

WEG S/A

**Quarterly Information – June
30, 2021**



KPMG Auditores Independentes
R. São Paulo, 31 - 1º andar - Sala 11 - Bairro Bucarein
89202-200 - Joinville/SC - Brasil
Caixa Postal 2077 - CEP 89201-970 - Joinville/SC - Brasil
Telefone +55 (47) 3205-7800
kpmg.com.br

Quarterly Information Review Report

(A free translation of the original report in Portuguese)

To the Shareholders and Board of Directors
WEG S.A.
Jaraguá do Sul - SC

Introduction

We have reviewed the interim financial statements, individual and consolidated, of WEG S.A. ("Company") contained within the Quarterly Information for the quarter ended June 30, 2021, which comprise the balance sheet as of June 30, 2021 and the related statements of income and comprehensive income, for the three and six months periods then ended and the changes in shareholders' equity and cash flows for the six months period then ended, including the notes to the financial statements.

Management is responsible for the preparation of the interim financial statements in accordance with the technical pronouncement CPC 21(R1) and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, as well as for the presentation of these information in accordance with the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the Quarterly Information. Our responsibility is to express a conclusion on the interim financial statements based on our review.

Scope of the review

We conducted our review in accordance with Brazilian and international standards for reviewing interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). An interim review consists mainly in making enquiries and having discussions with persons responsible for financial and accounting matters, and applying analytical and other review procedures. An interim review is substantially less in scope than an audit conducted in accordance with auditing standards and, consequently, does not provide assurance that we would become aware of any or all significant matters that might be identified in an audit. Accordingly, we do not express such an audit opinion.



Conclusion about the interim financial statements

Based on our review, we are not aware of any fact that leads us to believe that the individual and consolidated interim financial statements included in the quarterly information referred to above have not been prepared, in all material respects, in accordance with CPC 21(R1) and IAS 34 issued by the IASB applicable to the Quarterly Information and presented in accordance with the standards issued by the Brazilian Securities and Exchange Commission.

Other issues

Statements of value added

The individual and consolidated interim financial statements, in relation to the statements of value added for the six months period ended in June 30, 2021, prepared under the responsibility of the Company's Management and presented as supplementary information regarding IAS 34, were submitted to review procedures performed jointly with the review of the interim quarterly information of the Company. In order to form our conclusion, we assessed if the statements are reconciled with the interim accounting information and records, as applicable, and if their form and content are in accordance with the criteria defined in CPC 09 - Statements of Value Added. Based on our review, we are not aware of any fact that would lead us to believe that the statements of value added aforementioned have not been fairly stated, in all material aspects, in relation to the interim financial statements, individual and consolidated, taken as a whole.

Corresponding Values

The exam of the balance sheets, individual and consolidated, for the period ended in December 31, 2020 and the review of interim financial information, individual and consolidated, related to statements of income and comprehensive income and net changes in equity and cash flows for the three and six months period ended in June 30, 2020, were conducted under the responsibility of other independent auditors, which disclosed their audit report and review report without modifications, on February 23, 2021 and July 20, 2020 respectively. The values related to the statements of value added, referring to the six months period ended in June 30, 2020; were submitted to the same review procedures by those other independent auditors and, based on their review, those auditors disclosed a report stating that they didn't have any information that might lead them into believing that this statement of value added wasn't prepared, in all its relevant aspects, in a consistent manner with the interim financial statements as a whole.

Joinville, July 20, 2021

KPMG Auditores Independentes
CRC SC-000071/F-8
Original report in Portuguese signed by
Felipe Brutti da Silva
Accountant CRC RS-083891/O-0 T-RS

Contents

Company information

| | |
|------------------------|---|
| Composition of capital | 2 |
|------------------------|---|

Individual financial statements

| | |
|--|---|
| Balance sheet - Assets | 3 |
| Balance sheet - Liabilities and equity | 4 |
| Income statements | 5 |
| Statement of comprehensive income | 6 |
| Cash flow statement | 7 |

Statement of changes in equity

| | |
|--|----|
| Statements of changes in equity - 01/01/2021 to 06/30/2021 | 8 |
| Statements of changes in equity - 01/01/2020 to 06/30/2020 | 9 |
| Statements of value added | 10 |

Consolidated financial statements

| | |
|--|----|
| Balance sheet - Assets | 11 |
| Balance sheet - Liabilities and equity | 12 |
| Income statement | 13 |
| Statement of comprehensive income | 14 |
| Cash flow statement | 15 |

Statement of changes in equity

| | |
|--|----|
| Statements of changes in equity - 01/01/2021 to 06/30/2021 | 16 |
| Statements of changes in equity - 01/01/2020 to 06/30/2020 | 17 |
| Statements of value added | 18 |

| | |
|-------------------------------|----|
| Comments on performance | 19 |
| Notes to financial statements | 33 |

Opinions and Statements

| | |
|---|----|
| Officers' Statement on the Quarterly Information | 54 |
| Officers' Statement on the Independent Auditor's Report | 55 |

Company information/Composition of capital**Number for shares
(Units)****Current quarter
06/30/2021****Paid-in capital**

| | |
|------------------|---------------|
| Common shares | 4,197,317,998 |
| Preferred shares | 0 |
| Total | 4,197,317,998 |

Treasury shares

| | |
|------------------|-----------|
| Common shares | 1,387,560 |
| Preferred shares | 0 |
| Total | 1,387,560 |

Individual Financial Statements/Balance Sheet - Assets

| (R\$ in thousands) | | Current Quarter | Prior Year |
|--------------------|---|-----------------|------------|
| Code | Description | 06/30/2021 | 12/31/2020 |
| 1 | Total assets | 12,429,875 | 11,713,015 |
| 1.01 | Current assets | 1,553,459 | 1,254,922 |
| 1.01.01 | Cash and cash equivalents | 544,041 | 390,133 |
| 1.01.01.01 | Cash and banks | 4 | 6 |
| 1.01.01.02 | Short-term investments | 544,037 | 390,217 |
| 1.01.02 | Short-term investments | 488,114 | 482,215 |
| 1.01.06 | Taxes recoverable | 18,411 | 2,978 |
| 1.01.06.01 | Current taxes recoverable | 18,411 | 2,978 |
| 1.01.08 | Other current assets | 502,893 | 379,596 |
| 1.01.08.03 | Others | 502,893 | 379,596 |
| 1.01.08.03.01 | Dividends | 358,131 | 241,917 |
| 1.01.08.03.02 | Interest on capital | 144,644 | 137,679 |
| 1.01.08.03.03 | Others | 118 | 0 |
| 1.02 | Noncurrent assets | 10,876,416 | 10,458,093 |
| 1.02.01 | Long-term receivables | 9,221 | 10,184 |
| 1.02.01.07 | Deferred taxes | 4,564 | 5,527 |
| 1.02.01.07.01 | Deferred income tax and social contribution | 4,564 | 5,527 |
| 1.02.01.10 | Other noncurrent assets | 4,657 | 4,657 |
| 1.02.01.10.03 | Judicial deposits | 4,657 | 4,657 |
| 1.02.02 | Investments | 10,863,097 | 10,443,777 |
| 1.02.02.01 | Equity interests | 10,863,097 | 10,443,777 |
| 1.02.02.01.02 | Interest in subsidiaries | 10,863,097 | 10,443,777 |
| 1.02.03 | Property, plant and equipment | 4,088 | 4,132 |
| 1.02.03.01 | Property, plant and equipment in operation | 4,088 | 4,132 |
| 1.02.04 | Intangible | 10 | 0 |
| 1.02.04.01 | Intangible Assets | 10 | 0 |

Individual Financial Statements/Balance Sheet - Liabilities and Equity

(R\$ in thousands)

| Code | Description | Current Quarter 06/30/2021 | Prior Year 12/31/2020 |
|---------------|--|---------------------------------------|----------------------------------|
| 2 | Total liabilities | 12,429,875 | 11,713,015 |
| 2.01 | Current liabilities | 458,315 | 145,120 |
| 2.01.01 | Social and labor obligations | 8,727 | 7,984 |
| 2.01.01.01 | Social obligations | 8,727 | 7,984 |
| 2.01.03 | Tax obligations | 12,750 | 205 |
| 2.01.03.01 | Federal tax obligations | 12,750 | 205 |
| 2.01.03.01.01 | Income tax and social contribution payable | 21 | 74 |
| 2.01.03.01.02 | Other tax obligations | 12,729 | 131 |
| 2.01.05 | Other obligations | 436,838 | 136,931 |
| 2.01.05.02 | Others | 436,838 | 136,931 |
| 2.01.05.02.01 | Dividends and interest on capital payable | 434,888 | 134,987 |
| 2.01.05.02.04 | Others | 1,950 | 1,944 |
| 2.02 | Noncurrent liabilities | 4,730 | 4,730 |
| 2.02.04 | Provisions | 4,730 | 4,730 |
| 2.02.04.01 | Labor and Civil Social Security Tax Provisions | 4,730 | 4,730 |
| 2.03 | Equity | 11,966,830 | 11,563,165 |
| 2.03.01 | Paid-in capital | 5,504,517 | 5,504,517 |
| 2.03.02 | Capital reserves | (123,909) | (132,242) |
| 2.03.02.04 | Options granted | 9,317 | 11,512 |
| 2.03.02.05 | Treasury shares | (11,913) | (15,779) |
| 2.03.02.07 | Premium on capital transaction | (121,313) | (127,975) |
| 2.03.03 | Revaluation reserves | 3,630 | 3,630 |
| 2.03.04 | Earnings reserves | 3,151,149 | 3,512,410 |
| 2.03.04.01 | Legal reserve | 264,689 | 264,689 |
| 2.03.04.02 | Statutory reserve | 2,518,254 | 2,518,254 |
| 2.03.04.08 | Additional dividend proposed | 368,206 | 729,467 |
| 2.03.05 | Retained earnings/accumulated losses | 1,084,501 | - |
| 2.03.06 | Carrying value adjustments | 331,256 | 343,843 |
| 2.03.06.01 | Deemed cost | 331,256 | 343,843 |
| 2.03.08 | Other comprehensive income | 2,015,686 | 2,331,007 |
| 2.03.08.01 | Derivative financial instruments | (2,249) | 5,180 |
| 2.03.08.02 | Cumulative translation adjustments | (4,288) | (4,288) |
| 2.03.08.03 | Cumulative translation adjustments | 2,022,223 | 2,330,115 |

Individual Financial Statements/Income Statements

(R\$ in thousands)

| Code | Description | YTD current year 01/01/2021 to 06/30/2021 | YTD prior year 01/01/2020 to 06/30/2020 |
|------------|--|---|---|
| 3.04 | Operating income/expenses | 1,905,980 | 949,897 |
| 3.04.02 | General and administrative expenses | (2,719) | (2,562) |
| 3.04.02.01 | Management fees | (1,506) | (1,385) |
| 3.04.02.02 | Other administrative expenses | (1,213) | (1,177) |
| 3.04.04 | Other operating revenue | 84 | 0 |
| 3.04.05 | Other operating expenses | 376 | (6,362) |
| 3.04.06 | Share of profit or loss of investees | 1,908,239 | 958,821 |
| 3.05 | Profit before finance income (costs) and taxes | 1,905,980 | 949,897 |
| 3.06 | Finance income (costs) | (5,544) | 4,919 |
| 3.06.01 | Finance income | (3,392) | 6,106 |
| 3.06.02 | Finance costs | (2,152) | (1,187) |
| 3.07 | Profit before taxes on income | 1,900,436 | 954,816 |
| 3.08 | Income tax and social contribution | (1,469) | (418) |
| 3.08.01 | Current | (506) | (60) |
| 3.08.02 | Deferred | (963) | (358) |
| 3.09 | Profit for the period from continuing operations | 1,898,967 | 954,398 |
| 3.11 | Profit/loss for the period | 1,898,967 | 954,398 |
| 3.99 | Earnings per share – (real/share) | - | - |
| 3.99.01 | Basic earnings per share | - | - |
| 3.99.01.01 | Common shares | 0.45256 | 0.22749 |
| 3.99.02 | Diluted earnings per share | - | - |
| 3.99.02.01 | Common shares | 0.45249 | 0.22739 |

Individual Financial Statements/Statement of Comprehensive Income

(R\$ in thousands)

| Code | Description | YTD current year 01/01/2021 to 06/30/2021 | YTD prior year 01/01/2020 to 06/30/2020 |
|-------------|--|--|--|
| 4.01 | Profit for the period | 1,898,967 | 954,398 |
| 4.02 | Other comprehensive income | (319,017) | 1,299,884 |
| 4.02.01 | Cumulative translation adjustments | (311,587) | 1,274,486 |
| 4.02.02 | Hedge Accounting | (7,430) | 15,184 |
| 4.02.03 | Change in equity interests | 0 | 1,782 |
| 4.02.04 | Foreign exchange differences – deemed cost | 0 | 8,432 |
| 4.03 | Total comprehensive income for the period | 1,579,950 | 2,254,282 |

Individual Financial Statements/Cash Flow Statement – Indirect Method

(R\$ in thousands)

| Code | Description | YTD current year 01/01/2021 to 06/30/2021 | YTD prior year 01/01/2020 to 06/30/2020 |
|-------------|--|--|--|
| 6.01 | Net cash from operating activities | (16,091) | (17,487) |
| 6.01.01 | Cash from operations | (16,288) | (19,785) |
| 6.01.01.01 | Profit before taxes | 1,900,436 | 954,816 |
| 6.01.01.02 | Depreciation and amortization | 44 | 43 |
| 6.01.01.03 | Share of profit or loss of investees | (1,908,239) | (958,821) |
| 6.01.01.06 | Income from financial investments | (6,362) | (12,305) |
| 6.01.01.07 | Stock option plan expenses | (2,167) | (3,518) |
| 6.01.02 | Changes in assets and liabilities | 197 | 2,298 |
| 6.01.02.01 | (Increase)/decrease in trade receivables | 9,988 | (21,959) |
| 6.01.02.02 | Increase/(decrease) in trade payables | (9,232) | 24,334 |
| 6.01.02.03 | Income tax and social contribution paid | (559) | (77) |
| 6.02 | Net cash from investing activities | 1,025,259 | 553,409 |
| 6.02.02 | Dividends and interest on capital received | 1,024,795 | 469,063 |
| 6.02.05 | Held-to-maturity financial investments | 0 | (898) |
| 6.02.06 | Withdraw of financial investments | 464 | 85,244 |
| 6.03 | Net cash from investing activities | (855,260) | (495,853) |
| 6.03.01 | Dividends and interest on capital paid | (859,126) | (490,802) |
| 6.03.03 | Treasury shares | 3,866 | (5,051) |
| 6.05 | Increase (decrease) in cash and cash equivalents | 153,908 | 40,069 |
| 6.05.01 | Cash and cash equivalents at the beginning of the period | 390,133 | 69,046 |
| 6.05.02 | Cash and cash equivalents at the end of the period | 544,041 | 109,115 |

Individual Financial Statements /Statements of Changes in Equity - 01/01/2021 to 06/30/2021

R\$ (in thousands)

| Code | Description | Paid-in capital | Capital reserves, options granted and treasury shares | Earnings reserves | Retained earnings or accumulated losses | Other comprehensive income | Equity |
|------------|--|-----------------|---|----------------------|--|----------------------------------|------------|
| 5.01 | Opening balances | 5,504,517 | (128,612) | 2,782,943 | 729,467 | 2,674,850 | 11,563,165 |
| 5.03 | Adjusted opening balances | 5,504,517 | (128,612) | 2,782,943 | 729,467 | 2,674,850 | 11,563,165 |
| 5.04 | Capital transactions with shareholders | - | 8,333 | - | (455,603) | - | (447,270) |
| 5.04.03 | Options granted recognized | - | (2,195) | - | (3,017) | - | (5,212) |
| 5.04.05 | Treasury shares sold | - | 6,768 | - | - | - | 6,768 |
| 5.04.06 | Dividends | - | - | - | (663,691) | - | (663,691) |
| 5.04.07 | Interest on capital | - | - | - | (157,101) | - | (157,101) |
| 5.04.08 | Capital transactions | - | 3,760 | - | - | - | 3,760 |
| 5.04.09 | Additional proposed dividends | - | - | - | 368,206 | - | 368,206 |
| 5.05 | Total comprehensive income | - | - | - | 1,907,858 | (327,908) | 1,579,950 |
| 5.05.01 | Profit for the period | - | - | - | 1,898,967 | - | 1,898,967 |
| 5.05.02 | Other comprehensive income | - | - | - | 8,891 | (327,908) | (319,017) |
| 5.05.02.04 | Translation adjustments for the period | - | - | - | - | (311,587) | (311,587) |
| 5.05.02.06 | Hedge Accounting - Cash flow, net of taxes | - | - | - | - | (7,430) | (7,430) |
| 5.05.02.07 | Realization of deemed cost | - | - | - | 8,891 | (8,891) | - |
| 5.06 | Internal changes in equity | - | - | - | (729,015) | - | (729,015) |
| 5.06.04 | Payment of dividends | - | - | - | (729,467) | - | (729,467) |
| 5.06.05 | Prescribed dividends | - | - | - | 452 | - | 452 |
| 5.07 | Closing balances | 5,504,517 | (120,279) | 2,782,943 | 1,452,707 | 2,346,942 | 11,966,830 |

Individual Financial Statements /Statements of Changes in Equity - 01/01/2020 to 06/30/2020

R\$ (in thousands)

| Code | Description | Paid-in capital | Capital reserves, options granted and treasury shares | Earnings reserves | Retained earnings or accumulated losses | Other comprehensive income | Equity |
|------------|--|-----------------|---|----------------------|--|----------------------------------|------------|
| 5.01 | Opening balances | 5,504,517 | (100,238) | 1,707,252 | 351,892 | 1,253,824 | 8,717,247 |
| 5.03 | Adjusted opening balances | 5,504,517 | (100,238) | 1,707,252 | 351,892 | 1,253,824 | 8,717,247 |
| 5.04 | Capital transactions with shareholders | - | (24,543) | - | (232,786) | - | (257,329) |
| 5.04.03 | Options granted recognized | - | (4,310) | - | (3,665) | - | (7,975) |
| 5.04.04 | Treasury shares acquired | - | (11,762) | - | - | - | (11,762) |
| 5.04.05 | Treasury shares sold | - | 11,242 | - | - | - | 11,242 |
| 5.04.06 | Dividends | - | - | - | (265,992) | - | (265,992) |
| 5.04.07 | Interest on capital | - | - | - | (143,627) | - | (143,627) |
| 5.04.08 | Capital transactions | - | (19,713) | - | - | - | (19,713) |
| 5.04.09 | Additional proposed dividends | - | - | - | 180,498 | - | 180,498 |
| 5.05 | Total comprehensive income | - | - | - | 967,864 | 1,286,418 | 2,254,282 |
| 5.05.01 | Profit for the period | - | - | - | 954,398 | - | 954,398 |
| 5.05.02 | Other comprehensive income | - | - | - | 13,466 | 1,286,418 | 1,299,884 |
| 5.05.02.04 | Translation adjustments for the period | - | - | - | - | 1,274,486 | 1,274,486 |
| 5.05.02.06 | Hedge Accounting - Cash flow, net of taxes | - | - | - | - | 15,184 | 15,184 |
| 5.05.02.07 | Realization of deemed cost | - | - | - | 13,466 | (5,034) | 8,432 |
| 5.05.02.08 | Changes in equity participation | - | - | - | - | 1,782 | 1,782 |
| 5.06 | Internal changes in equity | - | - | - | (351,892) | - | (351,892) |
| 5.06.04 | Payment of dividends | - | - | - | (351,892) | - | (351,892) |
| 5.07 | Closing balances | 5,504,517 | (124,781) | 1,707,252 | 735,078 | 2,540,242 | 10,362,308 |

Individual Financial Statements/ Statements of Value AddedR\$ (in
thousands)

| Code | Description | YTD current year 01/01/2021 to 06/30/2021 | YTD prior year 01/01/2020 to 06/30/2020 |
|-------------|--|--|--|
| 7.02 | Inputs acquired from third parties | 2,220 | 3,104 |
| 7.02.02 | Materials, electric power, third-party services and others | (29) | (412) |
| 7.02.03 | Loss/recovery of assets | 2,249 | 3,516 |
| 7.03 | Gross value added | 2,220 | 3,104 |
| 7.04 | Retentions | (44) | (43) |
| 7.04.01 | Depreciation, amortization and depletion | (44) | (43) |
| 7.05 | Wealth created by the Company | 2,176 | 3,061 |
| 7.06 | Wealth received in transfer | 1,904,847 | 964,927 |
| 7.06.01 | Share of profit or loss of investees | 1,908,239 | 958,821 |
| 7.06.02 | Finance income | (3,392) | 6,106 |
| 7.07 | Wealth for distribution | 1,907,023 | 967,988 |
| 7.08 | Wealth distributed | 1,907,023 | 967,988 |
| 7.08.01 | Personnel | 3,771 | 3,490 |
| 7.08.01.01 | Salaries and wages | 3,606 | 3,305 |
| 7.08.01.02 | Benefits | 95 | 106 |
| 7.08.01.03 | Severance pay fund (FGTS) | 70 | 79 |
| 7.08.02 | Taxes, fees and contributions | 2,133 | 630 |
| 7.08.02.01 | Federal | 2,133 | 630 |
| 7.08.03 | Lenders and lessors | 2,152 | 9,470 |
| 7.08.03.01 | Interest | 2,152 | 9,470 |
| 7.08.04 | Lenders and lessors | 1,898,967 | 954,398 |
| 7.08.04.01 | Interest on capital | 157,101 | 143,627 |
| 7.08.04.02 | Dividends | 663,691 | 265,992 |
| 7.08.04.03 | Retained earnings / Loss for the period | 1,078,175 | 544,779 |

Consolidated Financial Statements Balance Sheet – Assets

(R\$ in thousands)

| Code | Description | Current Quarter 06/30/2021 | Prior Year 12/31/2020 |
|---------------|---|---------------------------------------|----------------------------------|
| 1 | Total assets | 21,411,835 | 19,927,896 |
| 1.01 | Current assets | 13,990,900 | 12,556,143 |
| 1.01.01 | Cash and cash equivalents | 3,275,927 | 3,892,140 |
| 1.01.01.01 | Cash and banks | 515,663 | 584,332 |
| 1.01.01.02 | Short-term investments | 2,760,264 | 3,307,808 |
| 1.01.02 | Short-term investments | 546,300 | 592,794 |
| 1.01.03 | Trade receivables | 3,660,880 | 3,417,251 |
| 1.01.03.01 | Customers | 3,660,880 | 3,417,251 |
| 1.01.04 | Inventories | 4,846,993 | 3,737,529 |
| 1.01.06 | Taxes recoverable | 839,761 | 339,283 |
| 1.01.06.01 | Current taxes recoverable | 839,761 | 339,283 |
| 1.01.08 | Other current assets | 821,039 | 577,146 |
| 1.01.08.03 | Others | 821,039 | 577,146 |
| 1.01.08.03.01 | Derivative financial instruments | 311,221 | 206,849 |
| 1.01.08.03.02 | Others | 509,818 | 370,297 |
| 1.02 | Noncurrent assets | 7,420,935 | 7,371,753 |
| 1.02.01 | Long-term receivables | 983,820 | 898,045 |
| 1.02.01.07 | Deferred taxes | 409,664 | 360,390 |
| 1.02.01.07.01 | Deferred income tax and social contribution | 409,664 | 360,390 |
| 1.02.01.10 | Other noncurrent assets | 574,156 | 537,655 |
| 1.02.01.10.03 | Judicial deposits | 66,800 | 70,155 |
| 1.02.01.10.04 | Taxes recoverable | 247,070 | 31,214 |
| 1.02.01.10.05 | Derivative financial instruments | 134,806 | 318,291 |
| 1.02.01.10.06 | Others | 125,480 | 117,995 |
| 1.02.02 | Investments | 2,536 | 1,023 |
| 1.02.02.01 | Equity interests | 2,536 | 1,023 |
| 1.02.02.01.05 | Other investments | 2,536 | 1,023 |
| 1.02.03 | Property, plant and equipment | 4,896,971 | 4,877,210 |
| 1.02.03.01 | Property, plant and equipment in operation | 4,575,883 | 4,598,730 |
| 1.02.03.02 | Right-of-Use Assets | 321,088 | 278,480 |
| 1.02.04 | Intangible assets | 1,537,608 | 1,595,475 |
| 1.02.04.01 | Intangible assets | 257,182 | 276,765 |
| 1.02.04.01.02 | Others | 257,182 | 276,765 |
| 1.02.04.02 | Goodwill | 1,280,426 | 1,318,710 |

Consolidated Financial Statements Balance Sheet – Liabilities and Equity

(R\$ in thousands)

| Code | Description | Current Quarter 06/30/2021 | Prior Year 12/31/2020 |
|---------------|---|---------------------------------------|----------------------------------|
| 2 | Total liabilities | 21,411,835 | 19,927,896 |
| 2.01 | Current liabilities | 7,407,489 | 5,882,044 |
| 2.01.01 | Social and labor obligations | 516,302 | 366,790 |
| 2.01.01.01 | Social obligations | 516,302 | 366,790 |
| 2.01.02 | Trade payables | 1,875,591 | 1,249,368 |
| 2.01.03 | Tax obligations | 408,859 | 240,467 |
| 2.01.03.01 | Federal tax obligations | 408,859 | 240,467 |
| 2.01.03.01.01 | Income tax and social contribution payable | 256,820 | 111,072 |
| 2.01.03.01.02 | Others | 152,039 | 129,395 |
| 2.01.04 | Borrowings and financing | 939,588 | 642,284 |
| 2.01.04.01 | Borrowings and financing | 939,588 | 642,284 |
| 2.01.04.01.01 | In local currency | 7,738 | 12,289 |
| 2.01.04.01.02 | In foreign currency | 931,850 | 629,995 |
| 2.01.05 | Other obligations | 3,667,149 | 3,383,135 |
| 2.01.05.02 | Others | 3,667,149 | 3,383,135 |
| 2.01.05.02.01 | Dividends and interest on capital payable | 436,163 | 136,007 |
| 2.01.05.02.04 | Advances from customers | 1,756,826 | 1,714,656 |
| 2.01.05.02.05 | Profit sharing | 338,842 | 335,428 |
| 2.01.05.02.06 | Derivative financial instruments | 13,934 | 14,011 |
| 2.01.05.02.07 | Leases | 57,851 | 63,994 |
| 2.01.05.02.08 | Payables - subsidiaries abroad | 352,361 | 249,933 |
| 2.01.05.02.09 | Provision for product warranties | 260,948 | 251,595 |
| 2.01.05.02.10 | Bill and hold sales | 166,799 | 263,294 |
| 2.01.05.02.11 | Others | 283,425 | 354,217 |
| 2.02 | Noncurrent liabilities | 1,682,133 | 2,115,554 |
| 2.02.01 | Borrowings and financing | 562,148 | 1,044,296 |
| 2.02.01.01 | Borrowings and financing | 562,148 | 1,044,296 |
| 2.02.01.01.01 | In local currency | 39,406 | 48,193 |
| 2.02.01.01.02 | In foreign currency | 522,742 | 996,103 |
| 2.02.02 | Other obligations | 432,767 | 388,928 |
| 2.02.02.02 | Others | 432,767 | 388,928 |
| 2.02.02.02.04 | Derivative financial instruments | 4,710 | 6,500 |
| 2.02.02.02.05 | Leases | 273,758 | 223,532 |
| 2.02.02.02.06 | Others | 154,299 | 158,896 |
| 2.02.03 | Deferred taxes | 73,760 | 69,625 |
| 2.02.03.01 | Deferred income tax and social contribution | 73,760 | 69,625 |
| 2.02.04 | Provisions | 613,458 | 612,705 |
| 2.03 | Consolidated equity | 12,322,213 | 11,930,298 |
| 2.03.01 | Paid-in capital | 5,504,517 | 5,504,517 |
| 2.03.02 | Capital reserves | (123,909) | (132,242) |
| 2.03.02.04 | Options granted | 9,317 | 11,512 |
| 2.03.02.05 | Treasury shares | (11,913) | (15,779) |
| 2.03.02.07 | Premium on capital transaction | (121,313) | (127,975) |
| 2.03.03 | Revaluation reserves | 3,630 | 3,630 |
| 2.03.04 | Earnings reserves | 3,151,149 | 3,512,410 |
| 2.03.04.01 | Legal reserve | 264,689 | 264,689 |
| 2.03.04.02 | Statutory reserve | 2,518,254 | 2,518,254 |
| 2.03.04.08 | Additional dividend proposed | 368,206 | 729,467 |
| 2.03.05 | Retained earnings/accumulated losses | 1,084,501 | - |
| 2.03.06 | Carrying value adjustments | 331,256 | 343,843 |
| 2.03.06.01 | Deemed cost | 331,256 | 343,843 |
| 2.03.08 | Other comprehensive income | 2,015,686 | 2,331,007 |
| 2.03.08.01 | Derivative financial instruments | (2,249) | 5,180 |
| 2.03.08.02 | Cumulative translation adjustments | (4,288) | (4,288) |
| 2.03.08.03 | Cumulative translation adjustments | 2,022,223 | 2,330,115 |
| 2.03.09 | Noncontrolling interests | 355,383 | 367,133 |

Consolidated Financial Statements/Income Statements

R\$ (in thousands)

| Code | Description | YTD current year 01/01/2021 to 06/30/2021 | YTD prior year 01/01/2020 to 06/30/2020 |
|------------|--|---|---|
| 3.01 | Revenue from sale of products and/or services | 10,825,085 | 7,778,379 |
| 3.02 | Cost of sales and services | (7,458,839) | (5,448,743) |
| 3.03 | Gross profit | 3,366,246 | 2,329,636 |
| 3.04 | Operating income/expenses | (1,207,092) | (1,191,234) |
| 3.04.01 | Selling expenses | (877,414) | (705,291) |
| 3.04.02 | General and administrative expenses | (368,798) | (301,680) |
| 3.04.02.01 | Management fees | (12,333) | (13,041) |
| 3.04.02.02 | Other administrative expenses | (356,465) | (288,639) |
| 3.04.04 | Other operating income | 387,466 | 11,844 |
| 3.04.05 | Other operating expenses | (348,346) | (191,876) |
| 3.04.06 | Equity income | - | (4,231) |
| 3.05 | Profit before finance income (costs) and taxes | 2,159,154 | 1,138,402 |
| 3.06 | Finance income (costs) | 150,441 | (46,916) |
| 3.06.01 | Finance income | 589,020 | 573,490 |
| 3.06.02 | Finance expenses | (438,579) | (620,406) |
| 3.07 | Profit before taxes on income | 2,309,595 | 1,091,486 |
| 3.08 | Income tax and social contribution | (378,273) | (110,994) |
| 3.08.01 | Current | (405,673) | (157,295) |
| 3.08.02 | Deferred | 27,400 | 46,301 |
| 3.09 | Profit for the period from continuing operations | 1,931,322 | 980,492 |
| 3.11 | Consolidated profit/loss for the period | 1,931,322 | 980,492 |
| 3.11.01 | Attributable to owners of the Company | 1,898,967 | 954,398 |
| 3.11.02 | Attributable to noncontrolling interests | 32,355 | 26,094 |
| 3.99 | Earnings per share – (real/share) | | |
| 3.99.01 | Basic earnings per share | | |
| 3.99.01.01 | Common shares | 0.45256 | 0.22749 |
| 3.99.02 | Diluted earnings per share | | |
| 3.99.02.01 | Common shares | 0.45249 | 0.22739 |

Consolidated Financial Statements/Statement of Comprehensive Income

| R\$ (in thousands) | | YTD current year | YTD prior year |
|--------------------|--|-----------------------------|-----------------------------|
| Code | Description | 01/01/2021 to 06/30/2021 | 01/01/2020 to 06/30/2020 |
| 4.01 | Consolidated profit for the period | 1,931,322 | 980,492 |
| 4.02 | Other comprehensive income | (320,128) | 1,302,006 |
| 4.02.01 | Cumulative translation adjustments | (310,920) | 1,276,140 |
| 4.02.02 | Hedge Accounting | (9,208) | 15,652 |
| 4.02.03 | Change in equity interests | - | 1,782 |
| 4.02.04 | Foreign exchange differences – deemed cost | - | 8,432 |
| 4.03 | Consolidated comprehensive income for the period | 1,611,194 | 2,282,498 |
| 4.03.01 | Attributable to owners of the Company | 1,579,950 | 2,254,282 |
| 4.03.02 | Attributable to noncontrolling interests | 31,244 | 28,216 |

Consolidated Financial Statements/Cash Flow Statement – Indirect Method

R\$ (in thousands)

| Code | Description | YTD current year 01/01/2021 to 06/30/2021 | YTD prior year 01/01/2020 to 06/30/2020 |
|------------|---|---|---|
| 6.01 | Net cash from operating activities | 526,893 | 979,137 |
| 6.01.01 | Cash from operations | 2,389,345 | 1,588,165 |
| 6.01.01.01 | Profit before taxes | 2,309,595 | 1,091,486 |
| 6.01.01.02 | Depreciation, amortization and depletion | 250,415 | 212,934 |
| 6.01.01.03 | Employee profit sharing | 320,750 | 165,450 |
| 6.01.01.04 | Stock option plan expenses | 6,463 | 5,644 |
| 6.01.01.05 | Provision for credit risk | (8,349) | 17,668 |
| 6.01.01.06 | Provision for tax, civil and labor liabilities | 753 | (2,696) |
| 6.01.01.07 | Provision for inventory losses | (11,128) | 49,374 |
| 6.01.01.08 | Provision for product warranty | 9,353 | 58,408 |
| 6.01.01.09 | Loss on disposal of property, plant and equipment and intangible assets | 4,145 | 5,121 |
| 6.01.01.10 | Accrued interest on borrowings | (303) | 6,550 |
| 6.01.01.12 | Income from financial investments | (6,779) | (26,005) |
| 6.01.01.13 | Equity income | - | 4,231 |
| 6.01.01.14 | Tax credits – Exclusion of ICMS in the PIS/COFINS calculation basis | (485,570) | - |
| 6.01.02 | Changes in assets and liabilities | (1,862,452) | (609,028) |
| 6.01.02.01 | (Increase)/decrease in trade receivables | (907,260) | 248,529 |
| 6.01.02.02 | Increase/(decrease) in trade payables | 848,857 | (74,044) |
| 6.01.02.03 | (Increase)/decrease in inventories | (1,240,638) | (460,817) |
| 6.01.02.04 | Income tax and social contribution paid | (259,925) | (125,153) |
| 6.01.02.05 | Employee profit sharing paid | (303,486) | (197,543) |
| 6.02 | Net cash from investing activities | (210,133) | 75,126 |
| 6.02.02 | Property, plant and equipment | (262,798) | (206,845) |
| 6.02.03 | Intangible assets | (38,213) | (24,248) |
| 6.02.04 | Proceeds on disposal of property, plant and equipment | 37,605 | 8,406 |
| 6.02.11 | Held-to-maturity financial investments | (57,863) | (72,357) |
| 6.02.12 | Redemption of financial investments | 111,136 | 370,170 |
| 6.03 | Net cash from financing activities | (879,815) | (1,480,274) |
| 6.03.01 | Proceeds from borrowings and financing | 211,291 | 8,609 |
| 6.03.02 | Repayment of borrowings and financing | (208,279) | (986,345) |
| 6.03.03 | Interest paid on borrowings and financing | (27,447) | (5,951) |
| 6.03.04 | Treasury shares | (859,246) | (491,536) |
| 6.03.05 | Dividends/Interest on capital paid | 3,866 | (5,051) |
| 6.04 | Exchange rate changes on cash and cash equivalents | (53,158) | 157,384 |
| 6.05 | Increase (decrease) in cash and cash equivalents | (616,213) | (268,627) |
| 6.05.01 | Cash and cash equivalents at the beginning of the period | 3,892,140 | 1,946,044 |
| 6.05.02 | Cash and cash equivalents at the end of the period | 3,275,927 | 1,677,417 |

Consolidated Financial Statements/Statements of Changes in Equity - 01/01/2021 to 06/30/2021

R\$ (in thousands)

| Code | Description | Paid-in capital | Capital reserves, options granted and treasury shares | Earnings reserves | Retained earnings or accumulated losses | Other comprehensive income | Equity | Noncontrolling interests | Consolidated equity |
|------------|--|-----------------|---|-------------------|---|----------------------------|------------|--------------------------|---------------------|
| 5.01 | Opening balances | 5,504,517 | (128,612) | 2,782,943 | 729,467 | 2,674,850 | 11,563,165 | 367,133 | 11,930,298 |
| 5.03 | Adjusted opening balances | 5,504,517 | (128,612) | 2,782,943 | 729,467 | 2,674,850 | 11,536,165 | 367,133 | 11,930,298 |
| 5.04 | Capital transactions with shareholders | - | 8,333 | - | (455,603) | - | (447,270) | (38,495) | (485,765) |
| 5.04.03 | Options granted recognized | - | (2,195) | - | (3,017) | - | (5,212) | - | (5,212) |
| 5.04.04 | Treasury shares sold | - | 6,768 | - | - | - | 6,768 | - | 6,768 |
| 5.04.06 | Dividends | - | - | - | (663,691) | - | (663,691) | - | (663,691) |
| 5.04.07 | Interest on capital | - | - | - | (157,101) | - | (157,101) | - | (157,101) |
| 5.04.08 | Capital transactions | - | 3,760 | - | - | - | 3,760 | (38,495) | (34,735) |
| 5.04.09 | Additional proposed dividends | - | - | - | 368,206 | - | 368,206 | - | 368,206 |
| 5.05 | Total comprehensive income | - | - | - | 1,907,858 | (327,908) | 1,579,950 | 26,745 | 1,606,695 |
| 5.05.01 | Profit for the period | - | - | - | 1,898,967 | - | 1,898,967 | 32,355 | 1,931,322 |
| 5.05.02 | Other comprehensive income | - | - | - | 8,891 | (327,908) | (319,017) | (5,610) | (324,627) |
| 5.05.02.04 | Translation adjustments for the period | - | - | - | - | (311,587) | (311,587) | (3,832) | (315,419) |
| 5.05.02.06 | Hedge accounting - Cash flow hedge, net of taxes | - | - | - | - | (7,430) | (7,430) | (1,778) | (9,208) |
| 5.05.02.07 | Realization of deemed cost | - | - | - | 8,891 | (8,891) | - | - | - |
| 5.06 | Internal changes in equity | - | - | (729,015) | - | - | (729,015) | - | (729,015) |
| 5.06.04 | Payment of dividends | - | - | (729,467) | - | - | (729,467) | - | (729,467) |
| 5.06.05 | Prescribed dividends | - | - | 452 | - | - | 452 | - | 452 |
| 5.07 | Closing balances | 5,504,517 | (120,279) | 2,053,928 | 2,181,722 | 2,346,942 | 11,966,830 | 355,383 | 12,322,213 |

Consolidated Financial Statements/Statements of Changes in Equity - 01/01/2020 to 06/30/2020

R\$ (in thousands)

| Code | Description | Paid-in capital | Capital reserves, options granted and treasury shares | Earnings reserves | Retained earnings or accumulated losses | Other comprehensive income | Equity | Noncontrolling interests | Consolidated equity |
|------------|--|-----------------|---|-------------------|---|----------------------------|------------|--------------------------|---------------------|
| 5.01 | Opening balances | 5,504,517 | (100,238) | 1,707,252 | 351,892 | 1,253,824 | 8,717,247 | 212,743 | 8,929,990 |
| 5.03 | Adjusted opening balances | 5,504,517 | (100,238) | 1,707,252 | 351,892 | 1,253,824 | 8,717,247 | 212,743 | 8,929,990 |
| 5.04 | Capital transactions with shareholders | - | (24,543) | - | (232,786) | - | (257,329) | 25,412 | (231,917) |
| 5.04.03 | Options granted recognized | - | (4,310) | - | (3,665) | - | (7,975) | - | (7,975) |
| 5.04.04 | Treasury shares acquired | - | (11,762) | - | - | - | (11,762) | - | (11,762) |
| 5.04.05 | Treasury shares sold | - | 11,242 | - | - | - | 11,242 | - | 11,242 |
| 5.04.06 | Dividends | - | - | - | (265,992) | - | (265,992) | - | (265,992) |
| 5.04.07 | Interest on capital | - | - | - | (143,627) | - | (143,627) | - | (143,627) |
| 5.04.08 | Capital transactions | - | (19,713) | - | - | - | (19,713) | 25,412 | 5,699 |
| 5.04.09 | Additional proposed dividends | - | - | - | 180,498 | - | 180,498 | - | 180,498 |
| 5.05 | Total comprehensive income | - | - | - | 967,864 | 1,286,418 | 2,254,282 | 28,216 | 2,282,498 |
| 5.05.01 | Profit for the period | - | - | - | 954,398 | - | 954,398 | 26,094 | 980,492 |
| 5.05.02 | Other comprehensive income | - | - | - | 13,466 | 1,286,418 | 1,299,884 | 2,122 | 1,302,006 |
| 5.05.02.04 | Translation adjustments for the period | - | - | - | - | 1,274,486 | 1,274,486 | 1,654 | 1,276,140 |
| 5.05.02.06 | Hedge accounting - Cash flow hedge, net of taxes | - | - | - | - | 15,184 | 15,184 | 468 | 15,652 |
| 5.05.02.07 | Realization of deemed cost | - | - | - | 13,466 | (5,034) | 8,432 | - | 8,432 |
| 5.05.02.08 | Change in equity interests | - | - | - | - | 1,782 | 1,782 | - | 1,782 |
| 5.06 | Internal changes in equity | - | - | - | (351,892) | - | (351,892) | - | (351,892) |
| 5.06.04 | Payment of dividends | - | - | - | (351,892) | - | (351,892) | - | (351,892) |
| 5.07 | Closing balances | 5,504,517 | (124,781) | 1,707,252 | 735,078 | 2,540,242 | 10,362,308 | 266,371 | 10,628,679 |



Consolidated Financial Statements/Statements of Value Added

R\$ (in thousands)

| Code | Description | YTD current year 01/01/2021 to 06/30/2021 | YTD prior year 01/01/2020 to 06/30/2020 |
|------------|---|---|---|
| 7.01 | Revenues | 12,207,178 | 8,613,534 |
| 7.01.01 | Sales of goods, products and services | 12,190,505 | 8,618,307 |
| 7.01.02 | Other revenues | 8,324 | 12,895 |
| 7.01.04 | Allowance for / Reversal of allowance for doubtful debts | 8,349 | (17,668) |
| 7.02 | Inputs acquired from third parties | (6,620,773) | (4,913,790) |
| 7.02.02 | Materials, electric power, third-party services and others | (6,640,461) | (4,904,257) |
| 7.02.03 | Impairment/Recovery of assets | 19,688 | (9,533) |
| 7.03 | Gross value added | 5,586,405 | 3,699,744 |
| 7.04 | Retentions | (250,415) | (212,934) |
| 7.04.01 | Depreciation, amortization and depletion | (250,415) | (212,934) |
| 7.05 | Wealth created by the Company | 5,335,990 | 3,486,810 |
| 7.06 | Wealth received in transfer | 944,693 | 569,259 |
| 7.06.01 | Equity income | - | 4,231 |
| 7.06.02 | Finance income | 589,020 | 573,490 |
| 7.06.03 | Others | 355,673 | - |
| 7.06.03.01 | Tax credits – Exclusion of ICMS in the PIS/COFINS calculation basis | 355,673 | - |
| 7.07 | Wealth for distribution | 6,280,683 | 4,056,069 |
| 7.08 | Wealth distributed | 6,280,683 | 4,056,069 |
| 7.08.01 | Personnel | 2,553,210 | 1,553,207 |
| 7.08.01.01 | Salaries and wages | 2,184,667 | 1,334,679 |
| 7.08.01.02 | Benefits | 293,819 | 166,127 |
| 7.08.01.03 | Severance pay fund (FGTS) | 74,724 | 52,401 |
| 7.08.02 | Taxes, fees and contributions | 1,355,111 | 898,868 |
| 7.08.02.01 | Federal | 1,190,123 | 816,512 |
| 7.08.02.02 | State | 147,720 | 71,952 |
| 7.08.02.03 | Municipal | 17,268 | 10,404 |
| 7.08.03 | Lenders and lessors | 441,040 | 623,502 |
| 7.08.03.01 | Interest | 434,102 | 619,317 |
| 7.08.03.02 | Rentals | 6,938 | 4,185 |
| 7.08.04 | Lenders and lessors | 1,931,322 | 980,492 |
| 7.08.04.01 | Interest on capital | 157,101 | 143,627 |
| 7.08.04.02 | Dividends | 663,691 | 265,992 |
| 7.08.04.03 | Retained earnings / Loss for the period | 1,078,175 | 544,779 |
| 7.08.04.04 | Noncontrolling interests | 32,355 | 26,094 |

EARNINGS RELEASE

2Q 2021

Improved global economic activity supporting revenue and ROIC growth

Highlights

Net Operating Revenue (NOR) was **R\$ 5,748.2 million** in 2Q21, 41.4% higher than 2Q20, and 13.2% higher than 1Q21;



EBITDA⁽¹⁾ reached **R\$ 1,392.7 million**, 90.2% higher than 2Q20 and 37.0% higher than 1Q21, while **EBITDA margin** was **24.2%**, 6.2 p.p. higher than 2Q20, and 4.2 p.p. higher than the previous quarter;



Return on Invested Capital (ROIC) reached **32.2%** in 2Q21, up 10.6 p.p. from 2Q20 and up 4.0 p.p. from 1Q21.

Message from the Management

We report another quarter of good performance in our businesses, marked by continued good demand in the domestic market and by accelerated industrial activity in the main countries where we operate in the external market.

In Brazil, we observed solid demand after the consistent recovery in recent quarters. We highlight the short-cycle businesses growth in areas such as Commercial and Appliance Motors, Industrial Electro-Electronic Equipment, and in particular, the distributed solar generation (GD) business. The maintenance of the long-cycle business, mainly in the GTD area, also made an essential contribution to this result, especially the return of wind generation projects revenue.

In the external market, the recovery of global industrial activity confirmed the signs of improvement reported in the last quarter. We posted significant growth in revenue in the main markets in which we operate, especially in mining, oil & gas, and water & wastewater segments. In addition to the Industrial Electro-Electronic Equipment businesses, we also highlight the good performance of the Commercial and Appliance Motors and Power Transmission and Distribution (T&D) areas, with sales growth and increased share in important markets.

It is worth noting that in this quarter, we recorded tax credits referring to the exclusion of ICMS from the PIS and COFINS calculation basis, according to the material fact disclosed on June 22, 2021. The EBITDA and net income were positively impacted by R\$ 300.4 million and R\$ 282.8 million, respectively.

We remain confident in our strategy to overcome this challenging period, working to protect and promote the health and safety of all employees and minimize, as much as possible, impacts on our operations.

Table 1 – Main Highlights

| | 2Q21 | 1Q21 | % | 2Q20 | % | 06M21 | 06M20 | % |
|-----------------------------------|------------------|------------------|---------------|------------------|----------------|-------------------|------------------|----------------|
| Return on Invested Capital | 32.2% | 28.2% | 4.0 pp | 21.6% | 10.6 pp | 32.2% | 21.6% | 10.6 pp |
| Net Operating Revenue | 5,748,206 | 5,076,879 | 13.2% | 4,063,943 | 41.4% | 10,825,085 | 7,778,379 | 39.2% |
| Domestic Market | 2,577,971 | 2,343,108 | 10.0% | 1,604,279 | 60.7% | 4,921,079 | 3,296,679 | 49.3% |
| External Markets | 3,170,235 | 2,733,771 | 16.0% | 2,459,664 | 28.9% | 5,904,006 | 4,481,700 | 31.7% |
| External Markets in US\$ | 600,806 | 498,120 | 20.6% | 457,014 | 31.5% | 1,098,926 | 908,773 | 20.9% |
| Net Income | 1,134,709 | 764,258 | 48.5% | 514,375 | 120.6% | 1,898,967 | 954,398 | 99.0% |
| Net Margin | 19.7% | 15.1% | 4.6 pp | 12.7% | 7.0 pp | 17.5% | 12.3% | 5.2 pp |
| EBITDA | 1,392,718 | 1,016,852 | 37.0% | 732,222 | 90.2% | 2,409,570 | 1,351,336 | 78.3% |
| EBITDA Margin | 24.2% | 20.0% | 4.2 pp | 18.0% | 6.2 pp | 22.3% | 17.4% | 4.9 pp |
| Earnings per Share (EPS) | 0.27045 | 0.18211 | 48.5% | 0.12261 | 120.6% | 0.45256 | 0.22749 | 98.9% |

The following financial and operating data are presented on a consolidated basis, except when otherwise indicated, in thousands of Brazilian Reals (R\$) according to accounting practices adopted in Brazil, including Brazilian Corporate Law in convergence with IFRS international norms. Except when otherwise indicated, growth rates and other comparisons are made to the same period of the previous year. Earnings per Share data is adjusted for split or bonus events.

Net Operating Revenue

Net operating revenue increased by 41.4% over 2Q20, up 60.7% in the domestic market and 28.9% in the external markets, as shown in table 1. The evolution of revenue proportion between markets is shown in figure 1.

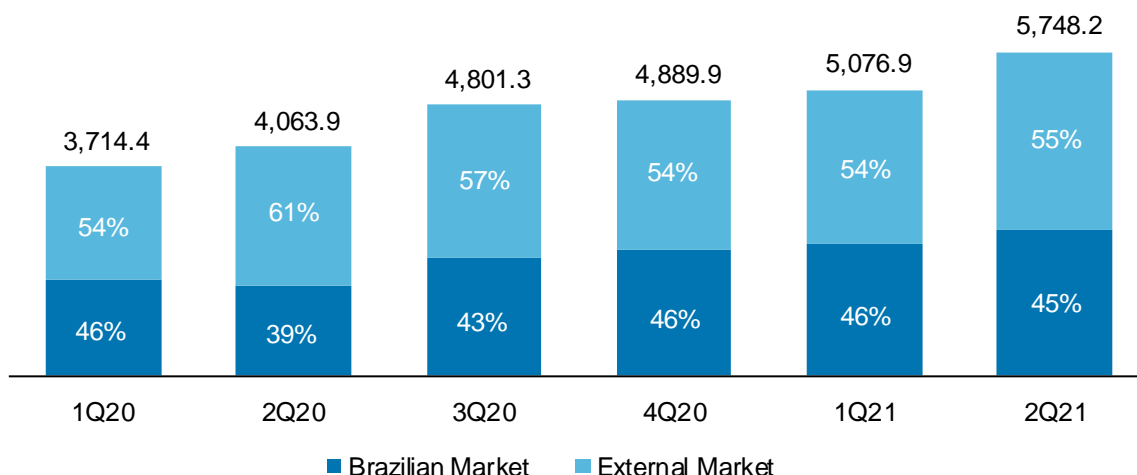


Figure 1 – Net operating revenue by market (figures in R\$ million)

Net operating revenue from the external market, measured by quarterly average US dollars, increased by 31.5% compared to 2Q20 and increased by 20.6% compared to 1Q21. The distribution of net revenue by the geographic market is shown in table 2.

Table 2 – Net operating revenue from the external market by geographic region, in US dollars

| | 2Q21 | | 1Q21 | | 2Q20 | | HA% (A)/(B) | HA% (A)/(C) |
|----------------------------------|---------|--------|---------|--------|---------|--------|----------------|----------------|
| | (A) | VA% | (B) | VA% | (C) | VA% | | |
| <i>External Markets in US\$</i> | 600,806 | 100.0% | 498,120 | 100.0% | 457,014 | 100.0% | 20.6% | 31.5% |
| <i>North America</i> | 260,106 | 43.3% | 213,758 | 42.9% | 214,340 | 46.9% | 21.7% | 21.4% |
| <i>South and Central America</i> | 72,546 | 12.1% | 58,354 | 11.7% | 44,787 | 9.8% | 24.3% | 62.0% |
| <i>Europe</i> | 154,484 | 25.7% | 133,645 | 26.8% | 133,448 | 29.2% | 15.6% | 15.8% |
| <i>Africa</i> | 40,254 | 6.7% | 32,102 | 6.5% | 23,765 | 5.2% | 25.4% | 69.4% |
| <i>Asia-Pacific</i> | 73,416 | 12.2% | 60,261 | 12.1% | 40,674 | 8.9% | 21.8% | 80.5% |

Net operating revenue from the external market, measured in Brazilian Real, was impacted by the average Brazilian Real/US dollar Exchange rate that moved from R\$ 5.38 in 2Q20 to R\$ 5.29 in 2Q21, a 1.8% appreciation of the Brazilian Real.

It is important to consider that we set our sales prices in different markets in local currency and according to their competitive conditions. Measured in local currencies, weighted by revenues in each market, net operating revenue from the external market increased by 22.5% compared to 2Q20.

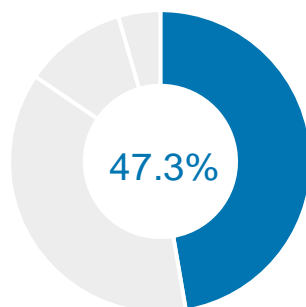
Consolidation and Acquisitions Adjustments

Adjusted for the consolidation effects of recent acquisitions of MVISIA, BirminD, and consolidation of TGM Kanis Turbinen GmbH, revenue would have grown by 39.4% vs. 2Q20.

Performance by Business Area

Industrial Electro-Electronic Equipment

| NOR | Domestic Market | External Market |
|------|-----------------|-----------------|
| 2Q21 | 851,190 | 1,865,878 |
| 1Q21 | 900,493 | 1,620,332 |
| Δ% | -5.5% | 15.2% |
| 2Q20 | 635,641 | 1,583,637 |
| Δ% | 33.9% | 17.8% |



Share in NOR

Domestic Market

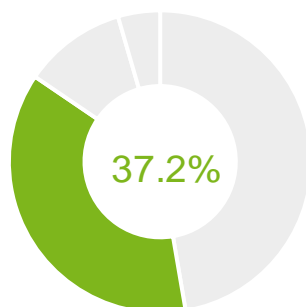
- Revenue continues to be supported by the high demand for industrial products in Brazil this year. Segments such as agribusiness, civil construction, and mining were the main highlights in demand for short-cycle products such as electric motors, serial automation equipment, and gearboxes.
- Important supplies of long-cycle equipment, such as e-houses and automation panels, continue to contribute in this quarter, especially in the mining and oil & gas segments.

External Market

- We observed an accelerated pace in the economic and industrial recovery in all regions where we operate. The high sales volume to equipment manufacturers (OEMs) confirms the industry's recovery movement. Relevant segments such as mining, oil & gas, and water & wastewater are among those that most demanded our products, such as low voltage electric motors and automation equipment.
- Long-cycle equipment showed a gradual improvement in revenue. However, it is worth noting that the signs of recovery reported in the previous quarter are being confirmed, with a growing improvement in orders intake for projects in segments such as mining, oil & gas, water & wastewater, and steel.

Energy Generation, Transmission, and Distribution (GTD)

| NOR | Domestic Market | External Market |
|------|-----------------|-----------------|
| 2Q21 | 1,204,262 | 931,744 |
| 1Q21 | 974,275 | 757,391 |
| Δ% | 23.6% | 23.0% |
| 2Q20 | 755,710 | 700,600 |
| Δ% | 59.4% | 33.0% |



Share in NOR

Domestic Market

- All businesses presented growth in this quarter, where we highlight the return of wind turbine supplies, the good demand for distributed solar generation (GD), which continues to evolve compared to previous quarters, and the increased demand for alternators.
- We also highlight the maintenance of deliveries of large transformers and substations for important projects linked to transmission line auctions carried out in recent years.

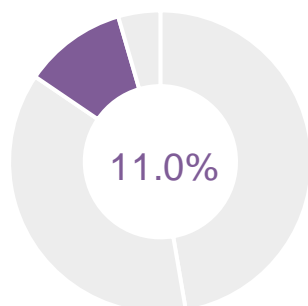
External Market

- The T&D businesses presented another quarter of evolution, with relevant projects being delivered in the US, Colombia, and also South Africa.
- In generation, we highlight our steam turbine business in Europe, where we are successfully expanding the sales of products and services. It is worth remembering that in October 2020, we began to consolidate this operation in our results.

Performance by Business Area

Commercial and Appliance Motors

| NOR | Domestic Market | External Market |
|------|-----------------|-----------------|
| 2Q21 | 306,977 | 326,113 |
| 1Q21 | 280,829 | 309,084 |
| Δ% | 9.3% | 5.5% |
| 2Q20 | 106,285 | 153,889 |
| Δ% | 188.8% | 111.9% |



Share in NOR

Domestic Market

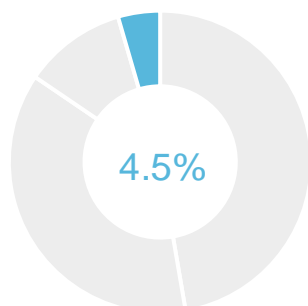
- Sales volume remained high in Brazil. Durable consumer goods segments, agribusiness, and food & beverage were the highlights this quarter. Applications such as air conditioning, washing machines, and leisure (swimming pools) were some of the main destinations for our products.

External Market

- We observed substantial growth in the demand for our products, a movement explained by the economic recovery acceleration and market share gain, especially in the US and Mexico.
- It is worth highlighting the weak comparison base in 2Q20, both in Brazil and abroad, a period in which we had the most significant impacts of the pandemic on short-cycle businesses.

Paints and Varnishes

| NOR | Domestic Market | External Market |
|------|-----------------|-----------------|
| 2Q21 | 215,542 | 46,500 |
| 1Q21 | 187,511 | 46,964 |
| Δ% | 14.9% | -1.0% |
| 2Q20 | 106,643 | 21,538 |
| Δ% | 102.1% | 115.9% |



Share in NOR

Domestic Market

- Demand for paint and varnish products also continued to be strong, with emphasis on the oil & gas, sanitation, and construction segments.

External Market

- We presented sales growth in Latin American countries, especially in Mexico, where we initiated operations at our new paint factory at the end of 2020.
- As in other short-cycle businesses, the weak comparison base in 2Q20 explains part of the strong growth presented this quarter in Brazil and abroad.

Cost of Goods Sold

Cost of Goods Sold (COGS) and gross margin for the quarter are shown in table 3.

Table 3 – Costs

| | 2Q21 | 1Q21 | HA% | 2Q20 | HA% |
|------------------------|-------------|-------------|---------|-------------|--------|
| Net Operating Revenues | 5,748,206 | 5,076,879 | 13.2% | 4,063,943 | 41.4% |
| Cost of Goods Sold | (4,001,699) | (3,457,140) | 15.8% | (2,831,840) | 41.3% |
| Gross Margin | 30.4% | 31.9% | -1.5 pp | 30.3% | 0.1 pp |

Efforts to reduce costs and improve processes that led to productivity gains, especially in our operations abroad, were decisive factors in maintaining operating margins close to normal, despite the increase in the main raw materials used in our products.

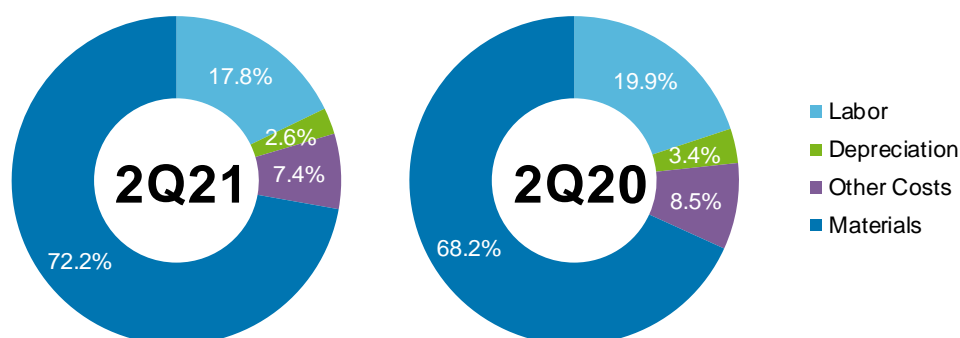


Figure 2 – COGS Composition

Sales, General, and Administrative Expenses

Consolidated Sales, General, and Administrative (SG&A) expenses totaled R\$ 637.0 million in 2Q21, an increase of 26.8% vs. 2Q20 and an increase of 4.6% vs. 1Q21. When analyzed compared to net operating revenue, these expenses accounted for 11.1%, down 1.3 p.p. vs. 2Q20 and down 0.9 p.p. vs. 1Q21. It is worth mentioning that adjustments made since the beginning of the pandemic continue to contribute to the control of expenses, although in less intensity when compared to previous quarters, mainly due to the reduction in expenses with business trips.

EBITDA e EBITDA Margin

The composition of the EBITDA calculation, according to Instruction CVM 527/2012, and EBITDA margin are shown in table 4. Note that EBITDA was positively impacted this quarter by the recognition of tax credits referring to the exclusion of ICMS from the PIS and COFINS calculation basis. Disregarding this non-recurring effect, EBITDA would have been R\$ 1,092.3 million, with an EBITDA margin of 19.0%.

Even considering the recurring EBITDA margin, we recorded another quarter of evolution year over year, reflecting the rationalization of costs and expenses, better capacity utilization, and improved margins in some significant operations abroad. However, it is worth mentioning that recent material costs increase and the change in the mix of products sold, mainly concerning the return of the wind generation business, reduced the EBITDA margin compared to 1Q21.

Table 4 – Calculation of EBITDA and EBITDA Margin

| | 2Q21 | 1Q21 | HA% | 2Q20 | HA% |
|----------------------------------|------------------|------------------|---------------|----------------|---------------|
| Net Operating Revenues | 5,748,206 | 5,076,879 | 13.2% | 4,063,943 | 41.4% |
| Net Income | 1,134,709 | 764,258 | 48.5% | 514,375 | 120.6% |
| Net Income Before Minorities | 1,152,402 | 778,921 | 47.9% | 526,517 | 118.9% |
| (+) Income Tax and Contributions | 253,477 | 124,796 | 103.1% | 46,784 | 441.8% |
| (+/-) Finance Income (Expenses) | (139,906) | (10,535) | n.m. | 46,164 | n.a. |
| (+) Depreciation & Amortization | 126,745 | 123,670 | 2.5% | 112,757 | 12.4% |
| EBITDA | 1,392,718 | 1,016,852 | 37.0% | 732,222 | 90.2% |
| EBITDA Margin | 24.2% | 20.0% | 4.2 pp | 18.0% | 6.2 pp |

Net Income

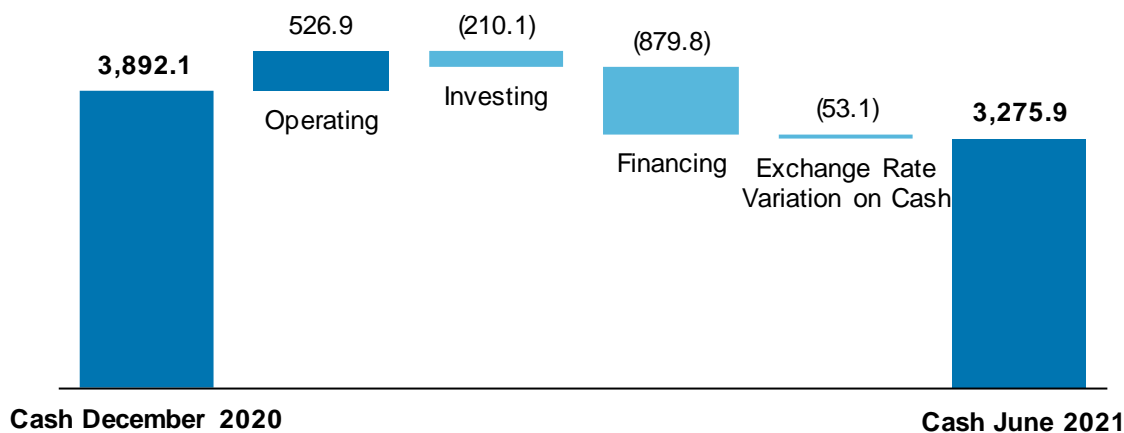
Net income in 2Q21 was R\$ 1,134.7 million, an increase of 120.6% vs. 2Q20 and an increase of 48.5% vs. 1Q21. The net margin reached 19.7%, 7.0 p.p. higher than 2Q20, and 4.6 p.p. higher than 1Q21.

Net income was also positively impacted by the recognition of tax credits referring to the exclusion of ICMS from the PIS and COFINS calculation basis. In addition to the EBITDA adjustments, we also had a positive impact on the financial result of R\$ 129.9 million and an increase in the income tax earned from these credits of R\$ 147.5 million. Disregarding these non-recurring effects, net income would have been R\$ 851.9 million this quarter, an increase of 65.6% compared to 2Q20, with a net margin of 14.8%.

Cash Flow

Cash generation in operating activities was R\$ 526.9 million in the first half of 2021, a decrease of 46.2% compared to the previous year. This result is mainly driven by the increased demand for working capital in the period.

The level of investment (CAPEX⁽²⁾) in modernization and expansion of production capacity showed an increase compared to 2020, with continued investments in factories in Brazil, Mexico, China, and the US. In financing activities, the company raised R\$ 211.3 million and made amortizations of R\$ 208.3 million, resulting in a net increase of R\$ 3.0 million. Interest on loans consumed R\$ 27.4 million, while payments to equity holders (dividends and interest on capital) totaled R\$ 859.2 million. The final result was consumption of R\$ 879.8 million in financing activities in the year.

**Figure 3 – Cash flow reconciliation (figures in R\$ million)**

The chart of figure 3 shows the cash and cash equivalents positions classified as current assets. Furthermore, the company has R\$ 992.3 million in financial investments with no immediate liquidity, including derivatives (R\$ 1,117.9 million in December 2020).

Return on Invested Capital

The Return on Invested Capital (ROIC) in 2Q21 (accumulated in the last 12 months) increased by 10.6 p.p. over 2Q20, reaching 32.2%. Growth of Net Operating Profit After Taxes (NOPAT), due to revenue growth and improved margins, more than offset the increase in capital employed, which expanded due to a greater need for working capital, and investments in fixed and intangible assets over the last 12 months.

Investments (CAPEX)

In 2Q21, we invested R\$ 168.3 million in modernization and expansion of production capacity, machinery and equipment, and software licenses, of which 52% are for production units in Brazil and 48% for industrial plants and other facilities abroad.

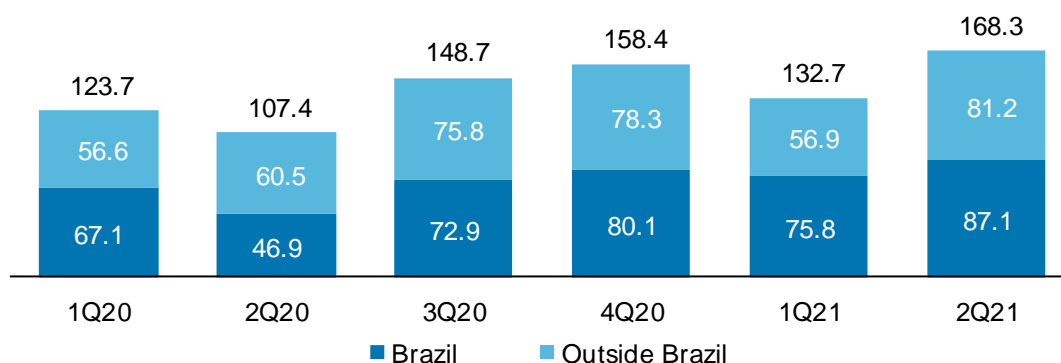


Figure 4 – CAPEX Evolution (figures in R\$ million)

Research, Development and Innovation

Expenditures on research, development and innovation activities totaled R\$ 166.3 million, representing 2.9% of net operating revenue in 2Q21.

Debt and Cash Position

Cash, cash equivalents, and derivatives, invested in first-tier banks and denominated in Brazilian currency, are presented in table 5. Likewise, the company demonstrates the total gross financial debt, with details between short and long term, in Brazilian Reais and other currencies, resulting in the company's net cash at the end of the quarter.

Table 5 – Cash and Debt

| | June 2021 | | December 2020 | | June 2020 | |
|------------------------------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|
| Cash & Cash Equivalents | 3,822,227 | | 4,484,934 | | 2,849,836 | |
| Current | 3,822,227 | | 4,484,934 | | 2,849,836 | |
| Derivatives | 427,383 | | 504,629 | | 535,544 | |
| Debt | (1,501,736) | 100% | (1,686,580) | 100% | (2,124,333) | 100% |
| Current | (939,588) | 63% | (642,284) | 38% | (466,585) | 22% |
| In Brazilian Reais | (7,738) | | (12,289) | | (89,458) | |
| In other currencies | (931,850) | | (629,995) | | (377,127) | |
| Long Term | (562,148) | 37% | (1,044,296) | 62% | (1,657,748) | 78% |
| In Brazilian Reais | (39,406) | | (48,193) | | (78,333) | |
| In other currencies | (522,742) | | (996,103) | | (1,579,415) | |
| Net Cash | 2,747,874 | | 3,302,983 | | 1,261,047 | |

The characteristics of our indebtedness at the end of June were:

- The total duration of 12.0 months, with a duration of 20.2 months in the long term. In December 2020, these figures were 18.5 months and 21.8 months, respectively;
- The weighted average cost of debt denominated in Brazilian Reais is approximately 4.8% p.a. (vs. 2.8% p.a. in December 2020). The post-fixed contracts are indexed mainly to the CDI rate (Interbank Deposit Certificate in Brazil).

Dividends and Interest on Stockholders' Equity

For the first half of 2021, the Board of Directors approved, ad referendum of a future Annual Shareholders Meeting, the following events regarding dividends:

- On March 23, as interest on stockholders' equity (JCP), to the gross amount of R\$ 71.0 million;
- On June 22, as interest on stockholders' equity (JCP), to the gross amount of R\$ 86.1 million.

The Board of Directors approved intermediate dividends related to the net income for the first half of 2021, to the total amount of R\$ 663.7 million. The proceeds will be paid on August 11, 2021. Amounts declared as remuneration to shareholders in the first half represented 43.2% of net income for the period.

Our practice is to declare interest on capital quarterly and dividends based on the profit obtained each half-year, that is, six proceeds each year, paid semi-annually.

Table 6

| | 1st Half 2021 | 1st Half 2020 | % |
|---------------------------------------|----------------|----------------|---------------|
| Dividends | 663,691 | 265,992 | 149.5% |
| Interest on stockholders' Equity | 157,101 | 143,627 | 9.4% |
| Gross Total | 820,792 | 409,619 | 100.4% |
| Net Earnings | 1,898,967 | 954,398 | 99.0% |
| Total Dividends / Net Earnings | 43.2% | 42.9% | |

1. INFORMATION ON THE COMPANY

WEG S.A. ("Company") is a publicly-held corporation headquartered at Avenida Prefeito Waldemar Grubba, 3300, in Jaraguá do Sul - State of Santa Catarina (SC), Brazil, holding company comprising the WEG Group ("Group"), which is primarily engaged in the production and sale of capital goods such as electric motors, generators and transformers; gear units and geared motors; hydraulic and steam turbines; frequency converters; motor starters and maneuver devices; control and protection of electric circuits for industrial automation; power sockets and switches; electric traction solutions for heavy vehicles, SUV vehicles, locomotives, and sea transportation electric propelling; solutions for the generation of renewable and distributed energy, exploring all opportunities in small hydro, thermal, biomass, wind and solar energy powerplants; solutions for the industry 4.0; no-breaks and alternators for groups of generators; conventional and movable electric substations; industrial electrical and electronic systems; and industrial paint & varnish, and paints for automotive repainting. The operations are performed through manufacturing facilities located in Brazil, Argentina, Colombia, Mexico, United States, Portugal, Spain, Austria, Germany, South Africa, India, and China, with commercial activities carried out in more than 135 countries.

The Company has shares traded on B3 under ticker symbol "WEGE3" and has been listed since June 2007 in the special segment of corporate governance called Novo Mercado.

The Company has American Depositary Receipts (ADRs) - Level 1 that are traded on the over-the-counter (OTC) market in the United States under the ticker symbol "WEGZY".

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The Company's interim financial information, included in the Quarterly Information Form – ITR for the quarter ended June 30, 2021 includes the individual and consolidated interim financial information prepared considering all significant information on the Company, which corresponds to that used by Management in managing the activities, with CPC 21 – Interim Financial Reporting and IAS 34 – Interim Financial Reporting, issued by the International Accounting Standard Board ("IASB") and presented consistently with the standards issued by the Brazilian Securities and Exchange Commission ("CVM") applicable to the preparation of Quarterly Information - ITR.

The financial statements have been prepared on the historical cost basis, except for the measurement of certain financial instruments at fair value, when required by the standard.

These individual and consolidated financial statements were approved and authorized for issue at the executive board meeting held on July 20, 2021.

The accounting policies, bases of consolidation and methods of calculation adopted in the preparation of the interim financial information, as well the key estimates and judgments used in applying the accounting policies are the same as those adopted in the preparation of the financial statements for the year ended December 31, 2020, including the adoption of the new accounting standards, as applicable.

3. ACCOUNTING ESTIMATES

The interim financial information includes the use of estimates that took into consideration Management's assessments and judgments, past and current experiences, assumptions related to future events and other objective and subjective factors. The significant items subject to those estimates are:

- a) analysis of the credit risk to determine the allowance for doubtful debts;
- b) recognition of the allowance for inventory losses;
- c) review of the economic useful life of fixed assets and their recovery in operations;
- d) impairment test of intangible assets;
- e) fair value measurement of financial instruments;
- f) commitments to employee benefit plan;
- g) share-based plan transactions;

- h) deferred income and social contribution taxes; and
- i) provision for contingencies.

The settlement of transactions involving those estimates may lead to amounts different from those recorded in the interim financial information due to the inaccuracies inherent in the estimate process. These estimates are periodically reviewed.

4. EXCLUSION OF THE ICMS FROM THE CALCULATION BASIS OF PIS AND COFINS

The Company's subsidiaries have filed lawsuits to recover the amounts taxed when the ICMS (State VAT) is added to the calculation base of PIS (Contribution to the Social Integration Program) and COFINS (Contribution for Social Security Funding).

In March 15, 2017, the Supreme Court ("STF") ruled the unconstitutionality of the inclusion of ICMS in the calculation basis of PIS and COFINS.

Subsidiaries WEG Equipamentos Elétricos S.A. and WEG Drives & Controls Automação Ltda., obtained favorable court decisions that are final and may not be appealed, dated February 2021, which determine that in order to calculate the amounts unduly paid, one must consider the ICMS amount separately identified in the shipping invoices for the calculation of the PIS and COFINS.

Regarding that, the Company recognized R\$ 510,126, of which R\$ 13,561 as deductions of gross revenue (in 2021), R\$ 355,673 as other operating income and R\$ 140,892 as financial income, as follow:

| Subsidiary | Period | Principal | Interest | Total |
|--------------------------------|---------------------------|----------------|----------------|----------------|
| WEG Equipamentos Elétricos S/A | From Oct/2003 to Apr/2021 | 355,073 | 135,814 | 490,888 |
| WEG Drives & Controls Ltda | From Mar/2012 to Apr/2021 | 14,161 | 5,078 | 19,239 |
| Total | | 369,234 | 140,892 | 510,126 |

The company maintains lawsuits from other subsidiaries with the same purpose, still in progress and with no estimated date of conclusion.

5. CASH AND CASH EQUIVALENTS

| | PARENT | | CONSOLIDATED | |
|---|----------------|----------------|------------------|------------------|
| | 06/30/21 | 12/31/20 | 06/30/21 | 12/31/20 |
| a) Cash and banks | 4 | 6 | 515,663 | 584,332 |
| b) Short-term investments | 544,037 | 390,127 | 2,760,264 | 3,307,808 |
| In local currency: | 544,037 | 390,127 | 2,618,402 | 2,756,033 |
| Bank Certificate of Deposit (CDB) and Repurchase Agreements | 544,037 | 390,127 | 2,618,402 | 2,756,033 |
| In foreign currency: | - | - | 141,862 | 551,775 |
| TOTAL | 544,041 | 390,133 | 3,275,927 | 3,892,140 |

Financial investments in Brazil:

Short-term investments in Brazil refer mainly to private securities with first tier financial institutions.

These investments yield an average rate of 103.03% of the Interbank Deposit Rate - CDI (102.41% of the CDI as at December 31, 2020).

6. SHORT-TERM INVESTMENTS

| | PARENT | | CONSOLIDATED | |
|---|-----------------|-----------------|---------------------|-----------------|
| | 06/30/21 | 12/31/20 | 06/30/21 | 12/31/20 |
| Bank Certificate of Deposit (CDB) and Funds | 488,114 | 482,215 | 546,300 | 592,794 |
| TOTAL | 488,114 | 482,215 | 546,300 | 592,794 |
| Current assets | 488,114 | 482,215 | 546,300 | 592,794 |
| Non-Current assets | - | - | - | - |

Short-term investments yield average fixed rates of 103.66% of the CDI (103.20% of the CDI as at December 31, 2020).

7. TRADE RECEIVABLES

| | CONSOLIDATED | |
|---|---------------------|------------------|
| | 06/30/21 | 12/31/20 |
| a) Breakdown of balances: | | |
| Domestic market | 1,410,363 | 1,399,934 |
| External market | 2,303,750 | 2,078,899 |
| SUBTOTAL | 3,714,113 | 3,478,833 |
| Allowance for doubtful debts | (53,233) | (61,582) |
| TOTAL | 3,660,880 | 3,417,251 |
| b) Losses on trade receivables in the period | 7,098 | 19,562 |
| c) Maturity of trade notes: | | |
| Not past due | 3,381,004 | 3,097,118 |
| Past due: | 333,109 | 381,715 |
| Up to 30 days | 224,363 | 217,894 |
| From 31 to 90 days | 40,681 | 69,990 |
| From 91 to 180 days | 14,208 | 34,928 |
| Over 180 days | 53,857 | 58,903 |
| TOTAL | 3,714,113 | 3,478,833 |

The movement in the allowance for doubtful debts is as follows:

| | |
|--|-----------------|
| Balance at 01/01/2020 | (53,518) |
| Losses written off in the year | 19,562 |
| Recognition of provision in the year | (48,466) |
| Reversal of provision in the year | 20,840 |
| Balance at 12/31/2020 | (61,582) |
| Losses written off in the period | 7,098 |
| Recognition of provision in the period | (15,380) |
| Reversal of provision in the period | 16,631 |
| Balance at 06/30/2021 | (53,233) |

8. INVENTORIES

| | CONSOLIDATED | |
|--|------------------|------------------|
| | 06/30/21 | 12/31/20 |
| Finished goods | 775,057 | 619,886 |
| Work in progress | 655,078 | 537,750 |
| Raw materials and others | 1,183,806 | 616,709 |
| Imports in transit | 215,450 | 74,603 |
| Provision for slow-moving inventory losses | (44,090) | (43,019) |
| Total inventories - domestic market | 2,785,301 | 1,805,929 |
| Finished goods | 865,859 | 899,065 |
| Work in progress | 761,329 | 692,901 |
| Raw materials and others | 547,588 | 464,917 |
| Provision for slow-moving inventory losses | (113,084) | (125,283) |
| Total inventories – external market | 2,061,692 | 1,931,600 |
| GRAND TOTAL | 4,846,993 | 3,737,529 |

The movement in the provision for slow-moving inventory losses is as follows:

| | |
|--|------------------|
| Balance at 01/01/2020 | (114,271) |
| Recognition of provision in the year | (112,879) |
| Reversal of provision in the year | 58,848 |
| Balance at 12/31/2020 | (168,302) |
| Recognition of provision in the period | (35,833) |
| Reversal of provision in the period | 46,961 |
| Balance at 06/30/2021 | (157,174) |

Inventories are insured and their coverage is determined considering the values and level of risk involved. The recognition and reversal of provision for slow-moving inventory losses are recorded in costs of goods sold.

9. TAXES RECOVERABLE

| | PARENT | | CONSOLIDATED | |
|--|---------------|--------------|------------------|----------------|
| | 06/30/21 | 12/31/20 | 06/30/21 | 12/31/20 |
| BRAZIL | 18,411 | 2,978 | 916,645 | 215,569 |
| IRPJ (Corporate Income Tax) and CSLL (Social Contribution on Net Income) | 18,411 | 2,978 | 91,720 | 54,155 |
| IPI (Federal VAT) | - | - | 75,026 | 55,798 |
| PIS/COFINS (Taxes on Revenue) | - | - | 94,077 | 26,380 |
| PIS/COFINS – Exclusion of ICMS from calculation basis | - | - | 510,126 | - |
| ICMS (State VAT) | - | - | 75,389 | 7,169 |
| ICMS on purchases of property, plant and equipment | - | - | 29,874 | 28,808 |
| Financial credit from the IT Law – IRPJ/CSLL | - | - | 23,870 | 21,772 |
| Reintegra | - | - | 13,001 | 14,640 |
| Others | - | - | 3,562 | 6,847 |
| FOREIGN | - | - | 170,186 | 154,928 |
| Income Tax | - | - | 38,592 | 30,402 |
| IVA / VAT | - | - | 110,389 | 105,216 |
| Others | - | - | 21,205 | 19,310 |
| TOTAL | 18,411 | 2,978 | 1,086,831 | 370,497 |
| Current assets | 18,411 | 2,978 | 839,761 | 339,283 |
| Noncurrent assets | - | - | 247,070 | 31,214 |

The credits will be carried out by the Company and its subsidiaries during the normal process of tax calculation and there are also credits subject to refund and/or offsetting.

10. RELATED PARTIES

The Company carried out trading transactions involving purchase and sale of goods and raw materials and contracting of services as well as financial transactions relating to loans and fundraising among Group companies, which are eliminated with consolidation process, and Management compensation.

Amount of existing balances:

| | PARENT | | CONSOLIDATED | |
|-------------------------------|--------------|--------------|---------------|---------------|
| | 06/30/21 | 12/31/20 | 06/30/21 | 12/31/20 |
| BALANCE SHEET ACCOUNTS | | | | |
| Current liabilities | 1,506 | 1,462 | 18,392 | 19,319 |
| Contracts with Management | - | - | 6,574 | 5,339 |
| Profit sharing - Management | 1,506 | 1,462 | 11,818 | 13,980 |

Amount of existing balances:**BALANCE SHEET ACCOUNTS****PROFIT & LOSS ACCOUNTS****Management compensation:****a) Fixed (fees)**

Board of Directors

Board of Executive Officers

b) Variable (profit sharing)

Board of Directors

Board of Executive Officers

| | PARENT | | CONSOLIDATED | |
|--|-----------------|-----------------|---------------------|-----------------|
| | 06/30/21 | 12/31/20 | 06/30/21 | 12/31/20 |
| | | | | |
| | PARENT | | CONSOLIDATED | |
| | 06/30/21 | 06/30/20 | 06/30/21 | 06/30/20 |
| | | | | |
| | 1,506 | 1,385 | 12,333 | 13,041 |
| | 788 | 689 | 1,575 | 1,378 |
| | 718 | 696 | 10,758 | 11,663 |
| | 1,506 | 1,385 | 12,333 | 12,869 |
| | 788 | 689 | 1,575 | 1,383 |
| | 718 | 696 | 10,758 | 11,486 |

Additional Information:**a) Trading transactions**

The purchase and sale of inputs and goods are conducted under conditions established between the parties.

b) Management of resources

The financial and trading transactions conducted among the Group companies are recorded and supported by the Group's policies. The credit/debit agreements entered into with Management are subject to interest of 95.0% of the CDI variation (95.0% of the CDI variation as at December 31, 2020).

c) Sureties and guarantees

WEG SA granted sureties and guarantees for foreign subsidiaries in the amount of US\$ 6.8 million (US\$ 23.2 million at December 31, 2020).

d) Management compensation

The members of the Board of Directors received compensation in the amount of R\$ 1,575 (R\$ 1,378 as at June 30, 2020) and the executive officers received R\$ 10,758 (R\$ 11,663 as at June 30, 2020) for their services, corresponding to a total amount of R\$ 12,333 (R\$ 13,041 as at June 30, 2020).

A share of 0% to 2.5% of the consolidated profit for the year is expected to be paid to Management as long as they achieve the minimum operating performance targets. The performance targets refer to the Return on Invested Capital (weight of 60%), and growth of EBITDA (weight of 40%). The corresponding provision is recognized in profit or loss for the year in the amount of R\$ 12,333 (R\$ 12,869 as at June 30, 2020), in the other expenses line item. Directors receive benefits for the performance of their function.

11. DEFERRED TAXES

The deferred tax assets and liabilities were determined in accordance with CVM Resolution 599/09, which approved Technical Pronouncement CPC 32 – Income Taxes.

a) Breakdown of amounts:

| | PARENT | | CONSOLIDATED | |
|---|-----------------|-----------------|---------------------|-----------------|
| | 06/30/21 | 12/31/20 | 06/30/21 | 12/31/20 |
| Income tax losses | 226 | 418 | 88,700 | 109,219 |
| Social contribution losses | 599 | 628 | 14,492 | 14,949 |
| Temporary differences: | | | | |
| Provisions: | | | | |
| Labor and civil contingencies | - | - | 87,500 | 87,350 |
| Taxes under litigation | 1,608 | 1,608 | 85,771 | 56,185 |
| Losses on trade receivables | - | - | 15,859 | 14,289 |
| Losses on slow-moving inventories | - | - | 29,102 | 30,792 |
| Product Warranties | - | - | 73,847 | 68,641 |
| Indemnities on labor and contractual terminations | - | - | 59,939 | 58,512 |
| Freight and sales commissions | - | - | 16,401 | 11,922 |
| Third-party services | - | - | 55,715 | 48,568 |
| Projects in progress – foreign subsidiaries | - | - | 48,695 | 40,939 |

| | | | | |
|--|--------------|--------------|----------------|----------------|
| Employee profit sharing | - | - | 108,654 | 104,643 |
| Deferred revenue | - | - | 50,901 | 47,070 |
| Accelerated depreciation | - | - | (6,271) | (6,695) |
| Difference between tax and accounting amortization of goodwill | (3) | (3) | (39,237) | (37,865) |
| Difference between tax and accounting depreciation (useful life) | (13) | (13) | (250,455) | (241,269) |
| Others | 3,446 | 4,203 | 44,883 | 37,018 |
| Deemed cost of property, plant and equipment | (1,299) | (1,314) | (148,592) | (153,503) |
| TOTAL | 4,564 | 5,527 | 335,904 | 290,765 |
| Noncurrent assets | 4,564 | 5,527 | 409,664 | 360,390 |
| Noncurrent liabilities | - | - | (73,760) | (69,625) |

b) Estimated realization period

Management estimates that the deferred taxes arising from temporary differences will be realized in proportion to the materialization of the contingencies, losses and forecast obligations.

In regard to deferred tax assets, recognized on income tax and social contribution losses, Management estimates that they will be realized within the next 5 years, taking into consideration the projection of future profits.

12. INVESTMENTS

11.1 Investments in subsidiaries

| | Country | Equity | Profit (loss) for the period | Equity interest (%) | | | | Share of profit (loss) of investees | | Investment book value | |
|---|--------------|-----------|------------------------------------|---------------------|----------|----------|----------|--|----------|--------------------------|-----------|
| | | | | 06/30/21 | | 12/31/20 | | 06/30/21 | 06/30/20 | 06/30/21 | 12/31/20 |
| | | | | Direct | Indirect | Direct | Indirect | | | | |
| WEG Equipamentos Elétricos S.A. (*) | Brazil | 9,637,816 | 1,644,649 | 100,00 | - | 100,00 | - | 1,716,929 | 847,106 | 9,637,816 | 9,293,103 |
| RF Reflorestadora Ltda. | | 149,273 | (637) | 100,00 | - | 100,00 | - | (637) | 384 | 149,273 | 149,910 |
| WEG Amazônia S.A. | | 78,382 | 21,119 | 0,02 | 99,98 | 0,02 | 99,98 | 3 | 1 | 12 | 12 |
| WEG Administradora de Bens Ltda. | | 12,746 | (94) | 99,06 | 0,94 | 99,06 | 0,94 | (93) | 55 | 12,626 | 12,928 |
| WEG Logística Ltda. | | 202,497 | 10,355 | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG Linhares Equip. Elétricos S.A. | | 511,493 | 99,953 | 0,01 | 99,99 | 0,01 | 99,99 | - | - | 2 | 2 |
| WEG Drives & Controls Aut. Ltda. | | 879,753 | 175,301 | 100,00 | - | 100,00 | - | 175,301 | 103,173 | 879,752 | 805,266 |
| WEG Partner Holding Ltda. | | 1 | (0) | 0,10 | 99,90 | 0,10 | 99,90 | - | - | 0 | - |
| WEG-Cestari Redut. Motorredut. S.A. | | 97,370 | 16,080 | - | 50,01 | - | 50,01 | - | - | - | - |
| Hidráulica Indl.- Ind. e Com. Ltda. | | 220,826 | 1,671 | - | 100,00 | - | 100,00 | - | - | - | - |
| Agro Trafo Adm. de Bens Ltda. | | 1,456 | 381 | 91,75 | 8,25 | 91,75 | 8,25 | 350 | (52) | 1,336 | 1,068 |
| Paumar S.A. Indústria e Comércio | | 419,894 | 29,175 | 38,87 | 61,13 | 38,87 | 61,13 | 11,340 | 5,216 | 163,214 | 162,888 |
| WEG-Jelec Oil and Gas Sol. Aut. Ltda. | | 11 | 0 | - | 100,00 | - | 100,00 | - | - | - | - |
| Geremia Redutores Ltda. | | 51,802 | 5,726 | - | 50,01 | - | 50,01 | - | - | - | - |
| PPI Multitask Sistem. E Autom. S.A. | | 3,414 | 112 | - | 51,00 | - | 51,00 | - | - | - | - |
| Multitask Automação Industrial S.A. | | 345 | (84) | - | 51,00 | - | 51,00 | - | - | - | - |
| V2COM Participações S.A. | | 21,358 | (4,198) | - | 51,00 | - | 51,00 | - | - | - | - |
| V2 Tecnologia Ltda. | | 21,967 | (3,760) | - | 51,00 | - | 51,00 | - | - | - | - |
| V2 Ind. e Com. de Equip. Elet. Ltda | | - | (423) | - | - | - | 51,00 | - | - | - | - |
| Mvlsia Desenv. Inovadores S.A. | | 8,690 | (732) | - | 51,03 | - | 51,03 | - | - | - | - |
| Blmind Automação e Serviços S.A. | | 8,230 | (826) | - | 51,00 | - | 51,00 | - | - | - | - |
| Zest WEG Group Africa (Pty) Ltd. | South Africa | 231,516 | 5,194 | - | 100,00 | - | 100,00 | - | - | - | - |
| Zest Energy (Pty) Ltd. | | 270 | (0) | - | 100,00 | - | 100,00 | - | - | - | - |
| Zest WEG Manufacturing (Pty) Ltd. | | (573) | (3,255) | - | 100,00 | - | 100,00 | - | - | - | - |
| Zest WEG Electric (Pty) Ltd. | | 183,360 | 12,330 | - | 74,80 | - | 74,80 | - | - | - | - |
| ENI Electric/Instrumentations Eng. Cont.(Pty) | | (896) | 2,152 | - | 86,67 | - | 86,67 | - | - | - | - |
| Zest WEG Group Namibia Ent. (Pty) Ltd. | | (564) | (19) | - | 100,00 | - | 100,00 | - | - | - | - |
| Zest WEG Investment Company (Pty) Ltd. | Germany | 137,153 | 9,212 | - | 64,70 | - | 64,70 | - | - | - | - |
| WEG Germany GmbH | | 67,592 | (1,822) | - | 100,00 | - | 100,00 | - | - | - | - |
| Watt Drive GmbH | | 7,098 | (478) | - | 100,00 | - | 100,00 | - | - | - | - |
| Wurtembergische Elektromotoren GmbH | | 24,646 | 2,055 | - | 100,00 | - | 100,00 | - | - | - | - |
| Antriebstechnik KATT Hessen GmbH | | (27,268) | (4,412) | - | 100,00 | - | 100,00 | - | - | - | - |
| TGM Kanis Turbinen GmbH | | 75,409 | 3,697 | - | 42,86 | - | 42,86 | - | - | - | - |
| WEG Equipamientos Electricos S.A. | Argentina | 142,634 | 11,154 | 10,45 | 89,55 | 10,45 | 89,55 | 4,337 | 2,560 | 14,893 | 13,050 |
| Pulverlux S.A. | | 19,237 | 4,989 | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG Australia Pty Ltd. | Australia | 67,245 | 671 | - | 100,00 | - | 100,00 | - | - | - | - |
| Watt Drive Antriebstechnik GmbH | Austria | 125,047 | 750 | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG International Trade GmbH | | 528,001 | 574,217 | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG Holding GmbH | Belgium | 4,647,723 | 785,635 | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG Benelux S.A. | | 83,603 | 3,889 | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG Central Asia LLP | | 843 | (217) | - | 100,00 | - | 100,00 | - | - | - | - |

| | | | | | | | | | | | |
|---|---------------|-----------|----------|------|--------|------|--------|------------------|----------------|-------------------|-------------------|
| WEG Chile S.A. | Chile | 52,025 | 8,869 | 8,00 | 92,00 | 8,00 | 92,00 | 710 | 376 | 4,162 | 5,537 |
| WEG (Nantong) Electric Motor Co.. Ltd. | China | 395,693 | 20,695 | - | 100,00 | - | 100,00 | - | - | - | - |
| Changzhou Sinya Electromotor Co.. Ltd. | | (22,878) | (13,913) | - | 100,00 | - | 100,00 | - | - | - | - |
| Changzhou Yatong Jiewei Elect.. Ltd. | | (22,377) | (8,187) | - | 100,00 | - | 100,00 | - | - | - | - |
| Wuxi Ecovi Technology Co.. Ltd. | | 4,534 | (559) | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG (Changzhou) Aut. Equip. Co.. Ltd. | | (15,500) | (4,046) | - | 100,00 | - | 100,00 | - | - | - | - |
| The First Drive Technology Co.. Ltd. | | (7,458) | (2,840) | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG (Jiangsu) Electric Equip. Co.. Ltd. | Singapore | 366,690 | 25,819 | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG Singapore Pte. Ltd. | | 5,560 | 922 | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG Colombia S.A.S. | Colombia | 95,977 | 1,467 | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG Middle East Fze. | Arab Emirates | (23,123) | 2,386 | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG Iberia Industrial S.L. | Spain | 99,104 | 9,528 | - | 100,00 | - | 100,00 | - | - | - | - |
| Autrial S.L. | | (12,415) | 749 | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG Electric Corp. | United States | 1,051,326 | 76,387 | - | 100,00 | - | 100,00 | - | - | - | - |
| Electric Machinery Company LLC | | 120,563 | 1,178 | - | 100,00 | - | 100,00 | - | - | - | - |
| FTC Energy Group Inc. | | - | (9) | - | - | - | 100,00 | - | - | - | - |
| Bluffton Motor Works. LLC | | 386,878 | 2,484 | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG Transformers USA LLC | France | 239,913 | 35,210 | - | 72,00 | - | 72,00 | - | - | - | - |
| WEG France SAS | | 56,702 | 7,259 | - | 100,00 | - | 100,00 | - | - | - | - |
| Zest WEG Group Ghana Ltd. | Ghana | 10,985 | 1,032 | - | 100,00 | - | 100,00 | - | - | - | - |
| E & I Electrical Ghana Ltd. | | (1,998) | (32) | - | 90,00 | - | 90,00 | - | - | - | - |
| WEG Industries (India) Private Ltd. | India | 236,313 | 2,305 | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG (UK) Ltd. | England | 38,771 | 5,302 | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG Italia S.R.L. | | 71,826 | 4,283 | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG Electric Motors Japan Co. Ltd. | Japan | 4,558 | (71) | - | 95,00 | - | 95,00 | - | - | - | - |
| WEG South East Asia SDN BHD | Malaysia | (1,875) | (1,454) | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG México S.A. de C.V. | Mexico | 964,340 | 36,625 | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG Transform. México S.A. de C.V. | | 108,746 | 19,293 | - | 72,00 | - | 72,00 | - | - | - | - |
| Voltran S.A. de C.V. | | 140,282 | 16,224 | - | 72,00 | - | 72,00 | - | - | - | - |
| WEG Equipos Eléctricos S.A. de C.V. | | 18,294 | 543 | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG Power Systems S.A. de C.V. | Mozambique | 5,412 | 928 | - | 72,00 | - | 72,00 | - | - | - | - |
| Zest WEG Group Mozambique. Lda. | | (1,344) | (320) | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG Peru S.A.C. | Peru | 22,352 | (1,917) | 0,05 | 99,95 | 0,05 | 99,95 | (1) | 2 | 11 | 13 |
| WEG Poland Sp. z o.o. | Poland | 690 | (99) | - | 100,00 | - | - | - | - | - | - |
| WEGEuro Ind. Eléctrica S.A. | Portugal | 156,044 | 15,771 | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG Electric CIS | Russia | 20,150 | 6,070 | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG Scandinavia AB | Sweden | 27,715 | 1,798 | - | 100,00 | - | 100,00 | - | - | - | - |
| ENI Electrical Tanzania (Pty) Limited | Tanzania | (258) | (94) | - | 100,00 | - | 100,00 | - | - | - | - |
| WEG Industrias Venezuela C.A. | Venezuela | (6) | 0 | - | 100,00 | - | 100,00 | - | - | - | - |
| E & I Zambia Ltd. | Zambia | (1,778) | (828) | - | 50,00 | - | 50,00 | - | - | - | - |
| TOTAL | | | | | | | | 1,908,239 | 958,821 | 10,863,097 | 10,443,777 |

(*) Share of profit (loss) of investees adjusted for unrealized profits on related-party transactions.

The Company's consolidated interim financial information includes the individual interim financial information of WEG S.A. and all its subsidiaries. The subsidiaries are fully consolidated from the date on which the control is obtained.

Subsidiaries with negative equity are capitalized annually, in accordance with the legislation of each country.

12.2 Other investments

The Company and its subsidiaries have recorded other investments of R\$ 2,536 (R\$ 1,023 as at December 31, 2020).

12.3 Company Events

(i) V2 Tecnologia Ltda.

On February 2021 the company V2 Indústria e Comércio de Equipamentos Eletrônicos Ltda. merged with the company V2 Tecnologia Ltda. The objective of this restructuring is the simplification and synergy of technical and management services, and the reduction of operating costs and administrative expenses.

13. PROPERTY, PLANT AND EQUIPMENT

| | | PARENT | | CONSOLIDATED | |
|---|-------------------------------------|----------------|----------------|--------------------|--------------------|
| | | 06/30/21 | 12/31/20 | 06/30/21 | 12/31/20 |
| Land | | 1,440 | 1,440 | 485,626 | 508,645 |
| Constructions and facilities | | 5,639 | 5,639 | 2,122,797 | 2,127,181 |
| Equipment | | - | - | 5,412,513 | 5,142,824 |
| Furniture and fixtures | | - | - | 185,988 | 186,089 |
| Hardware | | - | - | 184,609 | 177,206 |
| Construction in progress | | - | - | 236,250 | 449,906 |
| Reforestation | | - | - | 60,263 | 59,816 |
| Others | | - | - | 123,147 | 83,271 |
| Total property, plant and equipment | | 7,079 | 7,079 | 8,811,193 | 8,734,938 |
| Accumulated depreciation/depletion | Annual depreciation rate (%) | (2,991) | (2,947) | (4,235,310) | (4,136,208) |
| Constructions and facilities | 02 to 03 | (2,991) | (2,947) | (646,156) | (630,519) |
| Equipment | 05 to 20 | - | - | (3,266,964) | (3,188,819) |
| Furniture and fixtures | 07 to 10 | - | - | (127,772) | (127,972) |
| Hardware | 20 to 50 | - | - | (128,475) | (124,484) |
| Reforestation | - | - | - | (27,405) | (27,166) |
| Others | - | - | - | (38,538) | (37,248) |
| TOTAL PROPERTY, PLANT AND EQUIPMENT, NET | | 4,088 | 4,132 | 4,575,883 | 4,598,730 |

a) Summary of the movement in property, plant and equipment – consolidated:

| Classification of the PP&E | 12/31/20 | Transfer between classes | Acquisitions | Write-offs | Depreciation and depletion | Effect of exchange rate changes | 06/30/21 |
|------------------------------|------------------|--------------------------|----------------|----------------|----------------------------|---------------------------------|------------------|
| Land | 508,645 | (15,880) | - | - | - | (7,139) | 485,626 |
| | | 35,385 | 6,320 | (268) | (29,599) | (31,859) | 1,476,641 |
| Constructions and facilities | 1,496,662 | 291,999 | 93,391 | (6,469) | (137,120) | (50,257) | 2,145,549 |
| Equipment | 1,954,005 | 76 | 6,649 | (68) | (5,048) | (1,510) | 58,216 |
| Furniture and fixtures | 58,117 | 1,317 | 11,811 | (200) | (8,598) | (918) | 56,134 |
| Hardware | 52,722 | (312,183) | 98,392 | - | - | 135 | 236,250 |
| Construction in progress | 449,906 | - | 447 | - | (239) | - | 32,858 |
| Reforestation | 32,650 | (2,540) | 41,833 | (499) | - | (1,353) | 57,980 |
| Advances to suppliers | 20,539 | 1,225 | 3,955 | (892) | (2,579) | (564) | 26,629 |
| Others | 25,484 | | | | | | |
| TOTAL | 4,598,730 | (601) | 262,798 | (8,396) | (183,183) | (93,465) | 4,575,883 |

| Previous Year | 31/12/2019 | Transf, Between groups | Allocation PPA Geremia | Additions | Write-offs | Depreciation | Effect of exchange rates | 30/06/2021 |
|---------------|------------|------------------------|------------------------|-----------|------------|--------------|--------------------------|------------|
| Total | 3,776,561 | (302) | 15,763 | 206,845 | (9,969) | (152,309) | 369,903 | 4,206,492 |

b) **Construction in progress** – the Company has investments in progress of property, plant and equipment items as at June 30, 2021 amounting to R\$ 236,250 (R\$ 449,906 as at December 31, 2020), and the most significant investments are in Mexico unit, which amount to R\$ 66,076 (R\$ 316,558 as at December 31, 2020).

c) **Amount offered as guarantee** – PP&E items were offered as guarantee of borrowings, financing, labor claims and tax lawsuits in the consolidated amount of R\$ 31,166 (R\$ 31,166 as at December 31, 2020).

14. RIGHT OF USE OF LEASED ASSETS

The Company and its subsidiaries adopt Technical Pronouncement CPC 06 (R2) (IFRS 16) Leases, which introduces a single model for the recording of leases for lessees in the balance sheet.

| | CONSOLIDATED | |
|---------------------------------|------------------|------------------|
| | 03/30/21 | 12/31/20 |
| Properties | 454,060 | 391,123 |
| Machinery and equipment | 26,968 | 23,765 |
| Hardware | 853 | 885 |
| Vehicles | 28,089 | 26,703 |
| Total leases | 509,970 | 442,476 |
| Accumulated depreciation | (188,222) | (163,996) |
| Properties | (159,603) | (138,580) |
| Machinery and equipment | (12,966) | (11,049) |
| Hardware | (450) | (369) |
| Vehicles | (15,863) | (13,998) |
| TOTAL NET | 321,088 | 278,480 |

a) Summary of the movement in right of use of leased assets:

| Class | 12/31/20 | Transfer between classes | Additions | Write-offs | Depreciation | Foreign Exchange | 06/30/21 |
|-------------------------|----------------|--------------------------|----------------|-----------------|-----------------|------------------|----------------|
| Properties | 252,543 | (345) | 106,588 | (11,102) | (38,848) | (14,379) | 294,457 |
| Machinery and equipment | 12,716 | (19) | 4,881 | (11) | (2,739) | (826) | 14,002 |
| Hardware | 516 | - | - | - | (103) | (10) | 403 |
| Vehicles | 12,705 | 364 | 5,099 | (251) | (4,792) | (899) | 12,226 |
| TOTAL | 278,480 | - | 116,568 | (11,364) | (46,482) | (16,114) | 321,088 |

| Previous Year | 31/12/2019 | Transf, Between groups | Additions | Write-offs | Depreciation | Effect of exchange rates | 30/06/2020 |
|---------------|----------------|------------------------|---------------|--------------|-----------------|--------------------------|----------------|
| Total | 204,623 | - | 96,048 | (477) | (38,835) | 62,860 | 324,219 |

15. INTANGIBLE ASSETS - CONSOLIDATED

| | Amortization / No. of years | Cost | Accumulated amortization | 06/30/21 | 12/31/20 |
|--------------------------------------|-----------------------------|------------------|--------------------------|------------------|------------------|
| Software license | 5 | 228,844 | (164,739) | 64,105 | 65,534 |
| Property right | 30 – 80 | 95,193 | (13,178) | 82,015 | 85,237 |
| Trademarks and patents | 5 | 92,756 | (84,450) | 8,306 | 9,144 |
| Projects | 5 | 84,727 | (42,282) | 42,445 | 47,583 |
| Others | 5 | 259,292 | (198,981) | 60,311 | 69,267 |
| Subtotal | | 760,812 | (503,630) | 257,182 | 276,765 |
| Goodwill on acquisition subsidiaries | - | 1,301,779 | (21,353) | 1,280,426 | 1,318,710 |
| TOTAL | | 2,062,591 | (524,983) | 1,537,608 | 1,595,475 |

a) Summary of the movement in intangible assets:

| | 12/31/20 | Transfer between classes | Additions | Write-offs | Amortization | Effect of exchange rate changes | 06/30/21 |
|--|------------------|--------------------------------|---------------|-----------------|-----------------|---------------------------------------|------------------|
| Software license | 65,534 | (932) | 10,162 | (249) | (9,039) | (1,371) | 64,105 |
| Property right | 85,237 | - | - | - | (971) | (2,251) | 82,015 |
| Trademarks and patents | 9,144 | 350 | 2 | - | (1,162) | 219 | 8,553 |
| Projects | 47,583 | 422 | 28,049 | (33,083) | (505) | (21) | 42,445 |
| Others | 69,267 | 761 | - | (22) | (9,073) | (869) | 60,064 |
| Subtotal | 276,765 | 601 | 38,213 | (33,354) | (20,750) | (4,293) | 257,182 |
| Goodwill on acquisition of subsidiaries | 1,318,710 | - | - | - | - | (38,284) | 1,280,426 |
| TOTAL | 1,595,475 | 601 | 38,213 | (33,354) | (20,750) | (42,577) | 1,537,608 |

| Previous Year | 31/12/2019 | Transf. Between groups | Allocation PPA TGM | Additions | Write-offs | Depreciation | Effect of exchange rates | 30/06/2020 |
|------------------|------------------|------------------------------|-----------------------|---------------|----------------|-----------------|--------------------------------|------------------|
| Total | 1,319,746 | 302 | (15,763) | 24,248 | (3,558) | (21,790) | 254,606 | 1,557,791 |

b) Breakdown of goodwill generated on acquisition of subsidiaries:

| | 06/30/21 | 12/31/20 |
|--|------------------|------------------|
| Electric Machinery Company LLC | 244,869 | 254,390 |
| Bluffton Motor Works, LLC | 204,060 | 211,994 |
| TGM Ind. e Com. de Turbinas e Transm. Ltda. (Merged) | 116,516 | 116,516 |
| Changzhou Sinya Electromotor Co. Ltd. | 105,485 | 103,143 |
| Zest WEG Group Africa (PTY) Ltd. | 100,560 | 106,722 |
| Trafo Equipamentos Elétricos S.A. (Merged) | 62,827 | 62,827 |
| WEG Transformadores Colombia S.A.S. (Merged) | 56,856 | 64,978 |
| WEG-Cestari Redutores e Motorreductores S.A. | 48,139 | 48,139 |
| Stardur Tintas Especiais Ltda. (Merged) | 43,402 | 43,402 |
| Watt Drive Antriebstechnik GmbH | 40,234 | 43,291 |
| Geremia Redutores Ltda. | 32,246 | 32,246 |
| Changzhou Machine Master Co. Ltd. (Merged) | 23,369 | 23,969 |
| Others | 201,863 | 207,093 |
| TOTAL | 1,280,426 | 1,318,710 |

c) Amortization schedule of intangible assets (except goodwill):

| | 06/30/21 |
|-------------------|----------------|
| 2021 | 24,734 |
| 2022 | 39,908 |
| 2023 | 36,817 |
| 2024 | 32,834 |
| 2025 | 27,368 |
| From 2026 onwards | 95,521 |
| TOTAL | 257,182 |

16. TRADE PAYABLES

| | CONSOLIDATED | |
|---------------------------|---------------------|------------------|
| | 06/30/21 | 12/31/20 |
| Balance breakdown: | | |
| Domestic market | 852,390 | 558,899 |
| External market | 1,023,201 | 690,469 |
| TOTAL | 1,875,591 | 1,249,368 |

17. BORROWINGS AND FINANCING

| Type | Annual charges at 06/30/21 | CONSOLIDATED | |
|--|----------------------------|------------------|------------------|
| | | 06/30/21 | 12/31/20 |
| IN LOCAL CURRENCY | | | |
| CURRENT | | 7,738 | 12,289 |
| In Brazilian Reais, fixed rate | | | |
| Working capital | | - | 3,931 |
| Property, plant and equipment | | - | 2,369 |
| In Brazilian Reais, floating rate | | | |
| Working capital | UFIR (+) 1.0% to 4.0% p.a. | 127 | 783 |
| Working capital | 116% of CDI | 7,611 | 5,156 |
| Others | | | |
| Others | Sundry | - | 50 |
| NONCURRENT | | 39,406 | 48,193 |
| In Brazilian Reais, fixed rate | | | |
| Working capital | | - | 5,050 |
| Property, plant and equipment | | - | 3,044 |
| In Brazilian Reais, floating rate | | | |
| Working capital | 116% of CDI | 39,406 | 40,000 |
| Others | | | |
| Others | Sundry | - | 99 |
| IN FOREIGN CURRENCY | | | |
| CURRENT | | 931,850 | 629,995 |
| In US Dollar | | | |
| Working capital | Libor (+) 1.4% p.a. | 838,715 | 442,044 |
| In Euros | | | |
| Working capital | Euribor (+) 1.0% p.a. | 11,832 | 16,069 |
| In Colombian Pesos | | | |
| Working capital | | - | 37,141 |
| In Rand (South Africa) | | | |
| Working capital | 5.5% to 9.25% p.a. | 29,203 | 80,160 |
| Other currencies | | | |
| Working capital | Domestic market rates | 52,100 | 54,581 |
| NONCURRENT | | 522,742 | 996,103 |
| In US Dollar | | | |
| Working capital | Libor (+) 1.4% p.a. | 415,595 | 857,802 |
| In Euros | | | |
| Working capital | Euribor | 8,956 | 10,331 |
| In Mexican Pesos | | | |
| Working capital | TIIE (+) 0.9% p.a. | 96,971 | 125,942 |
| Other currencies | | | |
| Working capital | Domestic market rates | 1,220 | 2,028 |
| TOTAL BORROWINGS AND FINANCING | | 1,501,736 | 1,686,580 |
| TOTAL CURRENT | | 939,588 | 642,284 |
| TOTAL NONCURRENT | | 562,148 | 1,044,296 |

The FINAME Operations are guaranteed by endorsements and liens on assets.

a) Maturity of noncurrent borrowings and financing:

| | 06/30/21 | 12/31/20 |
|-------------------|-----------------|------------------|
| 2022 | 405,429 | 864,701 |
| 2023 | 309 | 1,350 |
| 2024 | 118,185 | 136,854 |
| From 2025 onwards | 38,225 | 41,391 |
| TOTAL | 562,148 | 1,044,296 |

b) The movement of borrowings and financing is as follows:

| | |
|------------------------------|------------------|
| Balance at 01/01/2020 | 2,284,969 |
| Intakes | 211,487 |
| Interest accrual | 8,269 |
| Amortization | (1,674,612) |
| Payment of interests | (11,784) |
| Exchange rate effects | 868,251 |
| Balance at 12/31/2020 | 1,686,580 |
| Intakes | 211,291 |
| Interest accrual | (303) |
| Amortization | (208,279) |
| Payment of interests | (27,447) |
| Exchange rate effects | (160,106) |
| Balance at 06/30/2021 | 1,501,736 |

18. PROVISION FOR CONTINGENCIES

The Company and its subsidiaries are parties to administrative and judicial proceedings involving tax, labor and civil matters arising from the normal activities of their businesses. The corresponding provisions were recorded for proceedings the likelihood of loss of which was rated as “probable” based on the estimate of value at risk determined by the Company’s legal counsel. The Company’s management estimates that the provision for contingencies recognized is sufficient to cover any losses on ongoing proceedings.

a) Balance of provision for contingencies:

| | | PARENT | | CONSOLIDATED | |
|--------------------|-------|-----------------|-----------------|---------------------|-----------------|
| | | 06/30/21 | 12/31/20 | 06/30/21 | 12/31/20 |
| (i) Tax: | | 4,730 | 4,730 | 284,899 | 285,528 |
| - IRPJ and CSLL | (a.1) | - | - | 143,043 | 143,032 |
| - INSS | (a.2) | 4,730 | 4,730 | 59,866 | 59,803 |
| - PIS and COFINS | (a.3) | - | - | 68,640 | 69,452 |
| - Others | | - | - | 13,350 | 13,241 |
| (ii) Labor | | - | - | 198,308 | 196,971 |
| (iii) Civil | | - | - | 126,308 | 126,241 |
| (iv) Others | | - | - | 3,943 | 3,965 |
| TOTAL | | 4,730 | 4,730 | 613,458 | 612,705 |

b) Statement of the movement for the year - consolidated:

| | 12/31/20 | Additions | Interest | Write-offs | Reversals | 06/30/21 |
|--------------|----------------|---------------|--------------|-----------------|-----------------|----------------|
| a) Tax | 285,528 | 2,828 | 979 | - | (4,436) | 284,899 |
| b) Labor | 196,971 | 6,387 | 3,204 | (5,587) | (2,667) | 198,308 |
| c) Civil | 126,241 | 14,687 | 957 | (11,123) | (4,454) | 126,308 |
| d) Others | 3,965 | 8 | - | - | (30) | 3,943 |
| TOTAL | 612,705 | 23,910 | 5,140 | (16,710) | (11,587) | 613,458 |

| Previous Year | 12/31/19 | Additions | Interest | Write-offs | Reversals | 06/30/20 |
|---------------|----------------|---------------|--------------|-----------------|----------------|---------------|
| TOTAL | 551,578 | 39,048 | 3,422 | (35,945) | (9,221) | 58,882 |

c) The provisions recognized refer mainly to:**(i) Tax contingencies**

- (a.1) Refers to the proceeding regarding the difference of the IPC (Consumer Price Index) for January 1989 ("Plano Verão") on the 16.24% inflation adjustment and the proceeding on the deduction from the calculation basis of 2011 RD&I Project expenditures ("Lei do Bem" – Innovation Tax Incentive Law).
- (a.2) Refers to contribution due to the Social Security. The litigation refers to social security charges levied on private pension plan, profit sharing, education allowance, among others.
- (a.3) Refers to non-approval by the Brazilian Federal Revenue Office of the request for offset of the credit balance of PIS and COFINS against federal tax debts.

(ii) Labor contingencies

The Company and its subsidiaries are defendants in labor claims primarily involving discussions about health and risk exposure, among others.

(iii) Civil contingencies

Refer mainly to civil lawsuits, including pain and suffering, aesthetic damage, occupational diseases and indemnities arising from occupational accidents.

d) Escrow deposits:

| | PARENT | | CONSOLIDATED | |
|----------------------------------|--------------|--------------|---------------|---------------|
| | 06/30/21 | 12/31/20 | 06/30/21 | 12/31/20 |
| Tax | 4,657 | 4,657 | 41,939 | 41,514 |
| Labor and civil | - | - | 19,750 | 23,905 |
| Others | - | - | 569 | 117 |
| TOTAL RESTRICTED DEPOSITS | 4,657 | 4,657 | 62,258 | 65,536 |
| - Non-restricted escrow deposits | - | - | 4,542 | 4,619 |
| TOTAL ESCROW DEPOSITS | 4,657 | 4,657 | 66,800 | 70,155 |

The escrow deposits not restricted to contingencies are awaiting court authorization for withdrawal.

e) Contingencies assessed as possible losses:

The Company and its subsidiaries are parties to other lawsuits for which the likelihood of loss is classified as "possible" and for which no provision for contingencies was recognized.

As at June 30, 2021, the estimated amount of these lawsuits amounted to R\$ 429,404 (R\$ 432,599 as at December 31, 2020).

(i) Tax

- Taxation on profits earned abroad in total estimated amount of R\$ 235,8 million (R\$ 276,6 million as at December 31, 2020);
- Levy of ICMS-ST on purchases of raw material in the amount of R\$ 26,6 million (R\$ 26,4 million as at December 31, 2020);
- Levy of social security contribution on dental care, education allowance, technical courses and salary premium for education in the amount of R\$ 23,7 million (R\$ 23,7 million as at December 31, 2020);

- Non-approval of IPI credits in the amount of R\$ 14,9 million (R\$ 14,8 million as at December 31, 2020);
- Other tax contingencies in the amount of R\$ 63,9 million (R\$ 37,5 million as at December 31, 2020).

(ii) Civil

- 3Z Movimentação Inteligente Ltda. in the estimated amount of R\$ 29,2 million (R\$ 29,2 million as at December 31, 2020);
- Saraiva Equipamentos Ltda. and Saraiva Engenharia Ltda. in the estimated amount of R\$ 17,1 million (R\$ 17,1 million as at December 31, 2020);
- Mapfre Seguros Gerais S.A. in the estimated amount of R\$ 10,9 million;
- Other civil lawsuits in the amount of R\$ 7,3 million (R\$ 7,3 million as at December 31, 2020).

19. PRIVATE PENSION PLAN

The Company and its subsidiaries are sponsors of WEG Seguridade Social, which has as main purpose to supplement the retirement benefits offered by the official social security system.

The Plan, administered by WEG Seguridade Social, includes monthly income benefits (retirement), annual allowance, supplemental sickness benefit, supplemental disability retirement, supplemental pension, supplemental annual allowance and death benefit.

The number of participants is 22,424 (20,470 as at June 30, 2020). The Company and its subsidiaries made contributions in the amount of R\$ 23,032 (R\$ 20,003 as at June 30, 2020).

Based on actuarial calculations made by independent actuaries in order to define the net liability value between the defined benefit obligation and the fair value of the plan assets, pursuant to the procedures established by CVM Resolution No. 695/12 – CPC 33 (R1) Employee Benefits, we did not identify any significant post-employment liabilities to be recognized by the Company.

20. EQUITY

a) Issued capital

The Company's capital is R\$ 5,504,517 (R\$ 5,504,517 as at December 31, 2020), comprising 4,197,317,998 registered book-entry common shares with no par value, all with voting rights, including the 1,387,560 shares held in treasury pursuant to item "c".

At the Extraordinary General Meeting ("AGO/E") occurred in April 27, 2021, the split of all shares with no par value was approved, so that each common share becomes represented by two shares of the same type and without modification of the share capital. The shareholding position considered for the split of common shares issued by the Company is that of April 27, 2021.

b) Shareholder compensation – Interest on capital

b.1.) Interest on equity

During the first half of the year, the company declared interest on equity in the gross amount of R\$ 157,101 (net R\$ 135,535) corresponding to 0.03182 per share (Capital of 4,195,930,438 shares), already deducting income tax in the source, as per the following Board of Directors approvals:

- On March 23, 2021, in the gross amount of R\$ 70,961 (R\$ 63,421 in March 2020), net of R\$ 60,316 (R\$ 53,908 in March 2020) corresponding to R\$ 0,02875 per share (Capital of 4,195,930,438 shares), already deducting the withholding income tax of 15%, pursuant to paragraph 2 of Article 9 of Law 9,249/95, except for corporate shareholders who are exempt from this tax.

ii. On June 22, 2021, in the gross amount of R\$ 86,140 (R\$ 80,206 in June 2020), net of R\$ 73,219 (R\$ 68,175 in June 2020) corresponding to R\$ 0.01745 per share (Capital of 4,195,930,438 shares), already deducting the withholding income tax of 15%, pursuant to paragraph 2 of Article 9 of Law 9,249/95, except for corporate shareholders who are exempt from this tax.

b.2.) Interim dividends

The Executive Board will submit to the approval of the Board of Directors a proposal for the distribution of interim dividends on the results ascertained in the first half of 2021, in the amount of R\$ 663,691 (R\$ 0.15818 per share). The proposed amount is recorded under Proposed Dividends in Equity.

The amount of interim dividends and interest on equity to be paid make up the total gross amount of R\$ 820,791 (net of taxes R\$ 797,226), equivalent to 43.22% of the net profit obtained in the period (net 41.98%).

Interest on capital, pursuant to article 37 of the Bylaws and article 9 of Law 9,249/95, will be incorporated into mandatory dividends and paid beginning August 11, 2021.

c) Treasury shares

The shares acquired by the Company are held in treasury to be used by the beneficiaries of the Company's Stock Option Plan and Long-Term Incentive Plan or subsequent cancellation or disposal.

Until June 30, 2021, the beneficiaries of the Company's Stock Option Plan and Plan ILP exercised 225,168 shares. The Company holds in treasury 1,387,560 shares at the average cost of R\$ 17.17 per share, in the total amount of R\$ 11,913 (R\$ 15,779 as at December 31, 2020).

21. LONG-TERM INCENTIVE PLAN (LTIP)

The Extraordinary General Meeting (EGM) held on June 28, 2016 approved the share-based compensation plan called Long-term incentive plan (LTIP Plan) for its Management and officers.

(i) Plan

The Plan is managed by the Board of Directors and is aimed at granting shares issued by WEG S.A, (Company), classified as "WEGE3" on B3, to its management and officers in order to attract, motivate and retain them, as well as align their interests to those of the Company and its shareholders.

For the LIP Plan application in each year, and the consequent granting of shares, an essential condition (trigger) is that the Company has obtained, in the immediately preceding year, at least 10% of Return on Invested Capital (ROIC).

The shares to be granted under LIP Plan are limited to a maximum of 2% (two percent) of the total shares representing the Company's capital.

The number of shares granted to the participants is included in clauses 7 and 8 of the LIP Plan, which establishes the criteria for the number of shares to be granted and the vesting period to be complied with.

The Plan may be discontinued, suspended or altered at any time, upon a proposal approved by the Company's Board of Directors.

(ii) Program

The Board of Directors may approve, annually, Long-Term Incentive Programs ("Programs") in which the participants, number of shares, value of share, and other rules specific to each Program will be defined.

Programs

The program participants are the officers of the Company and of its subsidiaries based in Brazil, excluding the officers of subsidiaries with third party participation.

The programs were updated on April 24, 2018, due to the bonus of 30% (thirty percent) on the number of shares, including the new market values in the strike price and the increase in shares for the number of shares

granted. This update does not represent an impact in the calculation performed at the beginning of the Program.

| Program | Shares Granted | | |
|---------|----------------|-------------------|---|
| | Number | Share value (R\$) | Amount of expenses to be allocated over the program term (R\$ thousand) |
| 2016 | 354,167 | 11,95 | 4,232 |
| 2017 | 297,069 | 19,25 | 5,718 |
| 2018 | 331,010 | 18,72 | 6,197 |
| 2019 | 184,468 | 37,48 | 6,914 |
| 2020 | 80,651 | 86,25 | 6,957 |

Summary of the variation of the plan's shares:

| Program | 12/31/20 | Granted | Split | Exercised | Cancelled | Number of shares | |
|--------------|----------------|---------------|----------------|------------------|-----------------|-------------------|------------------|
| | | | | | | Delivered in kind | 06/30/21 |
| 2016 | 133,083 | - | 53,821 | (74,113) | (5,149) | - | 107,642 |
| 2017 | 171,313 | - | 96,027 | (69,854) | (5,432) | - | 192,054 |
| 2018 | 263,851 | - | 172,674 | (83,428) | (7,749) | - | 345,348 |
| 2019 | 152,641 | - | 139,063 | (9,508) | (4,070) | - | 278,126 |
| 2020 | - | 80,651 | 73,981 | - | - | (6,670) | 147,962 |
| TOTAL | 720,888 | 80,651 | 535,566 | (236,903) | (22,400) | (6,670) | 1,071,132 |

In the first half of 2021, expenses in the amount of R\$ 5,193 (R\$ 4,411 as at June 30, 2020) were posted to other income (expenses) line item in the income statement for the year matched against capital reserve in equity.

The shares exercised in the first half of 2021 amounted to R\$ 8,629 (R\$ 9,162 as at June 30, 2020) recording in capital reserve in equity the amount of R\$ 7,360 (R\$ 7,956 as at June 30, 2020) and R\$ 1,269 (R\$ 1,206 as at June 30, 2020) supplementing the amount provisioned recorded in other income (expenses) line item in the income statement for the year.

22. STOCK OPTION PLAN

The EGM held on June 28, 2016 approved the discontinuance of the Company's Stock Option Plan which had been approved at the EGM of February 22, 2011, and subsequent amendments, complying with the agreements that had already been entered into and not yet completed.

The programs were updated on April 24, 2018, due to the bonus of 30% (thirty percent) on the number of shares, increasing the number of shares granted. This update does not represent an impact in the calculation performed at the beginning of the Program.

Summary of the movement of the plan's shares:

Number of shares

| Program | 12/31/20 | Split | Exercised | 06/30/21 |
|--------------|----------------|---------------|-----------------|----------------|
| March/15 | 27,862 | - | (27,862) | - |
| August/15 | 34,636 | 34,636 | - | 69,272 |
| March/16 | 59,088 | 33,834 | (25,254) | 67,668 |
| TOTAL | 121,586 | 68,470 | (53,116) | 136,940 |

Expenses on stock options are accounted for over their vesting period.

The options exercised in the first half of 2021 amounted to R\$ 3,045 (R\$ 4,457 as at June 30, 2020) recognized in capital reserve line item in equity the amount of R\$ 28 (R\$ 792 as at June 30, 2020) and R\$ 3,017 (R\$ 3,665 as at June 30, 2020) supplementing the amount provisioned recorded in retained earning line item.

23. NET REVENUE

| BREAKDOWN OF NET REVENUE | CONSOLIDATED | |
|--------------------------|--------------------|--------------------|
| | 06/30/21 | 06/30/20 |
| Gross revenue | 12,371,727 | 8,824,051 |
| Domestic market | 6,182,156 | 4,120,008 |
| External market | 6,189,571 | 4,704,043 |
| Deductions | (1,546,642) | (1,045,672) |
| Taxes | (1,365,420) | (839,927) |
| Returns and rebates | (181,222) | (205,745) |
| Net revenue | 10,825,085 | 7,778,379 |
| Domestic market | 4,921,079 | 3,296,679 |
| External market | 5,904,006 | 4,481,700 |

24. CONSTRUCTION CONTRACTS

The revenues and costs from construction contracts are recognized according to the percentage of completion method, based on the costs incurred, considering the legal possibility of requiring the payment by the customer or delivery of the product to the customer (transfer of control).

| | CONSOLIDATED | |
|-------------------------------------|-----------------|-----------------|
| | 06/30/21 | 06/30/20 |
| Gross operating revenues recognized | 811,942 | 688,512 |
| Costs incurred | (704,068) | (480,186) |
| | 30/06/21 | 31/12/20 |
| Advances received | 224,831 | 262,046 |

25. OPERATING EXPENSES BY NATURE AND FUNCTION

| | CONSOLIDATED | |
|--|---------------------|--------------------|
| | 06/30/21 | 06/30/20 |
| EXPENSES BY NATURE | (8,665,931) | (6,635,746) |
| Depreciation, amortization and depletion | (250,415) | (212,934) |
| Personnel expenses | (2,043,251) | (1,670,069) |
| Raw materials and consumables | (5,250,985) | (3,606,251) |
| Freight and insurance expenses | (295,754) | (135,301) |
| Other expenses | (825,526) | (1,011,191) |
| EXPENSE BY FUNCTION | (8,665,931) | (6,635,746) |
| Cost of sales and services | (7,458,839) | (5,448,743) |
| Selling expenses | (877,414) | (705,291) |
| General and administrative expenses | (356,465) | (288,639) |
| Management fees | (12,333) | (13,041) |
| Other operating income (expenses) | 39,120 | (180,032) |

26. OTHER OPERATING INCOME (EXPENSES)

The amounts recorded refer to profit sharing, reversal of/provision for tax lawsuits and others, as shown below:

| | CONSOLIDATED | |
|---|---------------------|------------------|
| | 06/30/21 | 06/30/20 |
| OTHER OPERATING INCOME | 387,466 | 11,844 |
| Tax credit recognition – Exclusion of ICMS from calculation basis of PIS/COFINS | 355,673 | - |
| Others | 31,793 | 11,844 |
| OTHER OPERATING EXPENSES | (348,346) | (191,876) |
| Profit sharing – employees | (284,180) | (131,907) |
| Profit sharing – foreign subsidiaries | (36,570) | (33,543) |
| Profit sharing – management | (12,333) | (12,869) |
| Share-based plan | (6,463) | (5,644) |
| Others | (8,800) | (7,913) |
| TOTAL, NET | 39,120 | (180,032) |

27. FINANCE INCOME (COSTS), NET

| | PARENT | | CONSOLIDATED | |
|--|-----------------|-----------------|---------------------|------------------|
| | 06/30/21 | 06/30/20 | 06/30/21 | 06/30/20 |
| FINANCE INCOME | (3,392) | 6,106 | 589,020 | 573,490 |
| Income from short-term investments | 12,881 | 12,321 | 45,938 | 46,209 |
| Exchange rate changes | - | - | 319,172 | 468,409 |
| Exchange rate changes - Trade payables | - | - | 27,207 | 40,188 |
| Exchange rate changes - Trade receivables | - | - | 134,656 | 213,299 |
| Exchange rate changes – Borrowings | - | - | 70,224 | 46,848 |
| Exchange rate changes – Others | - | - | 87,085 | 168,074 |
| PIS/COFINS on interest on capital | (15,833) | (14,052) | (15,833) | (14,052) |
| PIS/COFINS on finance income | (607) | (643) | (14,291) | (3,776) |
| Derivatives | - | - | 65,099 | 61,219 |
| PROEX - Equaliz, Interest rate | - | - | 15,188 | 18,988 |
| Interest over tax credits lawsuits gain – | | | | |
| Exclusion of ICMS from calculation basis of PIS and COFINS | - | - | 140,892 | - |
| Other income | - | - | 32,855 | (3,507) |
| FINANCE EXPENSES | (2,152) | (1,187) | (438,579) | (620,406) |
| Interest on borrowings and financing | - | - | (27,125) | (48,163) |
| Exchange rate changes | (4) | - | (336,858) | (490,321) |
| Exchange rate changes - Trade payables | - | - | (35,212) | (112,204) |
| Exchange rate changes - Trade receivables | - | - | (159,345) | (120,354) |
| Exchange rate changes – Borrowings | - | - | (36,954) | (170,059) |
| Exchange rate changes – Others | (4) | - | (105,347) | (87,704) |
| Derivatives | - | - | (39,075) | (50,185) |
| Other expenses | (2,148) | (1,187) | (35,521) | (31,737) |
| FINANCE INCOME (EXPENSES), NET | (5,544) | 4,919 | 150,441 | (46,916) |

28. PROVISION FOR INCOME TAX AND SOCIAL CONTRIBUTION

The Company and its subsidiaries in Brazil calculate income tax and social contribution based on taxable income, except for WEG Administradora de Bens Ltda., Agro Trafo Miner. Agric. Pec. and Administradora de Bens Ltda. which adopt the calculation based on the deemed income. The provision for income tax was recognized at a 15% rate, plus a 10% surtax, and the social contribution at a 9% rate. The taxes of foreign subsidiaries are recognized according to the legislation of each country.

Reconciliation of income tax and social contribution:

| | PARENT | | CONSOLIDATED | |
|---|-----------------|-----------------|---------------------|------------------|
| | 06/30/21 | 06/30/20 | 06/30/21 | 06/30/20 |
| Profit before taxes on income | 1,900,436 | 954,816 | 2,309,595 | 1,091,486 |
| Statutory rate | 34% | 34% | 34% | 34% |
| IRPJ and CSLL calculated at statutory rate | (646,148) | (324,637) | (785,263) | (371,105) |
| Adjustments for calculation of income tax and social contribution at effective rate: | | | | |
| Income from investments in subsidiaries | 648,801 | 325,999 | 12,017 | 5,159 |
| Difference in rates on income abroad | - | - | 224,155 | 136,661 |
| Tax incentives | - | - | 119,578 | 82,482 |
| Interest on capital | (4,783) | (2,816) | 54,264 | 48,833 |
| Other adjustments | 661 | 1,036 | (3,024) | (13,024) |
| IRPJ and CSLL in the income statement | (1,469) | (418) | (378,273) | (110,994) |
| Current tax | (506) | (60) | (405,673) | (157,295) |
| Deferred tax | (963) | (358) | 27,400 | 46,301 |
| Effective rate - % | 0,08% | 0,04% | 16,38% | 10,17% |

29. INSURANCE COVERAGE

The Company and its subsidiaries have a Worldwide Insurance Program - WIP, in which the following world policies established stand out: Transport (Export, Import and Domestic), Civil Liability for Products, Civil Liability of Directors and Officers (D&O), Property/Operational Risks, Environment Pollution, Performance Bond and Engineering Risk (Construction, Installation, Assembly and Commissioning).

The insurance policies are taken only with first-tier multinational insurance companies.

Below we highlight the Indemnity Limits (LMI) of the policies comprising the WIP:

| Insurance policy | Maximum Insured Amount (MIA) | Maturity |
|---|--|---|
| Operational risks (Equity) | US\$ 36 millions | 03/31/2022 |
| Loss of Profits | US\$ 15 millions (for Paint companies and newly acquired companies for the first 12 months with an indemnity period of 6 months) | 03/31/2022 |
| General Civil liability | US\$ 10 million | 09/12/2022 |
| Civil Liability for Products | US\$ 40 million | 09/12/2022 |
| Domestic Transport | R\$ 12 million per shipment/accumulation/trip | 11/01/2022 |
| International Transport - Export/Import | US\$ 6 million per shipment/accumulation/trip | 11/01/2022 |
| Environmental Pollution | US\$ 15 million | 09/12/2022 |
| Contractual Performance Bond | As stipulated in the contract | As per the agreement / delivery |
| Engineering, Installation and Assembly Risk | According to the value at risk of the contracts, limited to R\$ 200 million in Brazil, US\$ 30 million in Latin America (except Cuba) and US\$ 5 million in the USA; | As per the construction schedule / supply |
| Civil Liability of Directors & Officers (D&O) | US\$ 30 million | 09/12/2021 |

30. FINANCIAL INSTRUMENTS

The Company and its subsidiaries performed the valuation of their financial instruments, including derivatives recorded in the financial statements, presenting the following values:

| | CARRYING AMOUNT | |
|--|------------------|------------------|
| | 06/30/21 | 12/31/20 |
| Cash and cash equivalents | 3,275,927 | 3,892,140 |
| Cash and banks | 515,663 | 584,332 |
| Short-term investments: | 2,760,264 | 3,307,808 |
| - In local currency | 2,618,402 | 2,756,033 |
| - In foreign currency | 141,862 | 551,775 |
| Short-term investments | 546,300 | 592,794 |
| Derivatives | 446,027 | 525,140 |
| - <i>Non-Deliverable Forwards – NDF</i> | 3,921 | 2,919 |
| - <i>Hedge accounting</i> | 442,106 | 522,221 |
| Total – Assets | 4,268,254 | 5,010,074 |
| | | |
| Borrowings and financing | 1,501,736 | 1,686,580 |
| - In local currency | 47,144 | 60,482 |
| - In foreign currency | 1,454,592 | 1,626,098 |
| Derivatives | 18,644 | 20,511 |
| - <i>Non- Deliverable Forwards – NDF</i> | 4,758 | 8,221 |
| - <i>SWAP</i> | 4,527 | 6,500 |
| - <i>Hedge accounting</i> | 9,359 | 5,790 |
| Total – Liabilities | 1,520,380 | 1,707,091 |

All financial instruments are recognized in the consolidated interim financial information at their carrying amount, which approximates their fair value.

Category of financial instruments

Financial investments and derivatives were classified with fair value through profit and loss, and other financial instruments were classified as amortized cost.

Fair value hierarchy

Financial investments and loans were classified as level 1 of the hierarchy, as derivatives were classified as level 2.

30.1 Risk factors

The risk factors of the financial instruments are basically related to:

a) Credit risks

Arises from the possibility of the Company's subsidiaries not receiving amounts from sales or credits held with financial institutions generated by financial investments. To mitigate the risk of the sales transactions, the Company's subsidiaries adopt a policy of analyzing the financial position of their customers, establishing a credit limit and performing an ongoing monitoring of their debt balance. As regards the financial investments, the Company and its subsidiaries invest with institutions with low credit risk.

b) Foreign currency risks

The Company and its subsidiaries conduct import and export transactions in various currencies, they manage and monitor the exchange exposure seeking to balance their financial assets and liabilities within the limits established by Management.

The limit of exchange exposure sold/purchased (net) may be equivalent to up to one month of exports in foreign currencies as established by the Company's Board of Directors.

As at June 30, 2021, the Company and its subsidiaries made exports in the amount of USD 342,2 million (USD 281,5 million as at June 30, 2020), representing a natural hedge for part of the indebtedness and other costs associated to other currencies, mainly the US dollar.

c) Debt charge risks

These risks arise from the possibility that the subsidiaries may incur losses due to fluctuations in interest rates or other debt indexes, which would increase the finance costs related to borrowings and financing raised in the market, or decrease the finance income related to short-term investments of subsidiaries. The Company and its subsidiaries perform an ongoing monitoring of the market interest rates aiming at assessing the need for hedging against the risk of volatility of these rates.

d) Liquidity risk

Refers to the risk that the company doesn't have enough liquid assets to honor its financial obligations, due to the mismatch between the deadline and the expected receipts and payments. The chart below resumes the contractual obligations which might affect the company's liquidity:

| Contractual Obligations | Less than 1 year | 1-5 years | More than 5 years | 30/06/2021 |
|----------------------------|------------------|----------------|-------------------|------------------|
| Borrowings and Financing | 939,588 | 523,937 | 38,211 | 1,501,736 |
| Derivatives | 13,934 | 4,710 | - | 18,644 |
| Total - Liabilities | 953,522 | 528,647 | 38,211 | 1,520,380 |

30.2 Derivative financial instruments

The Company and its subsidiaries have the following derivative transactions:

| Transaction | Currency | Notional Value | Purpose (Proteccion) |
|---------------------------------|--------------------|----------------|--|
| Non Deliverable Forwards NDF | USD / BRL | 52,000 | Exchange rate fluctuation in exports |
| | USD / EUR | 25,000 | |
| | USD / ZAR | 5,268 | |
| | Total Dolar | 82,268 | |
| | EUR / BRL | 24,000 | Exchange rate fluctuation in exports |
| | EUR / COP | 10,521 | |
| | Total Euro | 34,521 | |
| | CNY / BRL | 500 | |
| SWAP | MXN / USD | 1,500 | Exchange rate fluctuation in exports |
| | EUR | 10,000 | Exchange rate fluctuation in interest over financing |

The management of the Company and its subsidiaries maintain an ongoing monitoring of the derivative financial instruments contracted, through their internal controls.

The sensitivity analysis table (item 30.3) should be read jointly with the other financial assets and liabilities expressed in foreign currency as at June 30, 2021 since the estimated effects of the exchange rates on NDFs and swaps will be offset, if materialized, in whole or in part, against the fluctuations of all assets and liabilities.

Management defined that, for the probable scenario (market value), the exchange rates used to mark to market the financial instruments, valid at June 30, 2021, should be considered. These rates represent the best estimate of the future behavior of their prices and represent the amount by which the positions could be settled on their maturity.

The Company and its subsidiaries made the recording based on their market price at June 30, 2021 at fair value and on the accrual basis. These transactions had a net positive impact of R\$ 26,024 (positive R\$ 11,034 as at June 30, 2020) which were recognized as finance income (cost). The Company and its subsidiaries have no margins given in guarantee for the derivative financial instruments outstanding at June 30, 2021.

c) Financial Derivatives instruments designated for hedge accounting:

The Company made the formal designation of its transactions subject to hedge accounting for hedging derivative instruments related to purchase of inputs and expenses denominated in foreign currency, documenting:

- Date of designation and identification of the hedging relationship;
- Description of the purpose of hedging and risk management strategy;
- Statement of compliance with respect to hedge and risk management;
- Description and identification of the derivative instrument and the hedged item;
- Description of the hedged risks and excluded risks;
- Description of the method to evaluate the hedge effectiveness;
- Frequency of prospective and retrospective effectiveness assessment;
- Description of the hedge accounting policy,

The Company and its subsidiaries entered into the following transactions involving derivatives designated for hedge accounting:

| Transaction | Currency | Notional Value | Purpose (Proteccion) |
|---------------------------------|------------|----------------|---|
| Non Deliverable Forwards NDF | USD / BRL | 24,909 | Exchange rate fluctuation in imports |
| | USD / EUR | 3,959 | |
| | USD / EUR | 43,400 | Exchange rate fluctuation in financing |
| | AUD / EUR | 7,936 | |
| | GBP / EUR | 6,571 | |
| | MY R / EUR | 10,800 | |
| | USD | 7,772 | Copper price rate fluctuation |
| SWAP | USD | 250,000 | Exchange rate fluctuation in interest over financing and pre-payment of exports (PPE) |

The Company and its subsidiaries made the recording based on their fair value as at June 30, 2021 on the accrual basis. The accumulated value, net of taxes, recognized in equity is R\$ 2,249 negative (R\$ 5,180 positive at December 31, 2010).

30.3. Sensitivity analysis

The tables below present in reads the effects of "cash and expense" relating to the results of the financial instruments in each of the scenarios:

a) Non- Deliverable Forwards - NDF transactions:

| Transaction | Risk | Currency | Notional value (In thousands) | Market value at 06/30/2021 | | Possible scenario 25% | | Remote scenario 50% | |
|--------------------------------|---------------------------|-----------|-------------------------------|----------------------------|-----------------|-----------------------|-----------------|---------------------|-----------------|
| | | | | Average price | In R\$ thousand | Average price | In R\$ thousand | Average price | In R\$ thousand |
| Non-Deliverable Forwards - NDF | Increase in Dollar | US\$/R\$ | 52,000 | 4,9956 | 299 | 6,2445 | (64,644) | 7,4934 | (129,587) |
| | Decrease in Dollar | US\$/ZAR | 5,268 | 14,1206 | (434) | 10,5905 | (6,940) | 7,0603 | (13,447) |
| | Decrease in Dollar | US\$/EUR | 25,000 | 1,1983 | (1,195) | 0,8900 | (42,820) | 0,5934 | (126,068) |
| | Total Dollar | | 82,268 | | (1,330) | | | | |
| | Increase in Euro | EUR/R\$ | 24,000 | 5,9150 | 1,002 | 7,3938 | (34,488) | 8,8725 | (69,979) |
| | Decrease in Euro | EUR/COP | 10,521 | 4,512,3100 | (357) | 3,384,2400 | (16,142) | 2,256,1600 | (31,927) |
| | Total Euro | | 34,521 | | 645 | | | | |
| | Increase in Mexican Pesos | MXN / USD | 1,500 | 20,3012 | (122) | 25,2765 | (1,918) | 30,4518 | (3,831) |
| | Increase in Renminbi | CNY / BRL | 500 | 6,4786 | (30) | 8,0983 | (657) | 9,7179 | (1,285) |
| | TOTAL | | | | (837) | | | | |

b) SWAP transactions:

| Operation | Risk | Currency | National Value (in thousands) | Market Value in 06/30/2021 | | Possible Scenario 25% | | Remote Scenario 50% | |
|-----------|---------------------|----------|-------------------------------|----------------------------|------------------|-----------------------|------------------|-----------------------|------------------|
| | | | | Average Price | In R\$ thousands | Average Price | In R\$ thousands | Average Price | In R\$ thousands |
| SWAP | Decrease of Euribor | EUR | 10,000 | Interest - 0,93% p.a, | (4,527) | Interest - 1,16% p.a, | (4,722) | Interest - 1,40% p.a, | (4,918) |
| | TOTAL | | | | (4,527) | | | | |

c) Hedge accounting transactions:

| Operation | Risk | Currency | National Value (in thousands) | Market Value in 06/30/2021 | | Possible Scenario 25% | | Remote Scenario 50% | |
|-----------|---------------------------------|----------|-------------------------------|----------------------------|------------------|-----------------------|------------------|---------------------|------------------|
| | | | | Average Price | In R\$ thousands | Average Price | In R\$ thousands | Average Price | In R\$ thousands |
| NDF | Decrease in Dollar | USD/R\$ | 24,909 | 5,0994 | (1,741) | 3,8246 | (33,496) | 2,5497 | (65,251) |
| | Decrease in Dollar | USD/EUR | 43,400 | 1,1804 | 1,107 | 0,8896 | (71,189) | 0,5931 | (215,782) |
| | Decrease in Euro | EUR/R\$ | 3,959 | 6,2219 | (1,897) | 4,6665 | (8,056) | 3,1110 | (14,215) |
| | Decrease in Australian Dollar | AUD/EUR | 7,936 | 1,6355 | (987) | 1,1859 | (10,904) | 0,7906 | (30,737) |
| | Decrease in Pound Sterling | GBP/EUR | 6,571 | 0,9103 | (2,501) | 0,6404 | (17,607) | 0,4297 | (47,818) |
| | Decrease in Malay Ringgit | MYR/EUR | 10,800 | 5,0396 | (199) | 3,7214 | (4,500) | 2,4809 | (13,101) |
| | Decrease in the price of Copper | USD | 7,772 | 9,369,5 | 2,132 | 7,027,1 | (8,121) | 4,684,69 | (18,376) |
| | TOTAL | | | | (4,086) | | | | |

31. GOVERNMENT SUBSIDIES AND GRANTS

The Company and its subsidiaries obtained subsidies in the amount of R\$ 106,825 (R\$ 66,783 as at June 31, 2020) arising from tax incentives, recognized in profit or loss for the period:

| | CONSOLIDATED | |
|---|----------------|---------------|
| | 06/30/21 | 06/30/20 |
| Total government subsidies and grants | 106,825 | 66,783 |
| a) WEG Linhares Equipamentos Elétricos S.A. | 45,500 | 21,092 |
| - ICMS (state VAT) incentive credit | 30,625 | 15,308 |
| - Reduction of IRPJ | 14,734 | 5,648 |
| - Municipal investment | 141 | 136 |
| b) WEG Drives & Controls – Automação Ltda. | 34,643 | 27,196 |
| - ICMS incentive credit | 34,643 | 27,196 |
| c) WEG Logística Ltda. | 13,062 | 9,220 |
| - ICMS incentive credit | 13,062 | 9,220 |
| d) WEG Equipamentos Elétricos S.A. | 8,820 | 7,433 |
| - ICMS incentive credit | 8,141 | 6,427 |
| - Municipal investment | 679 | 1,006 |
| e) WEG Amazônia S.A. | 4,800 | 1,842 |
| - Reduction of IRPJ | 4,590 | 1,757 |
| - ICMS (state VAT) incentive credit | 210 | 85 |

There are no contingencies related to the subsidies, and all the conditions for obtaining government subsidies have been met.

32. SEGMENT INFORMATION

| | Brasil | | | | Abroad | | Eliminations and Adjustments | | Consolidate | |
|--|-----------|-----------|-----------|-----------|------------|------------|------------------------------|-------------|-------------|------------|
| | Industry | | Energy | | | | Consolidate | | | |
| | 06/30/21 | 06/30/20 | 06/30/21 | 06/30/20 | 06/30/21 | 06/30/20 | 06/30/21 | 06/30/20 | 06/30/21 | 06/30/20 |
| | 06/30/21 | 12/31/20 | 06/30/21 | 12/31/20 | 06/30/21 | 12/31/20 | 06/30/21 | 12/31/20 | 06/30/21 | 12/31/20 |
| Revenue from sale of products and or service | 5,361,205 | 3,585,620 | 1,760,767 | 1,308,638 | 8,741,588 | 6,822,971 | (5,038,475) | (3,938,850) | 10,825,085 | 7,778,379 |
| Profit (loss) before income tax | 2,963,576 | 1,594,495 | 1,182,738 | 675,44 | 1,790,634 | 1,536,021 | (3,627,353) | (2,714,470) | 2,309,595 | 1,091,486 |
| Depreciation / amortization / depletion | 80,614 | 74,775 | 31,979 | 31,817 | 142,643 | 100,192 | (4,821) | 6,150 | 250,415 | 212,934 |
| Identifiable Assets | 6,314,476 | 4,571,164 | 3,113,250 | 2,698,026 | 11,279,254 | 11,188,936 | (4,375,338) | (4,250,812) | 16,331,642 | 14,207,314 |
| Identifiable Liabilities | 2,540,287 | 1,718,765 | 1,414,145 | 1,294,934 | 5,253,793 | 5,474,767 | (3,095,467) | (3,303,824) | 6,112,758 | 5,184,642 |

Industry: single and three phase low/medium voltage motors, drives and controls, industrial automation equipment and services, paint & varnish.

Energy: electric generators for thermal and hydraulic power plants (biomass), hydraulic turbines (PCHs), transformers, substations, wind power generators, control panels, integration services of renewable and distributed energy systems and solutions.

Foreign: comprised of operations carried out by subsidiaries located in various countries.

The column of eliminations and adjustments includes the eliminations applicable to the Company in the context of the Consolidated Interim Financial Information.

All operating assets and liabilities are presented as identifiable assets and liabilities.

The segment information is presented consistently with the reports used by Management to assess the performance of each segment of the Company.

33. EARNINGS PER SHARE

a) Basic

Basic earnings per share are calculated by dividing profit for the year, attributable to the holders of the Company's common shares, by the weighted average number of common shares outstanding in the year.

| | 06/30/21 | 06/30/20 |
|--|-----------|-----------|
| Profit attributable to the Company's shareholders | 1,898,967 | 954,398 |
| Weighted average number of potential diluting common shares (adjusted with bonuses) held by shareholders (shares/thousand) | 4,196,102 | 4,195,384 |
| Basic earnings per share - R\$ | 0,45256 | 0,22749 |

b) Diluted

Diluted earnings per share are calculated by dividing profit for the year, attributable to the holders of the Company's common shares, by the weighted average number of common shares outstanding in the year plus the weighted average number of common shares that would be issued on conversion of potentially dilutive common shares.

| | 06/30/21 | 06/30/20 |
|--|-----------|-----------|
| Profit attributable to the Company's shareholders | 1,898,967 | 954,398 |
| Weighted average number of potential diluting common shares (adjusted with bonuses) held by shareholders (shares/thousand) | 4,196,706 | 4,197,165 |
| Diluted earnings per share - R\$ | 0,45249 | 0,22739 |

Board of Directors

Décio da Silva - Chairman
 Nildemar Secches - Vice-Chairman
 Dan Ioschpe
 Martin Werninghaus
 Miguel Normando Abdalla Saad
 Sérgio Luiz Silva Schwartz
 Siegfried Kreutzfeld

Board of Executive Officers

Harry Schmelzer Junior - Chief Executive Officer
 Alberto Yoshikazu Kuba - Chief Industrial Motors Officer
 André Luis Rodrigues - Chief Administrative and Financial Officer
 Carlos Diether Prinz – Chief Transmission and Distribution Division Officer
 Daniel Marteleto Godinho – Chief Corporate Strategies Officer
 Eduardo de Nóbrega - Chief China Division Officer
 Elder Stringari - Chief International Division Officer
 Hilton José da Veiga Faria - Chief Human Resources and Institutional Relations Officer
 João Paulo Gualberto da Silva - Chief Energy Officer
 Julio Cesar Ramirez - Chief Commercial Motors Officer
 Manfred Peter Johann - Chief Automation Division Officer
 Reinaldo Richter – Chief Paints Division Officer
 Wilson José Watzko - Chief Controlling Officer

Accountant

Marcelo Peters
 CRC/SC 039928/O-0

Supervisory Board

Sitting members

Alidor Lueders – Chairman
Adelino Dias Pinho
Vanderlei Dominguez da Rosa

Deputy members

Ilário Bruch
José Luiz Ribeiro de Carvalho (until February 25, 2021)
Paulo Roberto Franceschi

Opinions and Statements / Officers' Statement on the Quarterly Information

By this instrument, the Chief Executive Officer and the other Officers of WEG S.A., a publicly-held corporation headquartered at Avenida Prefeito Waldemar Grubba, 3300, registered with the CNPJ (Corporate Taxpayer Register) under CNPJ 84,429,695/0001-11, for purposes of the provisions in item II of §1 of Article 29 of CVM Ruling 480, of December 7, 2009, state that they have reviewed and discussed and agree with the quarterly information of WEG S.A, and Consolidated as at June 30, 2021.

Jaraguá do Sul (SC), July 20, 2021

Harry Schmelzer Junior - Chief Executive Officer

Alberto Yoshikazu Kuba - Chief Industrial Motors Officer

André Luis Rodrigues - Chief Administrative and Financial Officer

Carlos Diether Prinz – Chief Transmission and Distribution Division Officer

Daniel Marteleto Godinho – Chief Corporate Strategies Officer

Eduardo de Nóbrega - Chief China Division Officer

Elder Stringari - Chief International Division Officer

Hilton José da Veiga Faria - Chief Human Resources and Institutional Relations Officer

João Paulo Gualberto da Silva - Chief Energy Officer

Julio Cesar Ramirez - Chief Commercial Motors Officer

Manfred Peter Johann - Chief Automation Division Officer

Reinaldo Richter - Chief Paints Division Officer

Wilson José Watzko - Chief Controlling Officer

Opinions and Statements / Officers' Statement on the Independent Auditor's Report

By this instrument, the Chief Executive Officers and the other Officers of WEG S.A., a publicly-held corporation headquartered at Avenida Prefeito Waldemar Grubba, 3300, registered with the CNPJ (Corporate Taxpayer Register) under No, 84,429,695/0001-11, for purposes of the provisions in item II of §1 of Article 29 of CVM Ruling No, 480, of December 7, 2009, state that they have reviewed and discussed and agree with the opinions expressed in the independent auditor's report of KPMG Auditores Independentes, dated July 20, 2021, in respect of the quarterly information of WEG S.A, and Consolidated as at June 30, 2021.

Jaraguá do Sul (SC), July 20, 2021

Harry Schmelzer Junior - Chief Executive Officer

Alberto Yoshikazu Kuba - Chief Industrial Motors Officer

André Luis Rodrigues - Chief Administrative and Financial Officer

Carlos Diether Prinz – Chief Transmission and Distribution Division Officer

Daniel Marteleto Godinho – Chief Corporate Strategies Officer

Eduardo de Nóbrega - Chief China Division Officer

Elder Stringari - Chief International Division Officer

Hilton José da Veiga Faria - Chief Human Resources and Institutional Relations Officer

João Paulo Gualberto da Silva - Chief Energy Officer

Julio Cesar Ramirez - Chief Commercial Motors Officer

Manfred Peter Johann - Chief Automation Division Officer

Reinaldo Richter - Chief Paints Division Officer

Wilson José Watzko - Chief Controlling Officer