

2nd Quarter of 2021

Results

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This presentation contains forward-looking statements, which are subject to risks and uncertainties and reflect the beliefs and expectations of the Company's Management based on available information. Forward-looking statements include statements regarding our Management's current intentions or expectations with respect to a number of matters, including Brazil's economic, political and business environment, and especially the geographic markets in which we operate, the level of indebtedness and other financial obligations, and our ability to contract financing, when necessary and on reasonable terms, our ability to implement our investment plans, inflation and devaluation of the Brazilian real, as well as fluctuations in interest rates, existing and future laws and regulations, increased costs, our ability to uninterruptedly obtain materials and services from suppliers, at reasonable prices and with economies of scale, our ability to acquire other companies and integrate them in a satisfactory way, growth expectations of the automotive and hydraulic industries and success in implementing our strategic plans.

The reader should be aware that the factors mentioned above, in addition to others discussed in this Presentation, may affect our future results which may differ from those expressed in the forward-looking statements we make herein. We do not assume responsibilities for updating such statements.

The words "anticipates," "wishes," "expects," "estimates," "intends," "forecasts," "plans," "predicts," "projects," "targets" and other similar words are intended to identify these statements.

Forward-looking statements involve risks, uncertainties and assumptions as they relate 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 market position may materially differ from what is expressed or implied by these forward-looking statements. Many of the factors that will determine these results and values are beyond our ability to control or predict. The reader is cautioned not to place undue reliance on these forward-looking statements.

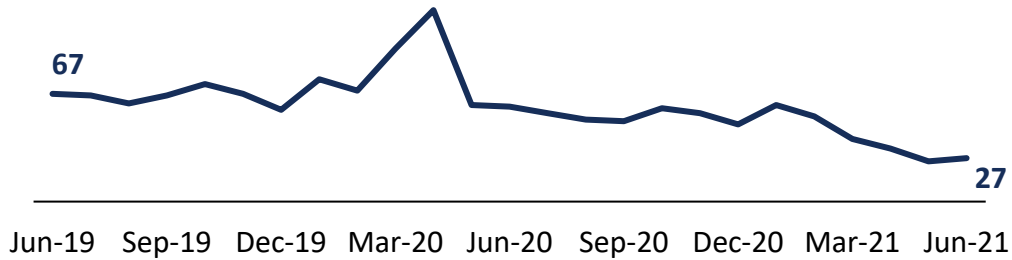


2Q21 Results

Perspectives

Strong sales and production constraints have impacted inventories...

Inventory light commercial vehicles (days)

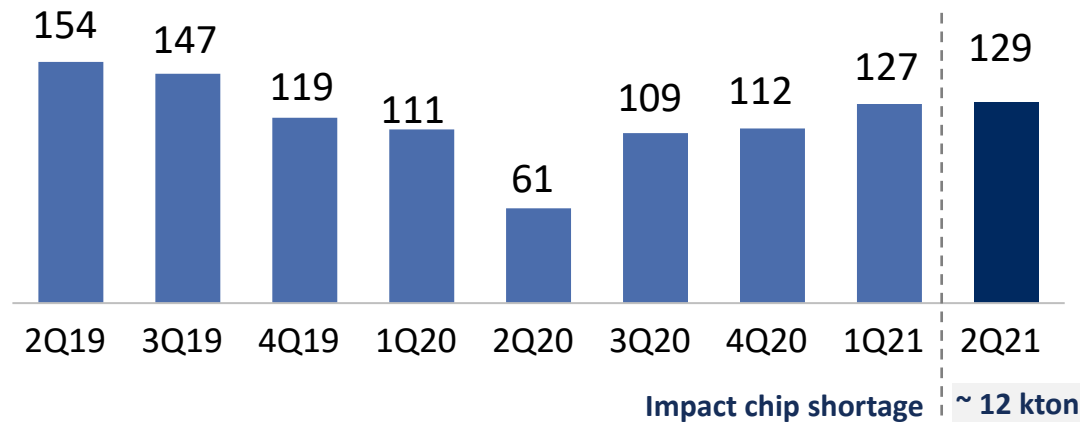


Preparing for growth

- Labor
- Restart equipments
- Moving products among plants

... pent-up demand for next years

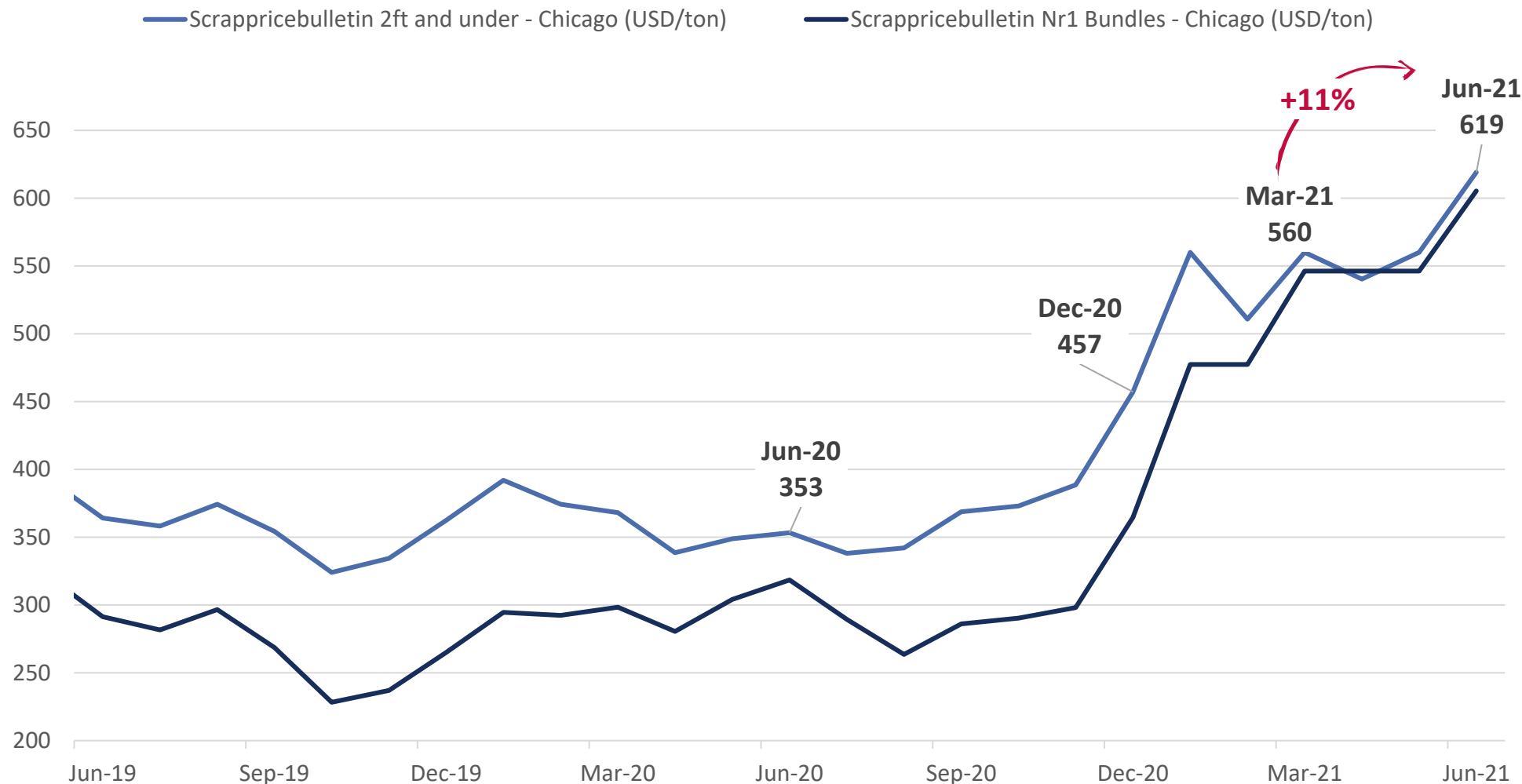
Volume Tupy [kton]



Impacts COVID-19

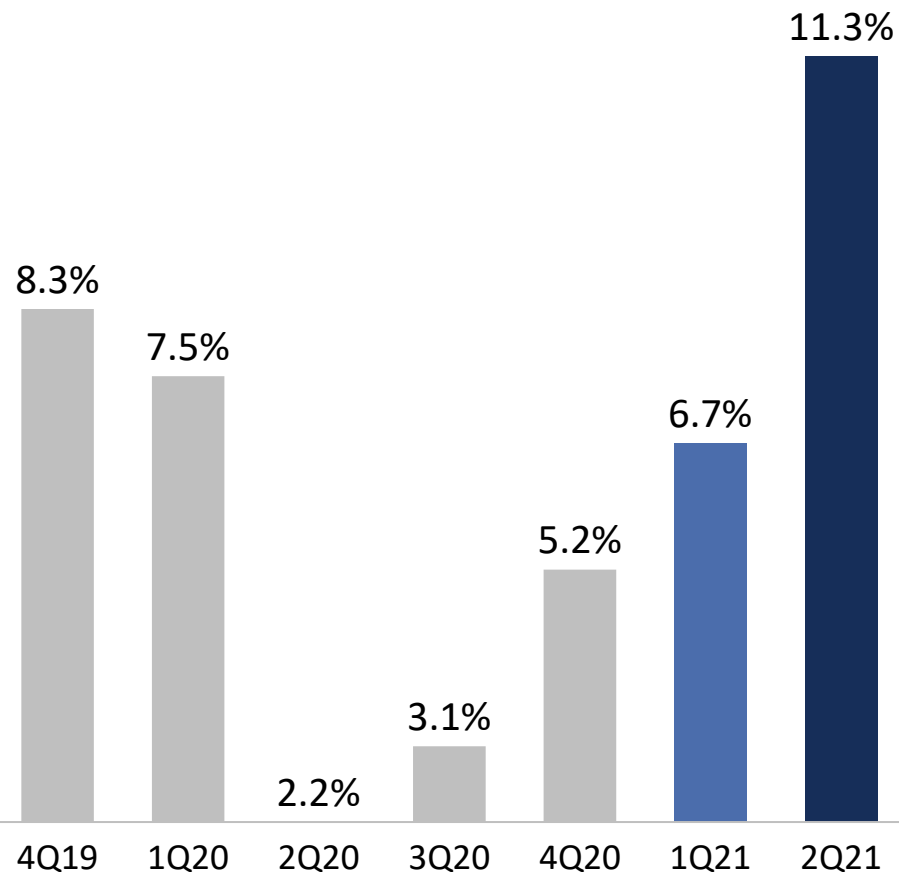
- Supply chain disruptions (chip shortage)
- Raw materials
- Freight
- Absenteeism

RAW MATERIAL INCREASE CAUSED BY ECONOMIC RECOVERY AND MISMATCH BETWEEN SUPPLY AND DEMAND



➤ Impact of R\$ 35 million in EBITDA, related to raw material costs to be passed-through and supply restrictions of certain materials, impacting quality and operational efficiency

ROIC



Conservative management and payment of interest on equity

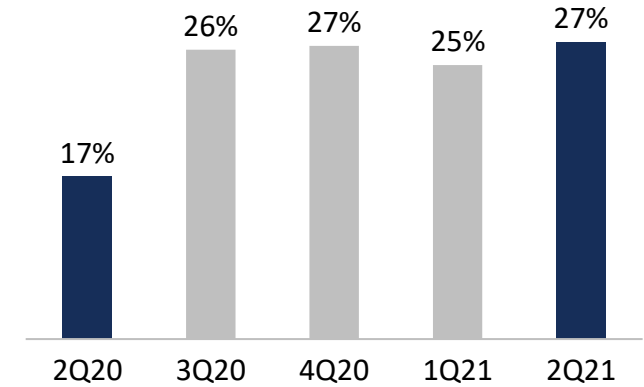
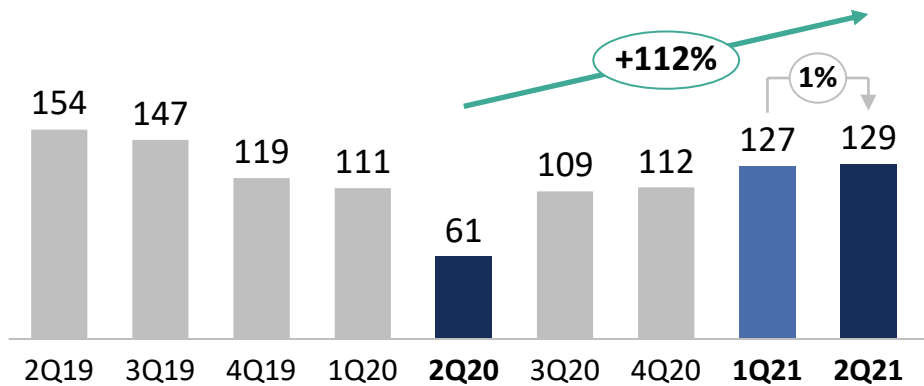
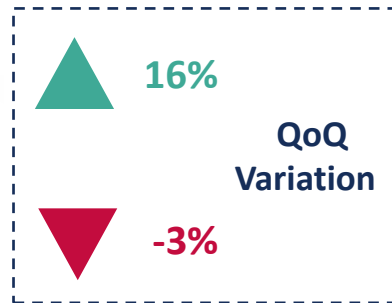
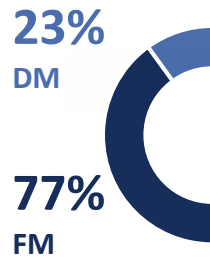
- **Cash flow**
 - Lower cash conversion cycle (12 days vs 1Q21)

- **Indebtedness**
 - 0.93x LTM Adjusted EBITDA
 - Debt maturity concentrated in 2031

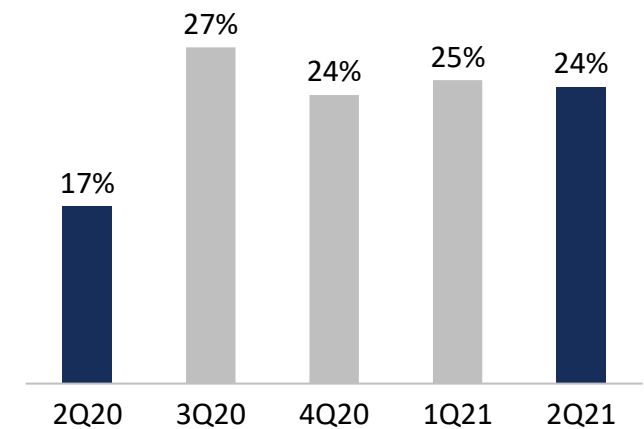
- **Interest on equity**
 - Payment of R\$ 59 million
 - R\$ 19.6 million in August, with remaining balance to be paid in two equal installments in November and January 2022

Volume [kton]

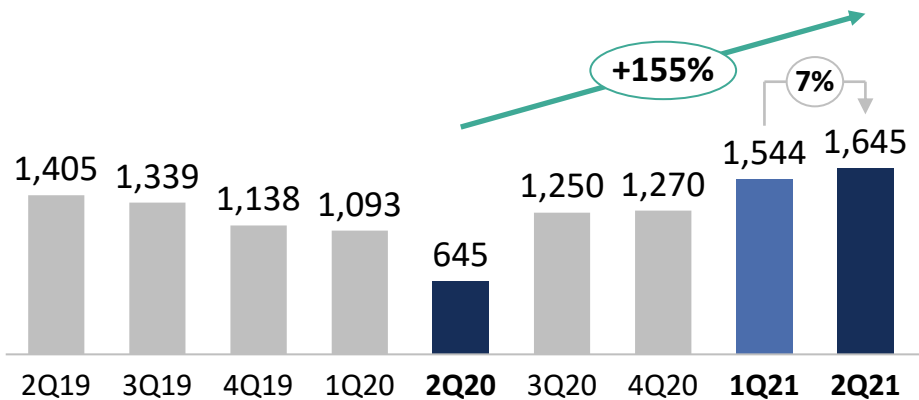
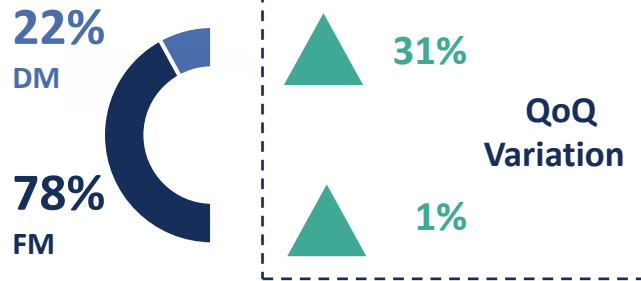
Machining [% automotive volume]



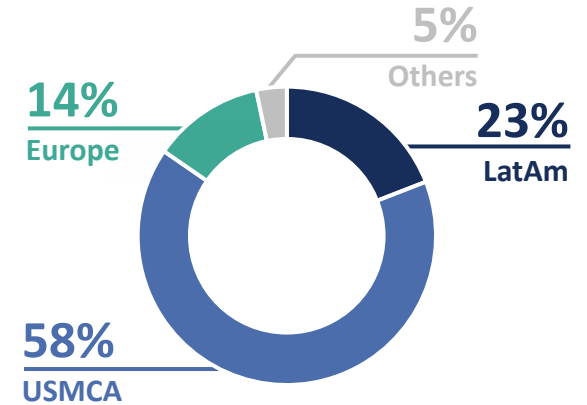
CGI [% automotive volume]



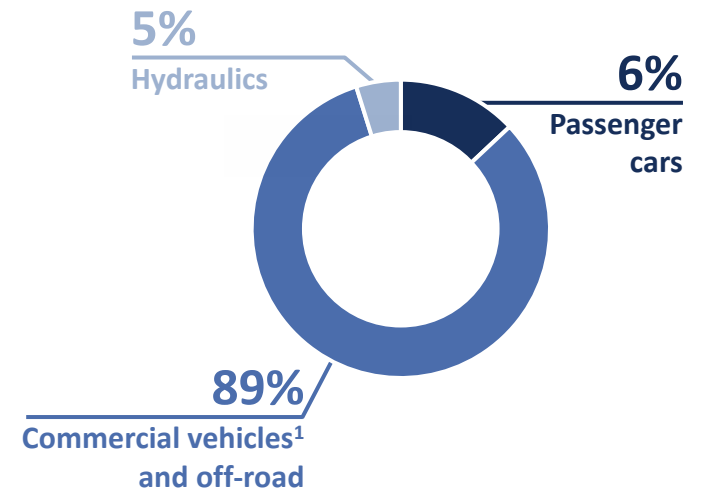
Revenue [M BRL]



Origin [% revenue]



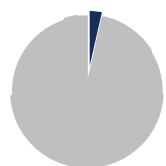
Application [% revenue]



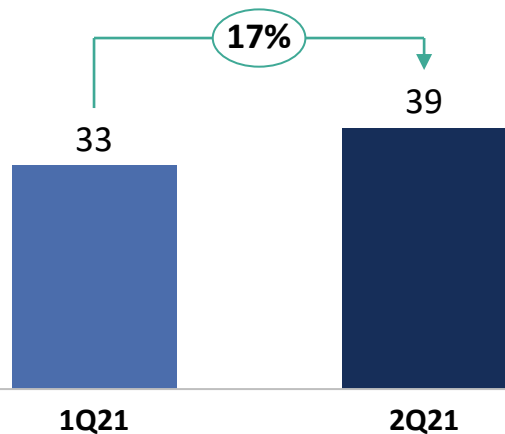
1) Includes light, medium and heavy commercial vehicles

Domestic Market

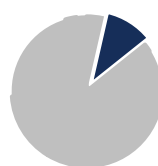
Passenger cars [M BRL]



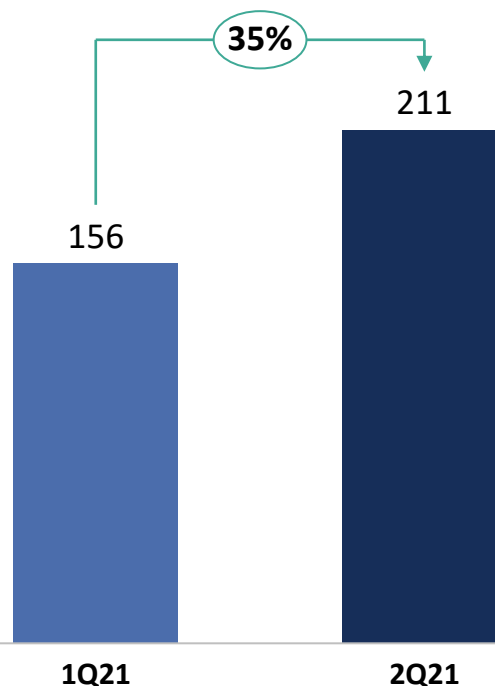
2%
of revenue



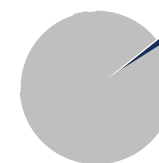
Commercial vehicles [M BRL]



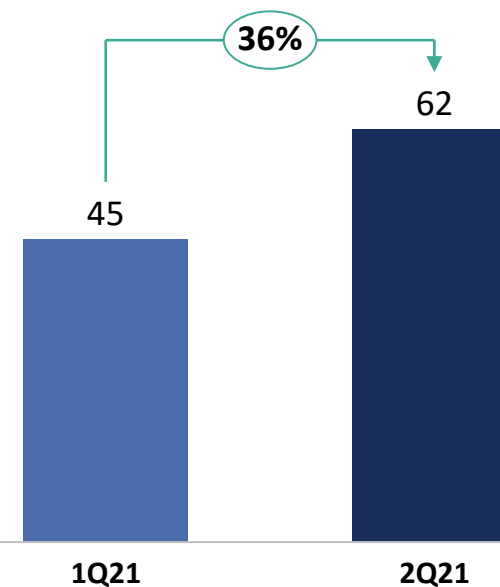
13%
of revenue



Off-road [M BRL]



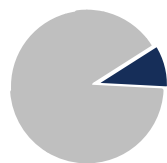
4%
of revenue



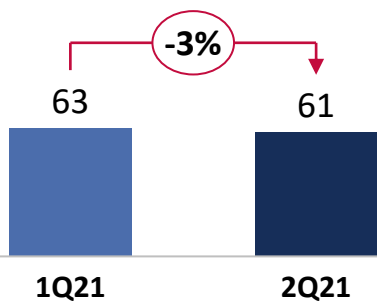


Foreign Market

Passenger cars [M BRL]



4%
of revenue



Commercial vehicles [M BRL]



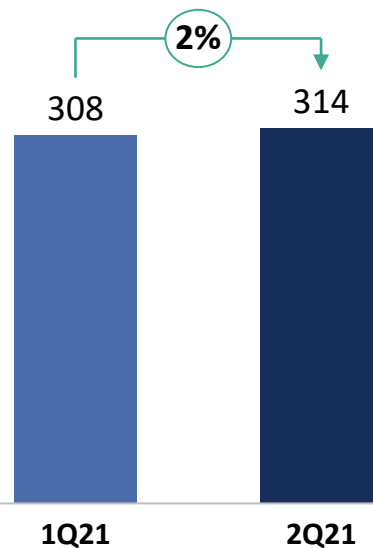
30%
of revenue



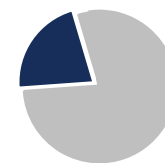
Med. & heavy commercial [M BRL]



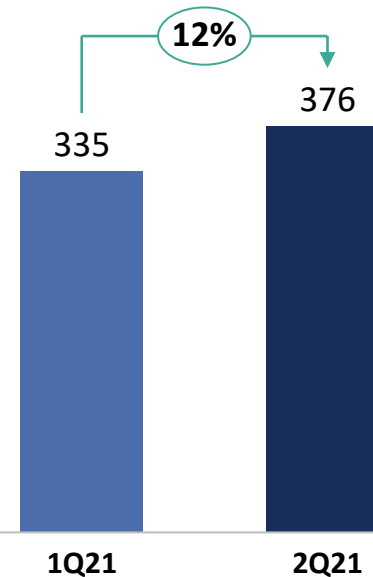
19%
of revenue



Off-road [M BRL]

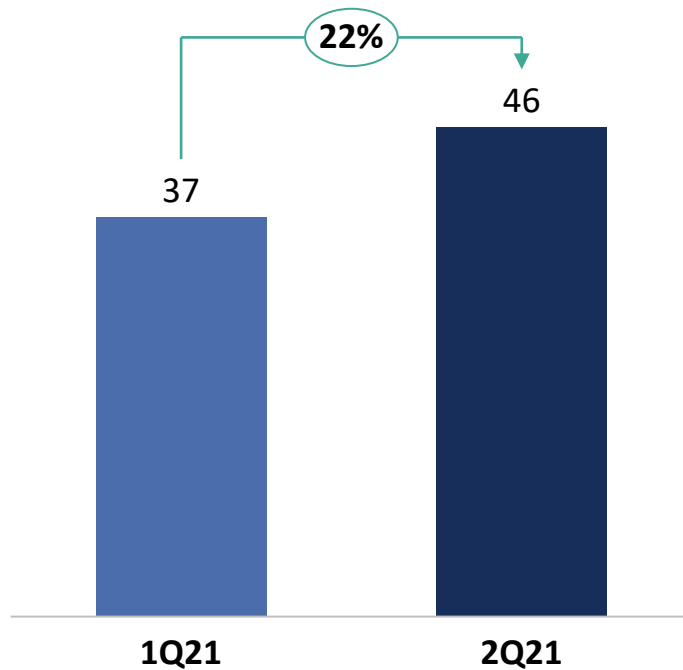


23%
of revenue

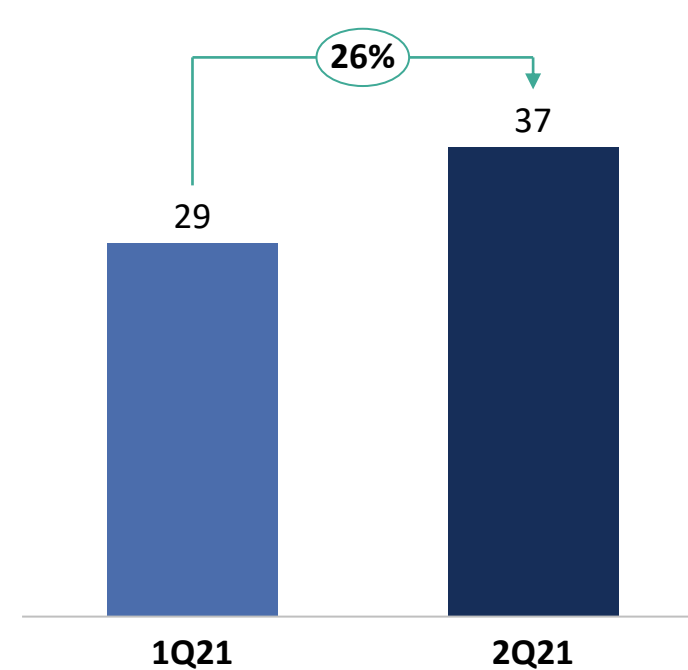


Domestic & Foreign Markets [M BRL]

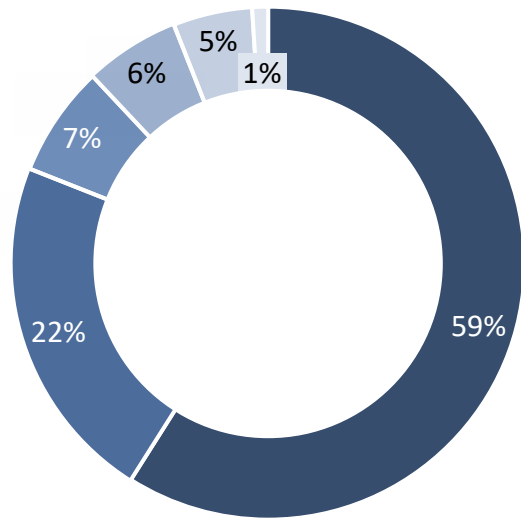
Domestic Market



Foreign Market



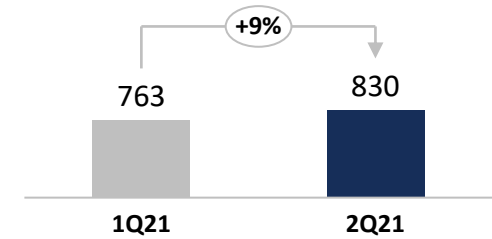
COGS Breakdown 2Q21 [%]



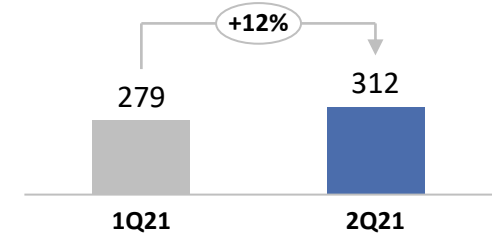
- Raw Material
- Labor & Profit Sharing
- Maintenance Materials
- Energy
- Depreciation
- Others

Variation of main cost inputs by nature [%]

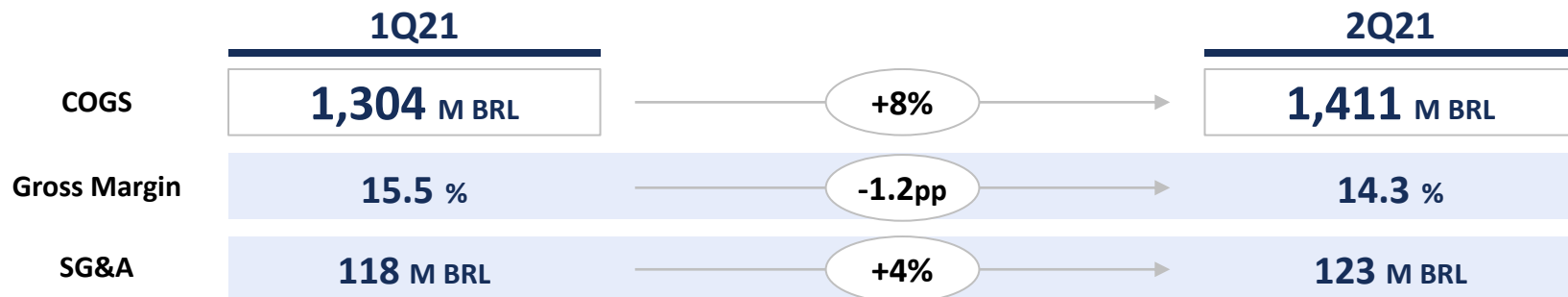
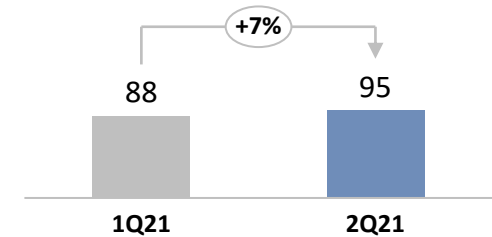
Materials



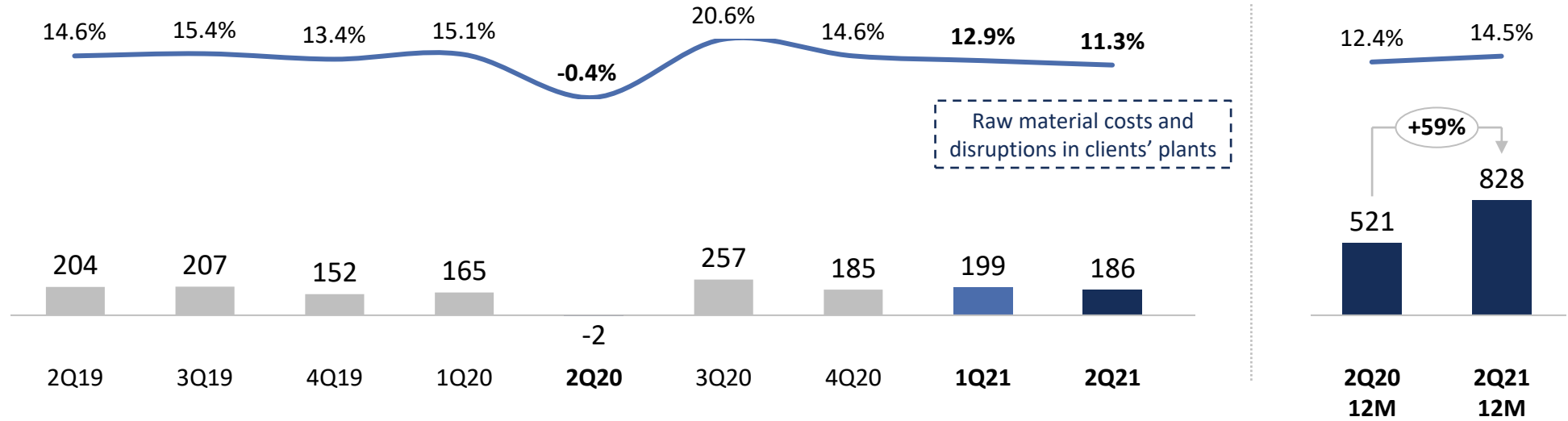
Labor



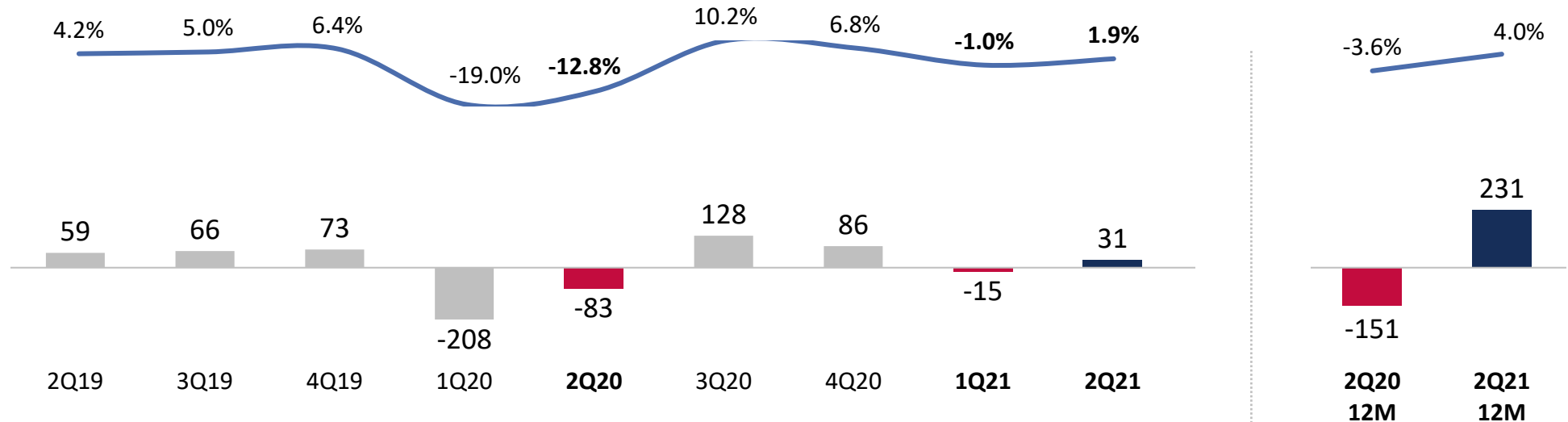
Maintenance materials & third-parties



Adjusted EBITDA [M BRL] and Adjusted EBITDA Margin [%]



Net Income [M BRL] and Net Margin [%]

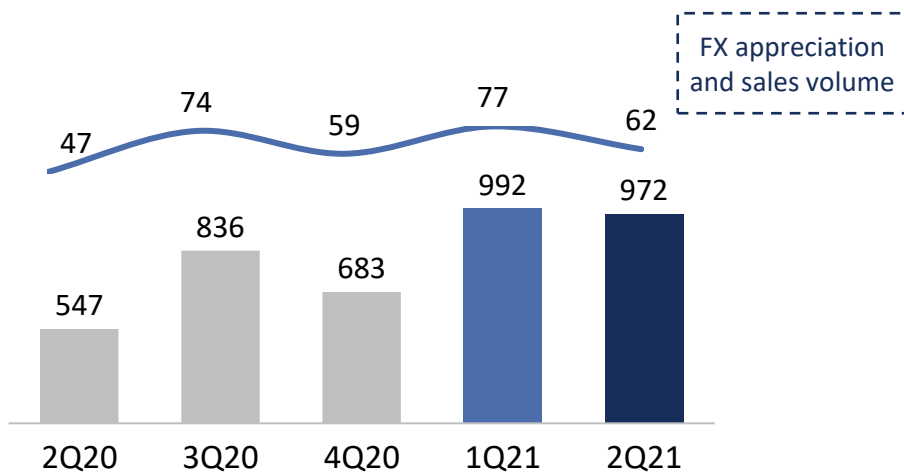


Financial Results – BRL MM

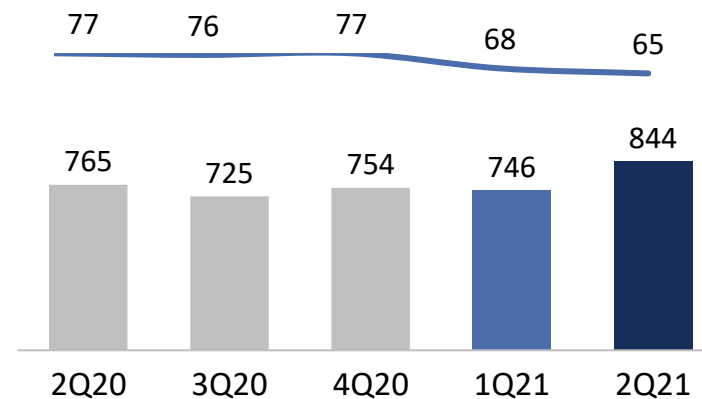
| | | 2Q21 | 1Q21 |
|-------------------------------|--|--------------|--------------|
| Financial expenses 1 | | -31.6 | -89.7 |
| Financial income | | 6.4 | 3.9 |
| Exchange variation 2 | | -62.6 | 35.6 |
| MtM credits Eletrobrás | | 19.6 | -3.1 |
| MtM hedge operations 3 | | 11.7 | -5.4 |
| TOTAL | | -56.5 | -58.7 |

- 1** 1Q21 impacted by R\$ 58 million in 1Q21, related to one-off expenses with early settlement premium and pro rata interest of Senior Notes 2024
- 2** FX appreciation on balance sheet accounts denominated in foreign currencies.
- 3** Cash flow hedge (zero-cost collar)
- Mark to market: + R\$ 11.4 million
 - Cash effect: + R\$ 0.3 million

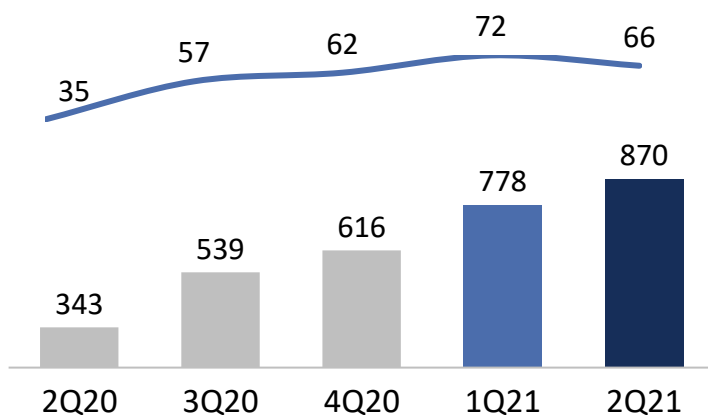
Accounts receivable [M BRL] and DSO [days]



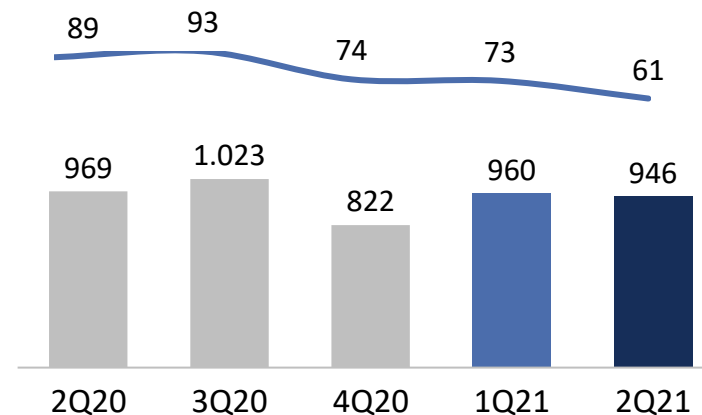
Inventories [M BRL] and DIO [days]



Accounts payable [M BRL] and DPO [days]

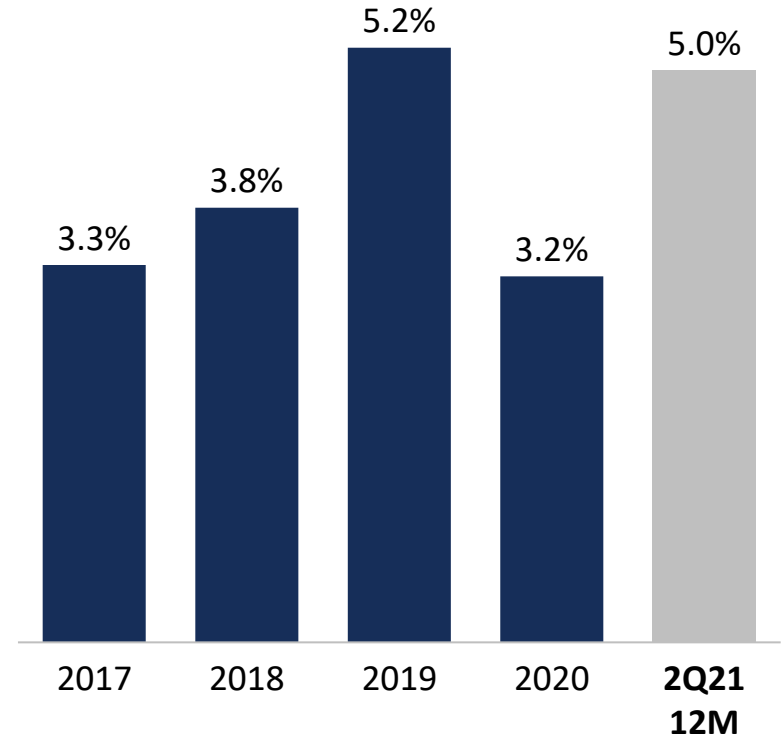
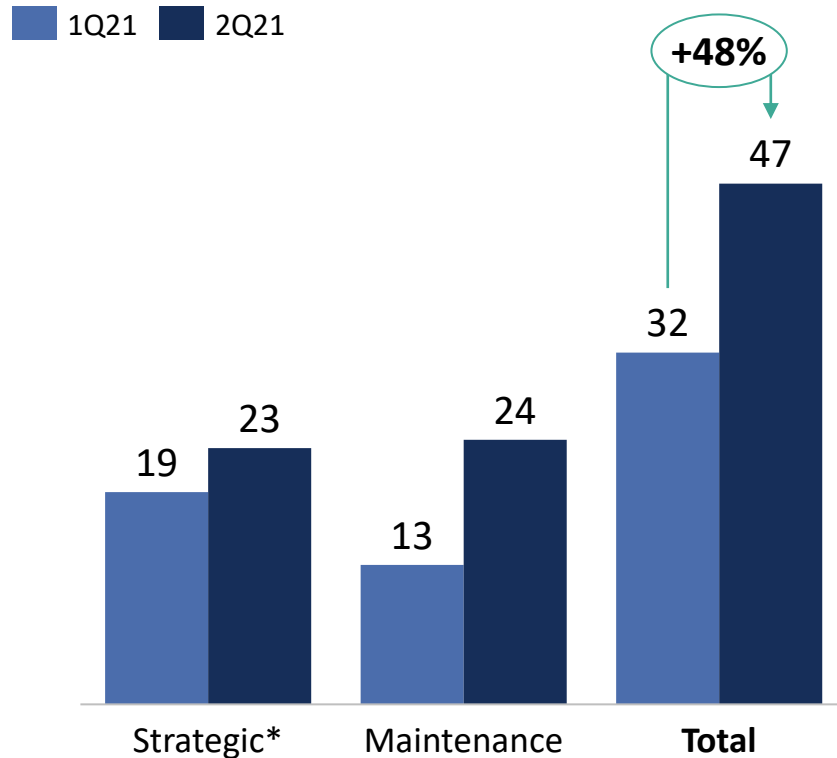


Working capital [M BRL] and CCC [days]



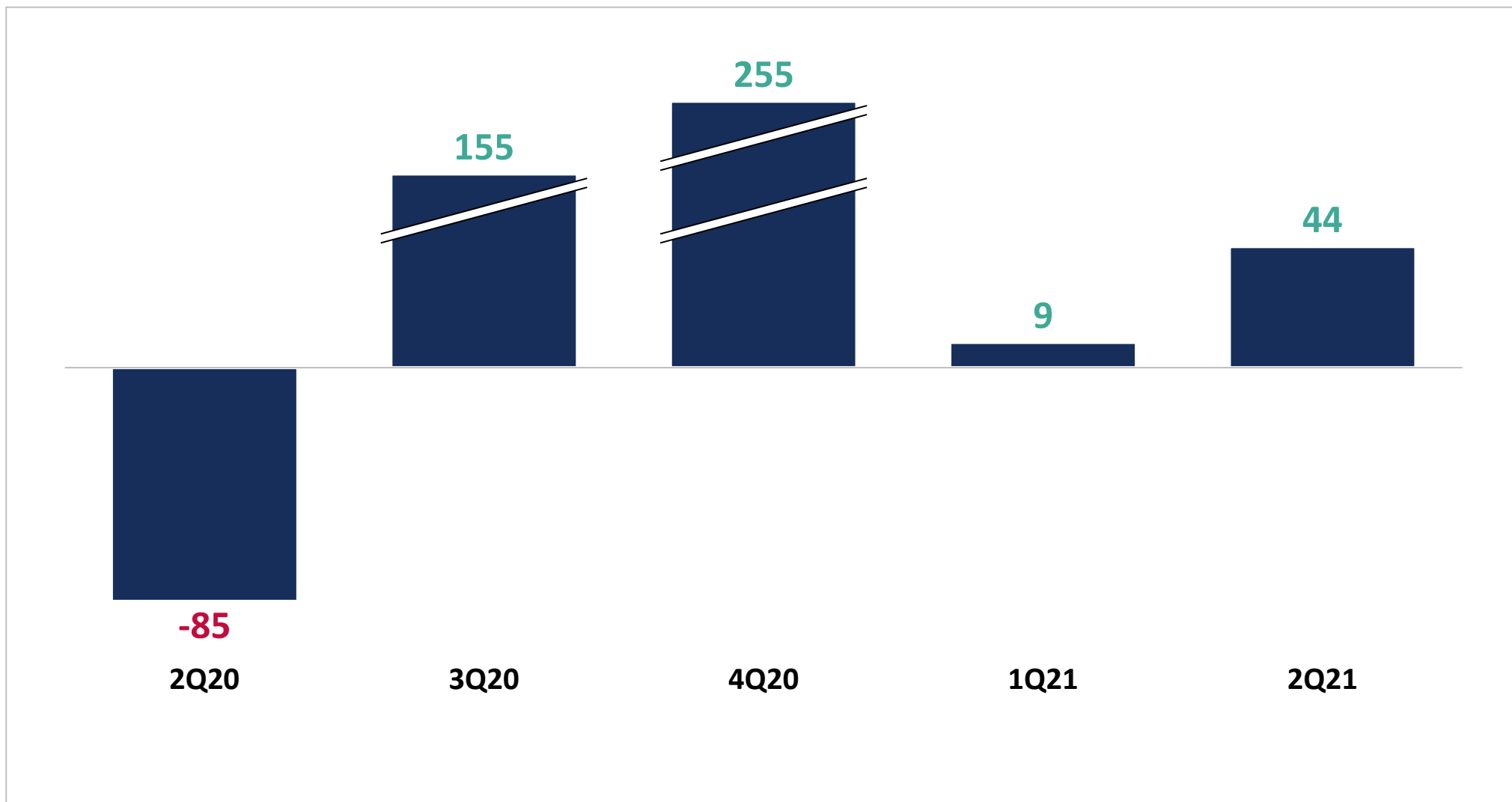
Investments 2Q21 vs 1Q21 [M BRL]

% Investments / Net Revenue



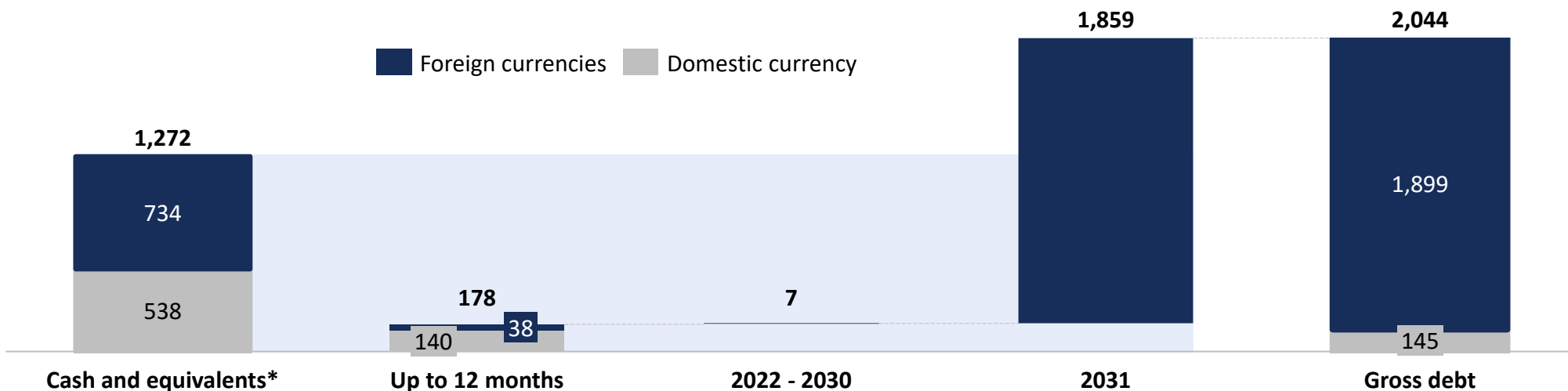
› Investments related to new machining projects, safety and environment

M BRL

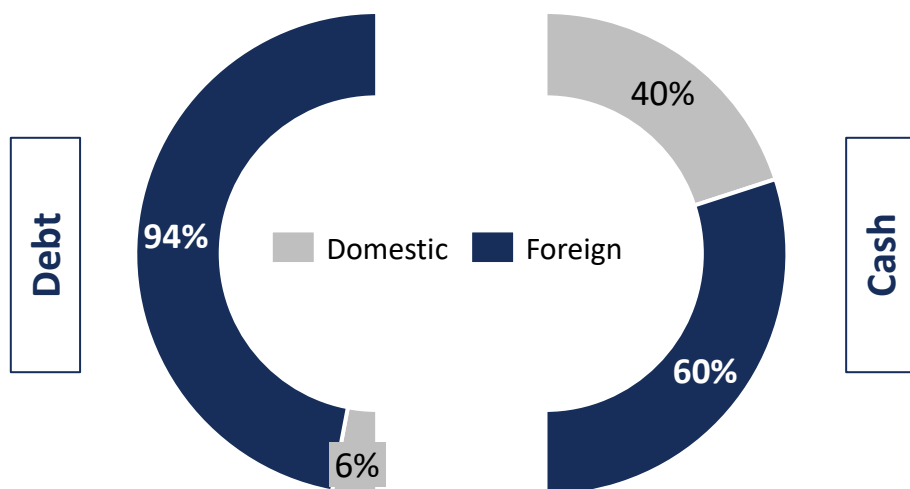


› Lower cash conversion cycle and tax refunds

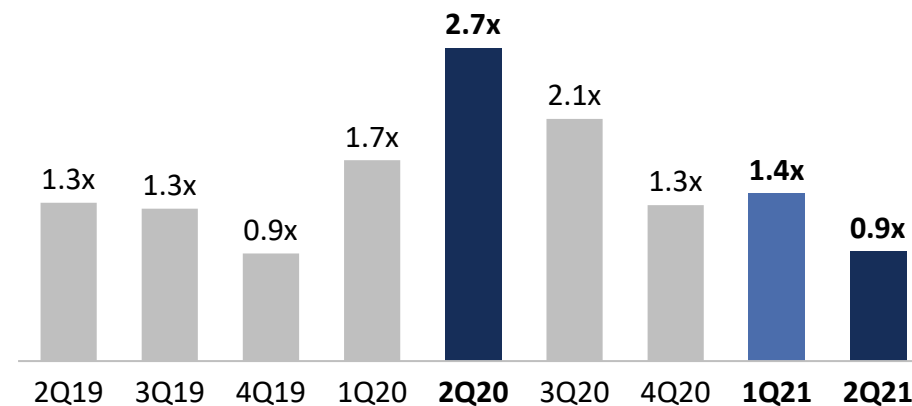
Debt [M BRL]



Currency breakdown [% total]



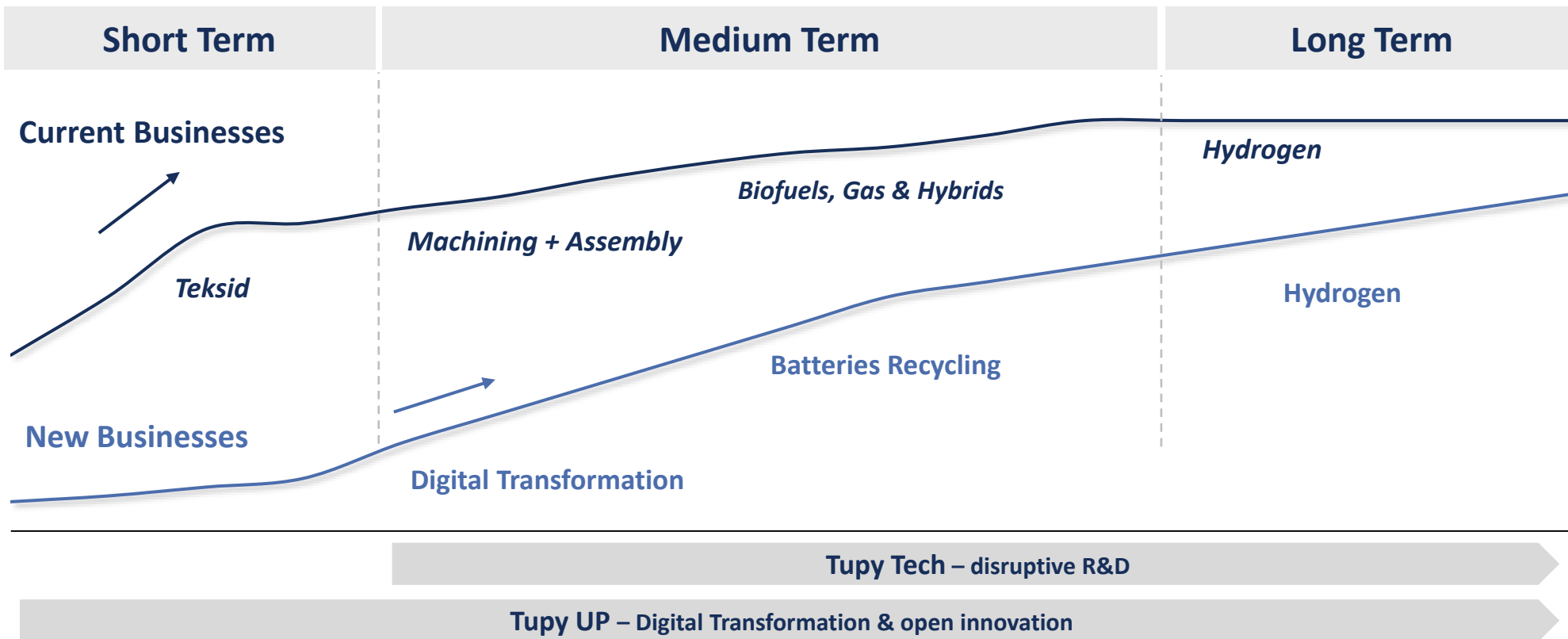
Net debt/Adjusted EBITDA 12M



*Includes derivatives

2Q21 Results

Perspectives



Actual

- Acquisition of Teksid’s cast iron operations

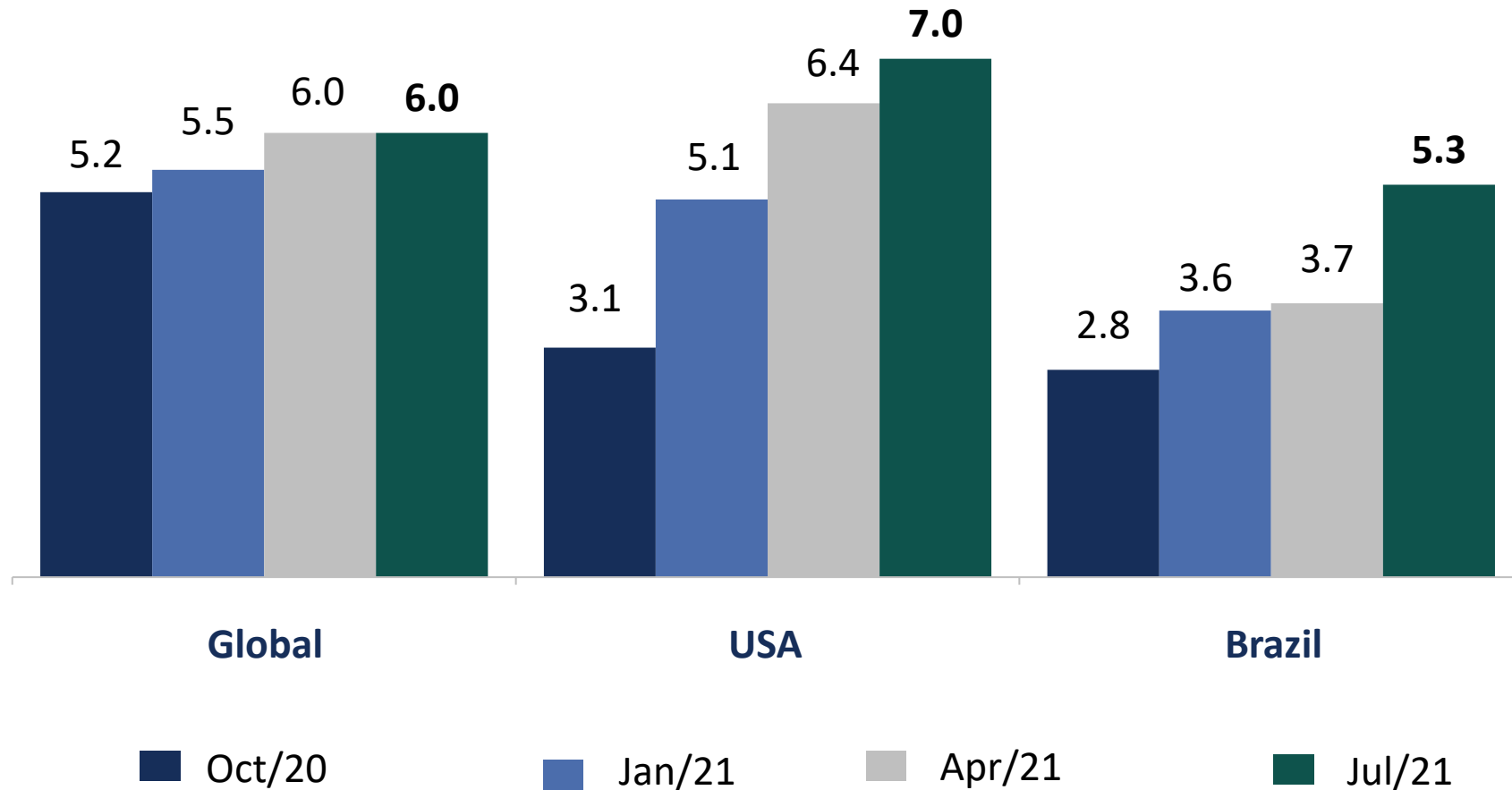
- Closing in 4Q21
- Benefit from strong market momentum

New
Businesses

- Initiatives related to Tupy’ strategy and long-term view

- Recycling of ion-lithium batteries
- R&D leadership in materials ,machining& decarbonization (e.g. hydrogen)
- ShiftT

GDP outlook 2021 - %

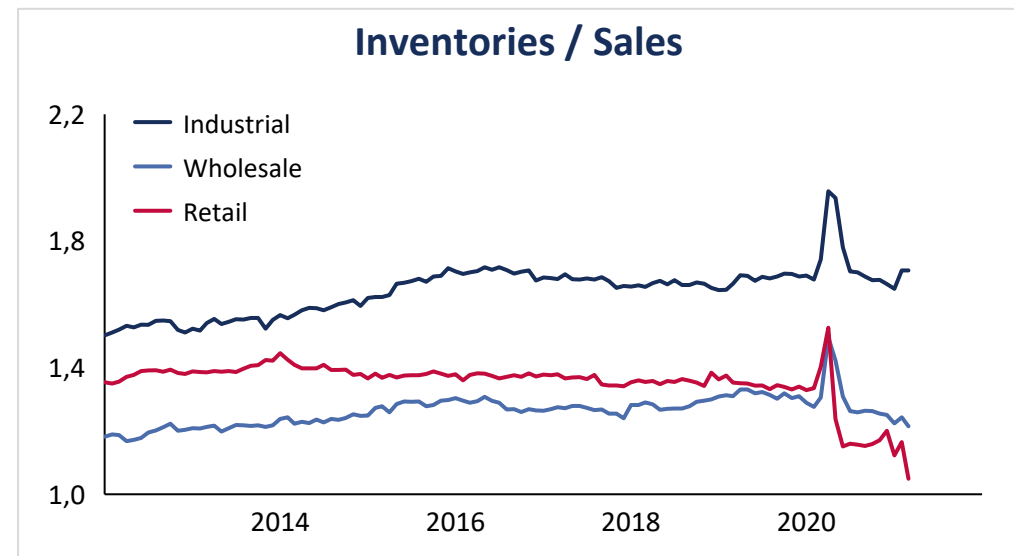
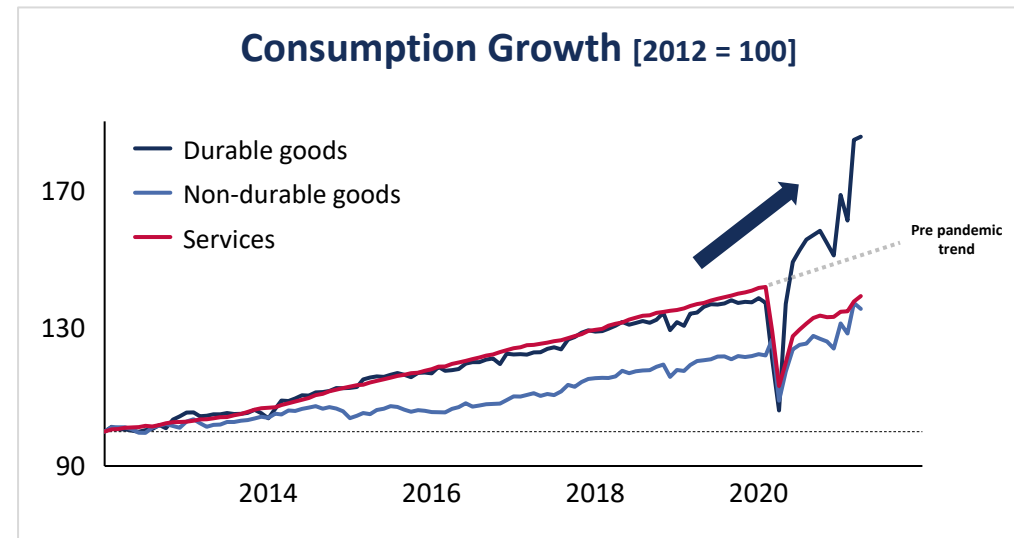


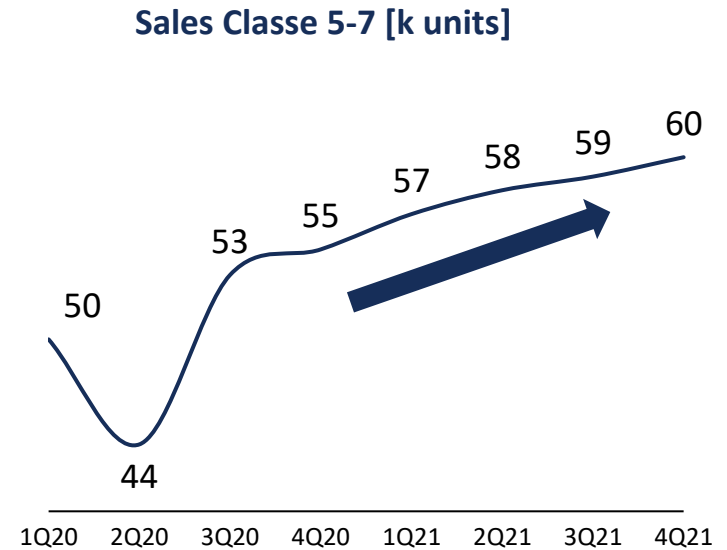
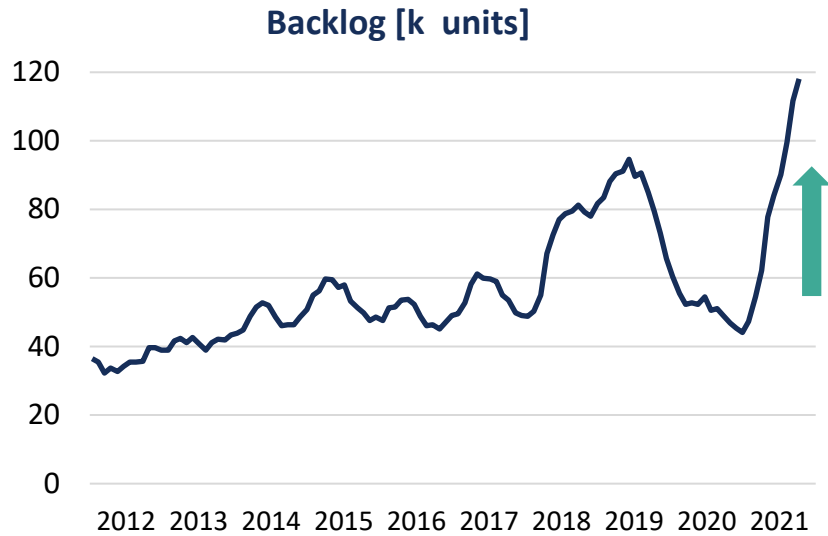
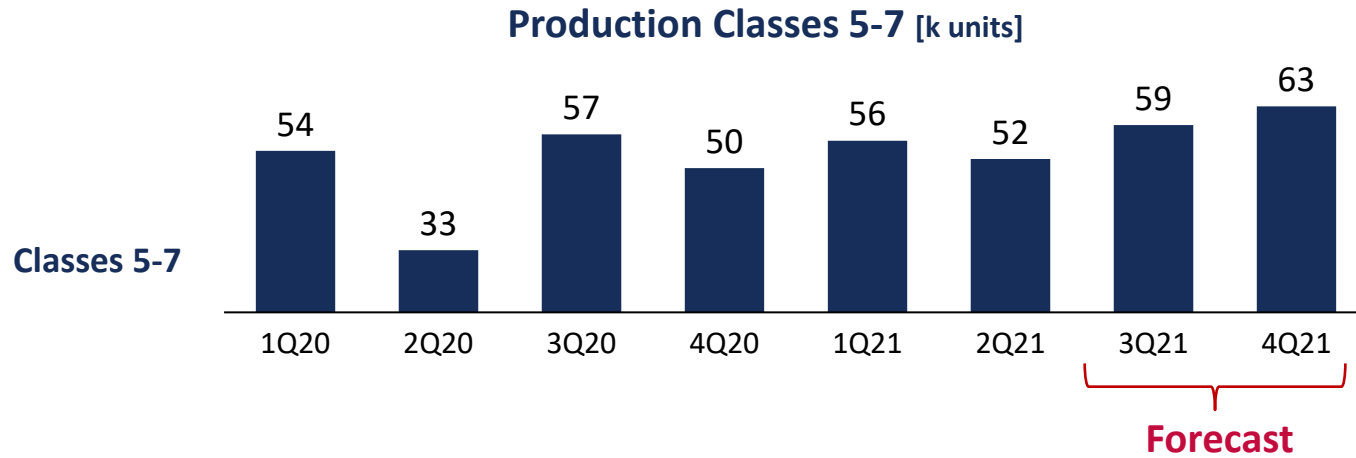
› Resumptions of consumption and investment trigger demand for freight, infrastructure and agriculture

1 Changes on consumption patterns since the beginning of pandemic

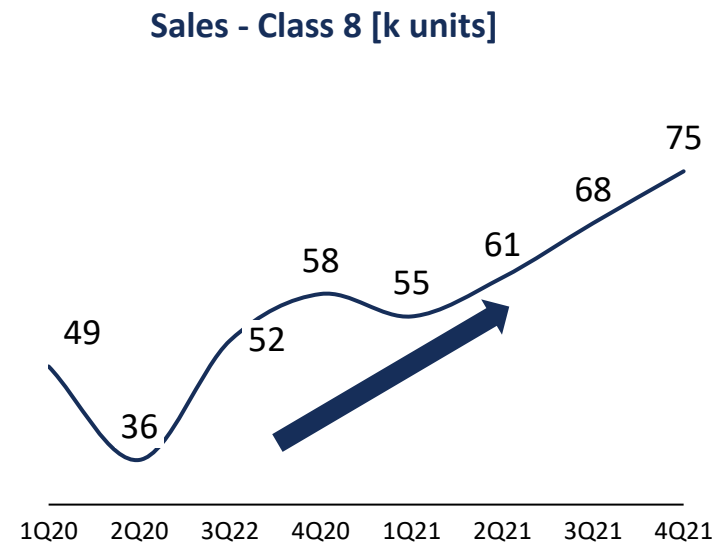
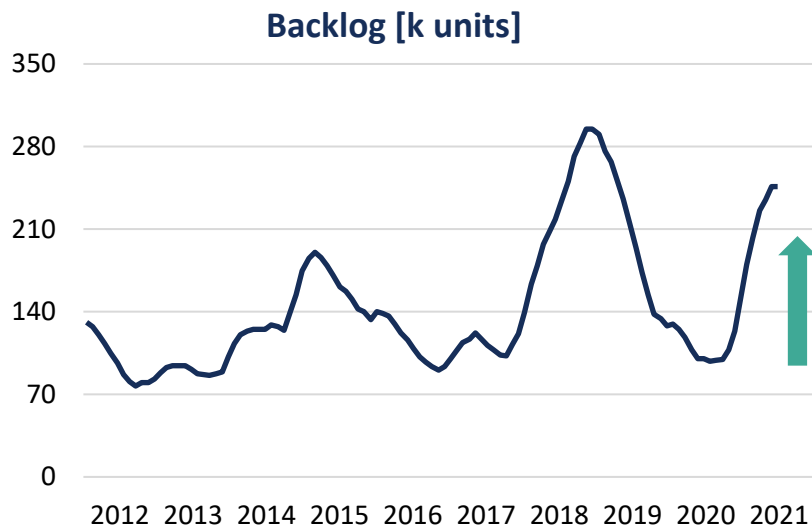
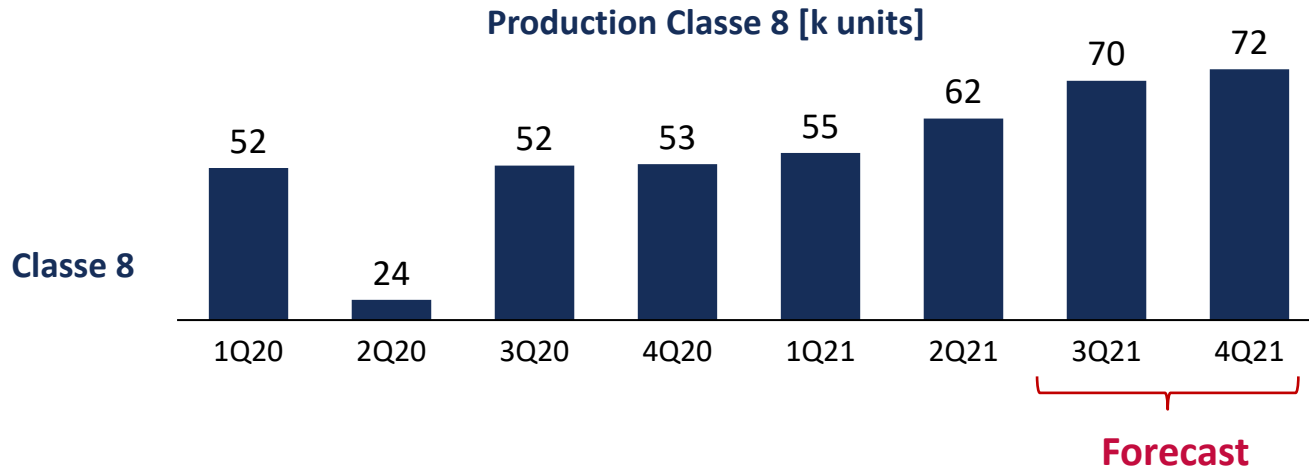
Durable goods spending +40% (2Q21 vs 2Q20), whilst services decreased substantially due to restriction measures

2 Consumption growth and inertia of production chains leading to **lower inventories**, sustaining **manufacturing activity at high levels** for extended periods





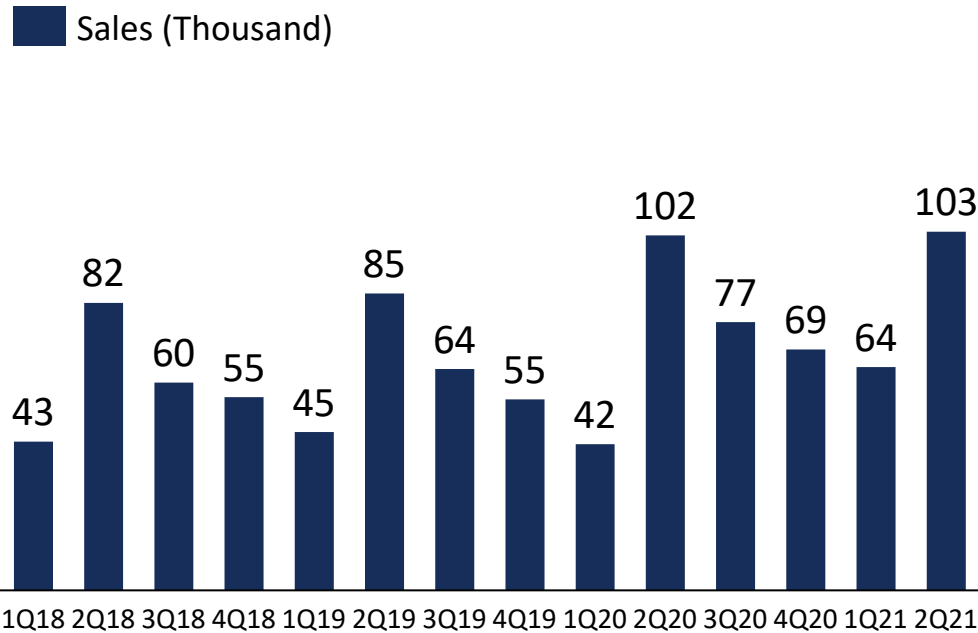
➤ Higher backlog from strong demand in last 9 months



➤ **Freight demand sustains strong growth pace; production with lower impact of semiconductors shortage**

Agriculture machinery

Tractor Sales - USA



Sales Forecast – agriculture machinery [YoY]



Drivers 2021



Favorable commodities prices;

Production volumes

Higher profitability



TUPY

Investor Relations

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