



Caxias do Sul, RS, June 04, 2020. Randon S.A – Implementos e Participações (B3 – RAPT3 and RAPT4), the controlling holding company of twelve companies operating within the segments of vehicles and trailers, auto parts and services, reports its results for the first quarter (1Q20), ended in March 31, 2020. The interim financial information of the Company, except when otherwise stated, are consolidated in accordance with the international standards of IFRS – International Financial Reporting Standards and the monetary values are denominated in Reais.

RANDON® EARNINGS RELEASE 1Q20



HIGHLIGHTS

- **1Q20 Total Gross Revenue**, before consolidation, is R\$ 1.7 billion, an increase of 2.3% as compared to 1Q19 (R\$ 1.6 billion);
- **1Q20 Consolidated Net Revenue** is R\$ 1.2 billion, 3.0% up from the revenue achieved in 1Q19 (R\$ 1.1 billion);
- **1Q20 Consolidated EBITDA** is R\$ 107.0 million, with EBITDA margin of 9.2% and **1Q20 Adjusted EBITDA** of R\$ 150.0 million, with adjusted EBITDA margin of 12.6%.
- **1Q20 Net Income** is R\$ 3.0 million, and net margin of 0.3%, as compared to net income of R\$ 31.7 million in 1Q19.

MARKET CAP (03/31/2020)

R\$ 2.0 billion

RAPT3 and RAPT4 QUOTE (March 31, 2020)

RAPT3: R\$ 5.40

RAPT4: R\$ 5.99

1Q2020 CONFERENCE CALL RESULTS

- **June 5, 2020, Friday**
11:00 AM Brasília, 10:00 AM New York and 3:00 PM London
Dial-in from Brazil: + 55 (11) 3181-8565 / 4210-1803
Dial-in from USA: +1 844 204-8942 / +1 412 717-9627
- **Webcasting**
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empresasrandon



Randon S.A.

Randon started the year 2020 with good prospects expecting sales slightly higher than the year before. The results of January and February showed that what was accomplished was in accordance with the company's plans. What no one could have predicted is that an unprecedented pandemic would completely and quickly change the scenario in the second half of March.

Although under the economic and financial aspects, the impact of COVID-19 was not very relevant in 1Q2020, the lives and routine of people and companies changed radically, in all aspects. And it is in extreme situations like this, in the measures that are taken, that the guiding principles of a Company become more evident.

In the current context, the care for people has guided most of Randon's decisions. The contingency committee, formed by senior management members, was reactivated quickly to take fundamental actions to preserve the health of employees and their families, reinforcing hygiene instructions and protocols, granting mandatory vacations and encouraging remote work, to seek greater social distance.

In the communities, the Company reinforced its cooperative work and used its group strength to act in the donation of various items, among them hand sanitizer for truck drivers from all over the country and masks and glasses for hospitals and municipalities, in addition to parts used for the manufacture of ventilators and raw materials for the production of sanitizing solutions.

Randon has a strong cash position, which is fundamental to face the high degree of uncertainty in the business environment, especially in times of crisis. At that moment, the Company intensified efforts in actions to preserve its finances, such as the revision of the budget for the year and measures of investment contingency.

Despite the difficulties, periods of adversity also motivate organizations to quickly reinvent themselves and evolve. Since the last crisis, the Company has advanced in several aspects, among them the diversification of its businesses, which has made it more resilient and prepared to face and reduce the impacts of the volatility of the current scenario. At this moment, it is again accelerating important changes in the organization, such as digital transformation, efficiency gains, synergy in processes and growth of new business fronts.

Randon continues with its commitment to mitigate the effects of this crisis as much as possible, ensuring that the preservation of health and the resumption of activities happen simultaneously. In this way, the Company contributes to mitigate the effects of the pandemic on society, while strengthening its purpose to connect people and riches, generating prosperity.

Enjoy Reading it!

MAIN FIGURES

	1Q20	1Q19	Δ%	1Q20	4Q19	Δ%
Total Gross Revenue¹	1,674,718	1,636,372	2.3%	1,674,718	1,806,027	-7.3%
Domestic market²	1,528,834	1,483,432	3.1%	1,528,834	1,621,980	-5.7%
Exports¹	145,884	152,941	-4.6%	145,884	184,047	-20.7%
Consolidated Exports US\$	17,420	30,601	-43.1%	17,420	31,821	-45.3%
Revenues from Overseas US\$²	52,405	68,605	-23.6%	52,405	77,500	-32.4%
Consolidated Net Revenue	1,167,733	1,133,591	3.0%	1,167,733	1,285,323	-9.1%
Consolidated Gross Profit	252,181	268,875	-6.2%	252,181	304,172	-17.1%
Gross Margin (%)	21.6%	23.7%	-212 bps	21.6%	23.7%	-207 bps
Consolidated Net Profit	2,994	31,665	-90.5%	2,994	52,874	-94.3%
Net Margin (%)	0.3%	2.8%	-254 bps	0.3%	4.1%	-386 bps
Consolidated EBITDA	106,980	134,306	-20.3%	106,980	160,620	-33.4%
EBITDA Margin (%)	9.2%	11.8%	-269 bps	9.2%	12.5%	-334 bps
Adjusted EBITDA	150,006	152,834	-1.9%	150,006	157,138	-4.5%
Adjusted EBITDA Margin (%)	12.6%	13.3%	-070 bps	12.6%	12.2%	034 bps

¹ Without eliminating intercompany sales

² Exports + Revenues from Overseas

Values in R\$ Thousands

OPERATING PERFORMANCE
Total Gross Revenue

In 1Q20, the Company's total gross revenue with taxes and before consolidation, totaled R\$ 1.7 billion, an increase of 2.3% as compared to the revenue achieved in 1Q19 (R\$ 1.6 billion). Comparing with 4Q19, total gross revenue was 7.3% lower (R\$ 1.8 billion in 4Q19).

Consolidated Net Revenue

Consolidated net revenue totaled R\$ 1.2 billion in 1Q20, an increase of 3.0% compared to the same period in 2019 (R\$ 1.1 billion). When compared to the 4Q19, consolidated net revenue decreased 9.1%.

Revenue Analysis

Comparing with 1Q19, the Trailers Division and the Auto Parts Division presented an evolution of 3.4% and 2.0% respectively in net revenue.

The increase in Trailers Division is due to the sale of semitrailers in the domestic market. In the Auto Parts division, business diversification and favorable exchange rates were the main growth drivers.

The drop in revenue in comparison with 4Q19 is directly linked to the:

- i) Unscheduled shutdown of activities in March due to the adoption of mandatory vacation due to COVID-19;
- ii) Reduction in exports in practically all business units.

Traditionally, the first quarter of the year has fewer working days due to holidays and Carnival. In addition to that, the environment of uncertainties caused by the outbreak of the novel coronavirus, brought additional factors to reduce demand.

Additionally, in 1Q20, there were some changes in the economic scenario that affected the business environment: i) reductions in the interest rate, which at the end of May, was already at 3% per year; ii) lower inflation of the last 12 months, with a downward trend due to the impacts of COVID-19; iii) devaluation of the Real against the dollar, from R\$4.0213 on 01/02/20 to R\$5.1987 on 03/31/2020 (+ 29.3%); iv) confidence indicators at levels below those of 2018 and 2019; and v) GDP with a downward trend, with a strong drop forecasted for 2020.

CONSOLIDATED NET REVENUE BREAKDOWN BY COMPANY

Intercompany sales accounted for 12.0% of total 1Q20 revenues (13.0% in 1Q19), as it can be seen in the following table:

	NET REVENUE	1Q20 INTER-COMPANY SALES	CONSOLIDATED NET REVENUE	% OVER REVENUE	1Q19 CONSOLIDATED NET REVENUE	% OVER REVENUE
Randon S.A. Impl. e Participações (Parent Company)	469,532	19,782	449,750	38.5%	446,751	39.4%
Randon Impl. p/ó Transporte Ltda.	4,475	-	4,475	0.4%	8,509	0.8%
Randon Veículos Ltda.	11,452	990	10,461	0.9%	876	0.1%
Randon Triel-HT Implementos Rodoviários Ltda.	16,446	2,086	14,360	1.2%	-	0.0%
Randon Perú S.A.C.	3,552	-	3,552	0.3%	2,900	0.3%
Randon Argentina S.A.	18,749	6,288	12,461	1.1%	19,912	1.8%
Trailers	524,206	29,147	495,059	42.4%	478,948	42.3%
Master Sist. Automotivos Ltda.	128,692	41,592	87,101	7.5%	96,211	8.5%
Jost Brasil Sistemas Automotivos Ltda.	62,866	23,638	39,228	3.4%	45,151	4.0%
Fras-Le S.A. (Consolidated)	341,810	9,798	332,012	28.4%	310,695	27.4%
Randon S.A. Impl. e Participações (Suspensys)	114,900	1,722	113,178	9.7%	111,406	9.8%
Castertech Fundação e Tecnologia Ltda	100,914	49,654	51,260	4.4%	46,842	4.1%
Auto Parts	749,182	126,402	622,780	53.3%	610,304	53.8%
Randon Administradora de Consórcios Ltda.	38,212	-	38,212	3.3%	36,925	3.3%
Randon Investimentos Ltda.	15,232	3,556	11,677	1.0%	7,409	0.7%
Randon Collection Com. Art. Prom. Ltda.	11	5	6	0.0%	5	0.0%
Services	53,456	3,561	49,895	4.3%	44,339	3.9%
TOTAL	1,326,843	159,110	1,167,733	100.0%	1,133,591	100.0%

Values in R\$ Thousands

CONSOLIDATED NET REVENUE AND PHYSICAL SALES VOLUME BREAKDOWN

	1Q20		1Q19		Δ% Un.	1Q20		4Q19		Δ% Un.
	Un.	% CNR	Un.	% CNR		Un.	% CNR	Un.	% CNR	
Trailers		42.4%		42.3%			42.4%		45.3%	
Trailers/Semi-Trailers Brazil (un.)	5,186	32.0%	4,358	27.6%	19.0%	5,186	32.0%	5,736	34.0%	-9.6%
Trailers/Semi-Trailers Overseas (un.)	464	4.7%	777	6.3%	-40.3%	464	4.7%	654	5.4%	-29.1%
Rail cars (un.)	-	0.0%	86	2.7%	-100.0%	-	0.0%	6	0.1%	-100.0%
Aftermarket	-	4.8%	-	3.9%	-	-	4.8%	-	4.2%	-
Specialty Vehicles (un.)	58	1.0%	97	1.8%	-40.2%	58	1.0%	91	1.6%	-36.3%
Auto Parts		53.3%		53.8%			53.3%		50.9%	
Friction Material (un.)	23,258	21.0%	27,645	20.5%	-15.9%	23,258	21.0%	26,706	20.9%	-12.9%
Other Materials Fras-le (un.)	4,571	7.4%	5,448	6.9%	-16.1%	4,571	7.4%	4,859	7.4%	-5.9%
Brakes (un.)	151,072	7.5%	182,660	8.5%	-17.3%	151,072	7.5%	158,640	7.2%	-4.8%
Coupling Systems (un.)	26,534	3.4%	30,011	4.0%	-11.6%	26,534	3.4%	27,556	3.4%	-3.7%
Suspension and axles (un.) ¹	32,199	9.7%	32,704	9.8%	-1.5%	32,199	9.7%	31,606	8.9%	1.9%
Hubs and drums (un.)	123,331	4.4%	110,503	4.1%	11.6%	123,331	4.4%	117,881	3.2%	4.6%
Services		4.3%		3.9%			4.3%		3.8%	
Coop-payment plan quotas sold	2,213	3.3%	2,794	3.3%	-20.8%	2,213	3.3%	3,769	3.1%	-41.3%
Randon Investimentos (Randon Bank)	-	1.0%	-	0.7%	-	-	1.0%	-	0.7%	-
Total		100%		100%			100%		100%	

¹ The suspension and axles volumes were revised to better reflect the units sold by the subsidiary Suspensys. The history of these volumes can be obtained in the section Interactive Spreadsheets - Consolidated Data Randon S/A.

COMMENTS BY MARKET SEGMENT
Brazilian Market of Commercial Vehicles
Production

	1Q20	1Q19	Δ%	1Q20	4Q19	Δ%
Trailers ³	13,641	14,733	-7.4%	13,641	16,388	-16.8%
Trucks ²	24,706	24,761	-0.2%	24,706	26,024	-5.1%
Buses ²	5,974	6,116	-2.3%	5,974	5,888	1.5%

Source:

¹ ANFIR

² ANFAVEA

³ ANFIR + AliceWeb

Sales

	1Q20	1Q19	Δ%	1Q20	4Q19	Δ%
Trailers ¹	13,164	13,949	-5.6%	13,164	15,741	-16.4%
Trucks ²	19,242	21,464	-10.4%	19,242	27,080	-28.9%
Buses ²	3,661	4,680	-21.8%	3,661	5,736	-36.2%

Vehicles and Trailers

The Brazilian trailer market started 2020 with a strong demand, as a result of sales made at FENATRAN and reinforced by the positive growth prospects for the country.

However, the negative effect of the pandemic on business accentuated in March, making this the weakest month in the quarter. In the quarterly comparison, this effect is observed: 13,164 units were delivered in 1Q20 against 13,949 in 1Q19 (-5.6%).

Another negative effect in March was that, due to the social distancing measures, most National Department of Transportation offices in Brazil had their activities suspended, making it impossible for a part of the products sold to be registered.

As a result, this shutdown caused distortions not only in the market share of all manufacturers, but also created a considerable difference between the volumes reported by the Company and its products registered in the period.

Randon recorded a 34% market share in 1Q20, corresponding to 4,479 products. However, the Company's total sales amounted to 5,650 units in the quarter, being 5,186 for the domestic market and 464 for markets overseas.

Sales remain largely to agribusiness customers. The expectation of a record harvest, coupled with a favorable exchange rate for agricultural commodity exports, has benefited this economic sector in the first quarter of 2020.

In markets overseas, the expectation for the beginning of 2020 was of an already challenging scenario due to the political and economic situation of the main export destinations of the Company, such as Chile and Argentina.

With the advent of Covid-19, the situation in these and other countries became even more adverse, resulting in a 40.3% drop in volumes exported by Randon in 1Q20 compared to 1Q19.

Railcars

After a 2019 that presented the lowest volumes of the last decade, the expectation for 2020 is for a slight recovery, still below the normalized historical levels, which are estimated to be between 3 and 4 thousand units per year.

The announcement of the renewal of the Malha Paulista concession, at the end of May, was the positive news of the period and signals to the market that other railways may also have their concessions renewed in the near future.

The counterpart for this renewal is a series of investments to be made, ranging from the construction of new railways and railway sections to the acquisition of locomotives and railcars for a period of at least 5 years, giving greater predictability to the Brazilian railway industry.

However, these investments will not yet impact the short term, which is why the market should remain weak in the coming months, as in the first quarter result for Randon, which did not manufacture any railcar in the period.

Auto Parts

Truck production presented a first quarter with stable volumes compared to 1Q19. Even with the effects of the pandemic already reverberating throughout Brazil and with many companies granting mandatory vacations during the second half of March, most of the OEMs chose to make this movement during the month of April.

As a result, the volumes of trucks produced in the quarter had practically no effects resulting from this new scenario and remained stable compared to the same period of the previous year (24,706 in 1Q20, against 24,761 in 1Q19).

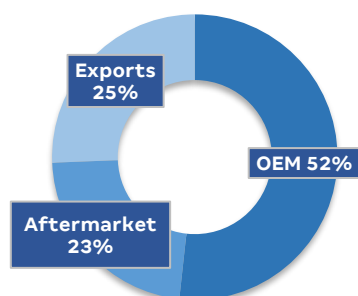
In sales, there was a more negative scenario. The OEMs Dealers, as well as several other businesses considered non-essential, had to remain closed as of mid-March, following government decrees across the country, as a measure to contain contagion with the novel coronavirus.

This factor, combined with the closure of National Department of Transportation offices (commented on the vehicle and trailer segment) and the increase in uncertainty regarding the effects of the pandemic on the economy, caused a 10.4% drop in sales in 1Q20, with 19,242 units, in comparison to 21,464 units in 1Q19.

When analyzing the volumes of the Company's Auto Parts division, there was a drop in practically all of them, largely due to the mandatory vacations adopted as of 03/23, which interrupted their production.

In the aftermarket, the scenario remained challenging, both in Brazil and abroad. However, the favorable exchange rate for exports partially mitigated the effects of the decrease in volumes, mainly in Fras-le.

In the graph below, it is possible to see the revenue distribution of this division by market in 1Q20:



COVID-19

Since the beginning of the Covid-19 outbreak, Randon has been adopting several measures to protect the health of its employees and their families, ensure the continuity of operations and contribute to the functioning of the local and global economy. In addition to paralyzing its operations for 20 days, the Company implemented actions such as mandatory vacations, flexible working hours and remote working (administrative area). In addition, prevention initiatives such as measuring employees' body temperature when accessing the company, using sprayers and other hygiene resources and also installing attention desks in every business unit to assist and answer questions.

Although the Company has a solid and robust cash position that guarantees the payment of its debt and its suppliers in due maturities, even in this moment of shutdown, Randon also adopted measures to maintain its financial health such as:

- Investment prioritization;
- Reactivation of the contingency committee;
- Annual budget review and periodic update of scenarios and;
- Strict approval process for new expenses.

In compliance with the Securities and Exchange Commission Circular Letter No. 02/2020 of March 10, 2020, which deals with the effects of the Covid-19 pandemic on the Company's quarterly information, Management assessed the main accounting risks and impacts, in addition to the uncertainties that could affect it.

Credit risks were reviewed and circumstances that would indicate impairment of the Company's financial assets were assessed, and no impacts were found due to the pandemic. Management has also not identified contingencies or the need for other provisions arising from COVID-19.

When revisiting the estimate of realization of deferred assets on tax loss, the Company identified that there is no expectation of using the losses within the subsidiary Randon Veículos and indirect subsidiary ASK Fras-le within the legal term. For this reason, the write-offs of R\$ 1.8 million and R\$ 5.2 million of deferred tax were recognized for these units, respectively.

For further details, see note 2 in the financial statements.

FOREIGN MARKET

Sales to the foreign market, from Brazilian plants, decreased by 34.1% when comparing 1Q20 with 1Q19, and by 41.2% with 4Q19.

Exports were already going through a difficult time before the pandemic. Complex economic scenarios, a drop in the price of oil and other commodities, a trade war between China and the USA, have made the business environment challenging since 2019, in most regions where the Company operates.

The months of January and February 2020 saw a slight recovery in some markets, making room for price adjustments and new negotiations. However, in the second half of March, sales practically stopped. The Trailers division was the most impacted by this scenario, due to the characteristic of its product.

The rigor of the measures adopted in several countries, mainly those in South America, with the restriction of people's mobility and the operation of industries and shops related to non-essential goods, suspended product negotiations that were in progress.

Despite the worsening demand, the appreciation of the dollar allowed export revenues to bring good sales margins, even with a lower volume level.

Exports Analysis by Economic Blocs

Mercosur+Chile: represented 37.7% of exports in the quarter, the most relevant in the period. Before the pandemic, it had a slight recovery in volumes of semi-trailers due to the increase in the price of mineral commodities, such as copper, and the resumption of civil construction. In Auto Parts, this region performed as planned in 1Q20. There was no cancellation of orders due to COVID-19, only postponement of product delivery.

USMCA: second main market of Randon Companies, was responsible for 36.0% of exports in 1Q20. Due to the inventory level of one of the main customers in this region, Meritor, the demand for Auto Parts for OEMs was slightly below planned, but with good performance in the aftermarket sales. Mexico presents a reduction due to the change of government, reduction of GDP and measures to prevent coronavirus.

Africa: with 4.3% of total exports, this continent faces difficulties due to the reduction in oil prices. Sales of trailers and auto parts occur at low volumes and new opportunities are being evaluated.

Asia: it was one of the first continents affected by the novel coronavirus, but it has returned to normal operations and has good prospects.

Europe: with good performance at the beginning of the year, sales reached 2.2% of consolidated exports. As with other markets, it will have impacts in 2Q20 due to the pandemic.

South and Central America: the most representative country in this block for Randon Companies is Colombia, which, through the indirect subsidiary Fras-le Panamericana, has achieved good volumes of auto parts. Sales to countries in this region totaled 13.5% of consolidated exports.

Middle East and Oceania: together, these regions account for 5.2% of exports. In the Middle East there was a reduction in demand from the local market related to weak economic activity.

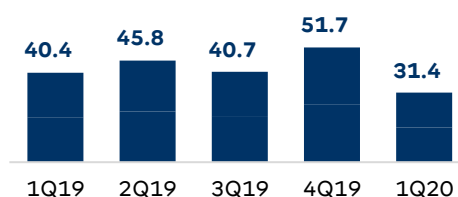
Revenues from Abroad

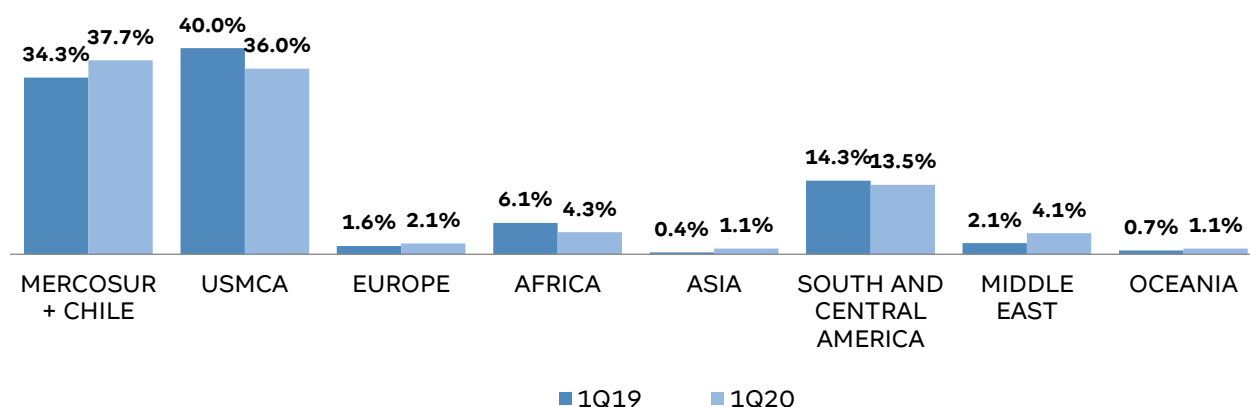
In the operations of companies installed abroad, gross revenue, with eliminations of sales between companies, in 1Q20, totaled US\$ 35.8 million, compared to US\$ 40.2 million in 1Q19, a reduction of 10.9%. The total between the sum of exports and revenues generated abroad (with eliminations) was US\$ 54.5 million in 1Q20 against US\$ 68.6 million in 1Q19 (-20.5%).

The business units located abroad did not have a significant impact of the novel coronavirus in the first quarter of the year and most of them reached the planned revenue for this period. The exception was Fras-le China, which stopped production for 17 days, following the Chinese government instructions, and only resumed operations in March.

The other subsidiaries stopped their operations at the end of March, as well as in Brazil.

Exports
(US\$ Million)



Exports Breakdown by Economic Blocs


See below the exports in the period, by company:

Exports	1Q20	1Q19	Δ%	1Q20	4Q19	Δ%
Randon S/A and Randon SP	10,258	14,553	-29.5%	10,258	13,747	-25.4%
Randon Veículos	218	57	281.0%	218	1,309	-83.4%
Trailers	10,476	14,610	-28.3%	10,476	15,056	-30.4%
Master	1,870	3,937	-52.5%	1,870	4,631	-59.6%
Jost	529	890	-40.6%	529	1,033	-48.8%
Fras-le	16,852	19,631	-14.2%	16,852	29,138	-42.2%
Randon (Division Suspensys)	1,239	1,140	8.7%	1,239	1,595	-22.3%
Castertech	417	195	113.8%	417	221	88.1%
Auto Parts	20,906	25,792	-18.9%	20,906	36,619	-42.9%
Sub-Total	31,383	40,402	-22.3%	31,383	51,675	-39.3%
(-) Intercompany Sales	-13,963	-9,801	42.5%	-13,963	-19,854	-29.7%
Total	17,420	30,601	-43.1%	17,420	31,821	-45.3%

Revenues from overseas	1Q20	1Q19	Δ%	1Q20	4Q19	Δ%
Trailers	5,668	6,794	-16.6%	5,668	5,873	-3.5%
Auto Parts	33,503	33,912	-1.2%	33,503	43,775	-23.5%
(-) Intercompany Sales	-4,186	-2,703	54.9%	-4,186	-3,969	5.5%
Total	34,985	38,003	-7.9%	34,985	45,678	-23.4%

Foreign Market US\$	52,405	68,605	-23.6%	52,405	77,500	-32.4%
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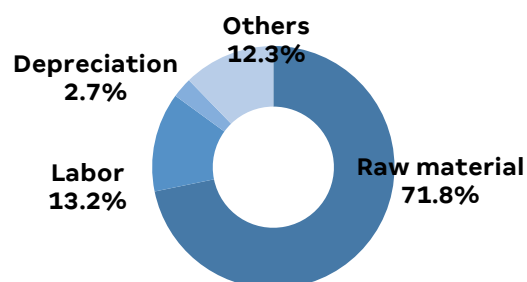
Values in US\$ Mil

COGS

In 1Q20, the cost of goods sold represented 78.4% of consolidated net revenue or R\$ 915.6 million. In the same period of 2019, COGS totaled R\$ 864.7 million and represented 76.3% of consolidated net revenue.

1Q20 COGS was affected by the dollar increase and the readjustment in prices of products such as industrial gas, mechanical and pneumatic springs. In this period, there was also a worsening in the absorption of fixed costs due to the reduction in volumes in some business units.

The following chart shows COGS breakdown in 1Q20:

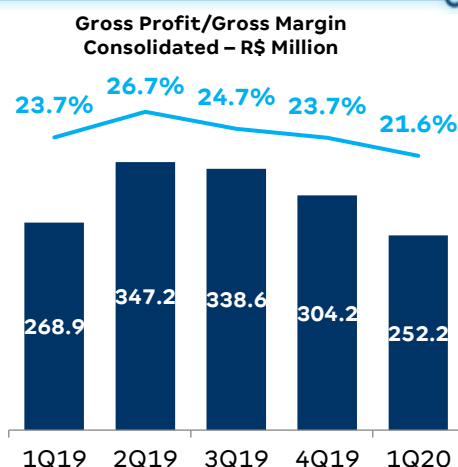


GROSS PROFIT

Gross profit in 1Q20 amounted to R\$ 252.2 million, a 6.2% reduction compared to the same period last year (R\$ 268.9 million). Gross margin went from 23.7% in 1Q19 to 21.6% in 1Q20.

This reduction is due to the increased impact of hedge accounting on revenues and the increase in COGS.

The chart on the right shows the behavior of gross profit and gross margin over the past quarters.



OPERATING EXPENSES

Operating expenses (administrative, commercial and other operating revenues and expenses) amounted to R\$ 188.7 million in 1Q20, an increase of 10.2% over the same period in 2019, when they totaled R\$ 171.2 million. In comparison with 4Q19, operating expenses decreased by 1.2%.

The increase in comparison with 1Q19 is mainly concentrated in administrative expenses and other operating expenses. In 1Q20, administrative expenses of the companies Suspensys México, Randon Triel-HT and Ferrari were added, which were not yet part of the consolidated in 1Q19. In addition, although the dollar-denominated administrative expenses of foreign subsidiaries have remained unchanged, in the conversion to Reais, the exchange rate increase negatively affected the comparison.

In other operating expenses, the increase refers to unusual events that occurred in 1Q20, which together totaled R\$ 17 million, and will be explained below.

Operating expenses represented 16.2% of consolidated net revenue in 1Q20, against 15.1% in 1Q19.

Below is a table with the breakdown of operating expenses:

Other Operating Expenses/Revenues

Other operating revenues in 1Q20 totaled R\$ 11.0 million (0.9% over consolidated net revenue) against R\$ 8.9 million in the same quarter of 2019 (0.8% over consolidated net revenue). The value of other operating income refers to revenues from rents, gains from lawsuits, reversal of provisions, sales of assets and interest of consortium members.

Other operating expenses reached R\$ 34.5 million (3.0% of consolidated net revenue in 1Q20) against R\$ 13.7 million in the first quarter of 2019 (1.2% of consolidated net revenue).

In 1Q20, some unusual expenses were concentrated, such as the impairment of a non-operating asset sale of the Trailers division in the amount of R\$ 9.1 million, the impairment of the investment of the indirect subsidiary JURID of R\$ 5.7 million and Fras-le's assets demobilization of R\$ 2.2 million.

Other operating expenses consist of fines, provisions for contingencies, attorney's fees, fixed assets written off, profit sharing program and other provisions.

	1Q20	%	1Q19	%	Δ%	1Q20	%	4Q19	%	Δ%
Selling Expenses	-95,091	-8.1%	-102,503	-9.0%	-7.2%	-95,091	-8.1%	-112,891	-8.8%	-15.8%
Administrative Expenses	-70,127	-6.0%	-63,914	-5.6%	9.7%	-70,127	-6.0%	-78,338	-6.1%	-10.5%
Other Expenses/Income	-23,451	-2.0%	-4,796	-0.4%	389.0%	-23,451	-2.0%	232	0.0%	-10189.6%
Other Operating Expenses	-34,455	-3.0%	-13,653	-1.2%	152.4%	-34,455	-3.0%	-29,365	-2.3%	17.3%
Other Operating Income	11,004	0.9%	8,857	0.8%	24.2%	11,004	0.9%	29,597	2.3%	-62.8%
Total Operating Exp/Income	-188,669	-16.2%	-171,213	-15.1%	10.2%	-188,669	-16.2%	-190,997	-14.9%	-1.2%

Values in R\$ Thousand and % over Net Revenue

EBITDA – Gross Cash Generation

In 1Q20, consolidated EBITDA totaled R\$ 107.0 million, a decrease of 20.3% in relation to the amount obtained in the same quarter of 2019 (R\$ 134.3 million). The EBITDA margin went from 11.8% in 1Q19 to 9.2% in 1Q20.

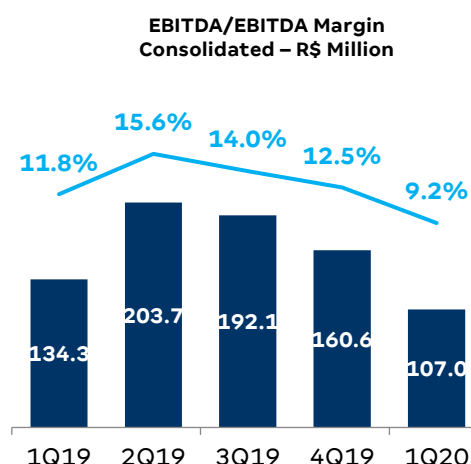
	1Q20	1Q19	Δ%	1Q20	4Q19	Δ%
Consolidated Net Revenue	1,167,733	1,133,591	3.0%	1,167,733	1,285,323	-9.1%
Cost of Goods Sold	-915,552	-864,716	5.9%	-915,552	-981,151	-6.7%
Consolidated Gross Profit	252,181	268,875	-6.2%	252,181	304,172	-17.1%
(-) Operating Expenses	-165,218	-166,417	-0.7%	-165,218	-191,229	-13.6%
(-) Other expenses/income	-23,451	-4,796	389.0%	-23,451	232	-10189.6%
Operational Results	63,513	97,662	-35.0%	63,513	113,175	-43.9%
(+) Depreciation/Amortization	43,468	36,644	18.6%	43,468	47,445	-8.4%
EBITDA Consolidated	106,980	134,306	-20.3%	106,980	160,620	-33.4%
EBITDA Margin (%)	9.2%	11.8%	-270bps	9.2%	12.5%	-330bps

Values in R\$ Thousand

The Consolidated EBITDA decrease is mainly explained by non-recurring expenses that were recognized in 1Q20, and totaled R\$ 43 million in this period. The table below shows the composition of Adjusted EBITDA by division in 1Q20 and a description of non-recurring expenses:

	Trailers	Auto Parts	Services	Consolidated
Consolidated Net Revenue¹	495,059	622,780	49,895	1,167,733
(-) COGS	-443,318	-465,513	-6,722	-915,552
Gross Profit	51,741	157,267	43,173	252,181
(-) Operating Expenses	-58,927	-100,084	-29,659	-188,669
(+) Hedge Accounting	26,101	-	-	26,101
(+) JURID's Investment Impairment	-	5,686	-	5,686
(+) Non-operating asset sale Impairment	9,080	-	-	9,080
(+) Fras-le's assets demobilization	-	2,159	-	2,159
Operational Results	27,995	65,029	13,515	106,539
(+) Depreciation/Amortization	12,565	30,788	115	43,468
Adjusted Consolidated EBITDA	40,560	95,817	13,630	150,006
Adjusted EBITDA Margin (%)	7.8%	15.4%	27.3%	12.6%

To calculate Adjusted EBITDA, Hedge Accounting is added to Net Revenue.


INCOME TAX AND SOCIAL CONTRIBUTION

Income Tax and Social Contribution totaled R\$ 28.4 million in 1Q20 (R\$ 21.4 million, in 2019), for Earnings Before Taxes of R\$ 36.1 million (R\$ 63.0 million, in 1Q19).

Due to the fact that there is no estimate of taking credit of tax losses in the next ten years, of the subsidiaries Randon Veículos and ASK Fras-le, in this quarter the deferred taxes were written off in the amount of R\$ 7.0 million from these units. In addition, an adjustment of R\$ 5.3 million was made to the deferred tax of the subsidiary Randon Argentina.

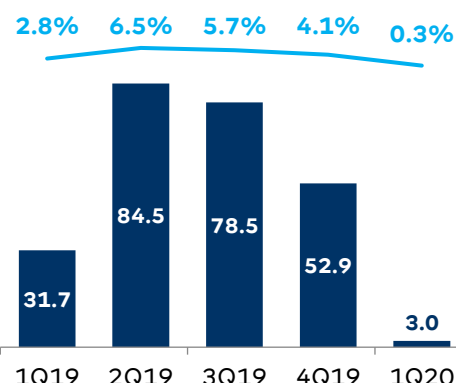
These negative entries, and the reduction of taxes on account of the one offs mentioned above, affected Income Tax and Social Contribution by R\$ 7.3 million.

NET INCOME

In 1Q20, net income totaled R\$ 3.0 million against R\$ 31.7 million in 1Q19. The consolidated net margin was 0.3% in 1Q20 against 2.8% in 1Q19.

Considering non-recurring events and deferred tax write-offs, the net result for 1Q20 was negatively affected in R\$ 50.4 million.

Net Profit/Net Margin
Consolidated - R\$ Million



FINANCIAL RESULTS

The net financial result in 1Q20 amounted to a negative R\$ 27.4 million (negative R\$ 34.6 million) in the same period of 2019).

The 20.9% increase in the financial result in the quarterly comparison is mainly due to the reduction in bank costs (-11.8%) and other financial expenses (-41.0%), and the decrease in interest on financing of -18.9% due to the reduction in the SELIC rate.

In 2019, a great work was carried out in corporate finance to ensure better negotiations on fees for new fundings and investments, reduction of bank costs, in addition to updating the Policy of Currency Exposure, which aims to ensure the mitigation of exchange rate risks. The results of this work can already be seen in 1Q20.

The table below shows the breakdown of net financial result for the period.

	1Q20	1Q19	Δ%
Exchange variance	130,720	45,838	185.2%
Interest on financial investments	20,080	22,496	-10.7%
Revenue from swap operations	705	90	683.3%
Adjustments to present value	3,571	6,040	-40.9%
Other financial revenues	1,786	3,584	-50.2%
Financial Revenues	156,862	78,048	101.0%
Exchange variance	-136,026	-51,437	164.5%
Interest on financing	-31,364	-38,694	-18.9%
Expenses on swap operations	-	-324	-
Expenses related to Loan Agreements	-355	-682	-47.9%
Adjustments to present value	-2,907	-4,838	-39.9%
Leasing adjustments to present value	-2,111	-1,561	35.2%
Interest on late payment	-104	-41	153.7%
Discounts granted	-235	-174	35.1%
Bank Expenses	-3,659	-4,150	-11.8%
Other financial expenses	-4,767	-8,082	-41.0%
Financial Expenses	-181,528	-109,983	65.1%
Monetary Adjustment (IAS 29)	-2,729	-2,678	1.9%
Net Financial Income	-27,395	-34,613	-20.9%

INDEBTEDNESS

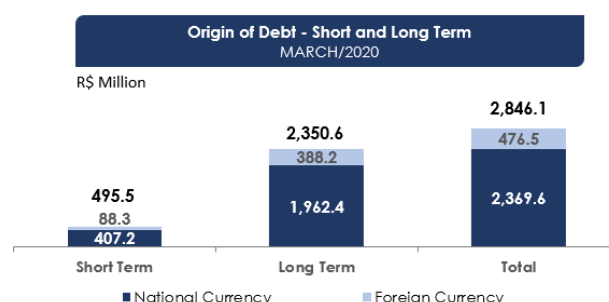
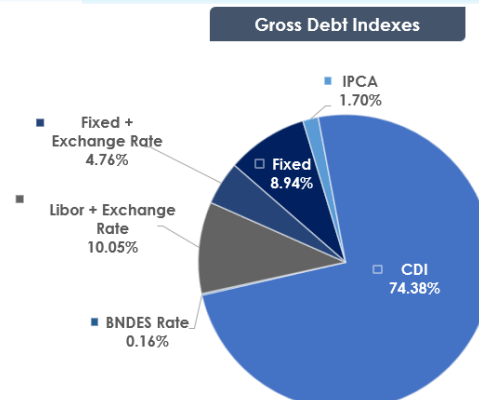
Consolidated net financial debt (gross debt minus cash and cash equivalents) was R\$ 1.1 billion at the end of 1Q20, equivalent to a multiple of 1.66 times EBITDA in the last twelve months.

At the end of March 2019, this debt was R\$ 1.2 billion and represented a multiple of 2.25 times EBITDA in the last twelve months.

It is worth noting that part of the company's consolidated net debt (R\$ 257.1 million) refers to the financial activity of Randon Bank.

When excluding the amount related to this activity, consolidated net debt is R\$ 847.3 million, a multiple of 1.30 times the EBITDA of the last twelve months.

The increase in net debt in this quarter is directly related to the worsening of working capital (R\$ 224.7 million in the quarter), which is expected at the beginning of the year, given the resumption of activities after the year end mandatory vacations.

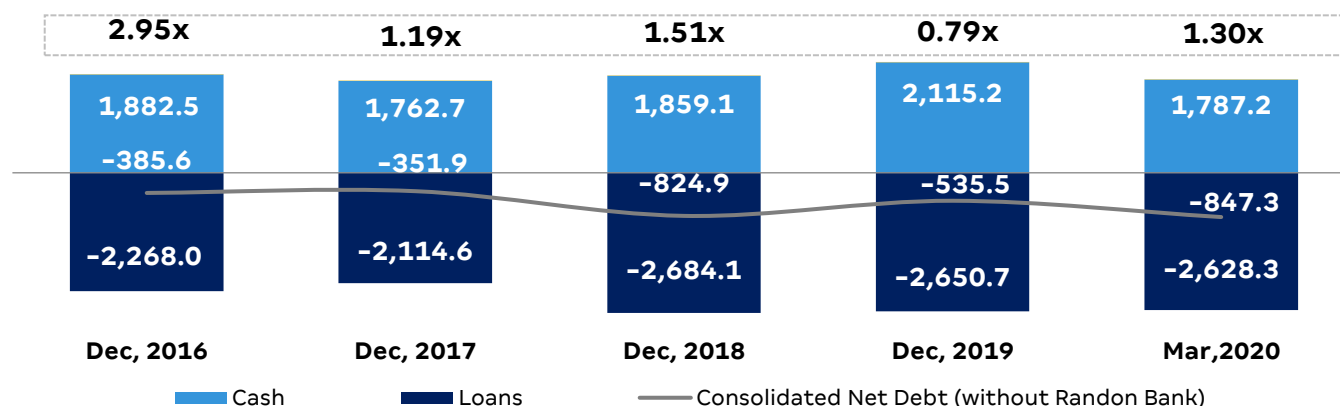


See below the Company's indebtedness composition over the last quarters:

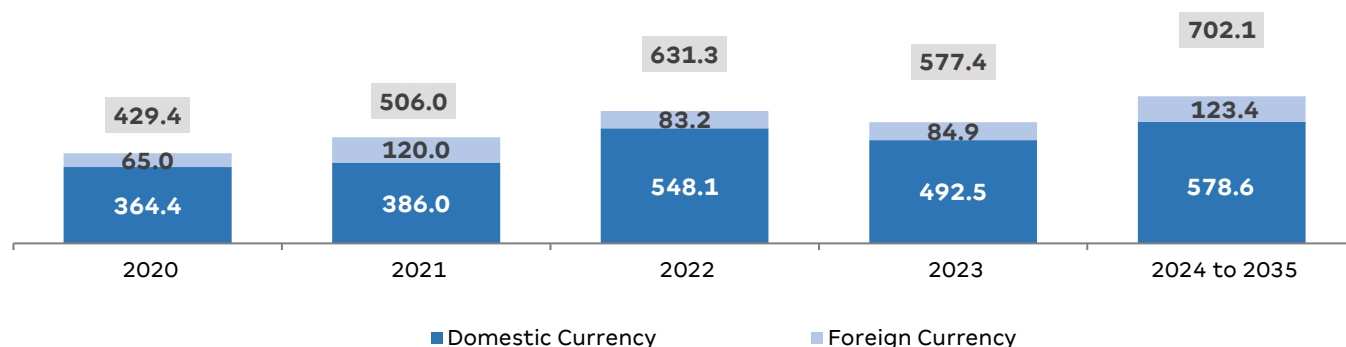
Values in Thousands of Reais	03/31/2019	06/30/2019	09/30/2019	12/31/2019	03/31/2020
Total Gross Debt	2,605,617	2,771,973	2,870,356	2,866,659	2,846,133
Total Consolidated Net Debt	1,201,444	1,164,929	1,086,675	867,857	1,104,396
Net Debt (without the Randon Bank)	880,872	869,845	779,938	535,499	847,287

Please see below the evolution in consolidated net debt (without Randon Bank) in 03/31/2020:

*Net Debt/EBITDA



The chart above shows the Company's debt without considering the cash and the debt from Randon Bank. The Consolidated net debt at the end of 1Q20 reached R\$ 1.1 billion, a multiple of 1.66x EBITDA over the last 12 months.

SCHEDULE OF DEBT PAYMENT (R\$ Million)

INVESTMENTS

	1Q20	1Q19	Δ%	1Q20	4Q19	Δ%
Randon S.A. Implementos e Participações	4,340	14,740	-70.6%	4,340	8,151	-46.8%
Randon Veículos Ltda.	-23	22	-206.0%	-23	192	-112.1%
Randon Triel-HT Implementos Rodoviários Ltda.	4,146	-	-	4,146	1,396	196.9%
Randon Argentina S.A.	86	588	-85.3%	86	165	-47.7%
Randon Perú S.A.C.	10	38	-73.7%	10	-27	-137.5%
Vehicles and Trailers	8,559	15,388	-44.4%	8,559	9,877	-13.3%
Randon (suspensys Division)	4,181	4,919	-15.0%	4,181	2,373	76.2%
Master Sistemas Automotivos Ltda.	505	1,364	-62.9%	505	4,010	-87.4%
JOST Brasil Sistemas Automotivos Ltda.	1,171	69	1587.4%	1,171	5,309	-77.9%
Fras-le S.A.	13,650	12,986	5.1%	13,650	30,635	-55.4%
Castertech Fundação e Tecnologia Ltda.	1,321	1,969	-32.9%	1,321	5,008	-73.6%
Auto Parts	20,828	21,307	-2.2%	20,828	47,335	-56.0%
Randon Administradora de Consórcios Ltda.	158	29	434.5%	158	303	-48.0%
Randon Investimentos Ltda.	30	-	-	30	223	-86.6%
Services	188	29	536.3%	188	526	-64.4%
SUB-TOTAL	29,575	36,725	-19.5%	29,575	57,738	-48.8%
Non Organic ¹	-	-	-	-	2,051	-100.0%
Investment in controlled companies	60,500	-	-	60,500	-	-
TOTAL	90,075	36,725	145.3%	90,075	59,789	50.7%

¹Other company's shares or quotas

Values in R\$ Thousands

In 1Q20 R\$ 90.1 million was invested, of which R\$ 60.5 million was invested in capital increase at Banco Randon and Randon Ventures and R\$ 29.6 million in organic investments.

PERFORMANCE COMPARISON

	1Q20	1Q19	Δ%	1Q20	4Q19	Δ%
Total Gross Revenue (without eliminations)	1,674,718	1,636,372	2.3%	1,674,718	1,806,027	-7.3%
Consolidated Net Revenue	1,167,733	1,133,591	3.0%	1,167,733	1,285,323	-9.1%
Consolidated Gross Profit	252,181	268,875	-6.2%	252,181	304,172	-17.1%
Net Income	2,994	31,665	-90.5%	2,994	52,874	-94.3%
Operating Shareholders' Equity (EBIT) - Consolidated	63,513	97,662	-35.0%	63,513	113,175	-43.9%
Consolidated EBITDA	106,980	134,306	-20.3%	106,980	160,620	-33.4%
Consolidated Net Financial Debt	-	-	-	1,104,396	867,857	27.3%
Consolidated Net Financial Debt (without Randon Bank)	-	-	-	847,287	535,499	58.2%
Consolidated Net Financial Income	-27,395	-34,613	-20.9%	-27,395	-23,898	14.6%
Financial Income	156,862	78,048	101.0%	156,862	74,972	109.2%
Financial Expenses	-181,528	-109,983	65.0%	-181,528	-101,038	79.7%
Monetary Adjustment (IAS 29)	-2,729	-2,678	1.9%	-2,729	2,168	225.9%
Consolidated Administrative and Commercial Expenses	-165,218	-166,417	-0.7%	-165,218	-191,229	-13.6%
Consolidated Income per Share	0.01	0.09	-90.3%			

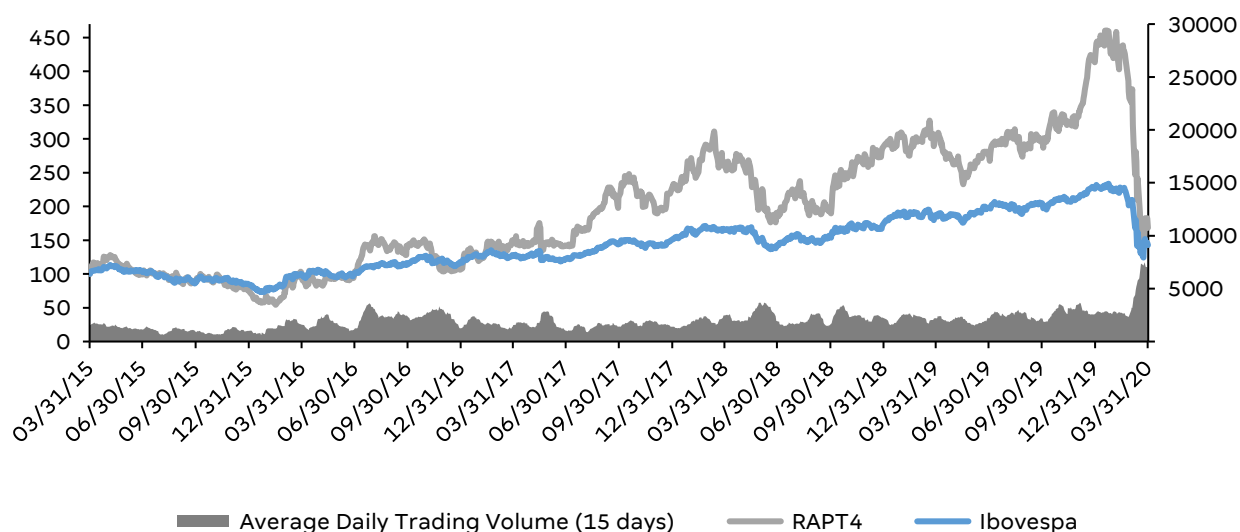
Values in R\$ Thousands (except Consolidated Income per Share)

PERFORMANCE OF SHARES

The preferred shares of Randon S.A. Implementos e Participações decreased 59.3% at the end of March 2020 when compared to the end of 2019 (R\$ 5.45 per share on March 31, 2020 and R\$ 13.40 per share on Dec 31, 2019). In the same period, the Ibovespa index showed a negative variation of 36.9%.

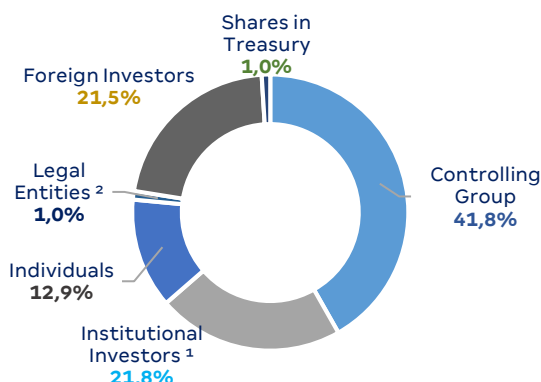
In the 1Q20, 261.3 million preferred shares were traded on the B3 Spot Market (Bolsa, Brasil, Balcão). The Company recorded in this period an average daily trading volume of R\$ 42.8 million (R\$ 21.6 million in 1T19).

RAPT4 (100=03/31/2015)



SHAREHOLDER'S PROFILE

At the end of 1Q2020, Randon's shareholders base consisted of 29,046 shareholders. With the following profiles:



¹ Investment clubs and funds

² Companies, banks, brokers and associations

EVENTS

In 1Q20, Randon S.A. – represented by its IR team, participated in the following events:

- 24th Santander Annual Latam CEO Conference – Cancun, México;
- BofAML 2020 Capital Goods Day – São Paulo – SP;
- Credit Suisse 2020 Latin America Investment Conference – São Paulo – SP;
- BTG Conference XXI, São Paulo – SP.

PEOPLE

The Company's headcount at the end of 1Q20 was 11,497 employees, 2.2% higher than the number of employees at the end of 2019 (11,251 employees).

The headcount was not affected by the COVID-19 in the first quarter, because although the quarter had 7 working days of suspension in activities, it was done through the adoption of mandatory vacations.

Based on the collective labor agreement signed by representatives of the industrial class, the Company adopted, as of May, suspension and reduction of working hours, a proposal from the federal government to encourage the preservation of jobs.

In addition, seeking to offer its employees appropriate alternatives to the current scenario, the company offered a Voluntary Redundancy Plan, an initiative that ensures financial benefits for a prolonged period and more favorable conditions than usual. These are valid for the company's metallurgical units in Caxias do Sul.

Randon companies have initiated the following measures to preserve the health of their employees, in addition to preserving jobs:

- Temperature measurement of employees when accessing the company;
- Triage stations to assist employees who have symptoms or who want to clarify doubts;
- Use of sprayers and other hygiene resources to prevent the spread of the virus;
- Maintaining as many professionals as possible working from home;
- Cleaning the transport that takes employees to companies before each use;
- Visual indication of distance in shared spaces such as restaurants, changing rooms and transportation of employees;
- Expansion of the number of sinks at restaurant entrances;
- Online security training and
- Delivery of protection face masks.

A protocol was also established, with rigorous processes, which includes, among other actions, a daily self-assessment, which must be carried out by all employees before going to the Company. The orientation is that, if there is evidence of any of the listed symptoms, the professional must not go to work and look for the medical assistance channels offered by the Company.

ESG**Environment**

To disseminate a culture of sustainability focused on the Environment, several actions are being implemented by Randon Companies, such as:

- Creation of the Environment Manual;
- Periodic disclosures in the Randon APP to all employees, encouraging them to take sustainable actions and
- Projects aimed at reducing water and energy consumption, in addition to best practices in waste management.

Social

The Company reinforces that it is committed to supporting the community in this pandemic moment and, for that:

- Donated IPE to the hospital chain and supplies for the production of ventilators and hand sanitizer;
- Signed a partnership in the manufacture of protection face masks and distributed, with the support of several institutions, 50 thousand bottles of hand sanitizer to truck drivers on roads in Brazil and;
- In partnership with other institutions, made a donation to purchase ventilators.

Governance

Randon Companies are constantly seeking to expand their corporate governance practices to ensure transparency and efficiency in their management.

In this quarter, some practices recommended in the Corporate Governance Code were implemented for listed companies, such as:

- Proposal to adapt the number of annual meetings of the Board of Directors to at least six annual meetings;
- Creation of a Program for the Integration of New Directors to the Board;
- Creation of an executive governance secretariat;
- Alteration of the Board of Directors' internal regulations, including the competencies related to sustainability and risk management.

Such measures were approved by the Board of Directors at a meeting held on June 3, 2020, during the preparation of this report.

2019 Sustainability Report

Along with the 1Q20 release, the Company published its sustainability report for the year 2019.

This is the first version of the report in the GRI Standards and the Company had its materiality matrix reviewed.

Sustainability is an extremely important issue for the Company. This report intends to present in a more robust and detailed way the actions that Randon Companies conduct in this area.

To access Randon's sustainability report, [click here](#).

Randon Ventures

On February 18, the Company announced in a press release to the market, the creation of the company RVC Venture Capital Participações e Investimentos Ltda. (Randon Ventures).

With an initial investment of R\$ 3 million, through the new subsidiary, the Company intends to expand its innovation practices, focusing on new technologies that are connected to the business of Randon Companies in the logistics, financial services, insurance and mobility segments.

Randon Ventures invests in the development of the communities where the company operates, contributing with training, mentoring and support for innovation ecosystems. To invest, co-invest and accelerate startups, it has several strategic partners. The expectation is to boost up to 12 startups in the first year of operation.

The first investment made is TruckHelp, a platform of solutions and services for truck drivers and carriers, which has tools that connect this public with auto parts and auto repair shops. The startup responsible for the solution is from Paraná and has been in the market for four years.

2020 AGM

On April 13, the Company held its Annual General Meeting (AGM), in which the following resolutions took place:

- Approval of the Annual Report and financial statements, Annual Report of the Independent Audit and Opinion of the Fiscal Council;
- Approval of the allocation of net income, of which, due to interest on equity payments made in an amount higher than the minimum mandatory dividend (30%), no dividends remain to be paid;
- Installation of the Fiscal Council and reelection of the Fiscal Council members: João Carlos Sfreddo, Ademar Salvador and Renato Sobral Pires Chaves;
- Approval of the annual global compensation of the administrators in the amount of R\$ 21.1 million and monthly compensation of 10% of the average attributed to each director to the members of the Fiscal Council.

Buyback Program

The Company informed to the market through a material fact, on April 9, the Company informed that its Board of Directors approved a program for the buyback of preferred shares (RAPT4), all book-entry and without nominal value.

This program aims to maximize the generation of value for shareholders, since, according to the Company's management, the current price of its shares does not reflect the real value of its assets combined with the outlook of profitability and future results.

The maximum number of shares to be acquired is up to 13,000,000 (thirteen million) preferred shares (RAPT4), representing 7.41% of the Company's Outstanding Preferred Shares. The maximum period for settlement is 6 (six) months, starting on April 13, 2020 and ending on October 13, 2020.

The acquisition operations will be carried out with the intermediation of the following financial institution: Itaú Corretora de Valores S.A.

CTR INNOVATION LAB

On May 6, the CTR Innovation Lab was inaugurated, which is the new installation of the Randon Technological Center, with areas for the joint creation and experimentation of strategic projects of its partners and teams, always in search of innovative solutions in products and services.

The 300 m² space is intended to enhance the use of sustainable technologies in Randon products. It reinforces a set of innovation strategies, which encompass other actions aimed at investments for digital solutions in the various areas of the Company's operations.



Photo: Luís Henrique Bisol Ramon

AWARDS AND HIGHLIGHTS

In the first quarter of 2020, Randon Companies received awards, of which we highlight:

- Randon Companies are among the most remembered and preferred brands by company managers and top business executives in the Rio Grande do Sul market. The results are in the 22nd edition of the Marcas de Quem Decide survey, promoted by Jornal do Comércio, in partnership with Qualidata. Randon is the favorite and the second most remembered in the Marca Gaúcha Inovadora category and is among the five favorites in the Entrepreneur Support category. In the Great Brand of the Year from the State of Rio Grande do Sul, Randon Companies are among the top ten, ranking 4th in preference and 7th in the list among the surveyed public. Randon Consórcios, through the Racon brand, was also featured in Marcas de Quem Decide, obtaining the first place in preference and the second place in memory in the Consortium category.



- Randon, and its subsidiary Fras-le, are among the best-rated Meetings in 2019 by the Association of Analysts and Investment Professionals of the São Paulo Stock Market (APIMEC-SP).

BOARDS AND POSITIONS**Board of Directors**

David Abramo Randon – President
Alexandre Randon – Vice-President
Pedro Ferro Neto – Board member
Ruy Lopes Filho – Board member
William Ling – Board member

Audit Board

Ademar Salvador
João Carlos Sfreddo
Renato Sobral Pires Chaves

Executive Board

Daniel Randon – President Director
Alexandre Randon – Director
Alexandre Gazzi – Director
Sergio Carvalho – Director
Paulo Prignolato – Director

Executive Comitee (non-statutory)

Daniel Randon – President Director
Daniel Martin Ely – Corporate Director
Paulo Prignolato – Corporate Director
Sergio Carvalho – Corporate Director

CFO and IR Director

Paulo Prignolato – Director

Finance and IR Manager

Esteban Mario Angeletti

Accountant

Paula Machado Corrêa
RS-097654/O-8

Investor Relations

Caroline Isotton Colleto
Davi Coin Bacichette
Gustavo Schwaizer

(54) 3239-2795
ri@randon.com.br



Attachment I.a

CONSOLIDATED INCOME STATEMENTS

R\$ Thousands

	1Q20	%	1Q19	%	1Q20	%	4Q19	%	Variation %	
									1Q20/1Q19	1Q20/4Q19
Gross Revenue	1,467,410	125.7%	1,415,541	124.9%	1,467,410	125.7%	1,592,214	123.9%	3.7%	-7.8%
Deduction in Gross Revenue	-299,677	-25.7%	-281,950	-24.9%	-299,677	-25.7%	-306,890	-23.9%	6.3%	-2.4%
Net Revenue	1,167,733	100.0%	1,133,591	100.0%	1,167,733	100.0%	1,285,323	100.0%	3.0%	-9.1%
Costs of Sales and Service	-915,552	-78.4%	-864,716	-76.3%	-915,552	-78.4%	-981,151	-76.3%	5.9%	-6.7%
Gross Profit	252,181	21.6%	268,875	23.7%	252,181	21.6%	304,172	23.7%	-6.2%	-17.1%
Sales Expenses	-95,091	-8.1%	-102,503	-9.0%	-95,091	-8.1%	-112,891	-8.8%	-7.2%	-15.8%
Administrative Expenses	-70,127	-6.0%	-63,914	-5.6%	-70,127	-6.0%	-78,338	-6.1%	9.7%	-10.5%
Financial Income	-27,395	-2.3%	-34,613	-3.1%	-27,395	-2.3%	-23,898	-1.9%	-20.9%	14.6%
Financial Revenues	156,862	13.4%	78,048	6.9%	156,862	13.4%	74,972	5.8%	101.0%	109.2%
Financial Expenses	-181,528	-15.5%	-109,983	-9.7%	-181,528	-15.5%	-101,038	-7.9%	65.0%	79.7%
Monetary Adjustment(IAS 29)	-2,729	-0.2%	-2,678	-0.2%	-2,729	-0.2%	2,168	0.2%	-	-
Other Expenses/Income	-23,451	-2.0%	-4,796	-0.4%	-23,451	-2.0%	232	0.0%	389.0%	-10189.6%
Result Before Income Tax	36,117	3.1%	63,049	5.6%	36,117	3.1%	89,277	6.9%	-42.7%	-59.5%
Provision for Income Tax and Social Contribution Taxes	-28,429	-2.4%	-21,385	-1.9%	-28,429	-2.4%	-32,034	-2.5%	32.9%	-11.3%
Interest of non-controlling shareholders	-4,694	-0.4%	-9,999	-0.9%	-4,694	-0.4%	-4,369	-0.3%	-53.1%	7.4%
Net Income for the Period	2,994	0.3%	31,665	2.8%	2,994	0.3%	52,874	4.1%	-90.5%	-94.3%
EBIT	63,513	5.4%	97,662	8.6%	63,513	5.4%	113,175	8.8%	-35.0%	-43.9%
EBITDA	106,980	9.2%	134,306	11.8%	106,980	9.2%	160,620	12.5%	-20.3%	-33.4%
EBITDA Margin (%)	9.2%		11.8%		9.2%		12.5%		-269 bps	-334 bps
Adjusted EBITDA	150,006		152,834		150,006		157,138		-1.9%	-4.5%
Adjusted EBITDA Margin (%)	12.6%		13.3%		12.6%		12.2%		-70 bps	34 bps

Attachment I.b

CONSOLIDATED INCOME STATEMENTS BREAKDOWN BY SEGMENT

R\$ Thousands (1Q20|1Q19)

	Vehicles and Trailers trailers			Auto Parts			Financial Services			Consolidated		
	1Q20	1Q19	Δ%	1Q20	1Q19	Δ%	1Q20	1Q19	Δ%	1Q20	1Q19	Δ%
Gross Revenue	621,095	583,312	6.5%	791,578	783,090	1.1%	54,737	49,139	11.4%	1,467,410	1,415,541	3.7%
Deduction in Gross Revenue	-126,036	-104,365	20.8%	-168,798	-172,785	-2.3%	-4,842	-4,800	0.9%	-299,677	-281,950	6.3%
Net Revenue	495,059	478,948	3.4%	622,780	610,304	2.0%	49,895	44,339	12.5%	1,167,733	1,133,591	3.0%
Costs of Sales and Service	-443,318	-400,709	10.6%	-465,513	-460,734	1.0%	-6,722	-3,273	105.4%	-915,552	-864,716	5.9%
Gross Profit	51,741	78,239	-33.9%	157,267	149,570	5.1%	43,173	41,066	5.1%	252,181	268,875	-6.2%
Gross Margin (%)	10.5%	16.3%	-588 bps	25.3%	24.5%	75 bps	86.5%	92.6%	-609 bps	21.6%	23.7%	-212 bps
Operating Expenses	-58,927	-52,343	12.6%	-100,084	-91,479	9.4%	-29,659	-27,391	8.3%	-188,669	-171,213	10.2%
EBIT	-7,186	25,896	-127.7%	57,184	58,091	-1.6%	13,515	13,675	-1.2%	63,513	97,662	-35.0%
EBITDA	5,379	37,346	-85.6%	87,972	83,201	5.7%	13,630	13,758	-0.9%	106,980	134,306	-20.3%
EBITDA Margin	1.1%	7.8%	-671 bps	14.1%	13.6%	49 bps	27.3%	31.0%	-371 bps	9.2%	11.8%	-269 bps
ADJUSTED EBITDA	40,560	51,964	-21.9%	95,817	87,111	10.0%	13,630	13,758	-0.9%	150,006	152,834	-1.9%
ADJUSTED EBITDA MARGIN	7.8%	10.5%	-275 bps	15.4%	14.2%	120 bps	27.3%	31.0%	-371 bps	12.6%	13.3%	-70 bps



Attachment I.b

CONSOLIDATED INCOME STATEMENTS BREAKDOWN BY SEGMENT

R\$ Thousands (1Q20|4Q19)

	Vehicles and Trailers/ Semi-trailers			Auto Parts			Financial Services			Consolidated		
	1Q20	4Q19	Δ%	1Q20	4Q19	Δ%	1Q20	4Q19	Δ%	1Q20	4Q19	Δ%
Gross Revenue	621,095	713,839	-13.0%	791,578	824,788	-4.0%	54,737	53,587	2.1%	1,467,410	1,592,214	-7.8%
Deduction in Gross Revenue	-126,036	-131,543	-4.2%	-168,798	-170,285	-0.9%	-4,842	-5,062	-4.3%	-299,677	-306,890	-2.4%
Net Revenue	495,059	582,296	-15.0%	622,780	654,503	-4.8%	49,895	48,525	2.8%	1,167,733	1,285,323	-9.1%
Costs of Sales and Service	-443,318	-484,009	-8.4%	-465,513	-492,345	-5.4%	-6,722	-4,797	40.1%	-915,552	-981,151	-6.7%
Gross Profit	51,741	98,287	-47.4%	157,267	162,157	-3.0%	43,173	43,728	-1.3%	252,181	304,172	-17.1%
Gross Margin (%)	10.5%	16.9%	-643 bps	25.3%	24.8%	48 bps	86.5%	90.1%	-359 bps	21.6%	23.7%	-207 bps
Operating Expenses	-58,927	-57,037	3.3%	-100,084	-96,590	3.6%	-29,659	-37,369	-20.6%	-188,669	-190,997	-1.2%
EBIT	-7,186	41,249	-117.4%	57,184	65,567	-12.8%	13,515	6,359	112.5%	63,513	113,175	-43.9%
EBITDA	5,379	53,684	-90.0%	87,972	100,461	-12.4%	13,630	6,476	110.5%	106,980	160,620	-33.4%
EBITDA Margin	1.1%	9.2%	-813 bps	14.1%	15.3%	-122 bps	27.3%	13.3%	1397 bps	9.2%	12.5%	-334 bps
ADJUSTED EBITDA	40,560	49,249	-17.6%	95,817	101,414	-5.5%	13,630	6,476	110.5%	150,006	157,138	-4.5%
ADJUSTED EBITDA MARGIN	7.8%	8.5%	-68 bps	15.4%	15.5%	11 bps	27.3%	13.3%	1397 bps	12.6%	12.2%	34 bps



Attachment II STATEMENT OF CASH FLOW – INDIRECT METHOD

R\$ Thousands

	Parent Company		Consolidated	
	03/31/2020	03/31/2019	03/31/2020	03/31/2019
Cash flow from operations				
Income for the period	2,994	31,665	7,688	41,664
Provision for income tax and social contribution (current and deferred)	-3,502	5,107	28,429	21,385
Depreciation and amortization	15,006	14,935	43,468	35,395
Reduction in Recoverable Value	9,080	-	14,766	-
Provision for disputes	-918	981	-1,730	1,412
Provision for doubtful accounts	1,210	-216	2,826	-1,046
Provision for obsolete inventory	1,672	42	6,313	-376
Other Provisions	-3,398	-4,528	-8,013	-15,691
Residual cost from sold and written off fixed assets	127	143	1,706	356
Equity equivalence	-9,519	-24,721	-	-
Monetary Adjustment (IAS 29)	-	-	2,729	2,678
Variation in loans and leasing	74,159	39,158	166,963	41,364
Variations in derivatives	-706	234	-706	234
Receipt of profits and dividends of subsidiaries	86,205	62,800	264,439	127,375
Variations in assets and liabilities				
Financial investments	24,424	10,933	8,894	65,729
Accounts receivable from customers	-97,818	-21,400	-134,371	-119,428
Inventory	-49,219	-55,157	-98,228	-60,687
Other Assets	7,603	21,001	-24,727	6,271
Suppliers	31,567	6,728	76,467	31,822
Other accounts payable	-55,634	10,520	-44,766	21,078
Cash used (generated by) operation	-52,872	35,425	47,708	72,160
Income tax and Social Contribution paid	-901	-1,953	-22,993	-14,370
Net cash used (generated by) operation	-53,773	33,472	24,715	57,790
Cash Flow from Investments				
Pay-up of capital in subsidiary	-60,500	-	-	-
Receipt of profits and dividends of subsidiaries	6,837	11,022	-	-
Loans to subsidiaries	-10,945	-	-	-
Purchases of property, plant and equipment	-9,843	-19,024	-30,114	-35,730
Additions to intangible assets	-357	-636	-1,140	-995
Net available cash used in investments	-74,808	-8,638	-31,254	-36,725
Net Cash used (resulting from) financing				
Payment of interest on capital payable	-51,226	-	-58,443	-11,818
Loans	-	-	32,792	31,727
Payment of loans	-60,166	-202,963	-177,420	-258,410
Loans granted by related parties	-	-	6,292	-
Payment of leasings	-1,816	-1,839	-5,747	-4,721
Interest paid on loans	-24,514	-39,131	-33,520	-46,512
Net Cash used (resulting from) financing	-137,722	-243,933	-236,046	-289,734
	-266,303	-219,099	-242,585	-268,669
Statement of increase in cash				
At beginning of period	883,874	922,716	1,177,202	1,229,151
At end of period	617,571	703,617	934,617	960,482
Increase in cash	-266,303	-219,099	-242,585	-268,669

Attachment III SUMMARIZED FINANCIAL STATEMENTS AS OF 03/31/2020

R\$ Thousands – according to Corporate Legislation



	RANDON S/A IMPL. E PARTIC. CONSOLIDATED	RANDON S/A IMPL. E PARTIC. PARENT CO.	RANDON INVESTIMENTOS
Assets	6,369,897	4,258,690	599,424
Current Assets	3,742,721	2,185,241	372,389
Cash and equivalents	934,617	617,571	25,196
Financial Investments	799,935	777,369	-
Derivative Financial Instrument	2,088	2,088	-
Receivables	812,414	264,924	347,109
Inventory	928,567	379,790	-
Deferred Charges/ Recoverable taxes	190,564	105,332	-
Others	74,536	38,166	84
Noncurrent Assets	2,627,175	2,073,450	227,035
Long-term Assets	625,047	364,499	219,532
Investments of non-immediate liquidity	11,389	61,392	11,389
Credit controlling company/controlled companies	-	113,902	-
Receivables	193,662	-	193,662
Consortiums for resale	20,154	4,201	-
Deferred Charges/ recoverable taxes	260,747	161,752	2,834
Other non-current assets	20,485	5,036	118
Taxes under litigation	44,302	17,926	-
Goods for resale	11,818	289	11,528
Long Term Receivables	62,490	-	-
Investments/Property, Plant, Property/Intangible/Deferred	1,864,635	1,685,302	6,464
Right to use asset	137,494	23,649	1,039
Liabilities	6,369,897	4,258,690	599,424
Current Liabilities	1,414,870	694,460	297,078
Suppliers	443,140	257,108	1,179
Financing institutions	496,509	316,435	146,796
Salaries and benefits	80,381	30,230	761
Taxes and Fees	66,510	10,952	1,707
Advances for customers and others	308,221	74,207	146,559
Goods for resales	20,109	5,528	76
Noncurrent Liabilities	2,715,374	1,838,150	153,301
Financing institutions	2,349,624	1,801,712	152,153
Government Subsidy	4,403	1,852	-
Debits with controlled companies	6,292	-	-
Diverse taxes and contributions	78,185	-	18
Provision for contingencies	39,694	14,104	-
Other non-current liabilities	43,849	1,856	150
Coop-payment plans obligations	76,652	-	-
Leases	116,677	18,625	979
Total Net Equity	2,239,653	1,726,080	149,045
Net Equity	1,726,080	1,726,080	149,044
Minority interest	513,572	-	2

Attachment III SUMMARIZED FINANCIAL STATEMENTS AS OF 03/31/2020

R\$ Thousands – according to Corporate Legislation



INCOME STATEMENT

Net revenue	1,167,733	584,432	15,232
Cost of goods and services	-915,552	-514,573	-8,132
Gross income	252,181	69,859	7,100
Sales expenses	-95,091	-29,789	-
Administrative expenses	-70,127	-26,902	-3,517
Financial income	-27,395	-13,046	-23
Investment valuation income	-	9,519	-
Other expenses/income	-23,451	-10,148	-676
Income before taxes	36,117	-508	2,885
Provision for taxes and social contributions	-28,428	3,502	-884
Interest of non-controlling shareholders	-4,694	-	-
Net income for the period	2,994	2,994	2,000
EBIT	63,513	3,019	2,908
EBITDA	106,980	18,025	2,953
EBITDA MARGIN (%)	9.2%	3.1%	19.4%