,223	-	157,223	-	214,545	34,448	214,545	34,448
Attorneys' fees	(26,637)	(97)	(26,820)	(280)	(32,523)	(877)	(32,707)	(1,158)
Provision for labor contingencies	(11,006)	(3,111)	(24,102)	(9,228)	(14,361)	(3,584)	(29,690)	(10,977)
ICMS credits	-	-	-	-	-	6,870	-	13,479
Tax expenses	(2,618)	(2,293)	(4,911)	(3,292)	(9,485)	(2,822)	(12,116)	(5,453)
Impairment of investment property	-	-	-	-	(5,584)	-	(5,584)	-
Other expenses	2,777	78	5,353	(2,098)	(1,820)	(2,865)	(212)	(3,466)
Total of other operating income (expenses)	<u>119,739</u>	<u>(5,423)</u>	<u>106,743</u>	<u>(14,898)</u>	<u>150,772</u>	<u>31,170</u>	<u>134,236</u>	<u>26,873</u>

(*) From the decision of the Federal Supreme Court on the exclusion of ICMS from the PIS and COFINS tax bases, the Company and its subsidiaries Ciferal Indústria de Ônibus Ltda. and Volare Veículos Ltda. carried out the calculation of the amounts included in their lawsuits that discuss the subject. Based on the best estimate of amounts associated with the aforementioned survey, the Company and its subsidiaries recognized in June, BRL 383,065. Part of this amount includes the principal of BRL 214,545, recorded in other revenues and the Selic interest update of BRL 168,521 recorded in the financial result.

29 Profit per share

(a) Basic

Basic profit per share is calculated by dividing the profit attributable to the Company's shareholders by the weighted average number of shares issued during the year, excluding the shares purchased by the Company and held as treasury shares.

	<u>06/30/21</u>	<u>06/30/20</u>
Profit attributable to shareholders	189,968	19,698
Weighted average number of shares issued (thousands)	939,640	938,941
(Loss) Profit per share	0.20217	0.02098

(b) Diluted

Diluted profit per share are calculated by adjusting the weighted average number of common and preferred shares outstanding to assume the conversion of all potential diluted common shares.

The Company considers the exercise of stock options by employees and management as a dilution effect of common and preferred shares. The number of shares calculated as described above is compared with the number of shares issued, assuming the exercise of stock options.

	<u>06/30/21</u>	<u>06/30/20</u>
(Loss) Profit attributable to shareholders	189,968	19,698
Weighted average number of shares issued (thousands)	939,640	938,941
Adjustments for:		
Exercise of stock options	7,253	7,951
(Loss) Profit per share	0.20062	0.02080

30 Balance sheets and income statements by segment

The industrial segment produces bus bodies and spare parts. The financial segment is responsible for financing operations through Banco Moneo.

Balance sheets

	Consolidated		Industrial		Financial	
	06/30/21	12/31/20	06/30/21	12/31/20	06/30/21	12/31/20
Assets						
Current						
Cash and cash equivalents	1,073,060	1,040,931	1,036,726	989,248	36,334	51,683
Derivative financial instruments	1,284	2,641	1,284	2,641	-	-
Accounts receivable from customers	846,841	970,452	600,523	702,407	246,318	268,045
Stocks	842,485	748,411	842,485	748,411	-	-
Other accounts receivable	375,220	408,617	351,941	379,187	23,279	29,430
	<u>3,138,890</u>	<u>3,171,052</u>	<u>2,832,959</u>	<u>2,821,894</u>	<u>305,931</u>	<u>349,158</u>
Noncurrent						
Financial assets measured at fair value through profit or loss	66,348	67,961	66,348	67,961	-	-
Accounts receivable from customers	418,018	449,933	-	-	418,018	449,933
Other accounts receivable	619,251	241,042	598,030	220,836	21,221	20,206
Investments	524,371	489,312	524,371	489,312	-	-
Investment properties	83,728	89,361	83,728	89,361	-	-
Fixed assets	1,007,990	1,006,320	1,007,142	1,005,714	848	606
Goodwill and intangible assets	334,826	345,930	334,516	345,559	310	371
	<u>3,054,532</u>	<u>2,689,859</u>	<u>2,614,135</u>	<u>2,218,743</u>	<u>440,397</u>	<u>471,116</u>
Total assets	<u>6,193,422</u>	<u>5,860,911</u>	<u>5,447,094</u>	<u>5,040,637</u>	<u>746,328</u>	<u>820,274</u>
Liabilities						
Current						
Suppliers	375,614	358,825	375,614	358,825	-	-
Loans and Financing	622,661	722,097	429,296	503,673	193,365	218,424
Derivative financial instruments	7,864	5,723	7,864	5,723	-	-
Other accounts payable	701,948	631,663	694,658	616,790	7,290	14,873
	<u>1,708,087</u>	<u>1,718,308</u>	<u>1,507,432</u>	<u>1,485,011</u>	<u>200,655</u>	<u>233,297</u>
Noncurrent						
Loans and Financing	1,524,489	1,302,965	1,212,121	945,766	312,368	357,199
Other accounts payable	227,591	231,642	226,050	229,800	1,541	1,842
	<u>1,752,080</u>	<u>1,534,607</u>	<u>1,438,171</u>	<u>1,175,566</u>	<u>313,909</u>	<u>359,041</u>
Participation of non-controlling shareholders	50,750	55,779	50,750	55,779	-	-
Shareholders' equity attributable to controlling shareholders	2,682,505	2,552,217	2,450,741	2,324,281	231,764	227,936
Total liabilities	<u>6,193,442</u>	<u>5,860,911</u>	<u>5,447,094</u>	<u>5,040,637</u>	<u>746,328</u>	<u>820,274</u>

Income statements

	<u>Consolidated</u>		<u>Industrial</u>		<u>Financial</u>	
	<u>06/30/21</u>	<u>06/30/20</u>	<u>06/30/21</u>	<u>06/30/20</u>	<u>06/30/21</u>	<u>06/30/20</u>
Operations						
Net sales and services revenue	1,657,666	1,743,195	1,615,837	1,692,386	41,829	50,809
Cost of products sold and services rendered	(1,496,630)	(1,462,662)	(1,476,054)	(1,437,335)	(20,576)	(25,327)
Gross profit	161,036	280,533	139,783	255,051	21,253	25,482
Operating revenues (expenses)						
Selling expenses	(91,797)	(106,672)	(85,559)	(93,479)	(6,238)	(13,193)
Administrative costs	(105,451)	(86,857)	(98,092)	(77,490)	(7,359)	(9,367)
Other net operating income (expenses)	134,236	26,873	135,109	25,950	(873)	923
Equity equivalence result	11,756	(17,664)	11,756	(17,664)	-	-
Operational result	109,780	96,213	102,997	92,368	6,783	3,845
Financial result						
Financial income	264,920	383,796	264,920	383,796	-	-
Financial expenses	(109,341)	(504,313)	(109,341)	(504,313)	-	-
Income before income tax and social contribution	265,359	(24,304)	258,576	(28,149)	6,783	3,845
Income tax and social contribution	(79,194)	36,329	(76,238)	38,067	(2,956)	(1,738)
Net income for the period	<u>186,165</u>	<u>12,025</u>	<u>182,338</u>	<u>9,918</u>	<u>3,827</u>	<u>2,107</u>

31 Cash flow statements by business segment - indirect method

	<u>Consolidated</u>		<u>Industrial Segment</u>		<u>Financial Segment</u>	
	<u>06/30/21</u>	<u>06/30/20</u>	<u>06/30/21</u>	<u>06/30/20</u>	<u>06/30/21</u>	<u>06/30/20</u>
Cash flows from operating activities						
Net income for the period	186,165	12,025	182,338	9,918	3,827	2,107
Adjustments to reconcile income to cash generated by operating activities:						
Depreciation and amortization	54,195	46,556	54,073	46,427	122	129
Gain on sale of investment assets, property, plant and equipment and intangible assets	6,571	2,551	6,571	2,551	-	-
Equity	(11,756)	17,664	(11,756)	17,664	-	-
Allowance for doubtful accounts	13,625	3,777	7,387	(9,416)	6,238	13,193
Current and deferred income tax and social contribution	79,194	(36,329)	76,238	(38,067)	2,956	1,738
Appropriate interest and variations	(3,903)	261,271	(23,974)	242,916	20,071	18,355
Non-controlling interests	(3,803)	(7,673)	(3,803)	(7,673)	-	-
Changes in assets and liabilities						
(Increase) decrease in trade accounts receivable	131,216	(396,523)	83,812	(340,895)	47,404	(55,628)
(Increase) reduction in securities	2,970	75,717	2,970	75,717	-	-
(Increase) decrease in inventories	(112,571)	(75,138)	(112,571)	(75,138)	-	-
(Increase) decrease in other accounts receivable	(351,848)	(133,733)	(356,984)	(133,426)	5,136	(307)
Increase (decrease) in suppliers	27,679	(50,364)	27,679	(50,364)	-	-
Increase (decrease) actuarial liabilities	-	6,312	-	6,218	-	94
Increase (decrease) in accounts payable and provisions	47,910	45,255	54,779	48,083	(6,869)	(2,828)
Cash generated from operating activities	65,644	(228,632)	(13,241)	(205,485)	78,885	(23,147)
Profit taxes paid	(83,110)	3,145	(79,140)	5,955	(3,970)	(2,810)
Net cash from operating activities	(17,466)	(225,487)	(92,381)	(199,530)	74,915	(25,957)

	Consolidated		Industrial Segment		Financial Segment	
	06/30/21	06/30/20	06/30/21	06/30/20	06/30/21	06/30/20
Cash flows from investment activities						
Investments	-	-	-	-	-	-
Dividends from subsidiaries, joint ventures and associates	4,302	448	4,302	448	-	-
Fixed asset additions	(59,925)	(71,174)	(59,637)	(71,051)	(288)	(123)
Intangible additions	(2,670)	(1,961)	(2,655)	(1,885)	(15)	(76)
Receipts from sale of property, plant and equipment	765	-	765	-	-	-
Net cash from investment activities	(57,528)	(72,687)	(57,225)	(72,488)	(303)	(199)
Cash flows from financing activities						
Treasury shares	650	-	650	-	-	-
Loans from third parties	532,699	362,623	460,009	178,992	72,690	183,631
Loan payment - principal	(367,554)	(286,418)	(224,173)	(190,085)	(143,381)	(96,333)
Loan payment - interest	(33,155)	(23,496)	(13,885)	(11,814)	(19,270)	(11,682)
Payment of interest and dividends	(16,539)	(69,971)	(16,539)	(69,971)	-	-
Net cash used in financing activities	116,101	(17,262)	206,062	(92,878)	(89,961)	75,616
Effect of exchange rate changes on cash and cash equivalents	(8,978)	46,671	(8,978)	46,671	-	-
Net increase (decrease) in cash and cash equivalents	32,129	(268,765)	47,478	(318,225)	(15,349)	49,460
Cash and cash equivalents at the beginning of the period	1,040,931	1,074,622	989,248	1,057,258	51,683	17,364
Cash and cash equivalents at the end of the period	1,073,060	805,857	1,036,726	739,033	36,334	66,824

32 Additional information

The industrial business segment operates in the geographical regions specified below. The financial business segment operates exclusively in Brazil.

(a) Net revenue by geographical region

	Consolidated	
	06/30/21	06/30/20
Brazil	1,213,046	1,287,532
Africa	43,869	32,341
Argentina	84,279	15,931
Australia	229,761	210,063
China	2,212	12,802
Mexico	84,362	159,014
United Arab Emirates	137	185
	<u>1,657,666</u>	<u>1,717,868</u>

(b) **Property, plant and equipment, goodwill and intangible assets by geographical region**

	<u>Consolidated</u>	
	<u>06/30/21</u>	<u>12/31/20</u>
Brazil	958,087	938,025
Africa	18,574	19,284
Argentina	27,323	24,367
Australia	214,379	234,221
Canada	75,663	76,484
China	12,644	15,386
Mexico	35,720	44,015
Uruguay	89	93
United Arab Emirates	337	375
	<u>1,342,816</u>	<u>1,352,250</u>

33 Other information

(a) **COVID-19 Pandemic**

Since the beginning of January 2020, the coronavirus outbreak, which is a rapidly evolving situation, has adversely impacted global economic activities. The rapid development and fluidity of this situation prevent an accurate prediction of its final impact.

In order for the Company to monitor and analyze the impacts of Covid-19, a Crisis Committee composed of its board and some invited managers was created. In this environment, the main actions taken by the Company are being discussed daily, aiming at operational sustainability.

Despite having resumed its activities, we adopted several measures, recommendations and determinations from health agencies and competent authorities, reiterating our commitment to the safety of all employees, customers and other stakeholders.

At this time, in relation to receivables agreements entered into with customers, we have not identified risks of losses in addition to the amounts of the allowances for losses already recognized. However, there were occasional renegotiations with some customers aimed at extending maturities. We are following the issue very closely and believe that the level of allowance for doubtful debts of the Company is appropriate to the risk condition that we estimate for our customers.

Regarding the realization of inventories, we do not expect risks of realization of them in an amount lower than their cost. This is also due to the fact that for the coming months, there was a re-planning of the purchase volumes supported by the industrial schedules of the specific area.

As for the debts already incurred, we obtained some re-negotiations in the flow of payments and not anticipated restrictions on the Company's ability to proceed with its payment on the due date. Additionally, we do not have loan agreements with restrictive *Covenants* clauses.

Regarding non-financial assets, to date we have not identified material impacts for the recoverability of the amounts recorded considering the revised estimates of expected future cash flows. Regarding exchange variation, the Company adopts as a practice the realization of export exchange hedge at the time of confirmation of sales orders (when the order enters our backlog), ensuring the business margin. In this line, any devaluation of the exchange implies the recognition of an expense in the Company's income. As the products are delivered and invoiced, the Company captures the benefits of devaluation of the Real in its operating margins. Currently, the Company's foreign exchange exposure is backed by the amount of the order portfolio signed with customers.

The measurement of deferred tax assets and liabilities reflects the tax consequences arising from the manner in which the Company expects to recover or settle its assets and liabilities.

The Company maintains a liquidity scenario and a good cash position – the medium and long-term amortization flow is adequate. Currently, firm orders added to internal fixed cost adjustment measures will allow us to balance for the coming months. In any case, we are taking expenditure and investment containment measures.

To date, the activities present full conditions of continuity of operations.

* * *

1 Composition of the shareholders of Marcopolo S.A. with more than 5% of common and/or preferred shares, up to the individual level, on June 30, 2021:

SHAREHOLDERS	COMMON		PREFERRED		TOTAL	
	QTY.	%	QTY.	%	QTY.	%
Bellpart Participações Ltda	151,954,920	44.48	4,027,352	0.67	155,982,272	16.47
Mauro Gilberto Bellini	7,678,920	2.25	11,551,523	1.91	19,230,443	2.03
James Eduardo Bellini	7,678,920	2.25	14,206,664	2.34	21,885,584	2.32
Paulo Alexander Pacheco Bellini	6,901,160	2.02	5,997,700	0.99	12,898,860	1.36
Controlling Group Subtotal	174,213,920	51.00	35,783,239	5.91	209,997,159	22.18
Alaska Investimentos Ltda	52,301,235	15.31	15,987,931	2.64	68,289,166	7.21
Fund Petrobras Seg Soc Petros	-	0.00	83,291,100	13.76	83,291,100	8.80
T Rowe Price Funds Sicav (overseas)	-	0.00	64,583,596	10.67	64,583,596	6.82
Viviane Maria Pinto Bado	44,963,544	13.16	822,927	0.14	45,786,471	4.84
Actions in treasury	-	0.00	7,252,882	1.20	7,252,882	0.77
Other shareholders overseas (*)	7,287,122	2.13	164,174,088	27.12	171,461,210	18.11
Other shareholders (*)	62,859,923	18.40	233,371,375	38.56	296,231,298	31.27
Subtotal	167,411,824	49.00	569,483,899	94.09	736,895,723	77.82
TOTAL	341,625,744	100.00	605,267,138	100.00	946,892,882	100.00
PROPORTION		36.08		63.92		100.00

* In this item there are no individual shareholders who own more than 5% of common and/or preferred shares.

2 Composition of the capital of Bellpart Participações Ltda. on June 30, 2021:

Table presented in quotas:

QUOTA HOLDERS	QUOTAS		
	QTY.	NOMINAL VALUE	%
James Eduardo Bellini	95,064,957	95,064,957	41.05
Mauro Gilberto Bellini	95,064,957	95,064,957	41.05
Paulo Alexander Pacheco Bellini	41,430,086	41,430,086	17.90
TOTAL	231,560,000	231,560,000	100.00

3 Quantity and characteristics of the securities issued by the company owned by the Controlling Shareholders, Directors, Members of the Fiscal Council and Shares in circulation.

**Consolidated Shareholding Position of the Controllers
and Managers and Shares in circulation.
Position on 06/30/2021**

Table presented in shares:

SHAREHOLDERS	COMMON		PREFERRED		TOTAL	
	QTY.	%	QTY.	%	QTY.	%
Controllers	174,213,920	51.00	35,783,239	5.91	209,997,159	22.18
Relatives of controllers	-	-	-	-	-	-
Administrators	-	-	-	-	-	-
Board of Directors	-	-	-	-	-	-
Executive Board	314,800	0.09	3,545,524	0.59	3,860,324	0.41
Fiscal Board (*)	504,696	0.15	789,396	0.13	1,294,092	0.14
Actions in treasury	-	0.00	7,252,882	1.20	7,252,882	0.77
Other	166,592,328	48.76	557,896,097	92.17	724,488,425	76.51
TOTAL	341,625,744	100.00	605,267,138	100.00	946,892,882	100.00
Shares in Circulation in the Market	166,592,328	48.76	557,896,097	92.17	724,488,425	76.51

* Shares held by a director and a substitute of the fiscal board, elected by the controlling group.

**Consolidated Shareholding Position of the Controllers
and Managers and Shares in circulation.
Position on 06/30/2020**

Table presented in shares:

SHAREHOLDERS	COMMON		PREFERRED		TOTAL	
	QTY.	%	QTY.	%	QTY.	%
Controllers	173,132,720	50.68	19,761,039	3.26	192,893,759	20.37
Relatives of controllers	-	-	-	-	-	-
Administrators	-	-	-	-	-	-
Board of Directors	-	-	-	-	-	-
Executive Board	314,800	0.09	3,304,289	0.55	3,619,089	0.38
Fiscal Board (*)	504,697	0.15	830,415	0.14	1,335,112	0.14
Actions in treasury	-	0.00	7,951,506	1.31	7,951,506	0.84
Other	167,673,527	49.08	573,419,889	94.74	741,093,416	78.27
TOTAL	341,625,744	100.00	605,267,138	100.00	946,892,882	100.00
Shares in Circulation in the Market	167,673,527	49.08	573,419,889	94.74	741,093,416	78.27

* Shares held by a director and a substitute of the fiscal board, elected by the controlling group.

4 The Company is bound to arbitration in the Market Arbitration Chamber, according to the Commitment Clause in its Bylaws.

Report on review of quarterly information

To the Board of directors and Stockholders
Marcopolo S.A.

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of Marcopolo S.A. ("Company"), included in the Quarterly Information Form (ITR) for the quarter ended June 30, 2021, comprising the balance sheet as of June 30, 2021 and the statements of income, and of comprehensive income, for the three-month and six-month periods then ended and the changes in shareholders' equity and cash flows for the six-month period then ended, as well as a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company and consolidated interim accounting information in accordance with the accounting standard CPC 21 – *Interim Financial Reporting*, of the Brazilian Accounting Pronouncements Committee (CPC) and *International Accounting Standard (IAS) 34 - Interim Financial Reporting*, issued by the *International Accounting Standards Board (IASB)*, as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission, (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently did not enable us to obtain assurance that we would become aware of all the significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the interim information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated interim accounting information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 and IAS 34 applicable to the preparation of the Quarterly Information, and presented in accordance with the standards issued by the CVM.

Marcopolo S.A.

Other matters

Statements of value added

The quarterly information referred to above includes the consolidated statements of value added (DVA) for the six-month period ended June 30, 2021. These Statements are the responsibility of the Company's management and are presented as supplementary information under IAS 34. These statements have been subjected to review procedures performed together with the review of the quarterly information, for the purpose of concluding whether they are reconciled with the interim accounting information and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added have not been properly prepared, in all material respects, in accordance with the criteria established in this accounting standard, and consistent with the parent company and consolidated interim accounting information taken as a whole.

Porto Alegre, August 02, 2021

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Carlos Alexandre Peres
Contador CRC 1SP198156/O-7

MARCOPOLO S.A.
CNPJ no. 88.611.835/0001-29
Public Company
NIRE No.43 3 0000723 5

DECLARATION

Messrs. James Eduardo Bellini and José Antonio Valiati, Directors of MARCOPOLO S.A., a company headquartered at Avenida Marcopolo, 280, Planalto District, in the city of Caxias do Sul, RS, registered with the CNPJ under No. 88.611.835/0001-29, pursuant to the provisions of items V and VI of Article 25 of CVM Instruction No. 480 of December 7, 2009, hereby declare that:

- a) They have reviewed, discussed and agreed with the interim accounting information (controlled company and consolidated) of Marcopolo S.A. for the quarter closed on June 30, 2021; and
- b) They have reviewed, discussed and agreed with the opinion stated by PRICEWATERHOUSECOOPERS - Auditores Independentes in the Independent Auditors' Report about the interim accounting information (controlled company and consolidated) of Marcopolo S.A. for the quarter closed on June 30, 2021.

Caxias do Sul, August 02, 2021.

James Eduardo Bellini
Board Member

Jose Antonio Valiati
Board Member and Director of Investor Relations

MARCOPOLO S.A.
CNPJ no. 88.611.835/0001-29
Public Company
NIRE No.43 3 0000723 5

DECLARATION

Messrs. James Eduardo Bellini and José Antonio Valiati, Directors of MARCOPOLO S.A., a company headquartered at Avenida Marcopolo, 280, Planalto District, in the city of Caxias do Sul, RS, registered with the CNPJ under No. 88.611.835/0001-29, pursuant to the provisions of items V and VI of Article 25 of CVM Instruction No. 480 of December 7, 2009, hereby declare that:

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- b) They have reviewed, discussed and agreed with the opinion stated by PRICEWATERHOUSECOOPERS - Auditores Independentes in the Independent Auditors' Report about the interim accounting information (controlled company and consolidated) of Marcopolo S.A. for the quarter closed on June 30, 2021.

Caxias do Sul, August 02, 2021.

James Eduardo Bellini
Board Member

Jose Antonio Valiati
Board Member and Director of Investor Relations