



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

[RI.FRAS-LE.COM.BR](http://RI.FRAS-LE.COM.BR)

INFORMATION



# WELCOME

## IMPORTANT INFORMATIONS



The meeting is being recorded.



To access simultaneous translation, simply change the language in the upper right corner.



Q&A session at the end of the presentation. Questions can be submitted in writing by filling in the fields below the transmission screen.

Any statements that may be made during this videoconference, relating to the company's business prospects, projections and operating and financial goals, constitute 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. These 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 could lead to results that differ materially from those expressed in such forward-looking statements

# Fras-le: Business, 3Q21 Results & ESG

Hemerson de Souza | Business and M&A  
Director and IR Officer



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

◇ RI.FRAS-LE.COM.BR





# FRAS

**B3 LISTED N1**

1971

IPO

100%

TAG ALONG

R\$ 3,1  
BILLION

MARKET CAP

35%

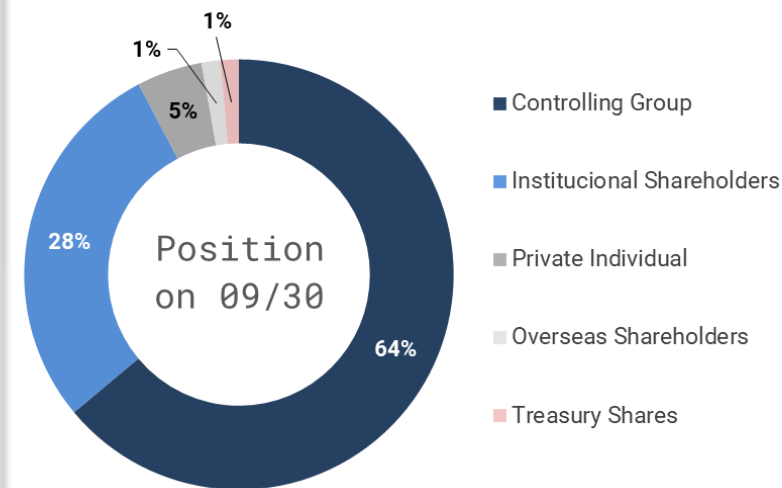
FREE FLOAT

## SHAREHOLDING STRUCTURE

Randon S.A. Impl.e Participações	51.2%
PREVI - Previdência Func.B.Brasil	12.4%
Dramd Participacoes e Adm.	12.4%
TPE Gestora de Recursos Ltda	6.5%
Treasury Shares	1.4%
Other shareholders	16.2%

**Total Shares (Common):  
217.566.343**

## SHAREHOLDERS` COMPOSITION





# FRAS-LE

A RANDON COMPANY

Empresas



## Far beyond a controlling group.

Being part of Randon Companies allows Fras-le to achieve synergies, reach markets and offer advantages in various areas of its operation, which qualify results and value its entire chain of stakeholders.



FRAS-LE DIFFERENTIATES ITSELF FROM ITS PEERS FOR BEING FOCUSED ON SERVICES, TRADE AND MANUFACTURING OF PARTS AND SYSTEMS FOR AUTOMOTIVE APPLICATION IN BRAND-NEW VEHICLES AND IN REPAIRING VEHICLES IN OPERATION, REPRESENTED BY ICONIC BRANDS IN ITS MARKETS.



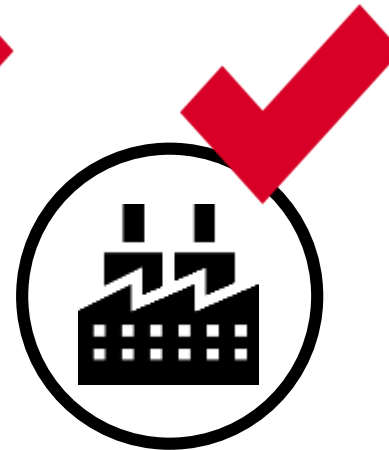
AUTOMOTIVE



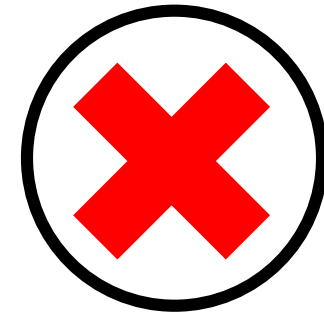
RETAIL AND  
SERVICE



HOUSE OF  
BRANDS



INDUSTRY



CAPITAL  
GOODS

FRAS-LE

BRANDS



## Iconic and desired Brands

---



***FREMAX***



***NAKATA***<sup>®</sup>







## COMPLETE PORTFOLIO OF PARTS AND SOLUTIONS

LIGHT VEHICLES | COMMERCIAL VEHICLES | MOTORCYCLES  
BRAKING | SUSPENSION | POWERTRAIN | STEERING

## FRICITION Commercial Line

>3.100 SKUs - 99%



## FRICITION Light Line

>1200 SKUs - 97%



## BRAKE ACTION

>700 SKUs - 65%



## BRAKE DISCS

>1.900 SKUs - 98%



## SHOCK ABSORBERS

>900 SKUs - 90%



## MOTORCYCLES

>100 SKUs - 81%



## SUSPENSION AND STEERING

>1.200 SKUs - 76%



Total :  
**>12,000** SKUs

Present in more than **125**  
**COUNTRIES**

Throughout  
**5 CONTINENTS**

Fras-le Employees (Brazil and abroad) and  
subsidiaries  
**+5.200**

Net Revenue 9M2021

**R\$ 1.9 bi**

- ▶ **67** YEARS OF HISTORY
- ▶ **10** MANUFACTURING UNITS
- ▶ **13** INTERNATIONAL OPERATIONS
- ▶ **5** WAREHOUSES



## FOOTPRINT

### FRAS-LE

Caxias do Sul | RS



### CONTROIL

São Leopoldo | RS



### JURID

Sorocaba | SP



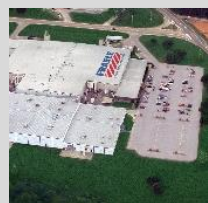
### FREMAX

Joinvile | SC



### NAKATA

Extrema | MG



Alabama



Detroit



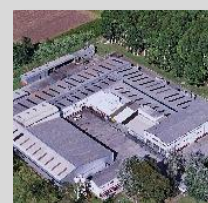
Holanda



Alemanha



Argentina



Uruguai



China



Índia



Colômbia

# R\$ 1.9bi

Ebitda R\$ 328,3 mi / 17.3%

Net Income R\$ 188,6 / 9.9%

~88%

AFTERMARKET

~40%

OVERSEAS

~50%

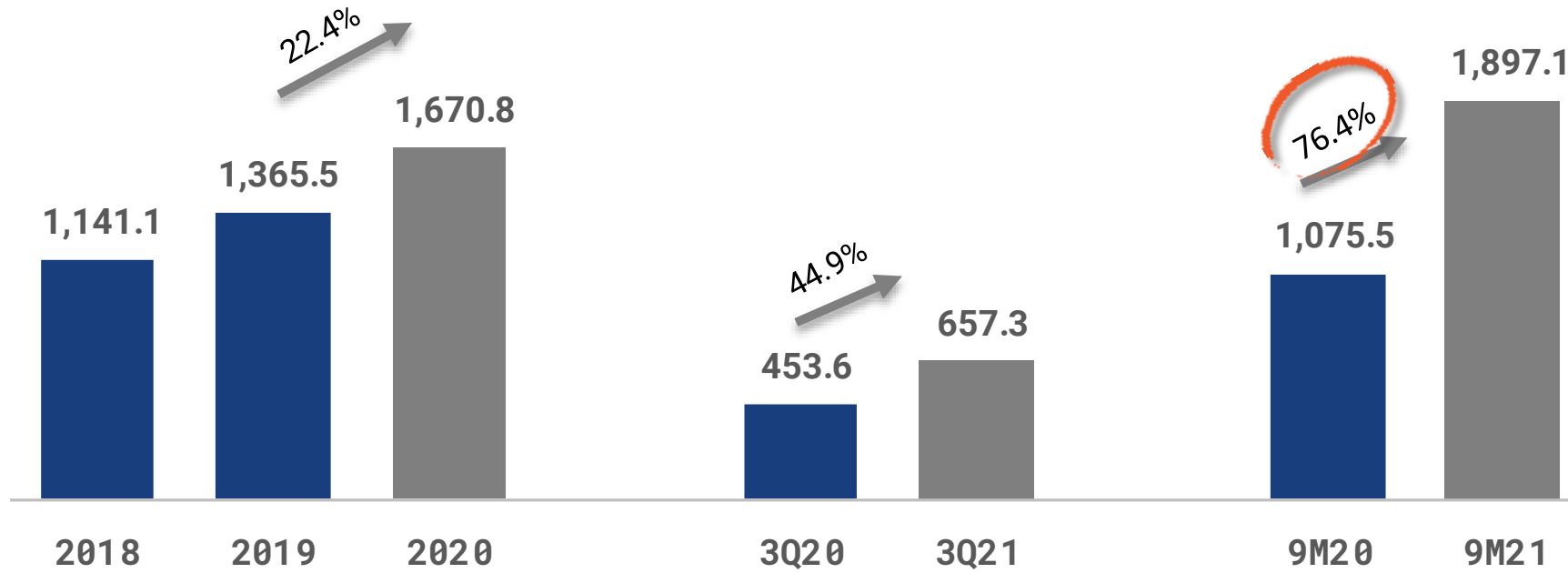
FRICTION

~60%

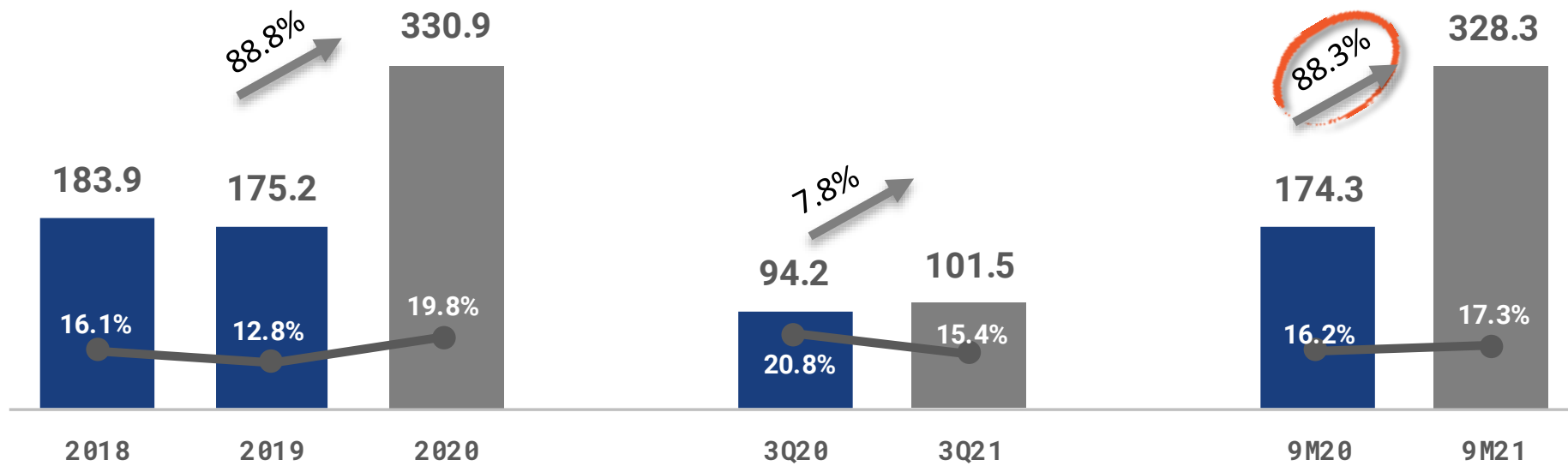
LIGHT LINE

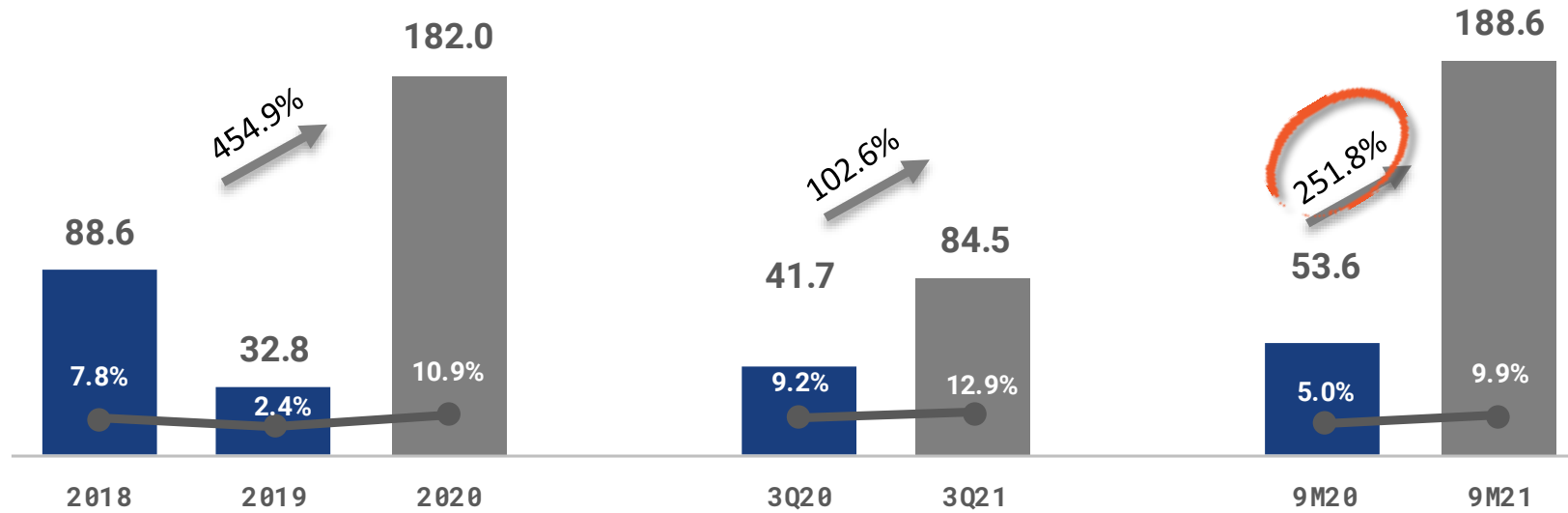
~30%

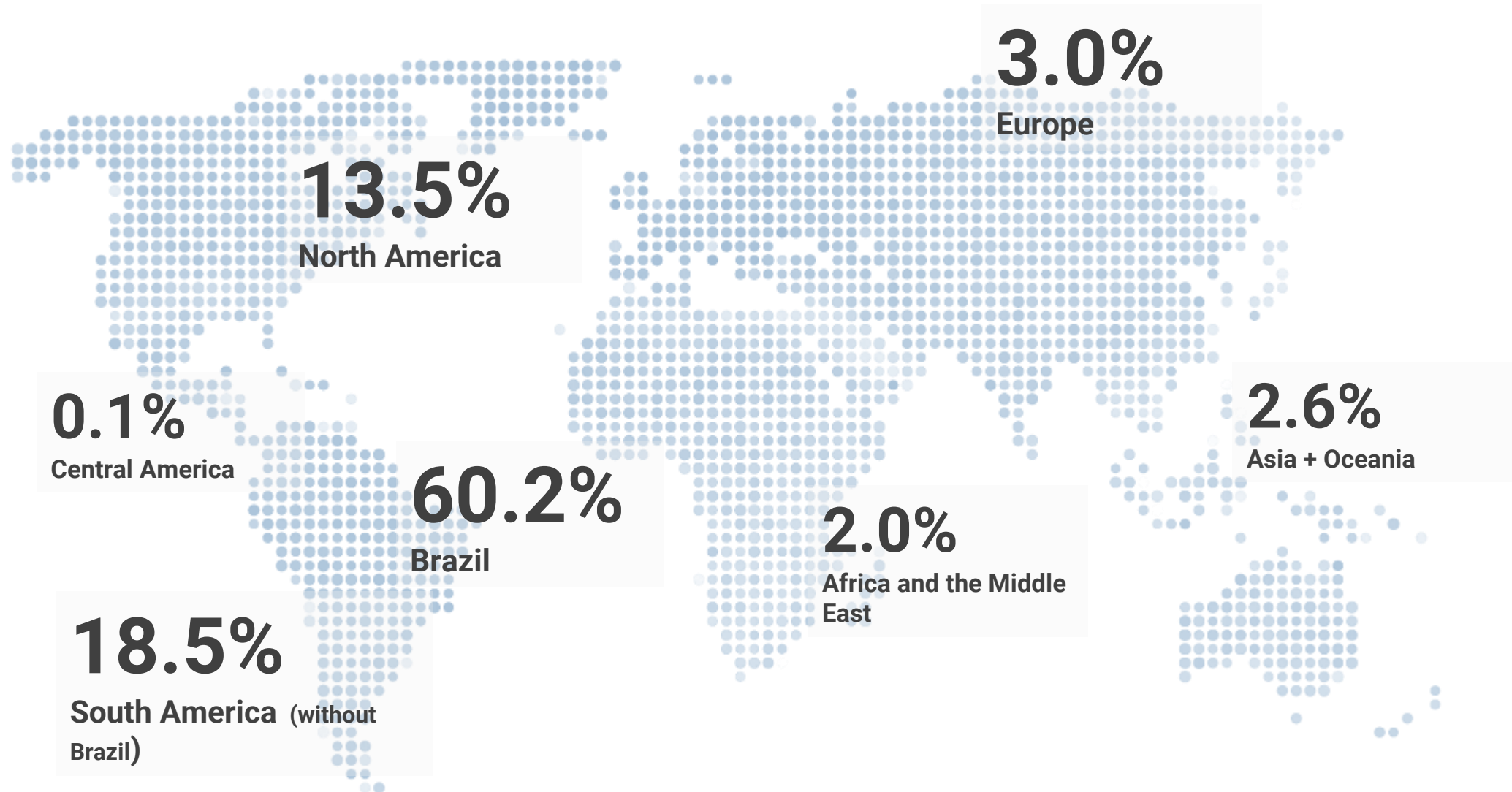
OUTSOURCED













## Taking care of our people, it is also part of it!

Fras-le supports numerous social programs along with Randon Companies and coordinated by Elisabetha Randon Institute





### Taking care of ur planet ! It is also part of it!

- Fras-le has in place a policy of respect for the environment, through projects and programs that minimize possible impacts on nature, promoting sustainable growth.



#### Effluent Treatment System

Throughout 2021, approximately **54 million liters of effluents** were treated at the Company, 40% of which were reused.



#### Waste Managing Program

In 2021 more than **9,300 tons of waste** were sent for treatment, namely: 64% for recycling, 15% for co-processing and the rest was treated according to the waste classification and composition.



#### Pro-Environment Program

The Pro-Environment Program consists of collecting and disposing of friction materials after use by the market. In 2021, around 682 tons of brake linings discarded by more than 367 customers were correctly collected and disposed of.

Sustainability, it is definitely a great part of it!

We are proud to report, since we started to report, long time ago, our initiatives and the advances in sustainability.



Sustainability Report



Double the number of women in leadership positions by 2025



Zero serious accidents.



Increase the consolidated annual net revenue generated by new products.

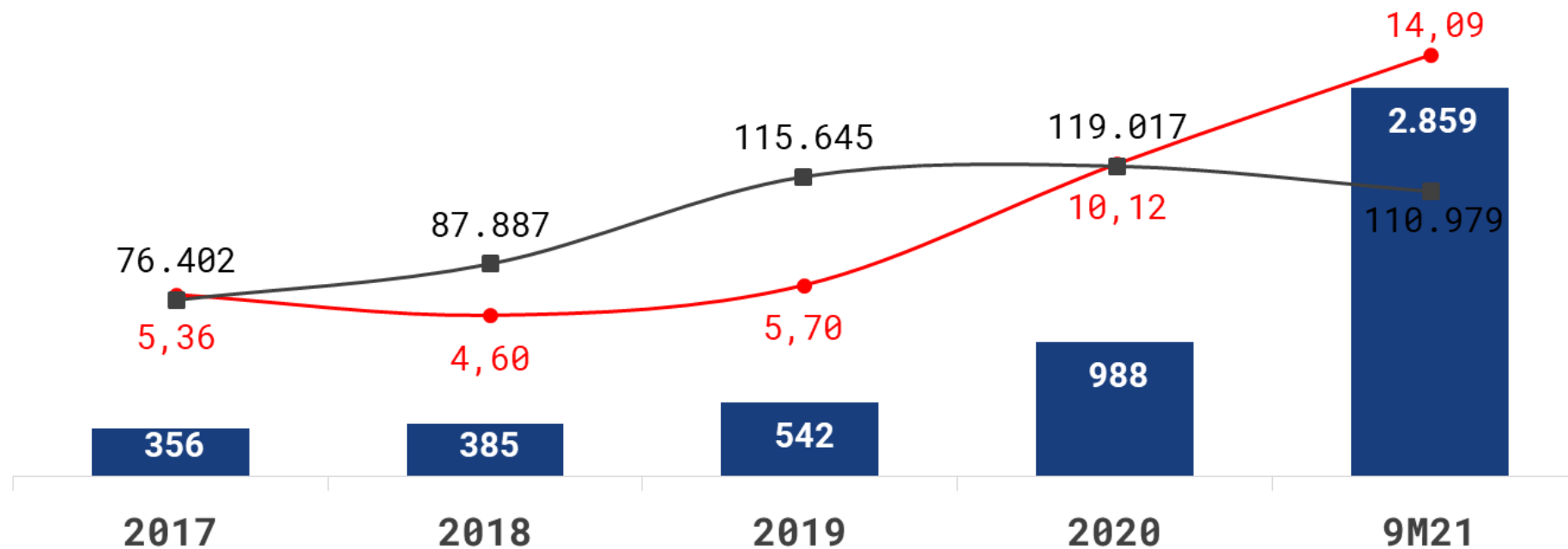


Reduce 40% of greenhouse gas emissions by 2030.



Zero waste disposal in industrial landfills and release of effluents by 2025.





● FRAS3 ■ Ibovespa ■ Average Daily Volume (BRL Thousand)



# Market Relationship

Paulo Gomes | Commercial Director - Aftermarket



WE DO OUR PART  
TO KEEP YOUR  
LIFE IN MOTION.

RI.FRAS-LE.COM.BR

# FRAS-LE AFTERMARKET - BRAZIL



**16 REGIONAL OFFICES**



**+1100 SALES INQUIRIES/  
CUSTOMER SERVICE**



**+400 BUSINESS GROUPS**

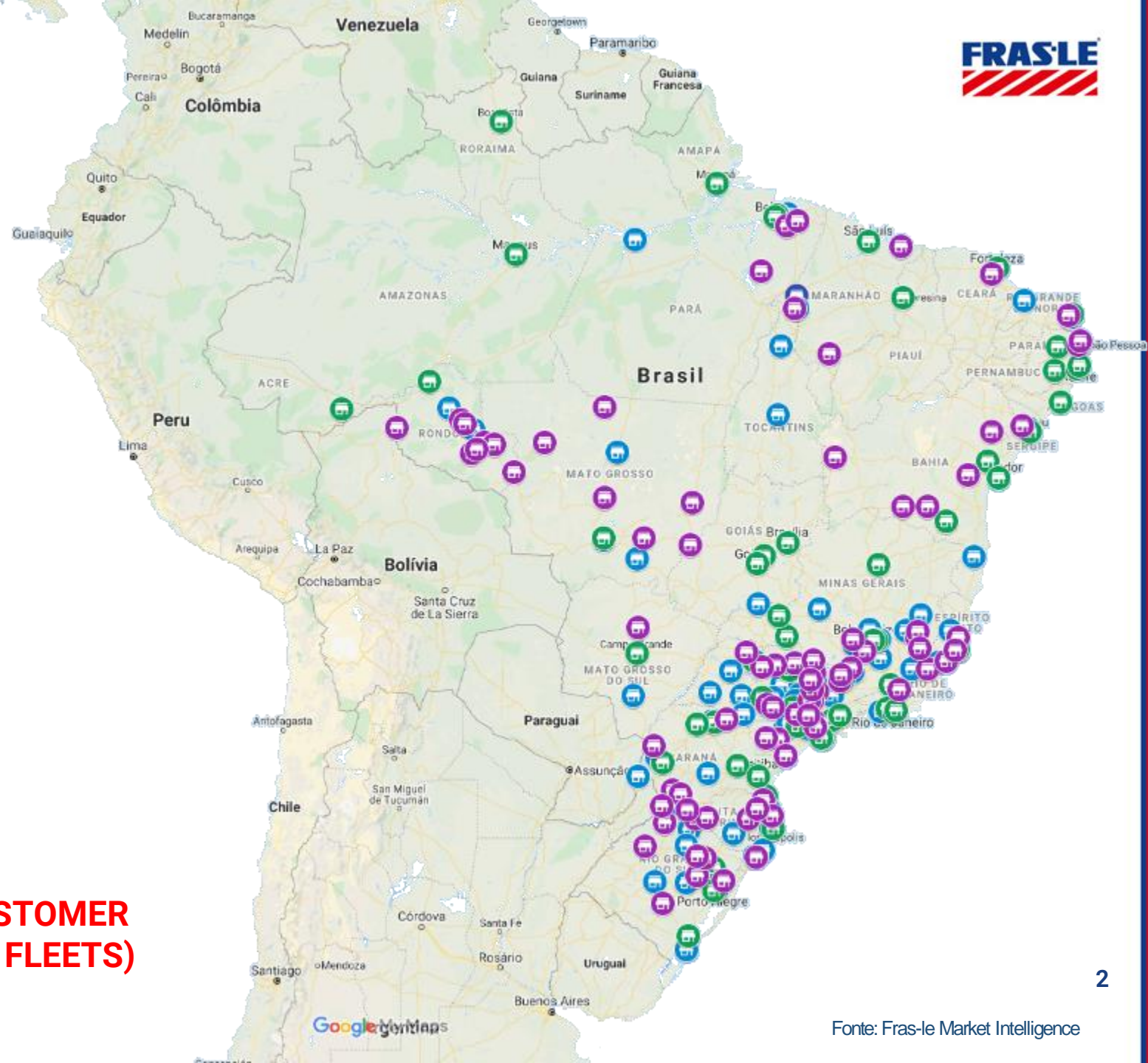


**+ 1,300 DIRECT SALES POINTS**

**+ 50,000 INDIRECT SALES POINTS**



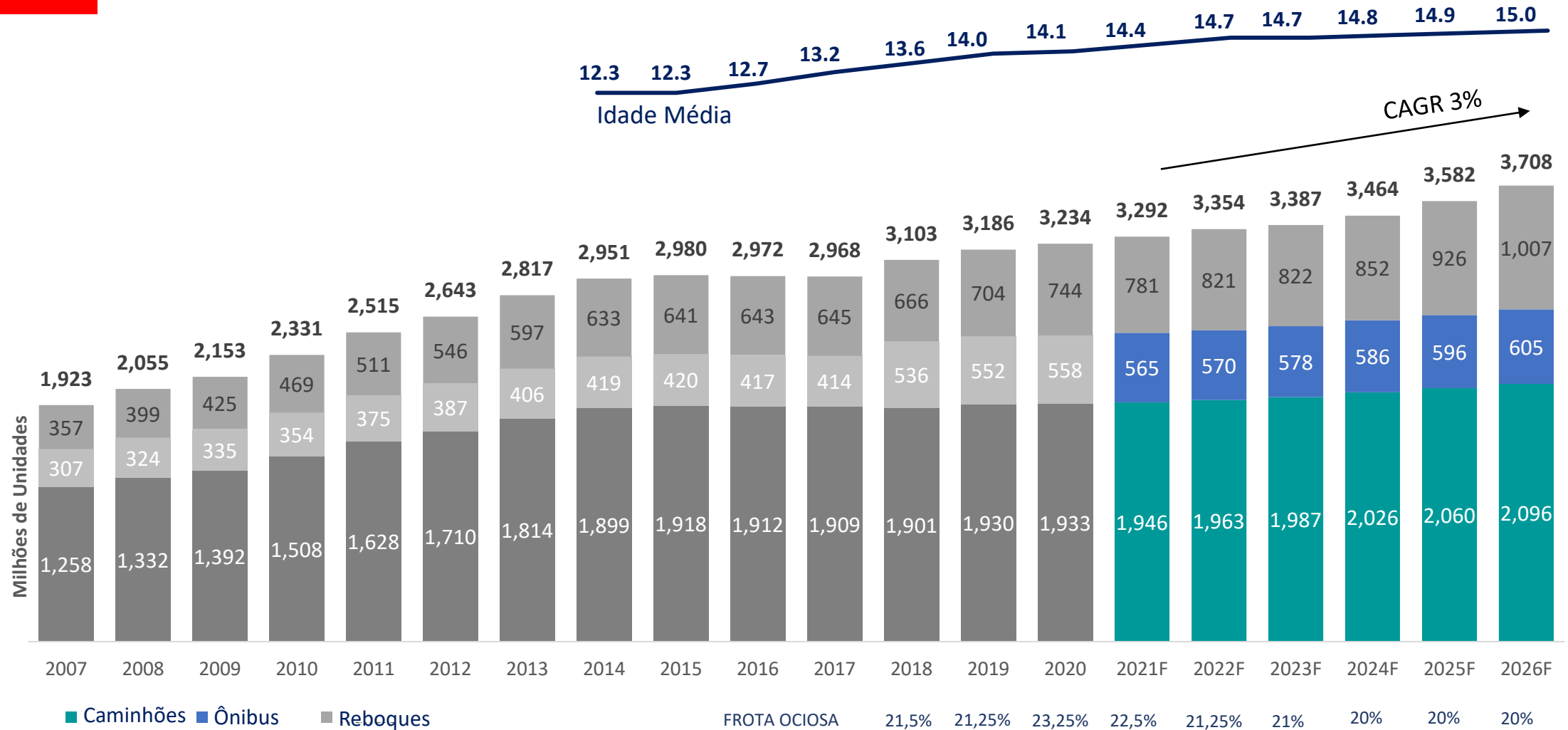
**+20.000 AFTERSALES CUSTOMER (SERVICE STATIONS AND FLEETS)**



# FLEET EVOLUTION | COMMERCIAL VEHICLES



BRAZIL

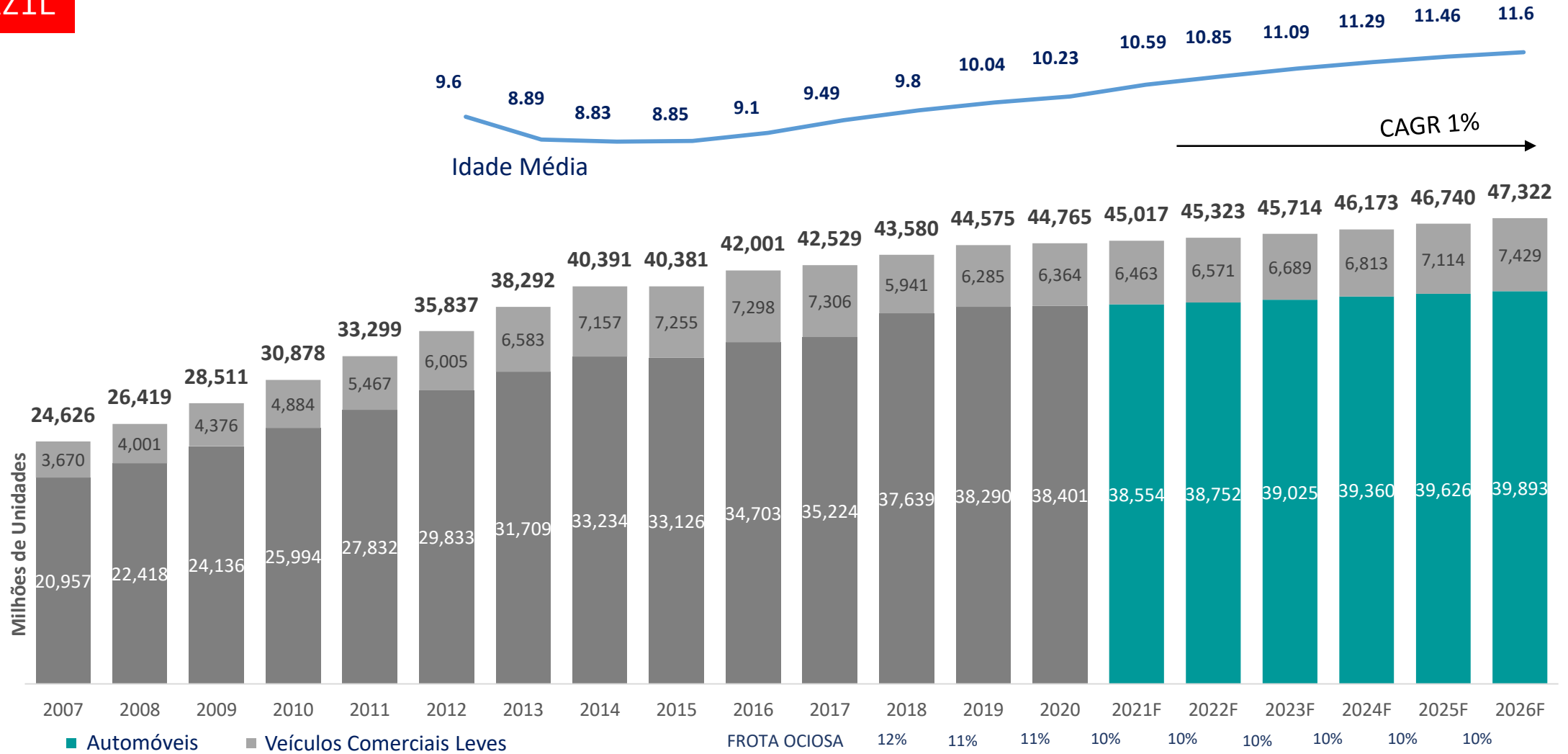


Fonte: Fras-le Market Intelligence - May 2021

# FLEET EVOLUTION | LIGHT VEHICLES



BRAZIL

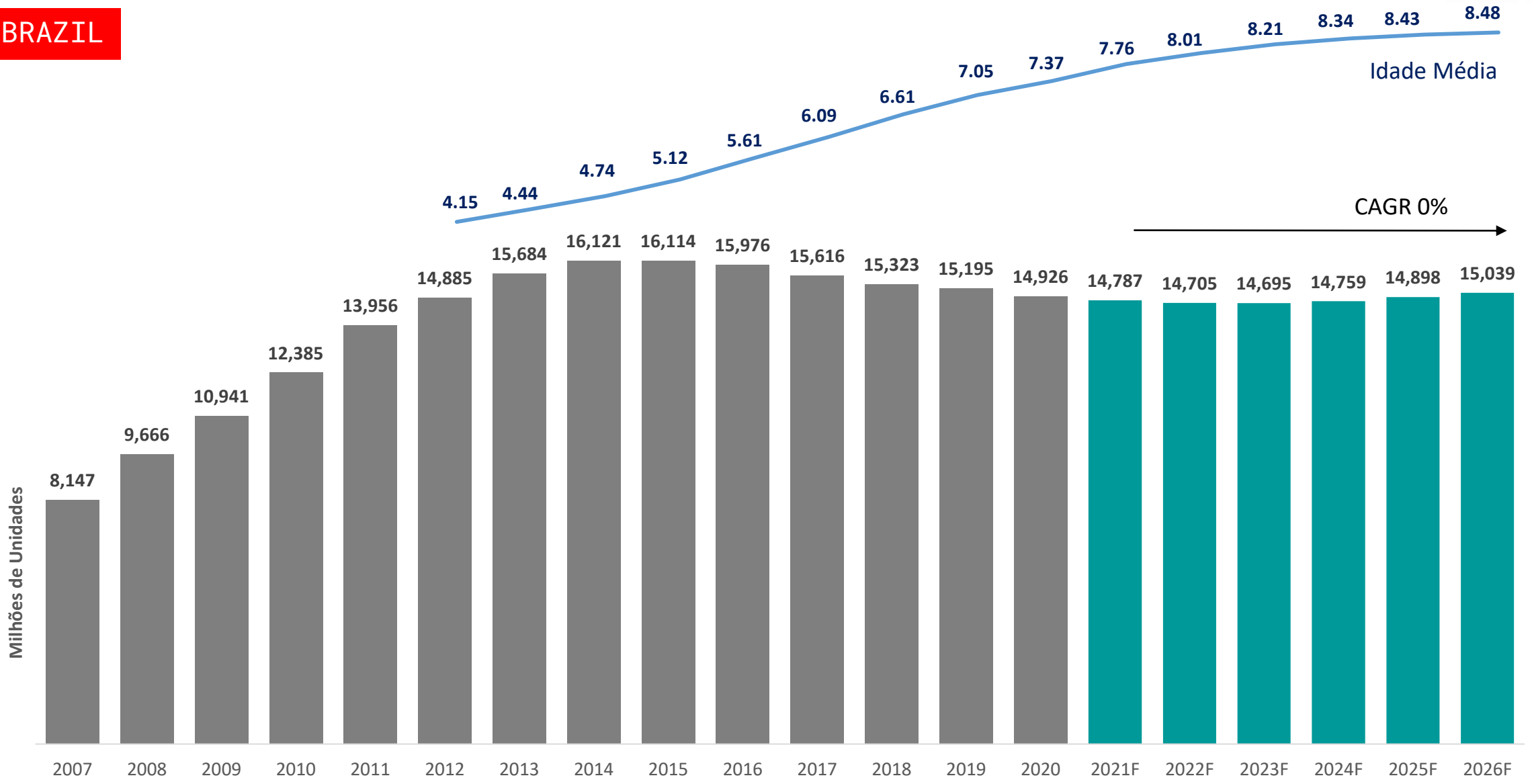


Fonte: Fras-le Market Intelligence - May 2021

# FLEET EVOLUTION | MOTORCYCLES



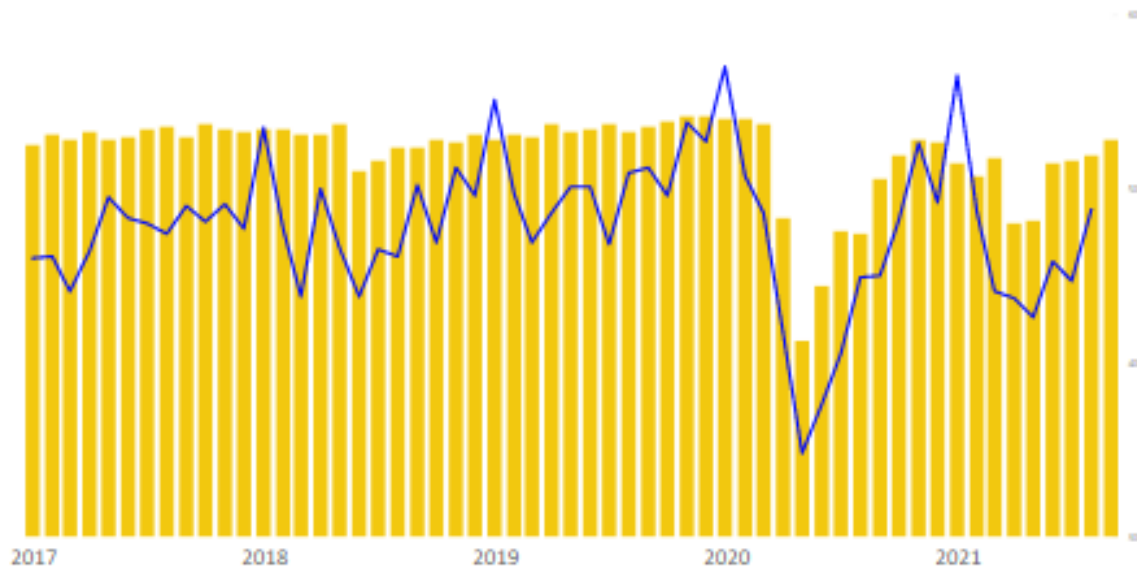
BRAZIL



Fonte: Fras-le Market Intelligence / Fraga – May 2021

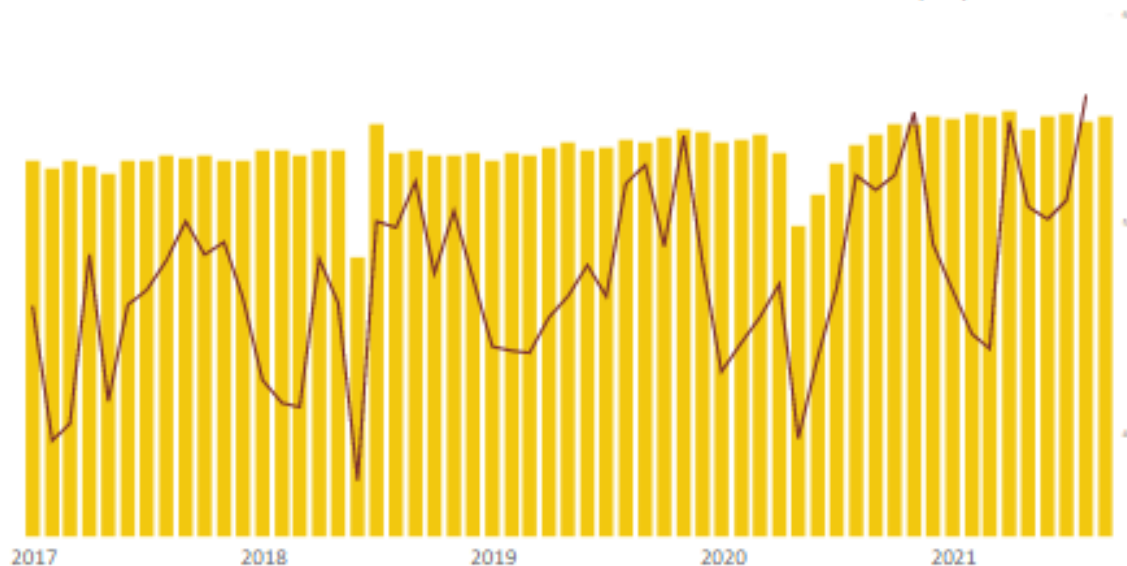


### LIGHT VEHICLES



■ Flow of Light Vehicles – Seasonally Adjusted --- Gasoline + Ethanol Sales (m3)

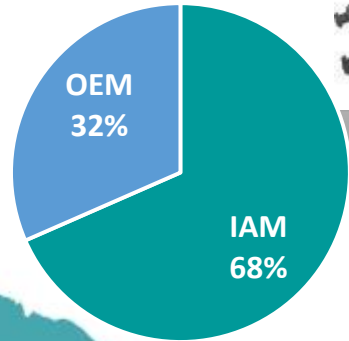
### HEAVY VEHICLES



■ Flow of heavy Vehicles – Seasonally Adjusted --- Gasoline + Ethanol Sales(m3)

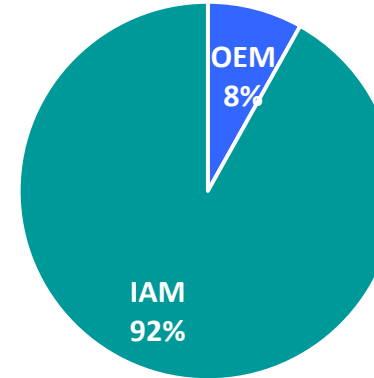
# POTENTIAL MARKET (BRAZIL 2020)

## DISCS AND BRAKE PADS



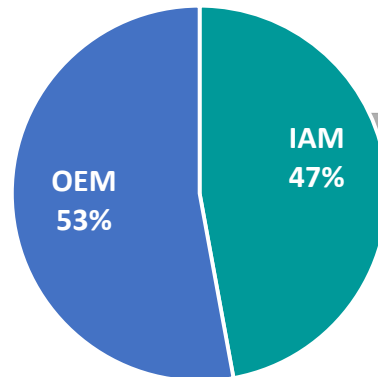
R\$ 651,1 MM

## FRICITION MATERIAL – LIGHT LINE



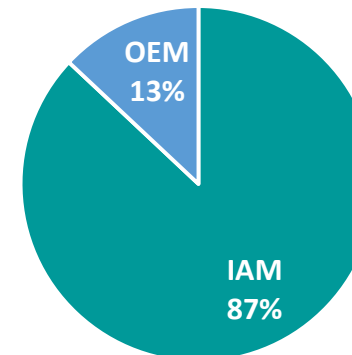
R\$ 472 MM

## HYDRAULIC CYLINDERS



R\$ 625 MM

## FRICITION MATERIAL – HEAVY LINE



R\$ 859 MM

# MARKET SHARE



BRAZIL - AFTERMARKET



LIGHT BRAKE PADS

**33%**



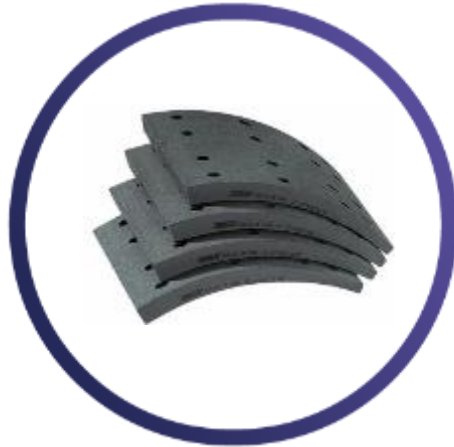
BRAKE SHOES FOR CARS

**22%**



BRAKE LININGS FOR CARS

**42%**



BRAKE LININGS FOR TRAILERS AND TRUCKS

**48%**



HEAVY BRAKE PADS

**38%**

**AUTO EXPERTS**

NOVIDADE NO CATÁLOGO DIGITAL

## BUSCA POR PLACA:

Nunca foi **tão fácil** encontrar a solução **ideal para você.**

Experimente agora: [www.autoexperts.parts](http://www.autoexperts.parts)

FRASLE LonaFlex Controil FREMAX

Imagens meramente ilustrativas

Encontre as peças certas para seu veículo

BRASIL BR IRI7H49

BR IRI7H49

QR code

▶

⏪ ⏩

⏸

🔊 ⚙️

# 70%

Reduced time  
in entering  
purchase orders  
into the system

# 100%

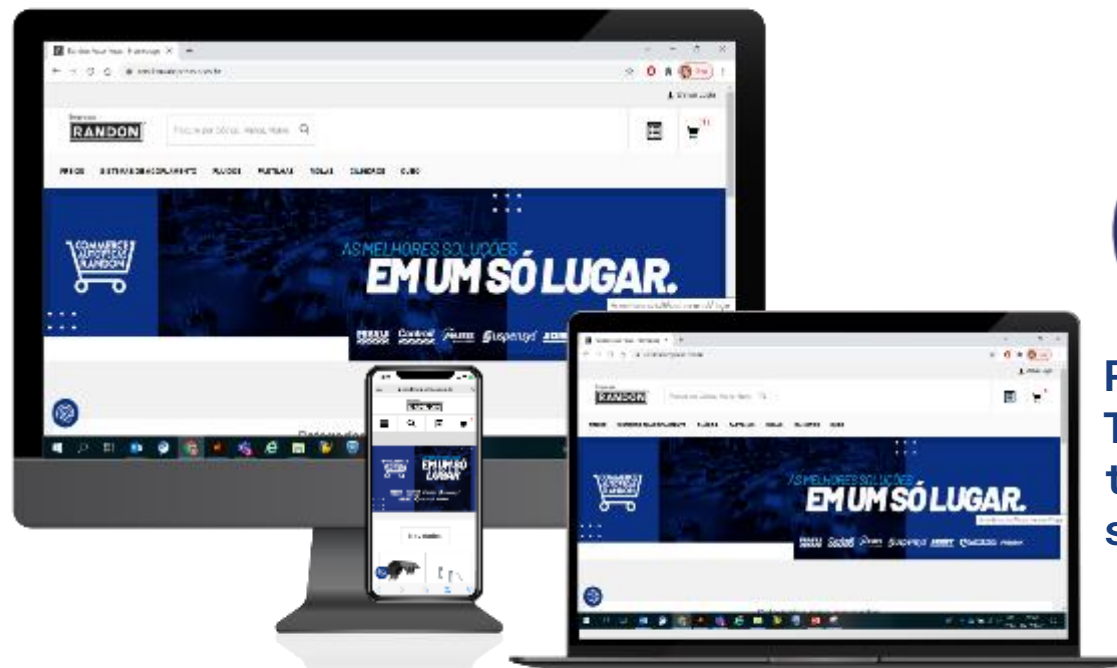
automation of  
customers`orders.

# 80%

Reduced calls  
+ customer **autonomy**

# +of 60%

of Randon Auto  
Parts customers  
use it.



Purchase orders are  
Traceable from the moment  
they enter into the  
system up to delivery.





# FRAS-LE MOTORSPORTS



## LINHA PESADA



## LINHA LEVE



Fremax SINCE 2004  
Fras-le SINCE 2016

PORSCHE  
GT3 CUP CHALLENGE





Fras-le receives Sector Highlight at the 49th RS Export Award



Fras-le Ásia is among the 10 best suppliers of China



# BRAND RECOGNITION – AWARDS



Fras-le was voted as the best brake pad for the 9th consecutive time by Inova Award;

Fremax is highlighted as the best brake disc by Inova Award.



Fras-le Brake Pad ranked first in the Survey “2020 Repair Shop Brands” - CINAU



Control master cylinder and servo brake ranked first in the Survey “2020 Repair Shop Brands” - CINAU



Somos **destaque** no Prêmio Sindirepa.



**Fras-le, Fremax, Nakata and Jurid do Brasil are highlighted in different categories in the 2021 Sindirepa-SP Award.**





Fras-le channel at YOUTUBE  
13 episodes have already been released at "FRAS-LE OLHO NA ESTRADA" (FRAS-LE KEEPS AN EYE ON THE ROAD)

Actions carried out with more than 2,500 truck drivers in 6 Brazilian States.

[blog.fras-le.com](http://blog.fras-le.com)

**ROTA**  
**DO REPARADOR**  
MULTIESPECIALISTA

+OF 6,000

Certificates issued.  
Project in partnership  
with *Jornal Oficina  
Brasil*

FREE CLASS  
**AULA GRATUITA**

ao vivo (••) | Das 19:00 às 21:00

Thursday – 9 pm  
**QUINTA | 21.10**

SISTEMA DE FREIO:  
DO PROBLEMA À  
SOLUÇÃO – LINHA LEVE  
**FRAS-LE**



**RONILSO TOLEDO**  
INSTRUTOR TÉCNICO

Brake System: from problem to  
Solution – LIGHT LINE.



**TECHNICAL TRAINING**  
On-line classes

+ of 350  
Technical worksheets have  
been published for mechanics,  
truckers and drivers.



# Planning & Execution

Host: Anderson Pontalti  
Superintendent Director Fras-le

Guest: Marcelo Tonon  
General Director Nakata



WE DO OUR PART  
TO KEEP YOUR  
LIFE IN MOTION.

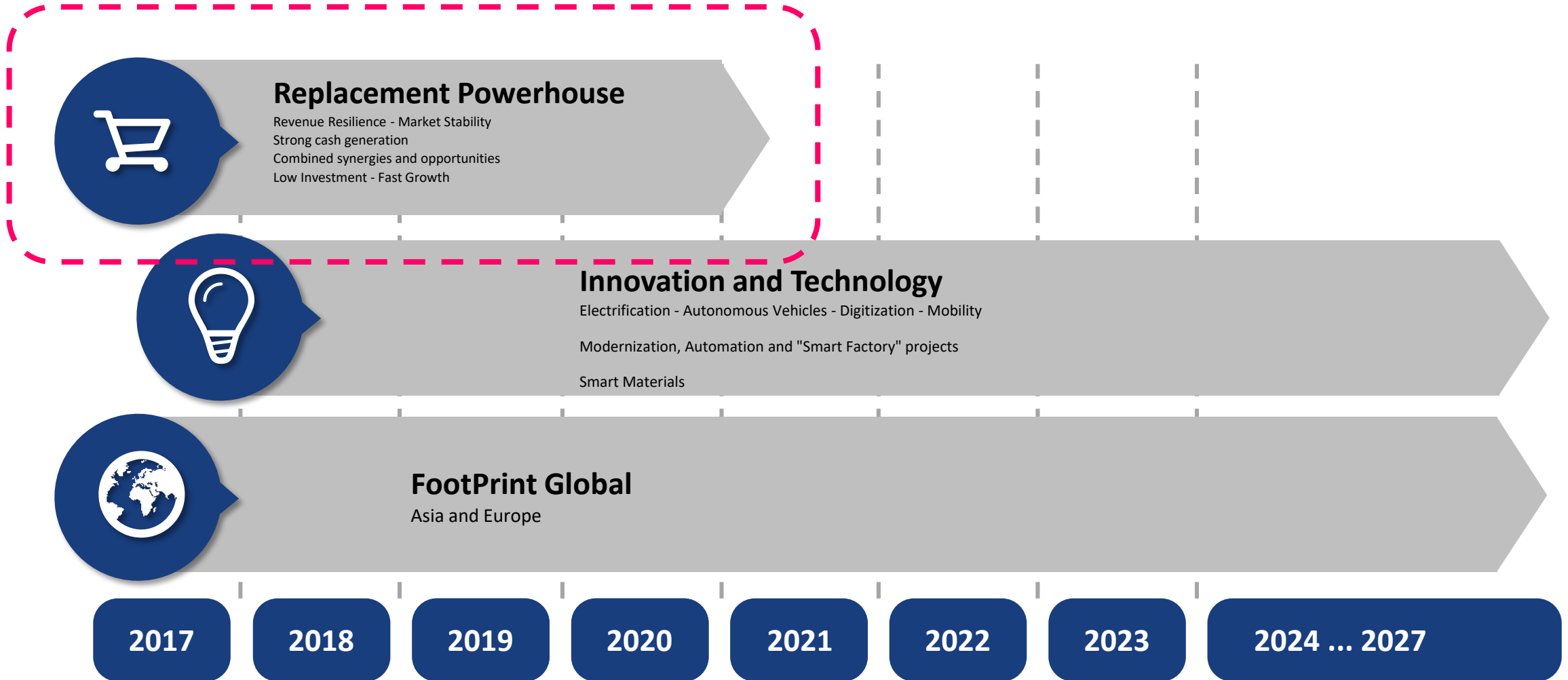
RI.FRAS-LE.COM.BR



A vertical photograph of a city street at night, showing traffic lights, street signs, and light trails from cars. A blue vertical bar is overlaid on the right side of the image.

## **WE HAVE TRANSFORMED FRAS-LE OVER THE LAST YEARS**

- **THE AFTERMARKET HAS BEEN STRENGTHENED**
- **NEW GEOGRAPHIES HAVE BEEN REACHED**
- **OUR PRODUCT PORTFOLIO HAS INCREASED**
- **ADJUSTMENTS HAVE BEEN MADE IN OUR OPERATIONS**
- **ACCURATE INVESTMENTS IN PRODUCTIVITY, CAPACITY AND EFFICIENCY HAVE BEEN MADE**







2012

RL R\$ 140mm  
95% Replacement  
5% Export



2017

Net Revenue U\$ 33mm  
100% Replacement

### CYCLE 1 - EXPANSION

Use of 2016 follow on resources + leverage  
Replacement PowerHouse Boost  
Business in Argentina, Brazil and Uruguay



2018

Net Revenue R\$ 280mm  
90% Replacement  
40% Export



2020

Net Revenue R\$ 700mm  
98% Replacement  
5% Export

### CICLO 2 DE EXPANSÃO

Em construção .....

COMING SOON



## CURRENTLY

Net Revenue R\$ 140mm  
95% Replacement  
5% Export

## AT THE ACQUISITION

Net Revenue R\$ 80mm  
95% Replacement  
5% Export

## MAINSYNERGIES

- Commercial Area
- Back office via CSC
- Access to Fras-le in the Light Line Distributors
- Export Markets

## Acquired in 2012

Beginning of the Replacement PowerHouse strategy.

Reinforcement of the light line positioning and learning in this direction.

The coverage and support of a larger portfolio has paved the way for many distributors, which are now relevant in sales.

Important lessons in building synergies and potential business combinations.



# A FRAS-LE



## A EXECUÇÃO DA ESTRATÉGIA – POWERHOUSE REPOSIÇÃO



### CURRENTLY

Net Revenue U\$ 33 mm  
100% Replacement  
5% Export

### AT THE ACQUISITION

Net Revenue R\$ 36 mm  
100% Replacement  
5% Export

### MAIN SYNERGIES

Integration with Fras-le Argentina  
Optimized back office  
Business Policies and Support  
Operation structure, buildings and support area  
Teams Leadership;

## Acquired in 2017

It allowed us to consolidate our presence in Argentina with different product lines and differentiated access to new customers; Reinforcement in the production footprint, with plants in Uruguay (friction) and Argentina (brake liquids, antifreeze and anticorrosive);

Immediate integration of leadership (Fras-le / Fremax / Armetal)

Operations and teams in the same building, optimizing a series of expenses and accelerating important synergies in the logistics area, order picking and back office;

Fras-le sells in Argentina around U\$ 45 million per year (Fras-le/Armetal/Fremax), approximately 9% of the total Net Revenue.



CURRENTLY	AT THE ACQUISITION	MAIN SYNERGIES
Net Revenue R\$ 280mm 90% Replacement 40% Export	~Net Revenue 180mm 90% Replacement 40% Export	<ul style="list-style-type: none"> <li>Commercial Area;</li> <li>Purchasing Area;</li> <li>Randon Companies Shared Solutions Center (SSC)</li> <li>Administrative Agreements</li> <li>Governance</li> </ul> + R\$ 60 million in synergies implemented (5 years)

### Acquired in 2018

- Fremax has opened doors to reach markets that are complementary to Fras-le markets, in addition to complementing the product mix in many regular customers;
- Fremax's Premium Position supports important windows of growth in geographies beyond Brazil;
- Reinforcement of the replacement mindset, quick launches and exemplary line coverage;
- One face to customer has been important to sales growth in all markets



A large graphic celebrating the first anniversary of the partnership between FRAS-LE and NAKATA. It features a large blue number "1" inside a thin blue circle, with the words "Year of" in red below it. To the right, the text "FRAS-LE" is written in a large, bold, blue, sans-serif font, with a red plus sign below it, followed by "NAKATA" in the same large, bold, blue, sans-serif font.

# 1 Year of FRAS-LE + NAKATA

On **September 1st**, Nakata completed **1 year** with **Fras-le**.

During this period, we have become more integrated into the Group, making achievements and working together, and we still have a lot to grow, exchange and learn ahead of us!



	CURRENTLY	AT THE ACQUISITION	MAIN SYNERGIES
<b>NAKATA®</b>	~Net Revenue R\$ 700mm 98% Replacement 5% Export	~Net Revenue R\$ 500 mm 98% Replacement 5% Export	<ul style="list-style-type: none"> <li>• R\$ 16 million in synergies already implemented</li> <li>• Adjusted Ebtida Acquisition R\$ 74.8 mm</li> <li>• Adjusted Ebtida in year 1: higher than R\$ 100 mm</li> </ul>

Acquired in 2019 / closing September 2020

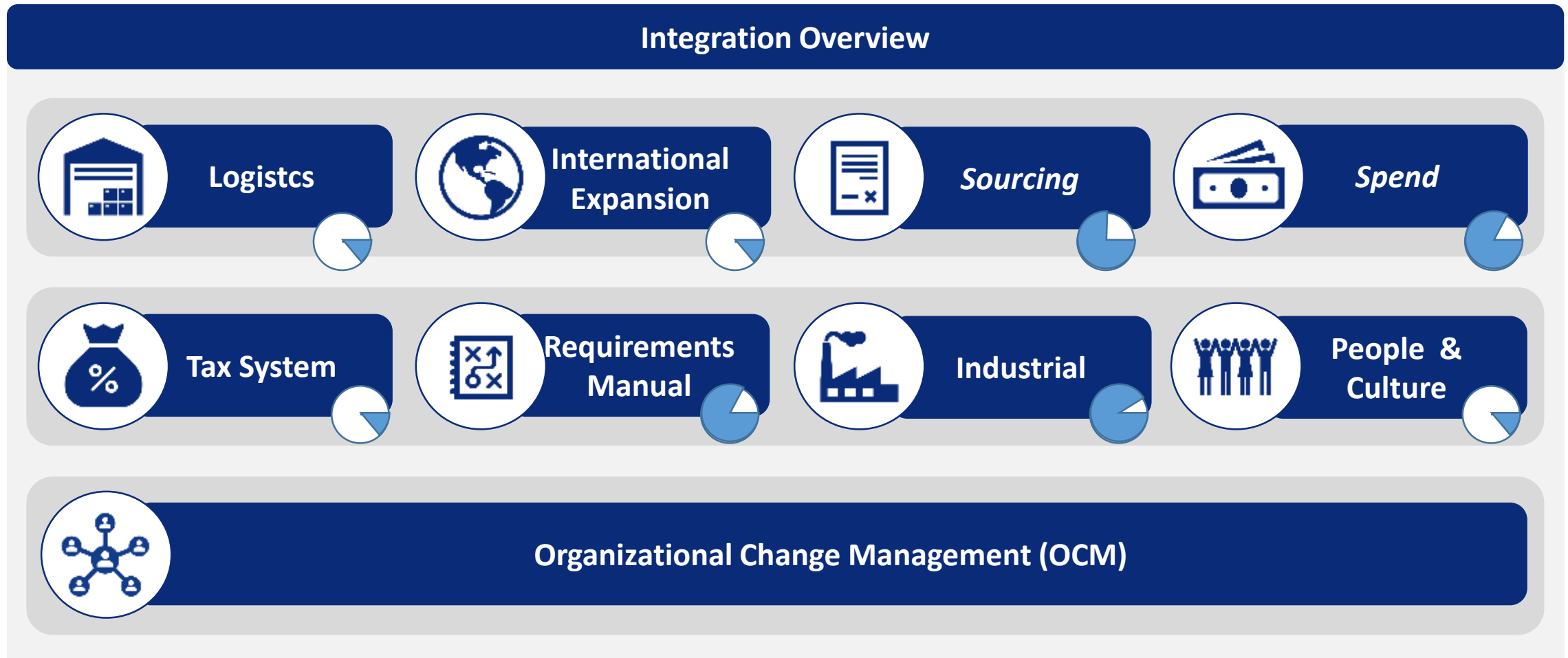
Manufactured products account for 30% of sales “Core competencies” in marketing / branding, product development and sourcing

More in line with current value creation chain and future trends;  
 Requires less investment for expansion and less changes in product technologies;  
 Excellent ROIC level;  
 Requires less investment for growth.

# SYNERGIES PRODUCING RESULTS

A QUICK OVERVIEW

## INTEGRATION OF NAKATA WITH FRAS-LE – MAIN FRONTS OF ACTION



The sourcing, spend, tax and industrial initiatives have already added up to BRL 16 mm/year in synergies.

***NAKATA***®

## A QUICK OVERVIEW

### PROMINENT POSITION IN BRAZIL



Established in 1952, and about to turn 70 years of operation, Nakata is among the 5 largest suppliers of auto parts and motorcycles for the independent aftermarket, with NAKATA brand appearing among the 3 auto parts brands by mechanics (Ibope/IPEC survey)

Headquarters: Osasco - SP; Extrema Complex – MG: Manufacturing & Warehouse

### BROAD PRODUCT PORTFOLIO



- One of the broadest product portfolios in the aftermarket industry, including shock absorbers, suspension and steering parts, passenger & commercial vehicle transmission parts, fluid pumps and motorcycles parts (Wear parts).
- More than 2 new releases per business day in 2021 (1.4 in 2020)

### FINANCIAL PERFORMANCE



- SALES : Compound Annual Growth Rate > 11% (2021/2015)
- EBITDA: Compound Annual Growth Rate > 26% (2021/2015)

### PURPOSE



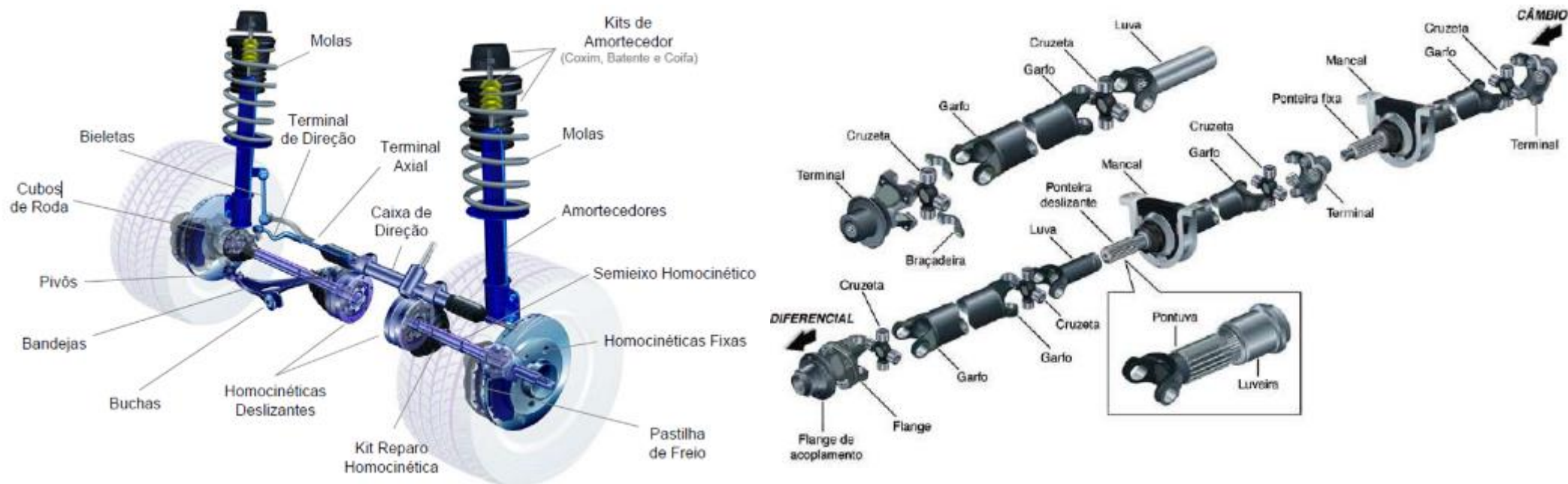
- Making transport of people and goods safer, as reliable as in s brand-new vehicle.

**“It’s all great. It’s all Nakata”**

# PRODUCT PORTFOLIO



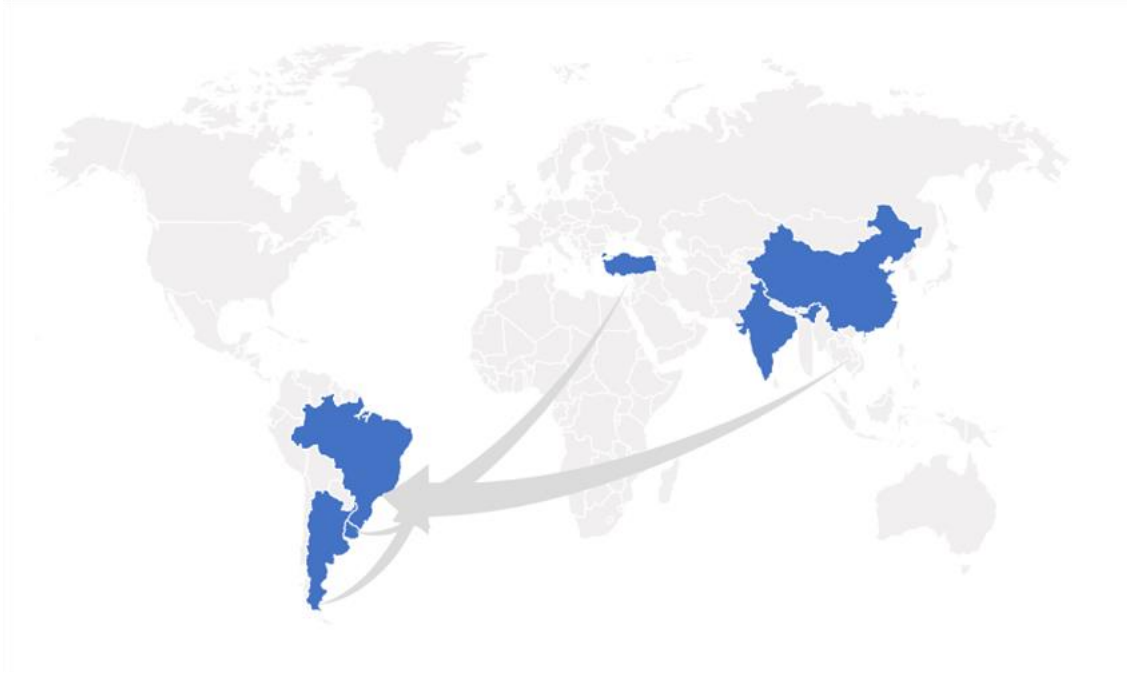
SOLUTIONS IN SUSPENSIONS, STEERING & TRANSMISSION





BALANCE BETWEEN LOCAL MANUFACTURING & BCC OUTSOURCING

BEST APPLIED RESOURCES IN GLOBAL SOURCING



- 30% Local Manufacturing
- 70% Sourcing - Nakata specifications with qualified partners



e  
X

**P** Experienced team in Global Sourcing & Purchasing Development

**E** ✓ Close relationship with leading high-quality manufacturers in Low Cost Countries

✓ Team focused on Product Development



# NAKATA COMPLEX

MANUFACTURING & WAREHOUSES



SHOCK ABSORBERS PLANT



WAREHOUSE

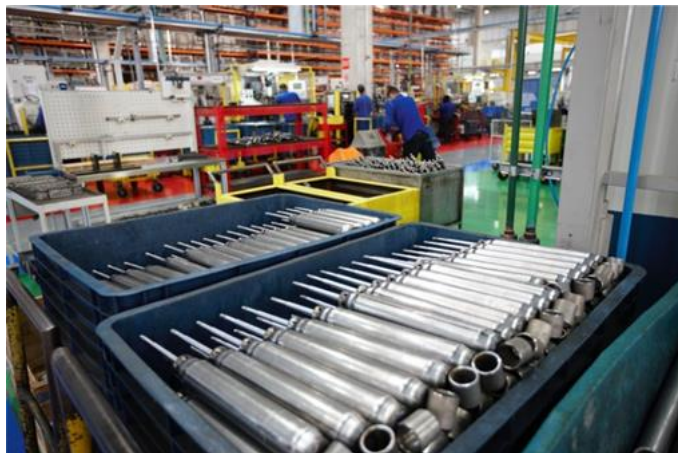




# NEW SHOCK ABSORBERS PLANT



- Transfer from Diadema-SP to Extrema-MG
- Industrial Park Updating & Modernization
- Production capacity increases 2.5 times
- Reduced Labor Costs
- Complex Advantages & Synergies
- 8 months between decision to move and start of Ramp-Up
- Estimated high gains in Productivity & Efficiency
- Opened August 2021
- Raw Material Synergies with Fras-le/Randon
- Transformational for Nakata's New Cycle





- Expansion 14,000m<sup>2</sup> - January 2020
- Total area of 24,400m<sup>2</sup> with 31,000 pallet positions installed and capacity for another 8,000 positions;
- Volumetric receiver;
- +10 Containers / Day = 2,400 / Year
- +90 Pallets Plant / Day = 23,000 / Year
- Distribution throughout Brazil
- 830 Delivery Points
- Handling of 18 M parts per year / 22,000Ton
- 2,100,000 Volumes in 83,000 NFs
- Market Leading WMS Solution (Gartner)
- 100% stock accuracy
- Automation Projects



# Future, here and now!

Host: César Ferreira  
Innovation and Technology Director

Guests:  
Eduardo Vargas | Business Director - Commercial Line  
Guilherme Adami | Business Director - Light Line



WE DO OUR PART  
TO KEEP YOUR  
LIFE IN MOTION.

RI.FRAS-LE.COM.BR

# PRODUCT INNOVATION STRATEGY



CONFIRMING OUR VISION OF THE FUTURE

**Estratégia de Inovação em Produto**  
Confirmando uma visão sobre o futuro

**SMART MATERIALS**

Veículo	Preço Inicial
1. Public truck	R\$ 420.100
2. Buggy G	R\$ 257.650
3. Chevrolet Gull	R\$ 215.000
4. JAC iProvan	R\$ 190.100
5. JAC iVVO2	R\$ 210.000
6. JAC iVVO3	...
7. JAC iVVO3	...
8. Jaguar i-Pace	...
9. Nissan Leaf	...
10. Mercedes EQ	...
11. Renault Zoé	...

**Economia - Frota**  
12 de jan. de 2020 — elétricos, que devert

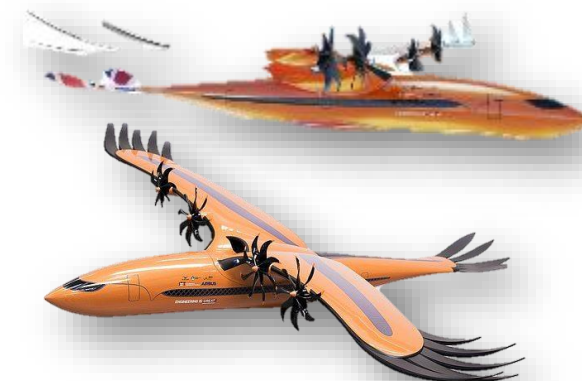
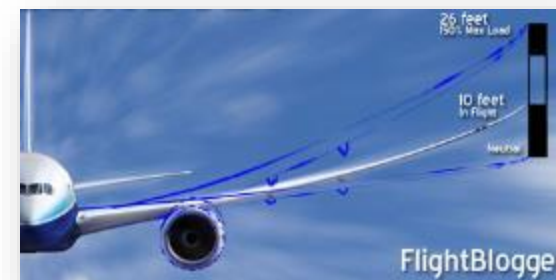
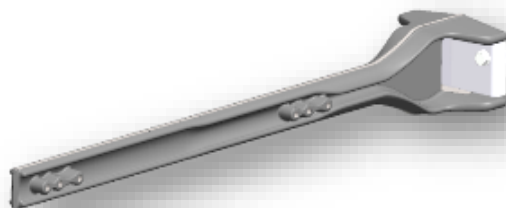
**Volkswagen's Curious Use of Drum Brakes in New ID.4**

**Emission free class 8**

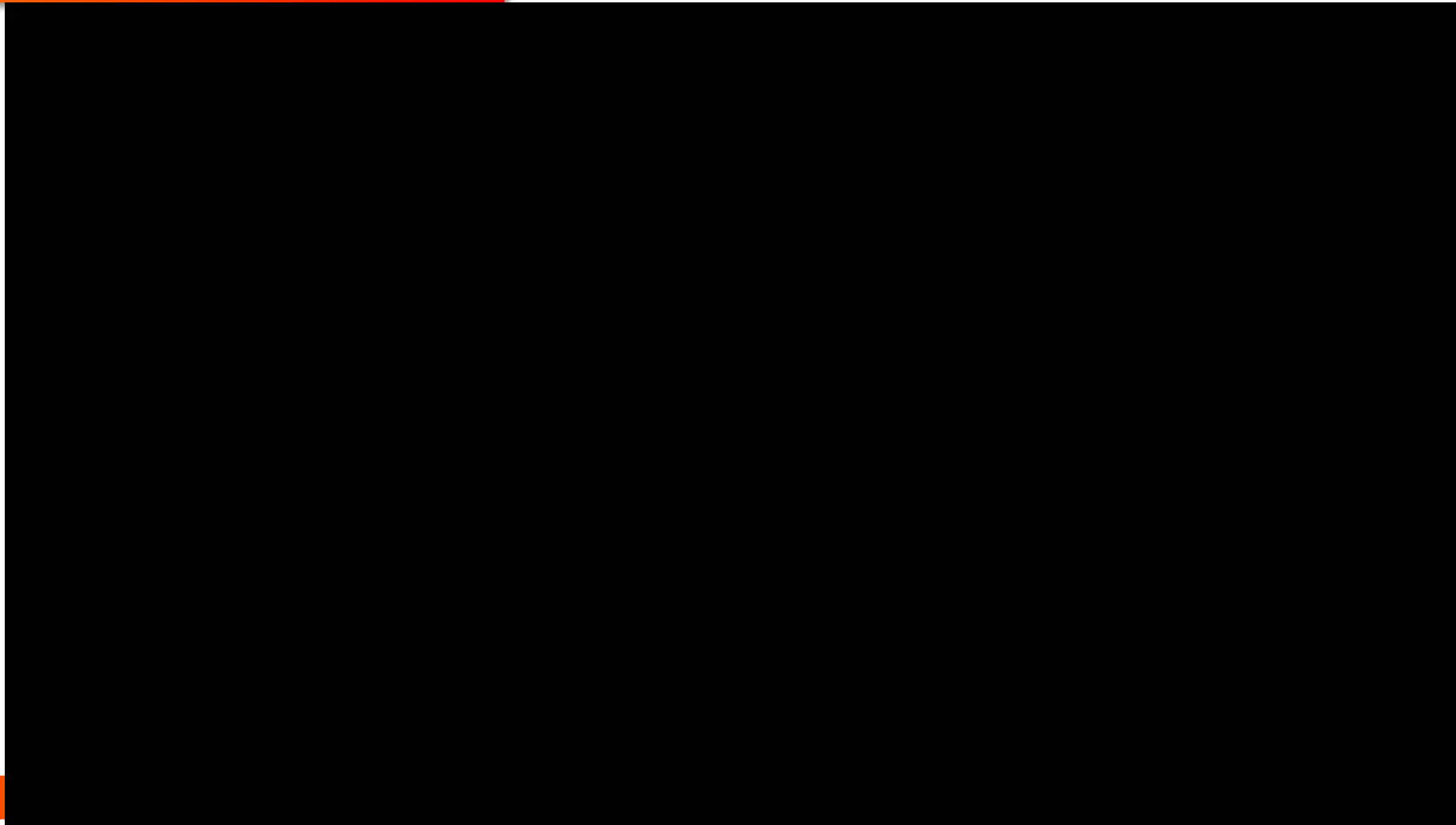
**787**

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

# MATERIALS MEGA TRENDS



# Smart Materials



Diferent snapes

Recyclability

Lightness

Efficiency



# PRODUCT INNOVATION STRATEGY

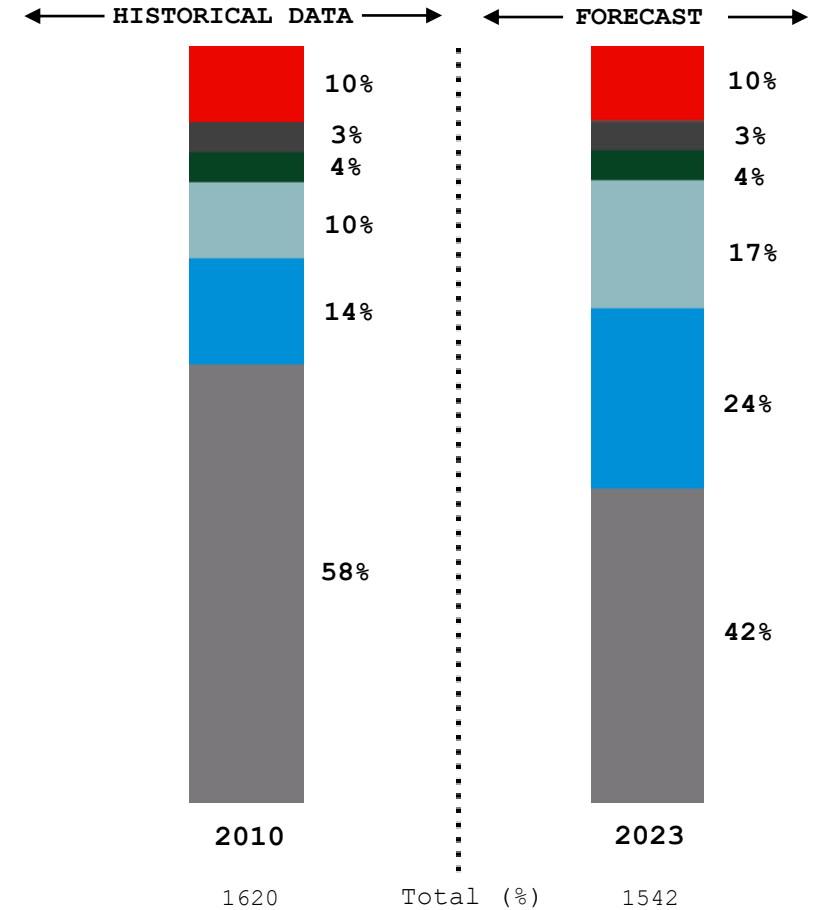
## SMART MATERIALS



Growth Rate in the use of composite materials in the automotive industry.

### Delta 2010-2023

<span style="color: red;">■</span> Other Materials	+0 pt
<span style="color: darkgrey;">■</span> Other Metals	+0 pt
<span style="color: darkgreen;">■</span> Glass	+0 pt
<span style="color: lightblue;">■</span> Aluminium	+7 pt
<span style="color: blue;">■</span> Composites and plastics	+10 pt
<span style="color: grey;">■</span> Steel	-16 pt





# Biomimetics



Brasileiro vence prêmio de mobilidade com design biomimético

27/09/2020 por Redação SustentArqui



# Nanotechnology

## Applications



Energy



Electronics



Metallurgy



Resins and Varnishes



3D Printing

## Benefits



Mechanical Properties



Corrosion Resistance



Metallurgical structure modification



Resistance to UVA/UVB exposure



Electrical Properties





Transformamos produtos  
**em suas melhores versões.**

NIONE – A Randon Company

We transform products into their best  
versions.

**Worldwide patented method for obtaining and  
stabilizing nanometric mineral particles on a  
large scale.**



Uma Empresa Randon

Transformamos produtos  
**em suas melhores versões.**

Resistance    Lightness    Durability



## BENEFITS OF NANOTECHNOLOGY

By using nano particles of elements such as niobium and state-of-the-art physicochemical processes, it is possible to leverage products so that they have unique benefits.



Resistência



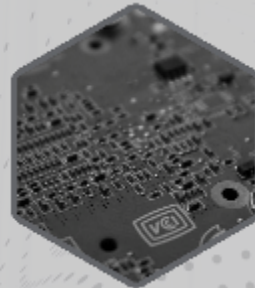
Leveza



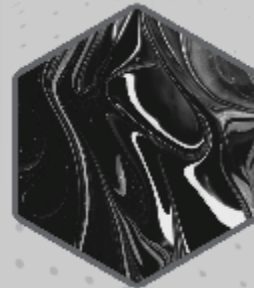
Durabilidade



Agro



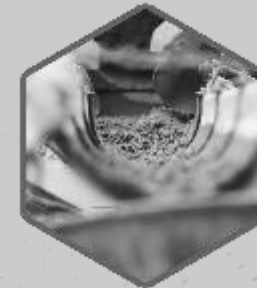
Electronics



Chemicals



Metals



Civil Construction







### FRAS-LE DRIVERS

- Portfolio diversification;
- ESG Commitments;
- Convergence of raw materials;
- Process synergy;



# FRAS-LE SMART COMPOSITES

OPENING OF THE NEW PRODUCTION LINE



## OPENING OF THE NEW FRAS-LE SMART COMPOSITES PRODUCTION LINE



- First manufacturing unit on Fras-le's site in Caxias do Sul/RS;

# FRAS-LE SMART COMPOSITES

MENPHIS PROJECT | THE FIRST LAUNCH



## FENDER BRACKET

Composite: 1.4kg  
Steel: 3.6kg



HEAVY DUTY MODEL

Composite: 0.7kg  
Steel: 2.0kg



LIGHT DUTY model

### POTENTIAL MARKET FOR FENDER BRACKET



R\$14.4M

ROAD EQUIPMENT



R\$12.9M

OEM | TRUCKS

SOP

30/07/2021



65% LIGHTER



NO PAINTING



NO  
OXIDATION



EASY  
INSTALLATION



MORE  
RESISTANT



INNOVATIVE DESIGN



PATENT

# FRAS-LE SMART COMPOSITES

NEW PROJECTS AND DEVELOPMENTS



2022

## IHR NEW TECHNOLOGIES

- Geneva Project Delivery;
- Frankfurt Project Delivery;
- Paris Project Delivery.

## MENPHIS TECHNICAL EXPANSION

- Advances with OEMs;
- New Families of Components;
- Europe Opportunity;



# Technological Disruption

Materials



**P&D | PI** Patented ✓

**Innovation** 1 Field product ✓

**Environment** ↓80% CO<sub>2</sub> ✓

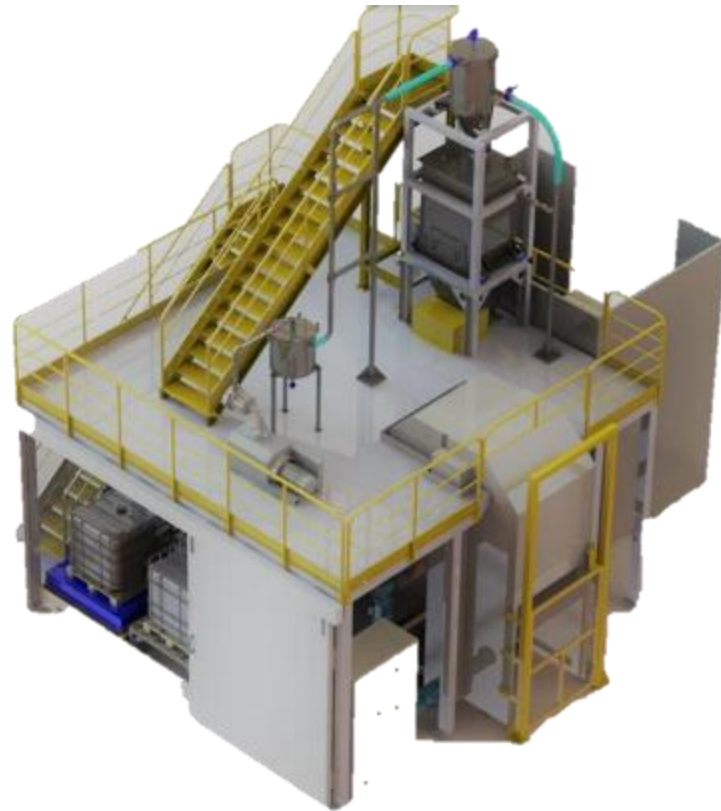
**Competitiveness** Cost ↓20% ✓

**Asset Productivity** ↑ 2,6x ✓



# Technological Disruption

Productive Process



# Fras-le does not stop!

Sérgio de Carvalho | Fras-le's CEO, Executive VP  
and Randon's COO



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

◇ RI.FRAS-LE.COM.BR



**implementing  
strategic plans**

**...**

**... with lots of  
synergies!**



$1 + 1 = 3$

**FRAS-LE**

A PLAN OF TRUE SYNERGIES



**Controil**

**ARMETAL<sup>®</sup>**  
AUTOPARTES

**FANACIF<sup>®</sup>**

**FARLOC<sup>®</sup>**  
ARGENTINA

**FREMAX**

**NAKATA<sup>®</sup>**



**a small contribution makes the whole to grow...**



A person wearing a backpack and a red shirt stands on the peak of a dark, jagged rock formation. The background shows a vast, hazy mountain range under a clear sky, with a valley and a lake visible in the distance.

**MAJOR**

**ACHIEVEMENTS**

**IN 2021!**



**Record  
volumes!**

dreamstime.

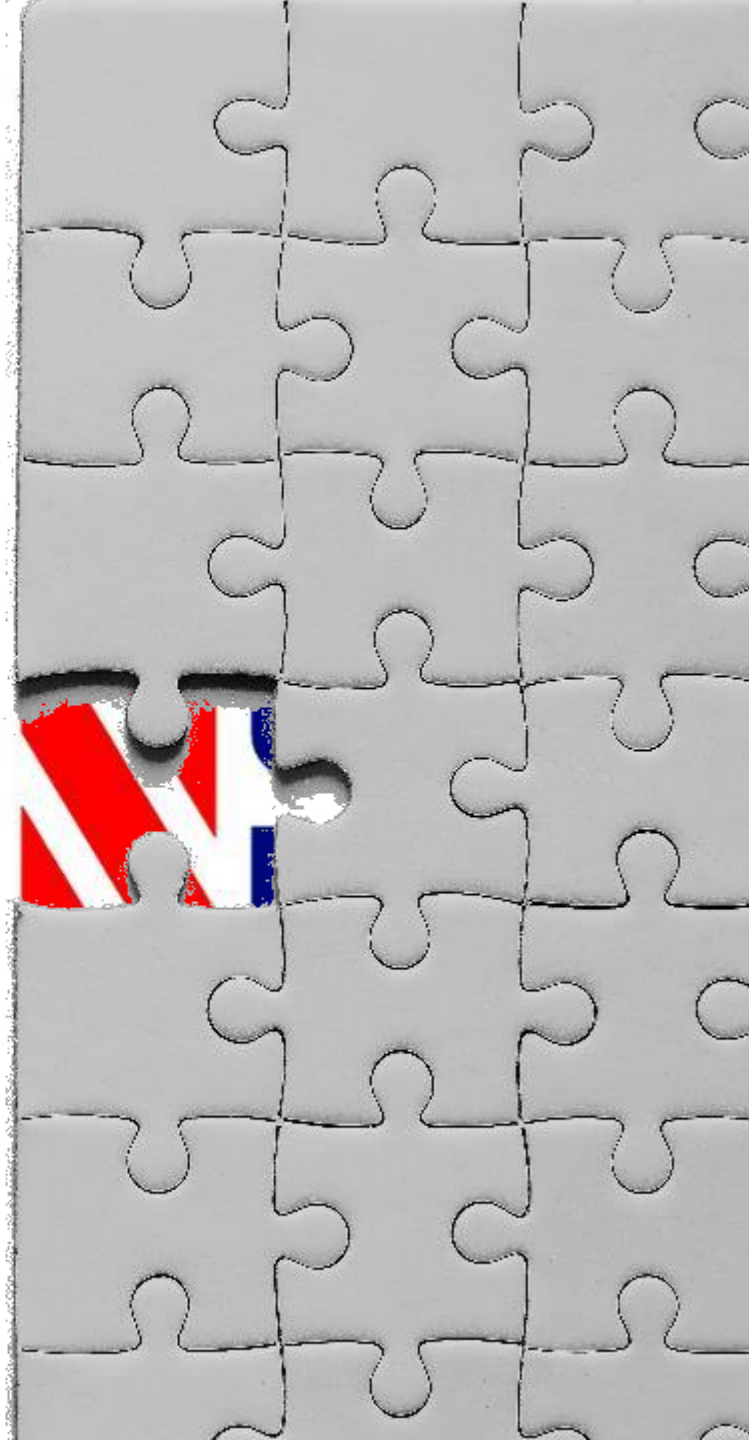




# Orchestrated Results

# Nakata

# Integration





**COMPLEXO NAKATA:  
ÁREA TOTAL: 34.000 M<sup>2</sup>**

**CENTRO DE DISTRIBUIÇÃO 2**

**CENTRO DE DISTRIBUIÇÃO 1**

**INAUGURAÇÃO**

**FÁBRICA**

**NAKATA**

A handshaking background with a building in the background. The building has a sign that reads 'ASK FRAS-LE FRICTION'.

# 1st Business

# Deal

# OEM india



**FRAS'LE**

ASK FRAS-LE FRICTION



2021

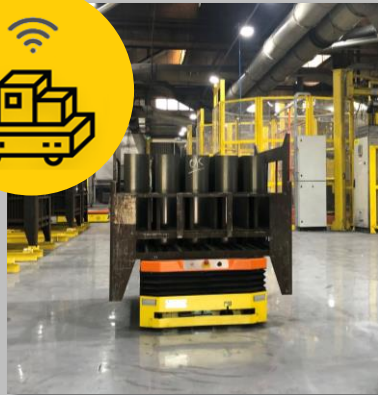
IMPORTANT INVESTMENTS



**Control**



**FRAS'LE**



**NAKATA**



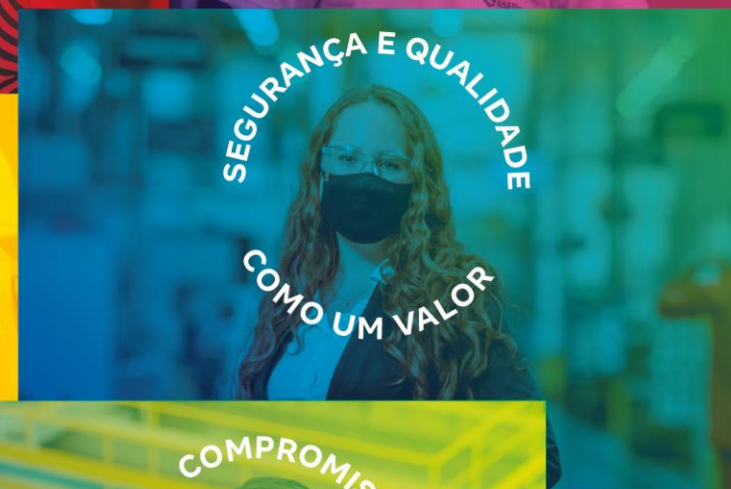


# NOSSA AMBIÇÃO ESG

Empresas

**RANDON**

**FRASLE**





# PUBLIC COMMITMENTS





## ENVIRONMENTAL

FREMAX – ISO 14001

I RECYCLE  
RECYCLING INCENTIVE

SMART MATERIALS  
FRAS-LE SMART COMPOSITES  
NANOTECHNOLOGY



## SOCIAL

DIAGNOSIS, ACTION PLAN  
AND WORK GROUP ON  
DIVERSITY AND  
INCLUSION.

SAFETY S DAY

CCQ – FRAS-LE

FLORESTAR

PRODUCT QUALITY RE-  
CERTIFICATIONS

CTR – ISO 45001



## GOVERNANCE

CORPORATE GOVERNANCE LEVEL 1

PRACTICE OR EXPLAIN  
SURVEY CARRIED OUT BY IBGC, EY AND  
TOZZINE FREIRE ADV.

Segmento de Listagem	2021	2020	Variação
Novo Mercado	67,90%	64,00%	3,90%
Nível 2	62,80%	64,30%	-1,50%
<b>Nível 1</b>	<b>67,20%</b>	<b>64,30%</b>	<b>2,90%</b>
Básico	41,50%	43,50%	-2,00%
<b>Fras-le</b>	<b>76,10%</b>	<b>68,10%</b>	<b>8,00%</b>

ADHERENCE TO THE UM GLOBAL  
COMPACT  
SUSTAINABILITY COMMITTEE

2020 SUSTAINABILITY REPORT  
GRI AND INTEGRATED REPORT

07 projects in development



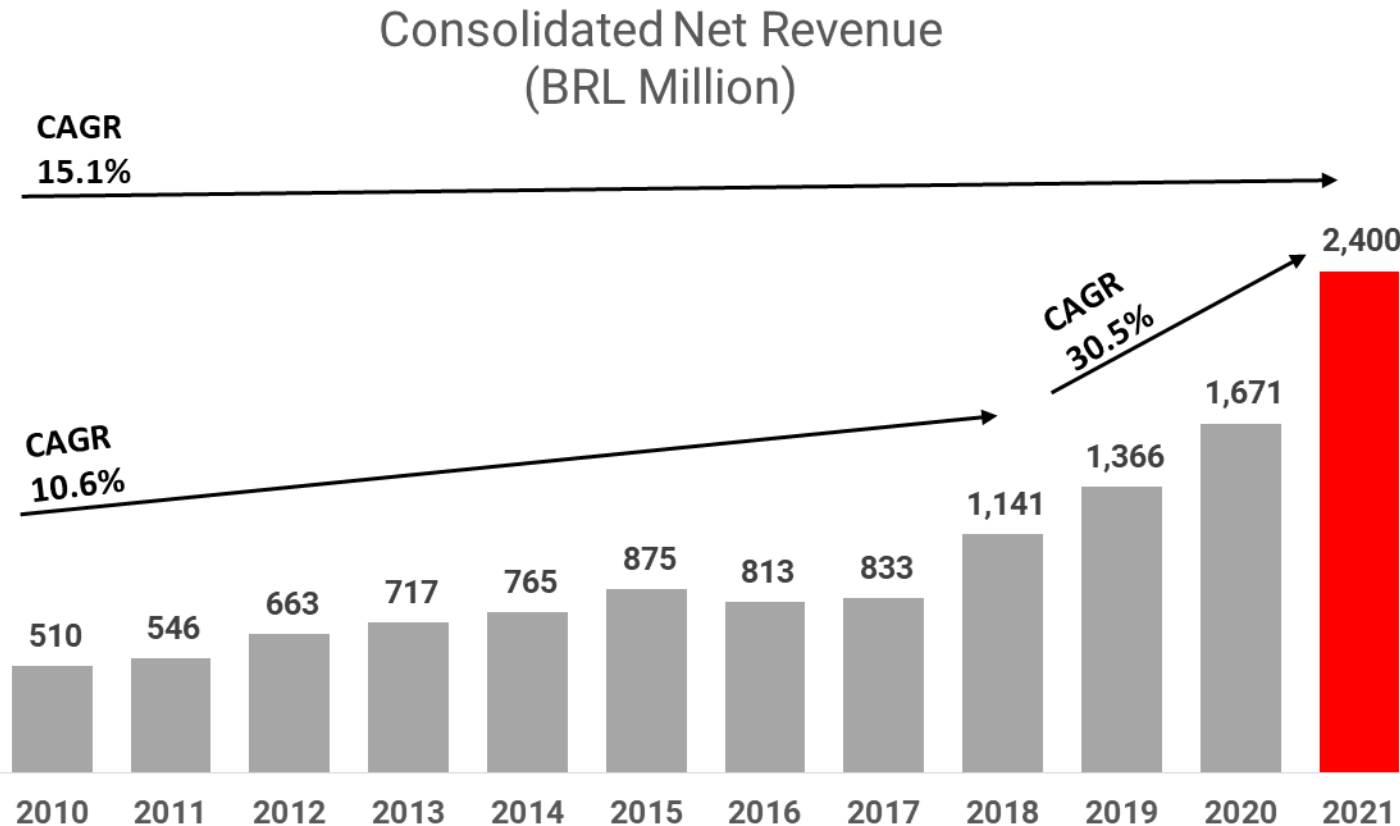
## WINGSTAY

WINGSTAY



- 65% LIGHTER
- ECONOMICAL
- DURABLE

# Revenue and results have made progress



- The advances in recent years stem mainly from **non-organic growth movements**;
- **2021** updating suggests that the Company may reach **BRL 2.4 billion in net revenue** (official guidance);





### Replacement Powerhouse

Revenue resilience – Market Stability  
Strong cash generation  
Combined synergies and opportunities  
Modest investment – Fast growth



### Global FootPrint

Asia and Europe



### Innovation and Technology

Electrification – Autonomous Vehicles – Digitization- Mobility  
Modernization, automation and “Smart Factory” projects.  
Smart Materials

... we are preparing a new route, supported by an assertive strategy that reinforces synergies, expands geographic coverage, product mix, optimization and use of productive assets.

2017

2018

2019

2020

2021

2022

2023

2024 ... 2027



2012

2017

2018

2020

COMING SOON

Net Revenue R\$ 140mm  
95% Replacement  
5% Export

Net Revenue U\$ 33mm  
100% Replacement

Net Revenue R\$ 280mm  
90% Replacement  
40% Export

Net Revenue R\$ 700mm  
98% Replacement  
5% Export

Net Revenue R\$ 1,2 bi  
95% Replacement  
25% Export/foreign

### EXPANSION CYCLE 1

Use of 2016 follow on resources + leverage  
Replacement Powerhouse Boost  
Business in Argentina, Brazil and Uruguay

### CICLO 2 DE EXPANSÃO

Em construção .....

be more global ...

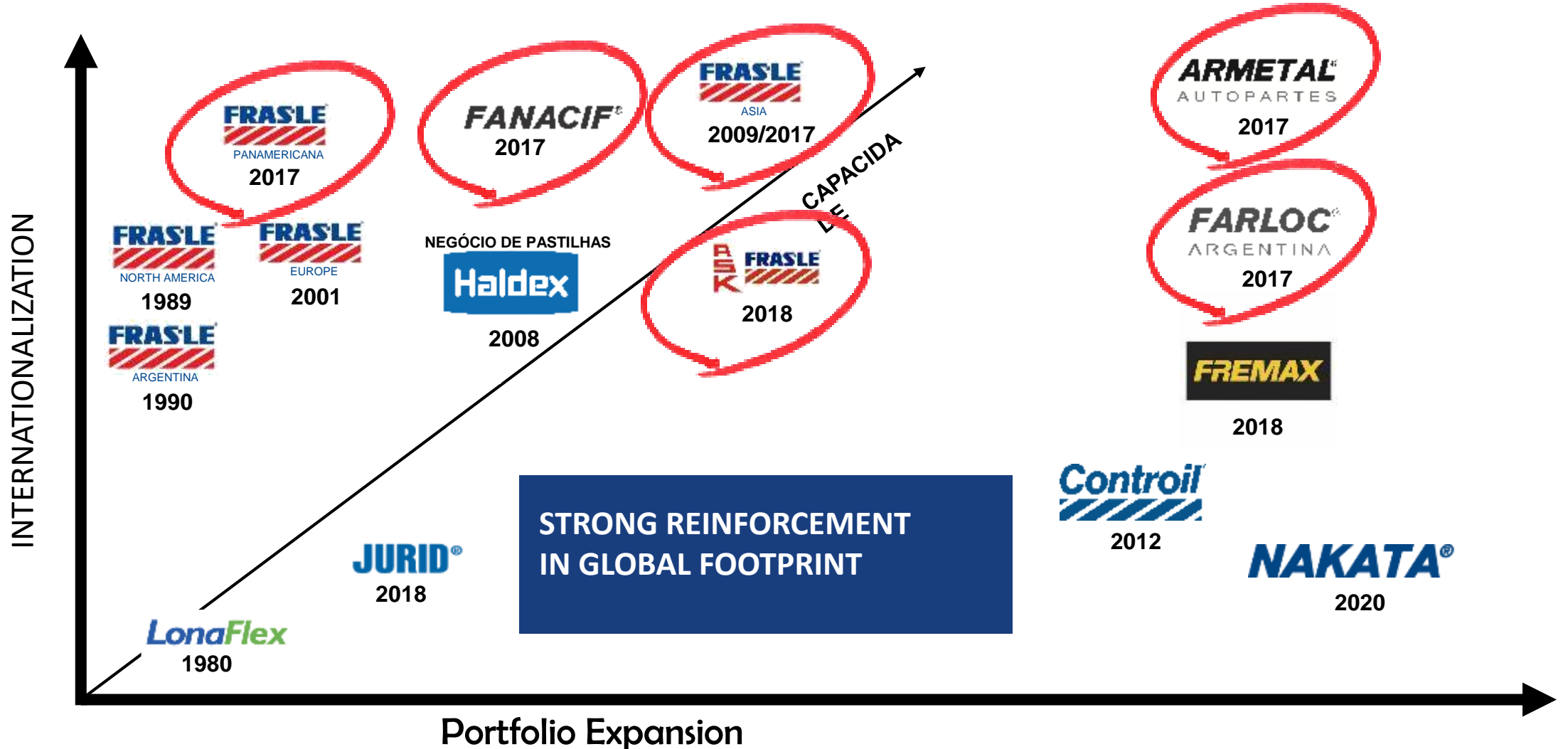


COMING SOON

2022

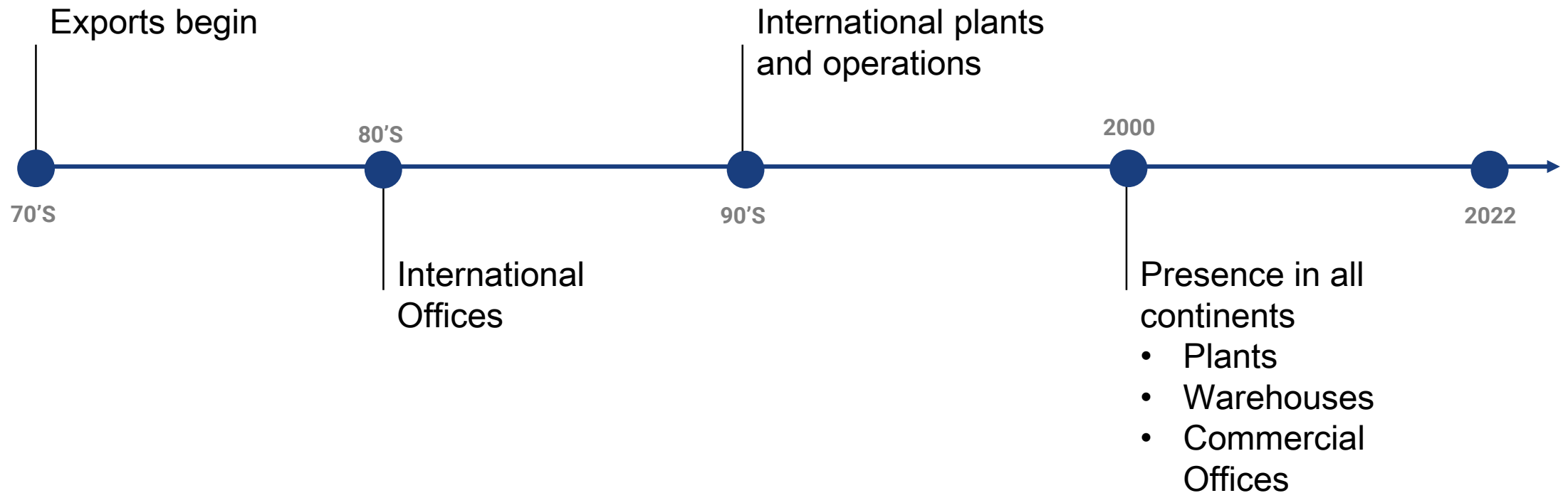
**CICLO 2 DE EXPANSÃO**

Em construção .....





# be more global ...



innovation to grow...

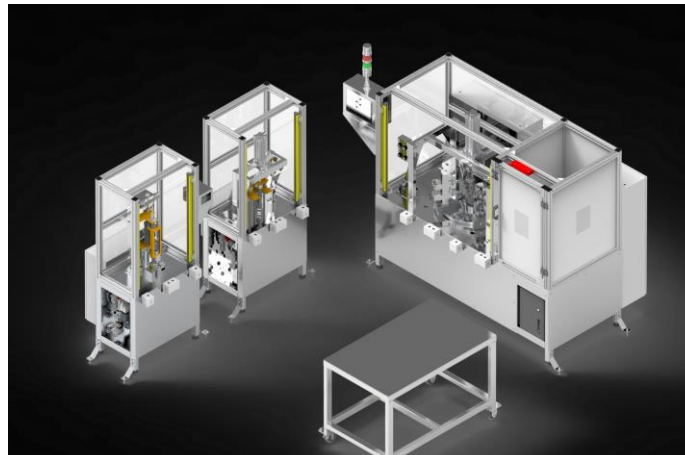


# FRAS-LE

INNOVATION, AUTOMATION AND INDUSTRIAL ROBOTICS



Linha de abastecimento



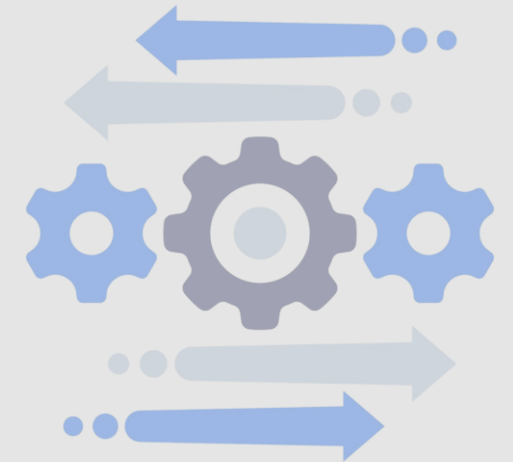
Montagem cilindros



Célula de paletização



Fábrica amortecedores





# INNOVATION AND TECHNOLOGY



**VDA**  
53.000 metros  
quadrados

**PISTA DE  
BAIXO ATRITO**  
300 metros





Novo **IHR**, agora é um **ICT**

Instituto de Pesquisa **CIENTÍFICA E TECNOLÓGICA**

Foco na **INOVAÇÃO DISRUPTIVA DE PRODUTO** nas ER

Busca de **SOLUÇÕES VANGUARDISTAS** e **CONHECIMENTO**



**IHR**

Instituto **Hercílio Randon**  
Ciência e Tecnologia



MOBILIDADE &  
ELETRIFICAÇÃO



ELETRÔNICA  
EMBARCADA



SMART  
MATERIALS

2020

4

+

3

+

9

=

16

Projetos

2021

8

+

5

+

16

=

29

Projetos

Pessoas Envolvidas

+ 100

Startups

+ 13

Patentes

+ 30



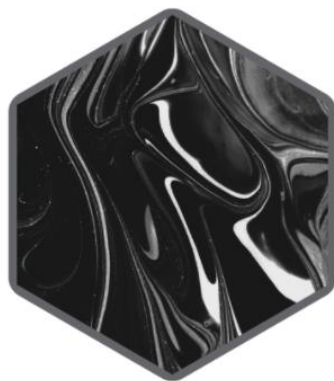
# NIONE



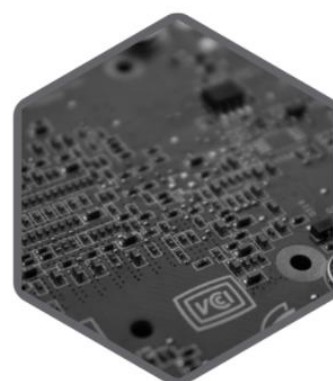
Metais



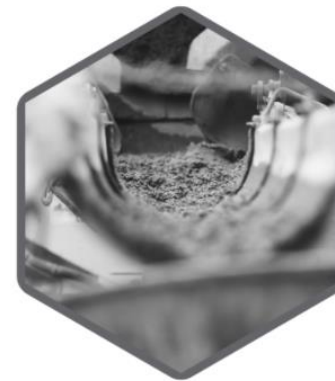
Agro



Químicos



Eletrônicos



Construção civil



# 2022 TRENDS

## MACRO SCENARIO

- MOST CRITICAL PHASE OF THE PANDEMIC HAS BEEN OVERCOME;
- IN GENERAL, DOMESTIC ECONOMY IS GROWING;
- CONTINUING GLOBAL ECONOMY RECOVERY;
- GLOBAL INFLATION IS STILL HIGH;
- IMPACT OF THE SIGNIFICANT INCREASE IN SELIC INTEREST RATE;
- UNCERTAINTIES ARISING FROM AN ELECTORAL YE;AR
- POLITICAL AND LEGAL UNCERTAINTIES;
- EXCHANGE VOLATILITY;
- SECOND SHALF OF THE YEAR WITH MORE RISKS AND UNCERTAINTY.

## OPERATING ENVIRONMENT

- GREATER AVAILABILITY OF LABOR - PANDEMIC
- SUPPLY OF RAW MATERIALS IS BETTER, BUT STILL PROBLEMATIC
- ALTHOUGH PRESENT, INFLATION ON RAW MATERIALS AND FUELS SHOWS LESS INTENSITY
- INTERNATIONAL MARITIME LOGISTICS STILL EXTREMELY COSTLY AND UNBALANCED



# 2022 TRENDS

## REPLACEMENT

LESS DEPENDENT ON ECONOMY

LIGHT LINE REMAINS STRONG, ALTHOUGH LESS BOOMING.

CAR SHARING LOSES STRENGTH DUE TO OPERATING COSTS

FAMILIES' BUYING POWER PUTS PRESSURE ON PRICES;

## INTERNATIONAL

- MAIN MARKETS ARE HEATED;
- PRODUCTION OUTSIDE CHINA IS GAINING STRENGTH;
- PRODUCTION RESTRICTIONS IN CHINA - ENERGY CRISIS.

## OEM

- AGROBUSINESS CONTINUES DRIVING FORWARD PRODUCTION OF TRUCKS AND SEMI-TRAILERS;
- RECOVERY IN THE PRODUCTION OF AUTOMOBILES AND LIGHT COMMERCIAL VEHICLES.

•

# 2022 TRENDS



**COVID 19**



**LOGISTICS**



**CONSUMER  
PRICES**



**INFLATION**



**SUPPLY**



**SELIC INTEREST  
RATE INCREASES**



**MEGA  
TECHNOLOGICAL  
TRENDS IN  
MOBILITY**

**SIGNIFICANT RADICAL  
TRANSFORMATIONS**

**CONSUMER  
HABITS  
ARE CHANGING**

**ARE BEEN SEEN SIMULTANEOUSLY**

**MAJOR  
GEOPOLITICAL  
UNCERTAINTIES**

**NEW PLAYERS  
ARE ARRIVING**

**HYPER  
CONNECTIVITY**



**HOW TO  
OVERCOME  
THIS ENVIRONMENT ?**



# Critical Factors for Future Success

**1**

**INNOVATION  
AND  
TECHNOLOGY**

**2**

**FINANCIAL CAPACITY**

**3**

**COOPERATION**

**4**

**AGILITY**

**IS IT TIME TO  
BRAKE, HOLD OR  
ACCELERATE?**

**ACCELERATE!  
WE WILL CONTINUE  
ACCELERATING  
THE COMPANY'S GROWTH!**





**FRAS·LE**<sup>®</sup>

RI.FRAS-LE.COM.BR