

## 3Q20 HIGHLIGHTS

- ✓ **Net Operating Revenue (NOR)** totaled **R\$705.8 million** in 3Q20, 219.9% up on 3Q19 and 52.1% up on 2Q20;
- ✓ **Net Income** came to **R\$56.4 million** in 3Q20, 101.3% up on 3Q19 and 130.2% up on 2Q20, with a **net margin** of **8.0%**, 2.7 p.p. higher than in 2Q20;
- ✓ **Return on Invested Capital** came to **25.5%** in 3Q20, an increase of 1.1 p.p. over 2Q20;
- ✓ In 3Q20, **EBITDA** totaled **R\$102.1 million**, up by 114.1% over 3Q19;
- ✓ **Investments** reached **R\$73.4 million** in the quarter and **R\$146.6 million in 2020**, out of a total of R\$473 million required to expand our production capacity by the end of 2021;
- ✓ **Net leverage closed the quarter at 3.0x**, but considering the net proceeds from the primary offering received on November 12, **the company's net leverage is less than 0.1x**.
- ✓ **Acquisition** of Pecém II Plants;
- ✓ **Listing of Aeris (AERI3) in the Novo Mercado listing segment of B3**, with its shares being traded as of November 11, 2020.

**Conference call in Portuguese with simultaneous translation to English (Q&A in both languages)**

Wednesday, November 12, 2020 - 1:30 p.m. (Brasília), 11:30 a.m. (ET)

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## MESSAGE FROM THE MANAGEMENT

The first nine months of 2020 were marked by strong growth in the production volume of blades for wind turbines, due to the 164.1% increase in net operating revenue when compared to 9M19. We overcame the challenges related to accelerated growth, even during the COVID-19 pandemic, as a result of efficient planning processes and the execution of our growth plan, including the addition of 1,700 employees to our workforce, who contributed to the delivery of 2,014 MW equivalent in the first nine months of 2020, 93.2% higher than in the same period of 2019.

In 3Q20, we entered into a long-term agreement with WEG Equipamentos Elétricos S.A. to supply blades for AGW4.2 wind turbines, with production beginning in 4Q20, and acquired facilities in the Pecém Industrial and Port Complex, which were previously owned by Wobben Windpower Indústria e Comércio Ltda (a subsidiary of ENERCON GmbH). These facilities will now be named "Aeris Pecém II" and the production of Aeris blades, which will be fully distributed to the export market, began in 3Q20.

In November 2020, we carried out our initial public offering (IPO) on the B3, beginning a new phase in the Company's history. By joining the Novo Mercado listing segment, which includes companies with the highest level of corporate governance, Aeris reinforces its commitment to transparency, to sustainable development, based on social and environmental initiatives, and to customer satisfaction in the growing global market of wind energy.

## OPERATING AND FINANCIAL HIGHLIGHTS

Operational Highlights	3Q20	2Q20	1Q20	4Q19	3Q19	Var 3Q20/3Q19	Var 3Q20/2Q20
<b>Sets<sup>1</sup></b>	274	208	150	197	175	56.6%	31.7%
<b>Production in MW equivalent<sup>2</sup></b>	938	641	435	503	406	131.0%	46.3%
<b>Domestic market</b>	693	461	260	218	106	553.8%	50.3%
<b>Export market</b>	245	180	175	285	300	-18.3%	36.1%
<b>Active production lines<sup>3</sup></b>	19	16	16	15	12	58.3%	18.8%

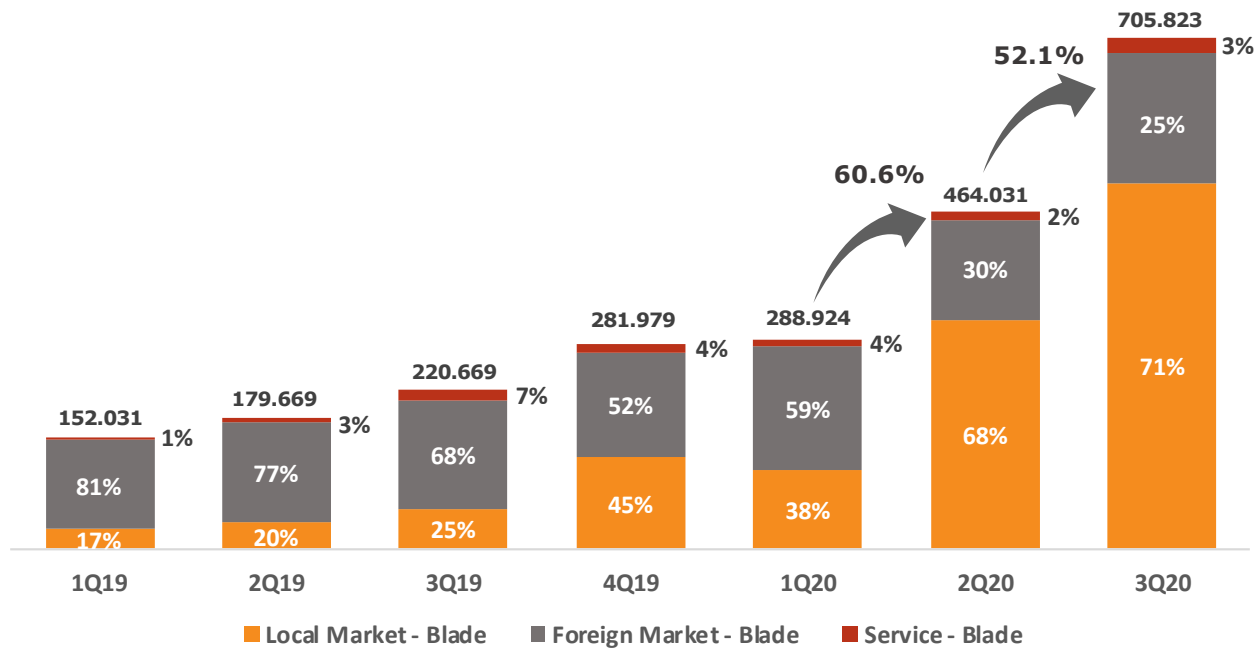
- (1) Sets (of three blades) that are billed and available to be collected by customers.  
(2) Considers the average nominal power range of wind turbines equipped with billed sets.  
(3) Number of production lines (molds) under development at the end of the period.

Financial Highlights	3Q20	2Q20	Var. 3Q20/2Q20	3Q19	Var. 3Q20/3Q19	9M20	9M19	Var. 9M20/9M19
<b>Return on Invested Capital<sup>1</sup></b>	25.5%	24.4%	1.1 pp	25.2%	0.3 pp	25.5%	25.2%	0.3 pp
<b>Net revenue</b>	705,823	464,031	52.1%	220,669	219.9%	1,458,778	552,369	164.1%
<b>Blades - Domestic Market</b>	503,535	315,652	59.5%	56,093	797.7%	988,613	117,908	738.5%
<b>Blades - Exports</b>	179,184	138,673	29.2%	149,021	20.2%	426,850	411,493	3.7%
<b>Services</b>	23,104	9,706	138.0%	15,555	48.5%	43,315	22,967	88.6%
<b>Net Income</b>	56,445	24,521	130.2%	28,046	101.3%	97,571	48,416	101.5%
<b>Net margin</b>	8.0%	5.3%	2.7 pp	12.7%	-4.7 p.p.	6.7%	8.8%	-2.1 p.p.
<b>EBITDA<sup>2</sup></b>	102,077	58,170	75.5%	47,674	114.1%	197,727	98,553	100.6%
<b>EBITDA margin</b>	14.5%	12.5%	0.7 pp	21.6%	-7.4 p.p.	13.6%	17.8%	-4.0 p.p.
<b>Earnings per share (EPS)</b>	0.09166	0.04022	127.9%	0.04600	99.2%	0.15844	0.07941	99.5%

- (1) Calculated based on LTM NOPAT (net operating profit after tax), divided by the average invested capital between the end of the current period and the end of the previous fiscal year;  
(2) This calculation includes the Sudene tax incentive

## Net Operating Revenue

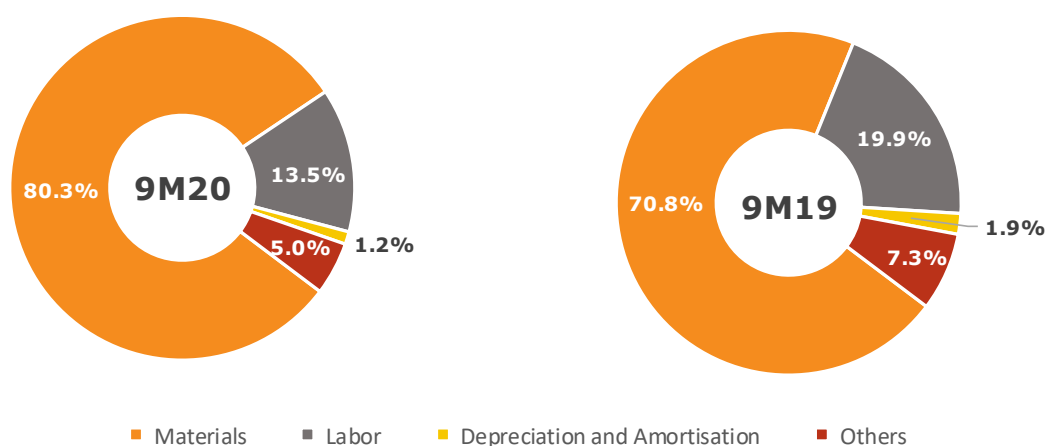
Net operating revenue came to R\$705.8 million in 3Q20, 52.1% higher than the R\$464.0 million recorded in 2Q20. In 9M20, net operating revenue amounted to R\$1,458.7 million, 164.1% up on 9M19. More than 95% of this upturn was due to increased revenues in the domestic market.



## Cost of products sold

R\$ in thousands of reais	3Q20	2Q20	Var.	9M20	9M19	Var.
<b>Net revenue</b>	705,823	464,031	52.1%	1,458,778	552,369	164.1%
<b>Cost of products sold</b>	614,367	404,852	51.8%	1,275,759	452,816	181.7%
<b>Gross margin</b>	13.0%	12.8%	0.2pp	12.5%	18,0%	-5.5PP

The gross margin remained stable in relation to 2Q20, reaching 13.0% in 3T20.



Direct material costs totaled R\$1,025 million in 9M20, with its share in COGS rising from 70.8% in 9M19 to 80.3% in 9M20, as a result of the depreciation of the real and the increased share of sales to the domestic market, through which the Company pays taxes to import direct materials, which are exempt in sales to the export market, due to the drawback system.

## General and Administrative Expenses & Other Net Revenues

R\$ in thousands of reais	3Q20	2Q20	Var.	9M20	9M19	Var.
<b>General and Administrative Expenses</b>	(19,960)	(17,465)	14.3%	(52,938)	(35,629)	48.6%
<b>% NOR</b>	2.8%	3.8%	-	3.6%	6.5%	-
<b>Other Operating Revenues - net</b>	12,436	5,966	108.4%	30,533	15,842	92.7%
<b>% NOR</b>	1.8%	1.3%	-	2.1%	2.9%	-

In 3Q20, general and administrative expenses accounted for 2.8% of net operating revenue, a reduction of 1.0 p.p. when compared to 2Q20.

Other net operating revenues grew by 92.7%, from R\$15.8 million in 9M19 to R\$30.5 million in 9M20, due to revenues related to agreements for the supply of blades (*ramp up fee*), as well as the sale of tools to manufacture new blade models, which came on stream in the period.

## EBITDA

R\$ in thousands of reais	3Q20	3Q19	Var %	9M20	9M19	Var %
<b>Net income for the period / year</b>	56,445	28,046	101.3%	97,571	48,416	101.5
<b>(+) Financial Result</b>	17,428	7,701	126.3%	45,840	23,119	98.3%
<b>(+) Depreciation and Amortization</b>	6,113	1,904	221.1%	16,380	8,501	92.7%
<b>(+) Current and deferred income tax and social contribution, before tax incentive</b>	22,091	10,023	114.9%	37,936	18,517	101.9%
<b>EBITDA*</b>	102,077	47,674	114.1%	197,727	98,553	100.6%
<b>EBITDA margin</b>	14.5%	21.6%		13.6%	17.8%	

\*Includes the Sudene tax incentive

EBITDA came to R\$102.1 million in 3Q20, 114.1% up on 3Q19. In 9M20, EBITDA totaled R\$197.7 million, an increase of 101.9%.

## FINANCIAL RESULT AND INDEBTEDNESS

Financial Result	3Q20	2Q20	3Q19	Var% 3Q20/2Q20	Var% 3Q20/3Q19	9M20	9M19	Var %
<b>Exchange variation net*</b>	339	(7,119)	1,111	-104.8	-69.5	(8,473)	933	-1,008.0
<b>Net Financial Revenues (Expenses)</b>	(16,957)	(11,982)	(8,812)	41.5	92.4	(36,557)	(24,052)	52.0
<b>Net debt*</b>	803,254	624,626	296,586	28.6	170.8	-	-	-

\*includes Derivative financial instruments

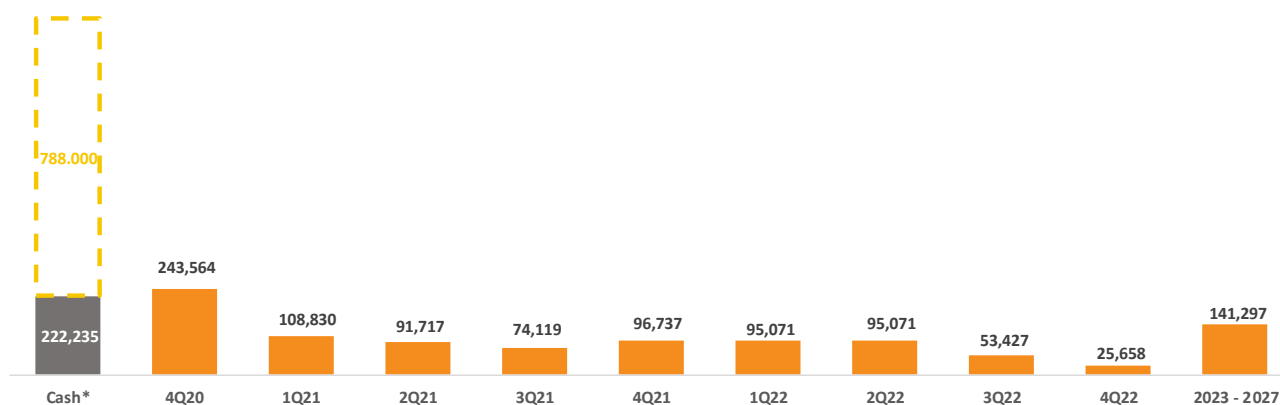
Net financial expenses reached R\$16.9 million in 3Q20, 41.5% up on 2Q20, due to increased funding in the period to execute the Company's expansion plan.

The proceeds from the primary offering will be partially allocated to improve the capital structure, by reducing the average cost of third-party capital.

Net leverage, measured by the net debt to LTM EBITDA ratio, closed the quarter at 3.0x. If we consider the net proceeds from the primary offering received on November 12, 2020, the company's net leverage is less than 0.1x .

The Company's cash position came to R\$222.2 million at the end of September 2020, after being reinforced by the proceeds from the primary offering of shares in the amount of R\$788 million. The primary offering of shares will allow the Company to proceed with its expansion plan, as well as reduce its indebtedness, pursuant to the offering documents.

### Debt Amortization Flow (R\$)

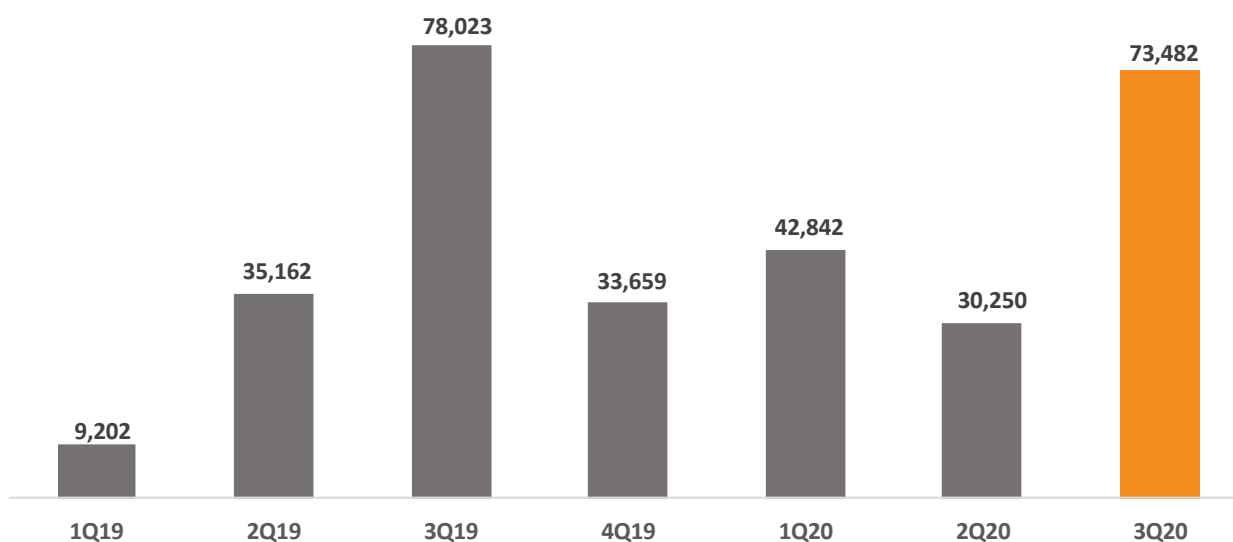


\* Resources available at the cash register in November 2020.

## NET INCOME

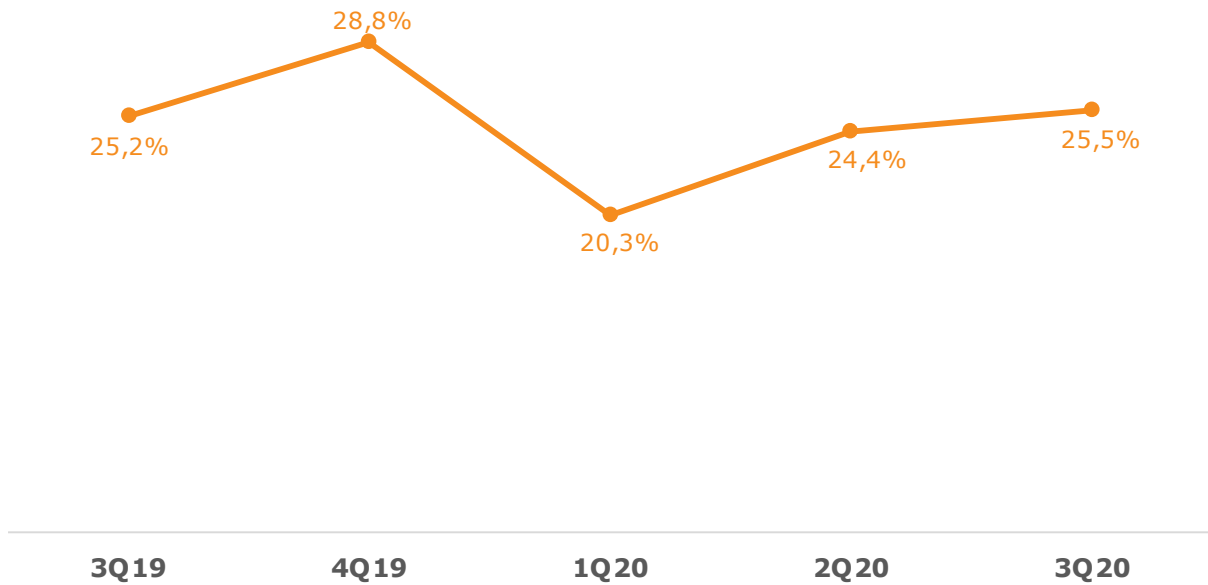
Net income stood at R\$56.4 million in 3Q20, 130.2% up quarter on quarter and 101.3% up year on year. In 9M20, net income amounted to R\$97.5 million, 101.5% higher than in 9M19.

## INVESTMENTS (R\$)



Aeris' investments came to R\$146.6 million on September 30, 2020, out of a total of R\$473 million required to expand our production capacity by the end of 2021.

## RETURN ON INVESTED CAPITAL



Return on invested capital (ROIC) came to 25.5% in 3Q20, versus 24.4% in 2Q20, an increase of 1.1 p.p. When compared to 3Q19, ROIC grew by 0.3 p.p.



## Statement of Income

(In thousands of Reais)

	3Q20	3Q19	Var 3Q	9M20	9M19	Var 9M
Net operating revenue	<b>705.823</b>	<b>220.669</b>	<b>219,9%</b>	<b>1.458.778</b>	<b>552.369</b>	<b>164,1%</b>
Cost of products sold	<b>(614.367)</b>	<b>(175.074)</b>	<b>250,9%</b>	<b>(1.275.759)</b>	<b>(452.816)</b>	<b>181,7%</b>
Gross profit	<b>91.456</b>	<b>45.596</b>	<b>100,6%</b>	<b>183.019</b>	<b>99.553</b>	<b>83,8%</b>
Operating (expenses) revenues:						
Selling, general and administrative expenses	<b>(19.788)</b>	<b>(14.490)</b>	<b>36,6%</b>	<b>(52.387)</b>	<b>(35.408)</b>	<b>48,0%</b>
Tax expenses	<b>(172)</b>	<b>(41)</b>	<b>316,4%</b>	<b>(551)</b>	<b>(221)</b>	<b>149,5%</b>
Other operating income (expenses), net	<b>12.436</b>	<b>9.142</b>	<b>36,0%</b>	<b>30.533</b>	<b>15.842</b>	<b>92,7%</b>
Equity in net income of subsidiaries	-	-				
Result before financial revenues and expenses	<b>83.932</b>	<b>40.206</b>	<b>108,8%</b>	<b>160.614</b>	<b>79.767</b>	<b>101,4%</b>
Depreciation	6.064	1.854	227,2%	16.225	8.349	94,3%
Amortization	48	50	-3,6%	155	152	2,0%
Depreciation and amortization	<b>6.113</b>	<b>1.904</b>	<b>221,1%</b>	<b>16.380</b>	<b>8.501</b>	<b>92,7%</b>
Ebitda	<b>90.044</b>	<b>42.110</b>	<b>113,8%</b>	<b>176.994</b>	<b>88.267</b>	<b>100,5%</b>
Ebitda (including Sudene Tax Incentive)	<b>102.077</b>	<b>47.674</b>	<b>114,1%</b>	<b>197.727</b>	<b>98.553</b>	<b>100,6%</b>
Financial expenses	(47.955)	(26.613)	80,2%	(146.994)	(64.966)	126,3%
Financial income	30.527	18.912	61,4%	101.154	41.847	141,7%
Financial result	<b>(17.428)</b>	<b>(7.701)</b>	<b>126,3%</b>	<b>(45.840)</b>	<b>(23.119)</b>	<b>98,3%</b>
Earnings before income tax and social contribution	<b>66.504</b>	<b>32.505</b>	<b>104,6%</b>	<b>114.773</b>	<b>56.648</b>	<b>102,6%</b>
Current income and social contribution taxes	<b>(9.509)</b>	<b>(4.459)</b>	<b>113,3%</b>	<b>(16.654)</b>	<b>(8.232)</b>	<b>102,3%</b>
Deferred income and social contribution taxes	<b>(549)</b>	-		<b>(549)</b>	-	
Net income for the period	<b>56.445</b>	<b>28.046</b>	<b>101,3%</b>	<b>97.571</b>	<b>48.416</b>	<b>101,5%</b>
Profit attributable to shareholders and controllers	<b>56.445</b>	<b>28.046</b>	<b>101,3%</b>	<b>97.571</b>	<b>48.416</b>	<b>101,5%</b>
Number of shares at the end of the year	<b>615.829</b>	<b>609.671</b>	<b>1,0%</b>	<b>615.829</b>	<b>609.671</b>	<b>0,3%</b>
ON - Registered common shares	<b>615.829</b>	<b>609.671</b>	<b>1,0%</b>	<b>615.829</b>	<b>609.671</b>	<b>0,3%</b>
Basic and diluted earnings per share – R\$	<b>0,0917</b>	<b>0,0460</b>	<b>99,2%</b>	<b>0,1591</b>	<b>0,0794</b>	<b>100,4%</b>

## Balance Sheet (Assets)

(In thousands of Reais)

Assets	Parent Company		Consolidated	
	09/30/2020	09/30/2019	09/30/2020	09/30/2019
Current				
Cash and cash equivalents	221.319	104.301	222.235	104.822
Financial assets	16.009	19.943	16.009	19.943
Accounts receivable from clients	149.104	56.326	156.780	60.955
Inventories	542.079	151.516	542.199	151.516
Taxes recoverable	66.708	17.209	66.708	17.209
Related parties	-	9.819	-	7.620
Other accounts receivable	45.271	42.004	46.027	42.237
Derivative financial instruments	16.305	-	16.305	-
Total current assets	1.056.795	401.118	1.066.263	404.301
Non-current				
Taxes recoverable	70.474	56.363	70.474	56.363
Other accounts receivable	1.507	2.337	1.507	2.337
Related parties	-	-	-	-
Investments	4.246	2.804	-	-
Derivative financial instruments	18.822	3.556	18.822	3.556
Fixed assets	491.551	304.442	492.650	304.827
Intangible assets	484	457	484	457
Total non-current assets	587.084	369.959	583.937	367.540
Total assets	1.643.879	771.077	1.650.200	771.841

## Balance Sheet (Liabilities and Equity)

(In thousands of Reais)

Liabilities and equity	Parent Company		Consolidated	
	09/30/2020	09/30/2019	09/30/2020	09/30/2019
Current				
Suppliers	192.865	46.982	193.827	47.567
Loans and financing	498.500	199.407	546.849	199.407
Payroll and related charges	36.153	22.961	36.240	22.982
Taxes payable	9.960	2.745	10.261	2.745
Advances from customers	21	-	282	-
Dividends payable	50.000	-	50.000	-
Related parties	43.797	-	-	-
Other payables	4.543	3.585	4.701	3.743
Total current liabilities	835.840	275.680	842.160	276.444
Non-current				
Loans and financing	529.777	239.716	529.777	239.716
Advances from customers	105.430	77.294	105.430	77.294
Derivative financial instruments	-	-	-	-
Related parties	-	-	-	-
Deferred income and social contribution taxes	549	-	549	-
Total non-current liabilities	635.756	317.010	635.756	317.010
Total liabilities	1.471.596	592.690	1.477.916	593.453
Equity				
Capital stock	37.340	36.183	37.340	36.183
Profit reserve	77.397	93.656	77.397	93.656
Accrued profit	56.445	48.416	56.445	48.416
Equity valuation adjustments	1.101	133	1.101	133
Total shareholders' equity	172.284	178.388	172.284	178.388
Total liabilities and shareholders' equity	1.643.879	771.077	1.650.200	771.841

## Cash Flow

	(In thousands of Reais)	
	3Q20	9M20
Cash flow from operating activities		
Net income for the period	56.445	97.571
Adjustments to reconcile net income to cash (used in) generated by operating activities:		
Depreciation and amortization	6.113	16.527
Net result from the sale of property and equipment	(4.510)	(4.460)
Deferred income and social contribution taxes	549	549
Equity in net income of subsidiaries	-	-
Currency variation on debt	(148)	4.545
Net Financial Revenues (Expenses)	15.825	36.406
Earnings from financial assets	(28)	(194)
	74.246	150.944
Changes in assets and liabilities		
Accounts receivable from clients	(76.921)	(57.191)
Inventories	(68.632)	(374.939)
Taxes recoverable	(11.171)	(45.325)
Other accounts receivable	(12.770)	(28.758)
Suppliers	69.353	77.287
Labor and social security obligations	(16.042)	(4.377)
Taxes payable	7.637	16.781
Advances from customers	3.148	3.142
Other payables	2.353	31
Cash (used in) generated by operating activities	(28.797)	(262.407)
Income tax and social contribution paid	(3.313)	(8.824)
Interest paid on borrowings and financing	(10.966)	(30.089)
Net cash (used in) generated by operating activities	(43.076)	(301.320)
Cash flows from investing activities		
Acquisition of financial assets	(1.718)	(2.718)
Redemption of financial assets	-	-
Acquisition of fixed assets	(73.482)	(146.650)
Amount received from the sale of property and equipment	5.687	6.217
Acquisition of intangible assets	-	(118)
Acquisition of	-	(0)
Net cash used in investment activities	(69.513)	(143.269)
Cash flows from financing activities		
Borrowings	350.477	916.630
Borrowings amortized	(108.538)	(258.743)
Prepayment of dividends	-	-
Distribution of dividends	(23.932)	(56.513)
Capital contribution	1.157	1.157
Related parties	(40.000)	(1.408)
Net cash generated by financing activities	179.164	601.123
Addition to cash and cash equivalents	66.575	156.534
Cash and cash equivalents at the beginning of the period	155.660	65.702
Cash and cash equivalents at the end of period	222.235	222.235
Addition to cash and cash equivalents	66.575	156.534