



# Video Conference Call Results | 2Q21

# SAFE HARBOR STATEMENT

This presentation contains forward-looking statements that are subject to risks and uncertainties. These statements are based on Management's beliefs and assumptions, as well as on currently available information. Forward-looking statements include information on our current intentions, beliefs or expectations, **as well as those of the Company's Board of Directors and Board of Executive Officers.**

The reservations as to forward looking statements and information also include data on possible or presumed operating results, as well as any statements preceded, followed or including words such as "believes", "may", "will", "expects", "intends", "plans", "estimates" or similar expressions.

Forward-looking statements are not performance guarantees; they involve risks, uncertainties and assumptions because they refer to future events and, therefore, depend on circumstances which may or may not occur. Future results may differ materially from those expressed or suggested by forward-looking statements. **Many of the factors which will determine these results and figures are beyond our ability to control or predict.**



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Quarter Highlights

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Overview

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Performance

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Stock Market

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Business Segments

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ESG

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Innovation

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Key Message

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# Institutional Investor

**Randon** was recognized by Institutional Investor, and appeared in the **2021 Latin America Executive Team** ranking, in the *Capital Goods* sector.

Categories	<i>Small Cap</i>	<i>Overall</i>
<b>Best CEO</b>	1st place Daniel Raul Randon	2nd place Daniel Raul Randon
<b>Best CFO</b>	1st place Paulo Prignolato	2nd place Paulo Prignolato
<b>Best IR Professional</b>	2nd place – Davi C. Bacichette 3rd place – Esteban M. Angeletti	3rd place – Davi C. Bacichette
<b>Best IR Program</b>	1st place	2nd place
<b>Best IR by Team</b>	1st place	2nd place
<b>Best Analyst Day</b>	1st place	1st place
<b>Best ESG</b>	1st place	2nd place
<b>Crisis Management</b>	1st place	1st place

# Quarter Highlights

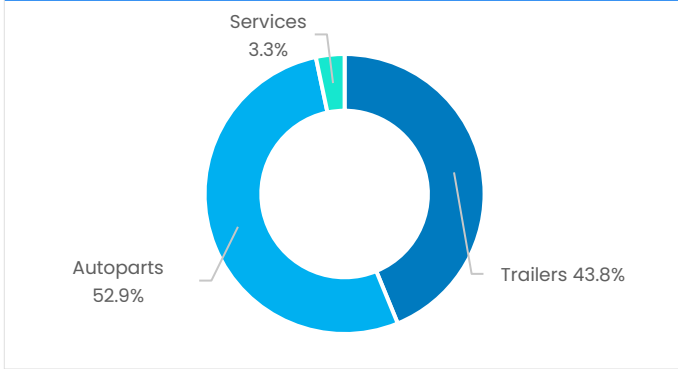
## 2Q21:

- Positive economic and financial performance;
- Expansion of business diversification with the acquisition and incorporation of companies;
- Trailer and truck markets remains strong;
- Higher inflationary pressure on margins.

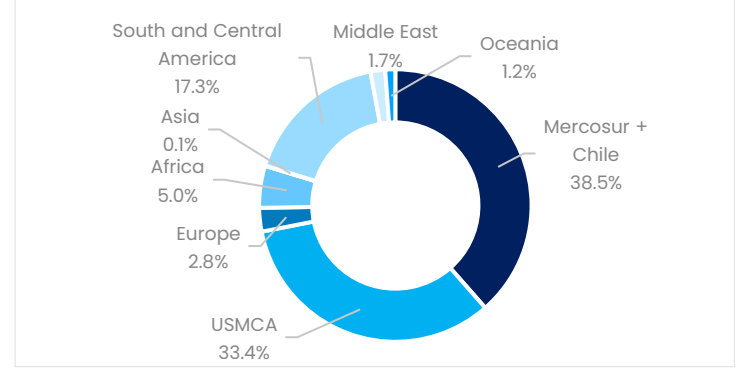
- Strong production pace of heavy vehicles, mainly due to demand from sectors linked to agribusiness and consumer goods;
- Increased sales in most product lines;
- Recovery in international markets with the advance of vaccination and resumption of demand;
- Price increases and scarcity on production of some raw material;
- Net debt growth, due to higher Working Capital Need to support the increase in operating activities;
- Important advances in the sustainability theme, with the adherence to the UN Global Compact and the dissemination of our ESG Ambition.

# Diversified Business Model

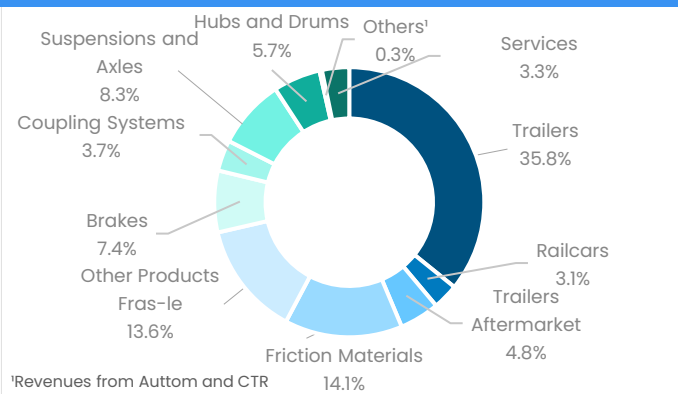
## % Net Revenue by Division 2Q21



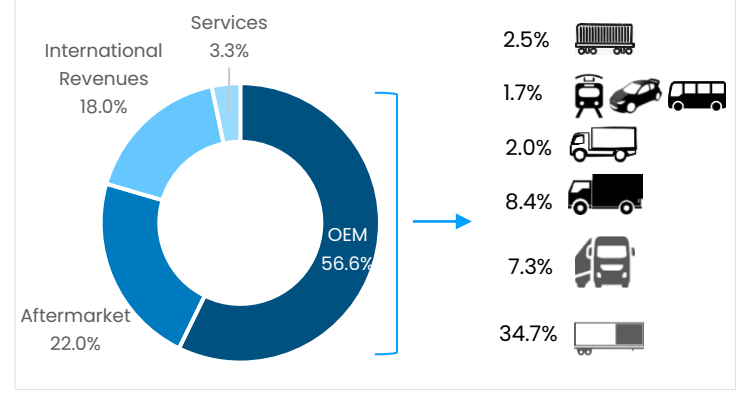
## % Exports by Economic Region 2Q21



## % Net Revenue by Product 2Q21



## % Net Revenue by Segment 2Q21



# Market Overview

MARKET PERFORMANCE		2Q21	2Q20	Δ%	1Q21	Δ%	1H21	1H20	Δ%
Production	Trucks <sup>1</sup>	41,640	10,032	315.1%	33,082	25.9%	74,722	34,738	115.1%
	Trailers <sup>3</sup>	24,681	13,897	77.6%	22,382	10.3%	47,063	27,538	70.9%
Brazil Sales	Trucks <sup>1</sup>	32,658	17,725	84.2%	26,077	25.2%	58,735	37,860	55.1%
	Trailers <sup>2</sup>	23,575	13,537	74.2%	21,296	10.7%	44,871	26,701	68.0%
Exports	Trucks <sup>1</sup>	5,452	2,040	167.3%	5,279	3.3%	10,731	4,799	123.6%
	Trailers <sup>3</sup>	1,106	360	207.2%	1,086	1.8%	2,192	837	161.9%

<sup>1</sup> Anfavea

<sup>2</sup> Anfir

<sup>3</sup> Anfir + Aliceweb

Volumes in units

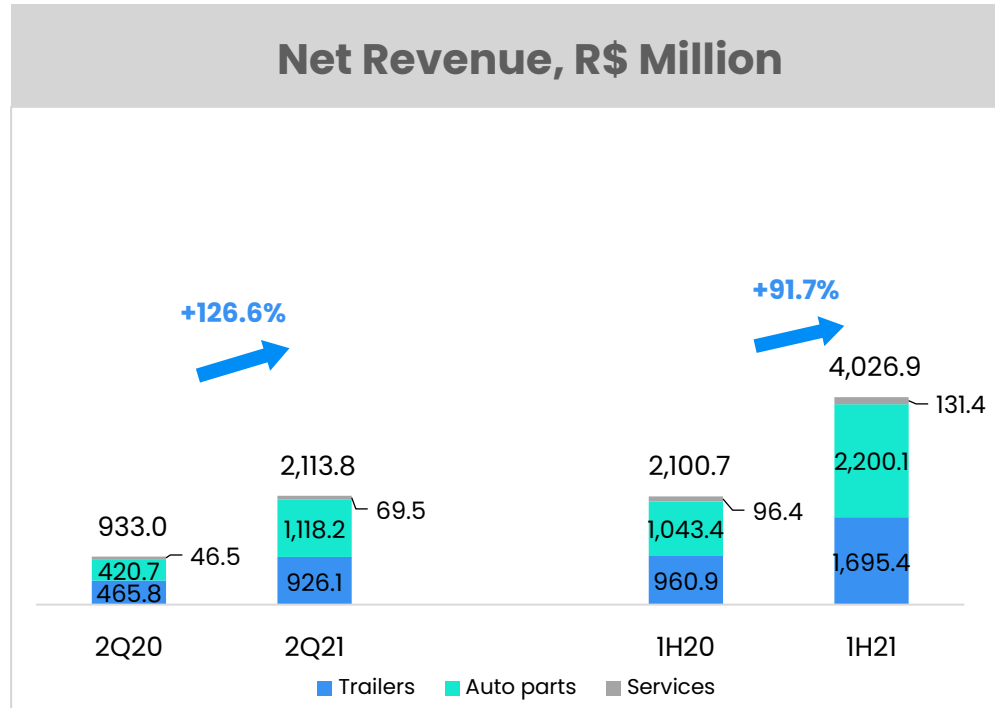
MACROECONOMIC SCENARIO OUTLOOK	2021	2022
Brazil - GDP <sup>4</sup>	5.3%	2.1%
Interest Rate <sup>4</sup>	7.3%	7.3%
Inflation <sup>4</sup>	6.9%	3.8%
Harvey <sup>5</sup>	260.8 tons	-
BRL x USD <sup>4</sup>	R\$ 5.10	R\$ 5.20

<sup>4</sup> Focus Report 08/09/21

<sup>5</sup> 10th CONAB Harvest Report 2020/21

# Performance 2Q21

Increase in revenues due to high market demand



## Trailers

2Q21x2Q20: +98.8%

- 57.2% growth in sales to domestic market;
- Significant increase in volumes sold to the international market (212.5%);
- Rail cars sales resumption (132 units in 2Q21).

## Auto Parts

2Q21x2Q20: +165.8%

- Strong demand from OEMs and trailers manufacturers;
- Sales resumption to the international market;
- Non-organic revenues from CNCS, Fundituba e Nakata;
- Good volumes from the aftermarket, but lower than 1Q21.

## Financial and Digital Services

2Q21x2Q20: +49.5%

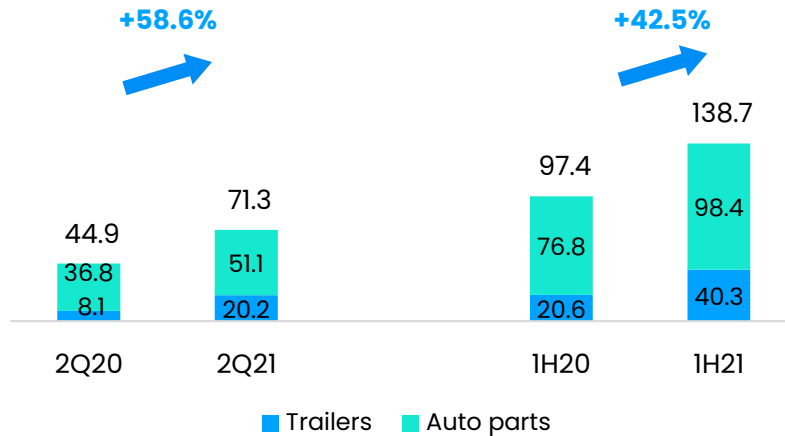
- Growth of 52.1% in Coop. Payment quotas sold;
- Increase in Randon Bank operations.



# Performance 2Q21

Growth in sales abroad in practically all markets and regions

## International Market Consolidated, US\$ Million

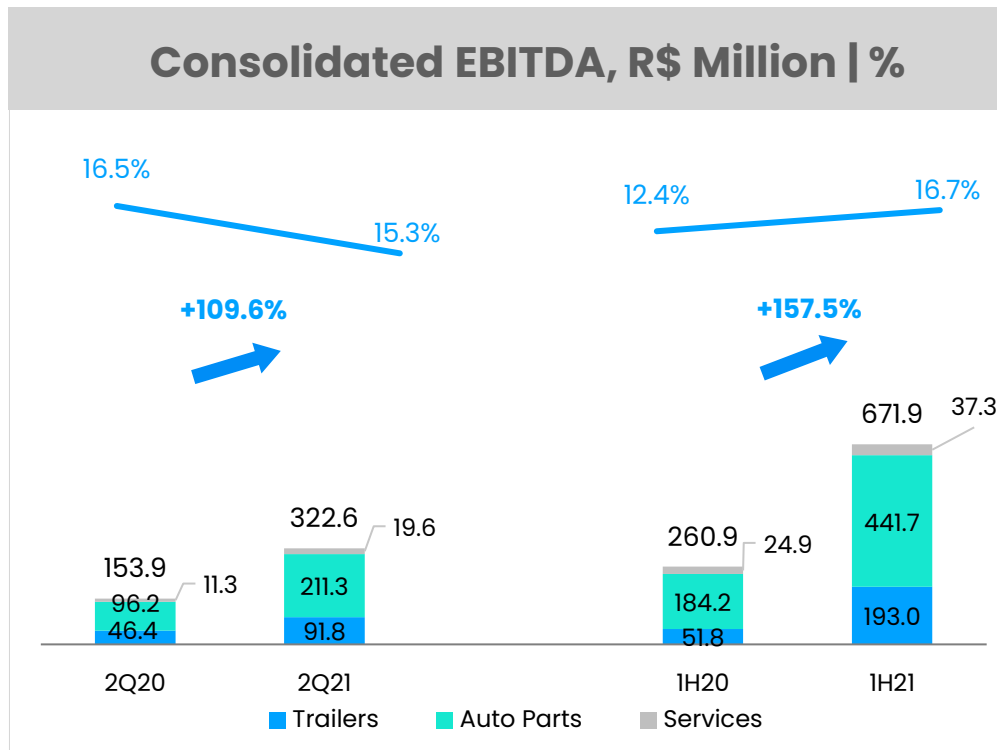


## Important factors for demand

- Real devaluation over the U.S. dollar;
- Commodities in good price levels;
- The increase in production costs on a global level has made Brazil more attractive to the international market;
- Market recovery and new customers achievement;
- Covid-19 vaccination improving.

# Performance 2Q21

Positive EBITDA reflects the good moment for the Company, but it is starting to be affected by raw material inflation



## Trailers

EBITDA: R\$ 91.8 M | 9.9%

## Auto Parts

EBITDA: R\$ 211.3 M | 18.9%

## Financial and Digital Services

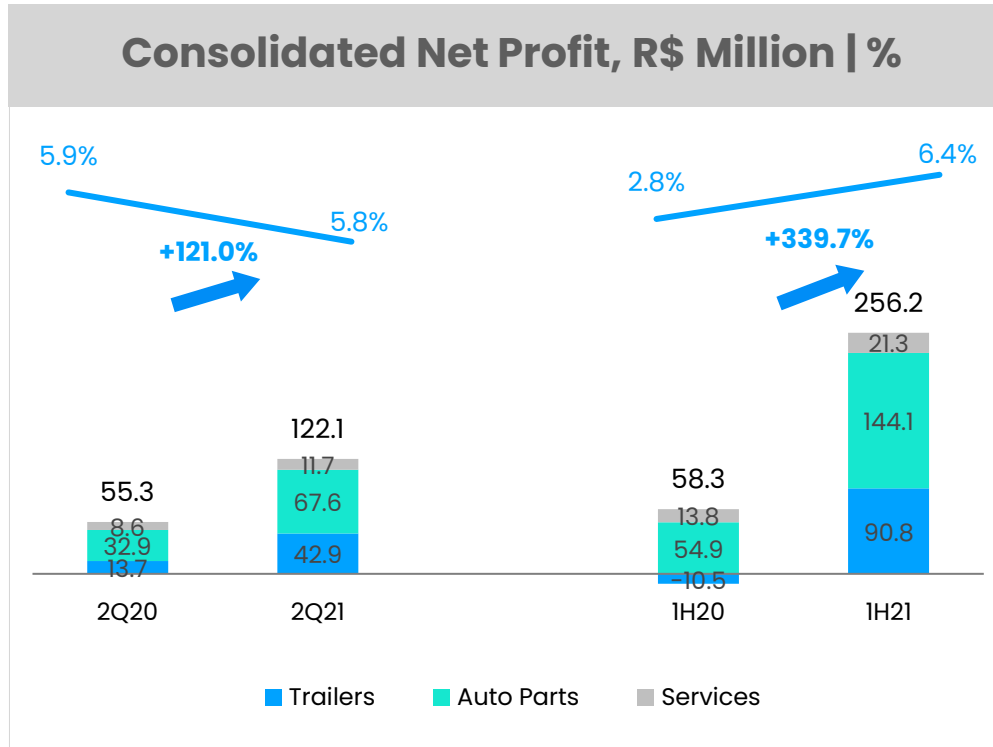
EBITDA: R\$ 19.6 M | 28.1%

*There was no one-offs to be adjusted to 2Q21 EBITDA.*

*However, in 2Q20, one-offs increased Consolidated EBITDA by R\$ 69.2 million, affecting the quarterly comparison.*

# Performance 2Q21

Consistency of results reflects the assertiveness of the strategy

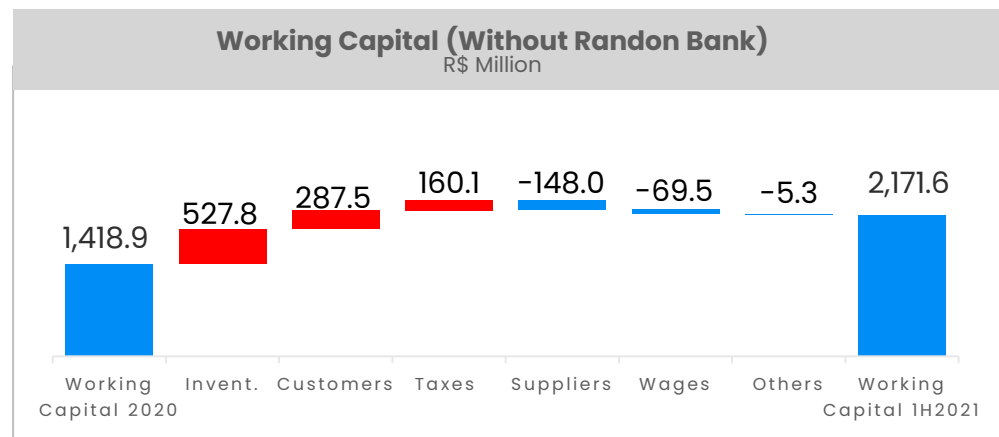
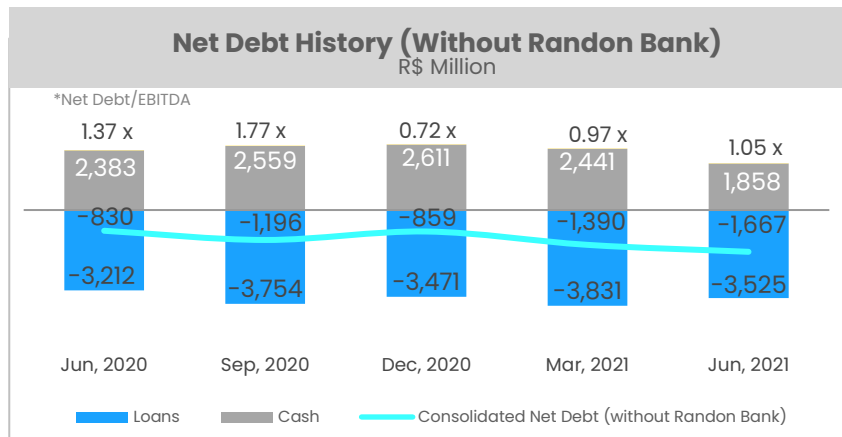


## Important factors for the increase in profitability

- Continued revenue growth, with gains of scale and greater dilution of fixed costs;
- Investments in technology and industrial automation;
- Acquisitions of companies and diversification of the business model;
- Strategic planning with a long-term vision;
- Synergies between units and corporate processes.
- Efficient financial management.

# Performance 2Q21

Increase in net debt as a result of higher Working Capital to support the growth of operating activities



## Gross Debt

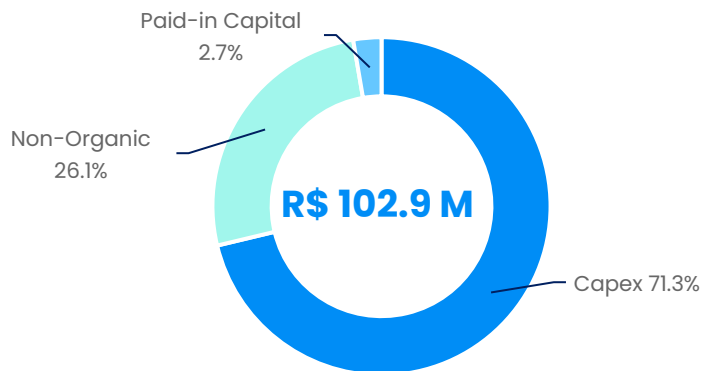
R\$ Million, except when indicated otherwise

Total Gross Debt	R\$ 4,120
Gross Debt in domestic currency (without Randon Bank)	R\$ 2,879
Randon Bank's Gross Debt	R\$ 595
Gross Debt in foreign currency	R\$ 404
Business Combination	R\$ 242

USD rate on June 30, 2021	R\$ 5.0022
Average cost of debt in Domestic Currency	5.9% per year
Average cost of debt in Foreign Currency	4.0% per year
Average debt term	2.4 Years
Average debt term without Randon Bank	2.6 Years

# Performance 2Q21

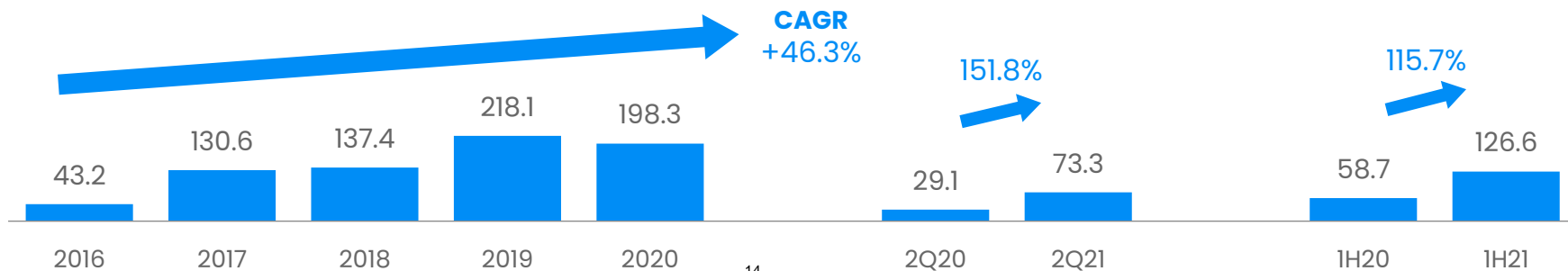
## Investments | R\$ Million



## HIGHLIGHTS

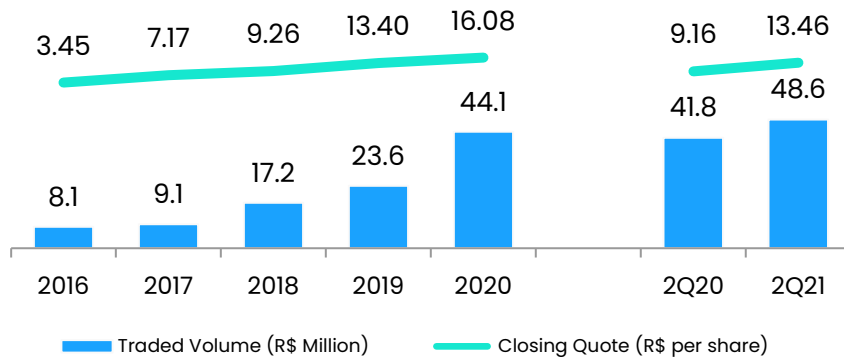
- R\$ 20.8M in industrial automation;
- R\$ 9.9M in the expansion of Randon Araraquara;
- R\$ 8.5M in Nakata's new facility;
- R\$ 26.8M in non-organic investments (part of the amounts paid by the companies Auttom, CNCS, Nakata and RAR Corretora);

## Organic Investments History (R\$ Million)

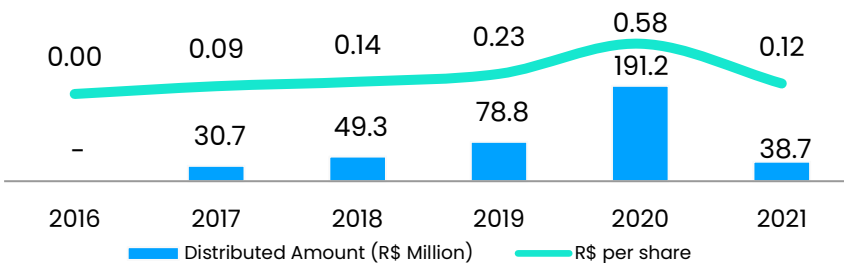


# Stock Market

## RAPT4 Price/Daily Liquidity



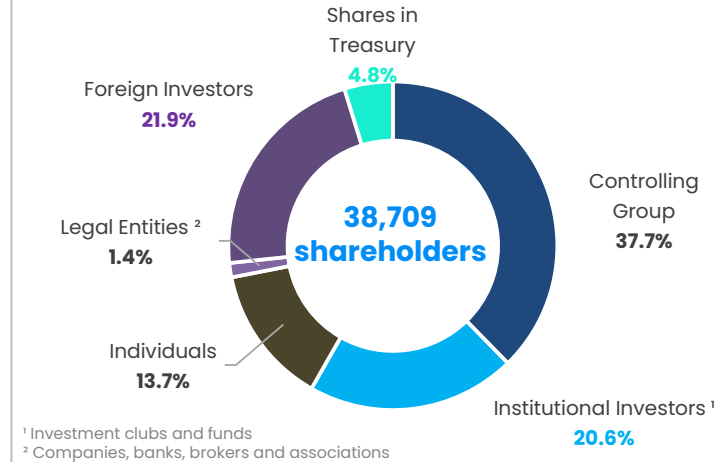
## Dividends and Interest on Equity



<sup>1</sup> Distribution by period of competence and without income tax

## Shareholders Profile

% total shares



## Interest on Equity

On July 20, the Company decided to distribute interest on equity in the gross amount of R\$0.13316 per share, both common and preferred. Payment will start on August 19, 2021.

# Segments | Trailers

## NET REVENUE



**R\$ 926.1M**

Volumes	2Q21		2Q20			1Q21			1H21		1H20		
	Units	Revenue	Units	Revenue	Δ% Units	Units	Revenue	Δ% Units	Units	Revenue	Units	Revenue	Δ% Units
Trailers Brazil (un.)	7,353	660,197	4,678	343,168	57.2%	6,993	585,544	5.1%	14,346	1,245,741	9,864	716,617	45.4%
Trailers International Market (un.)	925	96,639	296	39,645	212.5%	925	101,613	0.0%	1,850	198,252	760	94,115	143.4%
Railcars (un.)	132	65,016	13	6,054	915.4%	9	1,905	1366.7%	141	66,921	13	6,102	984.6%
Aftermarket	-	100,868	-	55,108	-	-	79,788	-	-	180,655	-	110,826	-
Specialty Vehicles (un.)	-	-	102	21,844	-100.0%	-	428	-	-	428	160	33,218	-100.0%
Others <sup>1</sup>	-	3,384	-	-	-	-	-	-	-	3,384	-	-	-

<sup>1</sup>Refers to the operation of the Randon Auttom company which, at this moment, is located within the Trailers division.

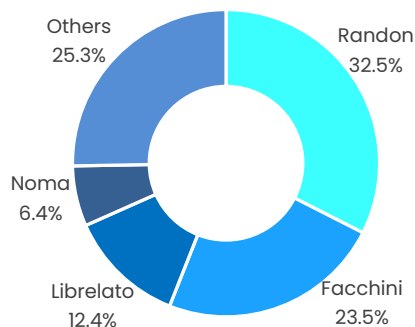
Net revenue in R\$ Thousand

## EBITDA %



**R\$ 91.8M**  
**9.9%**

## Quarterly Market Share (%)



Access the QR to find out more news about the external semi-trailer market

## INTERNATIONAL MARKET CONSOLIDATED



**US\$ 22.2M**

- Increased demand driven by agribusiness, which represented 67% of semi-trailer sales in 2Q21;
- In exports, the Mercosur countries and Chile continued to be the most relevant, but Africa has recovered and gained strength with a new partner in Kenya;
- Backlog of over 120 days;
- Delivery of 132 railcars in 2Q21, contributing to revenue growth;
- Market share pressured by the significant increase in market volumes.

# Segments | Auto Parts

## NET REVENUE



**R\$ 1.1 B**

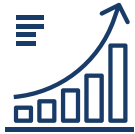
Volumes	2Q21		2Q20			1Q21			1H21		1H20		
	Units	Revenue	Units	Revenue	Δ% Units	Units	Revenue	Δ% Units	Units	Revenue	Units	Revenue	Δ% Units
Friction Materials (Thousand/un.)	24,306	298,267	18,528	206,518	31.2%	26,843	304,538	-9.5%	51,149	602,805	41,785	451,850	22.4%
Other products Fras-le (Thousand/un.) <sup>1</sup>	9,415	288,304	2,408	67,518	290.9%	10,539	325,354	-10.7%	19,954	613,658	6,980	154,198	185.9%
Brakes (un.)	223,471	156,139	79,904	45,858	179.7%	214,918	132,744	4.0%	438,389	288,883	230,976	132,959	89.8%
Coupling Systems (un.)	37,432	78,105	16,850	22,407	122.1%	36,929	67,050	1.4%	74,361	145,155	43,384	61,636	71.4%
Suspensions and Axles (un.)	46,094	175,683	22,354	51,171	106.2%	45,772	151,016	0.7%	91,866	326,699	54,553	164,349	68.4%
Hubs and Drums (un.)	201,966	119,595	116,137	27,177	73.9%	199,746	101,281	1.1%	401,712	220,877	239,468	78,437	67.8%
Others	-	2,058	-	-	-	-	-	-	-	2,058	-	-	-

<sup>1</sup> The product volumes of the indirect subsidiary Nakata Automotiva started to compose this line as of September 2020.

Net revenue in R\$ Thousand

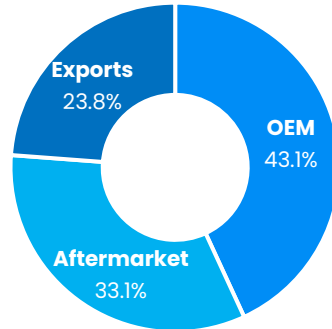
<sup>2</sup> Refers to CTR activities, which were allocated within Fras-le, but now operates separately with its own Tax Payer Registry Number.

## EBITDA %



**R\$ 211.3M**  
**18.9%**

## Net Revenue Breakdown by Segment 2Q21



## INTERNATIONAL MARKET CONSOLIDATED



**US\$ 51.1M**



Castertech acquires the Menegotti Group's Foundry and Machining unit

- Strong demand in Brazil, due to sales growth from OEMs and trailers manufacturers;
- International market recovered with advances in vaccination and customer's inventory rebuilding;
- Aftermarket segment showed a slight slowdown compared to 1Q21, impacted by the effects of Covid-19, mobility restrictions and high inflation;
- Addition of revenues from acquired companies, especially Nakata (R\$153.7 million in 2Q21);
- Current backlog indicates positive demand for the coming months.



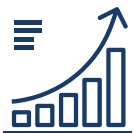
# Segments | Financial and Digital Services

## NET REVENUE



**R\$ 69.5M**

## EBITDA %



**R\$ 19.6M**  
**28.1%**

## STARTUPS

**5 invested**

**12 co-invested**

Volumes	2Q21		2Q20			1Q21			1H21		1H20		
	Units	Revenue	Units	Revenue	Δ% Units	Units	Revenue	Δ% Units	Units	Revenue	Units	Revenue	Δ% Units
Coop-payment plan quotas sold	4,695	51,725	3,086	38,451	52.1%	3,023	45,265	55.3%	7,718	96,990	5,299	76,664	45.7%
Randon Investimentos (Randon Bank)	-	16,686	-	8,067	-	-	16,288	-	-	32,975	-	19,744	-
Others <sup>1</sup>	-	1,135	-	4	-	-	292	-	-	1,427	-	9	-

<sup>1</sup> Randon Collection, Conexo, Randon Corretora and Randon Ventures.

Net revenue in R\$ Thousand

## Randon Consórcios

- Expressive growth in the number of quotas sold compared to 2Q20 (+52.1%);
- Most representative segments: trucks, implements, real estate and agricultural machinery.

## Banco Randon

- Advance in the number of operations contracted in the quarter;
- Default under control, given the good quality of the customer base.

## Randon Ventures

- Accumulated investment of R\$ 17.0 million in startups.



Randon Ventures and 4All presented fintech R4 Digital



Randon Ventures Announces Investment in TruggHub

# ESG | Sustainability

## 2020 Sustainability report:



Investments of:

- R\$ 7.7M in social projects;
- R\$ 8.6M in environmental management;
- R\$ 90M in innovation and industrial technology;
- 65.5% of waste with sustainable destination;
- 58.8% of the treated effluent for reuse.

## 2021 Corporate Governance Report



Adoption of new practices:

- [The Executive Board Internal Regulation](#);
- [Policy on the Remuneration of Administrators](#);
- [Transactions with Related Parties Policy](#)



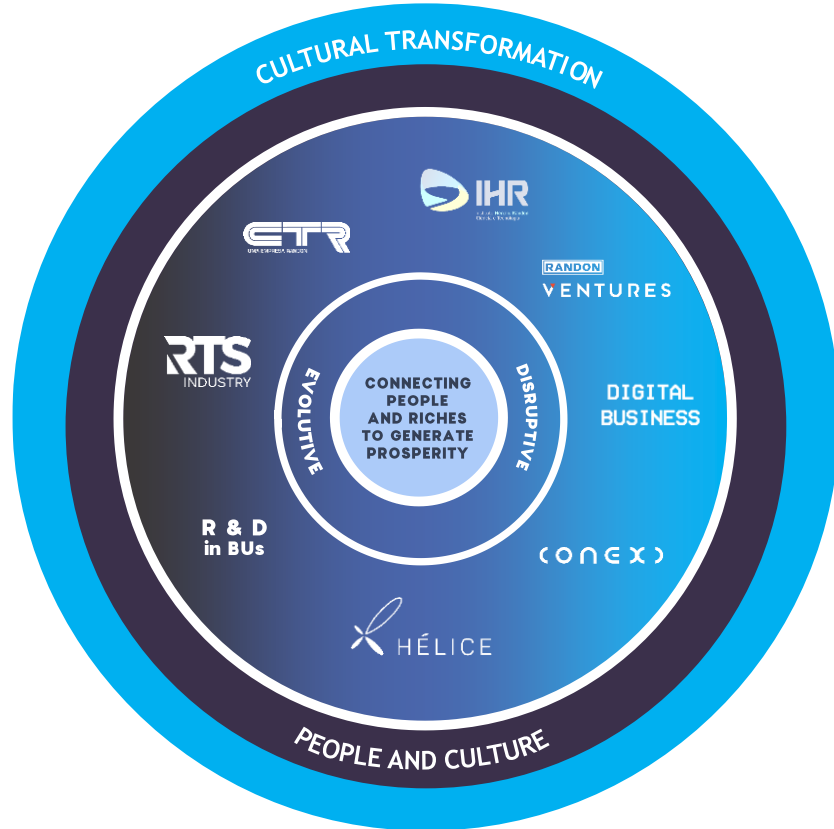
To learn more, watch the ESG Ambition event held on June 1st.

## PUBLIC COMMITMENTS

- >> Double the number of women in leadership positions by 2025.
- >> Zero serious accidents.
- >> Increase the consolidated annual net revenue generated by new products.
- >> Reduce 40% of greenhouse gas emissions by 2030.
- >> Zero waste disposal in industrial landfill and discharge of effluents by 2025.



# Innovation



**We have a tradition of innovating.  
Innovation is what drives us.**

## **Instituto Hercílio Randon (IHR) introduced a new phase in the development of disruptive research**



The IHR, a non-profit organization supported by Randon Companies, wants to become the main organization, maintained by the private sector, responsible for disruptive research in the areas of mobility, embedded electronics and materials.

## **New cycle of the Randon Technological Center (CTR)**



After investing R\$ 20 million to improve its infrastructure in 2020, CTR expands the services it offers, with new solutions for safety testing and engineering services and focuses on electromobility. [Click here](#) to learn more.

# Guidance Reviewed

INDICATOR	Previous Guidance	Guidance Reviewed 2021
Total Gross Revenue	R\$ 9.6 billion	R\$ 12.0 billion
Consolidated Net Revenue	R\$ 6.8 billion	R\$ 8.5 billion
Revenues from International Market <sup>1</sup>	US\$ 250 million	US\$ 260 million
Imports	US\$ 100 million	US\$ 170 million
Investments <sup>2</sup>	R\$ 250 million	R\$ 320 million

<sup>1</sup> Value refers to the total exports from Brazil and the revenues generated by operations abroad, without intercompany sales;

<sup>2</sup> Value refers to organic investments

These indicators were validated in Randon's strategic planning process and are backed by the assessment of the macroeconomic scenarios of Brazil and of the countries that Randon has business relations with, as well as on the indicators of the automotive industry and market behavior of its business segments.

## Rating Raise

On July 29, the credit and risk rating agency Standard & Poor's (S&P) raised Randon's corporate rating on the Brazilian National Scale, from brAA- with a negative outlook, to brAA+ with a stable outlook.



Scan the QR-Code to access S&P's report (available only in Portuguese).



# Key Messages

## **That's what drives us**

We believe that our purpose of connecting people and riches generating prosperity allows us to grow and help to grow those who are with us on this journey.

And this is only possible through ethical and responsible behavior that is part of our identity.

The challenges are constant, but the desire to do more and better goes beyond the barriers we encounter.

The results are the consequence of collective work, in which our people stand out, both for their knowledge and for their engagement.

## **Invest in Randon if you believe in:**

- Business Diversification.
- Solid Cash Position.
- Sustainability is a priority.
- Constant innovation and transformation.
- Quality and safety in its broader meaning.

# Q&A

**Para participar do Q&A, clique no ícone Q&A na parte inferior da tela.**

**To ask questions, please click on the Q&A icon on the bottom of the screen**



## **POR VOZ**

- Escreva seu **NOME, EMPRESA** e **IDIOMA**.
- Ao ser anunciado, aparecerá na tela uma solicitação para ativar seu microfone.
- Clique para ativar e faça sua pergunta.

## **BY VOICE**

- Write your **NAME, COMPANY** and **LANGUAGE**.
- When announced, a request to activate your microphone will appear on your screen.
- Click it to activate and ask your question.



## **POR ESCRITO**

- Escreva seu **NOME, EMPRESA** e sua **PERGUNTA**.
- Se ela não for lida durante o evento, será respondida após o encerramento, pela equipe de RI.

## **IN WRITING**

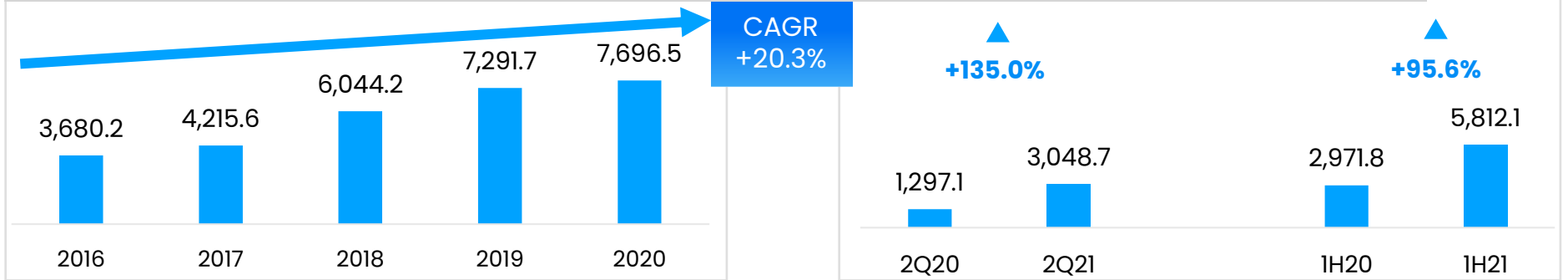
- Write your **NAME, COMPANY** and **LANGUAGE**.
- If it is not read during the event, it will be answered after the meeting by the IR team.



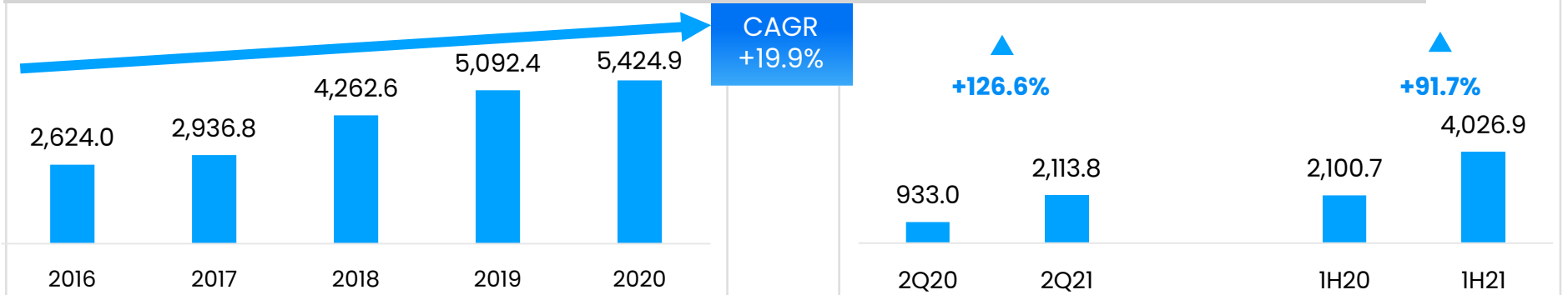
# SUPPORT MATERIAL 2Q21

# Operating Results

## TOTAL GROSS REVENUE (Including Intercompany Sales) | R\$ Million



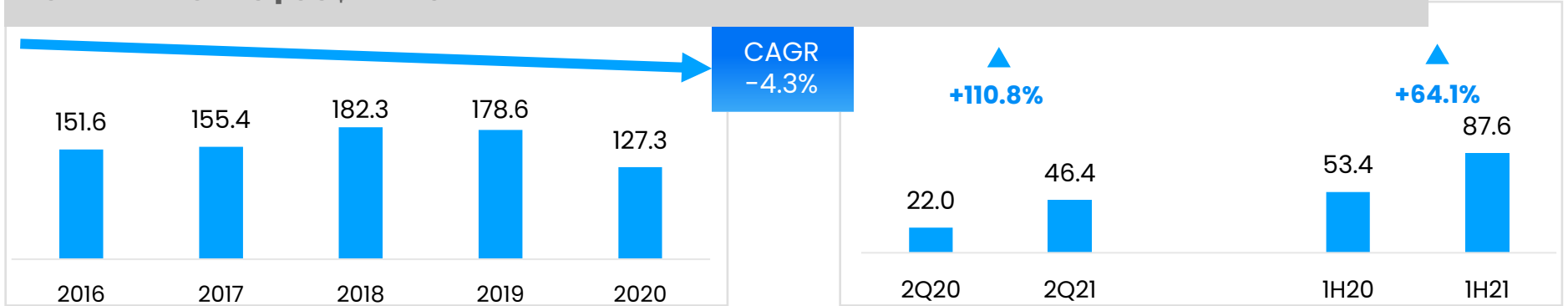
## CONSOLIDATED NET REVENUE | R\$ Million



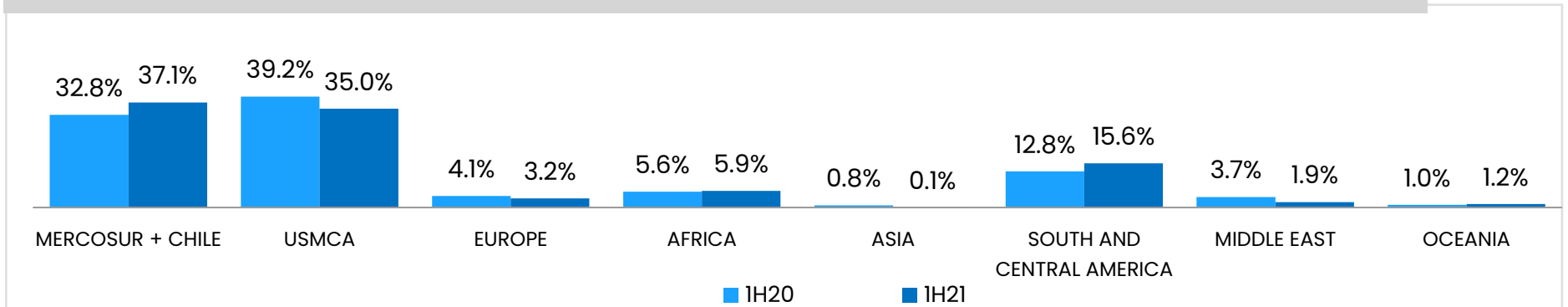


# Operating Results

## TOTAL EXPORTS | US\$ Million

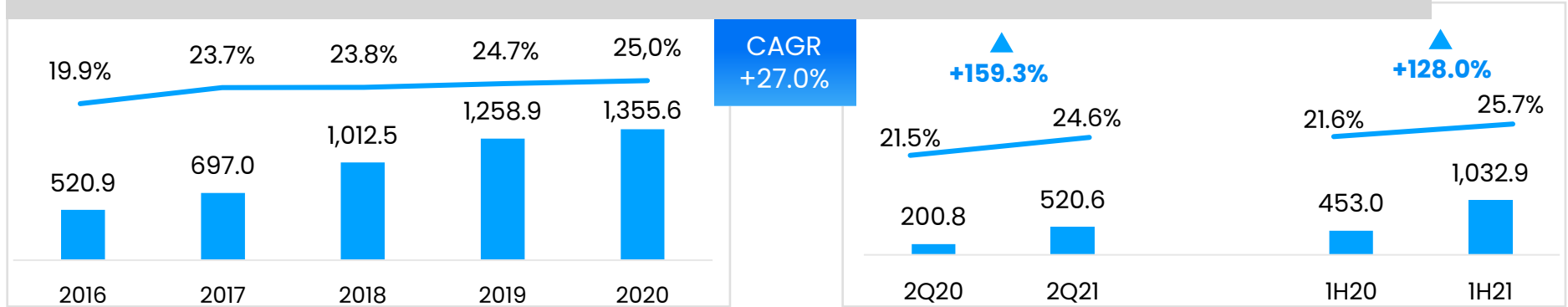


## EXPORTS BY ECONOMIC REGION | US\$ Million



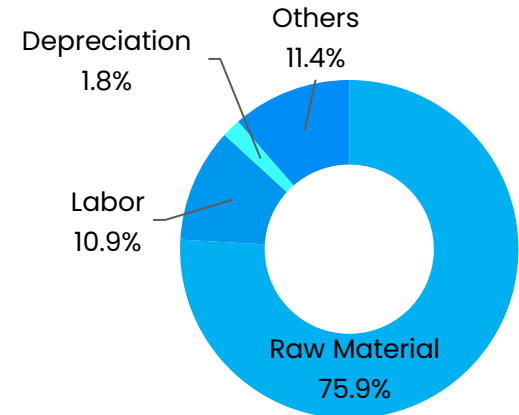
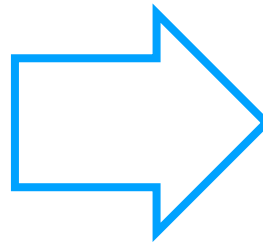
# Operating Results

## GROSS PROFIT | GROSS MARGIN | R\$ Million | %



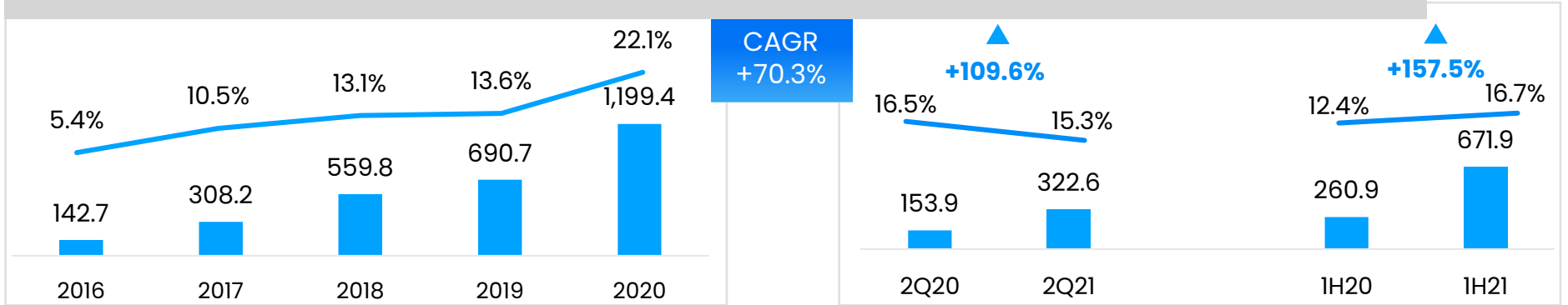
**COGS 2Q21**  
R\$ 1.6 Bn  
(75.4% o/CNR)

## COGS DISTRIBUTION 2Q21

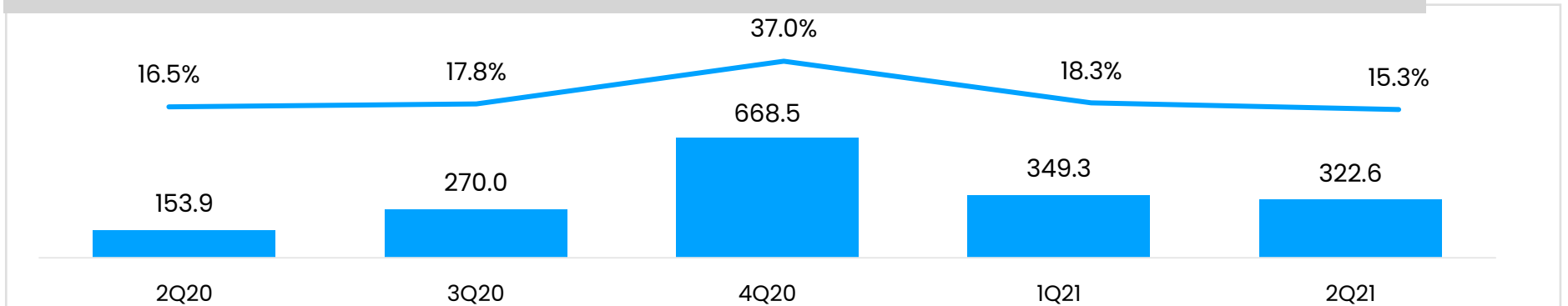


# Operating Results

## EBITDA | EBITDA MARGIN | R\$ Million | %

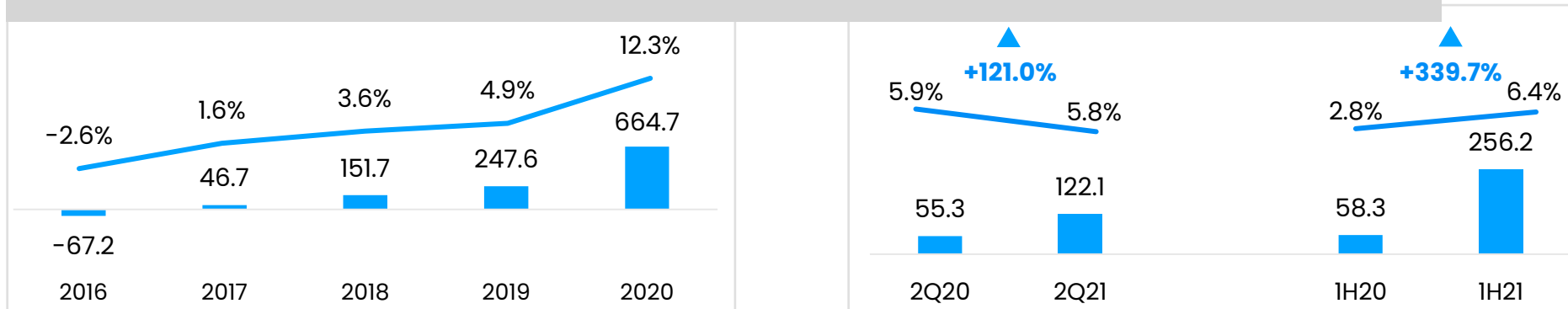


## EBITDA | EBITDA MARGIN QUARTERLY | R\$ Million | %

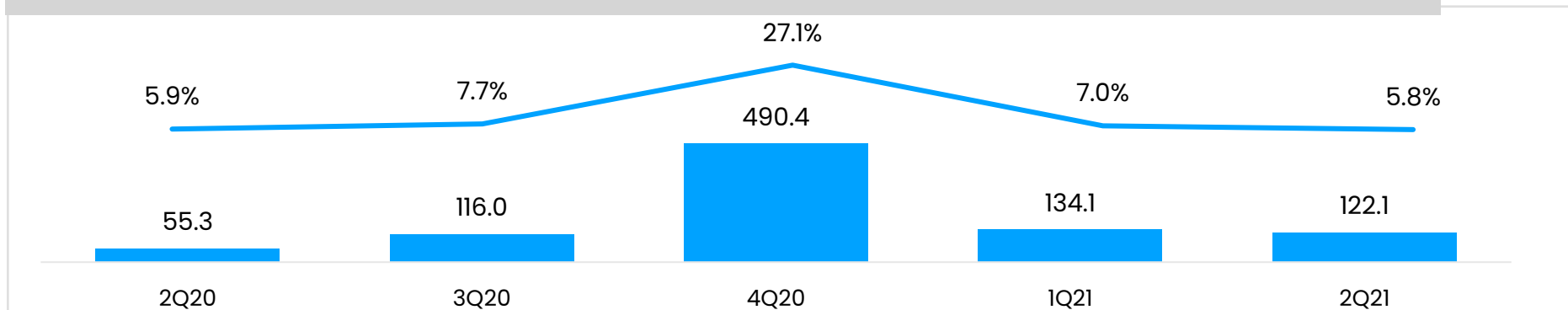


# Financial Results

## NET PROFIT | NET MARGIN | R\$ Million | %

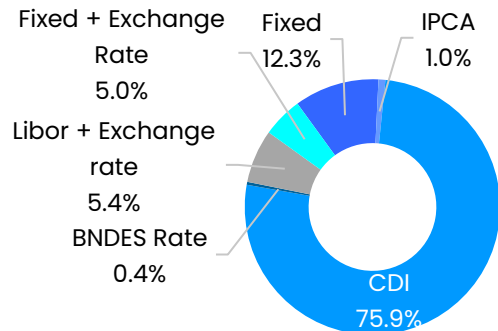


## NET PROFIT | NET MARGIN QUARTERLY | R\$ Million | %

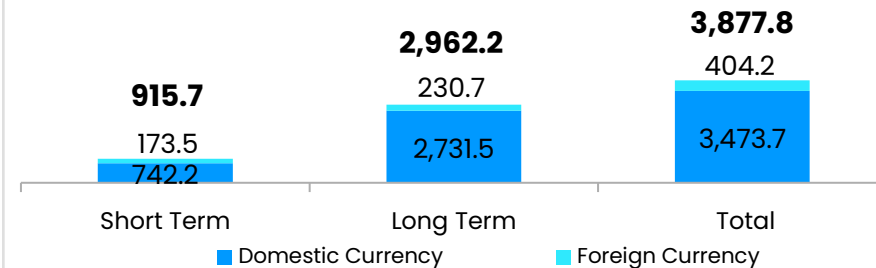


# Indebtedness

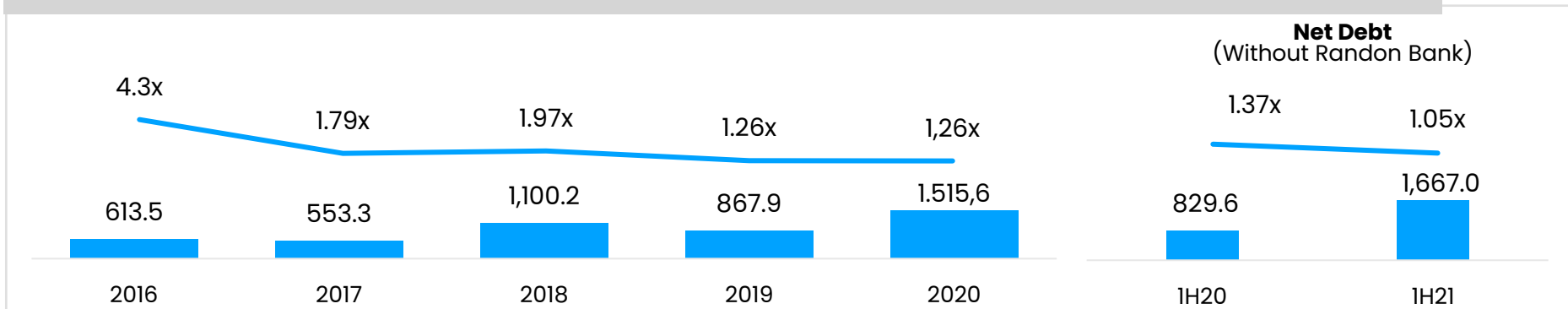
## DEBT INDEXES



## ORIGIN OF DEBT SHORT AND LONG TERM R\$ - Million

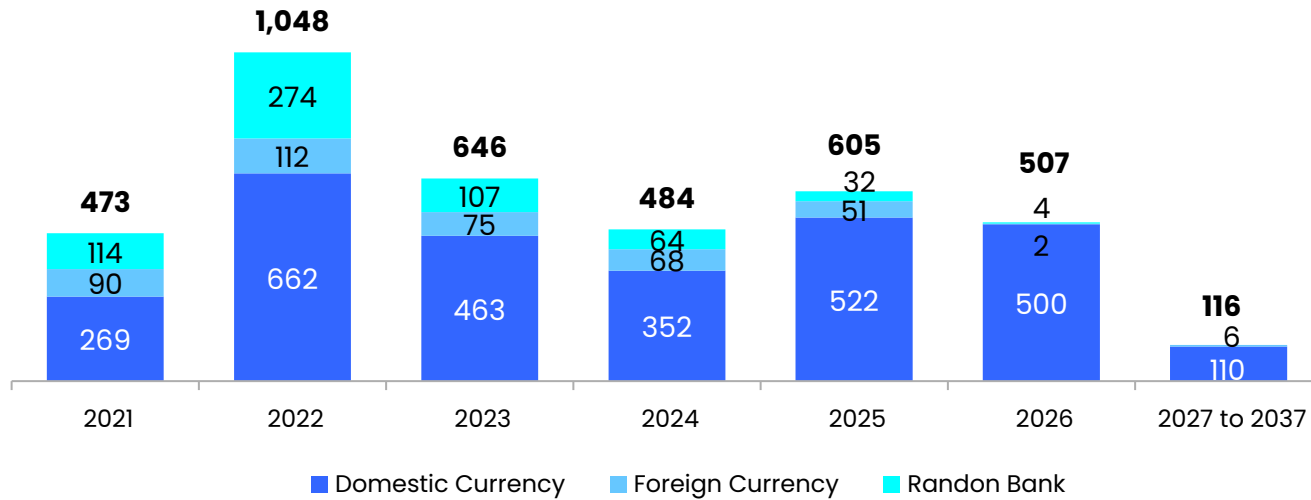


## INDEBTEDNESS | NET DEBT / EBITDA | R\$ Million



# Indebtedness

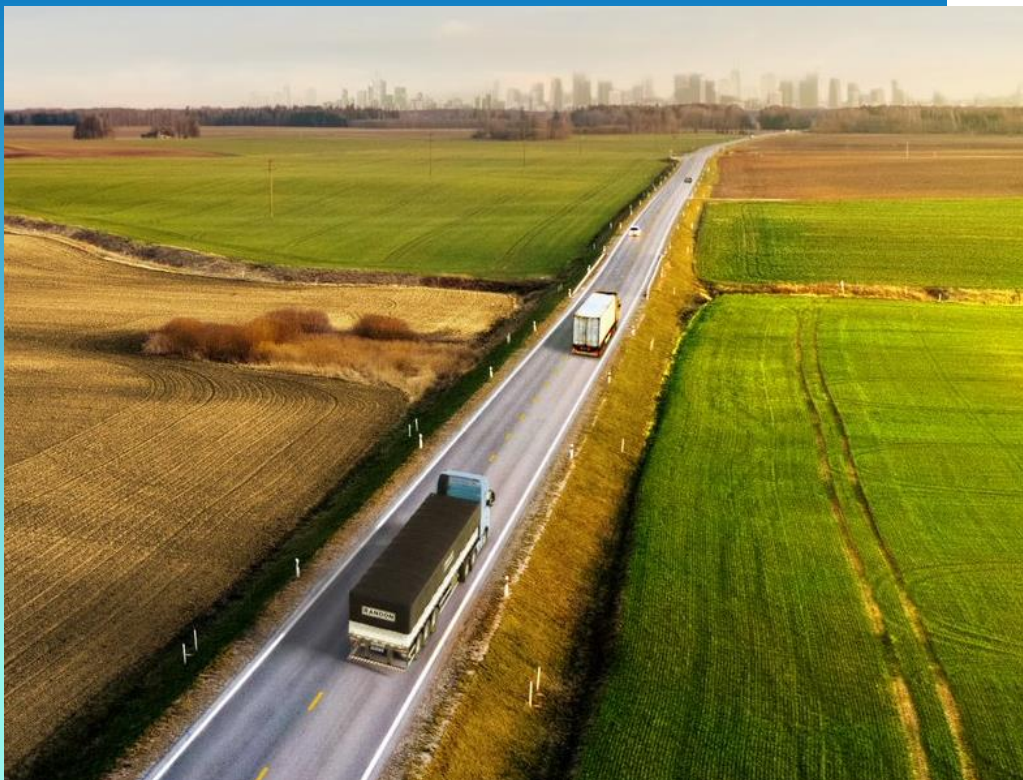
## SCHEDULE OF DEBT PAYMENT | R\$ Million



# Quarterly Information

R\$ million | %

	2Q2020	3Q2020	4Q2020	2020	1Q2021	2Q2021
Consolidated Net Revenue	933.0	1,515.5	1,808.6	5,424.8	1,913.1	2,113.8
% Trailers	49.9%	45.4%	42.0%	44.4%	40.2%	43.8%
% Auto Parts	45.1%	51.1%	54.9%	51.8%	56.6%	52.9%
% Services	5.0%	3.5%	3.1%	3.8%	3.2%	3.3%
Consolidated Gross Profit	200.8	419.6	483.0	1,355.6	512.4	520.6
% Gross Margin	21.5%	27.7%	26.7%	25.0%	26.8%	24.6%
EBITDA	153.9	270.0	668.5	1,199.4	349.3	322.6
% EBITDA Margin	16.5%	17.8%	37.0%	22.1%	18.3%	15.3%
Net Profit	55.3	116.0	490.4	664.7	134.1	122.1
% Net Margin	5.9%	7.7%	27.1%	12.3%	7.0%	5.8%



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