



RANDON[®]

Companies

CONFERENCE CALL RESULTS | 3Q20

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.**





**Quarter
Highlights**



**Market
Overview**



Main Figures



**Stock
Market**



**Performance by
Division**



Sustainability



Innovation



Key Message

MAIN HIGHLIGHTS

Combination of positive variables reflected in good results

3Q20:

Records in sales revenue, EBITDA and net profit;

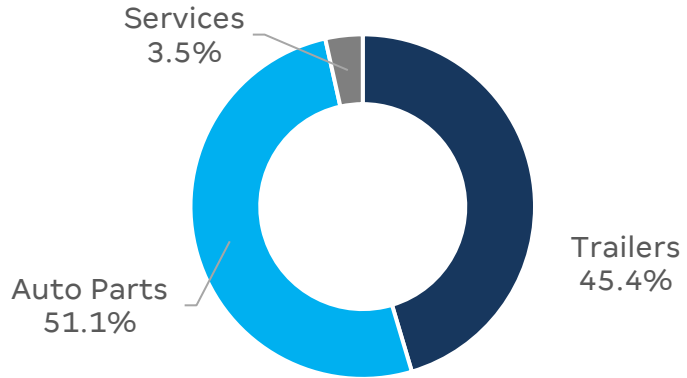
Markets and volumes recovery;

Efficiency and productivity gains combined with cost and expense control have benefited results;

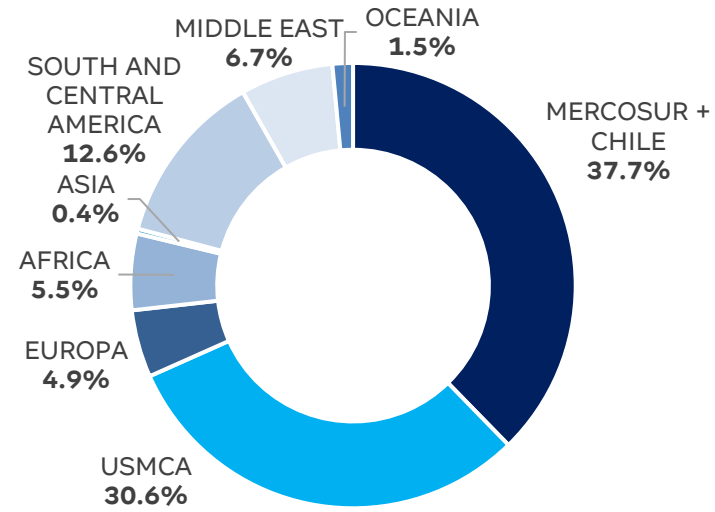
- Good demand for trailers for grain transportation, e-commerce, fuels, consumer goods and industrial products;
- Resumption of sales in the light vehicles aftermarket;
- Inventories replenishment of auto parts distributors;
- Resumption of truck production, mainly semi-heavy and heavy;
- Price recovery in some business lines;
- Sales recovery for the foreign market;
- Favorable exchange rate to exports;
- Increase in non-organic revenues as of September (Nakata Automotiva).

DIVERSIFIED BUSINESS MODEL

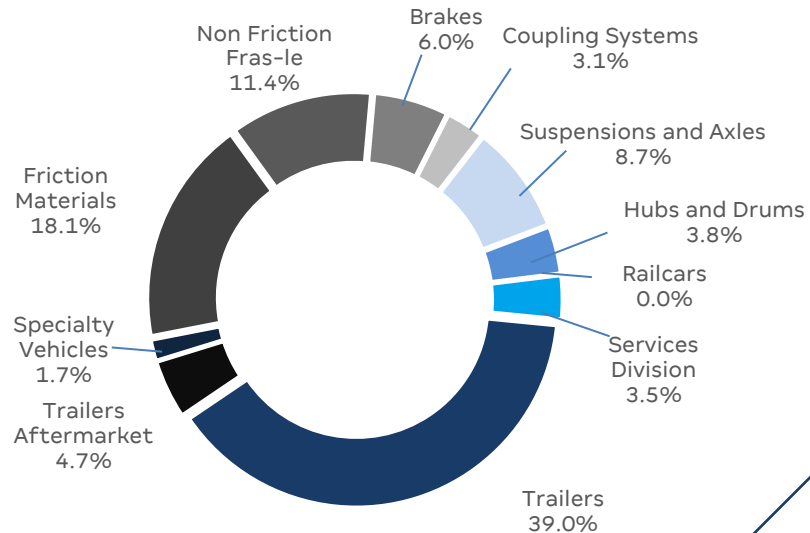
% Net Revenue Breakdown by Division 3Q20



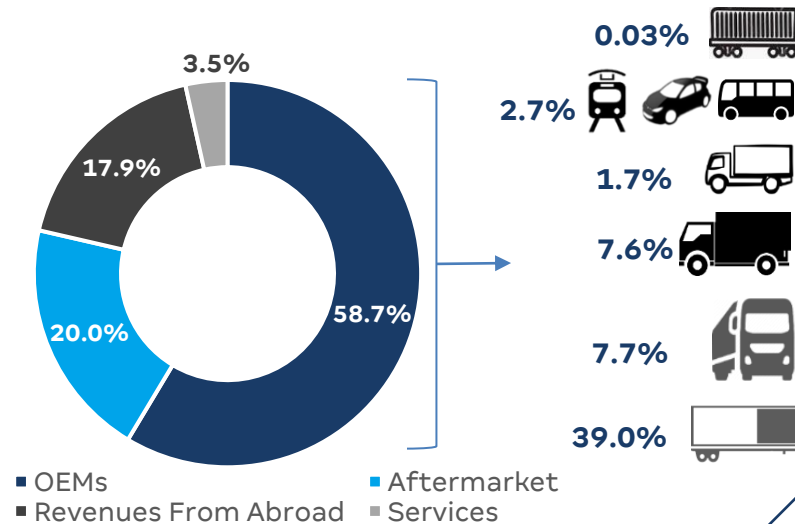
% Exports Destination by Economic Region 3Q20



% Net Revenue Breakdown by Product 3Q20



% Net Revenue by Segment 3Q20



MARKET OVERVIEW

Trailers³
Trucks²
Buses²

Production

| 3Q20 | 3Q19 | Δ% | 9M20 | 9M19 | Δ% |
|--------|--------|--------|--------|--------|--------|
| 20,886 | 17,459 | 19.6% | 48,424 | 49,750 | -2.7% |
| 23,566 | 32,056 | -26.5% | 58,304 | 87,452 | -33.3% |
| 5,274 | 7,719 | -31.7% | 14,248 | 21,783 | -34.6% |

Trailers¹
Trucks²
Buses²

Sales

| 3Q20 | 3Q19 | Δ% | 9M20 | 9M19 | Δ% |
|--------|--------|--------|--------|--------|--------|
| 20,164 | 16,891 | 19.4% | 46,865 | 47,696 | -1.7% |
| 24,928 | 27,473 | -9.3% | 62,788 | 74,255 | -15.4% |
| 4,253 | 5,577 | -23.7% | 9,969 | 15,200 | -34.4% |

Macroeconomic
Scenario Outlook

| INDICATOR | 2020 | 2021 |
|----------------------------|------------|------------|
| Brazil - GDP ⁴ | -4.80% | 3.31% |
| Interest rate ⁴ | 2.00% | 2.75% |
| Inflation ⁴ | 3.20% | 3.17% |
| Harvey ⁵ | 257.8 ton. | 268.9 ton. |
| BRL x USD ⁴ | R\$5.45 | R\$5.20 |

Source:

¹ ANFIR

² ANFAVEA

³ ANFIR + AliceWeb

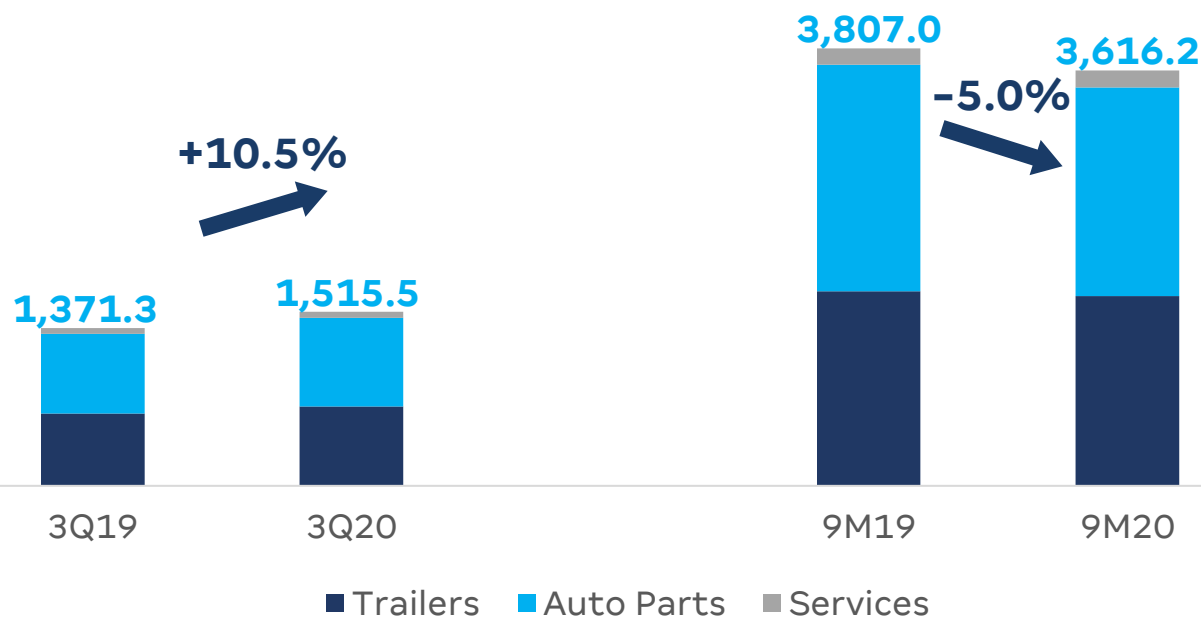
⁴ Focus Report 11/09/20

⁵ 2nd CONAB Harvest Report

MAIN INDICATORS PERFORMANCE

Revenue growth in all business divisions

Net Revenue, R\$ Million



Increase in volumes

Market recovery

Trailers

3Q20 X 3Q19: +9.7%

- Increase of 7.7% in units of trailers sold (Domestic Market + Foreign Market)
- 5 railcars sold 3Q20
- Increase in aftermarket sales
- Stability in the sale of special vehicles (+1.8%)

Auto parts

3Q20 X 3Q19: +11.2%

- Resumption of sales to OEMs
- Non-organic revenues (+R\$ 50 M)
- Recovery of the aftermarket and exports
- Increased product portfolio and achieving new customers

Services

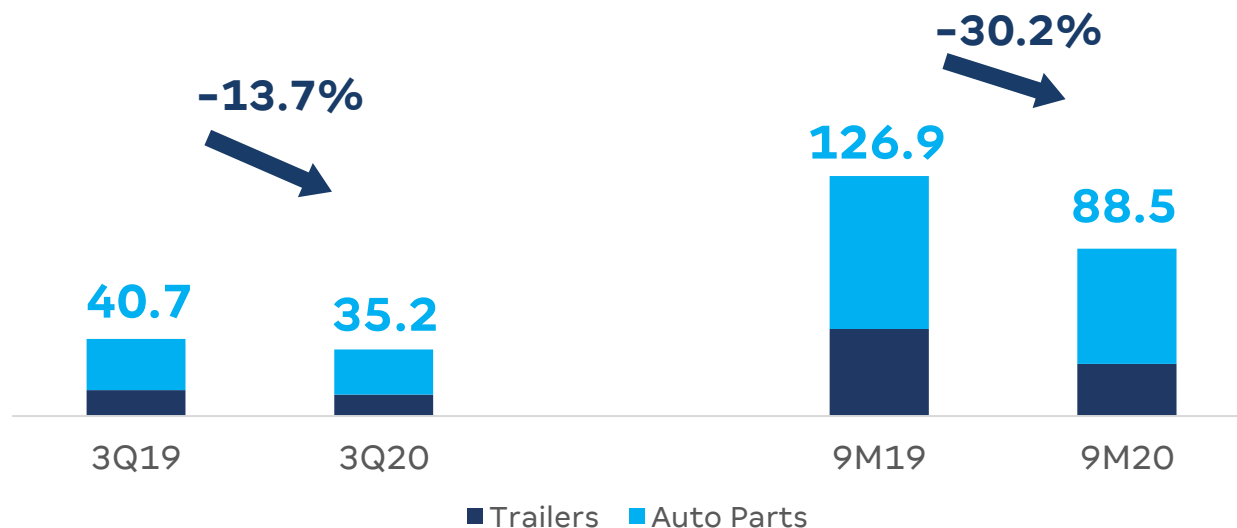
3Q20 X 3Q19: +10.1%

- 40.6% growth in Randon Bank revenues
- Drop in consortium quotas sold, but increase in revenues (+4.0%)

MAIN INDICATORS PERFORMANCE

Recovery of some markets and benefited due to the Exchange rate

Total Exports, US\$ Million



Flexibility of restrictive measures

Opening borders

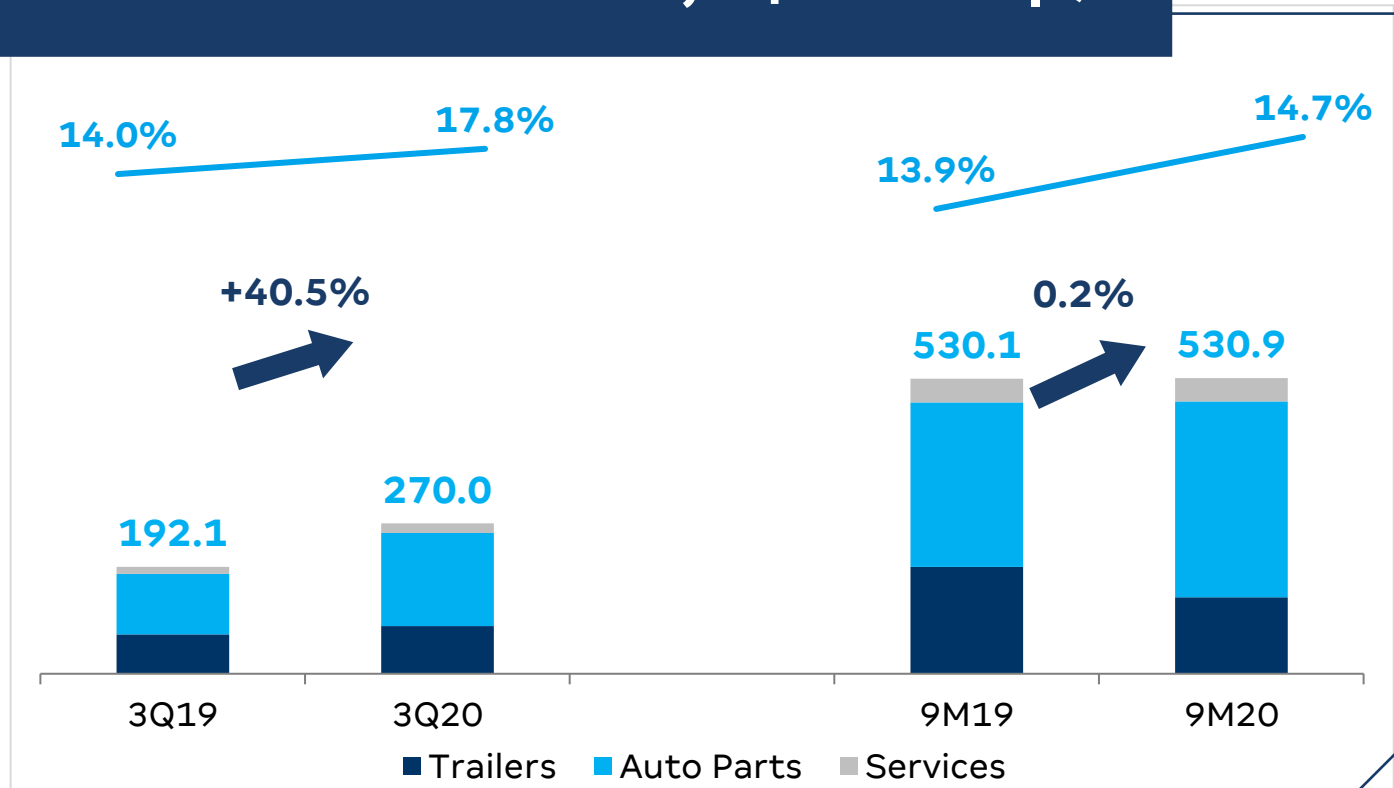
Important demand factors

- ↑ Recovery in markets abroad;
- ↑ Exchange rate depreciation;
- ↑ New clients and products;
- ↑ New Orders;
- ↓ Low prices of commodities like oil and ores;
- ↓ Shortage of foreign exchange in the Argentine market;
- ↓ COVID-19 2nd wave;

MAIN INDICATORS PERFORMANCE

EBITDA reflects the increase in volumes combined with productivity gains

Consolidated EBITDA, R\$ Million | %



Historical margin after market resumption

3Q20

Trailers

EBITDA: R\$ 85.7 M | 12.4%
 Adjusted EBITDA: R\$ 81.4 M | 11.8%
 (+) Law Suits: R\$ 4.3M

Auto Parts

EBITDA: R\$ 167.4M | 21.6%
 Adjusted EBITDA: R\$ 162.2 M | 21.0%
 (+) Law Suits: R\$ 5.2M

Services

EBITDA: R\$ 16.9M | 32.1%

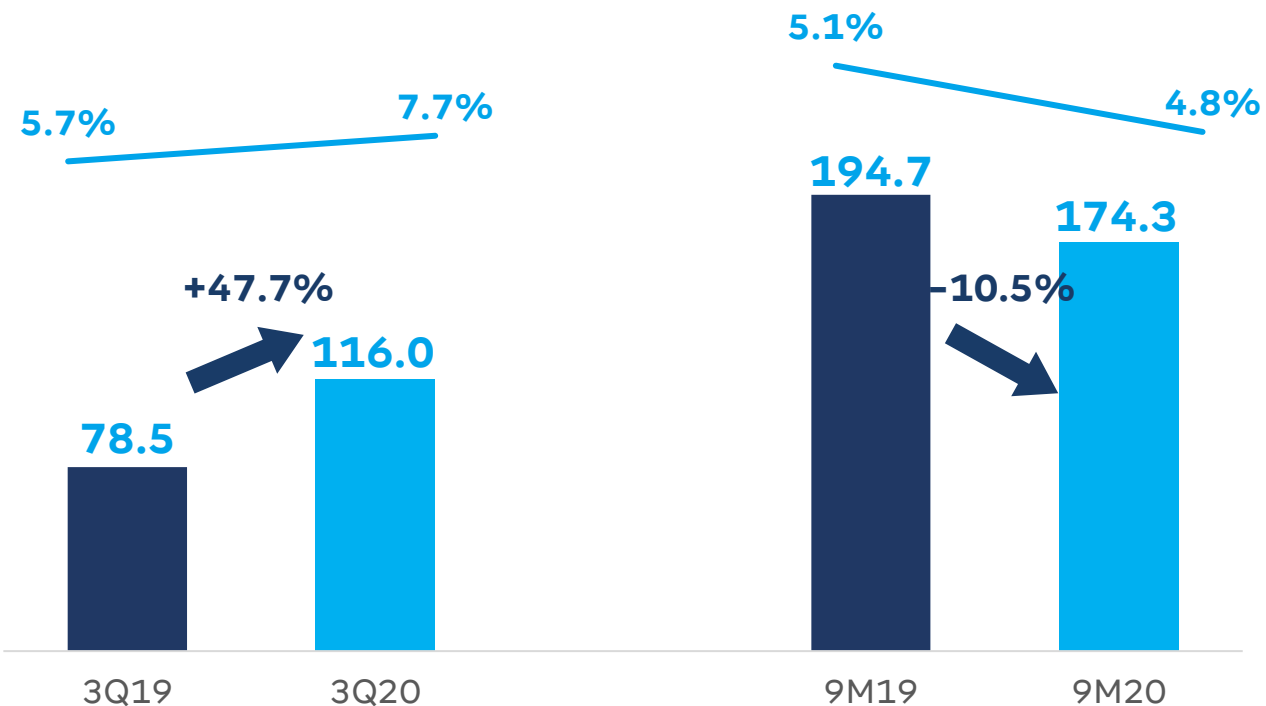
Consolidated Adjusted EBITDA

R\$ 260.6 M | 17.2%

MAIN INDICATORS PERFORMANCE

Increase in profitability reflects the good moment of the Company

Consolidated Net Profit, R\$ Million | %



Good performance in numbers reflects the Company's resilience combined with the market recovery

Main Impacts

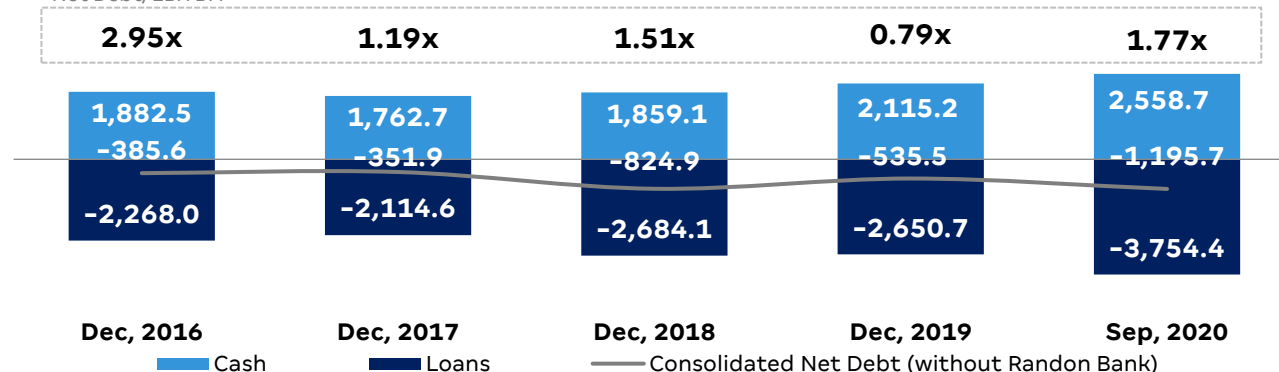
- High demand for semi-trailers;
- Resumption of relevant markets, such as OEMs and aftermarket;
- Recovery of sales to the foreign market;
- Exchange rate depreciation;
- Non-Organic revenues;
- Positive effect of investments in efficiency and productivity.

MAIN INDICATORS PERFORMANCE

Net debt growth due to new acquisition

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

*Net Debt/EBITDA



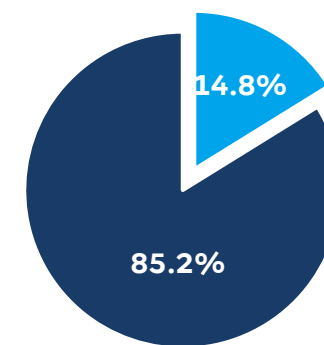
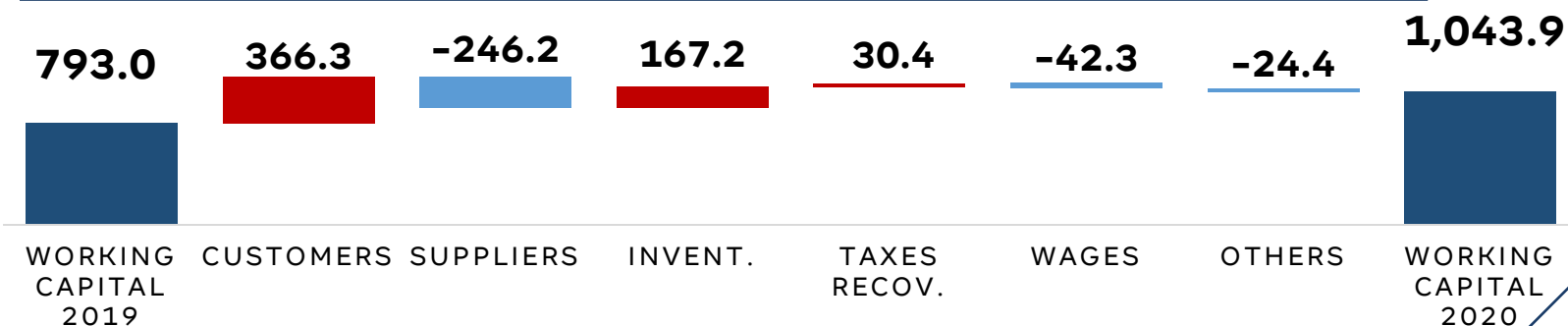
The chart above shows the Company's debt without considering the cash and the debt from Randon Bank. The Consolidated net debt at the end of 9M20 reached R\$ 1.6 billion, a multiple of 2.31x EBITDA over the last 12 months

Total Gross Debt

R\$3,716.4

| | |
|--------------------------------|----------------|
| Gross Debt in BR currency | R\$3,164.7 |
| Gross Debt in foreign currency | R\$551.7 |
| USD rate (09.30.20) | R\$5.6407 |
| Average Cost of Debt in BRL | 3.43% per year |
| Average Cost of Debt in USD | 3.73% per year |
| Average Debt Term | 2.51 years |

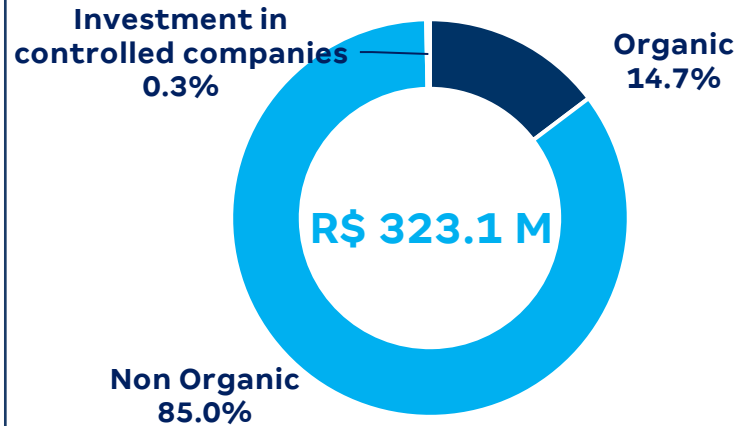
Working Capital (Without Randon Bank) 2020 – R\$ Million



Foreign Currency Domestic Currency

INVESTMENTS

CAPEX 3Q20

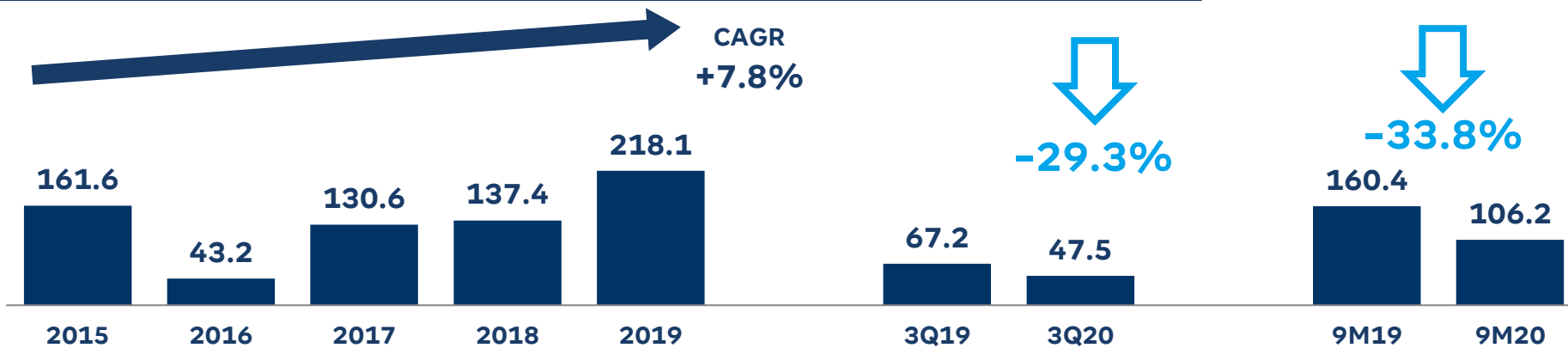


COMMENTS

R\$ 274.6 M – Non-organic investment related to the portion of the acquisition value of Nakata Automotiva.

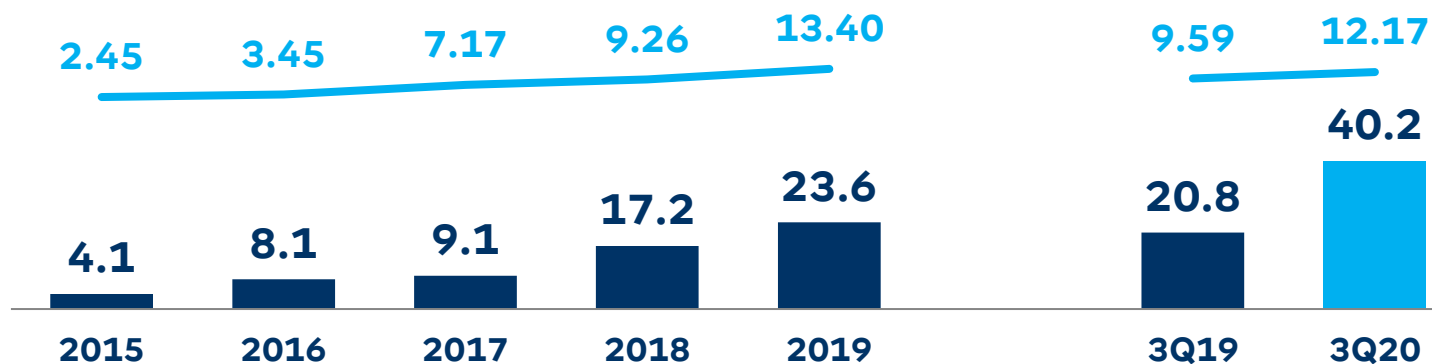
R\$ 14.0 M – Investment in robots and expansion of the production line.

Organic Investments (R\$ Million)

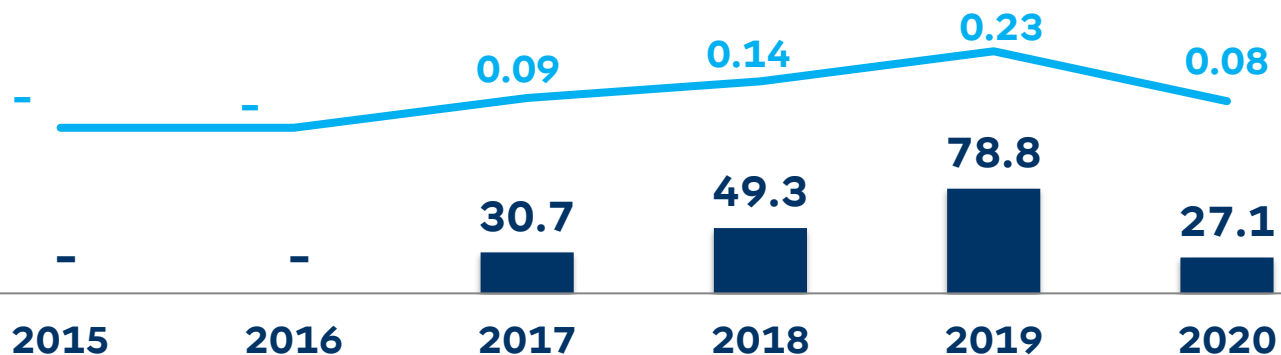


STOCK MARKET

RAPT4 Price/Daily Liquidity R\$ per share | R\$ Million



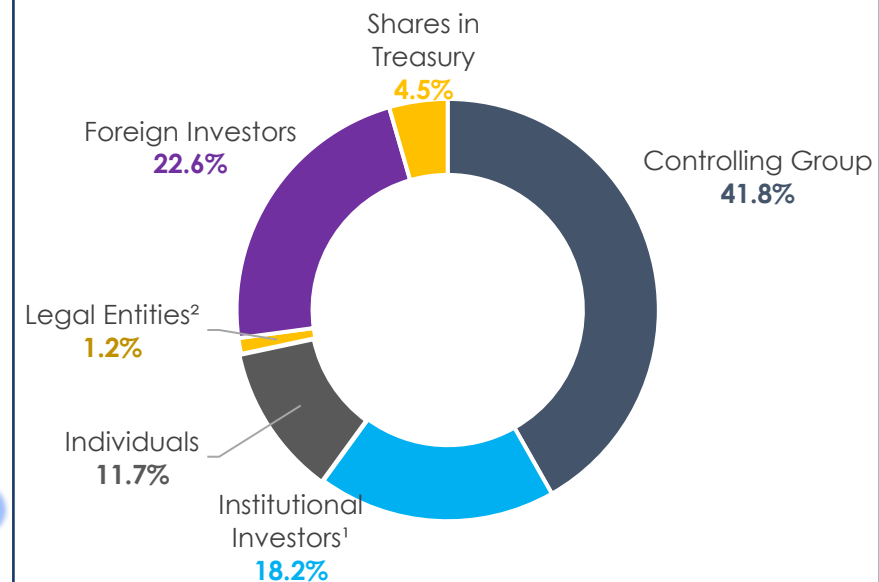
Dividends and Interest on Equity¹ R\$ Million | R\$ per share



¹ Distribution by period of competence and without income tax

Shareholders Profile – Total Shares

36,944
shareholders



¹ Investment clubs and Funds

² Companies, banks, brokers and associations

Buyback Program
Completed on October 9, with
the acquisition of 13 million
shares

3Q20 PERFORMANCE TRAILERS DIVISION

NET REVENUE

 R\$ 688.8 Million




EBITDA %

 \$ 85.7 Million
12.4%

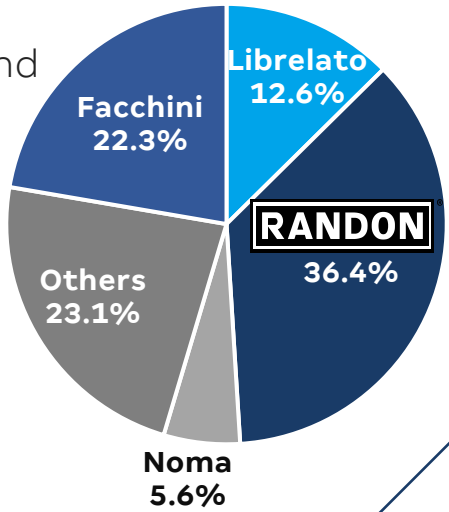
Market Overseas TOTAL

 US\$ 11.4 Million




SEMITRAILERS 3Q20 x 3Q19 | MARKET SHARE 3Q20

-  6,774 units domestic market (+8.8%)
-  -2.7% exports volumes
-  +26.3% in aftermarket revenues

-  Demand from the agricultural, e-commerce and consumer goods markets
-  Recovery of the industrial and fuel sectors
-  Gradual resumption of the foreign market
-  Good backlog for the coming months



RAILCARS

-  5 units sold in the quarter
-  Low expectations of volume recovery for 2020
-  Railway concession renewal brings good expectations for the sector in the medium and long term



Announcement of the shutdown of Randon Veículos and sale of assets

3Q20 PERFORMANCE

AUTO PARTS DIVISION

Net Revenue

 R\$ 774.1
Million


EBITDA %


 \$ 167.4
Million
21.6%

Market Overseas TOTAL

 US\$ 23.8
Million


BREAKING (Friction and Non-Friction)

 26,148 units
friction materials
(+4.9%)

 6,053 unit non-
friction
(-6.5%)

 Net revenue
(+11.2%)


 Aftermarket
recovery


 Increase in sales to
the foreign market

 Exchange rate
favorable to exports

 Non-Organic
revenues


SUSPENSION AND WHEEL END

 173,297 units of hubs
and drums
(+26.8%)


 36,839 units of axles
and suspensions
(-2.6%)


 New customers and
markets


 Resumption of sales to
OEMs


 Increased sales to semi-
trailer manufacturers

JV'S

 157,078 units of
brake systems
(-24.8%)

 31,178 units of
coupling systems
(-5.5%)

 Drop in sales to foreign
market

 Good prospects with
more intense resumption
in truck production

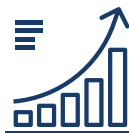
3Q20 PERFORMANCE

SERVICES DIVISION

Net Revenue

 R\$ 52.7
Million

EBITDA %

 \$ 16.9
Million
32.1%

CONSÓRCIO

RANDON



3,415 Coop-Payment
Plan Qutoas Sold
(-7.0%)



Net Revenue
(+4.0%)

After the impacts of
COVID-19, the
Consortium sector has
gradually resumed

BANCO

RANDON



Net Revenue
(+40.6%)

Sales growth at Randon
Companies positively
impacted Randon Bank
revenues

Strong demand for loans in
3Q20

RANDON
VENTURES

Randon expands presence in
innovation ecosystems

Expectation to boost 5
startups in 2020

New investment announced
in 3Q20: Reboque.me

New service in partnership
with the investee Truckhelp

SUSTAINABILITY

- 1st environmental Kaizen of the subsidiary Fras-le;
- Dissemination of the culture of sustainability to employees;
- Projects aimed at reducing water and energy consumption;
- Sustainable buildings;
- Waste Management.



- Reinforcement of COVID-19 prevention practices;
- Support to the local community;
- Traffic education actions;
- Use of the FIP Onboard biosafety system in vehicles transporting employees to work;
- Guidance book for working from home.

- APIMEC meeting held exclusively online with all executive directors;
- Second consecutive year awarded the ANEFAC Transparency Trophy;
- LGPD adaptations (General Data Protection Act).



**QR-CODE
SUSTAINABILITY
REPORT**



We are signatories to the corporate pact for integrity and against corruption, by Ethos Institute.



**WATCH THE
APIMEC 2020
MEETING**

INNOVATION



CONEXO

**CONNECT, CO-CREATE
AND INNOVATE**



CTR

**OPENING OF NEW
TRACKS**



RTS
INDUSTRY

**INNOVATIVE
SOLUTIONS FOR
INDUSTRIAL
PROCESSES**

PIS AND COFINS TAX CREDITS

Res Juridicata (REGISTERED REVENUE)

Controil[®] R\$ 16.4 MILLION
AUGUST/2018

JURID[®] R\$ 8.8 MILLION
JANUARY/2020

ON-GOING ACTIONS

RANDON^{®1}  **CASTERTECH**
IMPLEMENTOS

FREMAX

1 Randon Implementos para o Transp. Ltda.

MATERIAL FACT

RANDON[®]

MASTER
MERITOR RANDON

JOST

FRASLE[®]

- RES JURIDICATA LAW SUITS ON OCTOBER 27 AND 28, 2020
- CREDIT VALUES ARE BEING CLEARED
- CREDIT FORM: QUALIFICATION THROUGH ADMINISTRATIVE PROCEDURE

PIS AND COFINS CREDITS (RECTIFIED): REGISTERED R\$ 80.4 MILLION IN 2020

- Randon: R\$ 45.6 M
- Master: R\$ 10.9 M
- CasterTech: R\$ 18 M
- JOST: R\$ 5.8 M



RANDON DAY 2020

DECEMBER 2, 2020

2:30 PM

ON-LINE EVENT

Access here
to register
on the
event.



KEY MESSAGE

Opportunities appear through difficulties. Learning from previous crises was essential so that, in this unprecedented moment, we could guarantee the present by investing in the future. Our results are derived from innovation, efficiency and experience.

- Diversified business model
- Solid cash position
- Investment prioritization
- Caution in the budgeting process
- Opportunity to accelerate digital transformation

We act in an ethical and responsible manner, generating value for our shareholders, with a resilient business model that enables the Company's expansion and contributes to a better society.

CONNECT PEOPLE AND RICHES GENERATING PROSPERITY

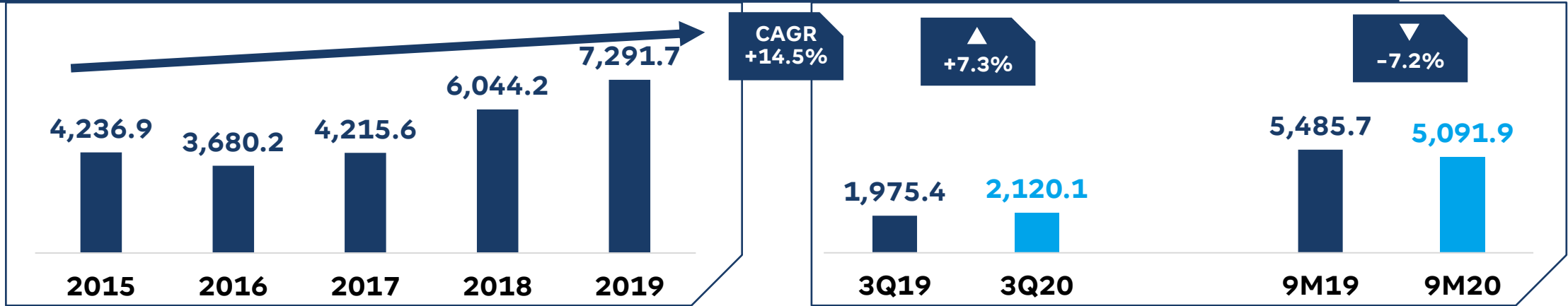


SUPPORT MATERIAL

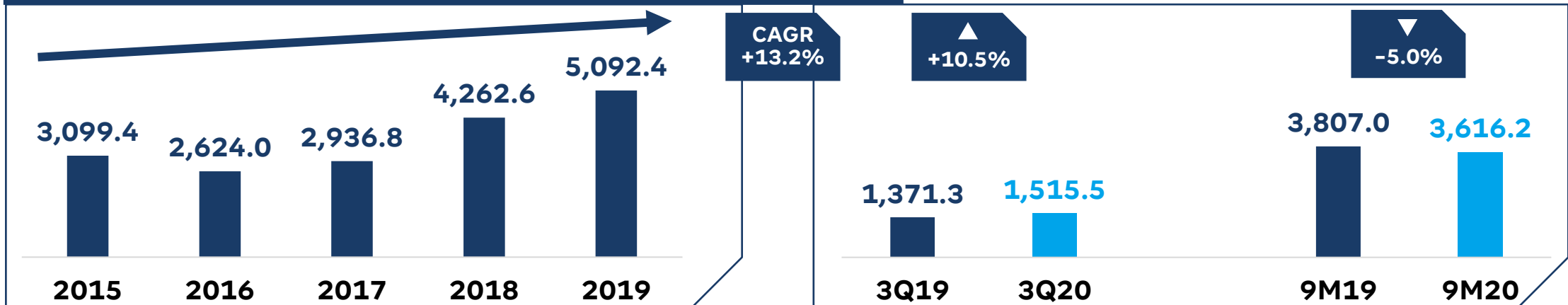


OPERATING RESULTS

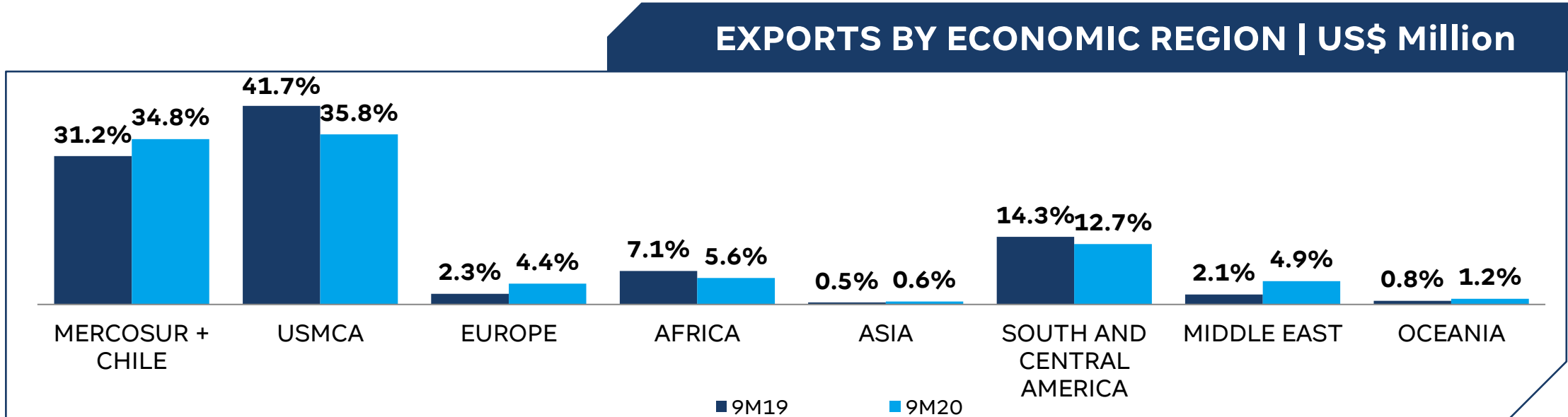
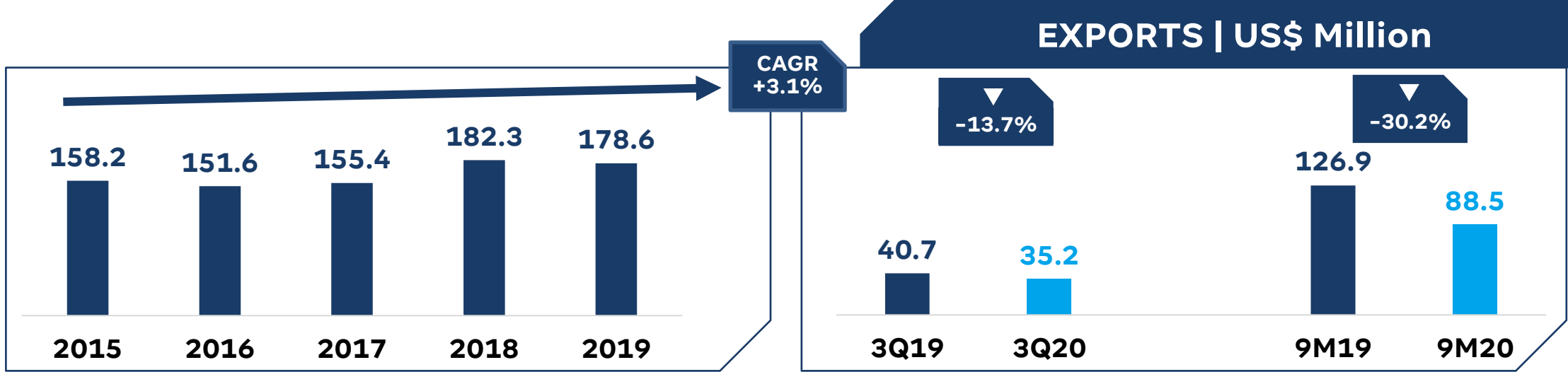
TOTAL GROSS REVENUE (Including Intercompany Sales) – R\$ Million



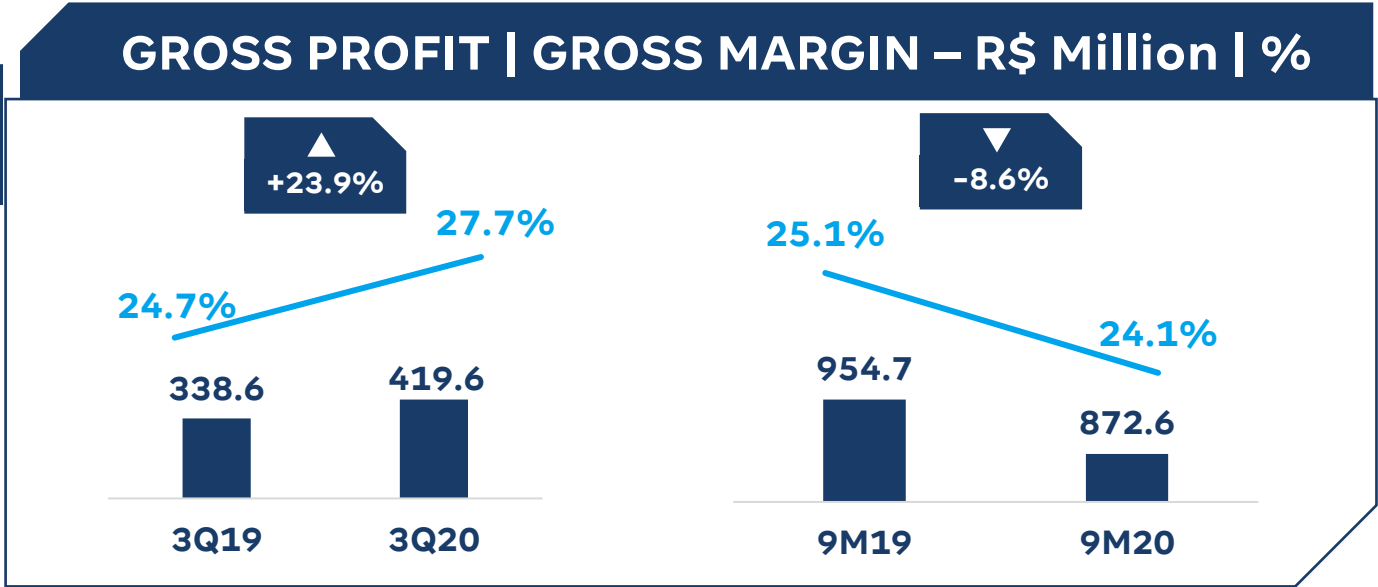
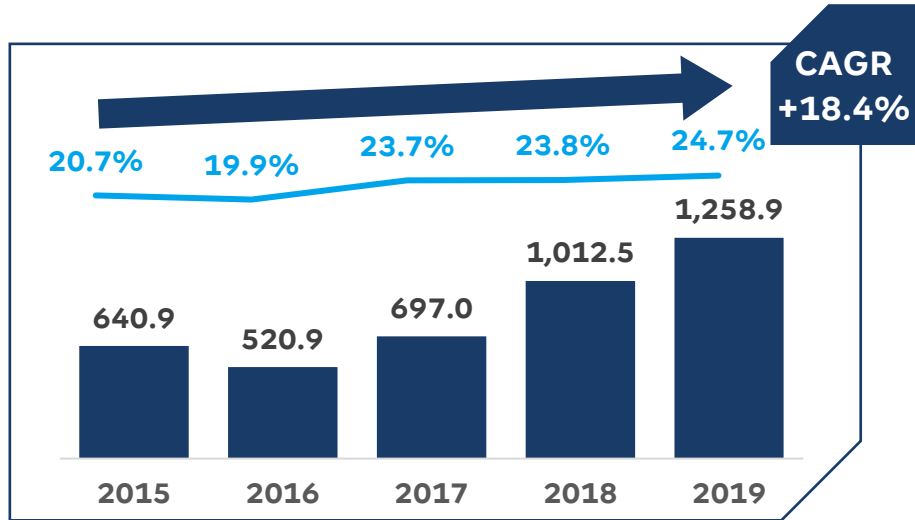
CONSOLIDATED NET REVENUE – R\$ Million



OPERATING RESULTS

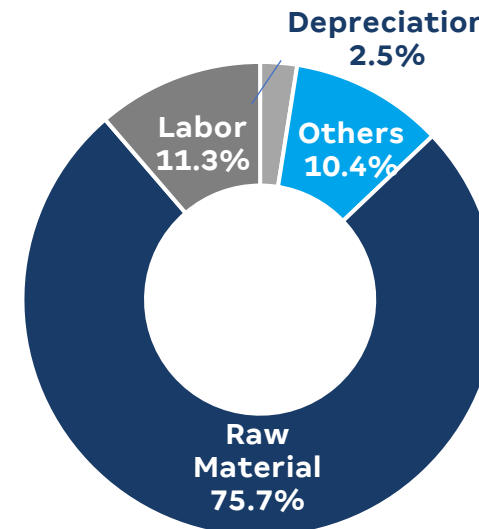
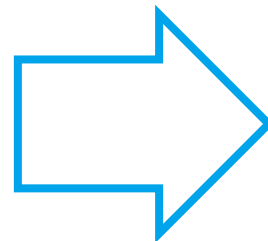


OPERATING RESULTS



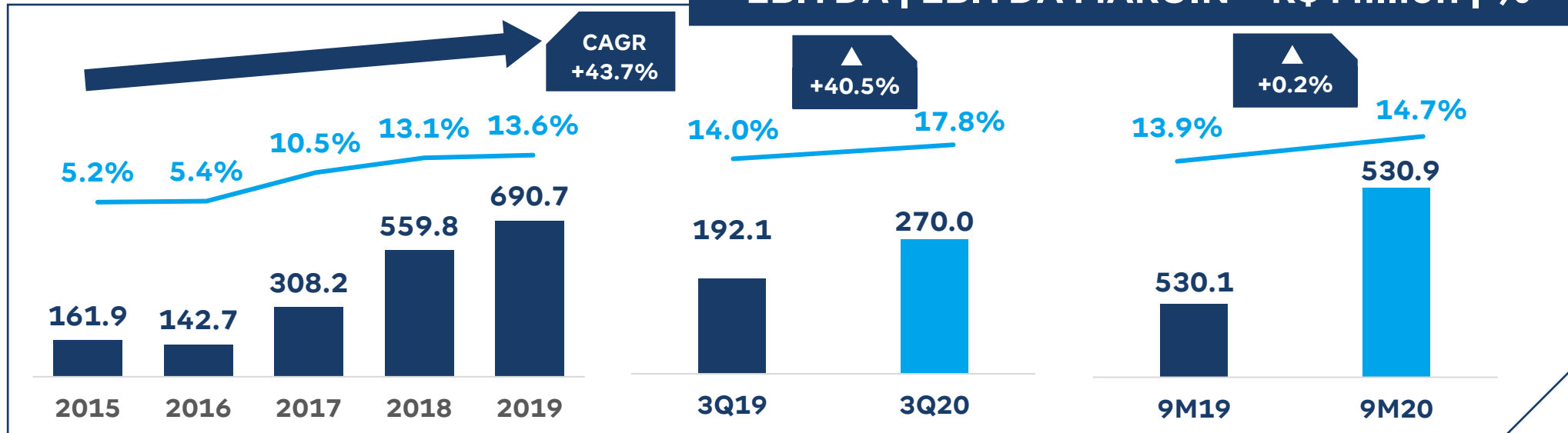
COGS 3Q20
R\$ 1.1 Bn
(72.3% o/CNR)

COGS DISTRIBUTION 9M20

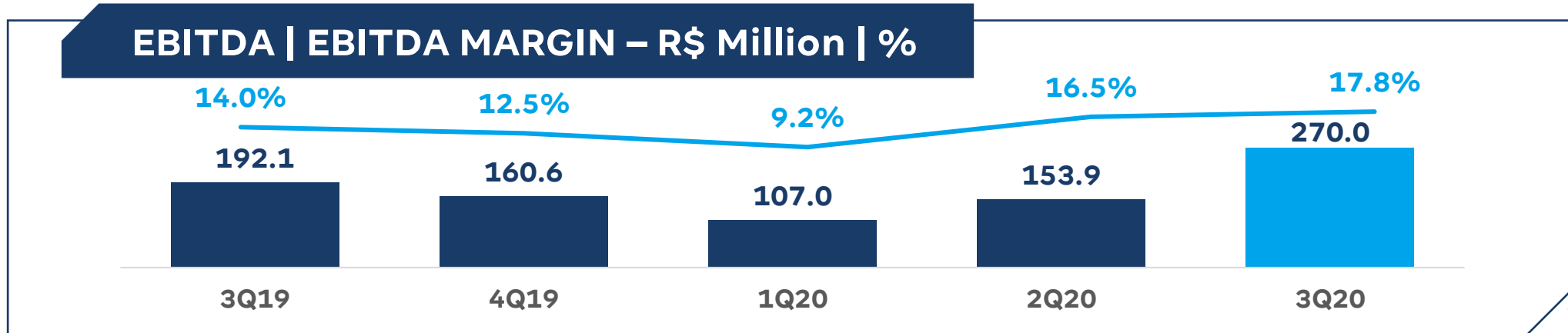


OPERATING RESULTS

EBITDA | EBITDA MARGIN – R\$ Million | %

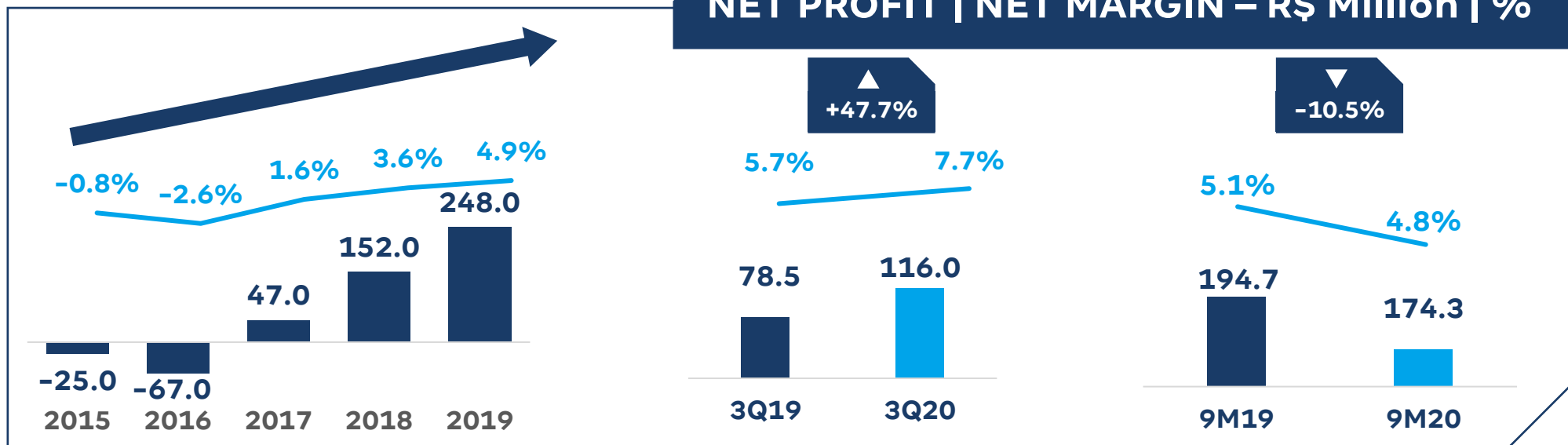


EBITDA | EBITDA MARGIN – R\$ Million | %

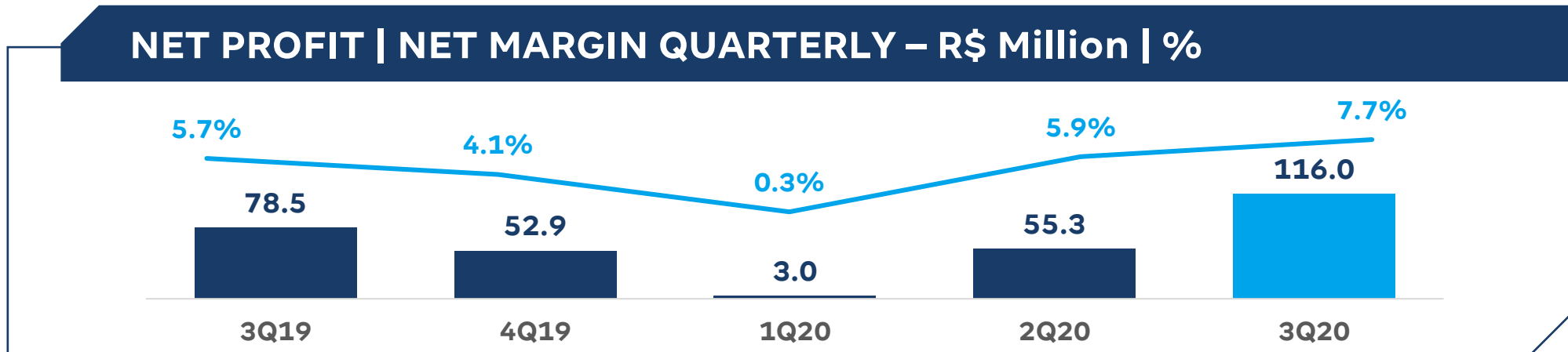


FINANCIAL RESULTS

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

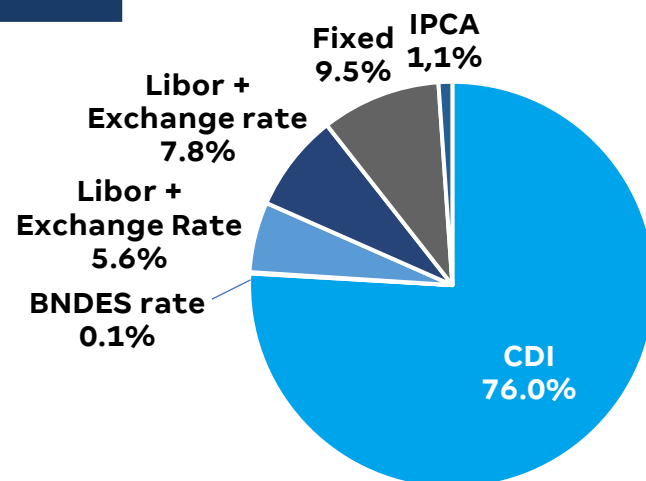


NET PROFIT | NET MARGIN QUARTERLY – R\$ Million | %



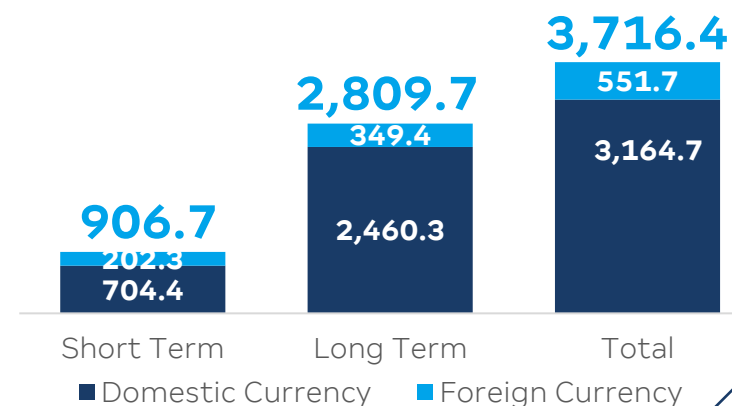
INDEBTEDNESS

DEBT INDEXES

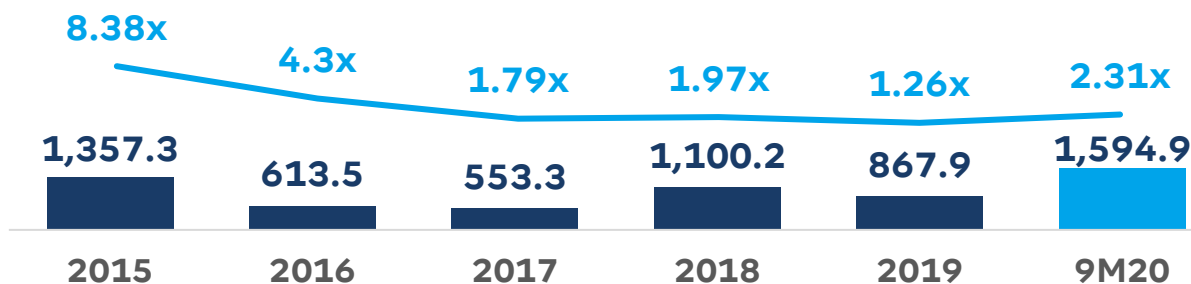


ORIGIN OF DEBT SHORT AND LONG TERM

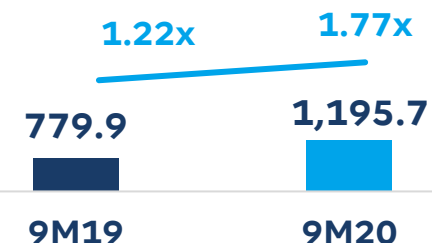
September/2020 – R\$ Million



INDEBTEDNESS | NET DEBT / EBITDA – R\$ Million

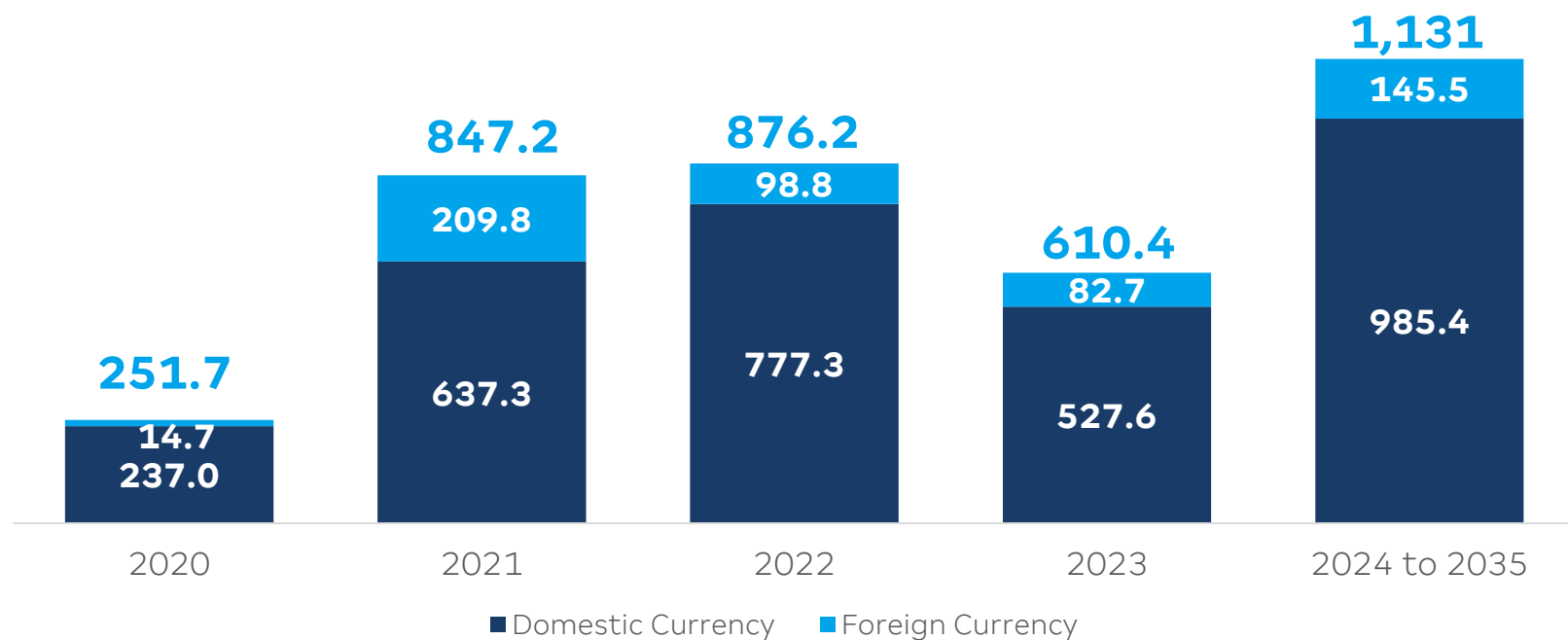


NET DEBT (Without Randon Bank)



INDEBTEDNESS

Schedule of Debt Payment 9M20 (R\$ Million)



CONSOLIDATED INCOME STATEMENT BY SEGMENT

R\$ Million

| | Trailers | | | Auto Parts | | | Services | | | Consolidated | | |
|------------------------------------|-----------------|----------|----------|-----------------|----------|---------|---------------|---------|----------|-------------------|------------|---------|
| | 3Q20 | 3Q19 | Δ% | 3Q20 | 3Q19 | Δ% | 3Q20 | 3Q19 | Δ% | 3Q20 | 3Q19 | Δ% |
| Gross Revenue | 849,462 | 772,209 | 10.0% | 971,311 | 889,627 | 9.2% | 57,930 | 52,933 | 9.4% | 1,878,703 | 1,714,769 | 9.6% |
| Deduction in Gross Revenue | -160,694 | -144,560 | 11.2% | -197,253 | -193,805 | 1.8% | -5,256 | -5,075 | 3.6% | -363,203 | -343,440 | 5.8% |
| Net Revenue | 688,768 | 627,648 | 9.7% | 774,057 | 695,822 | 11.2% | 52,675 | 47,858 | 10.1% | 1,515,500 | 1,371,329 | 10.5% |
| Costs of Sales and Services | -559,068 | -511,784 | 9.2% | -530,280 | -516,595 | 2.6% | -6,529 | -4,345 | 50.3% | -1,095,876 | -1,032,724 | 6.1% |
| Gross Profit | 129,700 | 115,865 | 11.9% | 243,778 | 179,227 | 36.0% | 46,146 | 43,513 | 6.1% | 419,624 | 338,605 | 23.9% |
| Gross Margin (%) | 18.8% | 18.5% | 37 bps | 31.5% | 25.8% | 574 bps | 87.6% | 90.9% | -332 bps | 27.7% | 24.7% | 300 bps |
| Operating Expenses | -56,657 | -56,696 | -0.1% | -111,470 | -97,183 | 14.7% | -29,464 | -30,749 | -4.2% | -197,591 | -184,629 | 7.0% |
| EBIT | 73,044 | 59,168 | 23.5% | 132,308 | 82,044 | 61.3% | 16,682 | 12,764 | 30.7% | 222,033 | 153,976 | 44.2% |
| EBITDA | 85,718 | 70,860 | 21.0% | 167,362 | 108,399 | 54.4% | 16,916 | 12,877 | 31.4% | 269,996 | 192,136 | 40.5% |
| EBITDA Margin | 12.4% | 11.3% | 116 bps | 21.6% | 15.6% | 604 bps | 32.1% | 26.9% | 521 bps | 17.8% | 14.0% | 380 bps |
| ADJUSTED EBITDA | 81,401 | 88,199 | -7.7% | 162,233 | 108,519 | 49.5% | 16,916 | 12,877 | 31.4% | 260,551 | 209,595 | 24.3% |
| ADJUSTED EBITDA MARGIN | 11.8% | 13.7% | -186 bps | 21.0% | 15.6% | 536 bps | 32.1% | 26.9% | 521 bps | 17.2% | 15.1% | 210 bps |

QUARTERLY INFORMATION

R\$ Million | %

| | 3Q2019 | 4Q2019 | 2019 | 1Q2020 | 2Q2020 | 3Q2020 |
|----------------------------------|----------------|----------------|----------------|----------------|--------------|----------------|
| Consolidated Net Revenue | 1,371.3 | 1,285.3 | 5,092.4 | 1,167.7 | 933.0 | 1,515.5 |
| % Vehicles and Trailers | 45.8% | 45.3% | 44.7% | 42.4% | 49.9% | 45.4% |
| % Auto Parts | 50.7% | 50.9% | 51.6% | 53.3% | 45.1% | 51.1% |
| % Financial Services | 3.5% | 3.8% | 3.7% | 4.3% | 5.0% | 3.5% |
| Consolidated Gross Profit | 338.6 | 304.2 | 1,258.9 | 252.2 | 200.8 | 419.6 |
| % Gross Margin | 24.7% | 23.7% | 24.7% | 21.6% | 21.5% | 27.7% |
| EBITDA | 192.1 | 160.6 | 690.7 | 107.0 | 153.9 | 270.0 |
| % EBITDA Margin | 14.0% | 12.5% | 13.6% | 9.2% | 16.5% | 17.8% |
| Net Income | 78.5 | 52.9 | 247.6 | 3.0 | 55.3 | 116.0 |
| % Net Margin | 5.7% | 4.1% | 4.9% | 0.3% | 5.9% | 7.7% |



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IR Contact

ri@randon.com.br

+55 (54) 3239.2795