

TUPY

1st Quarter of 2023



TUPY



DISCLAIMER

This presentation may contain forward-looking statements, which are subject to risks and uncertainties as they have been based on assumptions made by our Management and available information. Forward-looking statements include statements about Management's current intentions or expectations regarding various matters, including the economic, political, and business environment in Brazil and particularly in the geographical markets in which we operate, our level of debt and other financial obligations, our ability to secure financing when needed and on reasonable terms, our ability to implement our investment plans, inflation and currency devaluation, as well as fluctuations in interest rates, existing and future laws and regulations, cost increases, our ability to obtain materials and services from suppliers without interruption at reasonable prices and with gains in scale, our ability to acquire and successfully integrate other companies, growth expectations in the automotive and hydraulic industries, and success in implementing our strategy.

Readers should be aware that the factors mentioned above, together with other factors discussed in this Presentation, may affect our future results and lead to outcomes different from those expressed in the forward-looking statements made in this Presentation. We do not assume any obligation to update such statements. We are not obliged to update such statements.

The words "believes," "may," "continues," "expects," "foresees," "intends," "plans," "estimates," "anticipates," or similar expressions are intended to identify forward-looking statements.

Forward-looking statements involve risks, uncertainties, and assumptions, as they refer to future events and, therefore, depend on circumstances that may or may not occur. The future condition of our financial situation and operational results, market share, and competitive position may significantly differ from that expressed or suggested in the forward-looking statements. Many of the factors that will determine these results and values are beyond our ability to control or predict. Readers are advised not to place undue reliance on forward-looking statements.

HIGHLIGHTS | 1Q23

1 Revenues

R\$2.8 billion in 1Q23. Growth of **19% vs. 1Q21**

Impact of the change in the engine emission technology (Proconve P8 /Euro 6) in the volumes of structural components **(-7%)** mitigated by contract negotiations and pricing

2 Gross Profit

Gross Profit of **R\$505 million**, a growth of **23% vs. 1Q22**, with a margin of **18%** (17% in 1Q22)

Efficiency gains & cost reduction initiatives mitigated the effect of decreasing volumes

3 Adjusted EBITDA

R\$315 million in 1Q23, with a margin of 11.2%. Impact of the appreciation of MXN and restructuring expenses, mitigated by synergies and cost reduction initiatives

Lower dilution of fixed costs and expenses, incorporation of MWM's results (lower margins than Tupy's) and higher freight expenses in the annual comparison, passed on to prices

QoQ reduction in expenses, on the same comparison basis

4 Net Income

Net Income of R\$145 million, up by 96% over 1Q22.

TUPY

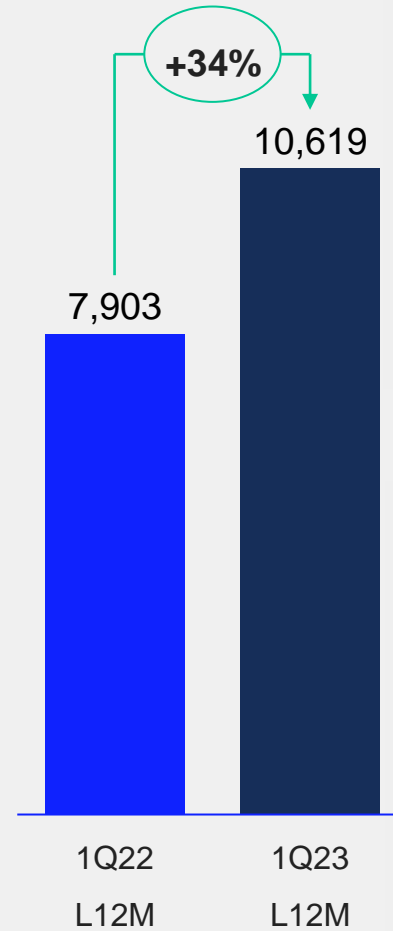
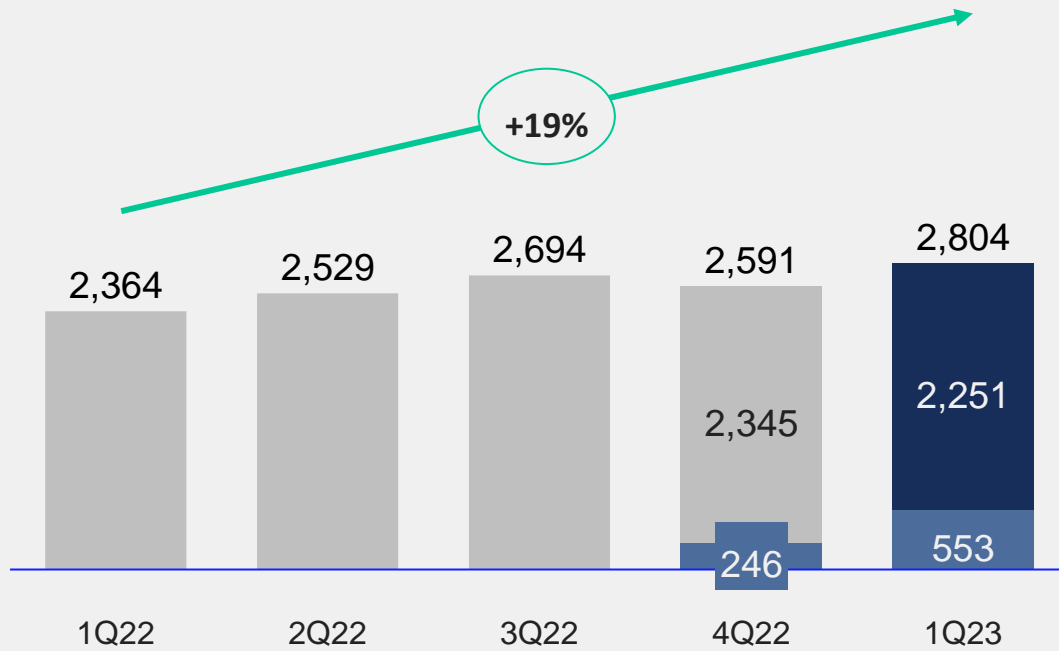


1Q23 Result

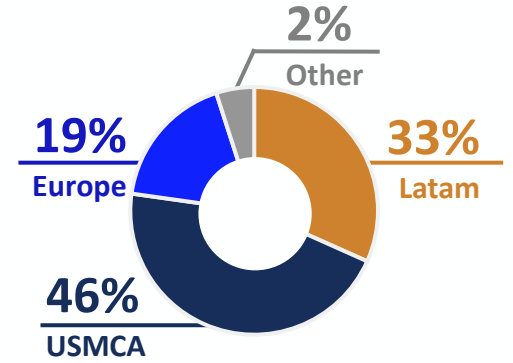
REVENUES [R\$ million]

32%
DM

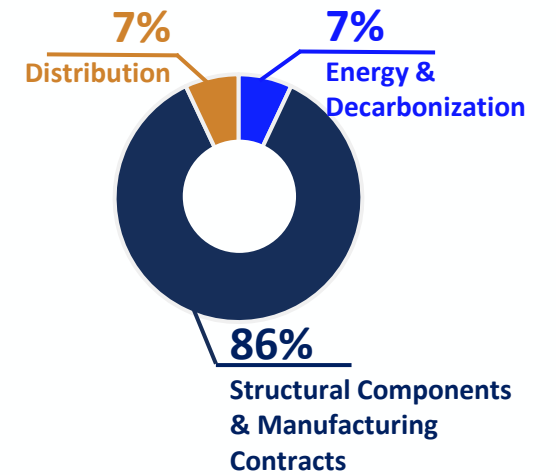
68%
EM



Source [% Revenue]

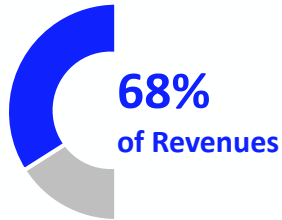


Segments [% Revenue]

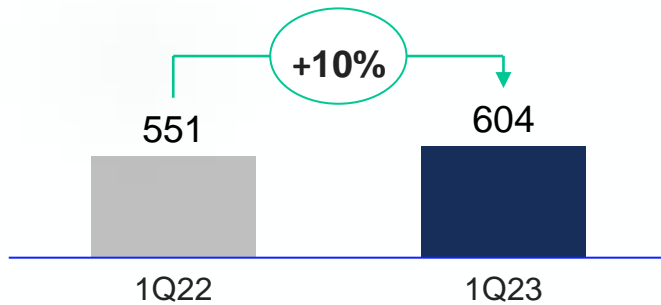


STRUCTURAL COMPONENTS & MANUFACTURING CONTRACTS

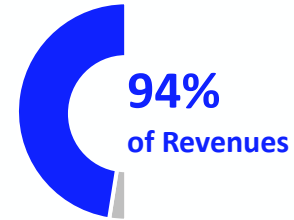
Domestic Market



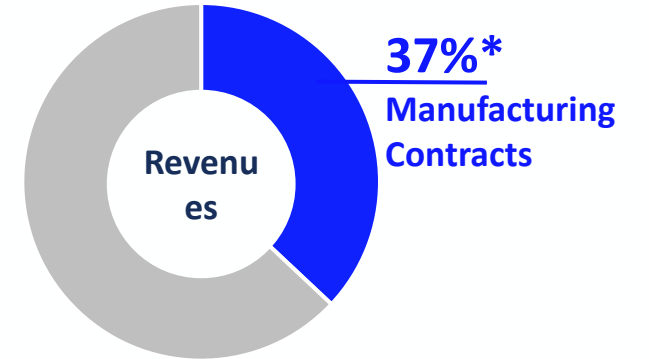
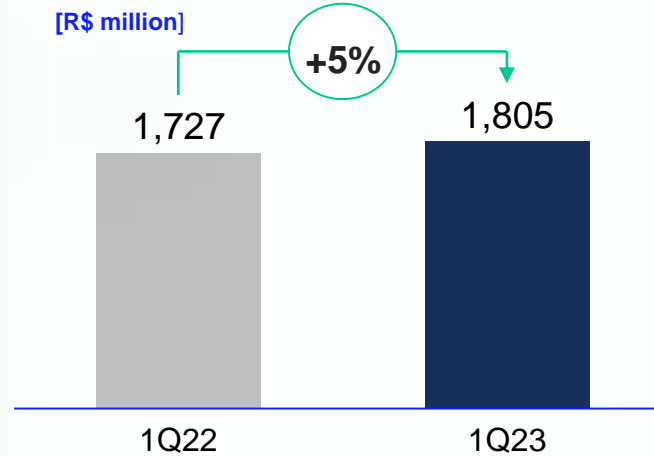
[R\$ million]



Export Market

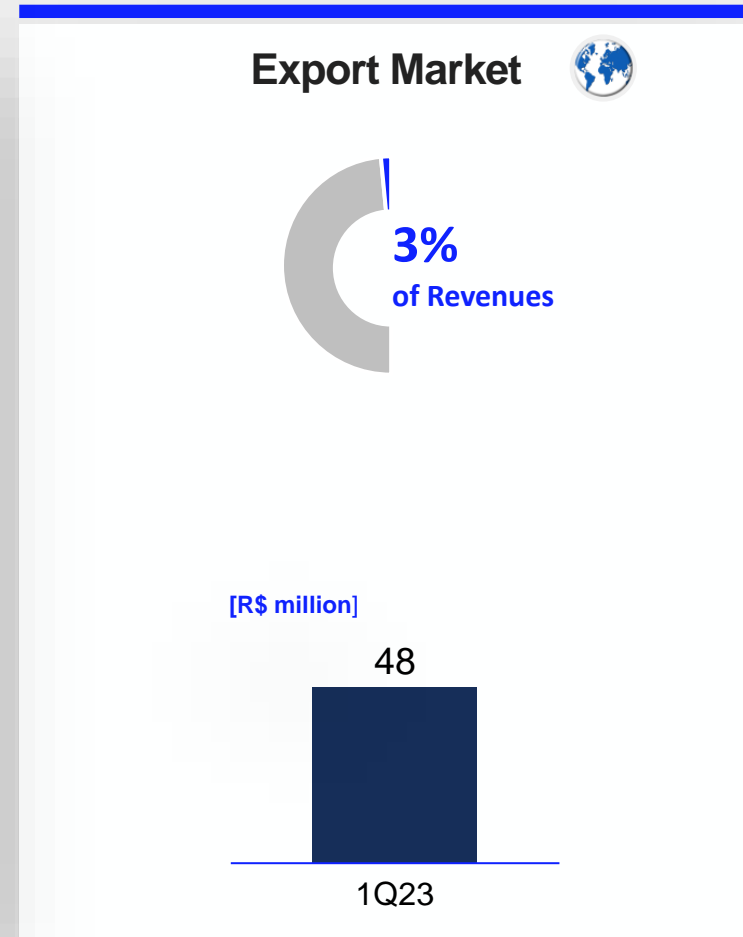
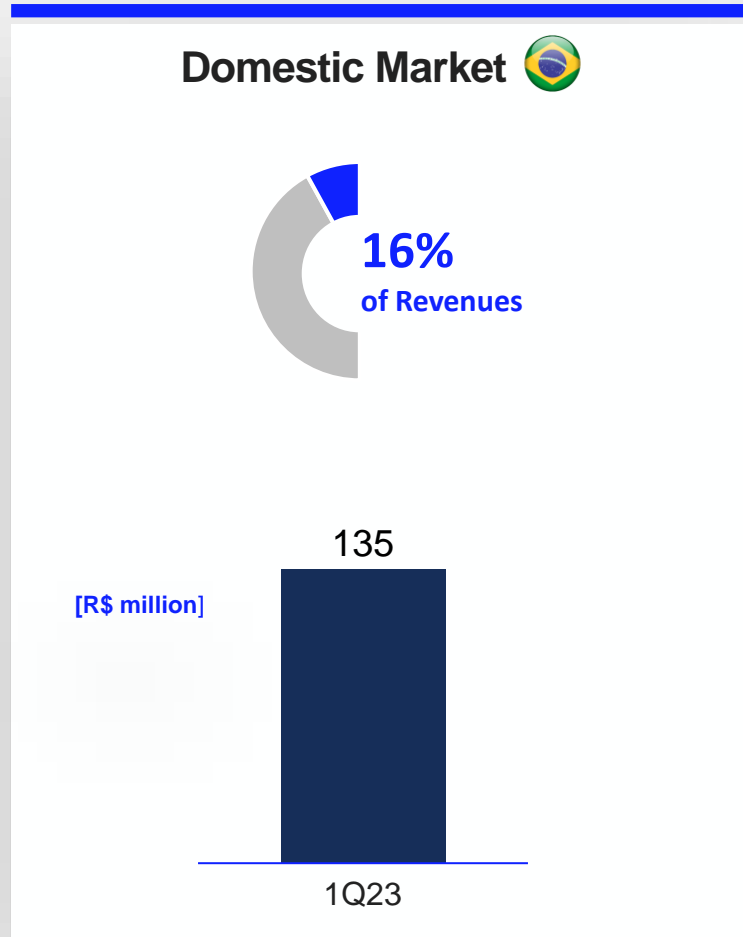


[R\$ million]



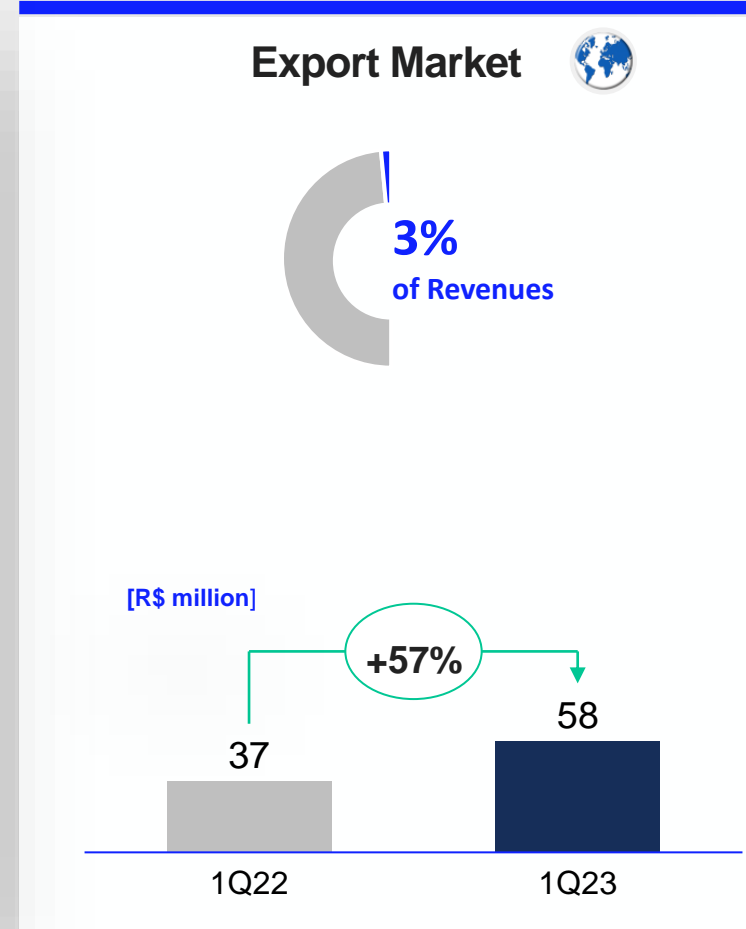
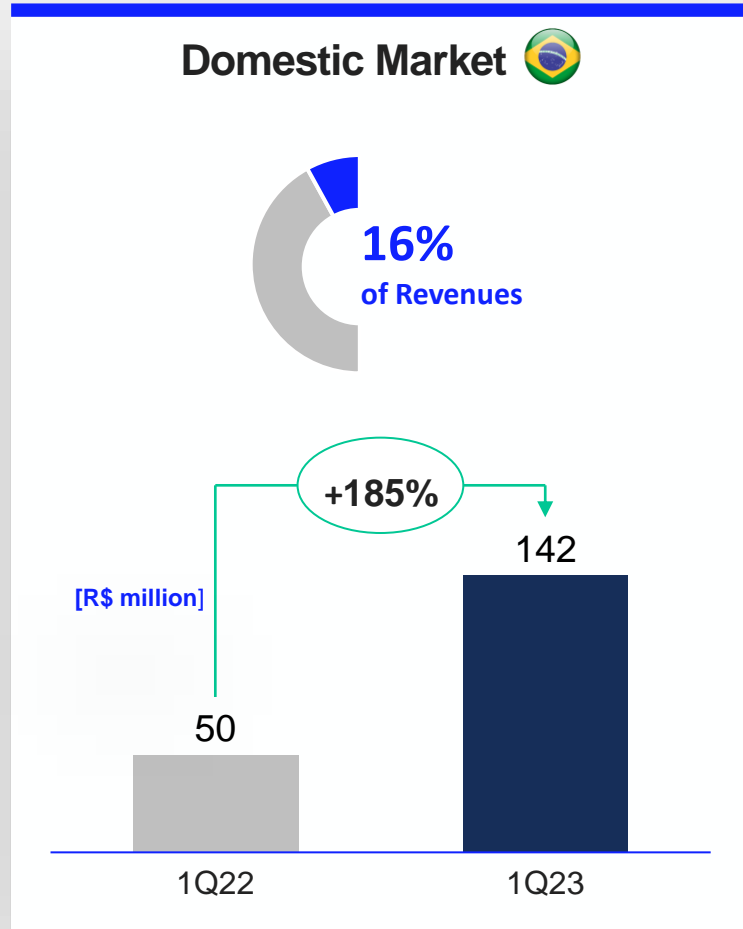
*Percentage of value-added products (Machining and/or Assembly)

ENERGY & DECARBONIZATION



Development of new applications (biogas, lighting towers, etc.) and pilot projects for decarbonization with high scalability potential

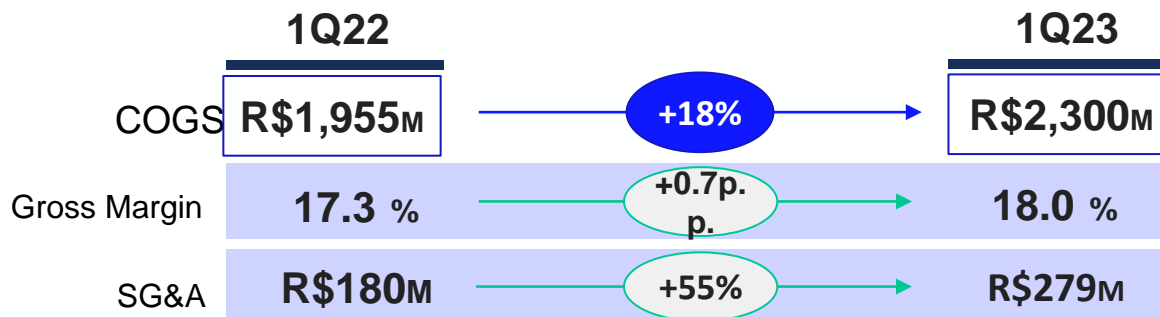
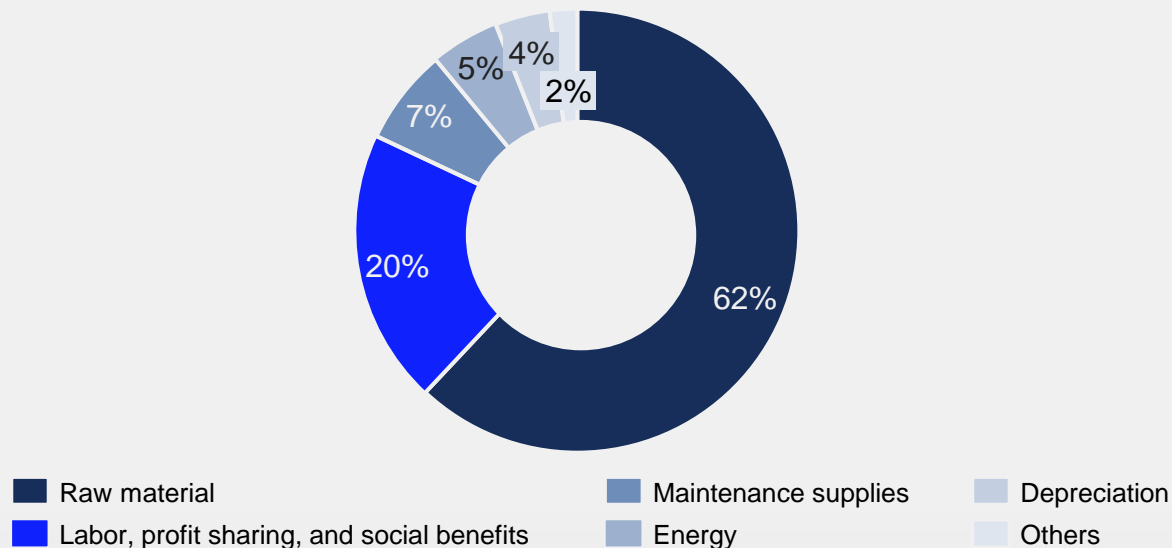
DISTRIBUTION



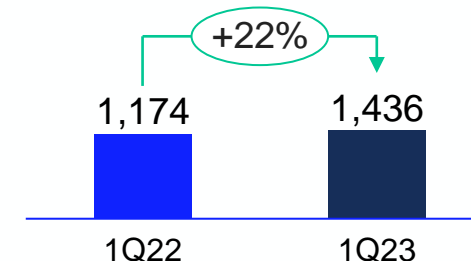
Incorporation of MWM's results (aftermarket): resilience and new products

OPERATING COSTS AND EXPENSES [R\$ MILLION]

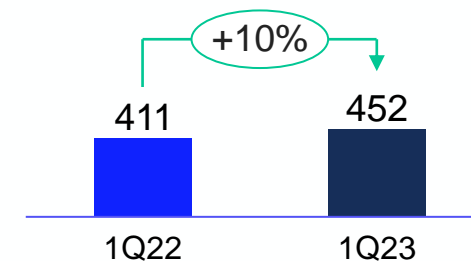
BREAKDOWN OF COGS 1Q23 [%]



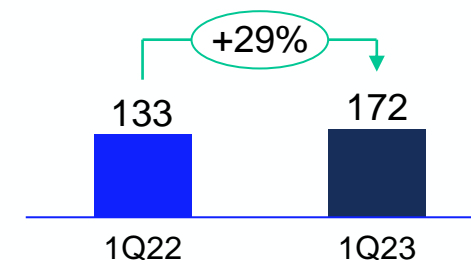
Raw Materials



Labor

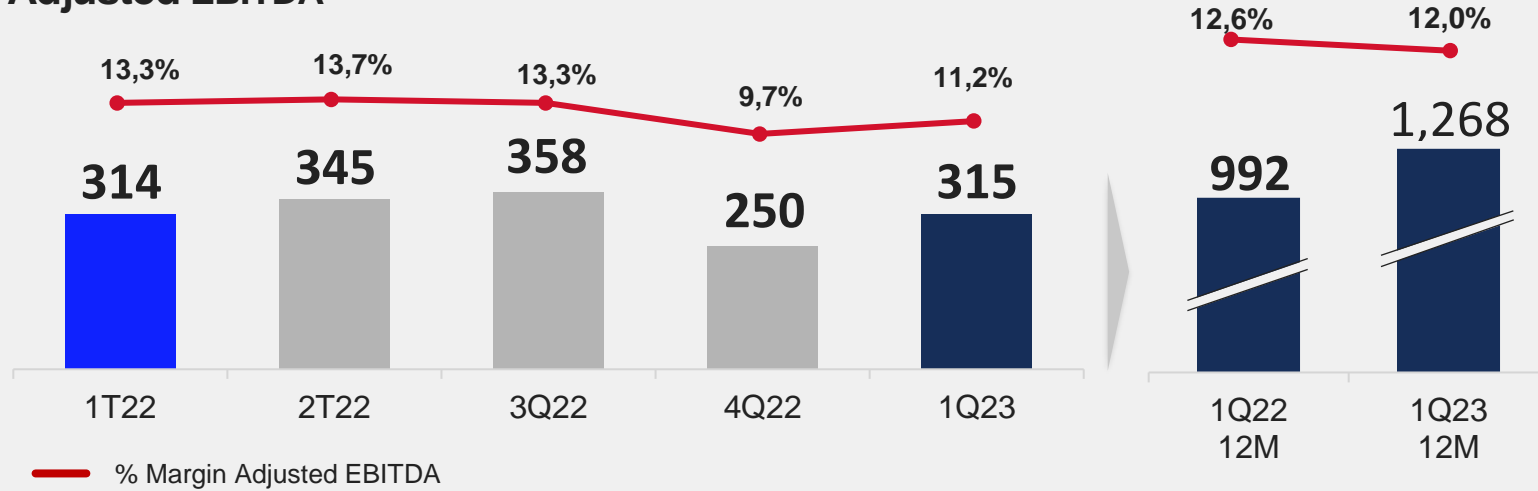


Maintenance & third-party supplies

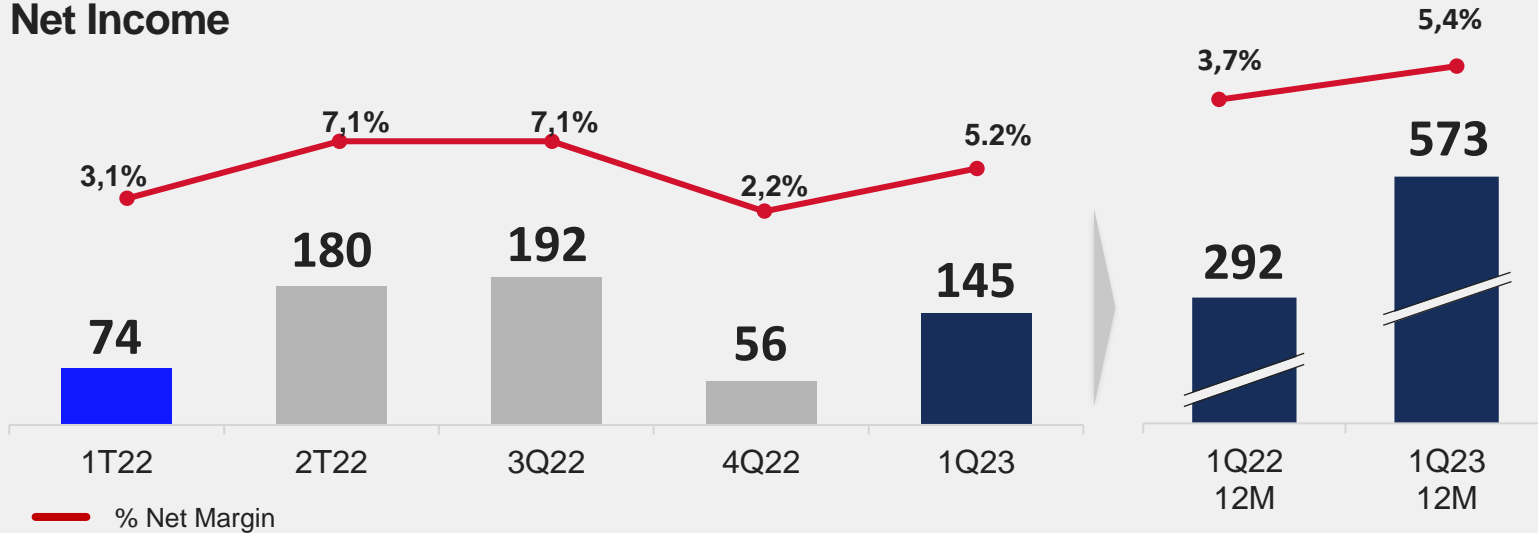


ADJUSTED EBITDA & NET INCOME [R\$ MILLION]

Adjusted EBITDA



Net Income



- Impact of the reduction in volumes (change in the engine technology) with lower dilution of fixed costs
- Inclusion of MWM's results (3 months vs. 1 month in 4Q22)
- Net income growth due to better operating and financial result

FINANCIAL RESULT [R\$ MILLION]

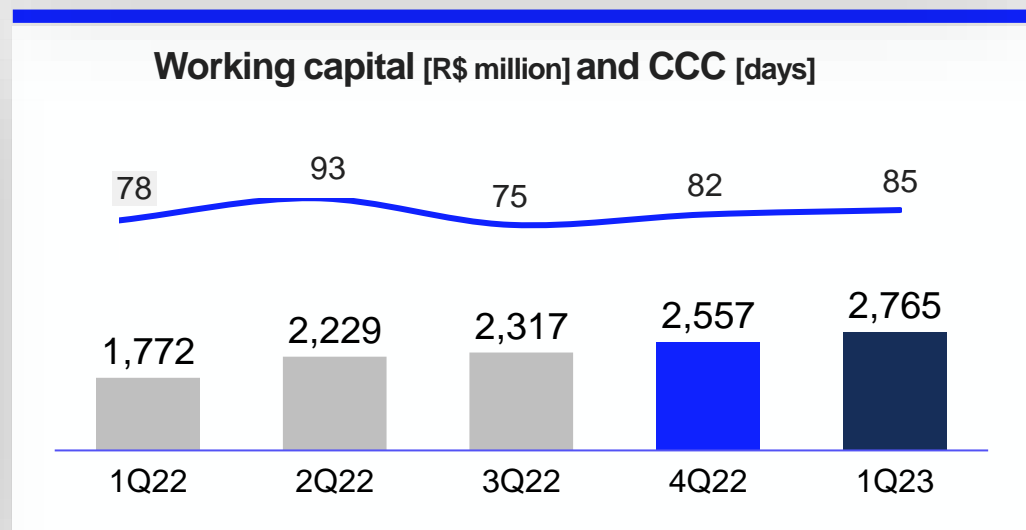
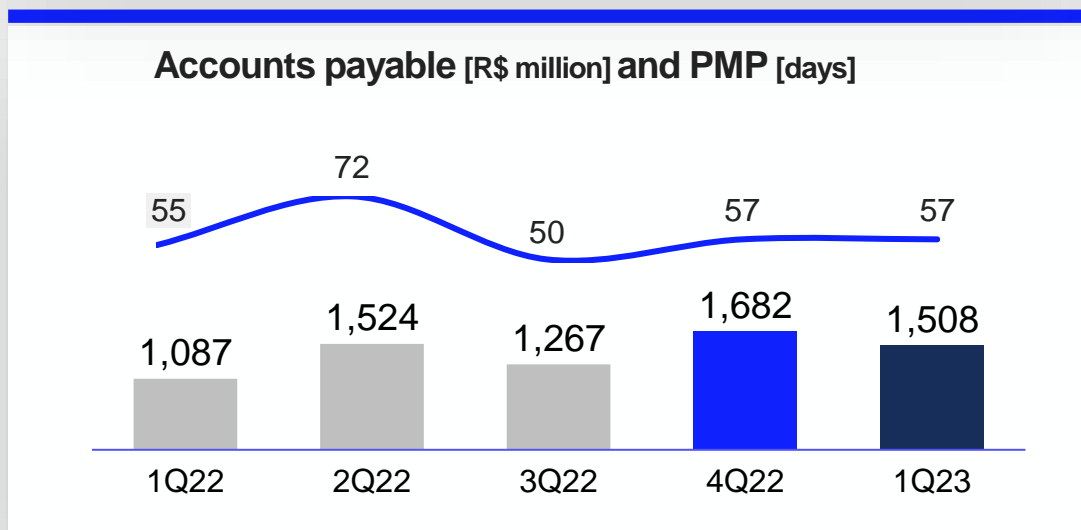
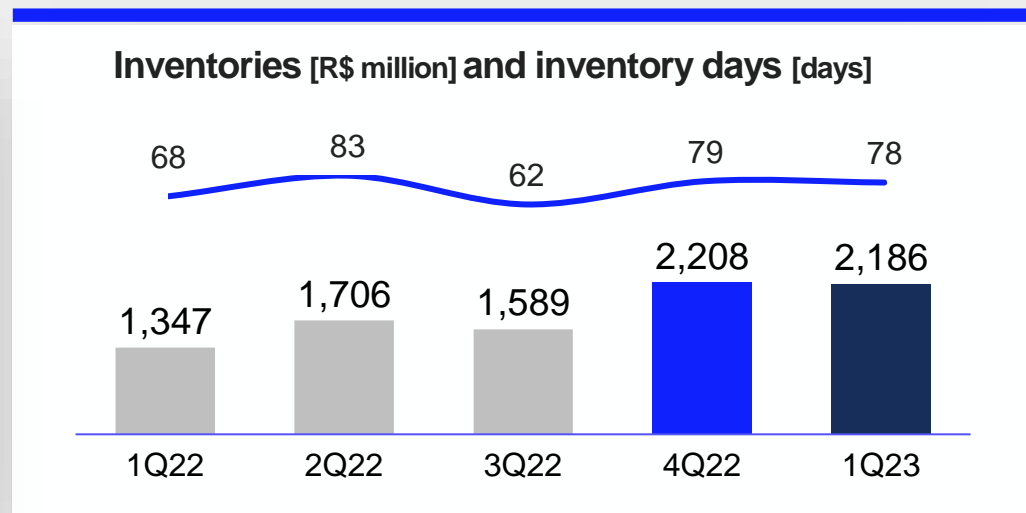
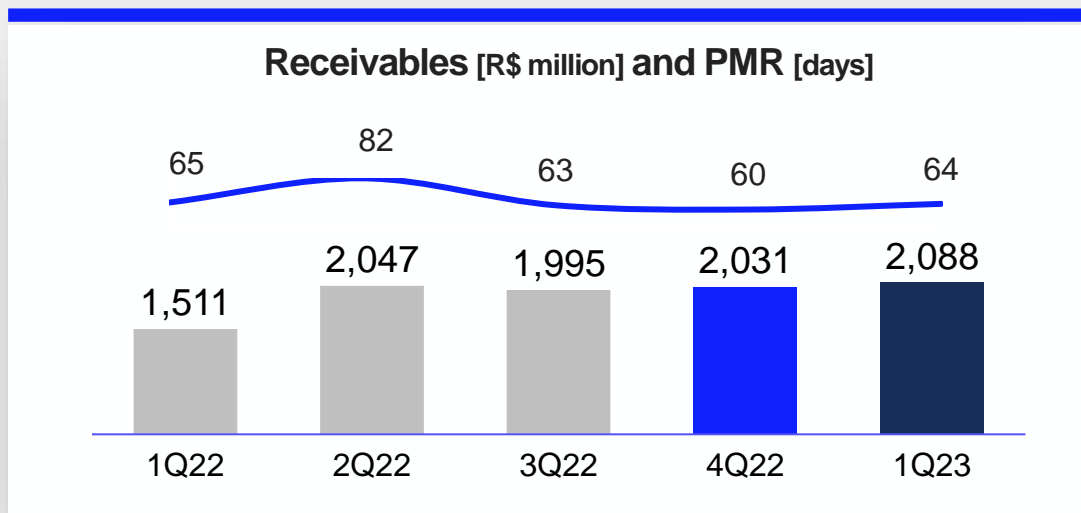
	1Q23	1Q22
Financial Expenses	¹ (83)	(45)
Financial Income	² +29	+17
Monetary and FX Variation	³ (12)	(70)
TOTAL	(66)	(98)

¹ Increase in CDI interest rate and gross debt (debenture issuance totaling R\$1 billion for the acquisition of MWM)

² Increase of the cash balance in Reais and in the interest rate that remunerates investments

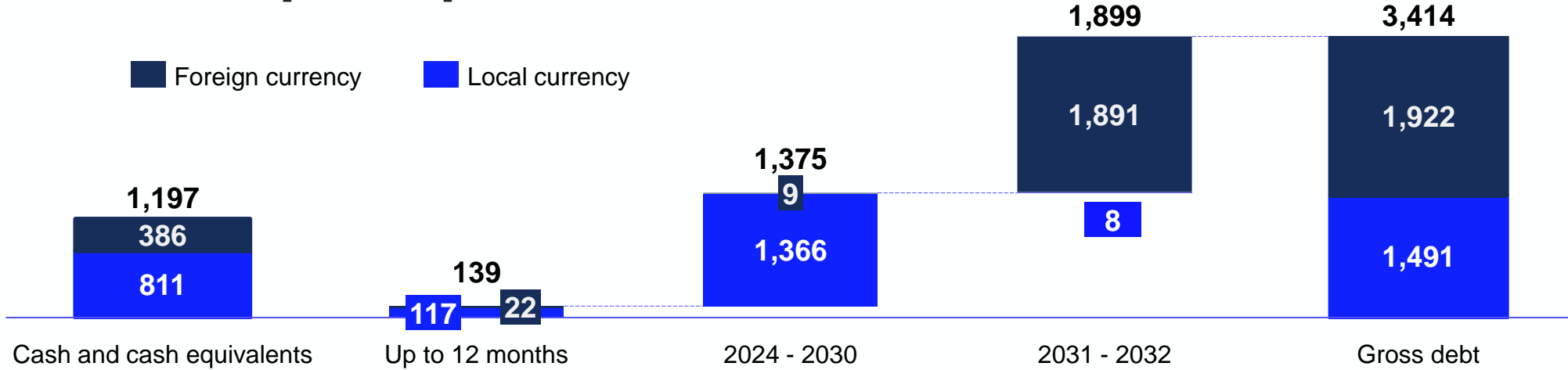
³ Negative impact of the FX variation in the balance sheet lines in foreign currency, mitigated by the result of hedge transactions (MTM)

WORKING CAPITAL

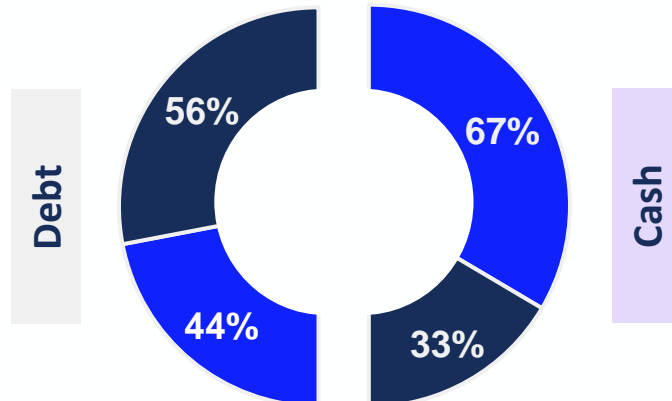


CASH AND INDEBTEDNESS | MARCH 2023

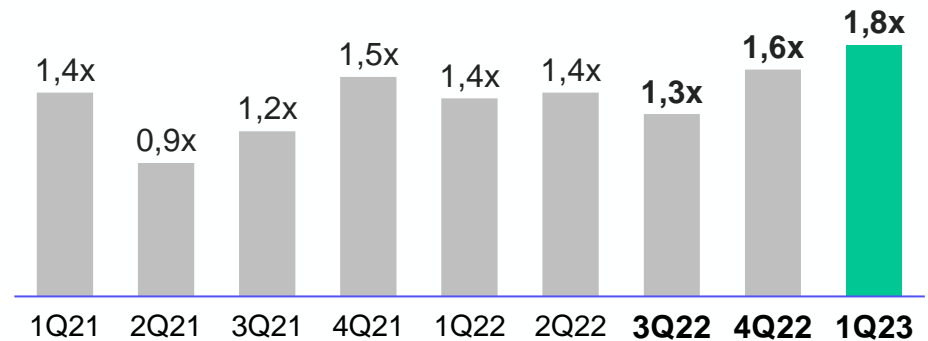
Indebtedness [R\$ million]



Currency distribution [% total]



Net Debt / LTM Adjusted EBITDA



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2023 Agenda

MARKET



MEDIUM AND HEAVY



OFF-ROAD

LIGHT COMMERCIAL
AND PASSENGER
VEHICLESNORTH
AMERICA

Solid fundamentals: high production of Class 8

Order portfolio of carmakers for the next 7-9 months

Non-residential construction sector on the rise

Residential construction stable

Sustained demand for larger farm equipment

Stability compared to previous periods

BRAZIL

Credit conditions and transition into the new emission technology

Record expectation for grain production and planted area in the 2023 crop season

Announce of R\$ 2.0 billion for Agro, Companies with receivables in USD

Prospects for new investments in infrastructure

Potential opportunities from new policies

Interest Rate

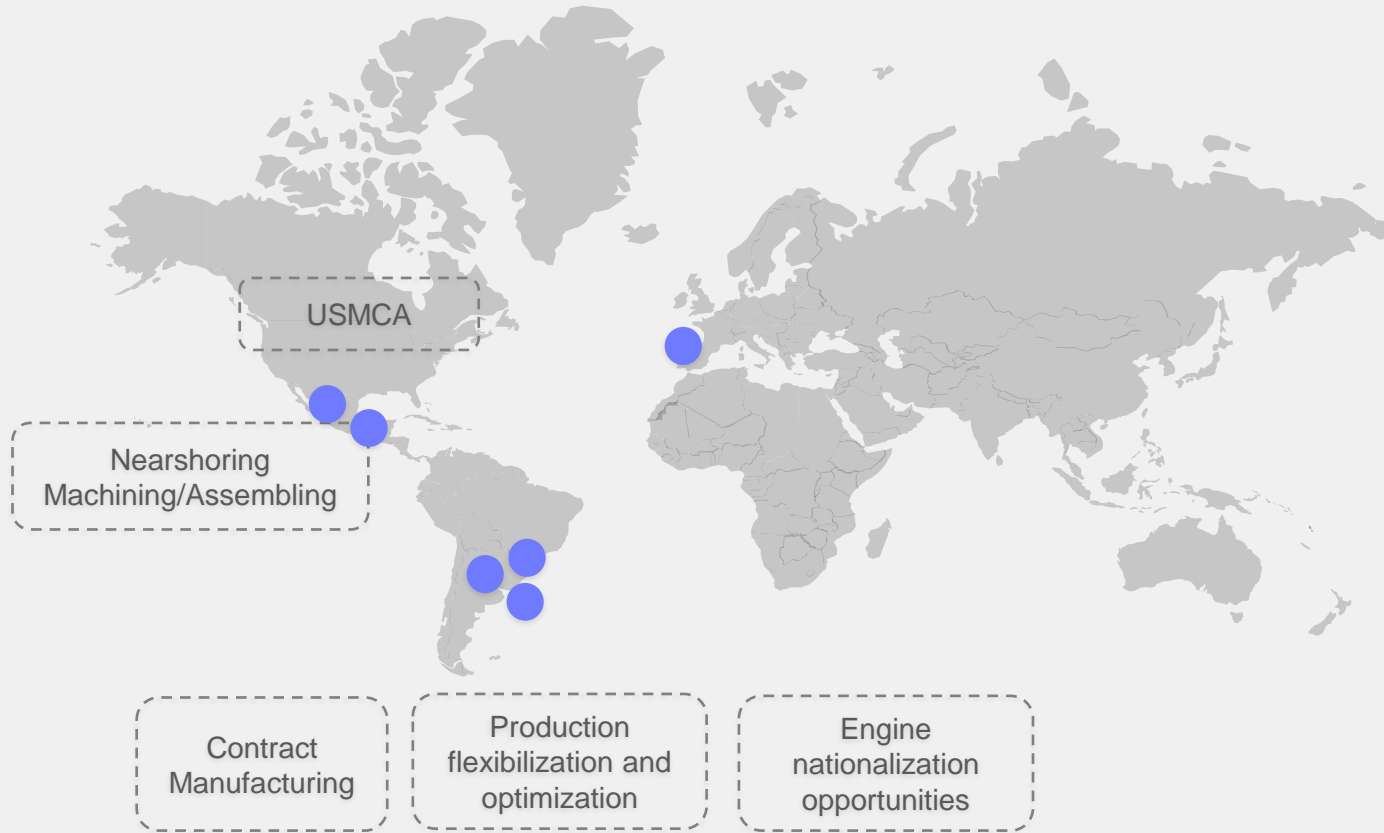
EUROPE

Positive outlook for 2023

Market perspectives for maintenance or slight growth of volumes in 2023

Sales increase until 2Q23, but below historical averages

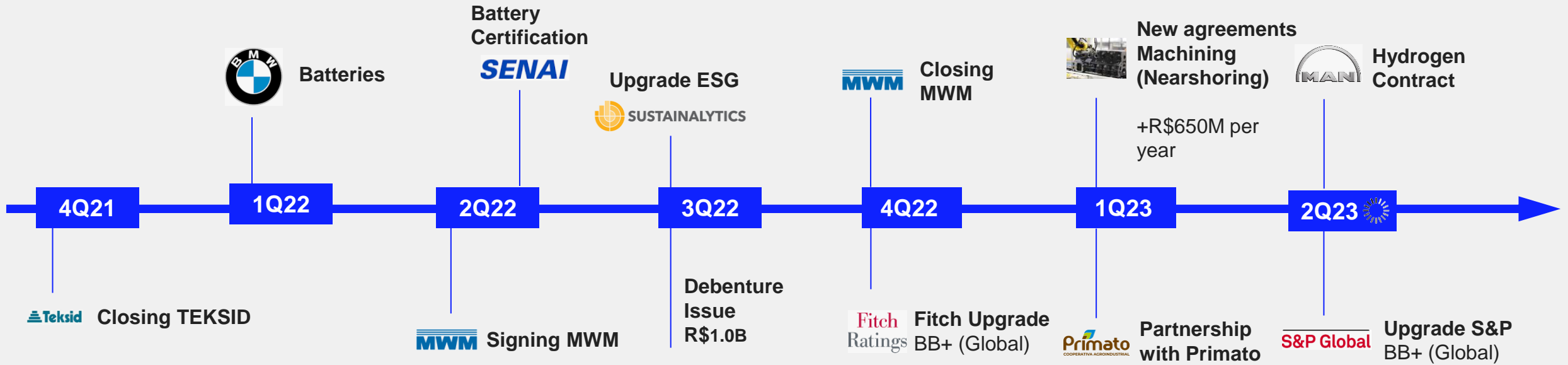
ORGANIZATIONAL STRUCTURE: EFFICIENCY, SYNERGIES, AND NEW BUSINESSES



- New contracts with machining and pre-assembly
- Operations & Purchasing
 - Quality & Efficiency
 - Product Movement
 - Gains of scale and opportunities in products and services
- Organizational Structure Adjustments
- Actions prioritizing inventory reduction and cash generation

A new organizational structure aimed at efficiency, capture of opportunities, and cash generation

NEW TUPY: BUILDING A LARGER, DIVERSIFIED COMPANY WITH A UNIQUE POSITION IN THE WORLD



NEW BUSINESS: R&D OF TECHNOLOGIES WITH GREAT GROWTH POTENTIAL

Energy & Decarbonization				Distribution		
Biogas	Generating Sets	Clean Fuels	Baterias	Products	Distribution Channels	Marine
Biomethane	Backup & Energy Security	H2 Transportation, Energy and Industrial Applications	Recycling	Third-Party Products	International Expansion	Engines
Vehicle Transformation	Lighting Towers		2nd life certification	Tupy Components	Approach to the Agro	Onboard Energy
Generation of Electric Energy		Ethanol Hybrid Engines & Special Alloys	International Expansion	Hydraulics		Service & Support
Agro waste						
Urban Organic Waste						
Biofertilizer						
Industrial applications						
Carbon credits						

Development of technologies for each business cluster

ESG



ENVIRONMENTAL

17% Reduction

in the intensity of GHG emissions:
(Scopes 1 and 2) (vs. 2021)

93%

of metallic materials used as raw
material is recycle

1 million tons

of waste recycled



SOCIAL

19,155

direct jobs

R\$9.8 billion

added to the economy

+4.5

thousand

Active suppliers



GOVERNANCE

Sustainability Committee

Creation

Anticorruption and Antibribery Policy

Approval and disclosure

16 thousand

Employees trained in the
Code of Ethics and Conduct;



INNOVATION

R\$36 million

Invested in Research and
Development

Valor Inovação Brasil

Inclusion in the ranking

85 startups

registered in ShiftT's Batch 02

2022/2023 REPORT

- Annual report comprising **100% of the units**
- Compliance with the **new GRI standards**
- Elements of the **International Integrated Reporting Framework (IIRC) and SASB indicators**
- Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)



ESG SCORES

SUSTAINALYTICS	MSCI	S&P Global	CDP	Bloomberg
Low Risk	B	31	C	45.8

Upgrades

- Sustainalytics (from high to low risk)
- MSCI (from C to B)
- S&P (from 16 to 31 points)



THANK YOU

