

RANDONCORP

Building tomorrow



Earnings Release

2Q23

CAPITAL MARKET

* Data from June 30, 2023



RAPT3 – R\$ 10.00
RAPT4 – R\$ 12.17
MARKET CAP – R\$ 3.7 billion
FREE FLOAT – 60.1%

EARNINGS CONFERENCE CALL



August 10, 2023, Thursday
11 a.m. Brazil | 10 a.m. NY | 3 p.m. London
Broadcasting in Portuguese and English
Translation into Brazilian sign language
[Click here](#) to access the event.

INVESTOR RELATIONS

Paulo Prignolato – CFO and IRO
Esteban M. Angeletti - Director
Davi C. Bacichette – Coordinator
Caroline I. Colletto – Consultant
Gustavo Schwaizer – Analyst
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Randoncorp (Randon S/A Implementos e Participações) | B3: RAPT3 and RAPT4, discloses its financial results for the second quarter of 2023 (2Q23) and first half of 2023 (1H23). The consolidated financial statements were prepared in accordance with accounting practices adopted in Brazil and with international accounting standards (IFRS) issued by the International Accounting Standards Board (IASB).

Caxias do Sul, August 9, 2023.

We are **Randoncorp**, and, for over 74 years, we have been developing equipment, automotive systems, and transportation services solutions.

As a Company with a diversified business model, distributed in 5 verticals, we serve different markets and geographies.

Our headquarter is in Caxias do Sul, RS, Brazil, and we have units located on four continents. Altogether, we have 32 industrial plants, and our products are sold in more than 120 countries.

Purpose

Connecting people and riches, to generate prosperity.

Principles

- › Valued and respected people
- › Satisfied customer
- › Safety and quality
- › Preservation of our image and legacy
- › Ethics
- › Profitability with sustainability
- › Innovation and Technology
- › Randon is all of us

Strategic Guidelines

- › Innovation and technology as differentiators
- › Absolute focus on customers
- › Diversification with focus
- › Financial strength
- › Leveraging synergies
- › Company desired to work
- › Sustainability (ESG) prioritized



[Click here to download the charts in this report.](#)

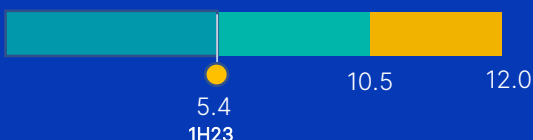
RAPT

B3 LISTED N1

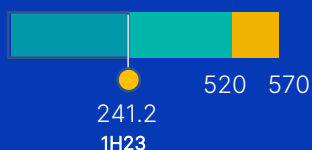
IBRA B3 | IGC B3 | IGCT B3 | INDX B3 | ITAG B3 | SMLL B3 | IAGRO-FFS B3

R Guidance 2023

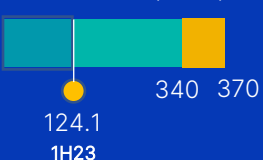
Consolidated Net Revenue (R\$ B)



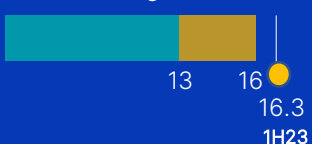
Revenues From International Markets (US\$ M)



Investments (R\$ M)



EBITDA Margin (%)



■ 2023 Guidance Range

Economic and Financial Highlights 2Q23

Net Revenue
R\$ 2.8 billion

Stability compared to 2Q22, driven by the continued good demand for trailers and advances in both the aftermarket and international markets, offsetting the decline in sales of auto parts to OEMs.

International Markets
US\$ 130.2 million

An increase of 15.8% compared to 2Q22, especially due to revenue expansion in the USA and Europe.

EBITDA
R\$ 444.4 million
16.0% o/NR

Growth of 22.8% in Consolidated EBITDA and of 295 basis points in EBITDA margin when compared to 2Q22, mainly attributed to lower raw material costs and the capture of synergies across our operations.

Net Profit
R\$ 116.8 million
4.2% o/NR

An increase of 11.7% compared to 2Q22, resulting from improved operational performance, which mitigated the impact of increased financial expenses due to exchange rate fluctuation and the current interest rate.

Total Investments
R\$ 99.1 million

Primarily invested in the acquisition of machinery and equipment and the capitalization of our subsidiaries.

Net Debt
R\$ 2.4 billion
(without Randon Bank)
1.53x (Net Debt/EBITDA)

A 16.0% increase in net debt (excluding Randon Bank) while maintaining stability in leverage, reaching 1.53x the EBITDA over the last 12 months.

Forward-looking statements and information are not assurance of performance. They involve risks, uncertainties and assumptions, since they refer to future events, depending, therefore, on circumstances that may or may not occur. Future results and the creation of shareholder value may differ significantly from those expressed or suggested by the statements related to the future. Many of the factors that will determine these results and values are beyond our ability to control or predict.

Main Figures

Economic Highlights	2Q23	2Q22	Δ%	1Q23	Δ%	1H23	1H22	Δ%
Consolidated Gross Revenue	3,391,689	3,404,415	-0.4%	3,263,661	3.9%	6,655,350	6,452,062	3.2%
Consolidated Net Revenue	2,776,867	2,772,317	0.2%	2,658,168	4.5%	5,435,035	5,248,664	3.6%
International Market Revenues US\$ ¹	130,201	112,468	15.8%	110,970	17.3%	241,171	212,325	13.6%
Consolidated Gross Profit	779,976	645,420	20.8%	732,308	6.5%	1,512,283	1,289,995	17.2%
Gross Margin (%)	28.1%	23.3%	481 bps	27.5%	54 bps	27.8%	24.6%	325 bps
Consolidated EBITDA	444,441	362,018	22.8%	442,164	0.5%	886,604	763,367	16.1%
EBITDA Margin (%)	16.0%	13.1%	295 bps	16.6%	-63 bps	16.3%	14.5%	177 bps
Adjusted EBITDA	457,070	362,018	26.3%	442,164	3.4%	899,234	763,367	17.8%
Adjusted EBITDA Margin (%)	16.5%	13.1%	340 bps	16.6%	-17 bps	16.5%	14.5%	200 bps
Consolidated Net Profit	116,798	104,525	11.7%	122,108	-4.3%	238,906	234,600	1.8%
Net Margin (%)	4.2%	3.8%	44 bps	4.6%	-39 bps	4.4%	4.5%	-7 bps
Earnings per share R\$	0.36	0.32	12.1%	0.37	-4.3%	0.73	0.71	2.2%

Financial Highlights

Equity	2,934,228	2,708,393	8.3%	2,846,864	3.1%	2,934,228	2,708,393	8.3%
Investments ²	99,087	458,909	-78.4%	316,105	-68.7%	415,192	608,697	-31.8%
Net Debt	3,884,549	3,266,002	18.9%	3,968,307	-2.1%	3,884,549	3,266,002	18.9%
Net Debt (Without Randon Bank)	2,429,318	2,093,411	16.0%	2,538,871	-4.3%	2,429,318	2,093,411	16.0%
Leverage	2.39 x	2.30 x	3.6%	2.57 x	-7.1%	2.39 x	2.30 x	3.6%
Leverage (Without Randon Bank)	1.53 x	1.50 x	1.8%	1.68 x	-9.0%	1.53 x	1.50 x	1.8%
ROE (last 12 months)	17.3%	26.8%	-950 bps	16.9%	45 bps	17.3%	26.8%	-950 bps
ROIC (last 12 months)	12.8%	11.8%	96 bps	12.0%	78 bps	12.8%	11.8%	96 bps

Capital Market

Capital Market	06/30/23	06/30/22	Δ%	03/31/23	Δ%
RAPT4 Closure Quote ³	12.17	8.94	36.1%	7.51	62.1%
RAPT3 Closure Quote ³	10.00	7.65	30.7%	7.07	41.4%
RAPT4 Total Shares ⁴	212,815	212,815	0.0%	212,815	0.0%
RAPT3 Total Shares ⁴	116,516	116,516	0.0%	116,516	0.0%
Market Cap ⁵	3,742,495	2,793,910	34.0%	2,414,218	55.0%
RAPT4 Treasury Shares ⁴	1,037	-	-	1,037	0.0%
Price Over Book Value ³	12.53	11.49	9.1%	12.11	3.5%

¹ Exports + Revenues from International Markets (both consolidated)

² Capex + Non-Organics + Paid-in Capital

³ Values in R\$ and adjusted to dividends and interest on equity paid

⁴ Values in Thousands

⁵ Values in R\$ Thousands

RANDONCORP

Business Overview

The second quarter of 2023 was marked by the strong performance of our businesses, even in a complex market context, mainly impacted by the drop in the truck segment, high-interest rate credit, and the effects of global inflation, which brought additional challenges to international sales in some regions.

The consistency of our results throughout the first half of the year, once again highlighted the effectiveness of our diversification strategy. Demand reductions in some product lines were offset by the strong performance of others, and the increased international exposure has been essential in compensating challenges in the domestic market. As a result, all verticals showed positive performance, as they have been exploring new revenue sources and boosting sales, especially in more resilient segments.

We continue gathering the results of significant investments made in recent years, such as the acquisition of Hercules, which marked the entry of the OEM Vertical into the North American trailers sector, as well as the start of exports to this region. Additionally, we have captured significant synergies between companies in the Motion Control Vertical, of which we highlight Juratek. Also, in 2Q23, we highlight the resilience of margins in the Auto Parts Vertical and the importance of the Financial and Digital Services Vertical as an alternative to promoting sales of Randoncorp's products.

Everything we do is characterized by innovation and technology, dynamism, and leadership in the sectors we operate in, and, above all, sustainability. We detailed this and our long-term strategy to investors at the Randoncorp Day, held in June, showcasing the company we envision for the future – increasingly competitive, generating greater value for shareholders, and making a positive impact on society.

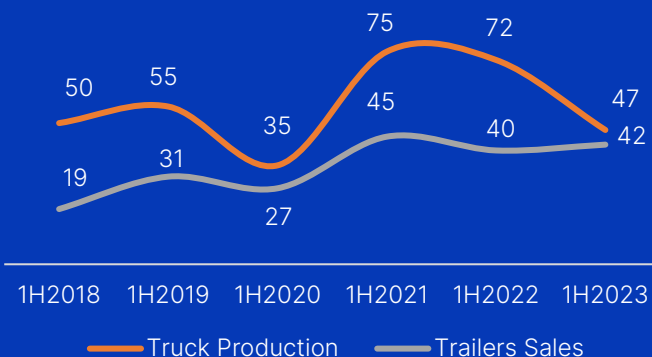
Market Overview

		2Q23	2Q22	Δ%	1Q23	Δ%	1H23	1H22	Δ%
Production	Trucks ¹	22,676	37,389	-39.4%	24,497	-7.4%	47,173	71,772	-34.3%
	Trailers ³	22,558	22,020	2.4%	22,195	1.6%	44,753	42,473	5.4%
Brazil Sales	Trucks ¹	23,931	30,753	-22.2%	28,616	-16.4%	52,547	57,605	-8.8%
	Trailers ²	21,180	20,695	2.3%	20,890	1.4%	42,070	40,014	5.1%
Exports	Trucks ¹	3,694	6,453	-42.8%	4,468	-17.3%	8,162	11,138	-26.7%
	Trailers ³	1,378	1,325	4.0%	1,305	5.6%	2,683	2,459	9.1%

¹ Anfavea | ² Anfir | ³ Anfir + Aliceweb

Volumes in units

Automotive Market Historical (thousand/units)



- › **Trucks:** Significant decline in truck market indicators, mainly due to the pre buy effects of Euro 5 engine vehicles in 2022, resulting in additional inventories that can be sold until the end of 2023. As a consequence, the OEMs continued with slow production of Euro 6 trucks in 1H23, implementing lay-offs and other necessary measures to align production with demand.
- › **Trailers:** Maintenance of volumes, which remain stable compared to the previous year. The agribusiness sector continued to strengthen sales in the domestic market, while exports were boosted by sales to the North American market.
- › **Aftermarket:** It continues to grow due to the drop in new vehicle production in the domestic market, which leads to an aging vehicle fleet and increased demand for parts.



Consolidated Performance



Consolidated Net Revenue

	2Q23	2Q22	Δ%	1Q23	Δ%	1H23	1H22	Δ%
Net Revenue	2,776,867	2,772,317	0.2%	2,658,168	4.5%	5,435,035	5,248,664	3.6%
Domestic Market	2,132,557	2,217,718	-3.8%	2,081,598	2.4%	4,214,155	4,173,558	1.0%
International Market ¹	644,310	554,599	16.2%	576,570	11.7%	1,220,880	1,075,106	13.6%

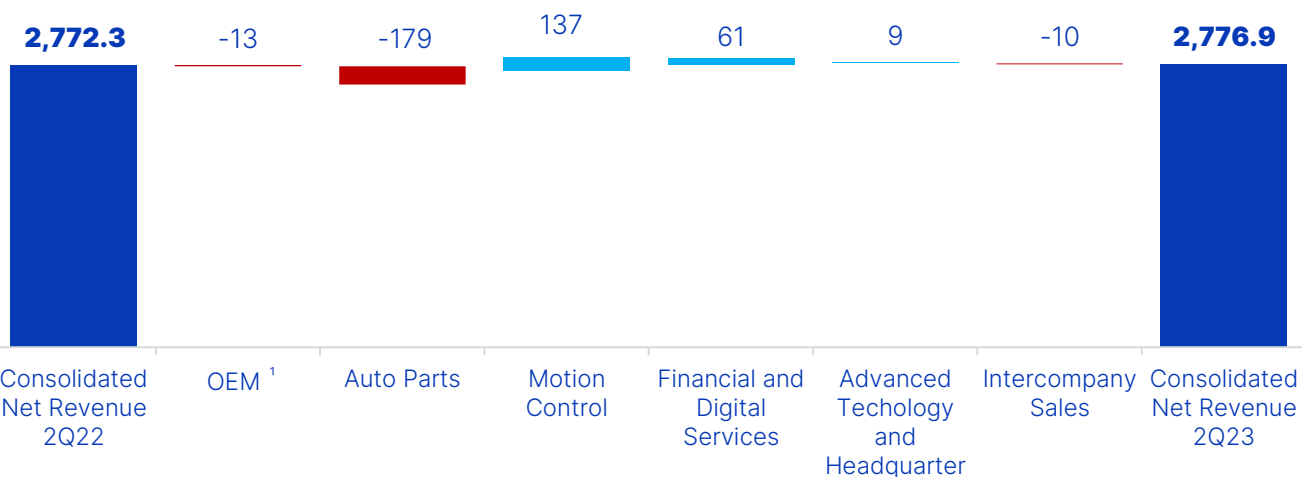
¹ Exports + Revenues from International Markets (Both Consolidated)

Values in R\$ Thousands

Consolidated net revenue totaled R\$ 2.8 billion in 2Q23, similar to the value obtained in the same period of 2022. Comparing the first half of the year with the same period of 2022, there was a 3.6% increase in this indicator, reaching R\$ 5.4 billion in 1H23.

The main highlights of 2Q23 are as follows:

- › Increase in sales to international markets, mainly benefiting from recent acquisitions of companies abroad, which added R\$ 147.9 million in revenue during the period.
- › Good demand in the trailer market from the agricultural sector and growth in other segments, such as tanker trailers.
- › Volumes of auto parts at lower levels than usual, due to the reduction in truck production in the country.
- › A thriving aftermarket, with good levels of volume and prices.
- › Addition of R\$ 28.1 million in revenue from the company DB, acquired in February 2023, by the Financial and Digital Services Vertical.



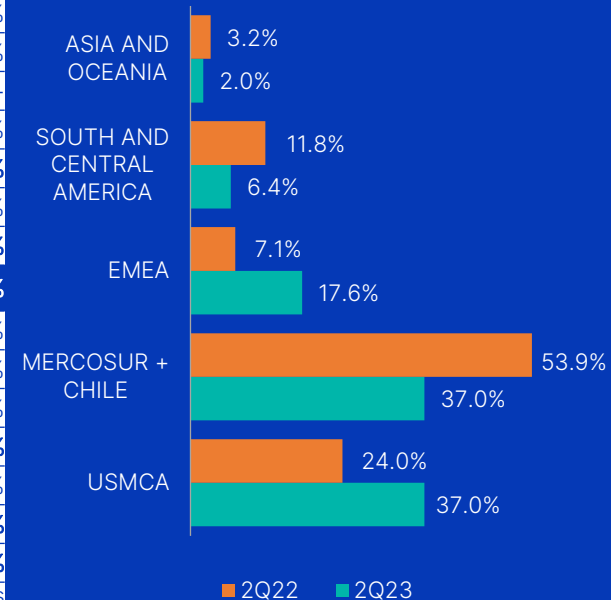
¹ As of this quarter we started to call the Trailers Vertical as OEM Vertical
Values in R\$ Million

Revenues From International Markets

Exports	2Q23	2Q22	Δ%	1Q23	Δ%	1H23	1H22	Δ%
OEM (Trailers)	31,196	27,343	14.1%	23,360	33.5%	54,556	54,866	-0.6%
Auto Parts	11,588	9,250	25.3%	10,682	8.5%	22,270	19,950	11.6%
Motion Control	30,996	27,716	11.8%	25,562	21.3%	56,559	54,103	4.5%
Financial and Digital Services	307	-	-	-	-	307	-	-
Advanced Technology and HQ	558	366	52.6%	507	10.1%	1,065	755	41.1%
Sub-Total	74,645	64,674	15.4%	60,112	24.2%	134,757	129,674	3.9%
(-) Intercompany Sales	-20,869	-19,108	9.2%	-15,224	37.1%	-36,093	-38,167	-5.4%
Consolidated Exports	53,776	45,567	18.0%	44,888	19.8%	98,664	91,507	7.8%
Revenues from International Units	2Q23	2Q22	Δ%	1Q23	Δ%	1H23	1H22	Δ%
OEM (Trailers)	27,947	18,444	51.5%	26,526	5.4%	54,473	29,663	83.6%
Auto Parts	647	600	7.9%	375	72.8%	1,022	1,147	-10.9%
Motion Control	69,284	55,394	25.1%	51,577	34.3%	120,862	102,932	17.4%
Sub-Total	97,879	74,438	31.5%	78,478	24.7%	176,357	133,742	31.9%
(-) Intercompany Sales	-21,454	-7,536	184.7%	-12,395	73.1%	-33,849	-12,925	161.9%
Total	76,425	66,902	14.2%	66,082	15.7%	142,508	120,818	18.0%
International Market	130,201	112,468	15.8%	110,970	17.3%	241,171	212,325	13.6%

Values in US\$ Thousands

International Market by Region



International market revenues reached US\$ 130.2 million in 2Q23, a growth of 15.8% compared to 2Q22, representing 23.2% of the consolidated net revenue. In the accumulated period of 2023, this indicator reached US\$ 241.2 million, a 13.6% increase compared to the same period in 2022.

The main highlights of 2Q23 are:

- › Growth of the OEM Vertical in the USA, due to the addition of US\$ 20.4 million in revenues from Hercules, acquired in Nov/2022.
- › Higher trailers exports, especially in the United States, which offset the decline in demand from South American markets.
- › Advancement in revenues from the Motion Control Vertical, with a good level of demand in most regions where it operates and additional revenues from Juratek (US\$ 9.5 million), which became part of the Company's results in March 2023.
- › Attention to the appreciation of the Real against the Dollar, which impacts the conversion of revenues.

Below are the main points in 2Q23 per geographies:

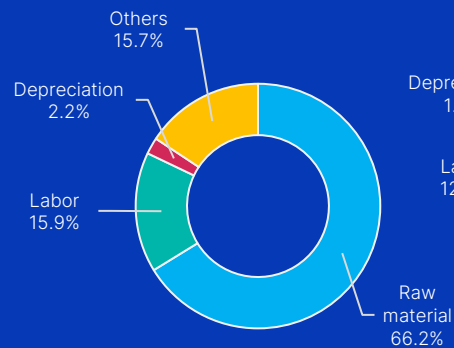
- › USMCA represented 37.0% of revenues, mainly due to increased sales in the OEM Vertical in the USA and price adjustments for the Motion Control Vertical in this region.
- › Economic and financial difficulties in South American countries resulted in reduced demand for certain product lines.
- › The revenue contribution from EMEA, especially Europe, increased due to business expansion in the Motion Control Vertical.

Cost Of Goods Sold (COGS)

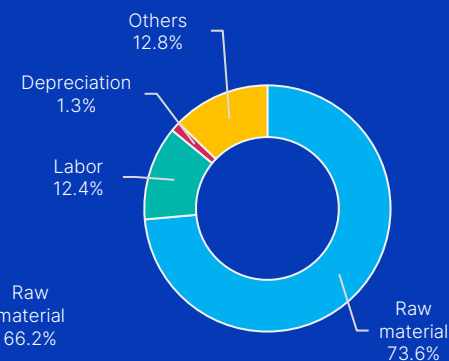
The COGS for the Company amounted to R\$ 2.0 billion in 2Q23, totaling 71.9% of the consolidated net revenue, compared to R\$ 2.1 billion and 76.7% of the consolidated net revenue in 2Q22. Regarding COGS for 2Q23, the following highlights can be noted:

- > Reduction in raw material costs during the comparative period, especially steel.
- > Inputs with higher price adjustment in the period were fibers, graphite, and iron.
- > Positive impacts from the appreciation of the Brazilian Real against the US Dollar on input imports.
- > Internalization of the production of items usually purchased from third parties, especially by Castertech and Master.
- > As of May, Law 14,592/2023 came into effect, which, among other measures, brings the validation of Provisional Measure 1.159/2023, which deals with the exclusion of ICMS in the PIS and COFINS credit calculation basis in the modality non-cumulative, negatively impacting this indicator.

2Q23 COGS BREAKDOWN¹



2Q22 COGS BREAKDOWN¹



¹ Consolidated information

Sales and General Expenses

	2Q23	%	2Q22	%	Δ%	1Q23	%	Δ%	1H23	%	1H22	%	Δ%
Selling Expenses	-191,474	-6.9%	-188,842	-6.8%	1.4%	-182,201	-6.9%	5.1%	-373,675	-6.9%	-354,359	-6.8%	5.5%
Administrative Expenses	-179,345	-6.5%	-125,954	-4.5%	42.4%	-146,695	-5.5%	22.3%	-326,039	-6.0%	-241,139	-4.6%	35.2%
Other Expenses/ Income	-32,515	-1.2%	-29,355	-1.1%	10.8%	-26,931	-1.0%	20.7%	-59,446	-1.1%	-52,313	-1.0%	13.6%
Other Operating Expenses	-71,127	-2.6%	-42,775	-1.5%	66.3%	-38,179	-1.4%	86.3%	-109,306	-2.0%	-80,305	-1.5%	36.1%
Other Operating Income	38,612	1.4%	13,420	0.5%	187.7%	11,248	0.4%	243.3%	49,860	0.9%	27,992	0.5%	78.1%
Equity Income	-209	0.0%	-417	0.0%	-49.9%	274	0.0%	-176.3%	65	0.0%	-841	0.0%	-107.7%
Total Operating Exp/ Income	-403,542	-14.5%	-344,569	-12.4%	17.1%	-355,553	-13.4%	13.5%	-759,095	-14.0%	-648,652	-12.4%	17.0%

Values in R\$ Thousand and % over Net Revenue

In 2Q23, the operating expenses reached R\$ 403.5 million, representing 14.5% of the consolidated net revenue for the period, showing an increase of 17.1% compared to 2Q22 (R\$ 344.6 million and 12.4% o/CNR). In the accumulated 1H23, the indicator presented equivalent growth, reaching R\$ 759.1 million (R\$ 648.7 million in 1H22).

The main factors impacting the advance in operating expenses in the quarterly comparison are as follows:

- > **Selling Expenses:** higher freight costs due to the growth of exports in the OEM Vertical and the addition of expenses from companies acquired after 1Q22 (Juratek, Hercules, and DB).
- > **Other Operating Income/Expenses:** provision for contingency in relation to the rescissory action of excluding ICMS tax from the PIS/COFINS taxes' basis of calculation at the indirect subsidiary Nakata, and its impact on the business combination, which resulted in an additional expense of R\$ 12.6 million in 2Q23. As these are non-recurring events, they were adjusted to EBITDA. For further details, see explanatory notes 4 and 18.1.1.
- > **Equity Income:** the amount is related to the company Addiante, which is still structuring its operations.

Consolidated EBITDA

In 2Q23, the consolidated EBITDA reached R\$ 444.4 million, with an EBITDA margin of 16.0%, showing an increase of 295 basis points compared to 2Q22, where it had reached R\$ 362.0 million and an EBITDA margin of 13.1%.

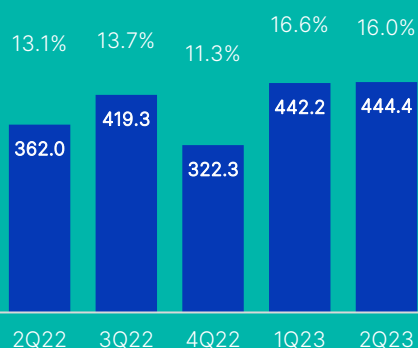
During the second quarter of 2023, there were one-offs, as explained in the previous chapter, which negatively impacted the EBITDA margin of the Motion Control Vertical and the Consolidated EBITDA.

After adjusting this amount (which totaled to R\$ 12.6 million) to the indicator, we have an Adjusted EBITDA of R\$ 457.1 million and an Adjusted EBITDA margin of 16.5% in 2Q23.

For further details, you can refer to the chapter on Performance by Business Verticals.

EBITDA/EBITDA Margin

Consolidated
R\$ Million and %o/CNR



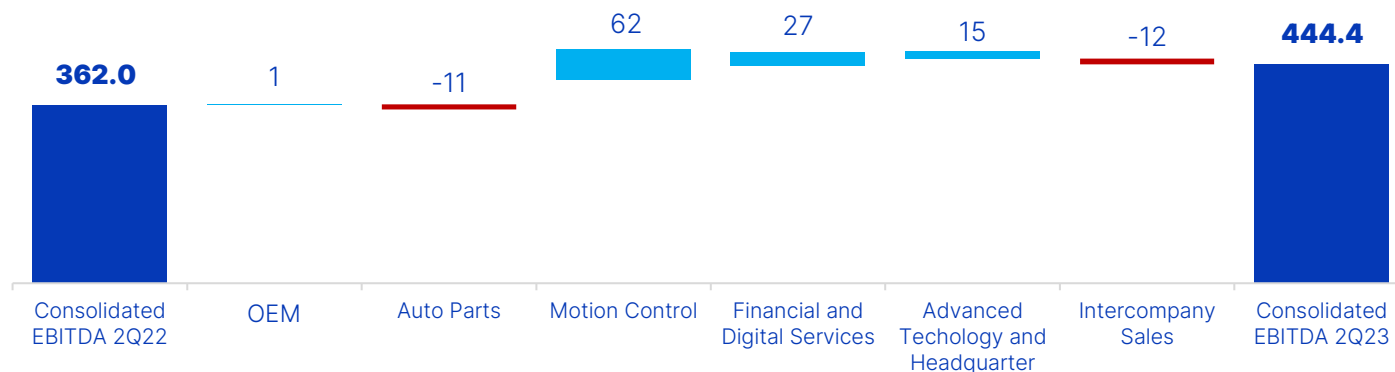
	2Q23	2Q22	Δ%	1Q23	Δ%	1H23	1H22	Δ%
Net Profit	116,798	104,525	11.7%	122,108	-4.3%	238,906	234,600	1.8%
Discontinued Operation	129	80	61.5%	129	-0.4%	258	180	43.0%
Interest of non-controlling shareholders	-70,328	-53,701	31.0%	-64,732	8.6%	-135,060	-93,955	43.8%
Income Tax and Social Contribution	-79,571	-74,077	7.4%	-82,275	-3.3%	-161,846	-151,585	6.8%
Financial Income	-109,865	-68,628	60.1%	-107,768	1.9%	-217,633	-161,383	34.9%
EBIT	376,433	300,851	25.1%	376,755	-0.1%	753,188	641,343	17.4%
Depreciation and Amortization	68,007	61,167	11.2%	65,409	4.0%	133,416	122,025	9.3%
Consolidated EBITDA	444,441	362,018	22.8%	442,164	0.5%	886,604	763,367	16.1%
EBITDA Margin (%)	16.0%	13.1%	295 bps	16.6%	-63 bps	16.3%	14.5%	177 bps
One-Offs	12,630	-	-	-	-	12,630	-	-
Consolidated Adjusted EBITDA¹	457,070	362,018	26.3%	442,164	3.4%	899,234	763,367	17.8%
Adjusted EBITDA Margin (%)	16.5%	13.1%	340 bps	16.6%	-17 bps	16.5%	14.5%	200 bps

¹ Breakdown of EBITDA by vertical in the Performance by Business Vertical chapter

Values in R\$ Thousands

The main highlights of the EBITDA in 2Q23 are as follows:

- › Improvement in gross margin. This advancement was mainly driven by a reduction in raw material costs and a favorable product mix with higher value-added products.
- › Strong demand in some markets where the Company operates, especially in the aftermarket segment, which helped mitigate the impact of decreased production of trucks in Brazil.
- › Sustained positive performance of the acquired companies, which continues to strengthen the consolidated of Randoncorp.
- › Positive impact of adopting CPC 47 (similar to IFRS 15) in the Financial and Digital Services Vertical, starting from 4Q22.
- › Synergy gains resulting from the integration of operations.



Values in R\$ Million

Financial Result

	2Q23	2Q22	Δ%	1Q23	Δ%	1H23	1H22	Δ%
Financial Revenues	174,330	181,838	-4.1%	141,609	23.1%	315,939	317,738	-0.6%
Financial Expenses	-300,717	-280,570	7.2%	-263,520	14.1%	-564,237	-520,584	8.4%
Monetary Adjustment (IAS 29)	16,522	30,104	-45.1%	14,143	16.8%	30,665	41,463	-26.0%
Net Financial Income	-109,865	-68,628	60.1%	-107,768	1.9%	-217,633	-161,383	34.9%

Values in R\$ Thousands

The net financial result of the Company reached negative R\$ 109.9 million at the end of 2Q23, which is 60.1% higher than the amount achieved in the 2Q22 (negative R\$ 68.6 million).

The financial result was impacted by the following factors:

- › The level of the Selic rate at the end of the quarter (13.75% per annum), which resulted in increased interest payments on financing compared to 2Q22.
- › Higher expenses related to exchange rate variations compared to 2Q22, mainly due to the depreciation of the US Dollar against the Brazilian Real.
- › Reduction in revenue from monetary adjustments of subsidiaries located in Argentina.

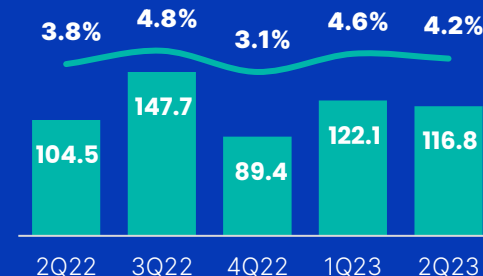
See Explanatory Note no. 24 in the Financial Statements for breakdown of financial result.

Net Income

	2Q23	2Q22	Δ%	1Q23	Δ%	1H23	1H22	Δ%
EBIT	376,433	300,851	25.1%	376,755	-0.1%	753,188	641,343	17.4%
Financial Income	-109,865	-68,628	60.1%	-107,768	1.9%	-217,633	-161,383	34.9%
Operating Results	266,569	232,224	14.8%	268,986	-0.9%	535,555	479,959	11.6%
Income Tax and Social Contribution	-79,571	-74,077	7.4%	-82,275	-3.3%	-161,846	-151,585	6.8%
Discontinued Operation	129	80	61.5%	129	-0.4%	258	180	43.0%
Interest of non-controlling shareholders	-70,328	-53,701	31.0%	-64,732	8.6%	-135,060	-93,955	43.8%
Net Profit	116,798	104,525	11.7%	122,108	-4.3%	238,906	234,600	1.8%
Net Margin (%)	4.2%	3.8%	44 bps	4.6%	-39 bps	4.4%	4.5%	-7 bps
ROE (last 12 months)	17.3%	26.8%	-950 bps	16.9%	45 bps	17.3%	26.8%	-950 bps

Values in R\$ Thousands

Net Income/ Net Margin R\$ Million and %/CNR



The Company achieved a net profit of R\$ 116.8 million in 2Q23, with a net margin of 4.2% and a return on equity (ROE) of 17.3% (last 12 months), showing improvements compared to 2022.

It is worth highlighting that despite the one-offs, which were explained in the report and impacted the EBITDA by R\$ 12.6 million, there was no impact on net result. This is because the transaction had a positive effect on taxes.

Furthermore, the Company's results demonstrate resilience, as it managed to offset the decline in one of its major markets through its diversified business model. The main strategic pillars of this model are as follows:

- › International expansion, which has increased our exposure in strong currency.
- › Synergy between operations.
- › Exposure to various sectors and geographies, which helps mitigate the effects of market seasonality.

Free Cash Flow (Without Randon Bank)

	2Q23	2Q22	Δ%	1Q23	Δ%	1H23	1H22	Δ%
EBITDA	433,294	354,860	22.1%	431,522	0.4%	864,817	749,553	15.4%
Investments	-61,044	-71,861	-15.1%	-59,529	2.5%	-120,573	-117,271	2.8%
Financial Income	-109,843	-68,606	60.1%	-107,746	1.9%	-217,589	-161,339	34.9%
Income Tax and Social Contribution	-74,725	-70,977	5.3%	-77,566	-3.7%	-152,292	-145,551	4.6%
Working Capital	-34,843	-159,295	-78.1%	-770,333	-95.5%	-805,176	-995,340	-19.1%
Operating Cash Flow	152,838	-15,880	1062.4%	-583,652	126.2%	-430,814	-669,948	-35.7%
Dividends/Interest on Equity	-16,988	-160,367	-89.4%	-116,873	-85.5%	-133,862	-222,175	-39.7%
Paid-in Capital	-2,668	243,199	-101.1%	-239,964	-98.9%	-242,632	190,211	-227.6%
Others	-23,629	-12,064	95.9%	-4,062	481.8%	-27,691	17,816	-255.4%
Free Cash Flow	109,553	54,887	99.6%	-944,551	111.6%	-834,998	-684,097	22.1%

Values in R\$ Thousands without Randon Bank

At the end of 2Q23, the Company generated R\$ 109.6 million in free cash flow, which is 99.6% higher than 2Q22 (R\$ 54.9 million).

The main factors contributing to this advancement were:

- > Increased gross cash generation.
- > Lower working capital consumption, attributed to several strategic initiatives adopted by the business units.
- > No dividend distribution in 2Q23, as they were already imputed in the interest on equity paid in previous quarters.
- > Impact of Paid-in Capital comparison by the follow-on of Frasle Mobility in 2Q22.

Investments

		2Q23	2Q22	Δ%	1Q23	Δ%	1H23	1H22	Δ%
Organic (CAPEX)	OEM (Trailers)	9,586	12,706	-24.6%	6,180	55.1%	15,766	20,740	-24.0%
	Auto Parts	25,034	45,462	-44.9%	20,170	24.1%	45,204	66,608	-32.1%
	Motion Control	25,448	12,932	96.8%	31,176	-18.4%	56,624	26,124	116.7%
	Financial and Digital Services	2,734	1,185	130.8%	1,798	52.1%	4,533	2,686	68.8%
	Advanced Technology and HQ	619	357	73.6%	1,386	-55.3%	2,006	2,220	-9.7%
	Subtotal	63,423	72,641	-12.7%	60,711	4.5%	124,133	118,379	4.9%
Non Organic	OEM (Trailers)	-	-	-	18,735	-100.0%	18,735	-	-
	Auto Parts	549	3,239	-83.0%	-	-	549	5,778	-90.5%
	Motion Control	2,119	56	3654%	102,493	-97.9%	104,612	506	20594%
	Financial and Digital Services	-	-	-	7,735	-100.0%	7,735	-	-
	Advanced Technology and HQ	-	3,201	-100.0%	-	-	-	3,201	-100.0%
	Subtotal	2,668	6,496	-58.9%	128,964	-97.9%	131,632	9,485	1287.8%
Paid-in Capital	OEM (Trailers)	15,000	6,000	150.0%	5,100	194.1%	20,100	20,363	-1.3%
	Auto Parts	-	-	-	522	-100.0%	522	28,700	-98.2%
	Motion Control	-	367,771	-100.0%	9,808	-100.0%	9,808	367,771	-97.3%
	Financial and Digital Services	236	-	-	111,000	-99.8%	111,236	50,000	122.5%
	Advanced Technology and HQ	17,761	6,000	196.0%	-	-	17,761	14,000	26.9%
	Subtotal	32,997	379,771	-91.3%	126,430	-73.9%	159,427	480,834	-66.8%
Investments	Total	99,087	458,909	-78.4%	316,105	-68.7%	415,192	608,697	-31.8%

Values in R\$ Thousands

The investments highlights in 2Q23 are:

- > **Organic:** acquisition of machinery and equipment for expansion, productivity increase, and automation, mainly in the Motion Control Vertical (R\$ 25.4 million) and Auto Parts Vertical (R\$ 25.0 million).
- > **Non-organic:** payments related to the acquisitions of CNCS (R\$ 0.5 million) and Nakata (R\$ 2.1 million).
- > **Paid-in Capital:** Randon Messias (R\$ 15.0 million) and Randon Auttom (R\$ 17.8 million).

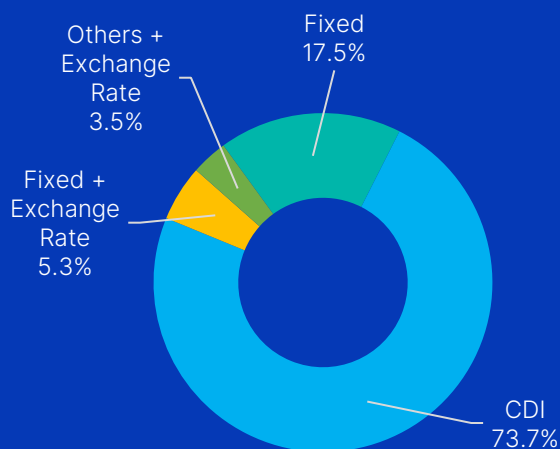
Indebtedness

At the end of 2Q23, the Company's consolidated net debt amounted to R\$ 3.9 billion, with a leverage ratio of 2.39x (Net Debt / EBITDA over the last twelve months). Excluding Randon Bank's figures, the net debt for the period was R\$ 2.4 billion, with a leverage ratio of 1.53x EBITDA.

The reduction in the Company's net debt compared to the previous quarter is mainly attributed to the following factors:

- › Lower working capital in the period, mainly because of the reduction in inventories.
- › Drop in investment levels compared to 1Q23.
- › Reduction in accounts payable by business combinations, specifically Hercules and Nakata.
- › Positive effect of the exchange rate appreciation.

Gross Debt Indexes

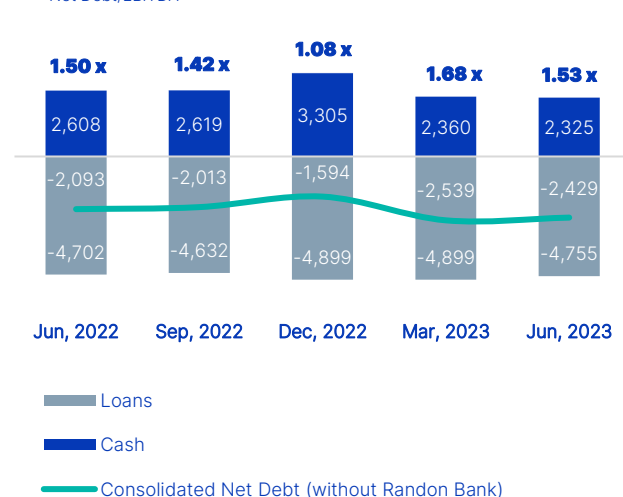


	06/30/2022	09/30/2022	12/31/2022	03/31/2023	06/30/2023
Short Term Cash and Financial Investments	2,393,169	2,356,417	3,129,759	2,099,470	2,263,558
Long Term Cash and Financial Investments	67,525	69,717	89,024	155,986	115,255
Total Cash and Financial Investments	2,460,694	2,426,133	3,218,784	2,255,455	2,172,939
Short Term Debt Domestic Currency	1,494,156	1,458,362	1,022,280	1,028,691	1,106,053
Short Term Debt Foreign Currency	249,103	265,174	229,523	244,276	212,629
Total Short Term Debt	1,743,259	1,723,536	1,251,803	1,272,968	1,318,681
Long Term Debt Domestic Currency	3,475,227	3,458,246	4,179,108	4,229,586	4,111,838
Long Term Debt Foreign Currency	324,896	316,454	352,010	330,203	271,413
Total Long Term Debt	3,800,123	3,774,700	4,531,118	4,559,790	4,383,251
Accounts Payable by Business Combination	183,314	185,826	361,164	391,005	355,555
Total Gross Debt	5,726,696	5,684,062	6,144,084	6,223,762	6,057,488
Total Consolidated Net Debt	3,266,002	3,257,929	2,925,301	3,968,307	3,884,549
Net Debt (Without Randon Bank)	2,093,411	2,013,042	1,594,320	2,538,871	2,429,318
Average Cost of Bank Debt in Domestic Currency	15.0% p.a.	15.6% p.a.	15.3% p.a.	15.3% p.a.	15.8% p.a.
Average Cost of Bank Debt in Foreign Currency	5.5% p.a.	6.4% p.a.	6.9% p.a.	7.3% p.a.	7.5% p.a.
Average Term of Bank Debt	2.7 years	2.8 years	3.1 years	2.9 years	2.7 years
Average Term of Bank Debt Without Randon Bank	2.8 years	2.8 years	3.3 Years	3.1 years	2.9 years

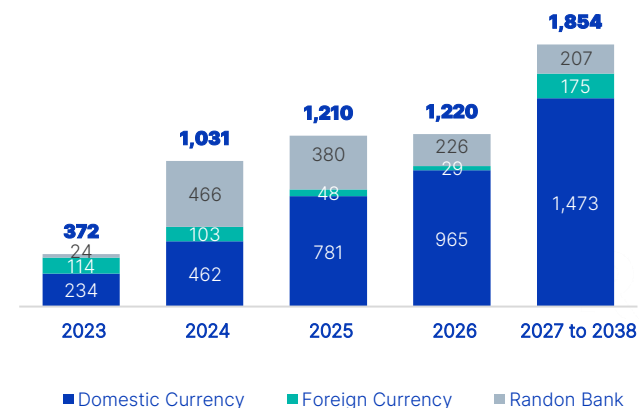
Values in R\$ Thousands, except when indicated otherwise

Net Debt History (Without Randon Bank) R\$ Million

*Net Debt/EBITDA



Schedule of Debt Payment R\$ Million





Performance by Business Vertical

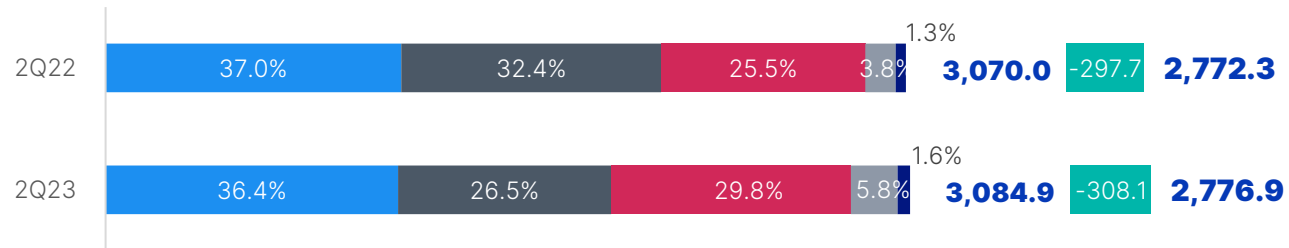
Randocorp is made up of five business verticals, which are complementary and have several synergies.

They will be presented in this report in detail, with their names and respective colors:

- OEM (Trailers)
- Auto Parts
- Motion Control
- Financial and Digital Services
- Advanced Technology and HQ
- Intercompany sales

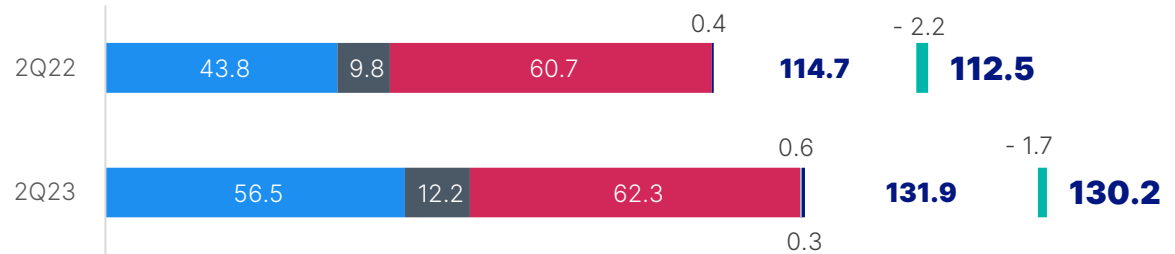
> Consolidated Net Revenue

R\$ Million | % o/ Total Revenue



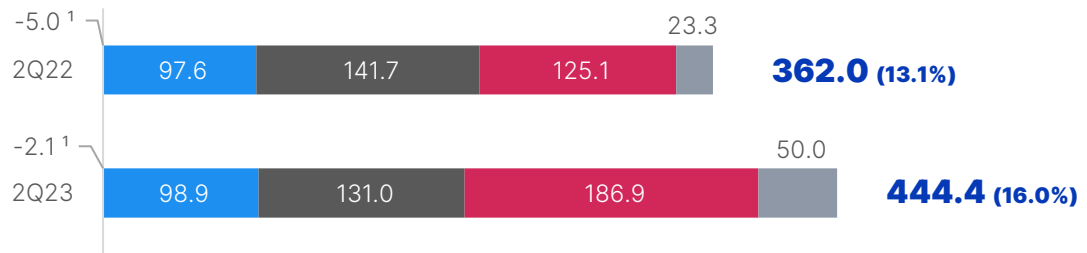
> International Market Revenues

US\$ Million



> Consolidated EBITDA

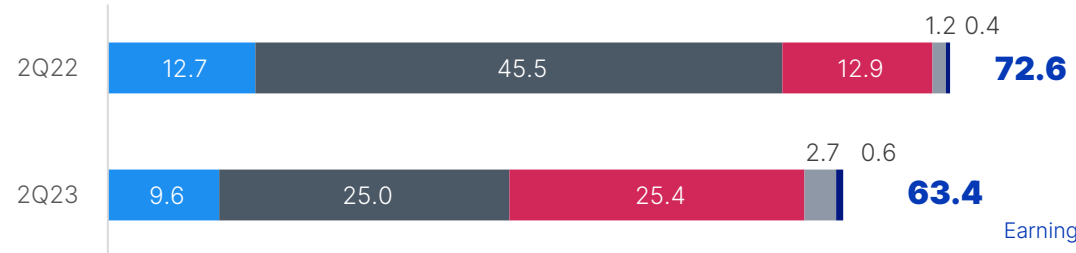
R\$ Million | % o/ Consolidated Net Revenue



¹ Advanced Tec. Vertical EBITDA disregards the equity income effects from the Headquarter, in order to better reflect its operating performance.

> Organic Investments

R\$ Million





OEM (Trailers)

Portfolio

Trailers, truck bodies, rail cars and aftermarket.

Coverage

8 industrial units, being 6 in Brazil and 2 abroad, 1 warehouse, 1 sales office and 4 strategic partners.

Customer Service Network

80 points in Brazil and 85 abroad.

Customer Base

Large truckload carriers, generators of truck loads, fleet owners and self-employed customers.

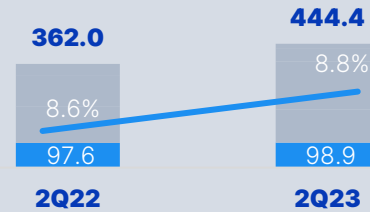
Strategy

- > Expand international operations significantly
- > Increase sales to the aftermarket
- > Focus on strong economic sectors such as **agribusiness**
- > Gain positions among the **top ten** global players in the segment
- > Be at the **forefront of technology** in the development of sustainable products

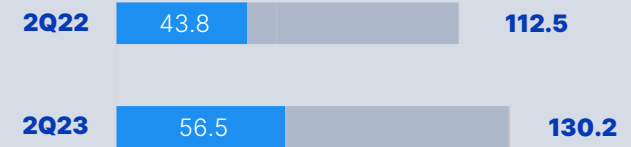
Consolidated Net Revenue (R\$ Million)



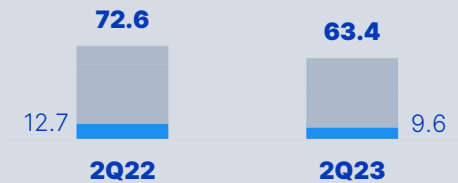
EBITDA | EBITDA Margin (R\$ Million) | % o/CNR



International Market Revenues (US\$ Million)

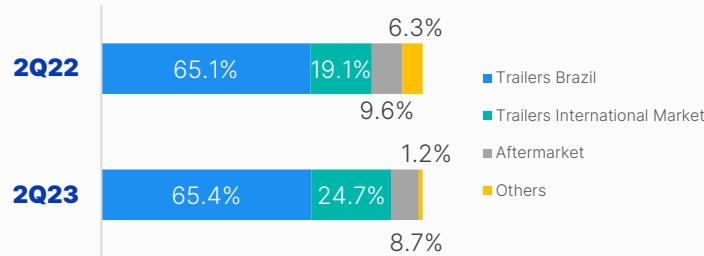


CAPEX (R\$ Million)

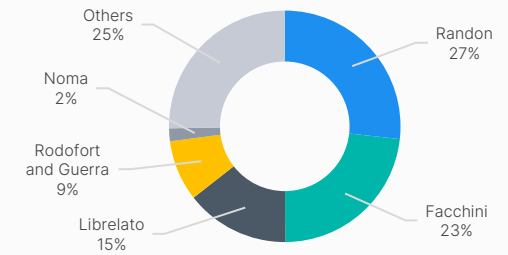


■ OEM ■ Other Verticals

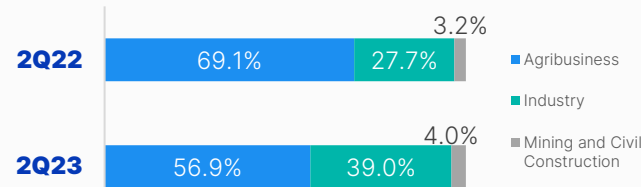
Net Revenue by Product (% o/CNR)



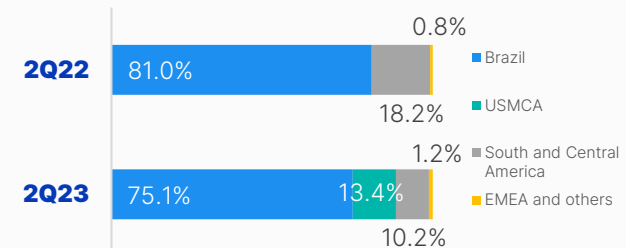
Quarterly Market Share (%)



Sector Exposure (% o/delivers)



Net Revenue by Region (% o/CNR)





OEM (Trailers)



Launch of New R Modular Sider

In June, Randon introduced its newest solution from the New R Line to the market.

The Modular Sider is one ton lighter than its previous version, allowing an increase in net load capacity and resulting in lower operating costs for transporters due to fuel savings and reduced component wear.

In addition to these benefits, it offers greater configuration versatility, with multiple possibilities for axle combinations, simplifying routine maintenance and load adjustments.

For more information about this product, [click here](#).

Distribution of Net Revenue	2Q23		2Q22			1Q23			1H23		1H22		
	Units	Revenue	Units	Revenue	Δ% Units	Units	Revenue	Δ% Units	Units	Revenue	Units	Revenue	Δ% Units
Trailers Brazil (un.)	5,432	737,018	5,987	761,325	-9.3%	5,708	757,094	-4.8%	11,140	1,494,112	11,608	1,463,106	-4.0%
Trailers United States ¹	1,602	160,569	-	-	-	1,771	155,832	-9.5%	3,373	316,401	-	-	-
Trailers Others Geographies (un.)	820	117,443	1,258	201,489	-34.8%	471	83,881	74.1%	1,291	201,324	2,498	377,628	-48.3%
Railcars (un.)	-	-	92	63,284	-100.0%	46	20,623	-100.0%	46	20,623	119	77,356	-61.3%
Aftermarket	-	106,943	-	108,505	-	-	103,875	-	-	210,818	-	214,612	-

Performance	2Q23		2Q22		Δ%	1Q23		Δ%	1H23		1H22		Δ%
Net Revenue	1,121,973	1,134,603	-1.1%	1,121,306	0.1%	2,243,279	2,132,702	5.2%					
COGS	-937,671	-978,655	-4.2%	-941,439	-0.4%	-1,879,110	-1,801,980	4.3%					
Gross Profit	184,302	155,948	18.2%	179,866	2.5%	364,169	330,722	10.1%					
Gross Margin %	16.4%	13.7%	268 bps	16.0%	39 bps	16.2%	15.5%	73 bps					
Operating Expenses/Revenues	-100,062	-71,571	39.8%	-87,190	14.8%	-187,252	-138,809	34.9%					
EBIT	84,241	84,377	-0.2%	92,676	-9.1%	176,917	191,914	-7.8%					
EBITDA	98,948	97,587	1.4%	107,443	-7.9%	206,390	217,068	-4.9%					
EBITDA Margin %	8.8%	8.6%	22 bps	9.6%	-76 bps	9.2%	10.2%	-98 bps					
Adjusted EBITDA	98,948	97,587	1.4%	107,443	-7.9%	206,390	217,068	-4.9%					
Adjusted EBITDA Margin %	8.8%	8.6%	22 bps	9.6%	-76 bps	9.2%	10.2%	-98 bps					

¹Volumes sold by Hercules + exports from Brazil

Values in R\$ Thousands, except when indicated otherwise

The OEM Vertical concluded 2Q23 with stable revenue and margins compared to 2Q22, primarily attributed to consistent domestic market demand, a favorable production mix, and positive performance from Hercules.

Other factors that influenced the performance of this vertical in 2Q23 are as follows:

- › The Agribusiness segment represented 57% of Randon's revenue in the quarter, experiencing a decline of 878 basis points compared to 1Q23. This decline was especially due to a temporary reduction in demand for dump trailers and an increase in the volume of tanker trailers sold, which have a higher average unit price.
- › Randon maintained its leadership in the domestic market, with a 27% market share, and in exports from Brazil, with 76% of the total volume sold abroad by Brazilian manufacturers.
- › The segment achieved a good level of margins, supported by competitive raw material costs, especially in steel.
- › Increase in operating expenses, mainly due to the growth of exports to the USA and Africa, leading to higher freight costs.
- › Randon's growing exposure to the international market, particularly after the acquisition of Hercules (which recorded R\$ 100.8 million in net revenue and sold 967 units in 2Q23), helped mitigate the effects of reduced volumes in Latin American countries.
- › Despite demand stability, several factors continue to affect customers' purchasing decisions, such as expectations of a decrease in interest rates, uncertainties about government incentives, and low commodity prices.



Auto Parts

Portfolio

Brake systems, axles and suspensions, coupling systems, electromobility, foundry and machining, among others.

Coverage

13 industrial units, being 12 in Brazil and 1 abroad.

Sector Exposure

Agribusiness, industry, civil construction, mining, and mobility.

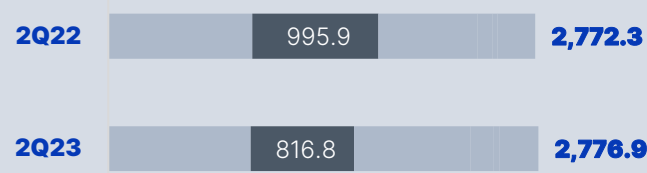
Customer Base

Main global OEMs (trucks and buses), trailer manufacturers, aftermarket, and farming product manufacturers.

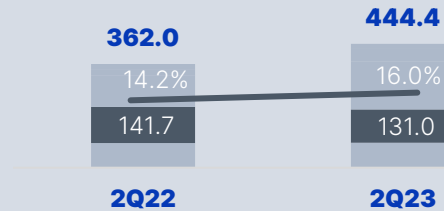
Strategy

- > Expand **international operations**
- > Increase volumes in the **aftermarket**
- > Grow exposure to **agribusiness**
- > Develop new product **portfolios**
- > Maintain **leadership** in their markets of operation
- > Be at the **forefront of technology** in the development of sustainable products

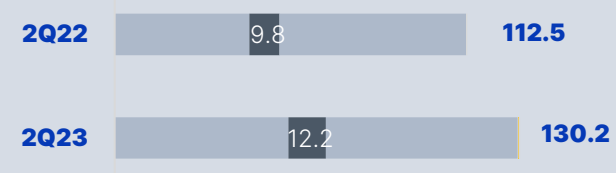
Consolidated Net Revenue (R\$ Million)



EBITDA | EBITDA Margin (R\$ Million) | % o/CNR



International Market Revenues (US\$ Million)

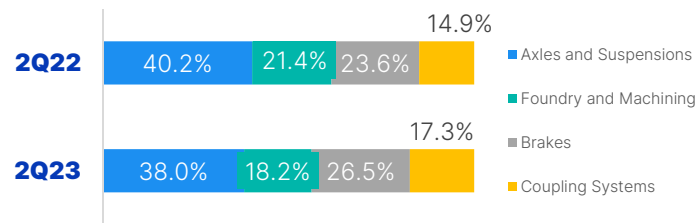


CAPEX (R\$ Million)

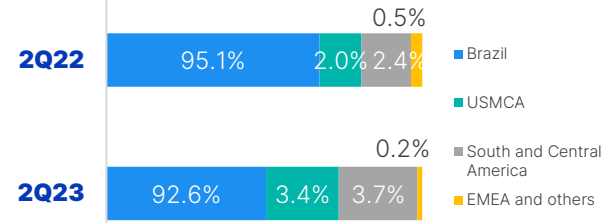


■ Auto Parts ■ Other Verticals

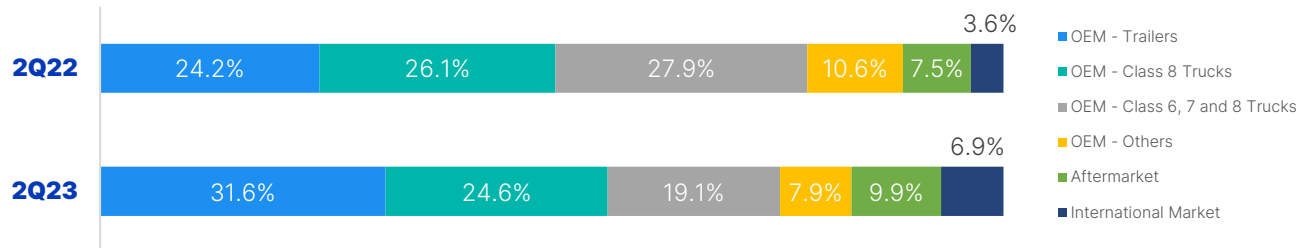
Net Revenue by Product (% o/CNR)



Net Revenue by Region (% o/CNR)



Net Revenue by Segment (% o/CNR)





Auto Parts

Sugar cane transshipment – eSys



Suspensys has introduced a new solution to the market, utilizing the eSys electric auxiliary traction system. This system is being applied to agricultural implements, such as the sugar cane transshipment.

The experimental model aims to expand the use of this technology to minimize operating costs, especially fuel expenses, and to reduce emissions to the environment.

To learn more, [click here](#).

Distribution of Net Revenue	2Q23			2Q22			1Q23			1H23			1H22	
	Units	Revenue	Units	Revenue	Δ% Units	Units	Revenue	Δ% Units	Units	Revenue	Units	Revenue	Δ% Units	
Brakes (units)	206,307	216,160	241,242	234,837	-14.5%	202,627	202,097	1.8%	408,934	418,257	486,768	436,120	-16.0%	
Coupling Systems (units)	32,721	141,469	33,642	147,977	-2.7%	33,526	144,256	-2.4%	66,247	285,725	68,068	289,471	-2.7%	
Axles and Suspensions (units)	40,855	310,068	44,135	400,073	-7.4%	39,884	324,101	2.4%	80,739	634,169	92,773	826,776	-13.0%	
Foundry and Machining (Tons)	21,088	149,056	26,118	213,006	-19.3%	21,357	156,161	-1.3%	42,445	305,217	52,777	427,168	-19.6%	
Performance		2Q23		2Q22	Δ%		1Q23	Δ%		1H23		1H22	Δ%	
Net Revenue		816,754		995,893	-18.0%		826,615	-1.2%		1,643,369		1,979,534	-17.0%	
COGS		-645,438		-799,914	-19.3%		-648,454	-0.5%		-1,293,891		-1,566,349	-17.4%	
Gross Profit		171,316		195,980	-12.6%		178,161	-3.8%		349,478		413,186	-15.4%	
Gross Margin %		21.0%		19.7%	130 bps		21.6%	-58 bps		21.3%		20.9%	39 bps	
Operating Expenses/Revenues		-58,559		-70,953	-17.5%		-62,570	-6.4%		-121,129		-135,796	-10.8%	
EBIT		112,757		125,026	-9.8%		115,592	-2.5%		228,349		277,390	-17.7%	
EBITDA		130,959		141,701	-7.6%		133,453	-1.9%		264,412		312,231	-15.3%	
EBITDA Margin %		16.0%		14.2%	181 bps		16.1%	-11 bps		16.1%		15.8%	32 bps	
Adjusted EBITDA		130,959		141,701	-7.6%		133,453	-1.9%		264,412		312,231	-15.3%	
Adjusted EBITDA Margin %		16.0%		14.2%	181 bps		16.1%	-11 bps		16.1%		15.8%	32 bps	

Values in R\$ Thousands, except when indicated otherwise

The truck market, which is the main segment of operation for the companies comprising the Auto Parts Vertical, continued to experience a slowdown in 2Q23, as explained in the Business Overview chapter. However, the impacts of the decline in volumes and revenue due to reduced demand did not reflect in the margins. This demonstrates the resilience of this vertical and the effectiveness of our strategy, which is based on expanding sales to other sectors, such as agribusiness and aftermarket, as well as our international expansion.

Furthermore, our continuous pursuit of operational efficiency, capturing synergies between our businesses and recent acquisitions, has resulted in advancements in the profitability of this vertical.

Here are other relevant factors regarding the performance in the quarter:

- › Drop in truck production due to the pre buy of Euro 6 regulations in 2022, which continued to impact auto parts sales to OEMs in 2Q23, with no signs of consistent recovery in the short term.
- › A 62.9% increase in brake system volumes sold to the United States, compared to 2Q22, mitigating the decline in domestic market sales.
- › Good demand for auto parts for trailers, with volumes similar to 2Q22.
- › The agricultural market represented 11.5% of Castertech's net revenue, showing a 160 basis points increase compared to the same period in 2022.
- › Castertech continued internalizing the production of some products, leading to an expansion of margins in this vertical.
- › Cautious and disciplined approach to operating expenses.

R Motion Control

Portfolio

Friction material, components for brake, suspension, steering and powertrain systems.

Coverage

10 industrial units (5 in Brazil and 5 abroad), 9 warehouses (1 in Brazil and 8 abroad), 4 sales offices abroad and 1 technological center.

Sector Exposure

Agribusiness, industry, civil construction and mobility.

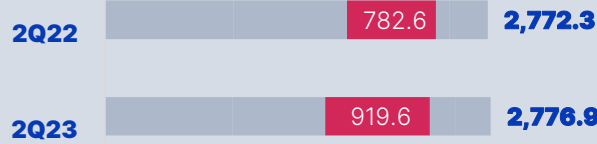
Customer Base

OEMs, distributors and auto parts retailers.

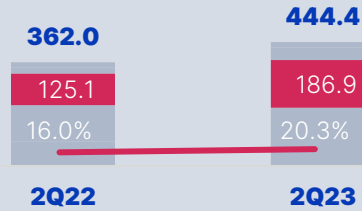
Strategy

- > Operate in new geographies
- > Expand production capacity
- > Remain as leader in their markets
- > Expand synergies between controlled companies
- > Explore the power of brands and product offerings
- > Diversify product portfolio
- > Be at the forefront of technology in the development of sustainable products

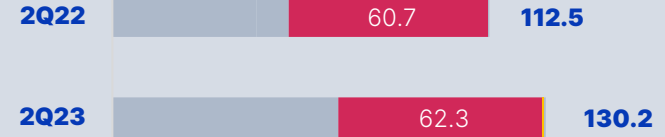
Consolidated Net Revenue (R\$ Million)



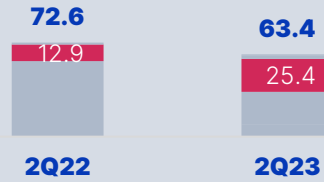
EBITDA | EBITDA Margin (R\$ Million) | % o/CNR



International Market Revenues (US\$ Million)

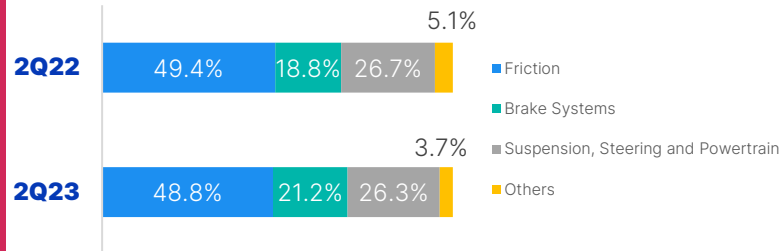


CAPEX (R\$ Million)

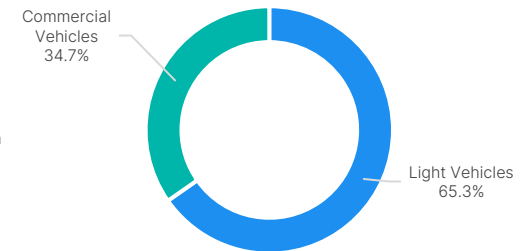


■ Motion Control ■ Other Verticals

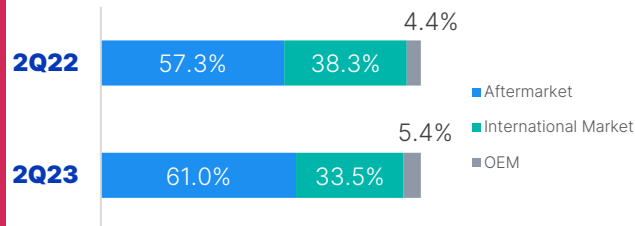
Net Revenue by Product (% o/CNR)



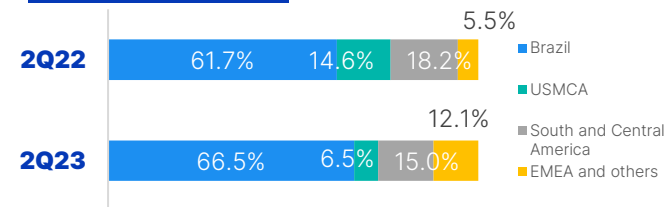
Net Revenue by Vehicle Type (% o/CNR) 2Q23



Net Revenue by Segment (% o/CNR)



Net Revenue by Region (% o/CNR)





Motion Control

Brake Discs with Nanotechnology Application



Exploring the strategy of being at the forefront of technology in their products, the Motion Control Vertical, through Fremax, has started the commercialization of the Maxcoating product line. This line includes brake discs and drums with a protective coating containing niobium pentoxide nanoparticles, which enhance the painting performance and corrosion resistance.

For more information, [click here](#).

Distribution of Net Revenue	2Q23			2Q22			1Q23			1H23			1H22		
	Units	Revenue	Units	Revenue	Δ% Units	Units	Revenue	Δ% Units	Units	Revenue	Units	Revenue	Δ% Units		
Friction Materials (Thousand/un.)	26,262	448,300	25,507	386,242	3.0%	24,775	396,978	6.0%	51,037	845,278	49,329	756,303	3.5%		
Comp. for the Braking Systems (Thousand/un.)	2,600	195,068	2,216	147,389	17.4%	2,151	151,683	20.9%	4,751	346,751	4,313	266,183	10.1%		
Comp. Suspension, Steering and Powertrain Syst. (Thousand/un.)	4,865	241,739	4,166	208,970	16.8%	4,677	235,557	4.0%	9,542	477,295	8,139	390,803	17.2%		
Others ¹	-	34,446	-	39,994	-	-	54,556	-	-	89,003	-	74,127			

¹ For the opening of the Others line, see attachment IV of the Frasle Mobility Release

Performance	2Q23	2Q22	Δ%	1Q23	Δ%	1H23	1H22	Δ%
Net Revenue	919,552	782,595	17.5%	838,774	9.6%	1,758,326	1,487,416	18.2%
COGS	-599,064	-552,126	8.5%	-542,574	10.4%	-1,141,639	-1,062,461	7.5%
Gross Profit	320,488	230,469	39.1%	296,200	8.2%	616,688	424,956	45.1%
Gross Margin %	34.9%	29.4%	540 bps	35.3%	-46 bps	35.1%	28.6%	650 bps
Operating Expenses/Revenues	-164,452	-133,764	22.9%	-149,137	10.3%	-313,589	-250,225	25.3%
Equity Income	-11	-32	-64.4%	89	-112.7%	78	-69	-213.1%
EBIT	156,024	96,674	61.4%	147,152	6.0%	303,176	174,662	73.6%
EBITDA	186,874	125,143	49.3%	177,055	5.5%	363,928	231,136	57.5%
EBITDA Margin %	20.3%	16.0%	433 bps	21.1%	-79 bps	20.7%	15.5%	516 bps
Adjusted EBITDA	199,503	125,143	59.4%	177,055	12.7%	376,558	231,136	62.9%
Adjusted EBITDA Margin %	21.7%	16.0%	571 bps	21.1%	59 bps	21.4%	15.5%	588 bps

Values in R\$ Thousands, except when indicated otherwise

The Motion Control Vertical achieved another quarter with record revenues and margins above historical averages, driven by a favorable aftermarket demand with strong pricing. However, the recent appreciation of the Brazilian Real against the US Dollar may start to affect new negotiations in the international market.

Another highlight of this quarter was the impact of one-offs, which affected the EBITDA of this vertical by R\$ 12.6 million. This amount has been adjusted to better reflect the performance of Frasle Mobility. Further details can be found in the chapter of Sales and General Expenses and in the explanatory notes included in the Quarterly Financial Statements.

DOMESTIC MARKET

- › Growth in volumes sold for the aftermarket, for both light and heavy vehicles.
- › Fremax brake discs continue to experience strong demand both in Brazil and internationally.
- › Nakata kept performing well, benefiting from synergies captured with other companies in the vertical, as well as the reduction in the cost of imported products for resale.

INTERNATIONAL MARKET

- › In Argentina, import restrictions, scarcity of foreign currency, and the upcoming elections have had an impact on operations and the market.
- › Controlled companies located in China and India have successfully added new clients in both the OEM and aftermarket segments.
- › Juratek achieved revenues of R\$ 47.1 million in 2Q23, benefiting from synergies with other companies in the vertical and expanding its presence in Europe.
- › Demand in the North American market continues to be affected by the high level of inventories.

R Financial and Digital Services

Portfolio

Coop-payment plans, credit, insurance, and investment in startups, leasing and RaaS.

Coverage

Bank, insurance brokerage, coop-payment plans administrator, venture capital, commercial vehicle rental services, technology and data analysis services, and open innovation unit.

Sector Exposure

Agribusiness, capital goods, logistics and civil construction, retail and technology.

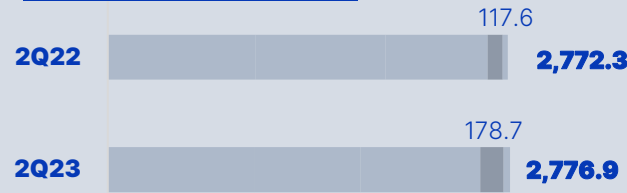
Customer Base

Suppliers, distributors, and customers of Randoncorp, agricultural machinery and equipment manufacturers, logistics ecosystem operators, large retailers, and information technology companies.

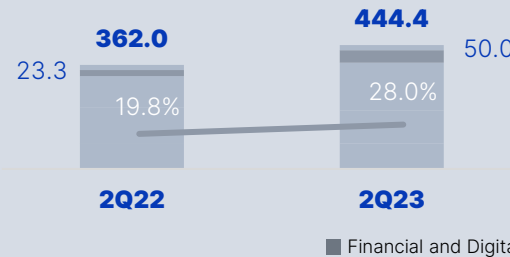
Strategy

- > Diversify product portfolio
- > Increase synergies between its units and with Randoncorp
- > Explore the power of brands and product offerings
- > Expand its presence into the logistics ecosystem

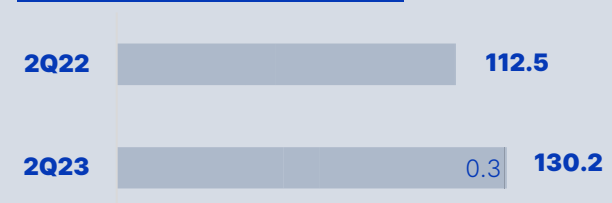
Consolidated Net Revenue (R\$ Million)



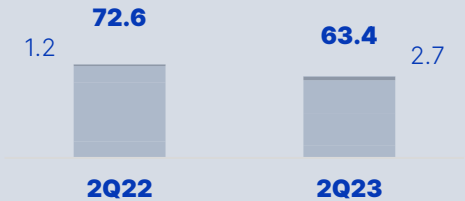
EBITDA | EBITDA Margin (R\$ Million) | % o/CNR



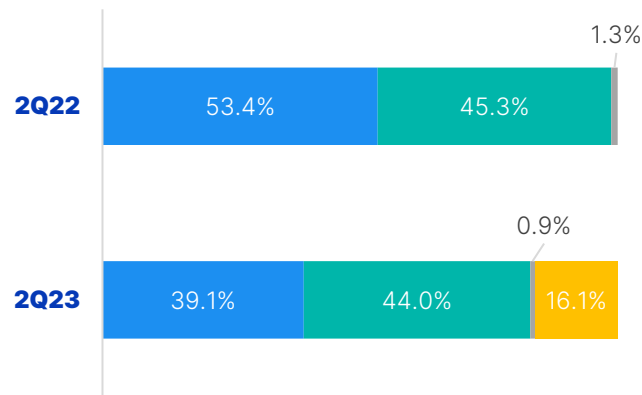
International Market Revenues (US\$ Million)



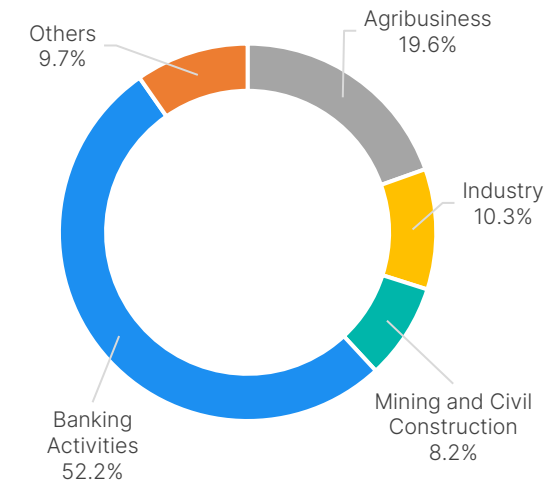
CAPEX (R\$ Million)



Net Revenue by Product (% o/CNR)



Net Revenue by Segment (% o/CNR) 2Q23





Financial and Digital Services

Addiante has opened a new headquarters in Curitiba, Paraná, Brazil.



Addiante, our joint-venture with Gerdau Next, created in 2022, inaugurated its administrative headquarters in Curitiba, Paraná, Brazil, in July.

The company provides cost-effective solutions tailored to the needs of carriers and shippers, offering rental services for products related to cargo transportation and handling. Currently, Addiante has approximately 40 employees.

Distribution of Net Revenue	2Q23		2Q22			1Q23			1H23		1H22		
	Units	Revenue	Units	Revenue	Δ% Units	Units	Revenue	Δ% Units	Units	Revenue	Units	Revenue	Δ% Units
Coop-payment plan quotas sold	6,950	69,791	5,048	62,874	37.7%	5,704	64,459	21.8%	12,654	134,250	8,474	119,505	49.3%
Randon Bank	-	78,601	-	53,294	-	-	75,779	-	-	154,381	-	96,041	-
Insurance	-	1,587	-	1,482	-	-	1,409	-	-	2,996	-	2,777	-
Innovation and Technology	-	28,676	-	-	-	-	16,496	-	-	45,172	-	-	-

Performance	2Q23		2Q22		Δ%	1Q23		Δ%	1H23		1H22		Δ%
Net Revenue	178,655	178,655	117,650	117,650	51.9%	158,144	158,144	13.0%	336,799	336,799	218,323	218,323	54.3%
COGS	-66,845	-66,845	-33,360	-33,360	100.4%	-62,174	-62,174	7.5%	-129,020	-129,020	-61,020	-61,020	111.4%
Gross Profit	111,810	111,810	84,290	84,290	32.6%	95,970	95,970	16.5%	207,780	207,780	157,302	157,302	32.1%
Gross Margin %	62.6%	62.6%	71.6%	71.6%	-906 bps	60.7%	60.7%	190 bps	61.7%	61.7%	72.1%	72.1%	-1036 bps
Operating Expenses/Revenues	-62,513	-62,513	-61,222	-61,222	2.1%	-49,915	-49,915	25.2%	-112,428	-112,428	-108,938	-108,938	3.2%
Equity Income	-209	-209	-417	-417	-49.9%	274	274	-176.3%	65	65	-841	-841	-107.7%
EBIT	49,088	49,088	22,651	22,651	116.7%	46,328	46,328	6.0%	95,416	95,416	47,524	47,524	100.8%
EBITDA	50,002	50,002	23,339	23,339	114.2%	47,188	47,188	6.0%	97,190	97,190	48,841	48,841	99.0%
EBITDA Margin %	28.0%	28.0%	19.8%	19.8%	815 bps	29.8%	29.8%	-185 bps	28.9%	28.9%	22.4%	22.4%	649 bps
Adjusted EBITDA	50,002	50,002	23,339	23,339	114.2%	47,188	47,188	6.0%	97,190	97,190	48,841	48,841	99.0%
Adjusted EBITDA Margin %	28.0%	28.0%	19.8%	19.8%	815 bps	29.8%	29.8%	-185 bps	28.9%	28.9%	22.4%	22.4%	649 bps

Values in R\$ Thousands, except when indicated otherwise

In 2Q23, the Financial and Digital Services Vertical continued its accelerated growth, experiencing a significant increase in consortium quotas sold and a good volume of credit granted by Banco Randon. Additionally, DB demonstrated consistent margins during this quarter.

The main highlights of 2Q23 are as follows:

- › Growth in the number of consortium quotas sold, with a focus on trailers, light and heavy vehicles, and agricultural machinery.
- › Reduction in the gross margin in the annual comparison, attributed to the inclusion of DB, which operates with higher cost of goods sold in relation to financial services.
- › The Banco Randon portfolio maintains a low level of delinquency due to its clients' long-standing relationships and good credit ratings.
- › Creation of new products to diversify the business.
- › The Equity Income line refers to values from Addiante and is expected to increase in the coming quarters.
- › DB contributed with revenues of R\$ 28.1 million in the quarter, with positive prospects for the upcoming months.
- › Companies within the vertical are continuously expanding their product portfolios, modernizing sales channels, and digitalizing platforms to enhance agility and offer new solutions to customers.



Advanced Technology and Headquarter

Portfolio

Headquarter, manufacturing and sale of robotic cells, industrial automation, development and approval of products for the mobility industry, production and processing of materials through nanotechnology

Coverage

1 advanced technology unit, 1 technological center, 1 sales office, 1 industrial unit and 1 corporate center.

Sector Exposure

Several sectors from different business activities and segments.

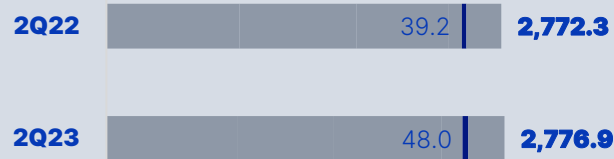
Customer base

Randocorp controlled companies and diverse industries.

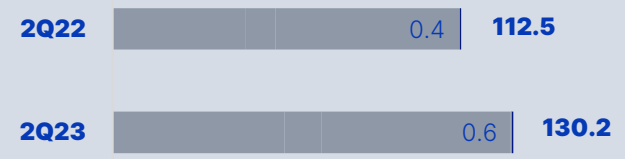
Strategy

- > Expand to new geographies
- > Increase synergies among controlled companies
- > Diversify product portfolio
- > Be at the forefront of technology in the development of sustainable products
- > Develop disruptive products and solutions

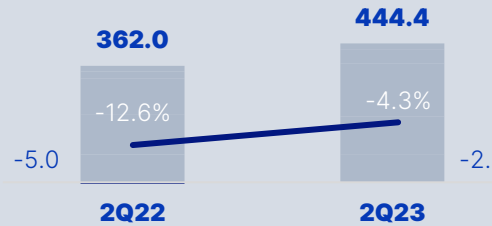
Consolidated Net Revenue (R\$ Million)



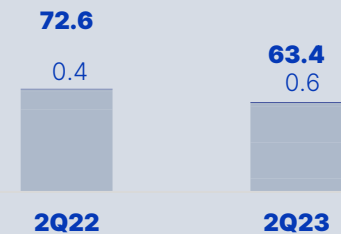
International Market Revenue (US\$ Million)



EBITDA | EBITDA Margin (R\$ Million) | % o/CNR



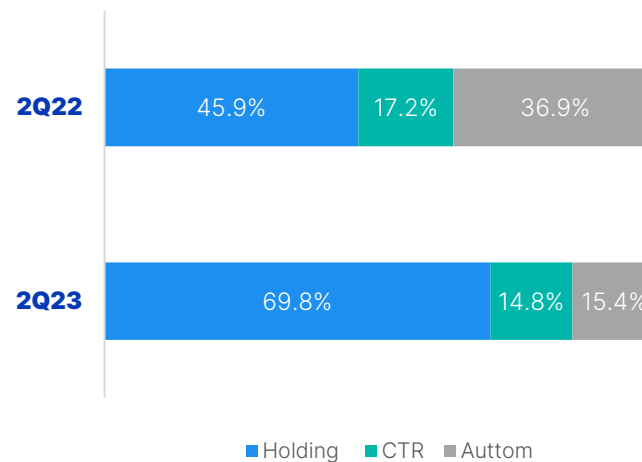
CAPEX (R\$ Million)



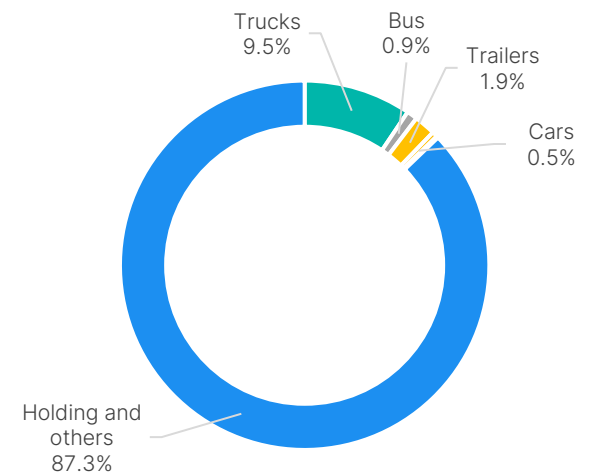
¹ In this graph Advanced Technology's EBITDA disregards the Headquarter's equity income effects, in order to better reflect its operating performance.

■ Advanced Technology and Headquarter ■ Other Verticals

Net Revenue by Business Unit (% o/CNR)



Net Revenue by Segment (% o/CNR) 2Q23



R Advanced Technology and Headquarter

TÜV Rheinland and CTR have entered into a strategic partnership for the automotive sector.



TÜV Rheinland, a global leader in testing and certification services, has entered into a strategic partnership with CTR for testing and homologation of vehicles and automotive components. Through this agreement, TÜV Rheinland will have access to a complete facility at CTR for conducting testing and certification activities in the automotive sector.

Distribution of Net Revenue	2Q23			2Q22			1Q23			1H23			1H22		
	Revenue	Revenue	Δ%	Revenue	Revenue	Δ%	Revenue	Revenue	Δ%	Revenue	Revenue	Δ%	Revenue	Revenue	Δ%
Holding	33,511	18,005	86.1%	21,778	53.9%	55,288	33,199	66.5%							
CTR	7,118	6,764	5.2%	6,852	3.9%	13,969	12,624	10.7%							
Auttom	7,381	14,461	-49.0%	11,656	-36.7%	19,036	25,731	-26.0%							

Performance	2Q23			2Q22			1Q23			1H23			1H22		
	Revenue	Revenue	Δ%	Revenue	Revenue	Δ%	Revenue	Revenue	Δ%	Revenue	Revenue	Δ%	Revenue	Revenue	Δ%
Net Revenue	48,009	39,230	22.4%	40,285	19.2%	88,294	71,554	23.4%							
COGS	-14,882	-19,415	-23.3%	-16,612	-10.4%	-31,494	-35,211	-10.6%							
Gross Profit	33,127	19,816	67.2%	23,674	39.9%	56,800	36,343	56.3%							
Gross Margin %	69.0%	50.5%	1849 bps	58.8%	1024 bps	64.3%	50.8%	1354 bps							
Operating Expenses/Revenues	-37,155	-26,871	38.3%	-26,481	40.3%	-63,636	-49,466	28.6%							
Equity Income	142,992	130,771	9.3%	148,705	-3.8%	291,697	279,906	4.2%							
EBIT	138,964	123,717	12.3%	145,898	-4.8%	284,861	266,783	6.8%							
EBITDA	140,920	125,818	12.0%	147,892	-4.7%	288,812	270,972	6.6%							
EBITDA Margin %	293.5%	320.7%	-2719 bps	367.1%	-7358 bps	327.1%	378.7%	-5159 bps							
Adjusted EBITDA	140,920	125,818	12.0%	147,892	-4.7%	288,812	270,972	6.6%							
Adjusted EBITDA Margin %	293.5%	320.7%	-2719 bps	367.1%	-7358 bps	327.1%	378.7%	-5159 bps							
EBITDA Without Equity Income	-2,072	-4,953	-58.2%	-813	155.0%	-2,884	-8,933	-67.7%							
EBITDA Margin % Without Equity Income	-4.3%	-12.6%	831 bps	-2.0%	-230 bps	-3.3%	-12.5%	922 bps							

Values in R\$ Thousands, except when indicated otherwise

The companies within this vertical aim to be a source of innovation for Randoncorp, contributing to the development of new solutions and enhancing results, especially in the medium and long term.

Below are the main factors for 2Q23:

- › Net revenue of R\$ 48.0 million, representing a growth of 22.4% compared to 2Q22.
- › EBITDA margin (excluding Equity Income) showed improvement compared to the same period in 2022.
- › Equity Income of R\$ 142.9 million, which represents the result of the Holding's¹ ownership in the other verticals, and is eliminated in the consolidated results.

Regarding the performance of this vertical, the following highlights were noted:

- › The slowdown in demand for services from OEMs and the product mix offered in the quarter impacted CTR's results. However, they were mitigated by price adjustments in some business lines.
- › Auttom is undergoing a restructuring process with the incorporation of RTS, which has had a short-term impact on sales until stabilization. Nevertheless, there are positive prospects for the future, primarily due to the capture of synergies.

¹The Holding is also part of this vertical. Its objective is to support the capture of synergies between operations, carrying out strategic and administrative activities, allowing the business units to concentrate on their core operation. In addition, it is responsible for ensuring the Company's governance for consistent and sustainable growth.

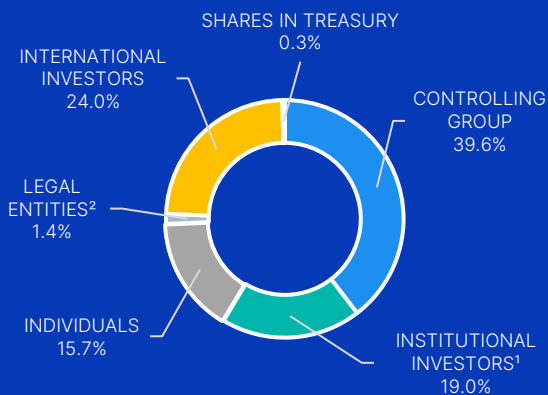


Capital Market

Shareholder Profile

At the end of the first half of 2023, the shareholder base of Randoncorp consisted of 46,186 shareholders.

The total shares of the Company were distributed among the following profiles:



¹ Investment clubs and funds

² Companies, banks, brokers and associations

RAPT X IBOV

Between June 30, 2018, and June 30, 2023, the shares of the Company performed better than the reference index on B3 (Brazilian stock exchange). During this period, RAPT4 appreciated by 136.3%, while the IBOV (B3's benchmark index) increased by 62.3%.

In the first half of 2023, RAPT4 and IBOV both experienced growth, with RAPT4 rising by 48.2% and IBOV increasing by 7.6% when compared to the closing prices of 2022.



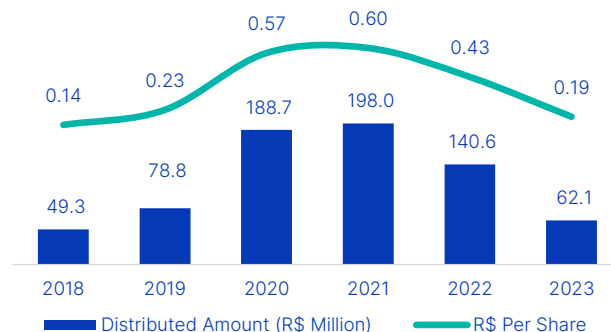
Events

In the 2Q23, the Company, through its investor relations team, participated in the following events:

- › Bradesco BBI 9th Brazil Investment Forum (BR);
- › Safra Transportation and Industrials Conference 2023 (BR);
- › Itau BBA's LatAm CEO Conference (NY);
- › Citi's 2023 15th Annual Brazil Equity Conference (BR).

Dividends and Interest on Equity

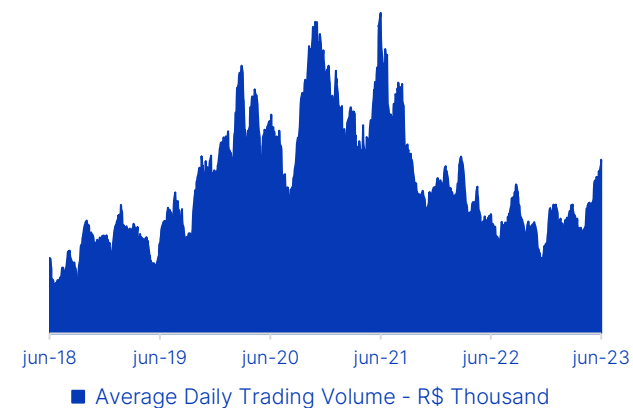
Please find below the payment history for the last few years:



Distribution by period of competence and without income tax.

Financial Volume

In the second quarter of 2023, the average daily trading volume of the Company was R\$ 27.7 million, representing an increase of 15.8% compared to the same quarter of the previous year and a growth of 13.9% compared to the first quarter of 2023.



Ethical and Responsible Conduct

Maintaining its practice of transparency with investors, the Company held the Randoncorp Day 2023 on June 28, its annual event, conducted in partnership with APIMEC (Brazilian Association of Capital Market Analysts and Investment Professionals), in which the Company shared its strategy and future plans with the capital market.

This year's edition marked the first time the event was held in São Paulo, SP, at the B3, the Brazilian stock exchange. The recording of the event and the presentation are available for download on the Company's Investor Relations website.



Credit: Alexandre Takashi



Credit: Alexandre Takashi

During the preparation of this report, the Company received significant recognition from the capital market through the Institutional Investor awards, in the Capital goods sector, as follows:

- › Best CEO: 1st place in the Small Caps category, Sérgio L. Carvalho;
- › Best CFO: 1st place in the Small Caps category, Paulo Prignolato;
- › Best Company Board: 1st place in the Small Caps category;
- › Best ESG Program: 1st place in the Small Caps category;
- › Best Analyst Events: 1st place in the Small Caps category;
- › Best IR Professional: 2nd place, Davi Coin Bacichette, and 3rd place, Esteban Mario Angeletti, both in the Small Caps category;
- › Best IR Program: 1st place in the Small Caps category;
- › Best IR Team: 1st place in the Small Caps category.

Sustainable Innovation

- › Randoncorp supported the **Techstars Startup Weekend**, a global event focused on investment and innovation, fostering an entrepreneurial environment and providing valuable knowledge and regional development immersion.
- › The Company participated in **Fiema Brasil**, an event dedicated to promoting innovative ideas, solutions, and businesses in the environmental sector.
- › The subsidiary Frasle Mobility successfully completed the **Maxcoating** project with **nanopaint**, developed in partnership with the Hercílio Randon Institute (IHR) and WEG Tintas, with a solution provided by NIONE. The new product line includes brake discs and drums coated with paint containing niobium nanoparticles, enhancing the paint's performance and resistance to corrosion.



Prosperity for All

The Company ended 2Q23 with 16,499 employees, a decrease of 2.1% compared to the end of 1Q23 (16,854 employees).

We can highlight the following regarding this pillar:

- › The Elisabetha Randon Institute (IER) celebrated its 20th anniversary and presented a new visual identity during the Concert of the Youth Orchestra of the Florescer Program.
- › Randoncorp participated in the Competitiveness Forum, a first-of-its-kind event that promoted a series of debates with different sectors to stimulate real actions for the economic and social development of Brazil.
- › The Financial and Digital Services business vertical and the subsidiary JOST received the GPTW - Great Place to Work® certification.
- › The Company launched the Diversity handbook and video, reinforcing its commitment to its people and valuing a diverse and inclusive environment.
- › In order to promote the inclusion of People with Disabilities (PWDs), the Company partnered with SENAI to create a training program for people with disabilities.

Excellence and Safety as a value

In the continuous search for the quality and excellence of our products and processes, we have implemented standards in all our operations throughout our history.

During 2Q23 our subsidiaries achieved the following certifications:

- › NIONE obtained ISO 9001:2015, an international standard that guarantees the optimization of processes to structure the growth of the company;
- › Nakata is also ISO 9001:2015 and ISO certified 45001:2018 and ISO 14001:2015, referring to the management systems of occupational health and safety and environmental management, respectively.

R Awards

- › For the second consecutive year, Randoncorp received the "**Best ESG Award**", an initiative by Grupo Exame, in the category of Capital Goods and Electronics.
- › The Chairman of Randoncorp's Board of Directors, David Randon, received the "**Engineer of the Year 2022**" award, granted by the Society of Engineering of Rio Grande do Sul (SERGS).
- › Fras-le received the "**Innovation Award 2023**" as the best brand in brake pads.
- › Fremax, a branch of Frasle Mobility, received the **Gold seal**, maintaining its leadership in the brake discs category for seven years.
- › The legal department of Randoncorp was recognized with the following awards: "Best Legal Department" in the Brazilian Automotive sector at the 4th **Finance & Law Summit and Awards**, "**Best Practices**" by Intelijur, and "**Most Admired Executives**" by Análise Magazine.
- › Randoncorp ranks 11th among the 50 most innovative companies in Southern Brazil, according to the "**Innovation Champions**" ranking, conducted by Grupo Amanhã. The Company also leads in the category that recognizes innovation strategies and has been highlighted in development processes.

R Subsequent Events

According to the notice to shareholders disclosed on July 18, 2023, the payment of Interest on Equity in the amount of R\$ 73.0 million was approved in a meeting of the Company's Board of Directors. This corresponds to the gross amount of R\$ 0.22240 per ordinary and preferred share, which can be imputed to the dividends for the fiscal year ending on December 31, 2023.

All holders of the Company's shares as of the shareholding base on July 21, 2023, are entitled to receive the Interest on Equity. The shares will be traded "ex-right" as of July 24, 2023, and the payment will begin on August 15, 2023.

Consolidated Income Statement 2Q23 – Values in R\$ Thousand

	2Q23		2Q22		1Q23		1H23		1H22		Variation %		
		%		%		%		%		%	2Q23/2Q22	2Q23/1Q23	1H23/1H22
Gross Revenue	3,391,689	122.1%	3,404,415	122.8%	3,263,661	122.8%	6,655,350	122.5%	6,452,062	122.9%	-0.4%	3.9%	3.2%
Deduction in Gross Revenue	-614,822	-22.1%	-632,098	-22.8%	-605,494	-22.8%	-1,220,315	-22.5%	-1,203,397	-22.9%	-2.7%	1.5%	1.4%
Net Revenue	2,776,867	100.0%	2,772,317	100.0%	2,658,168	100.0%	5,435,035	100.0%	5,248,664	100.0%	0.2%	4.5%	3.6%
Costs of Sales and Service	-1,996,891	-71.9%	-2,126,897	-76.7%	-1,925,860	-72.5%	-3,922,751	-72.2%	-3,958,669	-75.4%	-6.1%	3.7%	-0.9%
Gross Profit	779,976	28.1%	645,420	23.3%	732,308	27.5%	1,512,283	27.8%	1,289,995	24.6%	20.8%	6.5%	17.2%
Sales Expenses	-191,474	-6.9%	-188,842	-6.8%	-182,201	-6.9%	-373,675	-6.9%	-354,359	-6.8%	1.4%	5.1%	5.5%
Administrative Expenses	-179,345	-6.5%	-125,954	-4.5%	-146,695	-5.5%	-326,039	-6.0%	-241,139	-4.6%	42.4%	22.3%	35.2%
Other Expenses/Income	-32,515	-1.2%	-29,355	-1.1%	-26,931	-1.0%	-59,446	-1.1%	-52,313	-1.0%	10.8%	20.7%	13.6%
Equity Income	-209	0.0%	-417	0.0%	274	0.0%	65	0.0%	-841	0.0%	-49.9%	-176.3%	-107.7%
Financial Income	-109,865	-4.0%	-68,628	-2.5%	-107,768	-4.1%	-217,633	-4.0%	-161,383	-3.1%	60.1%	1.9%	34.9%
Financial Revenues	174,330	6.3%	181,838	6.6%	141,609	5.3%	315,939	5.8%	317,738	6.1%	-4.1%	23.1%	-0.6%
Financial Expenses	-300,717	-10.8%	-280,570	-10.1%	-263,520	-9.9%	-564,237	-10.4%	-520,584	-9.9%	7.2%	14.1%	8.4%
Monetary Adjustment (IAS 29)	16,522	0.6%	30,104	1.1%	14,143	0.5%	30,665	0.6%	41,463	0.8%	-45.1%	16.8%	-26.0%
Result Before Income Tax	266,569	9.6%	232,224	8.4%	268,986	10.1%	535,555	9.9%	479,959	9.1%	14.8%	-0.9%	11.6%
Provision for Income Tax and Social Contribution Taxes	-79,571	-2.9%	-74,077	-2.7%	-82,275	-3.1%	-161,846	-3.0%	-151,585	-2.9%	7.4%	-3.3%	6.8%
Discontinued Operation	129	0.0%	80	0.0%	129	0.0%	258	0.0%	180	0.0%	61.5%	-0.4%	43.0%
Interest of non-controlling shareholders	-70,328	-2.5%	-53,701	-1.9%	-64,732	-2.4%	-135,060	-2.5%	-93,955	-1.8%	31.0%	8.6%	43.8%
Net Income for the Period	116,798	4.2%	104,525	3.8%	122,108	4.6%	238,906	4.4%	234,600	4.5%	11.7%	-4.3%	1.8%
EBIT	376,433	13.6%	300,851	10.9%	376,755	14.2%	753,188	13.9%	641,343	12.2%	25.1%	-0.1%	17.4%
EBITDA	444,441	16.0%	362,018	13.1%	442,164	16.6%	886,604	16.3%	763,367	14.5%	22.8%	0.5%	16.1%
EBITDA MARGIN (%)	16.0%		13.1%		16.6%		16.3%		14.5%		295 bps	-63 bps	177 bps
ADJUSTED EBITDA	457,070		362,018		442,164		899,234		763,367		26.3%	3.4%	17.8%
ADJUSTED EBITDA MARGIN (%)	16.5%		13.1%		16.6%		16.5%		14.5%		340 bps	-17 bps	200 bps

Income Statement by Business Vertical 2Q23 – Values in R\$ Thousand

	OEM (Trailers)			Auto Parts			Motion Control		
	2Q23	2Q22	Δ%	2Q23	2Q22	Δ%	2Q23	2Q22	Δ%
Gross Revenue	1,337,518	1,361,488	-1.8%	1,033,918	1,250,809	-17.3%	1,156,682	991,074	16.7%
Deduction in Gross Revenue	-215,545	-226,885	-5.0%	-217,164	-254,916	-14.8%	-237,130	-208,479	13.7%
Net Revenue	1,121,973	1,134,603	-1.1%	816,754	995,893	-18.0%	919,552	782,595	17.5%
Costs of Sales and Service	-937,671	-978,655	-4.2%	-645,438	-799,914	-19.3%	-599,064	-552,126	8.5%
Gross Profit	184,302	155,948	18.2%	171,316	195,980	-12.6%	320,488	230,469	39.1%
GROSS MARGIN (%)	16.4%	13.7%	268 bps	21.0%	19.7%	130 bps	34.9%	29.4%	540 bps
Operating Expenses/Revenues	-100,062	-71,571	39.8%	-58,559	-70,953	-17.5%	-164,452	-133,764	22.9%
Equity Income	-	-	-	-	-	-	-11	-32	-64.4%
EBIT	84,241	84,377	-0.2%	112,757	125,026	-9.8%	156,024	96,674	61.4%
EBITDA	98,948	97,587	1.4%	130,959	141,701	-7.6%	186,874	125,143	49.3%
EBITDA MARGIN (%)	8.8%	8.6%	22 bps	16.0%	14.2%	181 bps	20.3%	16.0%	433 bps
ADJUSTED EBITDA	98,948	97,587	1.4%	130,959	141,701	-7.6%	199,503	125,143	59.4%
ADJUSTED EBITDA MARGIN (%)	8.8%	8.6%	22 bps	16.0%	14.2%	181 bps	21.7%	16.0%	571 bps

Financial and Digital Services			Advanced Technology and Headquarter			Intercompany Sales			Consolidated		
2Q23	2Q22	Δ%	2Q23	2Q22	Δ%	2Q23	2Q22	Δ%	2Q23	2Q22	Δ%
191,060	125,695	52.0%	52,543	45,304	16.0%	-380,032	-369,956	2.7%	3,391,689	3,404,415	-0.4%
-12,405	-8,045	54.2%	-4,535	-6,074	-25.3%	71,956	72,301	-0.5%	-614,822	-632,098	-2.7%
178,655	117,650	51.9%	48,009	39,230	22.4%	-308,076	-297,654	3.5%	2,776,867	2,772,317	0.2%
-66,845	-33,360	100.4%	-14,882	-19,415	-23.3%	267,008	256,572	4.1%	-1,996,891	-2,126,897	-6.1%
111,810	84,290	32.6%	33,127	19,816	67.2%	-41,067	-41,082	0.0%	779,976	645,420	20.8%
62.6%	71.6%	-906 bps	69.0%	50.5%	1849 bps	-	-	-	28.1%	23.3%	481 bps
-62,513	-61,222	2.1%	-37,155	-26,871	38.3%	19,407	20,229	-4.1%	-403,334	-344,152	17.2%
-209	-417	-49.9%	142,992	130,771	9.3%	-142,981	-130,740	9.4%	-209	-417	-49.9%
49,088	22,651	116.7%	138,964	123,717	12.3%	-164,641	-151,593	8.6%	376,433	300,851	25.1%
50,002	23,339	114.2%	140,920	125,818	12.0%	-163,262	-151,569	7.7%	444,441	362,018	22.8%
28.0%	19.8%	815 bps	293.5%	320.7%	-2719 bps	-	-	-	16.0%	13.1%	295 bps
50,002	23,339	114.2%	140,920	125,818	12.0%	-163,262	-151,569	7.7%	457,070	362,018	26.3%
28.0%	19.8%	815 bps	293.5%	320.7%	-2719 bps	-	-	-	16.5%	13.1%	340 bps

Income Statement by Business Vertical 1H23 – Values in R\$ Thousand

	OEM (Trailers)			Auto Parts			Motion Control		
	1H23	1H22	Δ%	1H23	1H22	Δ%	1H23	1H22	Δ%
Gross Revenue	2,677,224	2,574,989	4.0%	2,082,456	2,484,213	-16.2%	2,225,576	1,882,002	18.3%
Deduction in Gross Revenue	-433,945	-442,287	-1.9%	-439,087	-504,678	-13.0%	-467,250	-394,586	18.4%
Net Revenue	2,243,279	2,132,702	5.2%	1,643,369	1,979,534	-17.0%	1,758,326	1,487,416	18.2%
Costs of Sales and Service	-1,879,110	-1,801,980	4.3%	-1,293,891	-1,566,349	-17.4%	-1,141,639	-1,062,461	7.5%
Gross Profit	364,169	330,722	10.1%	349,478	413,186	-15.4%	616,688	424,956	45.1%
GROSS MARGIN (%)	16.2%	15.5%	73 bps	21.3%	20.9%	39 bps	35.1%	28.6%	650 bps
Operating Expenses/Revenues	-187,252	-138,809	34.9%	-121,129	-135,796	-10.8%	-313,589	-250,225	25.3%
Equity Income	-	-	0.0%	-	-	0.0%	78	-69	-213.1%
EBIT	176,917	191,914	-7.8%	228,349	277,390	-17.7%	303,176	174,662	73.6%
EBITDA	206,390	217,068	-4.9%	264,412	312,231	-15.3%	363,928	231,136	57.5%
EBITDA MARGIN (%)	9.2%	10.2%	-98 bps	16.1%	15.8%	32 bps	20.7%	15.5%	516 bps
ADJUSTED EBITDA	206,390	217,068	-4.9%	264,412	312,231	-15.3%	376,558	231,136	62.9%
ADJUSTED EBITDA MARGIN (%)	9.2%	10.2%	-98 bps	16.1%	15.8%	32 bps	21.4%	15.5%	588 bps

Financial and Digital Services			Advanced Technology and Headquarter			Intercompany Sales			Consolidated		
1H23	1H22	Δ%	1H23	1H22	Δ%	1H23	1H22	Δ%	1H23	1H22	Δ%
359,189	233,610	53.8%	98,781	82,879	19.2%	-787,877	-805,633	-2.2%	6,655,350	6,452,062	3.2%
-22,390	-15,288	46.5%	-10,487	-11,325	-7.4%	152,844	164,767	-7.2%	-1,220,315	-1,203,397	1.4%
336,799	218,323	54.3%	88,294	71,554	23.4%	-635,033	-640,866	-0.9%	5,435,035	5,248,664	3.6%
-129,020	-61,020	111.4%	-31,494	-35,211	-10.6%	552,402	568,352	-2.8%	-3,922,751	-3,958,669	-0.9%
207,780	157,302	32.1%	56,800	36,343	56.3%	-82,631	-72,514	14.0%	1,512,283	1,289,995	17.2%
61.7%	72.1%	-1036 bps	64.3%	50.8%	1354 bps	-	-	-	27.8%	24.6%	325 bps
-112,428	-108,938	3.2%	-63,636	-49,466	28.6%	38,874	35,421	9.7%	-759,160	-647,812	17.2%
65	-841	-107.7%	291,697	279,906	4.2%	-291,775	-279,837	4.3%	65	-841	-107.7%
95,416	47,524	100.8%	284,861	266,783	6.8%	-335,531	-316,930	5.9%	753,188	641,343	17.4%
97,190	48,841	99.0%	288,812	270,972	6.6%	-334,129	-316,881	5.4%	886,604	763,367	16.1%
28.9%	22.4%	649 bps	327.1%	378.7%	-5159 bps	-	-	-	16.3%	14.5%	177 bps
97,190	48,841	99.0%	288,812	270,972	6.6%	-334,129	-316,881	5.4%	899,234	763,367	17.8%
28.9%	22.4%	649 bps	327.1%	378.7%	-5159 bps	-	-	-	16.5%	14.5%	200 bps

Financial Statement – Values in R\$ Thousand

	Consolidated	Parent Company	Randon Bank
Assets	12,530,375	6,364,389	1,973,441
Current Assets	7,235,831	2,182,731	1,201,325
Cash and equivalents	1,803,756	657,439	60,392
Financial Investments	253,236	75	27
Derivative Financial Instrument	692	692	-
Receivables	2,225,932	506,314	1,122,568
Inventory	2,307,040	651,897	-
Deferred Charges/Recoverable taxes	524,052	286,966	-
Others	121,123	79,350	18,338
Noncurrent Assets	5,294,544	4,181,658	772,115
Long-term Assets	1,809,060	741,844	765,886
Investments of non-immediate liquidity	115,255	-	56,460
Credit controlling company/controlled companies	-	116,466	-
Receivables	696,942	-	696,942
Consortiums for resale	20,753	-	-
Deferred Charges/recoverable taxes	784,554	616,522	12,361
Other non-current assets	157,475	-	123
Taxes under litigation	34,081	7,746	-
Long Term Receivables	-	1,110	-
Investments/Property, Plant, Property/Intangible/Deferred	3,204,270	3,419,795	5,366
Right to use asset	281,214	20,019	864

Financial Statement – Values in R\$ Thousand

	Consolidated	Parent Company	Randon Bank
Liabilities	12,530,375	6,364,389	1,973,441
Current Liabilities	3,341,816	954,372	987,166
Suppliers	941,291	399,406	11,662
Financing institutions Short Term	971,942	330,220	613,381
Accounts payable by business combination Short Term	149,768	-	-
Salaries and benefits	214,375	63,531	1,789
Taxes and Fees	223,991	22,902	11,954
Advances for customers and others	801,341	133,280	348,248
Leases Short Term	39,109	5,033	132
Noncurrent Liabilities	5,074,933	2,475,789	630,145
Financing institutions Long Term	4,320,721	2,394,588	572,686
Accounts payable by business combination Long Term	205,787	871	-
Government Subsidy	3,006	-	-
Debits with controlled companies Long Term	5,977	-	-
Diverse payable taxes and contributions	6,085	-	62
Provision for contingencies	122,621	16,730	-
Other non-current liabilities	88,224	6,341	-
Coop-payment plans obligations Long Term	2,334	-	-
Advances for customers and others Long Term	78,769	41,101	56,553
Leases Long Term	241,410	16,159	844
Total Net Equity	4,113,627	2,934,228	356,129
Net Equity	2,934,228	2,934,228	356,129
Minority interest	1,179,400	-	-

Income Statement – Values in R\$ Thousand

	Consolidated	Parent Company	Randon Bank
Net revenue	5,435,035	1,925,558	154,381
Cost of goods and services	-3,922,751	-1,604,520	-101,749
Gross income	1,512,283	321,038	52,632
Sales expenses	-373,675	-86,402	-4,301
Administrative expenses	-326,039	-90,291	-23,775
Other expenses / income	-59,446	-13,347	-3,032
Equity equivalence	65	254,596	-
Financial income	-217,633	-160,643	-44
Income before taxes	535,555	224,952	21,480
Provision for taxes and social contributions	-161,846	13,955	-9,554
Interest of non-controlling shareholders	-135,060	-	-
Discontinued Operation	258	-	-
Net income for the period	238,906	238,906	11,926
EBIT	753,188	385,594	21,524
EBITDA	886,604	410,742	21,787
EBITDA MARGIN (%)	16.3%	21.3%	14.1%

Cash Flow Statement – Values in R\$ Thousand

	Parent Company		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Cash flow from operations				
Income for the period	238,906	234,600	373,966	328,555
Income tax and social contribution (current and deferred)	-13,955	17,116	161,846	151,584
Exchange variation and interest on loans and leases	174,318	152,289	324,969	255,597
Depreciation and amortization	25,148	23,378	133,416	122,025
Other Provisions	-21,422	-29,697	-53,418	-59,503
Provisions (reversal) for litigation	957	-206	36,478	5,799
Variation in derivatives	197	-289	6,388	6,097
Residual cost from sold and written off fixed assets	950	1,122	3,652	3,399
Provision (reversal) for doubtful accounts	-2,176	-106	-876	2,856
Provision (reversal) for obsolete inventory	3,037	5,408	1,134	7,560
Equity Income Result	-254,338	-192,089	-65	841
Revenue from active legal proceedings, net of fees	-20,669	-18,575	-23,809	-33,986
Provision (reversal) reduction in impairment	-	-608	-991	1,235
Monetary Adjustment	-	-	-30,665	-41,463
Compensation of retained values business combination	-	-	-26,628	-3,847
	130,953	192,343	905,397	746,749
Variations in assets and liabilities				
Financial Investments	65,065	278,565	344,542	-96,602
Accounts receivable from customers	-37,507	-251,250	-332,314	-707,615
Inventory	-74,386	-169,471	-79,882	-331,745
Taxes to be recovered	25,969	-23,780	52,086	19,511
Other assets	51,479	20,222	71,059	73,341
Suppliers	-205,233	-57,451	-521,285	97,466
Other liabilities	-35,162	-20,989	-108,620	-36,598
Net variation in discontinued operations	-	-	2,824	-5
Cash generated by operation	-78,822	-31,811	333,807	-235,498
Income tax and Social Contribution paid	-	-	-117,259	-53,759
Net cash used (generated by) operation	-78,822	-31,811	216,548	-289,257

Cash Flow Statement – Values in R\$ Thousand

	Parent Company		Consolidated	
	06/30/2023	06/30/2022	06/30/2023	06/30/2022
Cash Flow from Investments				
Receipt of profits and dividends of subsidiaries	144,124	61,038	-	-
Paid-in capital in subsidiary	-163,590	-428,567	-	-
Investment Additions	-	-	-	-442
Loans granted to subsidiaries	-22,583	-110,578	-	-
Acquisition of interest in jointly controlled	-	-	-40,000	-
Business combination	-	-3,201	-122,128	-8,979
Permanent assets acquisition	-8,908	-15,633	-118,094	-112,552
Intangible assets acquisition	-133	-573	-6,039	-5,826
Net available cash used in investments	-51,090	-497,514	-286,261	-127,799
Cash Flow From Financing				
Dividend and Interest on Equity Paid	-83,573	-162,362	-123,087	-214,998
Loans taken and derivatives	-	1,068,343	466,495	1,413,920
Payment of loans and derivatives	-50,207	-187,308	-609,213	-758,816
Interest paid on loans	-193,780	-89,902	-344,442	-179,581
Loans granted by related parties	-	-	-446	-7,123
Payment of leasings	-4,700	-4,311	-20,700	-16,424
Capital Increase in Subsidiary	-	-	-	249,695
Net variation in discontinued operations	-	-	-	45
Net Cash used (resulting from) financing	-332,260	624,460	-631,393	486,718
Statement of increase in cash				
At beginning of period	1,119,611	1,118,468	2,504,862	1,890,759
At end of period	657,439	1,213,603	1,803,756	1,960,421
Increase in cash	-462,172	95,135	-701,106	69,662