

1st Quarter of 2021

Results

Investor Relations


www.tupy.com.br/ir

dri@tupy.com.br

[in linkedin.com/company/tupy](https://www.linkedin.com/company/tupy)

 TUPY3
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MERCADO

 TUPY



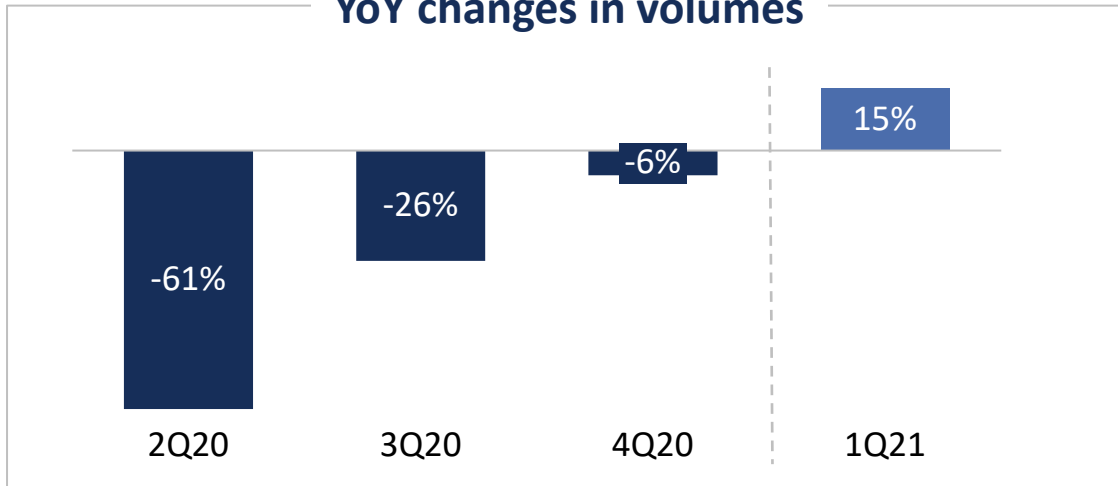
This presentation contains forward-looking statements, which are subject to risks and uncertainties and reflect the beliefs and expectations of the Company's Management based on available information. Forward-looking statements include statements regarding our Management's current intentions or expectations 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.

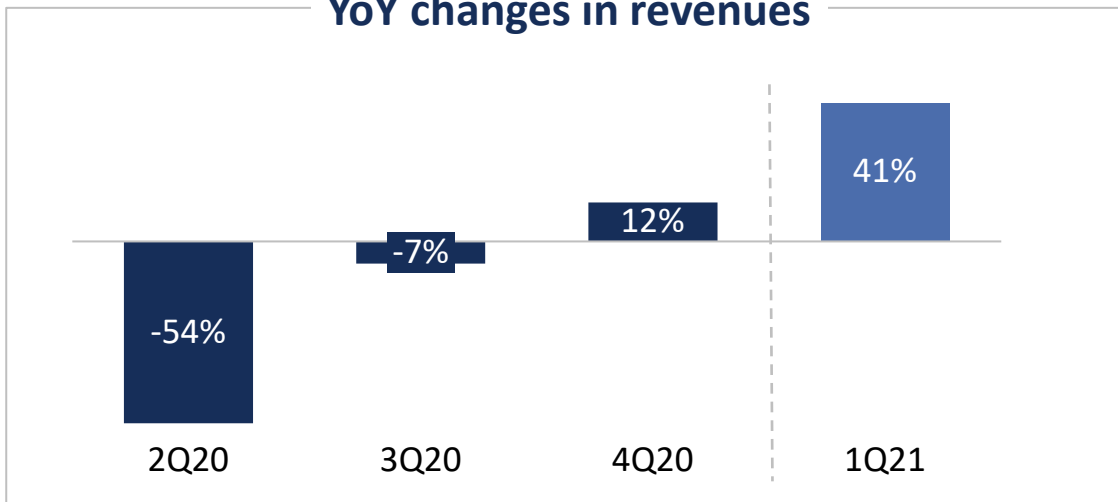
The words "anticipates," "wishes," "expects," "estimates," "intends," "forecasts," "plans," "predicts," "projects," "targets" and other similar words are intended to identify these statements.

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.

YoY changes in volumes

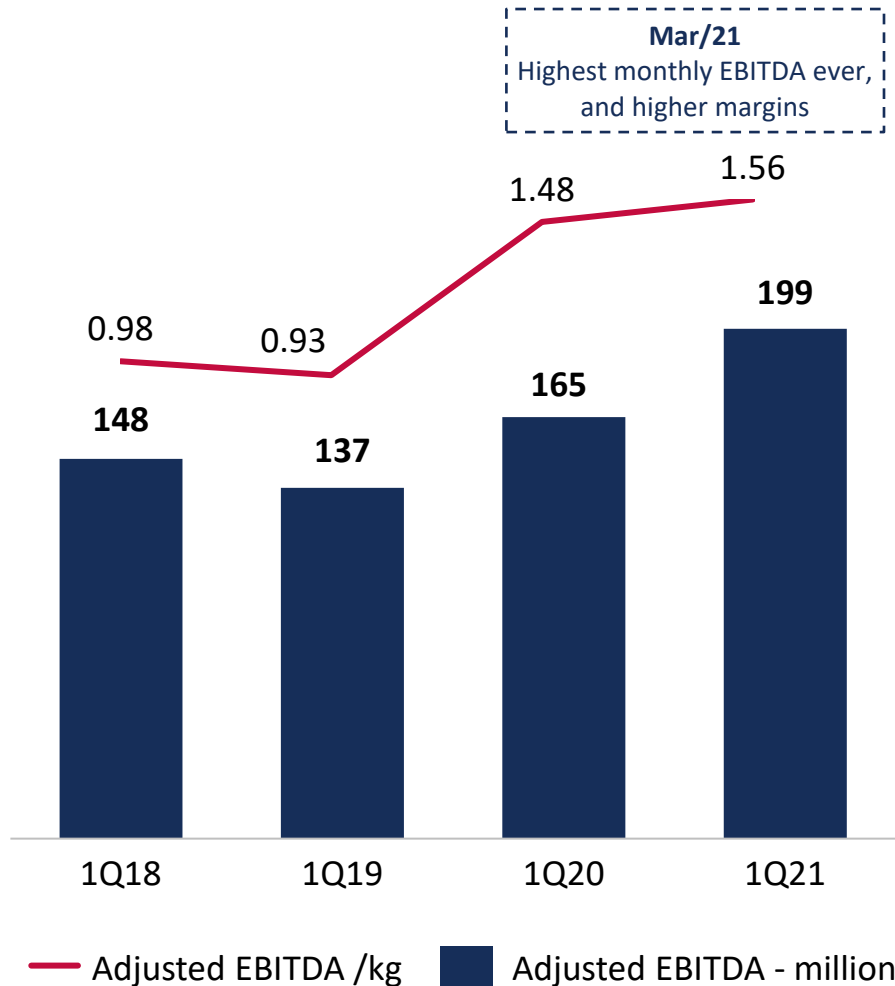


YoY changes in revenues



- Continuity of resumption started in 2H20
- Growth across all **segments and geographies**
- Exposure to **solid sectors and dynamic markets with new investment cycles, driven by government packages**
- **Company's highest net revenue ever: R\$ 1.5 billion**

Company's highest EBITDA for a first quarter...



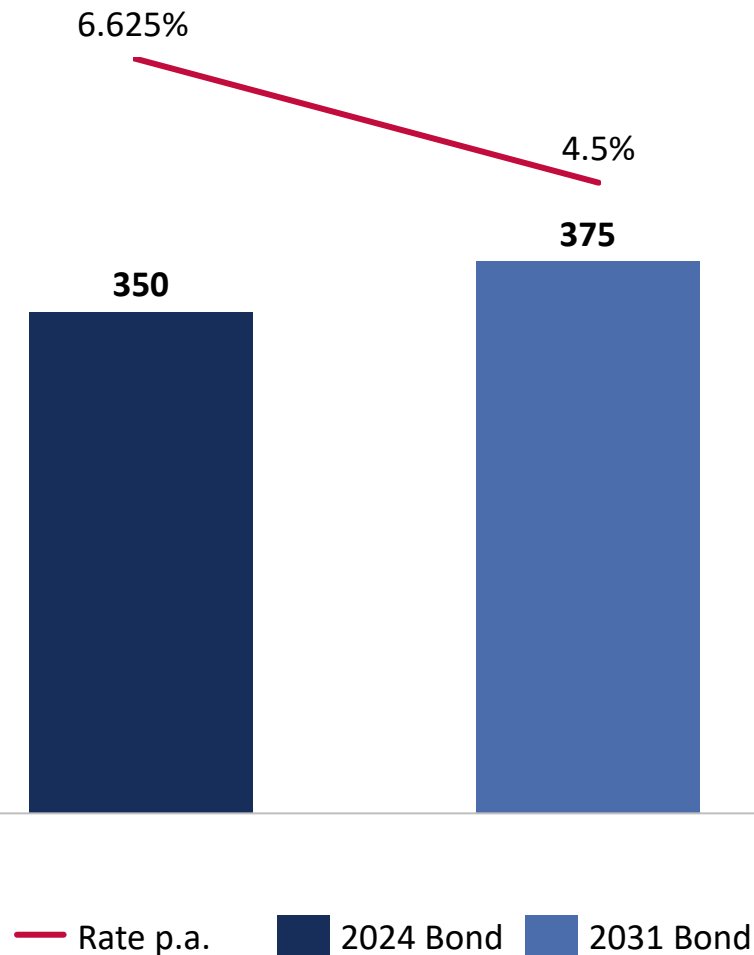
... despite significant impacts

- **Labor:**
 - Hiring of +2,000 employees and respective learning curve
 - Impacts from the pandemic: higher absenteeism and reallocation of employees among areas
- **Raw material:**
 - Reduced supply and significant price increases in the first months of the year compared to 4Q20
- **Stoppages in Mexico :**
 - Impact of two-week suspension, due to problems in the supply of electricity and natural gas;

Effect of approximately 320 bps on the margin (12.9% vs. 16.1%)

› Operational and purchasing efficiencies achieved in recent quarters remain, mitigating temporary impacts

Amounts – US\$ mm and coupon

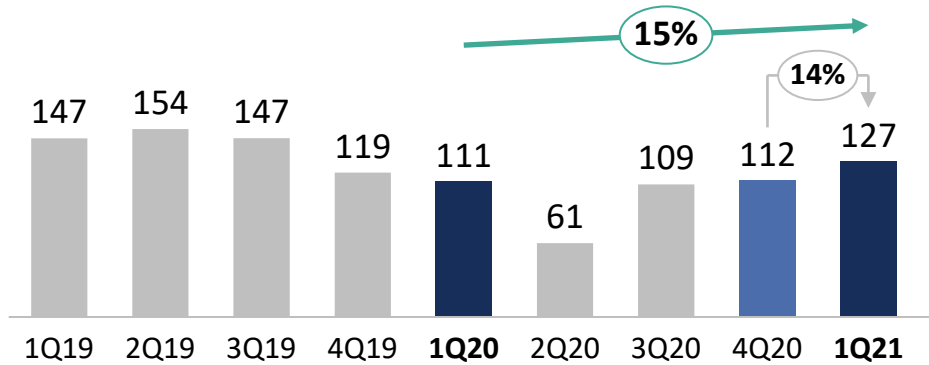


Debt extension and reduced financial expenses

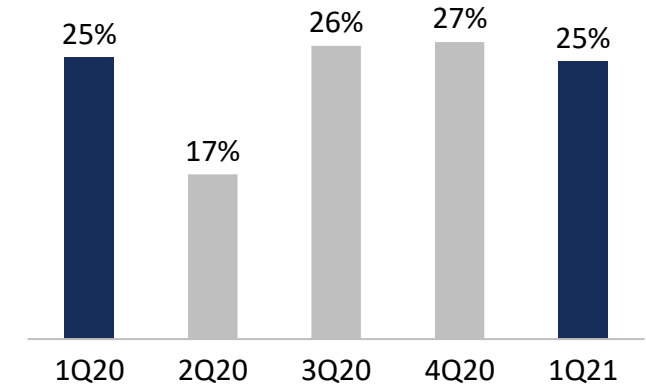
- High demand from institutional investors (+ 10x book)
- Reduction of financial expenses by US\$6.3 million per year
- Proceeds used to **buyback the 2024 bond** with non-recurring financial expenses of R\$58 million

➤ Capital markets' confidence in the Company's fundamentals

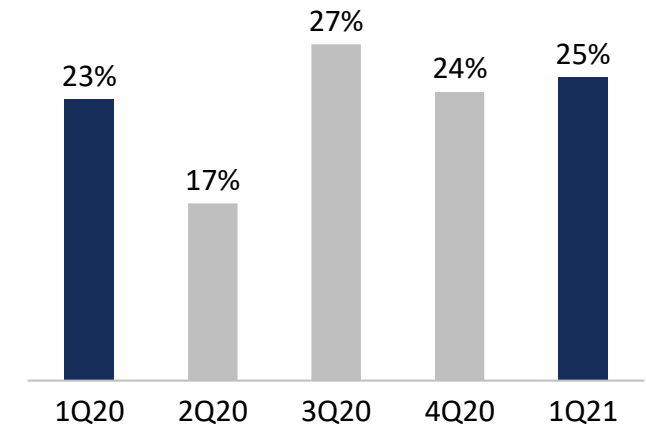
Volume [kton]



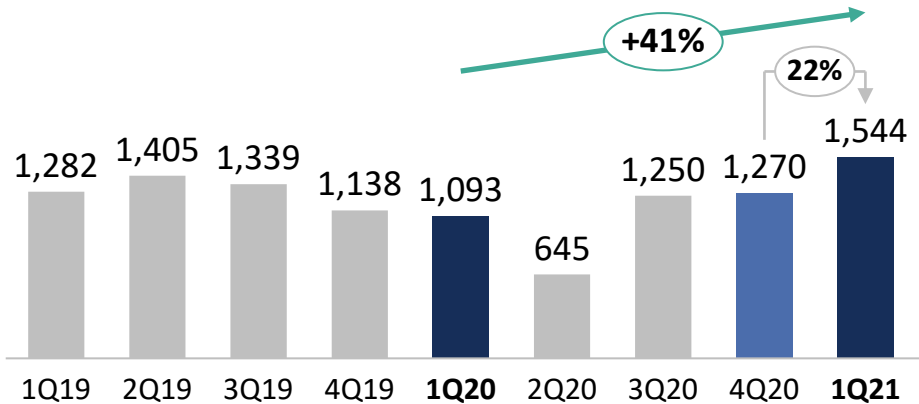
Machining [% automotive volume]



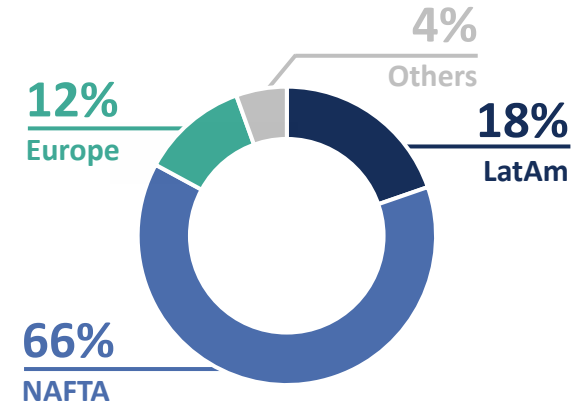
CGI [% automotive volume]



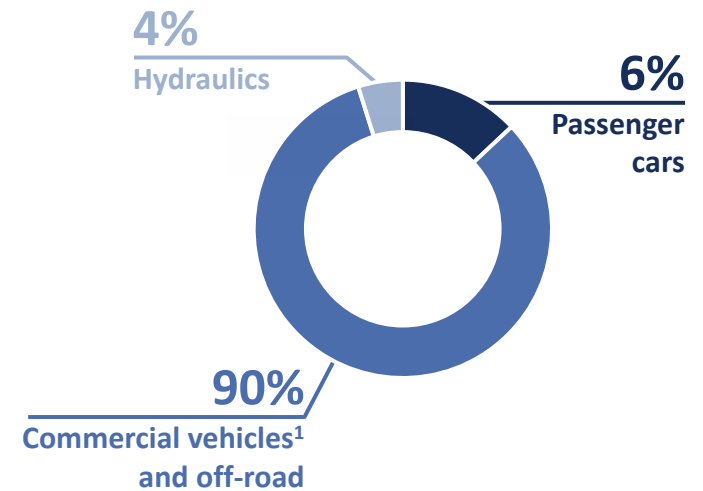
Revenues [M BRL]



Origin [% revenue]



Application [% revenue]

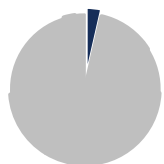


1) Includes light, medium and heavy commercial vehicles

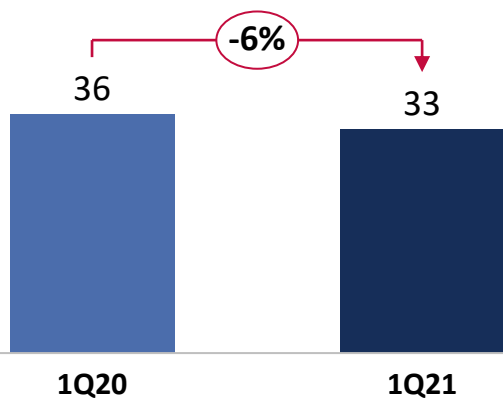


Domestic Market

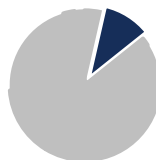
Passenger cars [M BRL]



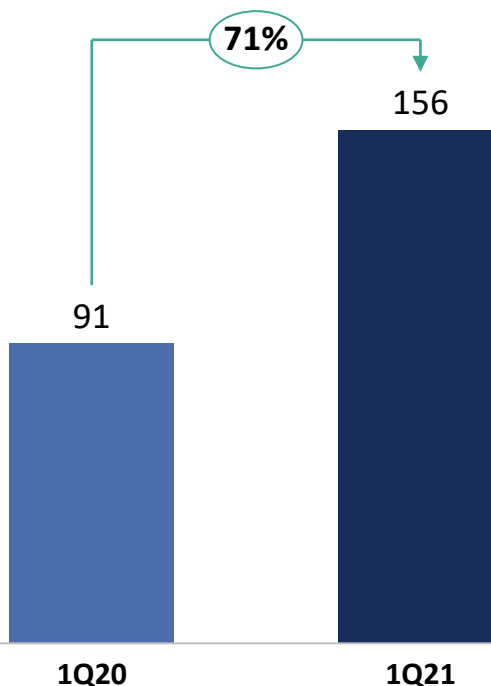
2%
of revenue



Commercial vehicles [M BRL]



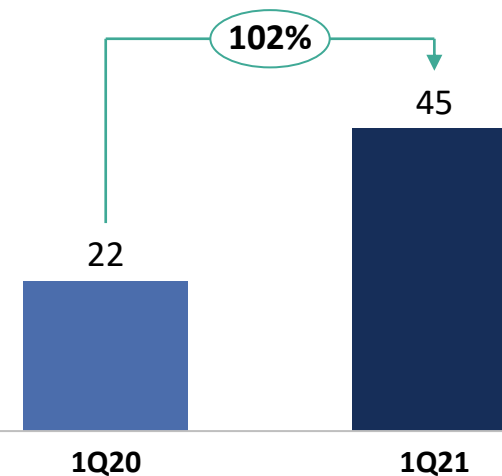
10%
of revenue



Off-road [M BRL]

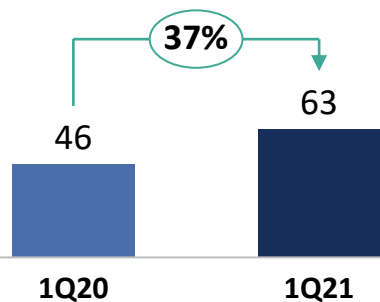


3%
of revenue

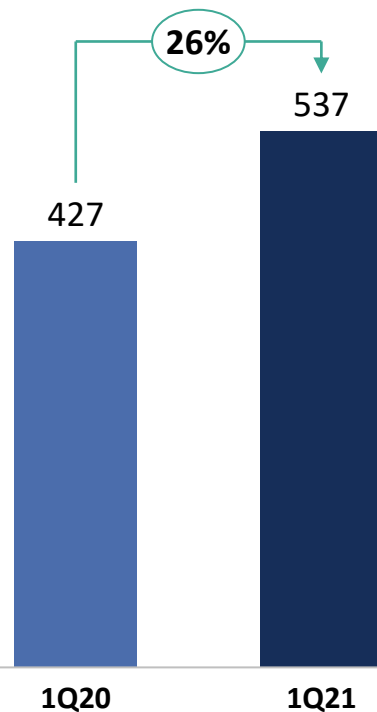


Foreign Market

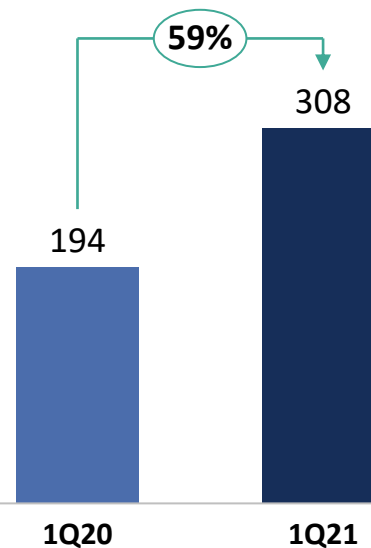
Passenger cars [M BRL]



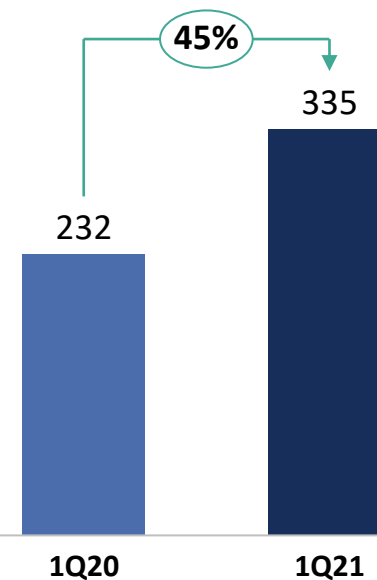
Commercial vehicles [M BRL]



Med. & heavy commercial [M BRL]

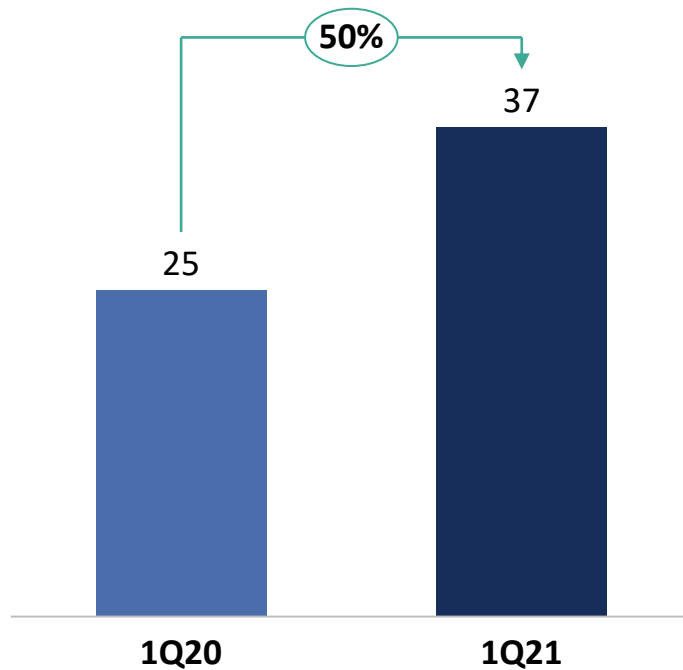


Off-road [M BRL]

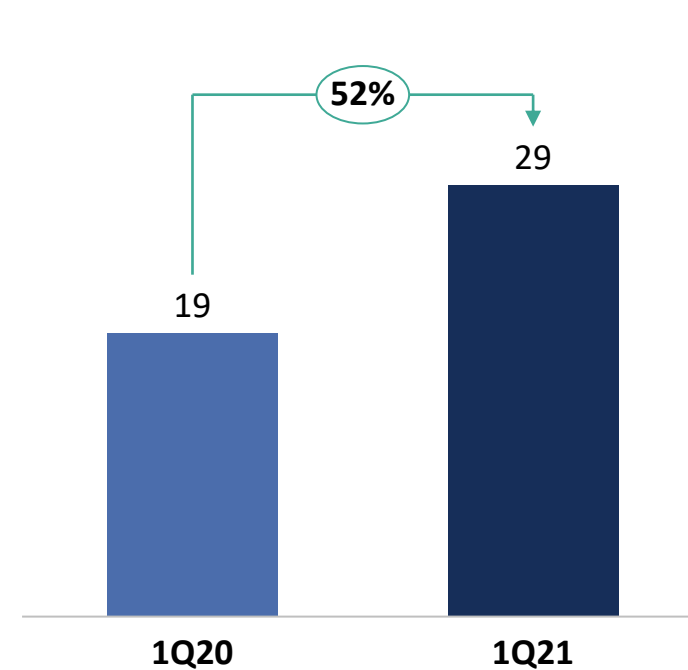


Domestic & Foreign Markets [M BRL]

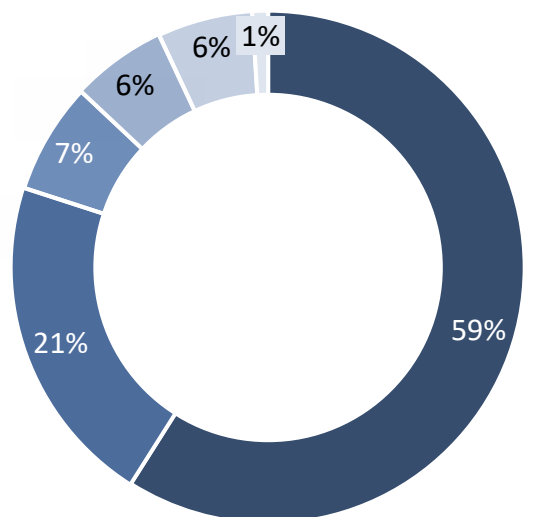
Domestic Market



Foreign Market



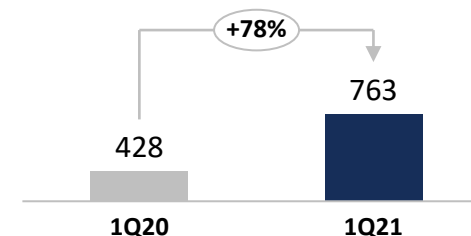
COGS Breakdown 1Q21 [%]



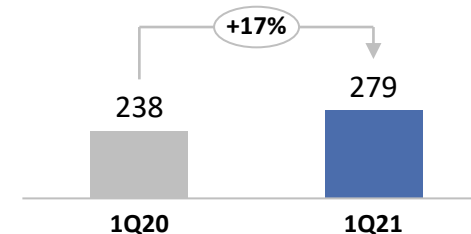
- Raw Material
- Labor & Profit Sharing
- Maintenance Materials
- Energy
- Depreciation
- Others

Variation of main cost inputs by nature [%]

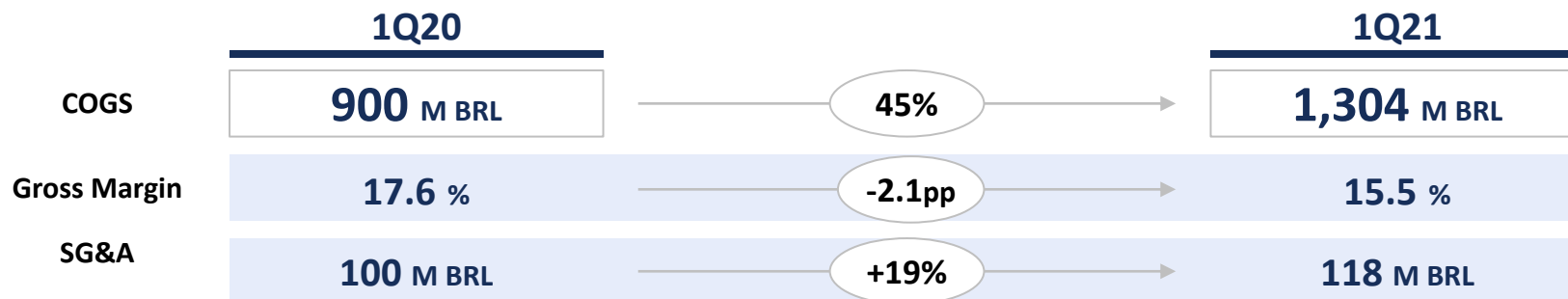
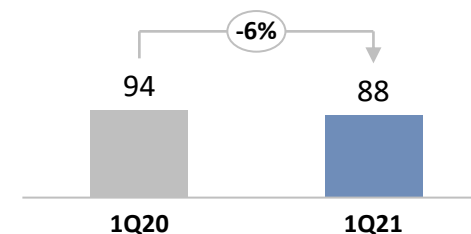
Materials



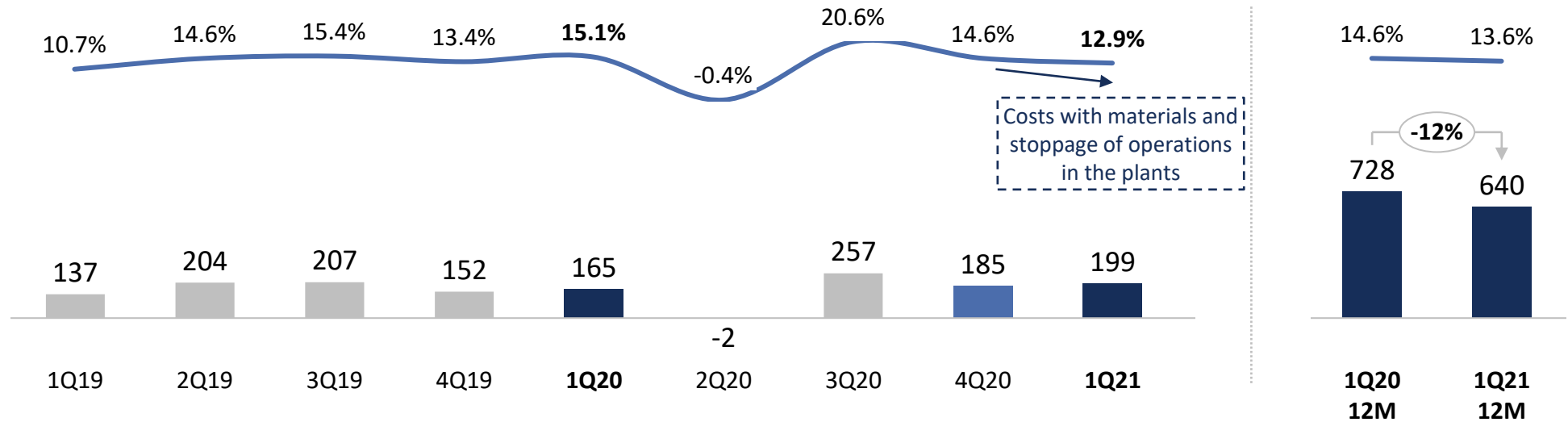
Labor



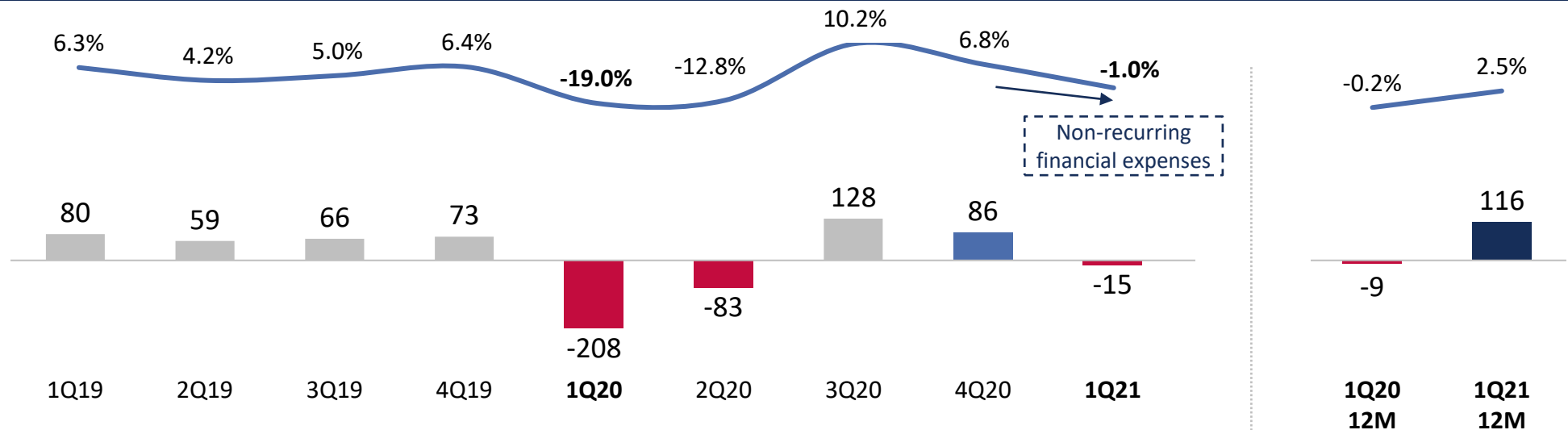
Maintenance materials & third-parties



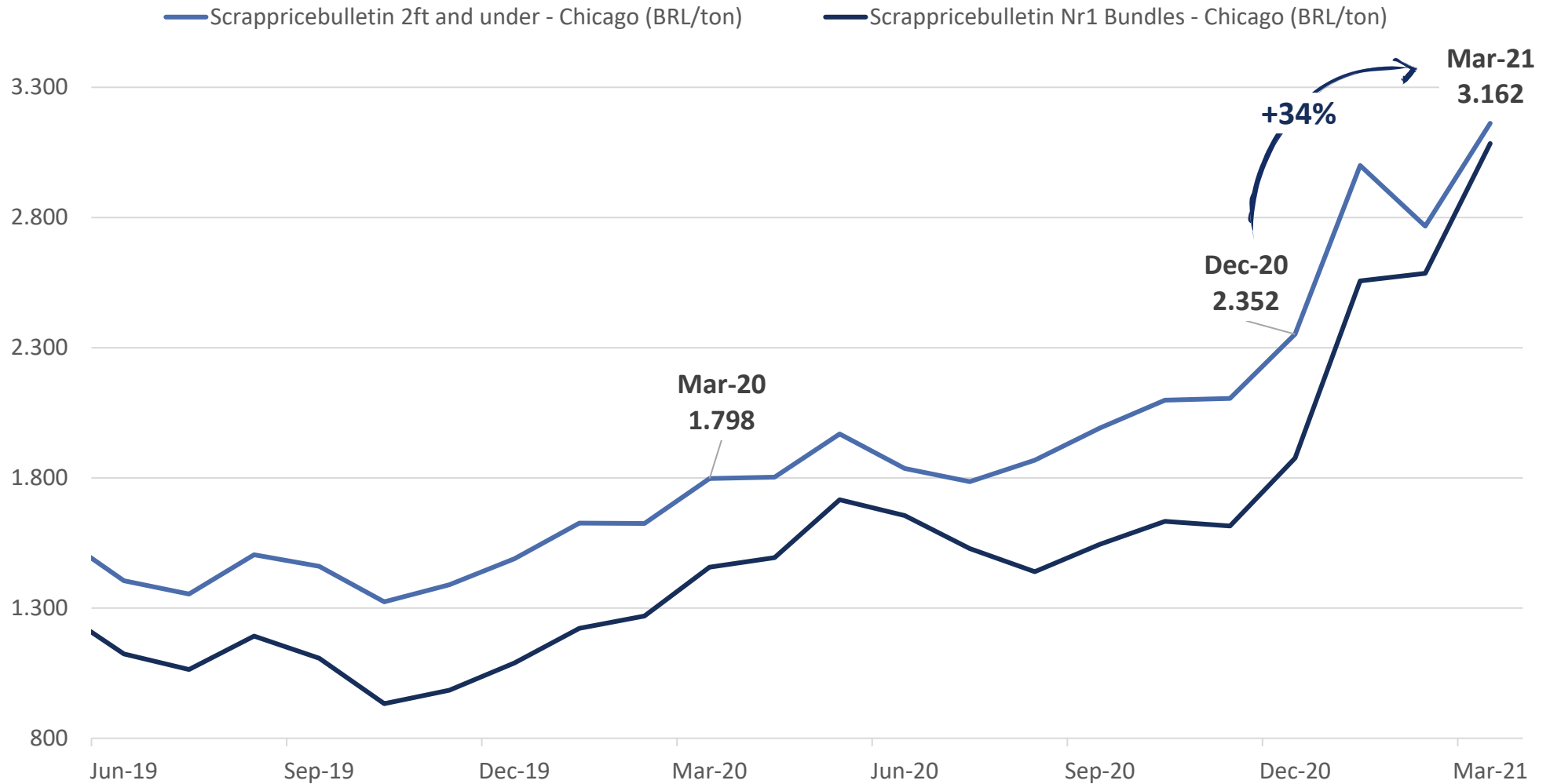
Adjusted EBITDA [M BRL] and Adjusted EBITDA Margin [%]



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

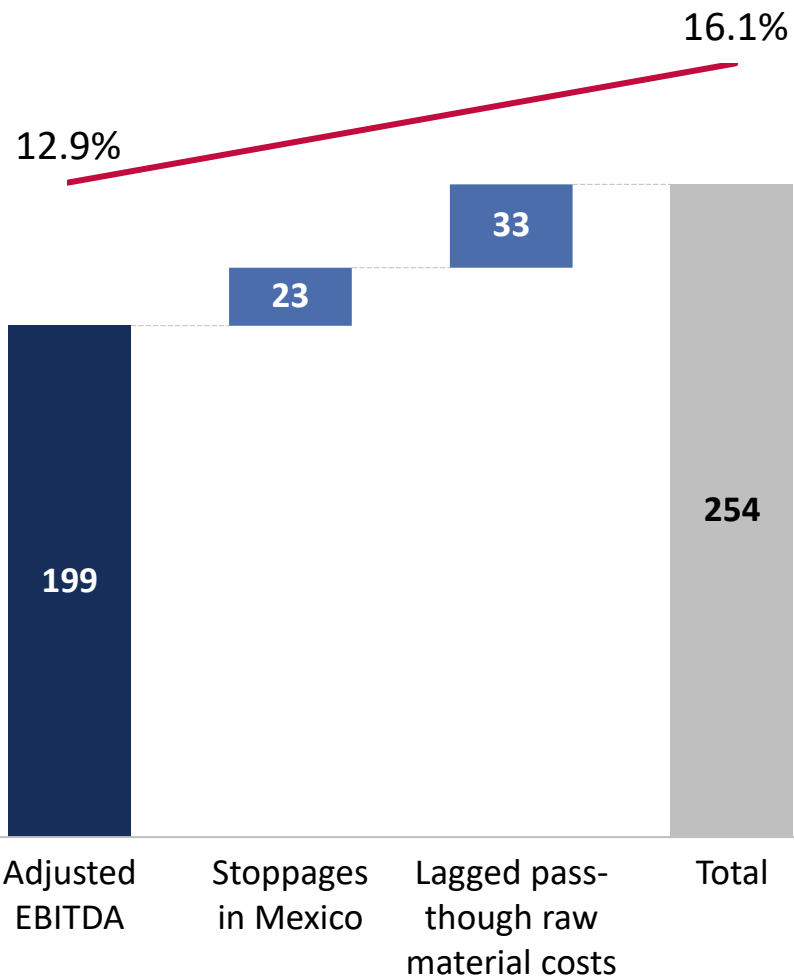


RAW MATERIAL INCREASE CAUSED BY ECONOMIC RECOVERY AND MISMATCH BETWEEN SUPPLY AND DEMAND



➤ Impact of R\$33 million in EBITDA, related to raw material costs to be passed-through

Adjusted EBITDA [M BRL] and Margin

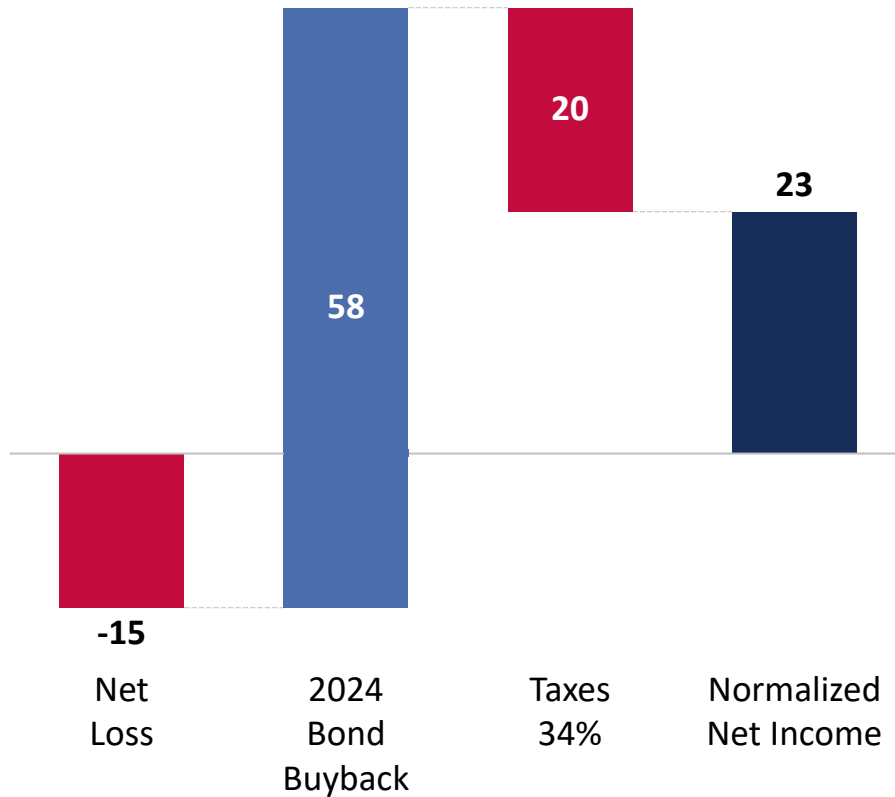


Main impacts

- **Raw material increases**
Lagged contractual pass-through of raw material prices
- **Stoppage of operations in Mexico**
Operations impacted for two weeks, due to restrictions in the supply of electricity and natural gas, with impact in costs and volumes
- **Absenteeism**
Increase in the indicator due to safety protocols

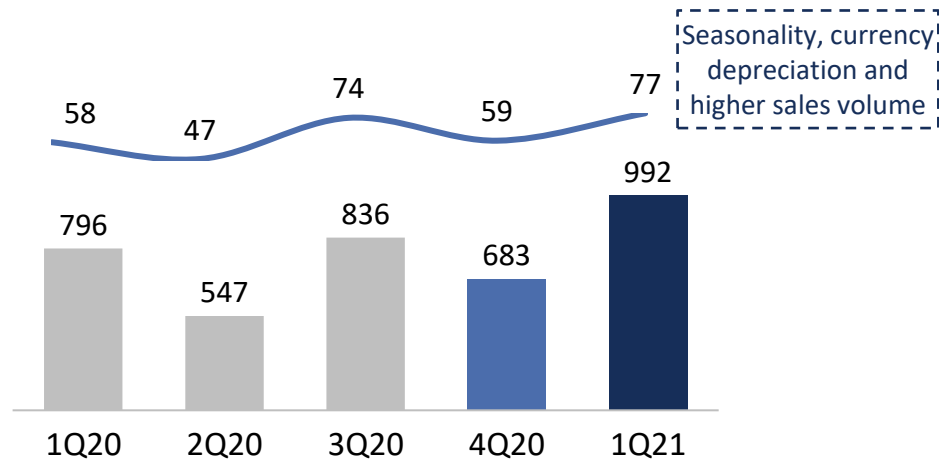
➤ **Impacts partially mitigated by greater flexibility and process improvements implemented over the last quarters**

Financial Result and Net Income [M BRL]

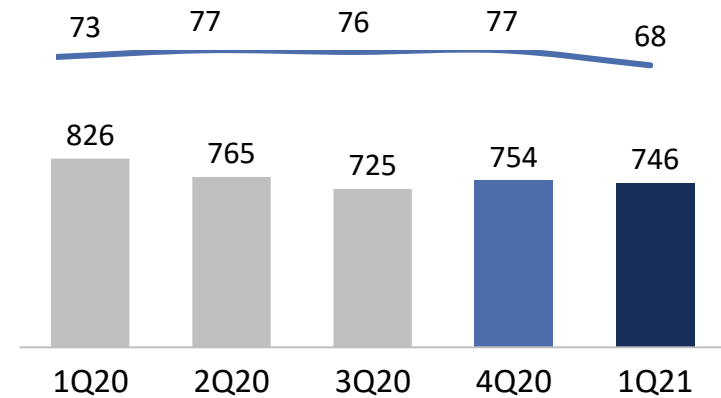


- Bond issuance amounting US\$ 375 million, maturing in 2031 and coupon of 4.5% p.a.
- Proceeds used for buy backing bonds maturing in 2024 at 6.625% p.a.
- **Quarterly results impacted by one-off expenses with early settlement premium and pro rata interest of R\$ 58 million** (impact of R\$ 38 million in the net income for the period)
- **Reduction of financial expenses in the amount of US\$ 6.3 million/year**

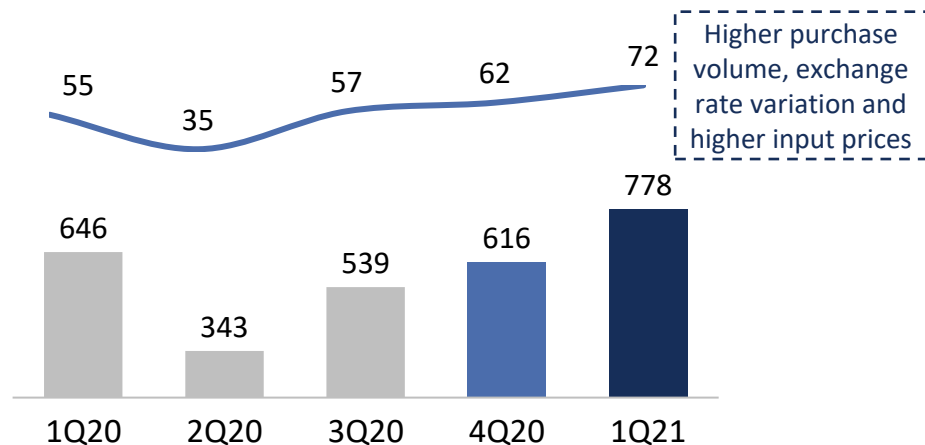
Accounts receivable [M BRL] and DSO [days]



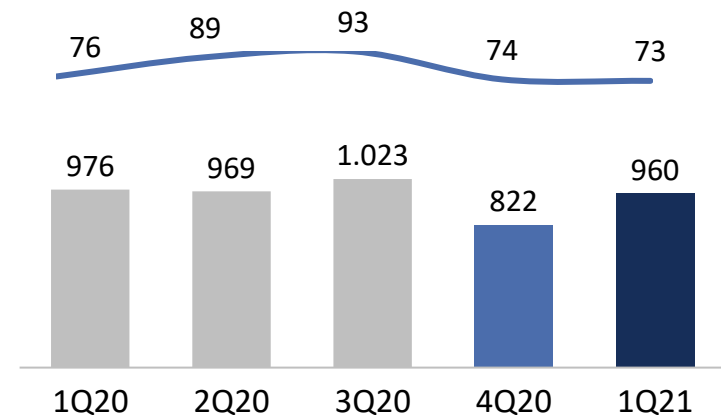
Inventories [M BRL] and DIO [days]



Accounts payable [M BRL] and DPO [days]

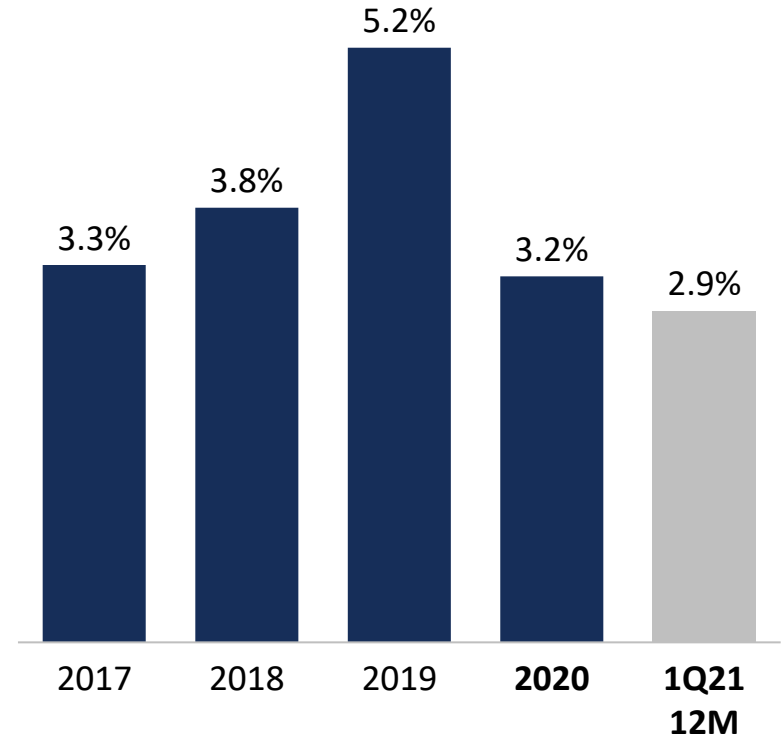
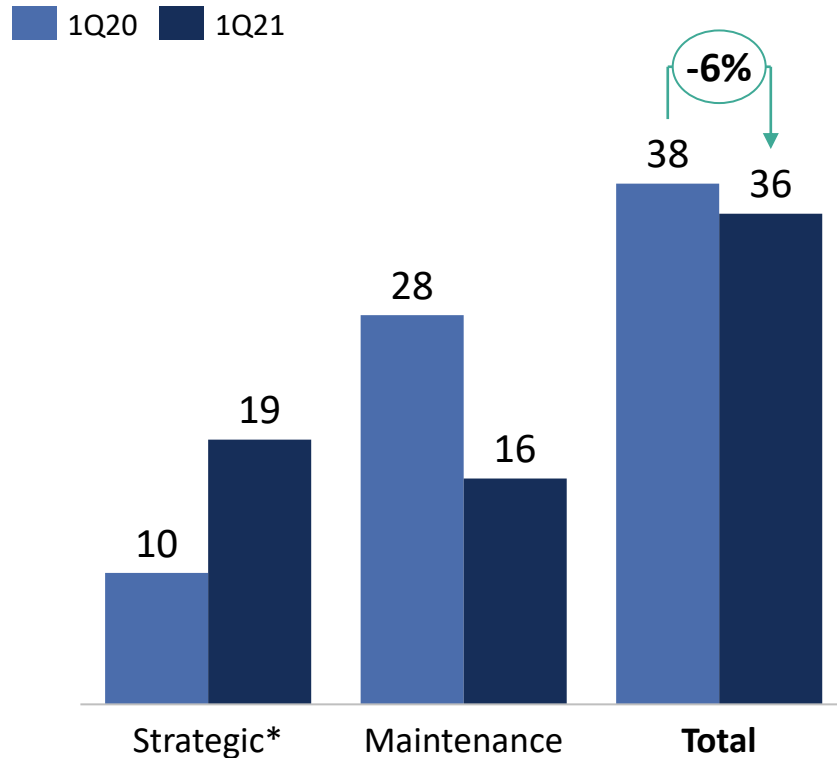


Working capital [M BRL] and CCC [days]



Investments 1Q21 vs 1Q20 [M BRL]

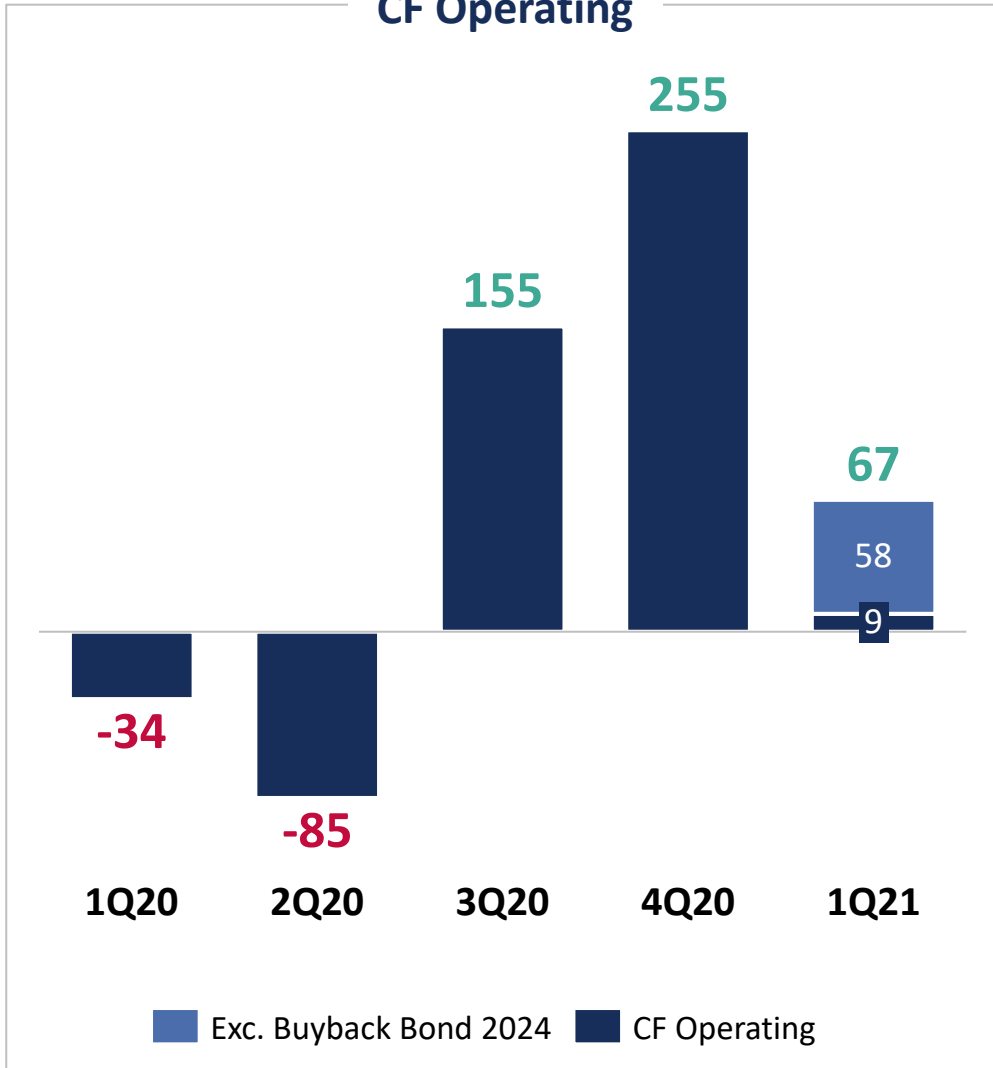
% Investments / Net Revenue



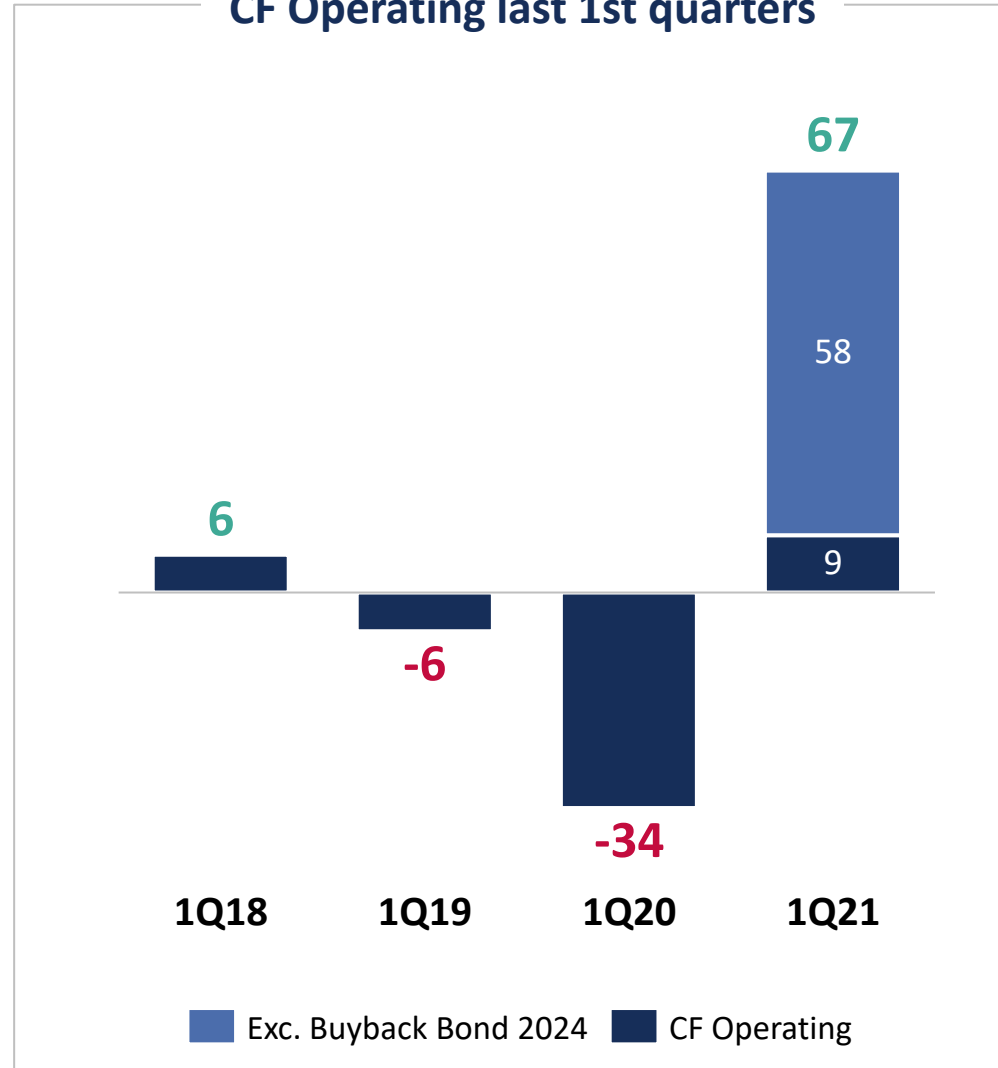
› Investments related to new machining projects, safety and environment

Amounts in M BRL

CF Operating

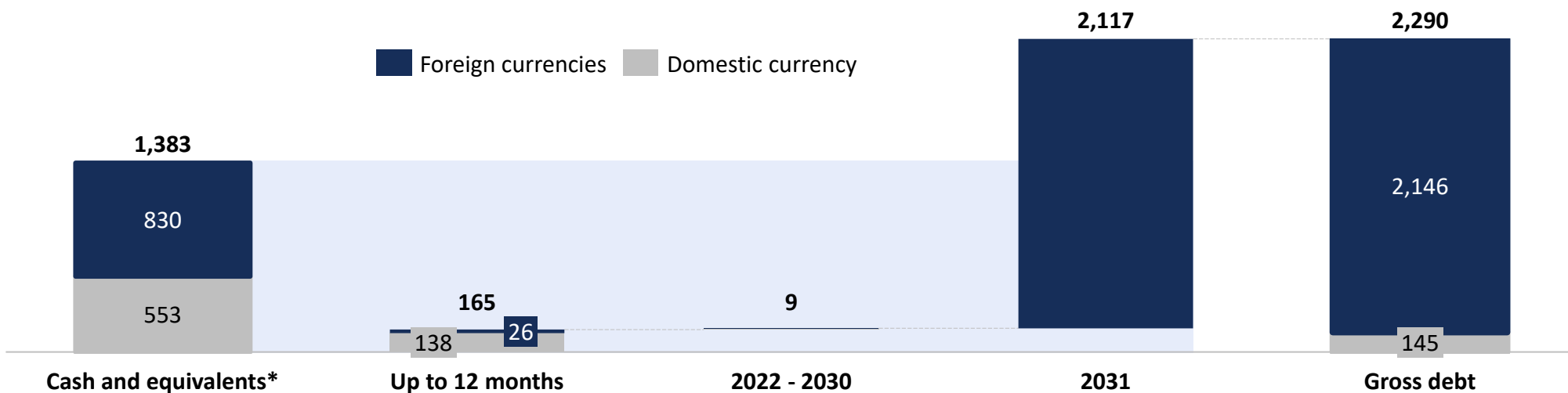


CF Operating last 1st quarters

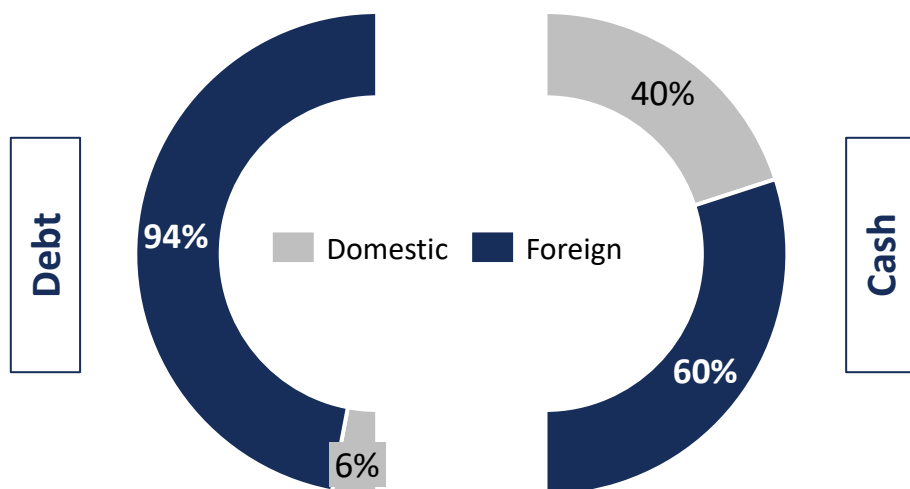


› Seasonal impact in cash flow in the first quarters

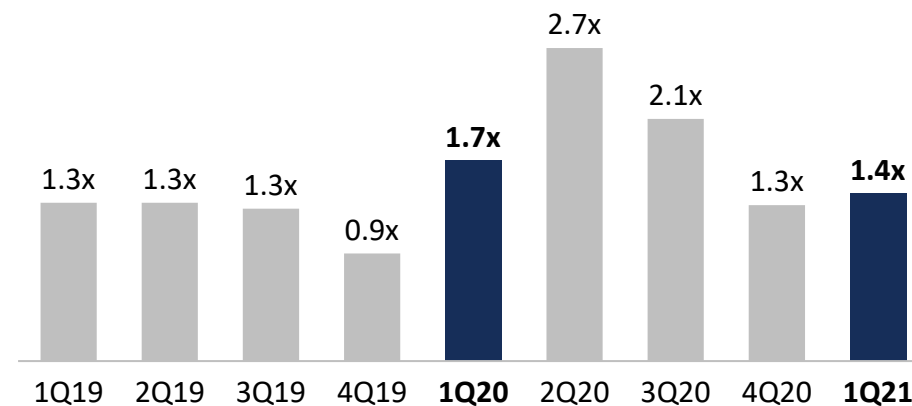
Debt [M BRL]



Currency breakdown [% total]

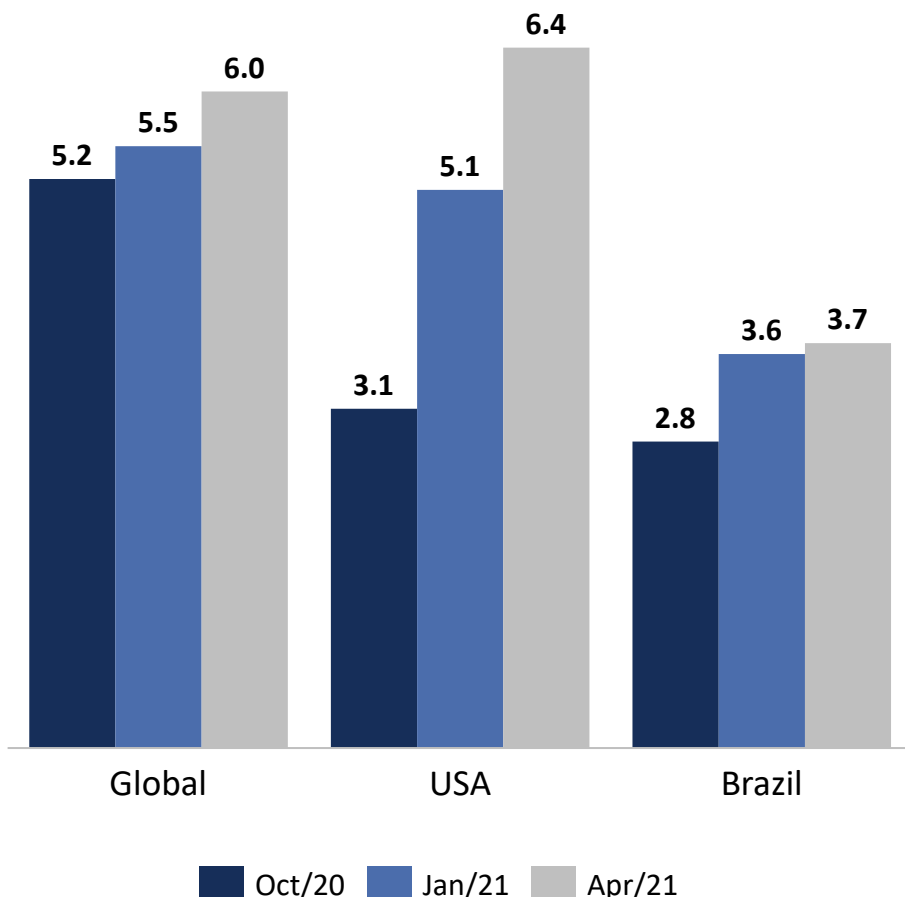


Net debt/Adjusted EBITDA 12M



*Includes derivatives

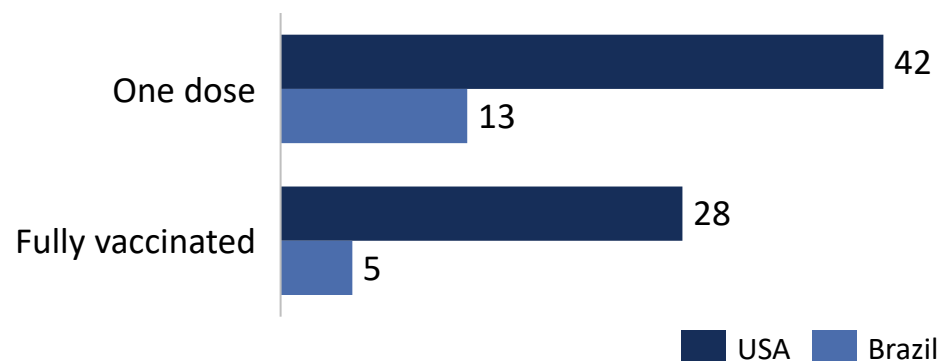
GDP Growth % 2021



Resumption of confidence and fiscal stimuli

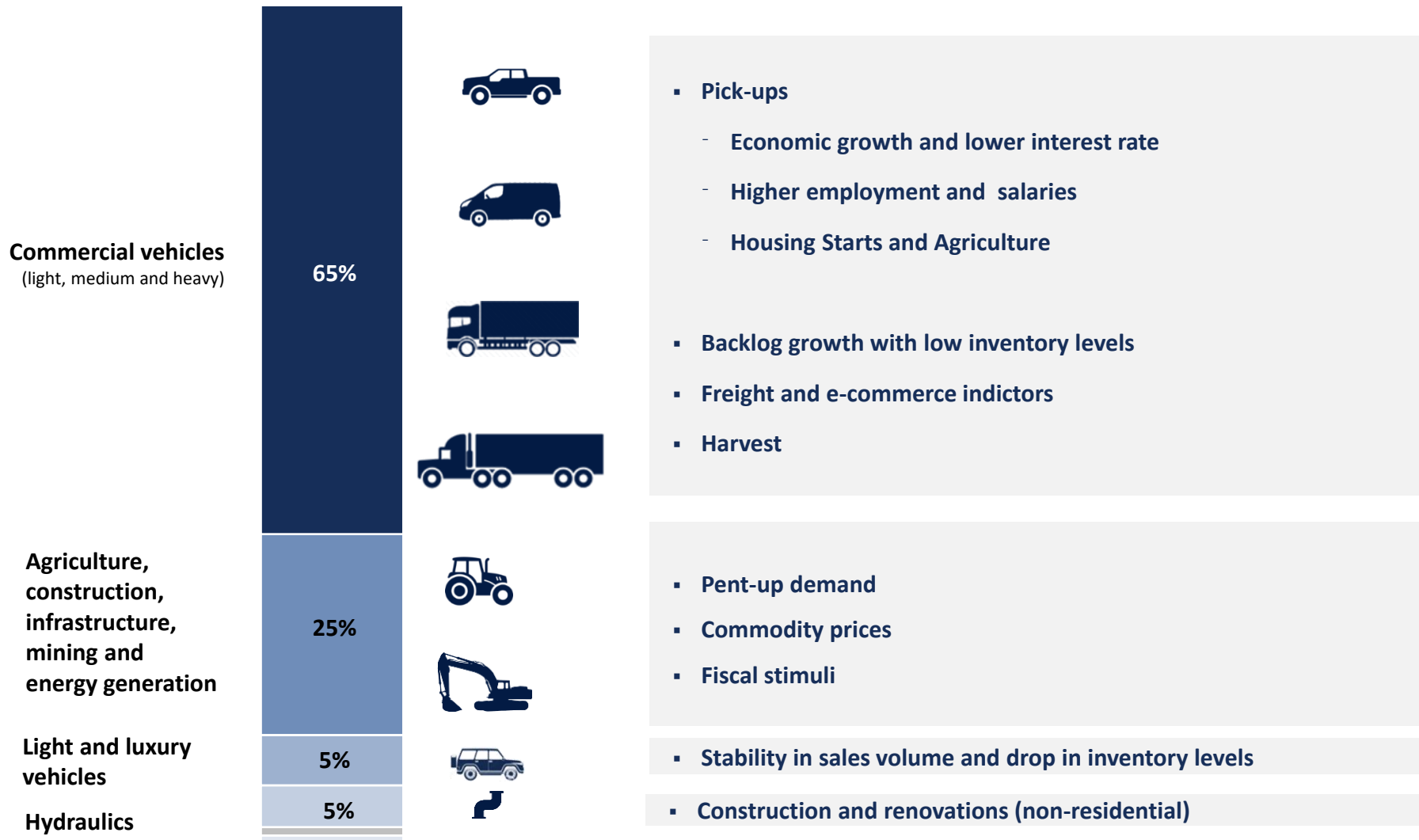
- Package of **US\$ 1.9 trillion** aimed at consumption
- **Investments in infrastructure** (under discussion)
 - 621 million in construction and repair of roads, bridges and railroads
 - 324 million in construction and remodeling of homes, a water supply and sewage services

% Population Vaccinated



› Resumption of consumption and investments significantly impact demand for products related to freight transport, infrastructure and agriculture

1Q21 LTM Net Revenue



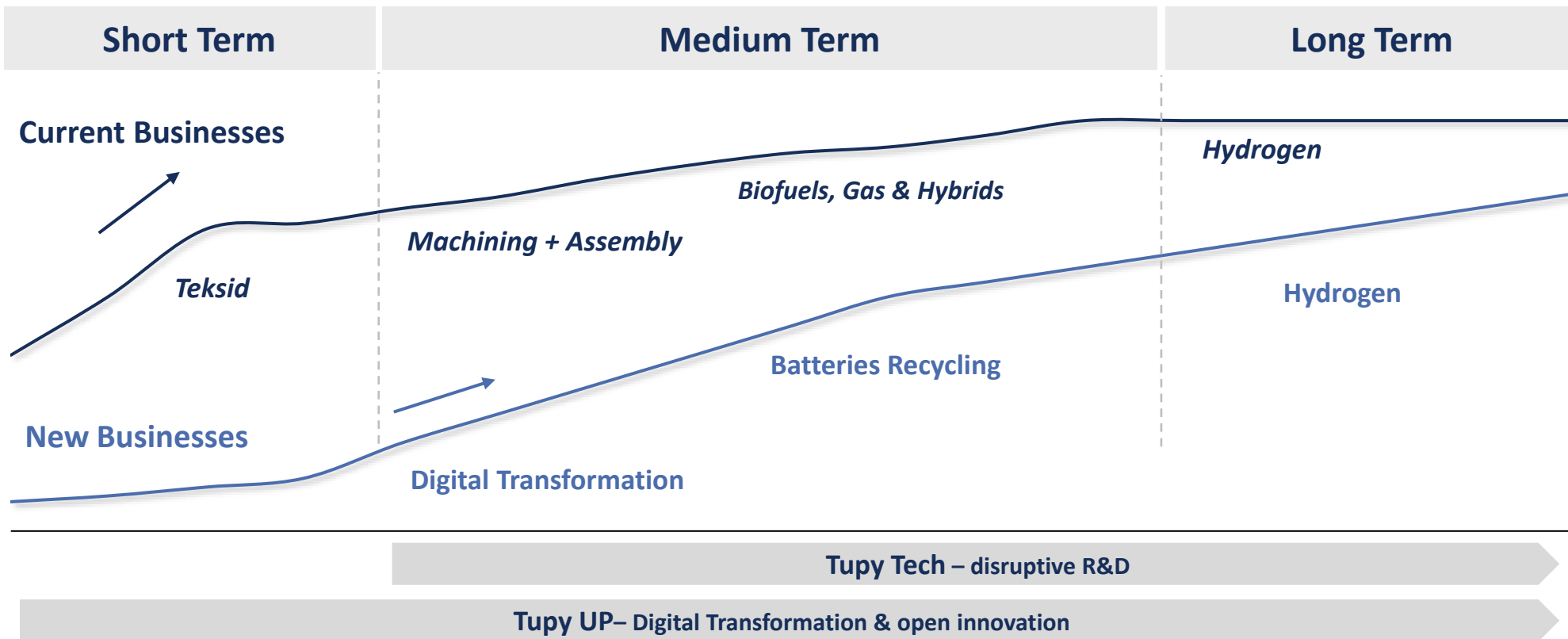
➤ Segments served by Tupy should perform well in 2021, due to the recovery of the global economy and the pent-up demand

Sustainability Report



- Report based on the **materiality matrix**, resulting from discussions with 735 stakeholders in Brazil and abroad
- **GRI Standard** (Global Report Initiative) and Sustainable Development Goals of the United Nations
- Guideline for managing our business and defining strategic objectives

➤ Sustainability is inherent to Tupy's business through the essentiality of our products, insertion in the circular economy and development of local communities



Actual

- Complete solutions in structural components

Asset Maximization:

- Operational and purchasing efficiency
- Complex alloys, Machining and Assembly

New

Businesses

- Opportunities in Decarbonization & New Economy

- Business synergies based in our knowledge in metallurgy and chemical process, and complex materials
- Circular Economy
- Automation and digitalization

Demand & Markets

- **Higher demand in all markets**, driven by government packages
- High value-added businesses (**machining and assembling**)
- **Global supply chain** management (semiconductors)

Operations

- **Operational and purchasing efficiencies continuous improvement**
- Mitigation of **materials costs increase**
- **Absenteeism management**

Approval of the acquisition of Teksid by the Brazilian antitrust authority

- Company's **largest** plant
- Operation with **higher opportunity for synergies**

Innovation

- **Partnerships and R&D for new businesses – Tupy Tech**
- Boosting innovation, intrapreneurship and **digital transformation across the Company – Tupy UP**

➤ **More eficiente Company prepared to take advantage of global growth**



TUPY

Investor Relations

+55 (11) 2763-7844

dri@tupy.com.br

www.tupy.com.br/ir

 [linkedin.com/company/tupy](https://www.linkedin.com/company/tupy)