



*WE DO OUR PART
TO KEEP YOUR
LIFE IN MOTION.*

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WE WILL START SOON

4Q | 2021

ri.fras-le.com.br



The meeting is being recorded



Interpretation

To access the simultaneous translation, just click on the "Interpretation" button



Raise Hand



Q&A

Q&A session at the end of the presentation. Questions can be submitted in writing via the "Q&A" button or via audio by showing interest via the "Raise your hand" icon.

- *Any statements that may be made during this videoconference, relating to the business prospects, projections and operating/financial goals of the Company, express beliefs and assumptions of Fras-le's Management, as well as information currently available to the Company. Forward-looking statements are not guarantees of performance and involve risks, uncertainties and assumptions, as they refer to future events and, therefore, depend on circumstances that may or may not occur.*
- *Investors should understand that general economic conditions, industry conditions and other operating factors may affect the Company's future results, and may lead to results that differ materially from those expressed in such forward-looking statements.*



SÉRGIO DE CARVALHO

President and CEO of Fras-le, Executive VP and CEO of Randon Companies



ANDERSON PONTALTI

General Director



HEMERSON DE SOUZA

Business and M&A Director, and IR Officer

RESULTS



- 4Q21 remained strong in terms of demand and in the performance / operating indicators:
 - Record Net Revenue for the year – R\$ 685.1 million (15.1% higher than 4Q20);
- Year 2021 with unprecedented results and indicators in the history of the company:
 - Systematic pace of operations (plants, warehouses, offices and Back office);
 - Sustainable and systematic growth, including increased share in current customers;
- Provisions, adjustments and commitments affect the perception of the quality of results in the quarter. Clean result (adjusted) is compatible with 4Q seasonality;

MARKETS, CUSTOMERS AND OPERATIONS



- Customers inventory levels reduced the euphoria of order entry – especially in the light line;
- Nione: Launch of the first product;
- Growing demand in foreign markets due to logistical and supply difficulties in China;
- Synergies with Nakata in full motion;



APIMEC IBRI AWARD

Investor Relations Officer – Hemerson de Souza, was among the five most voted in the Best IR Professional – Small/Middle Cap category in an award promoted by APIMEC Brasil and IBRI.

2021 QUALITY AWARD

For the 3rd consecutive year, Fras-le held one of the best-rated Apimec meetings of 2021. Once again, being among the best-rated demonstrates our commitment to transparency with analysts, investors and the market in general.





Environmental
Social and
Governance



Covid-19

Values promoted: health, safety and well-being of employees.



Partnership with Eureciclo

Company engaged in tracking the recycling chain and creating value for the agents involved in the process, promoting environmental compensation actions.

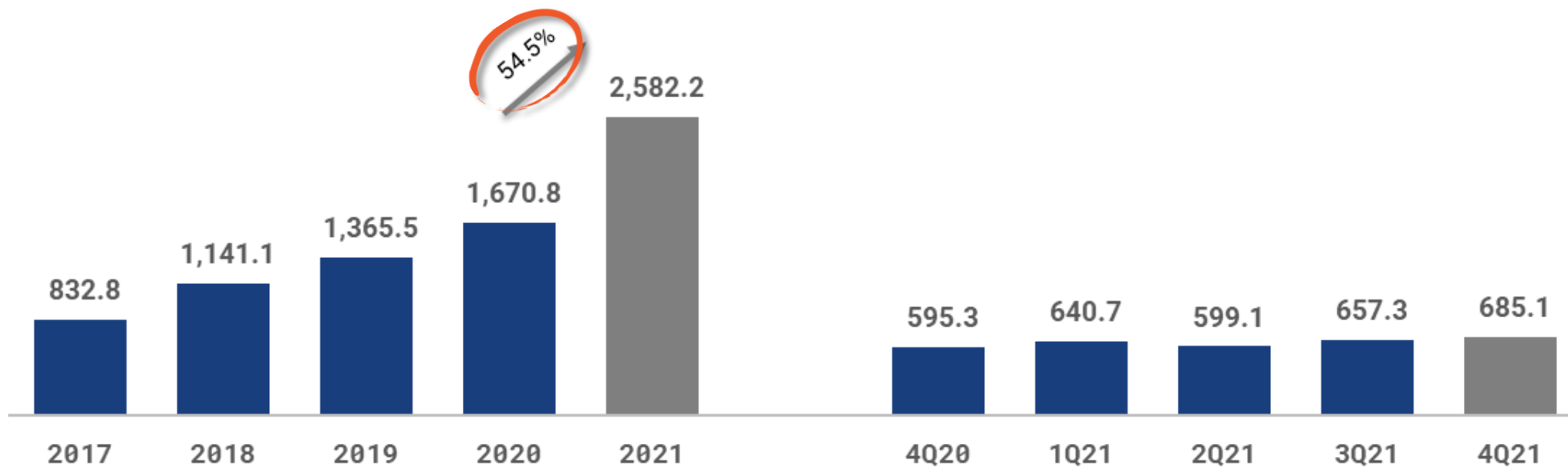


Nanotechnology

Nione introduced its first product: a pre-mix with niobium oxide nanoparticles, which will serve as a base for application in protective coatings.

NET REVENUE_

R\$ Million

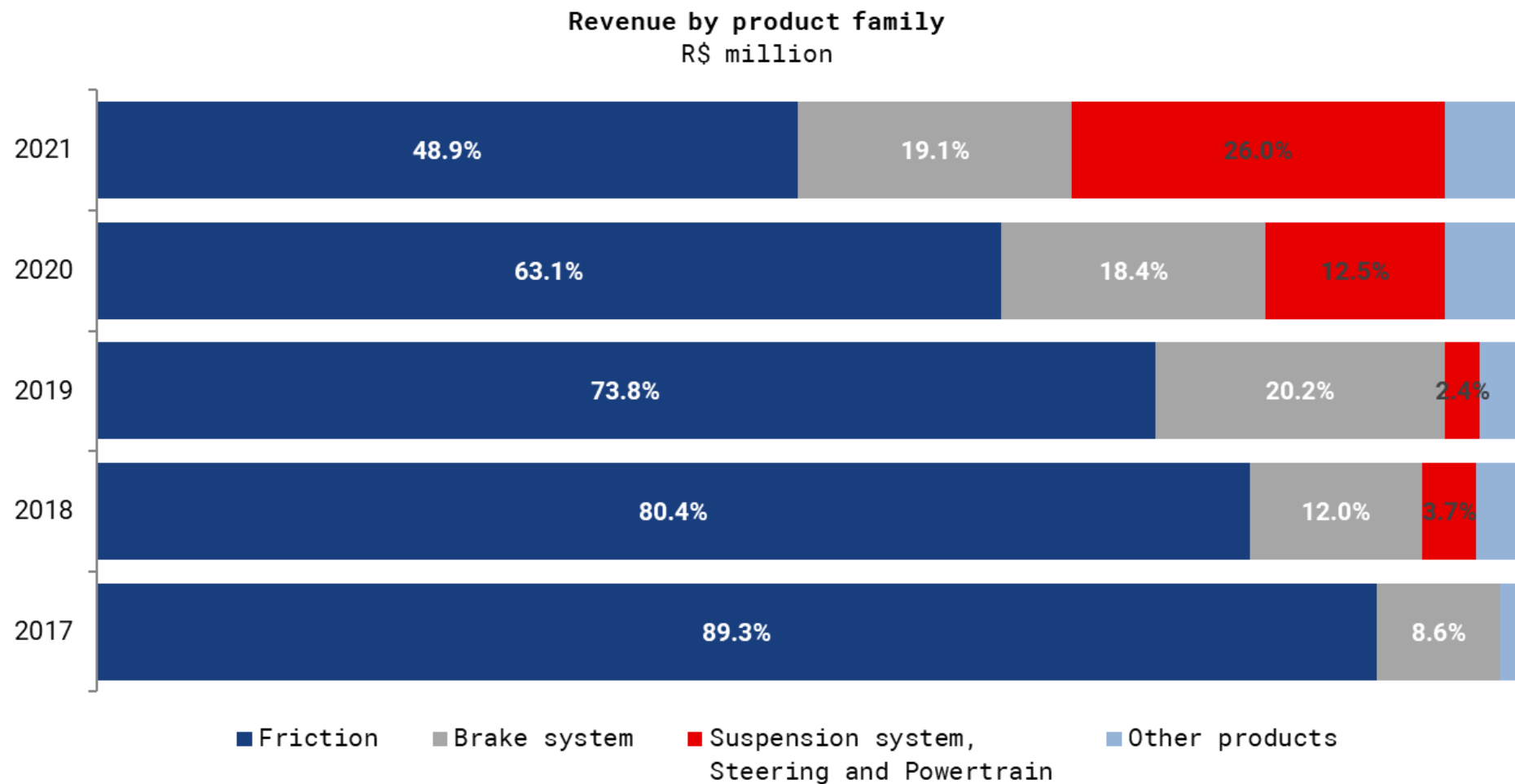


REVENUE BY PRODUCT FAMILY_

% / net revenue



A new Fras-le



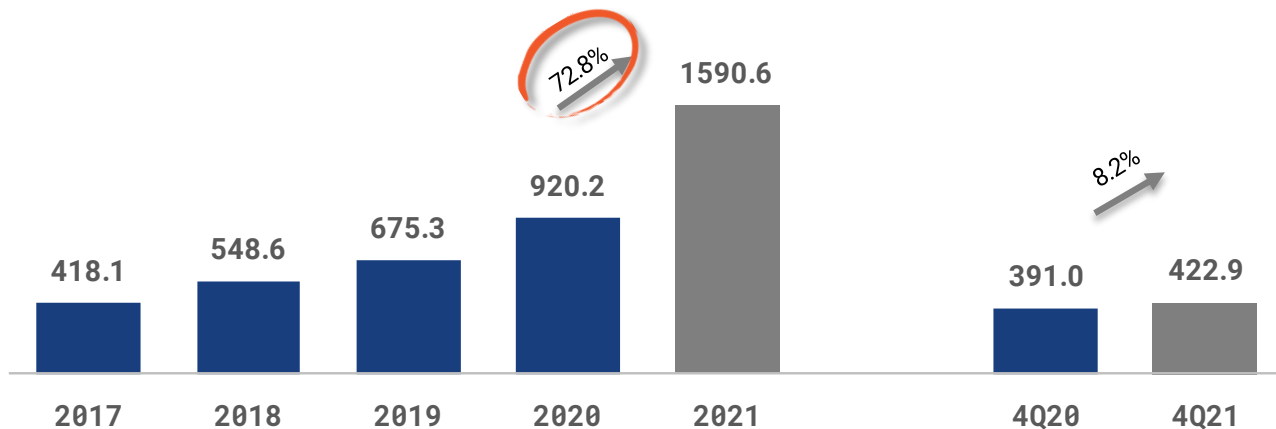
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MARKETS_

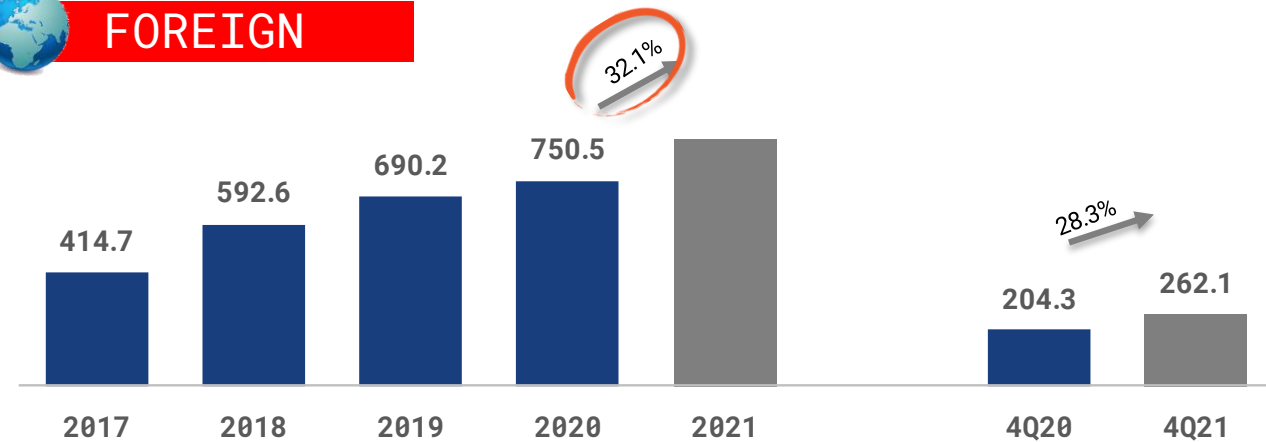
Net Revenue | R\$ Million



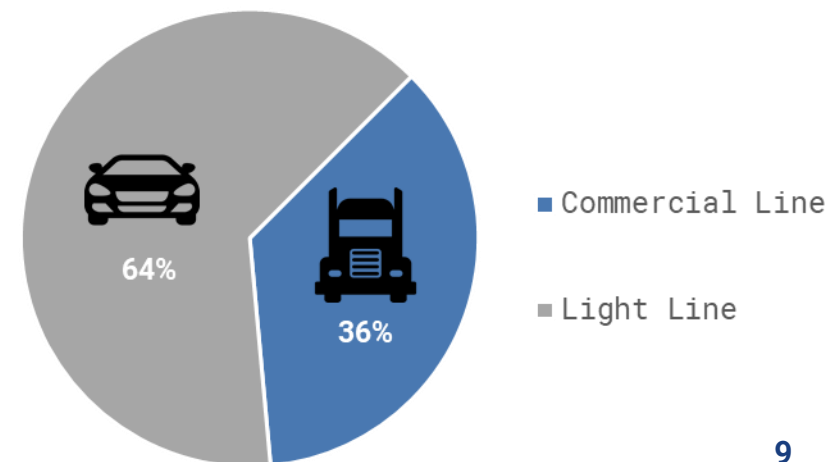
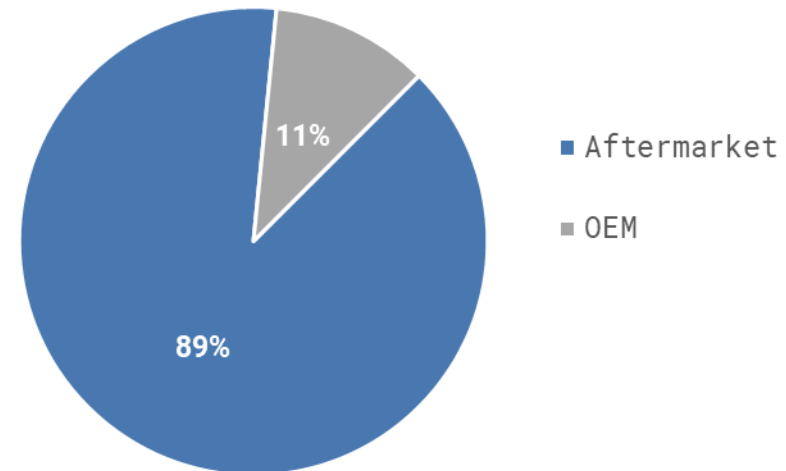
DOMESTIC



FOREIGN



MARKETS



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The acquisitions required adjustments that impacted the company's accounting result, especially in the 4Q21:

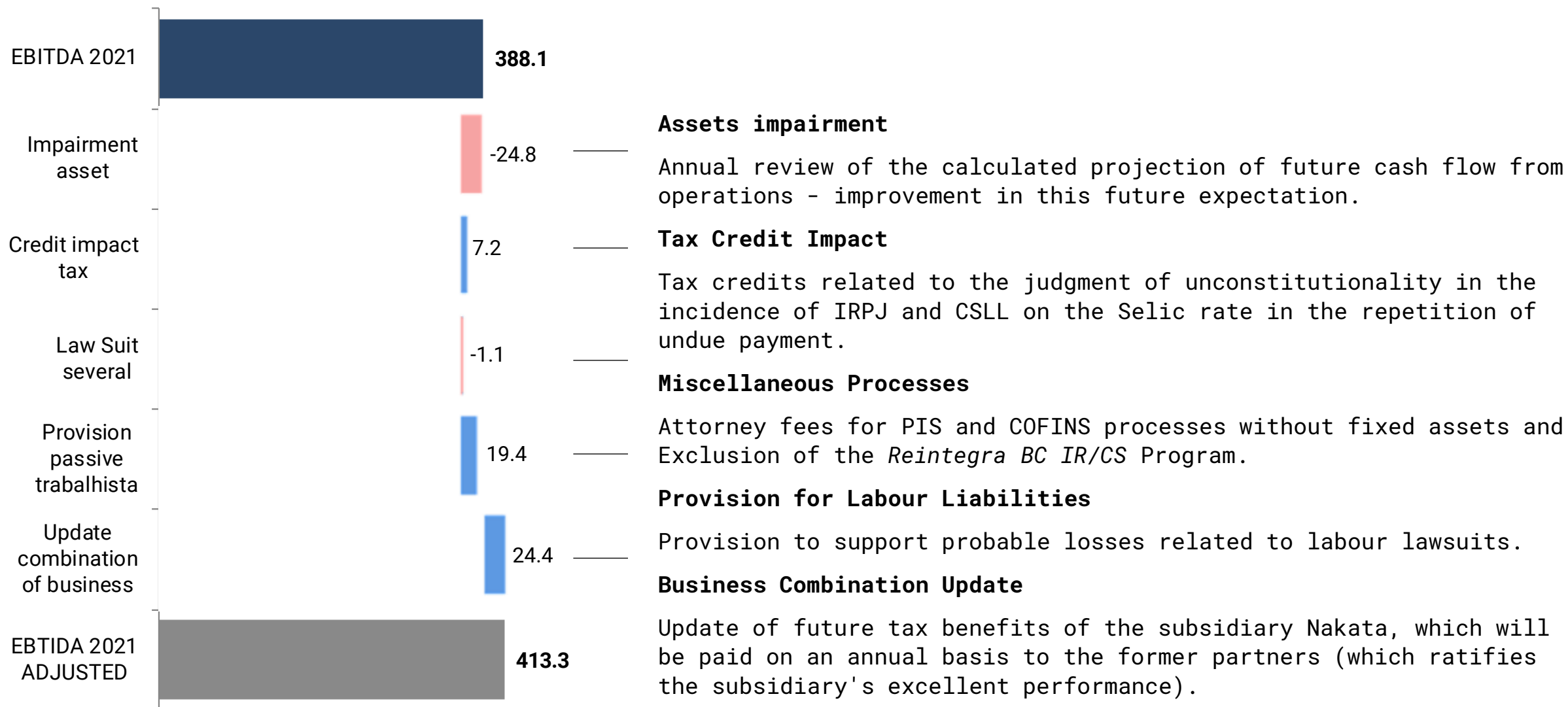
- Surplus value;
- impairment;
- Price commitments and adjustments (earn-outs, taxes...)
- Others ...

In 4Q21, we identified a commitment (discount) with a customer that was not adjusted throughout the year:

- Previous quarters benefited from it;
- The entire adjustment was recorded in 4Q21 – provision of R\$ 30.5 million.

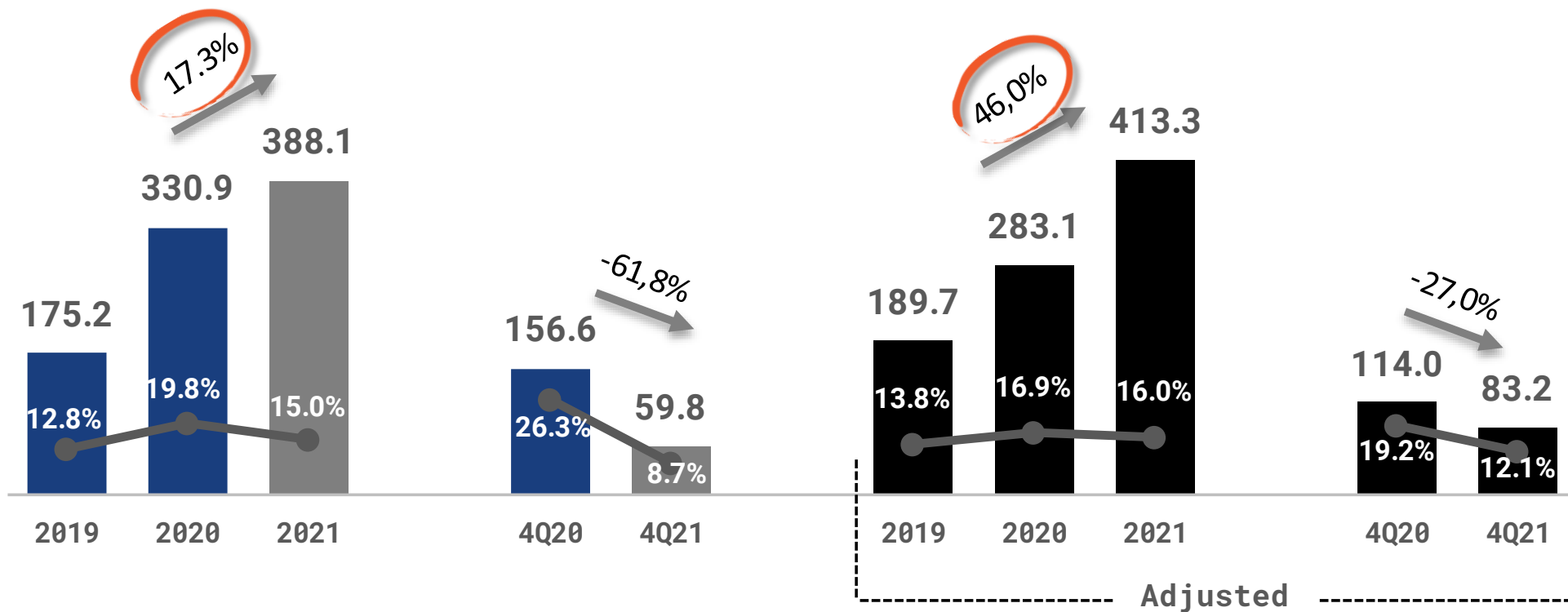
ONE-OFF EFFECTS_

R\$ Million



EBITDA_

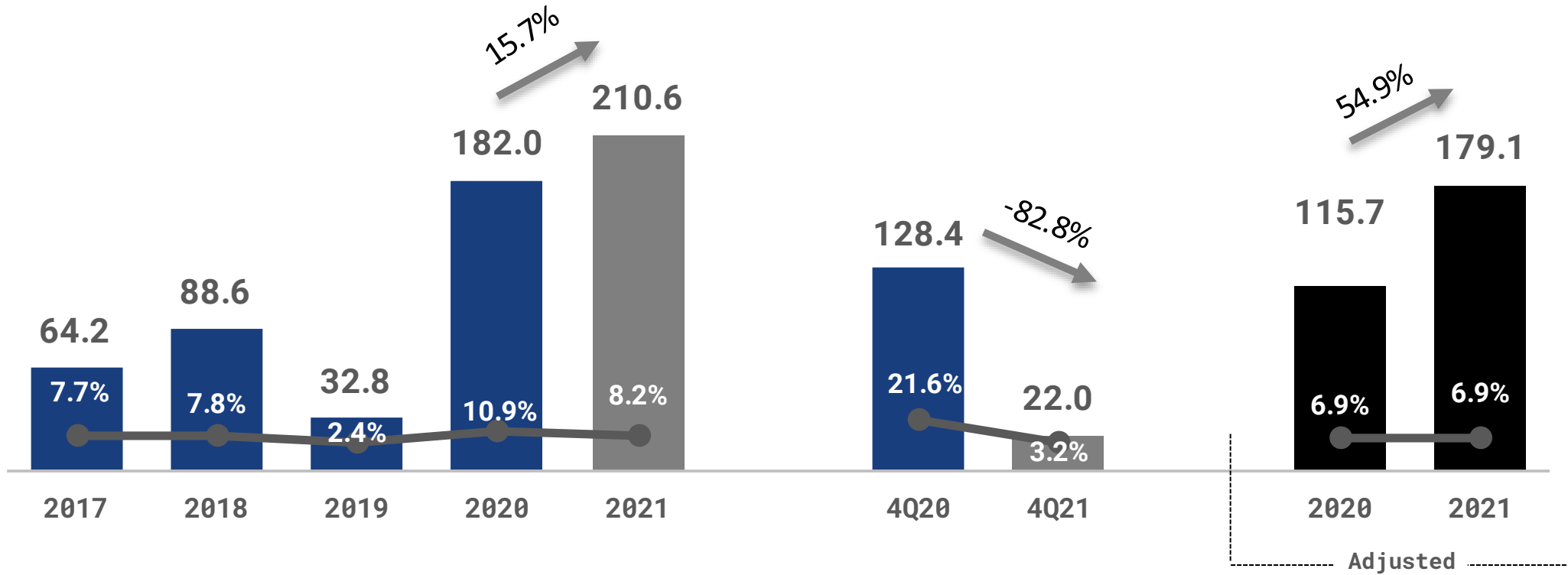
R\$ Million



4Q20 benefited from the net impact of R\$ 70.7 million (gains from tax proceedings, which totalled R\$ 93.4 million in 2020).

NET RESULT_

R\$ Million



Tax credits positively impacted net income by R\$ 66.4 million in 2020, while in 2021 this impact was R\$31.5 million.

Integration Overview


NÃO ESTRUTURANTES





International Expansion 




Sourcing 



Spend 



Tax 



Industrial 



Requirements Manual 

ESTRUTURANTES



Logistics 



People & culture 



Commercial 



Systemic Integration 



Organizational Change Management (OCMO) 

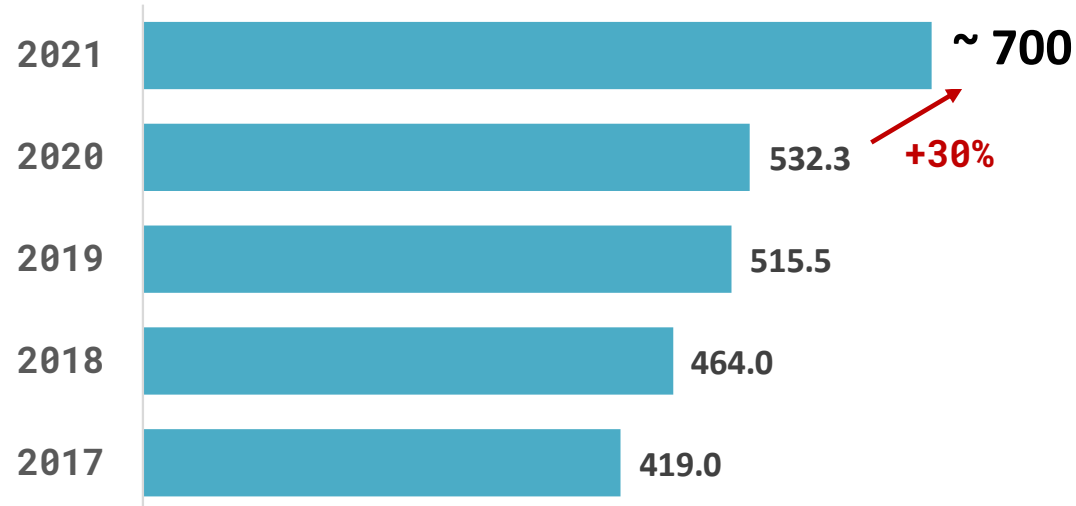
Sourcing, spend, tax and industrial initiatives already add up to R\$ 16 mm/year in synergies.

NAKATA INEGGRATION_

R\$ Million



Net Revenue Nakata



Acquisition Estimate: Synergies between R\$ 90 and R\$ 100 million in EBITDA added up in the first 5 Years after acquisition.

Initial results have already far exceeded the estimate for the first Years.

Structuring sources in full execution (plant, logistics, commercial area).

SYNERGIES IMPLEMENTED

Purchasing and Supplies

Purchase optimization of direct and indirect materials.

(1s year: R\$ 1.1 MM | 2nd year: R\$ 10.0 MM | 5th year : R\$ 50)

Logistical and Industrial Fotprint

Consolidation of Nakata's logistics and industrial operations in Extrema-MG, and partial logistics operations of other companies in Fras-le group.

(Substantial synergies that should endorse results still in 2022)

Revenue Increase

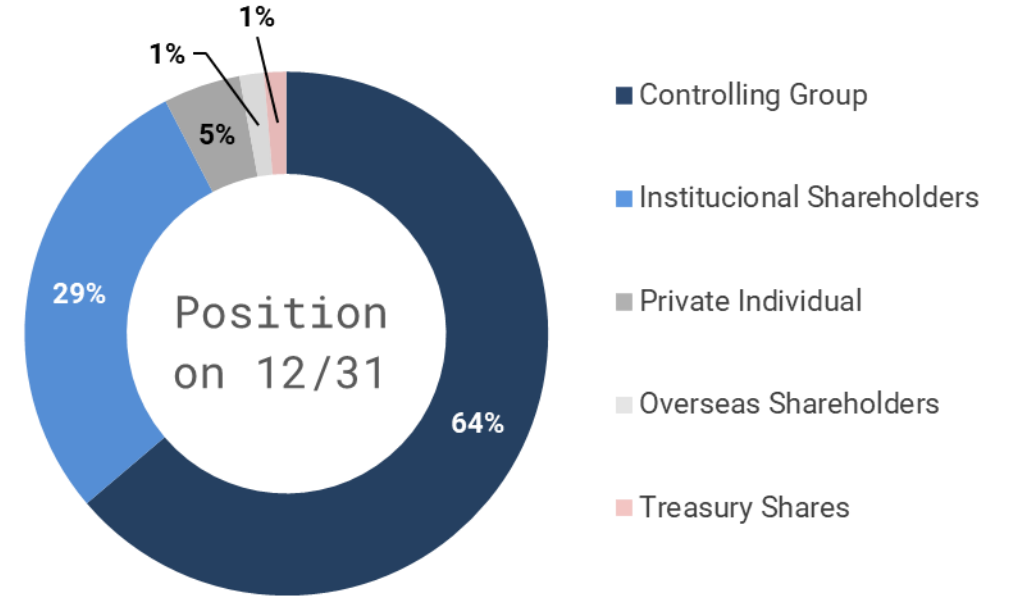
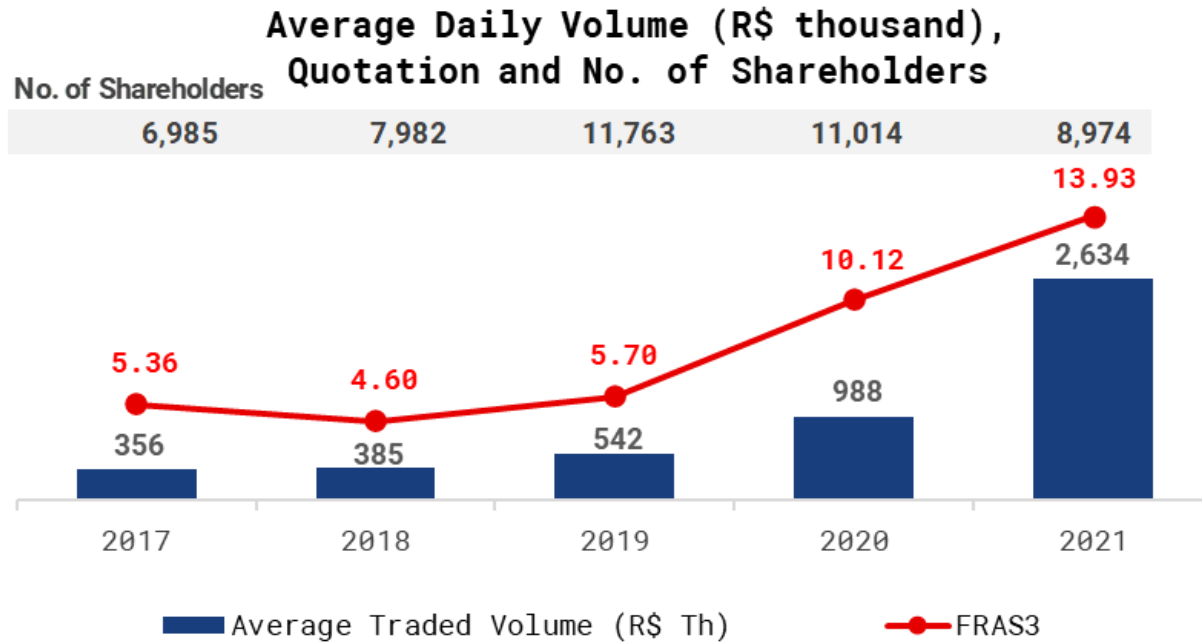
Increased sales of Nakata products to Latin America using the structure of Fras-le Group.

(1st year: R\$ 1.5 MM | 2nd year: R\$ 3.0 MM | 5th year: great expectation)

General and Others

Consolidation of some key positions, renegotiation of several contracts, optmization og structures in fairs and events, among others.

(1st year: R\$ 0.5 MM | 2nd year: R\$ 1,. MM | 5th year: R\$ 10.0 MM)



Guidance		
Drivers	2021	Forecast 2021
Total Gross Revenue ¹	R\$ 3.6 billion	R\$ 3.4 billion
Consolidated Net Revenue	R\$ 2.6 billion	R\$ 2.4 billion
Foreign Revenue ²	US\$ 184 million	US\$ 170 million
Imports	US\$ 120 million	US\$ 100 million
Investments	R\$ 116 million	R\$ 106 million

1 (Without exclusions Intercompany)

2 (Exports out of Brazil + Operations abroad)

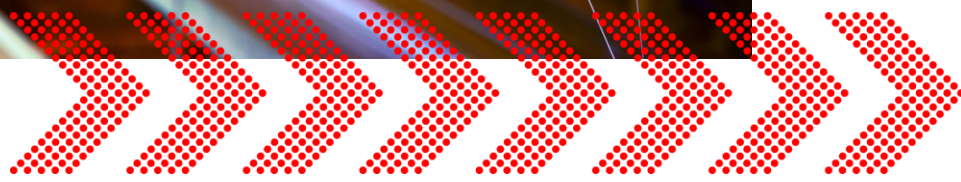
	2022 Guidance
Consolidated Net revenue	R\$ 2.7 ≤ X ≤ R\$ 3.0 billion
Foreign Market Revenues ¹	US\$ 190 ≤ X ≤ US\$ 210 million
EBITDA Margin	14% ≤ X ≤ 16%
Investments²	R\$ 90 ≤ X ≤ R\$ 120 million

¹ Value relative to all exports out of Brazil and those generated by our operations abroad, net of intercompany operations.

² Value relative to organic investments.



- (+) Demand for products continues strong, especially in exports;
- (+) Opportunities for expansion in Nakata lines (exports);
- (+) New fronts of integration and synergies with Nakata;
- (+) Advances in vaccination | improvement in the pandemic;
- (-) Inflation still rising and present – impact on families` income and on demand;
- (-) Cv-19 Omicron and the specific effects on operations;
- (-) Logistics costs.



Q&A



Raise Hand

Por áudio

Demonstrando o interesse através do ícone “Levantar a mão” ou *6 se estiver conectado via telefone.

By audio

Showing interest by using the “Raise hand” icon or *6 if connected via telephone.



Q&A

Por escrito

As perguntas podem ser enviadas por escrito através do botão “Q&A” .

In writing

Questions can be submitted in writing via the “Q&A” button.



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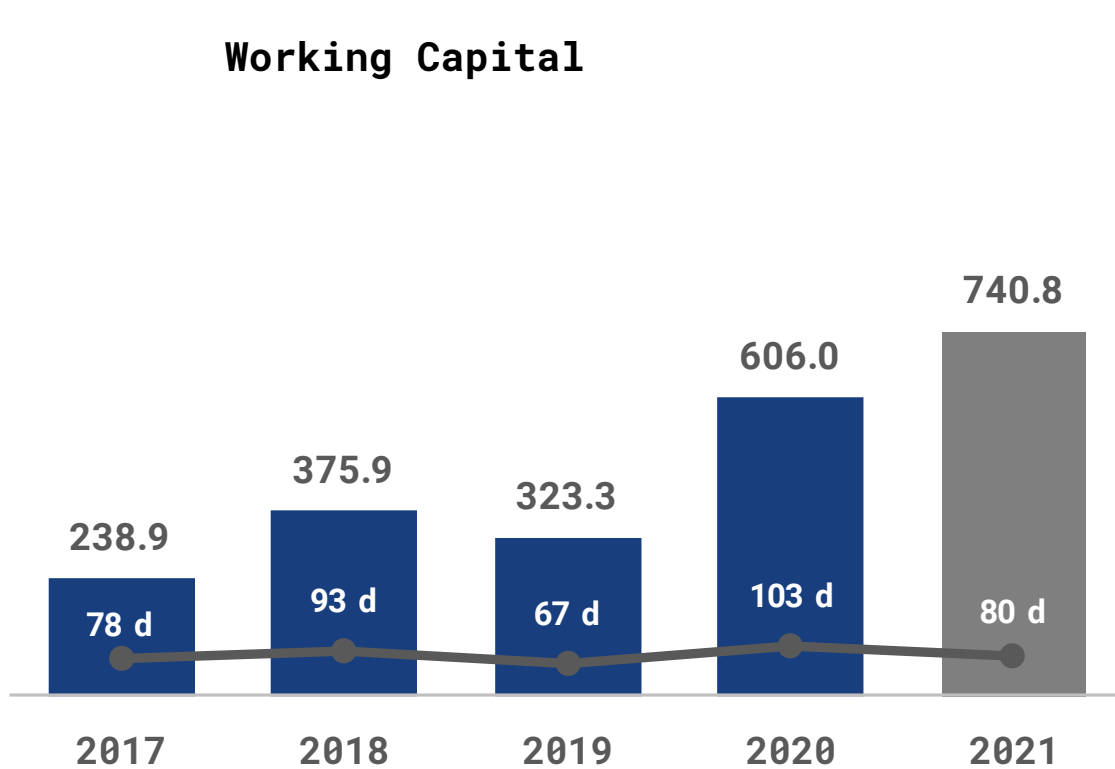
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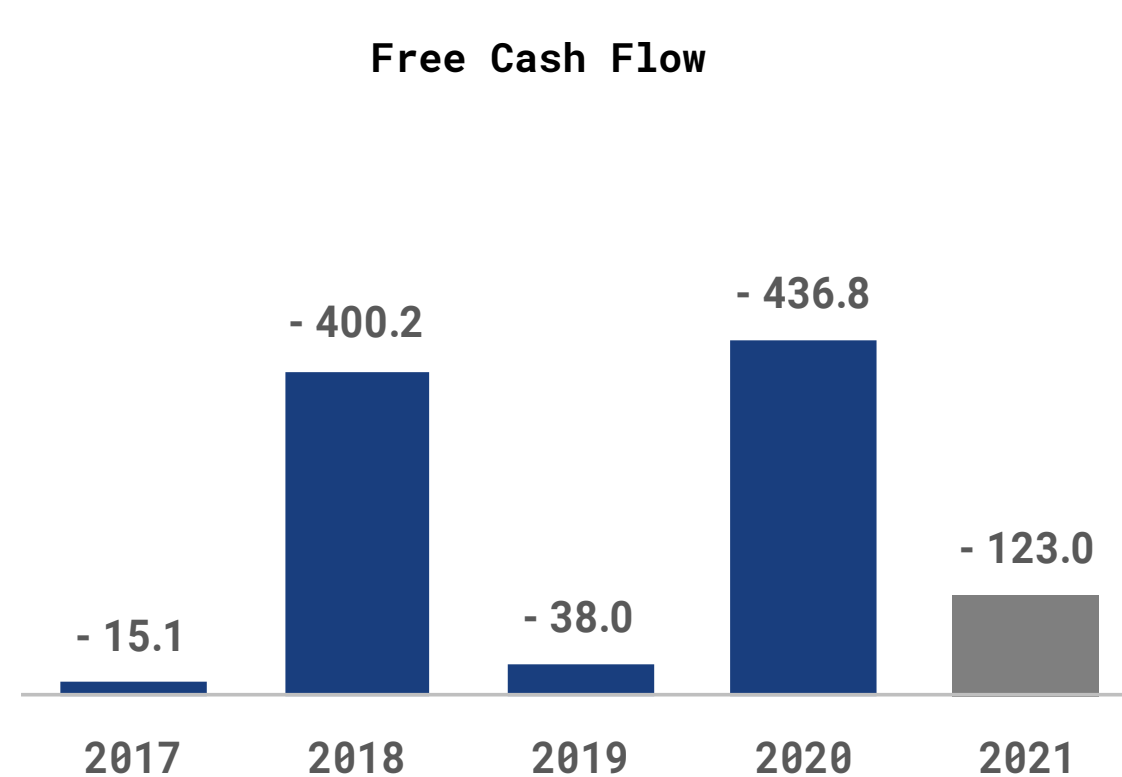
ATTACHMENTS



Working Capital



Free Cash Flow



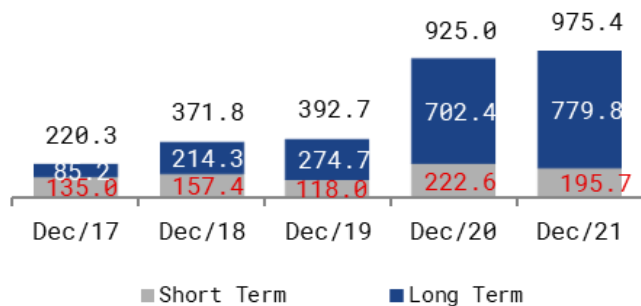
The strategy of purchasing raw material in advance, in response to inflation, helped form inventories.

FINANCIAL RESULT_

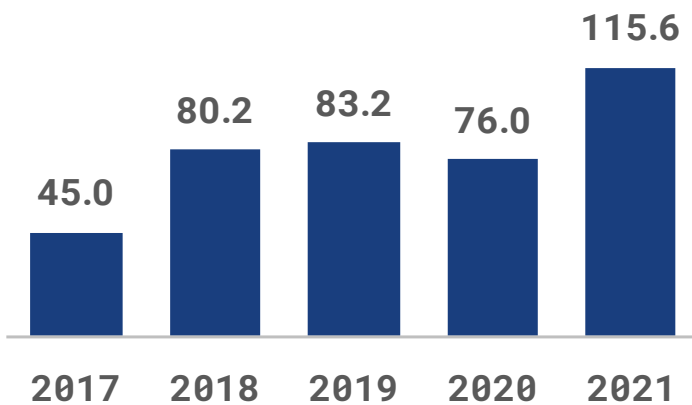
R\$ Million



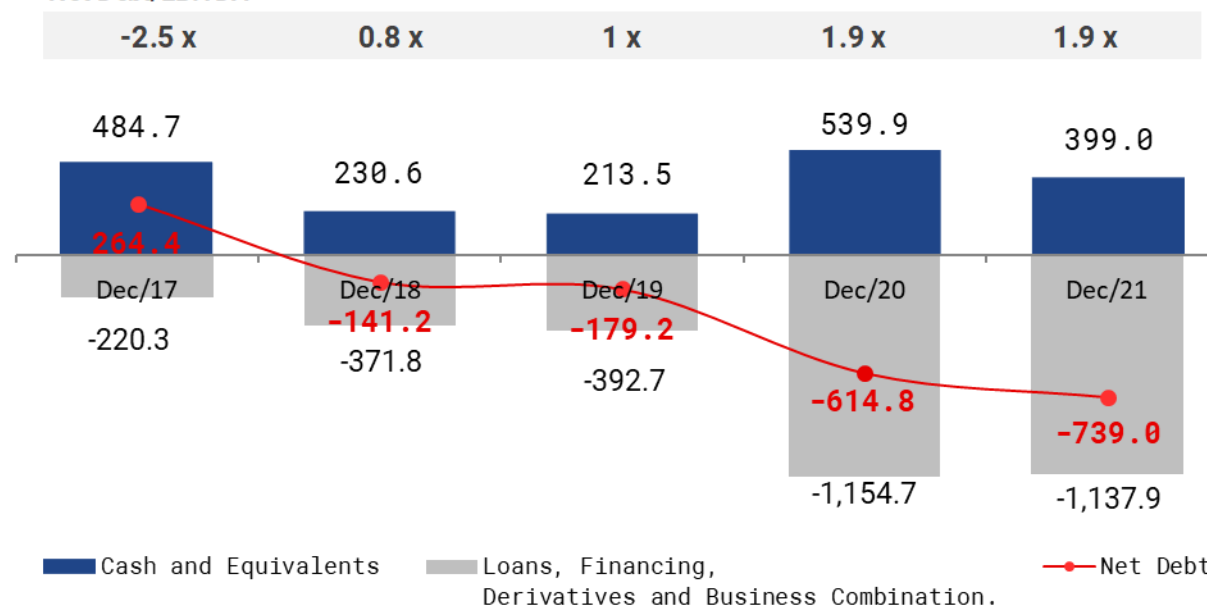
Loans, financing and derivatives



Capex



Net Debt/EBITDA





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