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MORE SAFETY AND
SUSTAINABILITY TO
THE ROAD

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Earnings Release 4Q21

Caxias do Sul, February 24, 2022.

Data from Dec 31, 2021



MARKET CAP
R\$ 3.8 billion



CLOSING QUOTE
RAPT3 – R\$ 12.54
RAPT4 – R\$ 10.87



FREE FLOAT
60.4%

EARNINGS CONFERENCE CALL 4Q21



February 25, 2022
Friday



11:00 AM Brasilia
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QUARTER HIGHLIGHTS

- > **Consolidated Net Revenue** amounted to **R\$ 2.5 billion** in 4Q21, 40.7% up from 4Q20 and 2.3% up from 3Q21, reflecting the good volume of sales and higher prices of products sold.
- > **Foreign market revenues** reached **US\$ 91.1 million** in 4Q21, 53.5% up from the same period in 2020, driven by an increase in sales to South American countries and the North American market.
- > **Consolidated gross margin** was **23.5%** in 4Q21, a decrease of 320 bps when comparing it with 4Q20, mainly due to the increase in costs of raw material and labor.
- > **Consolidated EBITDA** amounted to **R\$ 258.8 million** in 4Q21, 61.3% down from 4Q20, with **Consolidated EBITDA margin** of **10.2%**, and **Adjusted EBITDA** of **R\$ 292.6 million**, with **Adjusted EBITDA margin** of **11.5%** in 4Q21.
- > **Net Profit** amounted to **R\$ 153.2 million**, with a **net margin** of **6.0%** in 4Q21, impacted by one-offs.
- > **Investments** amounted to **R\$ 181.3 million**, mostly in machinery and equipment.
- > Growth in **net debt (without Randon Bank)**, reaching **R\$ 1.4 billion** at the end of 4Q21 (R\$ 859.1 million in 4Q20), mainly due to an increase in working capital, caused by the higher level of activity in the operations and leverage of 1.07x the EBITDA of the last 12 months.

Forward-looking statements and information are not assurance of future performance. Since they refer to future events, they involve risks, uncertainties, and assumptions, depending, therefore, on circumstances that may or may not occur. Future results and the creation of value for shareholders 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.**

BUSINESS OVERVIEW

The fourth quarter of 2021 ended a year that was historical for Randon Companies. The high demand in the semi-trailer and truck market, combined with the good moment in the aftermarket segment, allowed us to register another positive quarter, with record revenues. Furthermore, we made significant moves in our companies, launching new products, expanding capacity and capturing synergies.

The automotive market continued with growing demand and consistent volumes.

Trucks production

40,508 un.

+23.3% x 4Q20

Number of semi-trailers delivered

22,061 un.

+7.6% x 4Q20

Production and sales volumes of trucks and semi-trailers remained at good levels, reflecting the strong demand for road freight transport in the country and abroad, mainly related to the agribusiness and mineral commodities. The fourth quarter was the best of the year in terms of exports, especially to the South American market.

But like the other quarters, several challenges had to be faced. From an economic-financial point of view, even with strong sales, 4Q21 was the most affected quarter by increases in costs and expenses, which, combined with the seasonality of the period, put pressure on margins. In addition, we had several one-offs that totalled approximately R\$ 34 million in the quarter, affecting EBITDA. Details on this will be given throughout the report.

We continue to make and consolidate significant moves in our companies, with emphasis on the first full quarter of Castertech Schroeder as part of Randon Companies, capture of synergies with Nakata and increase in production capacity at Master, which now has a robotic manufacture line to produce brake system components.

At the same time, reinforcing the Company's position at the forefront of innovation, the indirect subsidiary NIONE developed, together with a partner supplier, a first product that uses niobium nanoparticles. We are talking about a paint that provides substantial improvements in strength and durability to the surfaces where it is applied and has great environmental appeal, requiring less energy use in the entire process, from its production to its application in the final product.

This development is fully connected to our ESG strategy, announced in June last year, sharpening our focus and search for increasingly sustainable practices and products. Also on this agenda, in December the Company took an important step in the evolution of its governance. We announced the separation of the President and CEO positions. As of January 1, 2022, Daniel Randon kept holding the position of President, strengthening its institutional role, while executive Sérgio L. Carvalho took over as CEO. Sérgio has extensive experience in the global automotive market and has recorded a history of success at Randon Companies.

All the moves we made in 2021 - and over the last few years - are part of a continuous process of planning and execution of our strategy, which is taking the Company to another level, in addition to increasingly reinforcing its diversified business model. We are expanding geographies, operating sectors and product portfolio. Our production process is more efficient, technological and automated. Collaborative work and capturing synergies are present throughout the organization. And all this reinforces one of the most important attributes of Randon today and in the future: the resilience of our operations and our results, with sustainability.

That's how we start 2022, feeling more confident for the current year. We are prepared to continue growing, innovating, and generating value for our stakeholders, always seeking to achieve our purpose of connecting people and riches, to generate prosperity.

MARKET PERFORMANCE		4Q21	4Q20	Δ%	3Q21	Δ%	2021	2020	Δ%
Production	Trucks ¹	40,508	32,861	23.3%	43,580	-7.0%	158,810	90,936	74.6%
	Trailers ³	23,556	21,461	9.8%	24,768	-4.9%	95,387	69,885	36.5%
Brazil Sales	Trucks ¹	33,406	26,890	24.2%	36,543	-8.6%	128,679	89,678	43.5%
	Trailers ²	22,061	20,507	7.6%	23,391	-5.7%	90,323	67,372	34.1%
Exports	Trucks ¹	6,040	4,543	33.0%	5,928	1.9%	22,699	13,243	71.4%
	Trailers ³	1,495	954	56.7%	1,377	8.6%	5,064	2,513	101.5%

¹ Anfavea

² Anfir

³ Anfir + Alicew eb

Volumes in units

MAIN FIGURES

Economic Highlights	4Q21	4Q20	Δ%	3Q21	Δ%	2021	2020	Δ%
Total Gross Revenue ¹	3,764,616	2,604,539	44.5%	3,657,046	2.9%	13,233,768	7,696,484	71.9%
Consolidated Net Revenue	2,544,489	1,808,639	40.7%	2,486,489	2.3%	9,057,885	5,424,864	67.0%
International Market Revenues US\$ ²	91,137	59,370	53.5%	86,545	5.3%	316,480	214,408	47.6%
Consolidated Gross Profit	596,883	483,035	23.6%	638,635	-6.5%	2,268,434	1,355,628	67.3%
Gross Margin (%)	23.5%	26.7%	-325 bps	25.7%	-223 bps	25.0%	25.0%	5 bps
Consolidated EBITDA	258,831	668,467	-61.3%	396,561	-34.7%	1,327,310	1,199,375	10.7%
EBITDA Margin (%)	10.2%	37.0%	-2679 bps	15.9%	-578 bps	14.7%	22.1%	-746 bps
Adjusted EBITDA	292,573	278,881	4.9%	388,931	-24.8%	1,338,222	774,178	72.9%
Adjusted EBITDA Margin (%)	11.5%	15.5%	-397 bps	15.6%	-414 bps	14.8%	14.2%	56 bps
Consolidated Net Profit	153,164	490,394	-68.8%	288,500	-46.9%	697,876	664,674	5.0%
Net Margin (%)	6.0%	27.1%	-2109 bps	11.6%	-558 bps	7.7%	12.3%	-455 bps
Earnings per share R\$	0.47	1.46	-68.1%	0.88	-46.9%	2.12	1.99	6.7%

Financial Highlights

Equity	2,520,327	2,059,421	22.4%	2,531,010	-0.4%	2,520,327	2,059,421	22.4%
Investments ³	181,275	174,259	4.0%	179,933	0.7%	586,893	618,553	-5.1%
Net Debt	2,535,550	1,515,642	67.3%	2,555,243	-0.8%	2,535,550	1,515,642	67.3%
Net Debt (Without Randon Bank)	1,402,689	851,271	64.8%	1,738,779	-19.3%	1,402,689	851,271	64.8%
Leverage	1.91 x	1.26 x	51.2%	1.47 x	29.9%	1.91 x	1.26 x	51.2%
Leverage (Without Randon Bank)	1.07 x	0.72 x	48.5%	1.01 x	6.3%	1.07 x	0.72 x	48.5%
ROE (last 12 months)	33.9%	39.3%	-536 bps	50.3%	-1635 bps	33.9%	39.3%	-536 bps
ROIC (last 12 months)	16.4%	15.7%	69 bps	22.6%	-614 bps	16.4%	15.7%	69 bps

¹ Without eliminating intercompany sales

² Exports + Revenues from International Markets

³ Capex + Non-Organics + Paid-in Capital

Values in R\$ Thousands

Capital Market

	12/31/2021	12/31/2020	Δ%	09/30/2021	Δ%
RAPT4 Closure Quote ¹	10.87	15.36	-29.2%	11.63	-6.5%
RAPT3 Closure Quote ¹	12.54	11.11	12.9%	13.34	-6.0%
RAPT4 Total shares ²	212,815	229,260	-7.2%	229,260	-7.2%
RAPT3 Total shares ²	116,516	116,516	0.0%	116,516	0.0%
Market cap ³	3,774,404	4,563,326	-17.3%	4,029,356	-6.3%
RAPT4 Treasury shares ²	-	16,445	-100.0%	16,445	-100.0%
Price over book value ¹	9.94	8.09	22.9%	10.01	-0.7%

¹ Values in R\$ and adjusted to dividends and interest on equity paid

² Values in Thousands

³ Values in R\$ Thousands

To maintain comparability with previous periods, the numbers shown in this report include the results of the discontinued operation Randon Veículos. In the 4Q21 Quarterly Financial Information, the numbers on this Operation is presented separately.

CONSOLIDATED PERFORMANCE

Consolidated Net Revenue

	4Q21	4Q20	Δ%	3Q21	Δ%	2021	2020	Δ%
Net Revenue	2,544,489	1,808,639	40.7%	2,486,489	2.3%	9,057,885	5,424,864	67.0%
Domestic Market	2,036,454	1,488,311	36.8%	2,033,444	0.1%	7,344,572	4,317,509	70.1%
International Market ¹	508,035	320,328	58.6%	453,045	12.1%	1,713,314	1,107,355	54.7%

¹ Exports + Revenues from International Markets

Values in R\$ Thousands

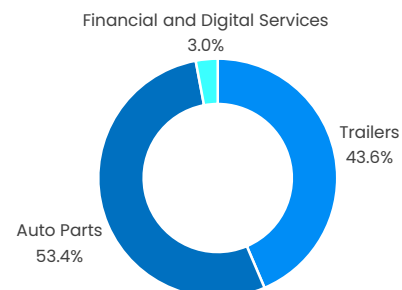
The Company achieved R\$ 2.5 billion of consolidated net revenue in 4Q21, an increase of 40.7% when compared to 4Q20 and 2.3% when compared to 3Q21, with emphasis on sales to the foreign market.

The increase in net revenue in 4Q21, compared to the same quarter in 2020, is due to the following factors:

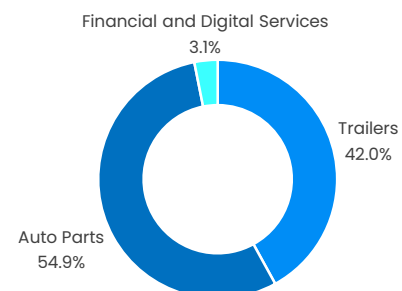
- Heated demand in the Company's markets, with emphasis on semi-trailers and auto parts for OEMs.
- Revenues from the new companies acquired (R\$ 71.6 million).
- Higher volume of railcars sold.
- Exchange rate favourable to exports.
- Readjustment of prices of products sold to mitigate the inflation effects.

When analysing the breakdown of consolidated net revenue by Division (as the graphs herein show), we see that there is a slight variation in the quarterly comparison. The auto parts division remained the most relevant, with 53.4% of the total.

Net Revenue by Division 4Q21



Net Revenue by Division 4Q20



International Market

Revenues from the international market, made up of exports out of Brazilian units and sales by our subsidiaries located abroad, both with the elimination of intercompany sales, totalled US\$ 91.1 million in 4Q21, an increase of 53.5% when compared to 4Q20 (US\$ 59.4 million). When comparing with 3Q21, this indicator increased by 5.3%.

Exports	4Q21	4Q20	Δ%	3Q21	Δ%	2021	2020	Δ%
Trailers	24,008	13,950	72.1%	19,654	22.2%	71,171	41,590	71.1%
Auto Parts	29,720	24,778	19.9%	31,076	-4.4%	120,898	85,685	41.1%
Sub-Total	53,728	38,728	38.7%	50,730	5.9%	192,069	127,274	50.9%
(-) Intercompany Sales	-13,398	-13,434	-0.3%	-16,611	-19.3%	-61,737	-47,692	29.5%
Consolidated Exports	40,331	25,294	59.4%	34,118	18.2%	130,332	79,582	63.8%

Revenues from International Units	4Q21	4Q20	Δ%	3Q21	Δ%	2021	2020	Δ%
Trailers	15,387	6,477	137.6%	12,227	25.8%	45,487	23,143	96.6%
Auto Parts	40,470	30,916	30.9%	44,873	-9.8%	157,463	127,747	23.3%
(-) Intercompany Sales	-5,052	-3,317	52.3%	-4,674	8.1%	-16,803	-16,065	4.6%
Total	50,806	34,076	49.1%	52,427	-3.1%	186,147	134,825	38.1%
International Market US\$	91,137	59,370	53.5%	86,545	5.3%	316,479	214,408	47.6%

Values in US\$ Thousands

4Q21 was the best quarter of the year in terms of sales in the international market. The scenario remained positive and demand for semi-trailers and auto parts continued to grow.

Important drivers for sales to the international market in the quarter were:

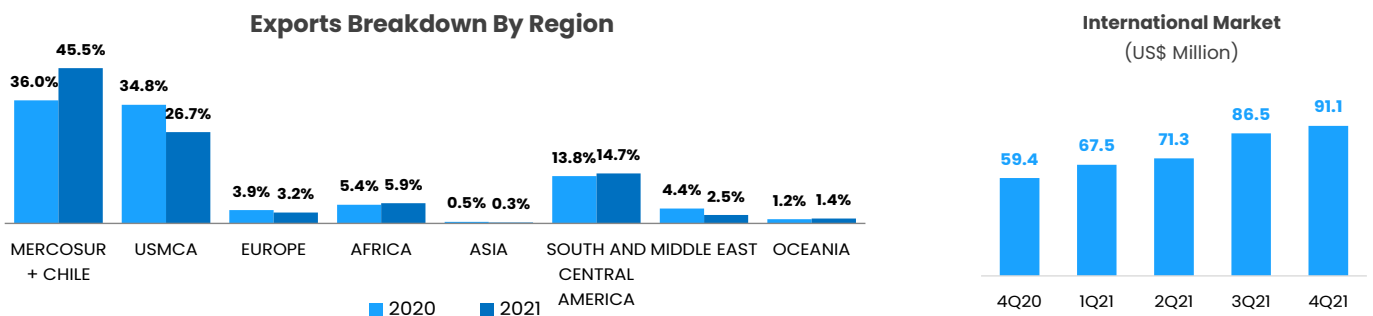
- Prices of commodities, such as copper and oil, at high levels.
- Agribusiness, which boosted demand in South American countries.
- Favourable exchange rate for exports.
- Attractiveness of Brazilian products in some regions, given the significant increase in global maritime freight.

In terms of geographies, we can highlight:

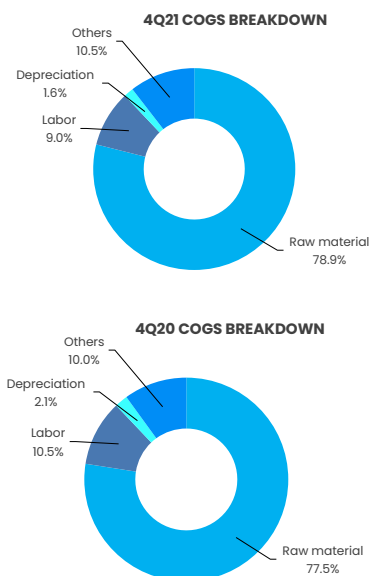
- The main markets remained being South America and North America.
- Countries such as Chile and Paraguay stood out in the sales of trailers, with consistent demand and low level of inventories at dealers.
- Favourable automotive market in the United States, which boosted sales of friction material and brake systems of the subsidiaries Fras-le and Master.

The political and economic scenario in Argentina, the lack of containers and the high logistical costs remain as points of attention. Covid-19 and its new variants have raised concerns in several geographies but have not significantly interfered with the business environment.

The charts below show exports (sales out of Brazilian plants), by region, in 2020 and 2021, and also the evolution of sales to the foreign market, by quarter:



Cost of Products Sold (COGS)



COGS reached R\$ 1.9 billion in 4Q21, accounting for 76.5% of the consolidated net revenue for the period. In 4Q20, Cost of Products Sold was R\$ 1.3 billion, 73.3% of consolidated net revenue.

This indicator has been affected by inflationary pressure throughout the year, with 4Q21 being the period most impacted by the increases, mainly explained by:

- Relevant adjustments in the prices of various inputs such as flat steel, springs, cast iron, resins and tires.
- Increase in the cost of labor, due to the collective agreement that has exceeded our initial expectations.
- Average cost of inventories is higher than in previous quarters.

For 2022, the market expectation is that there will be a gradual reduction in inflationary pressure in the various industrial chains. But it is important to point out that the high level of input prices remains relevant for the coming months.

General, Commercial and Administrative Expenses and Income

	4Q21	%	4Q20	%	Δ%	3Q21	%	Δ%	2021	%	2020	%	Δ%
Selling Expenses	-186,587	-7.3%	-129,671	-7.2%	43.9%	-155,725	-6.3%	19.8%	-616,650	-6.8%	-413,465	-7.6%	49.1%
Administrative Expenses	-129,984	-5.1%	-141,717	-7.8%	-8.3%	-119,629	-4.8%	8.7%	-447,117	-4.9%	-373,202	-6.9%	19.8%
Other Expenses/ Income	-81,941	-3.2%	404,407	22.4%	-120.3%	-23,365	-0.9%	250.7%	-103,307	-1.1%	442,379	8.2%	-123.4%
Other Operating Expenses	-136,430	-5.4%	-155,688	-8.6%	-12.4%	-64,612	-2.6%	111.2%	-286,494	-3.2%	-262,207	-4.8%	9.3%
Other Operating Income	54,488	2.1%	560,095	31.0%	-90.3%	41,247	1.7%	32.1%	183,187	2.0%	704,586	13.0%	-74.0%
Total Operating Exp/ Income	-398,512	-15.7%	133,018	7.4%	-399.6%	-298,719	-12.0%	33.4%	-1,167,074	-12.9%	-344,288	-6.3%	239.0%

Values in R\$ Thousand and % over Net Revenue

In 4Q21, operating expenses totalled R\$ 398.5 million, which is 15.7% of the consolidated net revenue for the period (R\$ 133.0 million and 7.4% in 4Q20). The quarterly comparison is significantly impacted by the recognition of tax credits obtained in 4Q20 (R\$ 419.0 million).

The main factors that impacted operating expenses and income in the quarterly comparison refer to one-offs detailed below:

→ One-off Earnings:

- recognition of credit from various tax proceedings (R\$ 7.1 million).
- reversal of impairment in indirect subsidiaries of the auto parts Division (R\$ 20.5million).

→ One-off Expenses:

- impairment of Randon Peru business unit (R\$ 2.0 million).
- expectation of recoverability of the pension plan in the trailers division (R\$ 2.0 million).
- provision for contingencies on labour liabilities in the auto parts division (R\$ 19.4 million).
- fees from tax proceedings recognized in the quarter (R\$ 2.6 million).
- update of the business combination regarding the companies Nakata, by Fras-le (R\$ 24.4 million) and Fundituba and CNCS, by Castertech (R\$ 10.9 million).

EBITDA

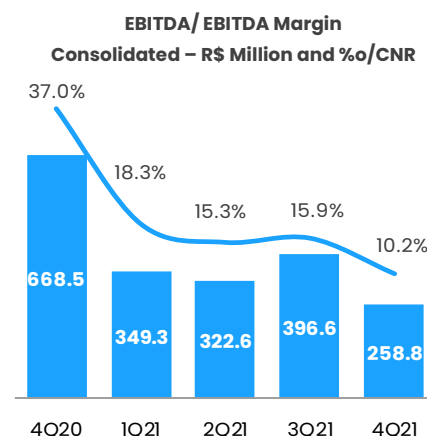
In 4Q21, consolidated EBITDA totalled R\$ 258.8 million with a margin of 10.2%, 61.3% down from 4Q20, in which this indicator had totalled R\$ 668.5 million and an EBITDA margin of 37.0%.

As explained in the previous chapter, several one-offs impacted EBITDA in both quarters. Thus, to better compare the Company's gross operating cash generation in the period, we recommend the analysis of the EBITDA adjusted to the one-offs, which in 4Q21 was R\$ 292.6 million (11.5% on CNR) and in 4Q20 of R\$ 278.8 million (15.5% on CNR).

See below the factors that affected EBITDA in 4Q21:

- One-offs that penalized EBITDA by R\$ 33.7 million in 4Q21.
- Inflationary pressure on raw materials and labour costs.
- Adjustments of inventories in our business units.
- Fewer days worked due to holidays, general vacations and holiday season.
- Discount provided for in contract granted to a customer.

More details can be seen in under Performance by Segment.



	4Q21	4Q20	Δ%	3Q21	Δ%	2021	2020	Δ%	
Net Profit	153,164	490,394	-68.8%	288,500	-46.9%	697,876	664,674	5.0%	
Interest of non-controlling shareholders	-28,344	-120,907	-76.6%	-74,303	-61.9%	-186,836	-168,633	10.8%	
Income Tax and Social Contribution	2,329	-271,614	-100.9%	51,222	-95.5%	-110,131	-395,180	-72.1%	
Financial Income	-18,705	266,862	-107.0%	-28,335	-34.0%	-106,031	217,148	-148.8%	
Equity Income	-487	-	-	-	-	-487	-	-	
EBIT	198,371	616,053	-67.8%	339,917	-41.6%	1,101,361	1,011,340	8.9%	
Depreciation and Amortization	60,460	52,414	15.4%	56,644	6.7%	225,950	188,035	20.2%	
Consolidated EBITDA	258,831	668,467	-61.3%	396,561	-34.7%	1,327,310	1,199,375	10.7%	
EBITDA Margin (%)	10.2%	37.0%	-2679 bps	15.9%	-578 bps	14.7%	22.1%	-746 bps	
One-Offs	33,742	-389,586	-108.7%	-	7,629	-542.3%	10,912	-425,197	-102.6%
Consolidated Adjusted EBITDA ¹	292,573	278,881	4.9%	388,931	-24.8%	1,338,222	774,178	72.9%	
Adjusted EBITDA Margin (%)	11.5%	15.5%	-397 bps	15.6%	-414 bps	14.8%	14.2%	56 bps	

¹ Breakdown of EBITDA by division in the Performance by Business Segment chapter

Values in R\$ Thousands

Financial Result

The Company's net financial result was a negative R\$ 106.0 million at the end of 2021, 148.8% down from the result achieved in the same period in 2020 (positive R\$ 217.1 million).

Below are some of the factors that have affected this indicator:

- Net impact referring to proceeds from lawsuits and recognition of tax credits, which occurred in both years (R\$ 40.8 million in 2021 and R\$292.9 million in 2020).
- Positive effect of adjustment for inflation (IAS 29) of subsidiaries located in Argentina (R\$ 55.5 million in 2021 and R\$ 36.6 million in 2020).
- Adjustment to present value of business combination (R\$ 10.1 million in 2021).
- Increase in interest paid on financing linked to CDI (Bank Deposit Certificate), due to the new levels of the SELIC rate.

	4Q21	4Q20	Δ%	3Q21	Δ%	2021	2020	Δ%
Financial Revenues	138,927	346,510	-59.9%	105,669	31.5%	413,264	674,696	-38.7%
Financial Expenses	-167,738	-108,225	55.0%	-150,711	11.3%	-574,768	-494,123	16.3%
Monetary Adjustment (IAS 29)	10,107	28,577	-64.6%	16,707	-39.5%	55,473	36,575	51.7%
Net Financial Income	-18,705	266,862	-107.0%	-28,335	-34.0%	-106,031	217,148	-148.8%

Values in R\$ Thousand

For a breakdown of the financial result, see Note 31 in the Quarterly Financial Information.

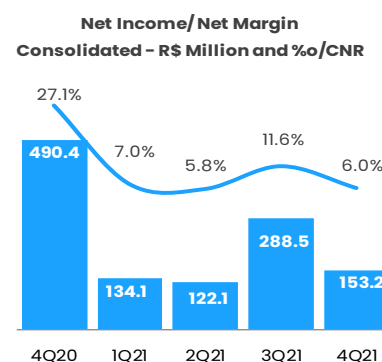
Net Result

The Company posted consolidated net income of R\$ 153.2 million in 4Q21, with a net margin of 6.0%, which reflects an ROE of 33.9% (last 12 months).

Several one-offs affected net income in the quarter. In addition to the points already mentioned under EBITDA comments:

- Recognition of tax credits due to the decision of the Federal Supreme Court (STF), on the non-levy of IRPJ and CSLL on the SELIC adjustment, paid for repetition of undue tax and reflection of other various tax proceedings.
- Recognition of deferred taxes on tax losses from some operating units, which benefited the net result by R\$ 13.0 million.

For more information on tax impacts, see note 11 under the Quarterly Financial Information.



	4Q21	4Q20	Δ%	3Q21	Δ%	2021	2020	Δ%
EBIT	198,371	616,053	-67.8%	339,917	-41.6%	1,101,361	1,011,340	8.9%
Financial Income	-18,705	266,862	-107.0%	-28,335	-34.0%	-106,031	217,148	-148.8%
Equity Income	-487	-	-	-	-	-487	-	-
Operating Results	179,179	882,915	-79.7%	311,581	-42.5%	994,842	1,228,488	-19.0%
Income Tax and Social Contribution	2,329	-271,614	-100.9%	51,222	-95.5%	-110,131	-395,180	-72.1%
Interest of non-controlling shareholders	-28,344	-120,907	-76.6%	-74,303	-61.9%	-186,836	-168,633	10.8%
Net Profit	153,164	490,394	-68.8%	288,500	-46.9%	697,876	664,674	5.0%
Net Margin (%)	6.0%	27.1%	-2109 bps	11.6%	-558 bps	7.7%	12.3%	-455 bps
ROE (last 12 months)	33.9%	39.3%	-536 bps	50.3%	-1635 bps	33.9%	39.3%	-536 bps

Values in R\$ Thousands

Free Cash Flow (without Randon Bank)

At the end of 2021, the Company had a negative free cash flow of R\$ 543.6 million, a variation of 68.0% when compared to 2020.

The reduction in free cash flow is mainly due to the following factors:

- Payment of interest on equity and dividends to shareholders by Randon and Fras-le in January, April and August, and by Master and Jost in December 2021.
- Increase in working capital due to the Company's high level of activity, inflation of material, the addition of the acquired companies, strategic purchases of productive inputs and the recognition of tax credits.
- Paid-in Capital in Randon Bank, earn-out payment from Nakata and non-organic investments (acquisition of the companies CNCS, Austom, Castertech Schroeder, RAR Corretora and Ferrari).
- Investments made mainly for productivity gains and asset maintenance.

	4Q21	4Q20	Δ%	3Q21	Δ%	2021	2020	Δ%
EBITDA	253,823	667,704	-62.0%	391,240	-35.1%	1,306,009	1,187,022	10.0%
Investments	-159,912	-83,640	91.2%	-71,530	123.6%	-357,887	-198,096	80.7%
Financial Income	-18,682	266,884	-107.0%	-28,313	-34.0%	-105,942	217,238	-148.8%
Income Tax and Social Contribution	4,925	-270,673	-101.8%	53,826	-90.9%	-100,405	-389,978	-74.3%
Working Capital	304,578	-374,988	-181.2%	-344,426	-188.4%	-792,602	-625,836	26.6%
Operating Cash Flow	384,733	205,288	87.4%	797	48184.7%	-50,826	190,351	-126.7%
Dividends/Interest on Equity	-23,773	-20,953	13.5%	-52,678	-54.9%	-275,379	-123,137	123.6%
Paid-in Capital	-1,052	-12,138	-91.3%	-98,111	-98.9%	-186,461	-348,715	-46.5%
Others	-7,661	-538,297	-98.6%	62,051	-112.3%	-30,910	-42,113	-26.6%
Free Cash Flow	352,247	-366,099	-196.2%	-87,941	-500.6%	-543,577	-323,614	68.0%

Values in R\$ Thousands without Randon Bank

Investments

In 4Q21, the Company invested R\$ 181.3 million, distributed in Capex (R\$ 159.9 million), non-organic investments (R\$ 1.1 million) and Paid-in Capital (R\$ 20.3 million).

The highlights of investments in the fourth quarter of 2021 were:

- Capex: machinery and equipment (R\$ 83.8 million), modernization of the stamping plant (R\$ 17.2 million), expansion of the physical structure of the subsidiary Master (R\$ 1.6 million) and Randon Araraquara (R\$ 4.1 million), improvements to buildings and facilities (R\$ 15.0 million) and ERP and other software implemented by Randon Consórcios (R\$ 1.2 million).
- Paid-in Capital: RTS Industry (R\$ 6.1 million), Randon Peru (R\$ 6.6 million) and Randon Ventures (R\$ 7.5 million).

The table below shows the investments made in the quarter and in the full-year 2021, by Division, with the respective comparisons:

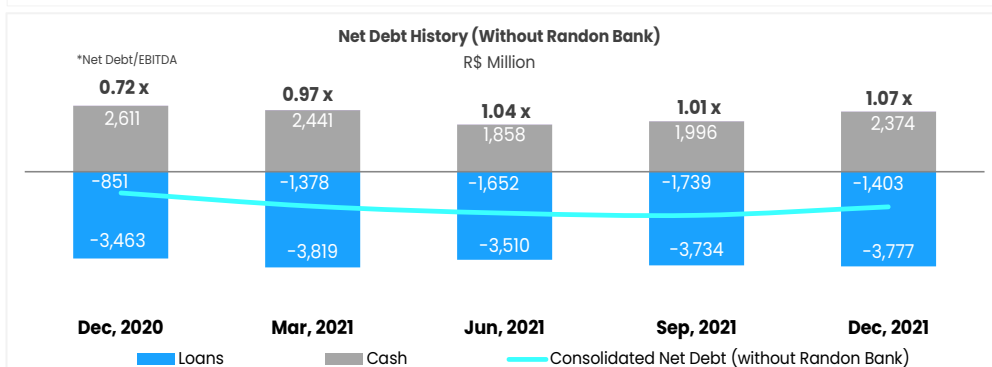
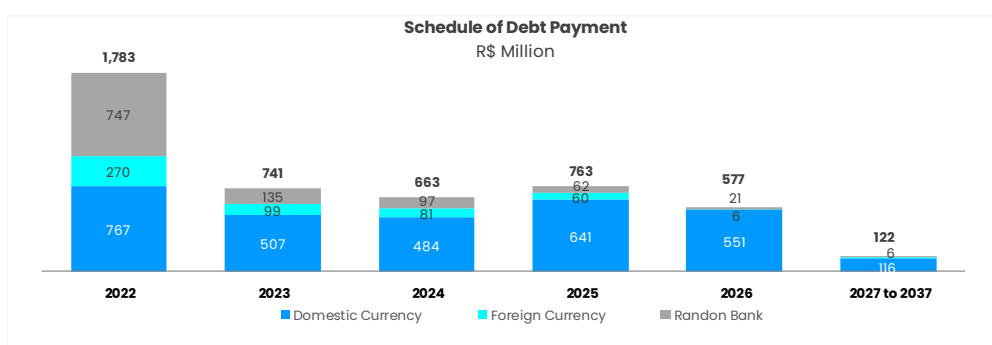
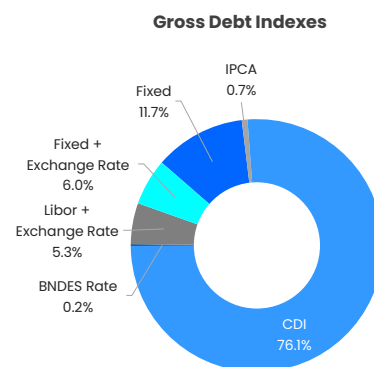
		4Q21	4Q20	Δ%	3Q21	Δ%	2021	2020	Δ%
Capex	Trailers	63,957	48,661	31.4%	23,000	178.1%	128,905	89,851	43.5%
	Auto Parts	94,748	42,451	123.2%	45,414	108.6%	223,806	103,906	115.4%
	Services	1,244	992	25.5%	3,145	-60.4%	5,417	4,563	18.7%
	Subtotal	159,948	92,103	73.7%	71,559	123.5%	358,128	198,320	80.6%
Non Organic	Trailers	-	-	-	-	-	5,544	-	-
	Auto Parts	1,052	15,628	-93.3%	45,911	-97.7%	65,712	292,205	-77.5%
	Services	-	-	-	-	-	13,004	-	-
	Subtotal	1,052	15,628	-93.3%	45,911	-97.7%	84,261	292,205	-71.2%
Paid-in Capital	Trailers	20,275	14,828	36.7%	5,750	252.6%	86,634	76,328	13.5%
	Auto Parts	0	51,700	-100.0%	56,713	-100.0%	57,871	51,700	11.9%
	Subtotal	20,275	66,528	-69.5%	62,463	-67.5%	144,505	128,028	12.9%
Total	Total	181,275	174,259	4.0%	179,933	0.7%	586,893	618,553	-5.1%

Values in R\$ Thousands

Net Debt

At the end of 2021, the Company's consolidated net debt amounted to R\$ 2.5 billion, with a leverage ratio of 1.91x (Net Debt / EBITDA for the last twelve months). Excluding Randon Bank's figures, net debt at the end of the year was R\$ 1.4 billion, with leverage of 1.07x EBITDA.

The average cost of debt in local currency increased again, due to the increase in the SELIC rate and, consequently, the CDI rate, in addition to the increase in the bank spread. This indicator rose from 7.8% per year in September 2021, to 10.9% per year, at the end of the year.



	12/31/2020	03/31/2021	06/30/2021	09/30/2021	12/31/2021
Short Term Cash and Financial Investments	2,459,254	2,284,065	1,723,817	1,856,830	2,251,065
Long Term Cash and Financial Investments	68,740	129,204	89,901	90,948	53,054
Total Cash and Financial Investments	2,527,993	2,413,269	1,813,718	1,947,778	2,304,119
Short Term Debt Domestic Currency	921,937	942,661	742,193	1,253,708	1,513,852
Short Term Debt Foreign Currency	209,786	189,433	173,467	204,597	272,795
Total Short Term Debt	1,131,723	1,132,094	915,660	1,458,305	1,786,646
Long Term Debt Domestic Currency	2,378,471	2,765,870	2,731,472	2,611,206	2,613,881
Long Term Debt Foreign Currency	301,957	309,403	230,712	234,553	252,208
Total Long Term Debt	2,680,428	3,075,273	2,962,185	2,845,759	2,866,088
Accounts Payable by Business Combination	231,484	238,551	241,910	198,956	186,934
Total Gross Debt	4,043,635	4,445,919	4,119,755	4,503,020	4,839,669
Total Consolidated Net Debt	1,515,642	2,032,650	2,306,036	2,555,243	2,535,550
Net Debt (Without Randon Bank)	851,271	1,377,870	1,651,630	1,738,779	1,402,689
Average Cost of Bank Debt in Domestic Currency	3.4% per year	4.2% per year	5.9% per year	7.8% per year	10.9% per year
Average Cost of Bank Debt in Foreign Currency	3.7% per year	3.8% per year	4.0% per year	4.0% per year	4.2% per year
Average Term of Bank Debt	2.3 years	2.4 years	2.4 years	2.3 years	2.1 years
Average Term of Bank Debt Without Randon Bank	2.5 years	2.6 years	2.6 years	2.5 years	2.4 years

Values in R\$ Thousands, except when indicated otherwise.

PERFORMANCE BY BUSINESS SEGMENT

Trailers Division

Volumes	4Q21		4Q20			3Q21			2021			2020		
	Units	Revenue	Units	Revenue	Δ% Units	Units	Revenue	Δ% Units	Units	Revenue	Units	Revenue	Δ% Units	
Trailers Brazil (un.)	6,659	743,253	7,688	578,555	-13.4%	8,034	784,336	-17.1%	29,039	2,773,331	24,326	1,805,260	19.4%	
Trailers International Market (un.)	1,249	182,613	843	89,394	48.2%	1,108	138,744	12.7%	4,207	519,609	2,284	265,061	84.2%	
Railcars (un.)	147	83,512	16	3,790	818.8%	171	88,535	-14.0%	459	238,968	34	10,497	1250.0%	
Aftermarket	-	88,869	-	69,885	-	-	103,363	-	-	372,887	-	251,549	-	
Specialty Vehicles (un.)	-	-	50	17,932	-100.0%	-	-	-	-	428	325	76,834	-100.0%	
Others ¹	-	10,915	-	-	-	-	4,246	-	-	18,545	-	-	-	

¹Refers to the operation of the RTS Industry company and Randon Auttom which, at this moment is located within the Trailers division.

Performance	4Q21	4Q20	Δ%	3Q21	Δ%	2021	2020	Δ%
Net Revenue	1,109,161	759,556	46.0%	1,119,225	-0.9%	3,923,769	2,409,202	62.9%
COGS	-937,114	-619,751	51.2%	-941,916	-0.5%	-3,291,375	-2,019,077	63.0%
Gross Profit	172,047	139,805	23.1%	177,310	-3.0%	632,394	390,125	62.1%
Gross Margin %	15.5%	18.4%	-289 bps	15.8%	-33 bps	16.1%	16.2%	-8 bps
Operating Expenses/Revenues	-102,080	198,286	-151.5%	-56,883	79.5%	-274,987	47,861	-674.6%
EBIT	69,967	338,091	79.3%	120,426	-41.9%	357,407	437,985	-18.4%
EBITDA	83,235	351,378	-76.3%	133,013	-37.4%	409,209	488,857	-16.3%
EBITDA Margin %	7.5%	46.3%	-3876 bps	11.9%	-438 bps	10.4%	20.3%	-986 bps
Adjusted EBITDA	84,602	74,978	12.8%	117,914	-28.3%	395,478	220,039	79.7%
Adjusted EBITDA Margin %	7.6%	9.9%	-231 bps	10.5%	-291 bps	10.1%	9.1%	102 bps

Values in R\$ Thousands, except when indicated otherwise.

The Trailers Division ended the year with another quarter of growth. All operating segments performed well, with emphasis on sales to the foreign market (4Q21 was the best quarter in terms of volumes in the last eight years), a good level of railcar sales and advances in the aftermarket.

In terms of 4Q21 results, we can highlight:

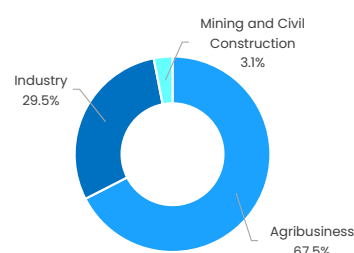
- Strong revenue growth, advancing 46.0% as compared to the same quarter of 2020.
- Reduction of 2.9 percentage points in gross margin, due to inflationary pressure on inputs and labour, and difficulty in passing on new prices.
- Increase in operating expenses, mainly due increased provisions.
- EBITDA impacted by one-offs, as follows:
 - Negative:* impairment of Randon Peru unit (R\$ 2.0 million) and recoverability of the pension plan (R\$ 2.0 million) and

Positive credits from tax proceedings (R\$ 2.7 million).

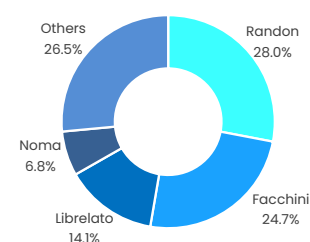
In addition to these, we can mention the following facts about the Trailers division in the quarter:

- The agribusiness sector continued to drive the segment of trailers, accounting for 67.5% of sales in the period.
- 7,908 semi-trailers were sold (-7.3% vs. 4Q20), with 6,659 units in Brazil and 1,249 units abroad.
- An average of 139 semi-trailers were sold per day in the quarter, including all the Company's plants.
- Market share of 28.0% in 4Q21, due to three main factors: pressure due to high market demand, large volume of products delivered to customers, but not licensed in the period and higher volume of products for the foreign market.
- Good sales performance in Mercosur countries due to the record grain harvest, especially in Paraguay, and the good price level of mineral commodities, particularly in Chile, in addition to the favourable exchange rate.
- Delivery of 147 railcars in 4Q21, against 16 units in 4Q20.

Net Revenue Breakdown by Economic Sector (%)



Quarterly Market Share (%)



PERFORMANCE BY BUSINESS SEGMENT

Auto Parts

Volumes	4Q21		4Q20		Δ% Units	3Q21		Δ% Units	2021		2020		Δ% Units
	Units	Revenue	Units	Revenue		Units	Revenue		Units	Revenue	Units	Revenue	
Friction Materials (Thousand/un.)	23,417	307,194	26,797	306,863	-12.6%	27,487	327,320	-14.8%	102,053	1,237,422	94,730	1,032,543	7.7%
Other products Fras-te (Thousand/un.) ¹	9,358	364,921	10,541	279,094	-11.2%	9,382	314,111	-0.3%	38,694	1,292,587	23,573	606,060	64.1%
Brakes (un.)	225,250	180,965	188,265	115,471	19.6%	253,893	181,684	-11.3%	917,532	651,532	576,319	338,608	59.2%
Coupling Systems (un.)	38,803	98,517	34,581	56,224	12.2%	39,833	87,428	-2.6%	152,997	331,100	109,143	165,015	40.2%
Suspensions and Axles (un.)	49,481	222,064	43,851	163,368	12.8%	56,030	222,431	-11.7%	197,377	771,194	135,243	459,514	45.9%
Hubs and Drums (un.)	199,029	181,311	182,783	71,165	8.9%	226,771	162,372	-12.2%	827,512	564,560	595,548	207,932	38.9%
Others ²	-	5,050	-	-	-	-	4,389	-	-	11,497	-	-	-

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

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

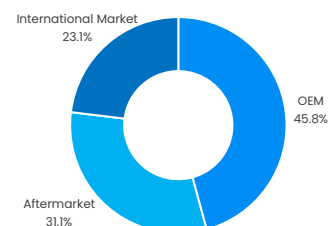
Performance	4Q21	4Q20	Δ%	3Q21	Δ%	2021	2020	Δ%
Net Revenue	1,360,022	992,185	37.1%	1,299,737	4.6%	4,859,892	2,809,672	73.0%
COGS	-992,431	-697,669	42.2%	-893,468	11.1%	-3,448,479	-2,024,090	70.4%
Gross Profit	367,591	294,516	24.8%	406,270	-9.5%	1,411,413	785,582	79.7%
Gross Margin %	27.0%	29.7%	-266 bps	31.3%	-423 bps	29.0%	28.0%	108 bps
Operating Expenses/Revenues	-238,863	-18,988	1158.0%	-200,352	19.2%	-717,488	-256,033	180.2%
EBIT	128,728	275,528	-53.3%	205,917	-37.5%	693,925	529,549	31.0%
EBITDA	175,320	314,421	-44.2%	249,437	-29.7%	866,455	665,986	30.1%
EBITDA Margin %	12.9%	31.7%	-1880 bps	19.2%	-630 bps	17.8%	23.7%	-587 bps
Adjusted EBITDA	207,954	200,571	3.7%	256,906	-19.1%	891,357	508,942	75.1%
Adjusted EBITDA Margin %	15.3%	20.2%	-492 bps	19.8%	-448 bps	18.3%	18.1%	23 bps

Values in R\$ Thousands, except when indicated otherwise.

The fourth quarter of 2021 was the best quarter for the Auto Parts Division, in its history, in terms of net revenue, as a result of good volumes of auto parts for OEMs and the aftermarket, and higher average sales prices.

In the breakdown of revenue by segment, in 4Q21, one can see the resilient profile of this Division, with OEM businesses accounting for 45.8%, while international markets and the Aftermarket accounted for 54.2% of revenues.

Net Revenue Breakdown by Segment 4Q21



Regarding the result of the Auto Parts Division in 4Q21, we highlight:

- Significant growth in revenues, both quarterly (+37.1%) and yearly (+73.0%).
- Reduction of 2.7 percentage points in gross margin, due to cost inflation and impact suffered by the discount (provided for in a contract) granted to a customer (R\$ 30.5 million).
- EBITDA impacted by one-offs:

Negatives: Contingency of labour liabilities of Fras-le (R\$ 19.4 million). update of the business combination through the acquisition of Nakata, CNCS and Fundituba, (which together totalled R\$ 35.3 million).

Positive: Reversal of impairment of Armetal, Fanacif and Jurid (R\$ 20.5 million) and credits from tax proceedings (R\$ 1.6 million).

CASTERTECH, JOST, MASTER and SUSPENSYS

- Castertech recorded the best quarter of sales for the agricultural segment in 2021, boosted by the recent acquisitions of this company.
- Castertech Schroeder contributed R\$ 44.2 million of net revenue in the first full quarter as part of Randon Companies.
- Master and Suspensys achieved revenue growth for the foreign market, mainly in the United States and Latin America.
- Master officially opened its plant expansion, with robotic processes for the manufacture of brake system components.
- Releases from automakers point to volumes at good levels in the coming months.

FRAS-LE

Domestic Market:

- Friction materials aimed at the heavy line continue with good demand.
- New Nakata shock absorber plant helped achieve record volume and revenue in this product family.
- Process of capturing synergies with Nakata continued, mainly in the supply and logistics processes.
- Point of attention for the aftermarket for light vehicles, whose demand has been negatively affected by the loss of purchasing power of the population, due to high inflation.

Foreign Market:

- Positive scenario for exports resulting from a heated economy, commodities at good prices and favourable exchange rates.
- Distributors inventories at low levels, demanding a higher level of replenishment.
- Capturing synergies from recent investments, new customers, and increased volumes in all geographies.

PERFORMANCE BY BUSINESS SEGMENT

Financial and Digital Services

Volumes	4Q21			4Q20			3Q21			2021			2020		
	Units	Revenue	Δ%	Units	Revenue	Δ%	Units	Revenue	Δ%	Units	Revenue	Δ%	Units	Revenue	Δ%
Coop-payment plan quotas sold	5,703	52,578		4,628	42,810	23.2%	3,248	49,026	75.6%	16,669	198,594		13,342	160,955	24.9%
Randon Investimentos (Randon Bank)	-	20,173		-	14,080	-	-	17,754	-	-	70,901		-	45,011	-
Others ¹	-	2,555		-	9	-	-	747	-	-	4,729		-	24	-

¹ Randon Collection, Conexo, Randon Corretores and Randon Ventures.

Performance	4Q21	4Q20	Δ%	3Q21	Δ%	2021	2020	Δ%
Net Revenue	75,306	56,898	32.4%	67,527	11.5%	274,224	205,990	33.1%
COGS	-18,061	-8,184	120.7%	-12,470	44.8%	-49,596	-26,069	90.2%
Gross Profit	57,244	48,714	17.5%	55,056	4.0%	224,628	179,921	24.8%
Gross Margin %	76.0%	85.6%	-960 bps	81.5%	-552 bps	81.9%	87.3%	-543 bps
Operating Expenses/Revenues	-57,569	-46,280	24.4%	-41,483	38.8%	-174,599	-136,116	28.3%
EBIT	-324	2,434	-113.3%	13,573	-102.4%	50,029	43,805	14.2%
EBITDA	276	2,667	-89.6%	14,111	-98.0%	51,646	44,532	16.0%
EBITDA Margin %	0.4%	4.7%	-432 bps	20.9%	-2053 bps	18.8%	21.6%	-279 bps
Adjusted EBITDA	17	3,333	-99.5%	14,111	-99.9%	51,387	45,197	13.7%
Adjusted EBITDA Margin %	0.0%	5.9%	-583 bps	20.9%	-2087 bps	18.7%	21.9%	-320 bps

Values in R\$ Thousands, except when indicated otherwise.

The Financial and Digital Services Division had a quarter of business growth, in line with the progress of industrial operations. In addition, during this period, important reorganization moves were made in this division with the goal of becoming a complete solution for customers: in the financial aspect, through the granting of credits and sale of coop-payment plans, and in products and services, with solutions to facilitate the daily life of fleet owners and truck drivers, such as insurance, assistance and maintenance.

Regarding the result of this division in 4Q21, we highlight:

- Net revenue grew 32.4% in the quarterly comparison, reaching R\$ 75.3 million in 4Q21 (R\$ 56.9 million in 4Q20).
- Increase in administrative expenses resulting from services related to the reorganization of this division.

RANDON CONSÓRCIOS

- Increase in the number of coop-payment quotas in the quarterly comparison (+23.2%).
- The good performance of the agricultural market has driven the sale of coop-payment quotas.
- Most representative segments: trucks, semi-trailers, real estate and agricultural machinery.

RANDON BANK (BANCO RANDON)

- Growth in the number of financial operations signed, and a qualified customer base.
- Increase in funding costs linked to the increase in the SELIC rate.
- Loan portfolio already surpass R\$ 1 billion.

RANDON VENTURES

Focusing on startups operating in financial services, insurance, logistics and automotive industry segments, Randon Ventures currently has:

- 7 invested startups.
- 16 co-invested startups.
- R\$ 18.9 million in invested capital.

CAPITAL MARKET

Events

In the fourth quarter of 2021, the Company, represented by its IR team, participated in the following events:

- BTG: CEO Conference.
- Itaú BBA: Auto Parts Day.
- Bradesco BBI: CEO Conference.
- Safra: Group Meeting.

RAPT4 X IBOV

Starting from the base date of Dec 30, 2016, we have noted higher appreciation of the Company's shares as compared to the benchmark index on B3. In the period, RAPT4's shares appreciated 248.4% against 74.0% of the IBOV.

In 4Q21, Randon's shares underperformed the IBOV, devaluing 6.5% compared to the end of 3Q21, while the Bovespa Index fell by 5.5%.

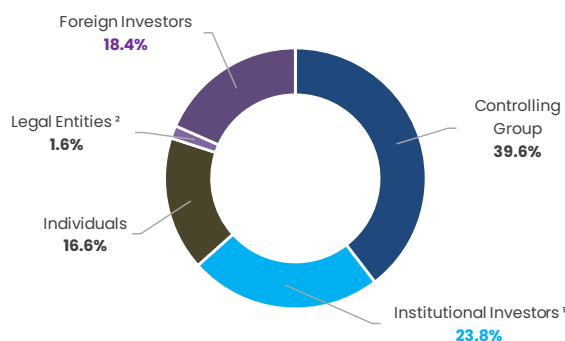
In the full-year 2021, RAPT4 devalued 29.2%, while the IBOV recorded a fall of 11.9%.



Shareholders' Profile

At the end of 2021, Randon's shareholder base consisted of 40,869 shareholders.

The Company's total shares are distributed in the following profiles:



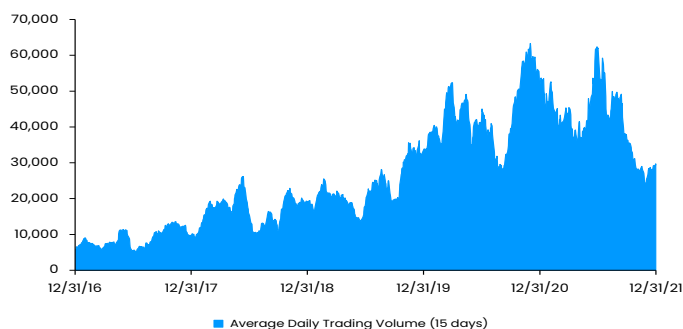
¹ Investment clubs and funds

² Companies, banks, brokers and associations

Financial Volume

In 2021, the Company recorded an average daily liquidity of R\$ 40.8 million, a decrease of 7.1% when compared to the R\$ 43.9 million in 2020.

In 4Q21, the daily average of RAPT4 trading was R\$ 27.6 million, against R\$ 55.7 million in 4Q20.



CANCELLATION AND REPURCHASE OF SHARES

On December 17, the Company disclosed, through a Material Fact, the cancellation of all treasury shares and a share buyback program.

With the cancellation of the 16,445,276 preferred shares, the capital stock was divided into 116,515,527 common shares and 212,815,006 preferred shares, totalling 329,330,533 shares, all nominative, book-entry shares with no par value.

Through the buyback program, the Company can purchase up to 5,000,000 shares, with an 18-month settlement period, ending on June 19, 2023. The program aims to maximize the generation of value for shareholders.

ESG | Sustainability

Governance

On December 8, 2021, we announced, through a Notice to the Market, the separation of the positions of President Director and CEO, which began to be occupied by Daniel Randon and Sérgio L. Carvalho, respectively, as of January 1, 2022.

The change is part of the Company's professionalization plan - planned since 2019 when Daniel succeeded his brother, David Randon, who at the time held the presidency of the Board of Directors.

In the new structure, Daniel reports to the Board of Directors and continues to support the new CEO and Executive Committee of the group, in addition to leading the internal operational committees dedicated to the implementation of the ESG agenda, strategies to strengthen the brand and reputation and issues related to ethics and compliance.

Sergio is the first market professional to hold the position of CEO, in the Company's 73 years. With a history of great achievements at Randon Companies, such as Executive Vice President and COO of the Trailers and Auto parts divisions and CEO Fras-le, a position in which he remains active, the executive will further strengthen the processes of internationalization, business diversification and Company innovation.



Daniel Randon (President) and Sérgio L. Carvalho (CEO)

Credits: Alex Battistel

And good governance practices are shown through the recognition granted by Federasul and by the State Legislature of the State of Rio Grande do Sul in the category Business Success of the Leaders and Winners award. The Company received the

distinction that recognizes and values initiatives for the development of the people from the State of Rio Grande do Sul. The category also highlights companies that build a path with sustainability, social responsibility and innovation, or to ethically recognized business leaders that serve as an example for a better society.

The internal audit area of Randon Companies received, for the second consecutive year, the **IIA May** recognition, granted by *IAA Brasil*, for the actions to strengthen the Company's culture of Governance. The award refers to the best practices related to raising awareness of the importance of internal auditing, carried out by the Institute of Internal Auditors.

People

At the end of 2021, the Company's workforce was 15,433 employees, a growth rate of 21.7% when compared to the end of 2020. This increase results from the greater need for labour due to growth in production over the course of the year and to the new companies to the group.

During 4Q21, Randon Companies received several recognitions related to people management.

Some of our business units have been recognized as the best companies to work for. JOST company ranked in the **GPTW (Great Place to Work)**, ranking 12th among the country's medium-sized companies in the industry sector ranking. In the list of Rio Grande do Sul, in the category of medium-sized companies, JOST and the corporate area of Information Technology and Shared Solutions Center (TI&CSC) appeared. And in the large company category, Master appeared among the 20 best qualified.

In addition to these, we also received, for the 4th consecutive year, the **Most Admired HRs award in Brazil**, in which the Executive Vice President and CTO, Daniel M. Ely, was awarded in the Regional Highlight category and in the Top Human Being award at ABRH/RS 2021, with the cultural transformation project, as a result of good people management practices.

Covid-19 Actions

Randon Companies continue to work on raising employee awareness, emphasizing the importance of preventive measures inside and outside the company to reduce the spread of Covid-19. In addition to adopting the health protocols recommended by public bodies, we provide antigen tests, and more than 33,000 have already been carried out since the beginning of the pandemic.

Elisabetha Randon Institute (IER)

Established for over 18 years, *Instituto Elisabetha Randon* is a benchmark for social assistance through its programs *Vida Sempre* (Life Always), *Ser Voluntário* (Being a Volunteer), *Florescer*, *Florescer Iniciação Profissional* and *Memorial Randon*, which make up the social responsibility strategies of Randon Companies for the community.

In 4Q21, the CEO of IER, Maurien Randon Barbosa, received an important recognition from the Caxias community, the *Mérito Metalúrgico Gigia Bandeira*, which annually awards personalities with strategic vision and institutional representation.

Also, during the quarter, IER launched its new institutional video with the motto "We are the Elisabetha Randon Institute. Generating prosperity for all. To see it, [click here](#).

Environment

In 4Q21, another action was taken by the *Florestar Project*, which promotes environmental education. Florescer (IER) students attended theoretical classes, where they learned about the characteristics, differences, and importance of each tree species for the environment. Practical classes were also held outdoors, where students identified the trees and assessed the different species they found.

Another important initiative aimed at environmental compensation, which was held in the fourth quarter, was the partnership signed by the subsidiary Fras-le with the company Eureciclo. The objective is to encourage recycling and conscious consumption, funding environmental compensation actions for the impact caused by product packaging.

Through the partnership, Eureciclo sends waste to recycling associations and recommends measures by the agents of this chain throughout the country, in amounts equivalent to at least 22% of the total packaging generated with the products of Fras-le, Control, Fremax and Nakata. This accounts for around 448 tonnes of waste recycled annually through compensation.

Relationship with Suppliers

In November, the Company held its traditional meeting with suppliers. In this edition, which was held in a hybrid format, following all health and safety protocols, participants were presented with public ESG commitments and the main strategies for the Company's future, in innovation, industrial and product technologies, market prospects and business. The Supplier Awards took place at this event. The award recognizes the suppliers of Randon Companies that have the best practices in sustainability, innovation, and competitiveness.



Usiminas, PPG Industrial do Brasil and Kongsberg Automotive were recognized in the 2021 edition of the Supplier Awards.

Credits: Alex Battistel

Innovation

NIONE: Focusing on the research, production and application of nanotechnology, this unit introduced its first product to the market in December 2021: a pre-mixture with niobium oxide nanoparticles, which will serve as a basis for application in protective coatings.

NIONE's first partnership to develop this solution was with *WEG Tintas*. And the first customer is a Randon company: the Fras-le subsidiary, Fremax, which contributed by launching the challenge of providing greater protection against corrosion for its components, mainly those aimed at the European and North American markets.

Tests carried out in laboratory, with coating based on niobium nanoparticles, confirmed the exponential increase in resistance against corrosive agents, evidencing, in some cases, gains of more than 400%. Such characteristics will allow the use of thinner layers, with an increase in the useful life of the coating and less energy use for its application, which, associated with a water-based formulation, contribute to an even more sustainable process.

Castertech: announced the use of blockchain technology to optimize processes and increase the reliability of its products.

Coming from the digital currency market, this solution was combined with elements of smart manufacturing, with the aim of making the automotive parts supply chain more efficient.

The ability to track the origin and characteristics of parts helps to reduce the number of inefficiencies and lack of clarity of information at certain stages of their life cycle. The main impact is the gain in time and transparency, in addition to eliminating the possibility of human error in data entry.

The project was implemented with the collaboration of Instituto iCoLab and Instituto Hercílio Randon (IHR).

Awards and Highlights

In addition to the awards mentioned above under Governance and People sections, the Company has received the following awards:

- The 29th position among the **500 largest companies in Southern Brazil**, according to Grupo *Amanhã* ranking. The company is also among the 100 companies included in the specific ranking of Rio Grande do Sul (11th place). The 31st edition of the 500 Largest Companies in Southern Brazil award also points out Randon Companies as outstanding in the "Automotive" segment and in the "Growth by Revenue" category.
- Master received from the customer DAF, the **SPM Award**, which recognizes the best performing suppliers according to the indices of its Supplier Performance Management program.
- Our CSC (Shared Solutions Center) took 3rd place in the **CSC of the Year Award** from the Brazilian Association of Shared Services (ABSC). In this same award, Mônica Teixeira, Planning and Control coordinator, was recognized with 3rd place in the Outstanding Woman category.
- The Company received the **IT Innovative Company Award** from SUCESU-RS, an entity that represents users and professionals in the areas of technology and telecommunications in Rio Grande do Sul.
- We received the **Automotive Business Award for Digital Transformation** with the case Conexo, our subsidiary of open innovation and connection with startups. The award, held among companies in the automotive sector, praises good practices in innovation and digital transformation.

Subsequent Events

During the preparation of this report, the Company disclosed a Material Fact informing that the Board of Directors approved its 9th issue of unsecured, simple, non-convertible debentures, in two series, totalling R\$ 500 million.

The net proceeds from the issue will be fully used to reinforce its working capital and lengthen its debt profile. To access the full document, [click here](#).

4Q21 CONSOLIDATED STATEMENTS OF INCOME – Values in thousands of Reais

	4Q21		4Q20		3Q21		2021		2020		Variation %		
		%		%		%		%		%	4Q21/4Q20	3Q21/2Q21	2021/2020
Gross Revenue	3.143.682	123,5%	2.238.780	123,8%	3.084.022	124,0%	11.241.049	124,1%	6.742.699	124,3%	40,4%	1,9%	66,7%
Deduction in Gross Revenue	-599.193	-23,5%	-430.141	-23,8%	-597.533	-24,0%	-2.183.164	-24,1%	-1.317.835	-24,3%	39,3%	0,3%	65,7%
Net Revenue	2.544.489	100,0%	1.808.639	100,0%	2.486.489	100,0%	9.057.885	100,0%	5.424.864	100,0%	40,7%	2,3%	67,0%
Costs of Sales and Service	-1.947.606	-76,5%	-1.325.605	-73,3%	-1.847.854	-74,3%	-6.789.451	-75,0%	-4.069.236	-75,0%	46,9%	5,4%	66,8%
Gross Profit	596.883	23,5%	483.035	26,7%	638.635	25,7%	2.268.434	25,0%	1.355.628	25,0%	23,6%	-6,5%	67,3%
Sales Expenses	-186.587	-7,3%	-129.671	-7,2%	-155.725	-6,3%	-616.650	-6,8%	-413.465	-7,6%	43,9%	19,8%	49,1%
Administrative Expenses	-129.984	-5,1%	-141.717	-7,8%	-119.629	-4,8%	-447.117	-4,9%	-373.202	-6,9%	-8,3%	8,7%	19,8%
Financial Income	-18.705	-0,7%	266.862	14,8%	-28.335	-1,1%	-106.031	-1,2%	217.148	4,0%	-107,0%	-34,0%	-148,8%
Financial Revenues	138.927	5,5%	346.510	19,2%	105.669	4,2%	413.264	4,6%	674.696	12,4%	-59,9%	31,5%	-38,7%
Financial Expenses	-167.738	-6,6%	-108.225	-6,0%	-150.711	-6,1%	-574.768	-6,3%	-494.123	-9,1%	55,0%	11,3%	16,3%
Monetary Adjustment(IAS 29)	10.107	0,4%	28.577	1,6%	16.707	0,7%	55.473	0,6%	36.575	0,7%	-64,6%	-39,5%	51,7%
Resultado Participações	-487	-	-	-	-	-	-487	-	-	-	-	-	-
Other Expenses/Income	-81.941	-3,2%	404.407	22,4%	-23.365	-0,9%	-103.307	-1,1%	442.379	8,2%	-120,3%	250,7%	-123,4%
Result Before Income Tax	179.179	7,0%	882.915	48,8%	311.581	12,5%	994.842	11,0%	1.228.488	22,6%	-79,7%	-42,5%	-19,0%
Provision for Income Tax and Social Contribution Taxes	2.329	0,1%	-271.614	-15,0%	51.222	2,1%	-110.131	-1,2%	-395.180	-7,3%	-100,9%	-95,5%	-72,1%
Interest of non-controlling shareholders	-28.344	-1,1%	-120.907	-6,7%	-74.303	-3,0%	-186.836	-2,1%	-168.633	-3,1%	-76,6%	-61,9%	10,8%
Net Income for the Period	153.164	6,0%	490.394	27,1%	288.500	11,6%	697.876	7,7%	664.674	12,3%	-68,8%	-46,9%	5,0%
EBIT	198.371	7,8%	616.053	34,1%	339.917	13,7%	1.101.361	12,2%	1.011.340	18,6%	-67,8%	-41,6%	8,9%
EBITDA	258.831	10,2%	668.467	37,0%	396.561	15,9%	1.327.310	14,7%	1.199.375	22,1%	-61,3%	-34,7%	10,7%
EBITDA Margin (%)	10,2%		37,0%		15,9%		14,7%	22,1%		-2679 bps	-578 bps	-746 bps	
Adjusted EBITDA	292.573		278.881		388.931		1.338.222		774.178		4,9%	-24,8%	72,9%
Adjusted EBITDA Margin (%)	11,5%		15,5%		15,6%		14,8%	14,2%		-397 bps	-414 bps	56 bps	

STATEMENTS OF CASH FLOW – INDIRECT METHOD

	Parent Company		Consolidated	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Cash flow from operations				
Income for the period	697,876	664,674	884,711	833,308
Income tax and social contribution (current and deferred)	-25,748	184,780	110,151	390,024
Exchange variation and interest on loans and leases	132,108	129,388	251,848	265,051
Depreciation and amortization	44,798	56,568	225,950	179,958
Other Provisions	11,551	14,266	49,063	40,821
Provisions (reversal) for litigation	1,799	7,805	20,407	15,276
Variation in derivatives	3,369	-57	13,699	1,224
Residual cost from sold and written off fixed assets	25,022	35,850	37,979	45,332
Provision (reversal) for doubtful accounts	-5,596	-1,466	2,331	-944
Provision (reversal) for obsolete inventory	1,509	665	-428	6,529
Investment property fair value	-395,728	-247,176	487	-
Revenue from active legal proceedings, net of fees	-5,840	-536,211	-42,616	-894,635
Reduction (reversal) impairment	2,763	-	-19,964	32,488
Advantageous Purchase	-	-	-	-2,144
Fair value of investment properties	-	-	714	1,273
Monetary Adjustment (IAS 29)	-	-	-55,473	-36,575
Compensation of retained values business combination	-	-	13,240	-
Consideration payable to customers	-	-	30,542	-
	487,883	309,086	1,522,641	876,986
Variations in assets and liabilities				
Financial Investments	432,781	80,159	447,926	-31,066
Accounts receivable from customers	-35,387	-30,800	-515,970	-512,284
Inventory	-346,253	33,203	-964,391	-145,121
Taxes to be recovered	-135,380	100,970	-121,466	131,890
Other assets	15,232	42,666	11,111	-31,455
Suppliers	42,174	192,733	67,836	463,910
Other liabilities	104,002	-4,560	722,735	228,808
Net variation in discontinued operations	-	-	35	6,569
Cash generated by operation	565,052	723,457	1,170,457	988,237
Income tax and Social Contribution paid	-97,882	-44,144	-261,396	-177,534
Net cash used (generated by) operation	467,170	679,313	909,061	810,703
Cash Flow from Investments				
Receipt of profits and dividends of subsidiaries	149,707	43,215	-	-
Paid-in capital in subsidiary	-86,632	-75,256	-	-
Paid-in capital in joint ventures and other investments	-	-	-1,333	-168
Loans granted to subsidiaries	-59,874	-32,536	-	-
Acquisition of interest in jointly controlled	-12,999	-	-12,999	-
Intangible assets acquisition	-2,832	-3,337	-13,830	-6,656
Permanent assets acquisition	-104,030	-80,812	-430,491	-181,067
Business combination	-5,820	-	-101,282	-267,943
Disposal of investment property and assets sold	-24,044	-12,189	-24,421	-14,108
Net variation in discontinued operations	-	-	-	11,901
Net available cash used in investments	-146,524	-160,915	-584,356	-458,041
Cash Flow From Financing				
Dividend and Interest on Equity Paid	-202,622	-78,267	-262,139	-113,382
Loans taken	544,502	217,447	1,357,329	1,325,288
Payment of loans	-432,324	-317,003	-978,763	-784,061
Acquisition of Treasury Shares	-	-133,737	-	-133,737
Interest paid on loans	-100,607	-86,367	-157,735	-115,803
Loans granted by related parties	-	-	5,527	7,082
Payment of leaseings	-7,703	-7,769	-58,529	-32,661
Net variation in discontinued operations	-	-	-	-17,053
Net Cash used (resulting from) financing	-198,754	-405,696	-94,310	135,673
Statement of increase in cash				
At beginning of period	996,576	883,874	1,660,364	1,172,029
At end of period	1,118,468	996,576	1,890,759	1,660,364
Increase in cash	121,892	112,702	230,395	488,335

SUMMARIZED FINANCIAL STATEMENTS – DEC 31, 2021

	RANDON S/A IMPL. E PARTIC. CONSOLIDATED	RANDON S/A IMPL. E PARTIC. PARENT CO.	RANDON INVESTIMENTOS
Assets	10,769,555	5,728,943	1,436,500
Current Assets	6,562,299	2,740,485	1,015,609
Cash and equivalents	1,897,384	1,118,468	35,953
Financial Investments	350,304	350,245	-
Derivative Financial Instrument	3,378	-	-
Receivables	1,602,330	260,378	979,106
Inventory	2,039,243	643,119	-
Deferred Charges/ Recoverable taxes	562,846	268,701	-
Others	106,815	99,574	550
Noncurrent Assets	4,207,256	2,988,458	420,891
Long-term Assets	1,412,755	726,372	419,341
Investments of non-immediate liquidity	53,054	-	21,132
Credit with controlled companies	-	178,314	-
Receivables	382,759	-	382,759
Consortiums for resale	16,646	-	-
Deferred Charges/ recoverable taxes	819,611	531,557	7,143
Other non-current assets	29,463	-	123
Taxes under litigation	46,290	12,999	-
Goods for resale	8,474	289	8,185
Long Term Receivables	56,459	3,213	-
Investments/Property, Plant, Property/Intangible/Deferred	2,552,778	2,245,302	577
Right to use asset	241,722	16,784	973
Liabilities	10,769,555	5,728,943	1,436,500
Current Liabilities	3,962,315	1,667,159	908,794
Suppliers	947,661	388,788	6,649
Financing institutions	1,190,389	727,981	290,953
Accounts payable by business combination Short Term	8,359	3,087	-
Salaries and benefits	153,993	49,185	996
Taxes and Fees	203,157	30,513	10,589
Advances for customers and others	1,431,421	462,368	599,506
Leases Short Term	27,336	5,237	101
Noncurrent Liabilities	3,532,361	1,541,457	317,513
Financing institutions	2,852,953	1,483,983	315,028
Accounts payable by business combination Long Term	178,575	8,910	-
Government Subsidy	3,432	-	-
Debits with controlled companies	12,609	-	1
Diverse taxes and contributions	60,633	510	56
Provision for contingencies	73,034	16,814	-
Other non-current liabilities	44,029	4,710	956
Coop-payment plans obligations	79,360	-	-
Advances for customers and others	24,661	14,254	527
Leases Long Term	203,075	12,276	946
Total Net E equity	3,274,879	2,520,327	210,193
Net E equity	2,520,327	2,520,327	210,193
Minority interest	754,552	-	-

SUMMARIZED FINANCIAL STATEMENTS – DEC 31, 2021

	RANDON S/A IMPL. E PARTIC. CONSOLIDATED	RANDON S/A IMPL. E PARTIC. PARENT CO.	RANDON INVESTIMENTOS
INCOME STATEMENT			
Net revenue	9,057,885	3,710,453	103,172
Cost of goods and services	-6,789,451	-3,075,723	-55,509
Gross income	2,268,434	634,730	47,663
Sales expenses	-616,650	-131,024	-
Administrative expenses	-447,117	-125,822	-22,002
Financial income	-106,031	-64,100	-89
Equity equivalence	-487	396,257	-
Other expenses/income	-103,307	-37,913	-4,594
Income before taxes	994,842	672,128	20,978
Provision for taxes and social contributions	-110,131	25,748	-9,726
Interest of non-controlling shareholders	-186,836	-	-
Net income for the period	697,876	697,876	11,253
E BIT	1,101,361	339,971	21,068
E BITDA	1,327,310	384,769	21,301
E BITDA MARGIN (%)	14.7%	10.4%	20.6%

SUMMARIZED FINANCIAL STATEMENTS WITH NO DISCONTINUED OPERATION – DEC 31, 2021

	RANDON S/A IMPL. E PARTIC. CONSOLIDATED	RANDON S/A IMPL. E PARTIC. PARENT CO.	RANDON INVESTIMENTOS
Assets	10,719,787	5,728,433	1,436,500
Current Assets	6,556,760	2,740,774	1,015,609
Cash and equivalents	1,890,759	1,118,468	35,953
Financial Investments	336,291	350,245	-
Derivative Financial Instrument	3,378	-	-
Receivables	1,602,329	240,418	979,106
Inventory	2,039,187	643,119	-
Deferred Charges/ Recoverable taxes	562,834	268,701	-
Others	121,982	119,823	550
Noncurrent Assets	4,163,027	2,987,659	420,891
Long-term Assets	1,368,526	725,573	419,341
Investments of non-immediate liquidity	67,067	-	21,132
Credit controlling company/controlled companies	-	178,314	-
Receivables	382,759	-	382,759
Consortiums for resale	16,646	-	-
Deferred Charges/recoverable taxes	769,843	531,047	7,143
Other non-current assets	29,462	-	123
Taxes under litigation	46,290	12,999	-
Goods for resale	-	-	8,185
Long Term Receivables	56,459	3,213	-
Investments/Property, Plant, Property/Intangible/Deferred	2,552,778	2,245,302	577
Right to use asset	241,722	16,784	973
Liabilities	10,719,787	5,728,433	1,436,500
Current Liabilities	3,949,845	1,660,393	908,794
Suppliers	947,660	388,788	6,649
Financing institutions	1,190,389	727,981	290,953
Accounts payable by business combination Short Term	8,359	3,087	-
Salaries and benefits	153,993	49,184	996
Taxes and Fees	203,148	30,513	10,589
Advances for customers and others	1,418,960	455,603	599,506
Leases Short Term	27,336	5,237	101
Noncurrent Liabilities	3,495,202	1,547,821	317,513
Financing institutions	2,852,953	1,483,983	315,028
Accounts payable by business combination Long Term	178,575	8,910	-
Government Subsidy	3,432	-	-
Debits with controlled companies	12,609	-	1
Diverse taxes and contributions	10,865	-	56
Provision for contingencies	73,034	16,814	-
Other non-current liabilities	44,029	6,087	956
Coop-payment plans obligations	79,360	-	-
Advances for customers and others	37,270	19,751	527
Leases	203,075	12,276	946
Total Net Equity	3,274,740	2,520,219	210,193
Net Equity	2,520,219	2,520,219	210,193
Minority interest	754,521	-	-

SUMMARIZED FINANCIAL STATEMENTS WITH NO DISCONTINUED OPERATION – DEC 31, 2021

	RANDON S/A IMPL. E PARTIC. CONSOLIDATED	RANDON S/A IMPL. E PARTIC. PARENT CO.	RANDON INVESTIMENTOS
INCOME STATEMENT			
Net revenue	9,057,457	3,710,453	103,172
Cost of goods and services	-6,789,104	-3,075,723	-55,509
Gross income	2,268,352	634,730	47,663
Sales expenses	-616,968	-131,024	-
Administrative expenses	-446,852	-125,822	-22,002
Financial income	-106,182	-64,100	-89
Equity equivalence	-487	396,257	-
Other expenses/income	-103,531	-37,913	-4,594
Income before taxes	994,333	672,128	20,978
Provision for taxes and social contributions	-110,151	25,748	-9,726
Interest of non-controlling shareholders	-186,836	-	-
Discontinued operations	529	-	-
Net income for the period	697,876	697,876	11,253
E BIT	1,101,002	339,971	21,068
E BITDA	1,326,952	384,769	21,301
E BITDA MARGIN (%)	14.7%	10.4%	20.6%