



RANDON[®]

Companies

INSTITUTIONAL PROFILE 1Q20

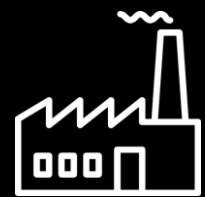
SAFE HARBOR STATEMENT

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.**

IT'S A PLEASURE TO MEET YOU, WE ARE RANDON COMPANIES



Global reference in transport solutions, with **22 industrial plants**



Products in more than **100 countries**

Foundation
1949

IPO
1974

11,497
employees

R\$ 2.0 bn
Market Cap



WE HAVE BEEN ON THE ROAD FOR DECADES, GUIDED FOR NA ONLY PURPOSE

CONECT PEOPLE AND RICHES,
GENERATING PROSPERITY..

...and all the kilometers we traveled followed **the same principles**



Valued and respected people



Safety and Quality



Ethics



Innovation and Technology



Satisfied Customers



Preservation of our image and legacy



Profitability with sustainability



Randon is all of us

1940

The brothers **Hercílio and Raul Randon** open the **Mecânica Randon**

1950

Mecânica Randon become the **only one to manufacture air brake systems in Brazil**. In addition, innovates in: trucks and trailers axles.

1960

Randon launches the equalizer suspension system and the third axle for trailers. **The Company becomes a leader in road freight transport in Brazil.**

1970

Establishment of Randon Veículos for Off-road Trucks manufacturing. **Inaugurated a new industrial plant** and Initial Public Offering in the Stock Market

1980

Randon begins in the Auto Parts sector with the **foundation of Freios Master and Randon Administradora de Consórcios.**

1990

Establishment of Randon Participações, the parent company. Acquisition of Fras-le, Randon Argentina foundation and joint ventures Jost Brasil and Suspensys beginning. Starts in the railway sector.

2000

Randon becomes one of **the biggest private companies in Brazil**. Creates Castertech for the production of iron casts auto parts. Fras-le inaugurates its plants in China and in the USA.

2010

Great global expansion and acquisitions in the national market. Growth in production, sales and qualified and sustainable operations. Foundation of Randon Bank and Randon Technological Center.

CORPORATE GOVERNANCE



EXECUTIVE COMMITTEE

TOTAL SHARES

345,775,809

RAPT3

116,515,527

RAPT4

229,260,282

BOARD OF DIRECTORS

David Abramo Randon | Chairman
Alexandre Randon | Vice-Chairman
Pedro Ferro Neto | Board Member
Ruy Lopes Filho | Board Member
William Ling | Board Member



Daniel Raul Randon
CEO



Paulo Prignolato
CFO and Vice-President



Sergio L.M. de Carvalho
COO and Vice-president



Daniel Martin Ely
CTO

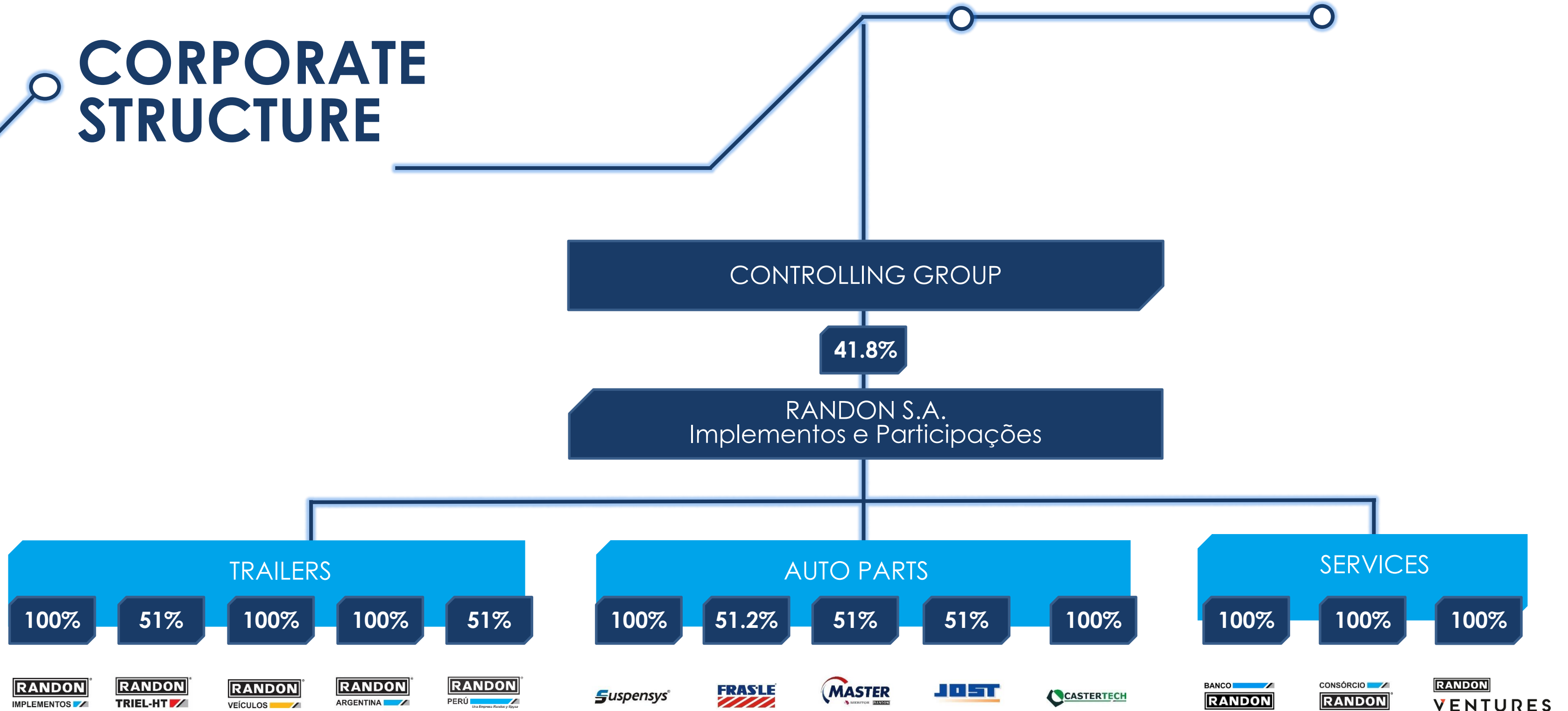
Tag Along

80%

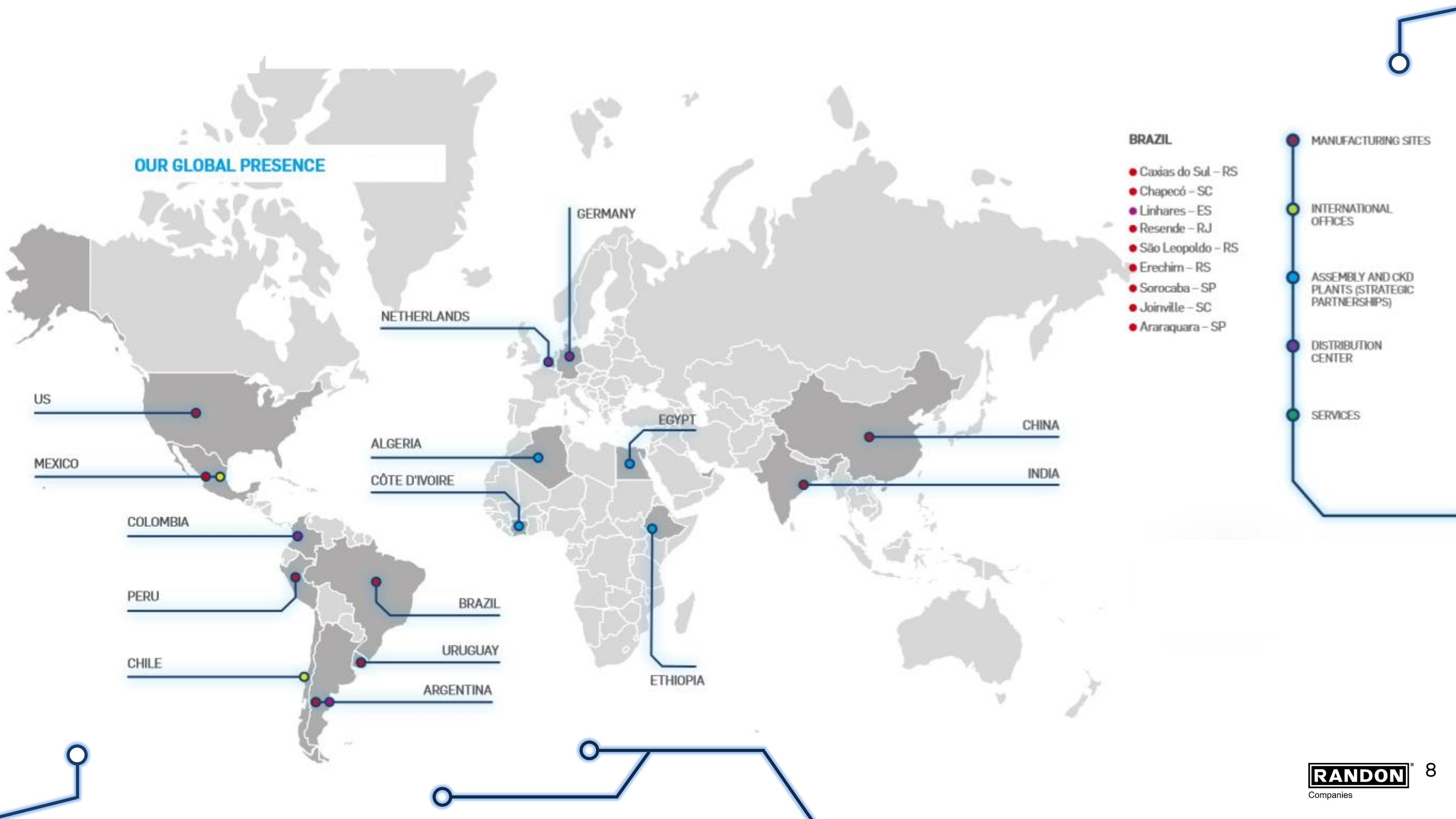
Free Float

56.3%

CORPORATE STRUCTURE



OUR GLOBAL PRESENCE



- BRAZIL**
- Caxias do Sul – RS
 - Chapecó – SC
 - Linhares – ES
 - Resende – RJ
 - São Leopoldo – RS
 - Erechim – RS
 - Sorocaba – SP
 - Joinville – SC
 - Araraquara – SP

- MANUFACTURING SITES
- INTERNATIONAL OFFICES
- ASSEMBLY AND CKD PLANTS (STRATEGIC PARTNERSHIPS)
- DISTRIBUTION CENTER
- SERVICES

US

MEXICO

COLOMBIA

PERU

CHILE

ALGERIA

CÔTE D'IVOIRE

GERMANY

NETHERLANDS

EGYPT

ETHIOPIA

CHINA

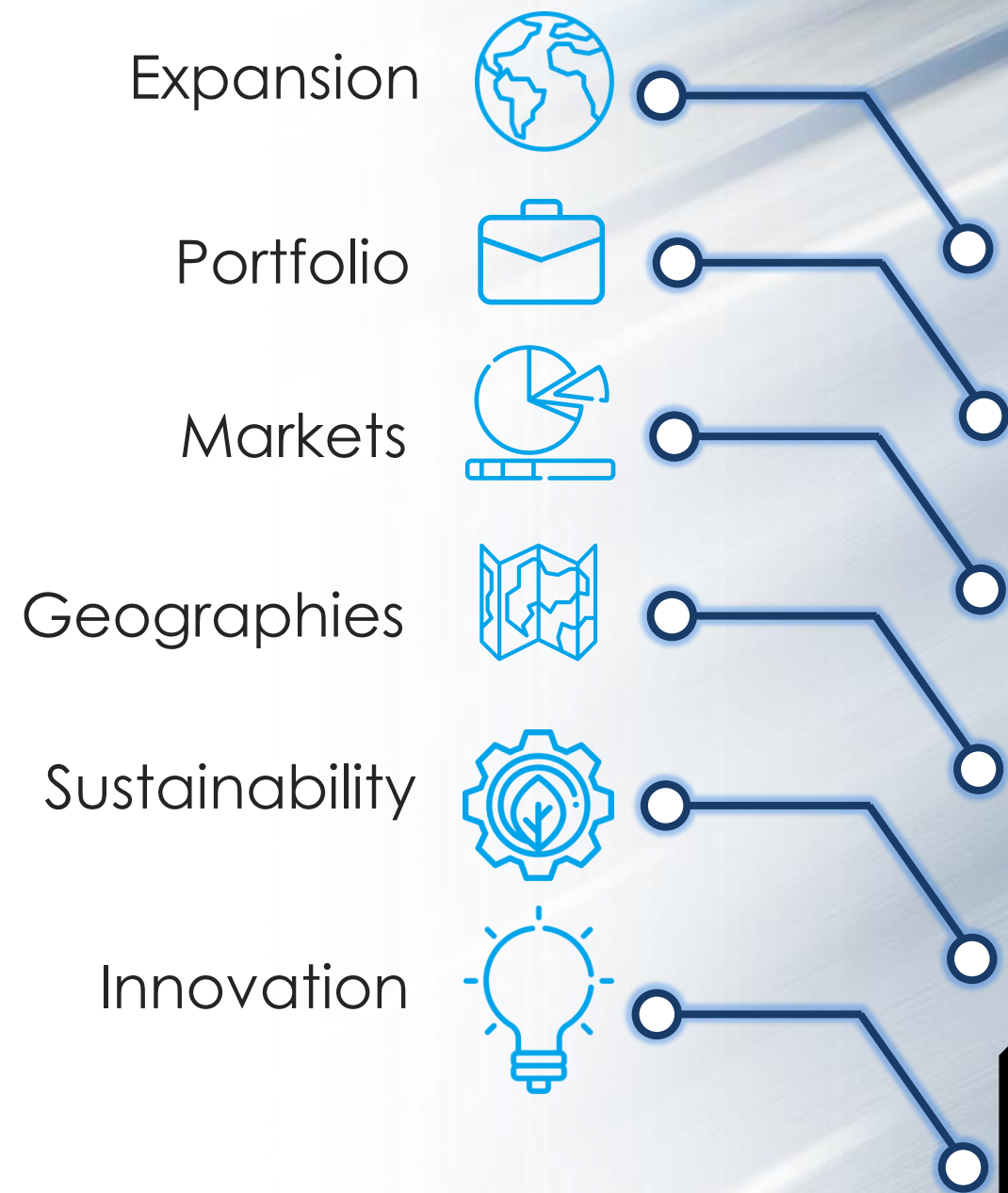
INDIA

BRAZIL

URUGUAY

ARGENTINA

HOW WE OPERATE



 **Customer on Focus**

OUR EXPANSION STRATEGY

Internationalization

Capacity

Portfolio



FUTURE IS OPPORTUNITY

HOW WE INNOVATE

Megatrend Projects (number of projects)

6 Mobility/
Autonomy

9 Smart Materials

1 Connectivity



We have the biggest independent Technological Center of the Automotive sector in **Latin America**



81% das receitas da Randon Implementos são provenientes dos **produtos lançados nos últimos 5 anos**



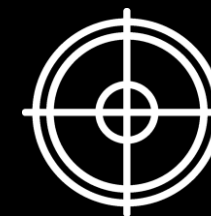
R\$ 90 million invested in research and development in 2019



31 new patents registered in 2019



A Group focused on innovation and technology



Focus on Total Cost of Ownership reduction



Preserving the environment and preparing for the future

FUTURE IS OPPORTUNITY

HOW WE INNOVATE



PROCESS INNOVATION

- Industry 4.0
- Stamping modernization
- E-coat painting
- Automation
- RPA
- Use of Virtual Reality



COLLABORATION

- We are members of Hélice, a program to boost innovation
- The Instituto Hercílio Randon, was created to boost, accelerate and share innovation inside the company and outside it
- Partnership with Startups and Universities



DIGITAL TRANSFORMATION

- Randon Exo
- Empreende Randon
- Digital Business creation

VALUED AND RESPECTED PEOPLE

We understand that happy people take us further, and that is why we **value the people who work with us** with a series of initiatives



DIGITAL TRANSFORMATION

Our innovation teams combine team development with the search for more agile solutions



PRA.VC

Our online platform that encourages protagonism in the search for personal and professional development



NOVOS CAMINHOS

We prepare our employees for retirement and prepare for the challenges of the future

SOCIAL RESPONSIBILITY

The Elisabetha Randon Institute (IER) coordinates all social programs of Randon Companies to be relevant in the communities where we operate



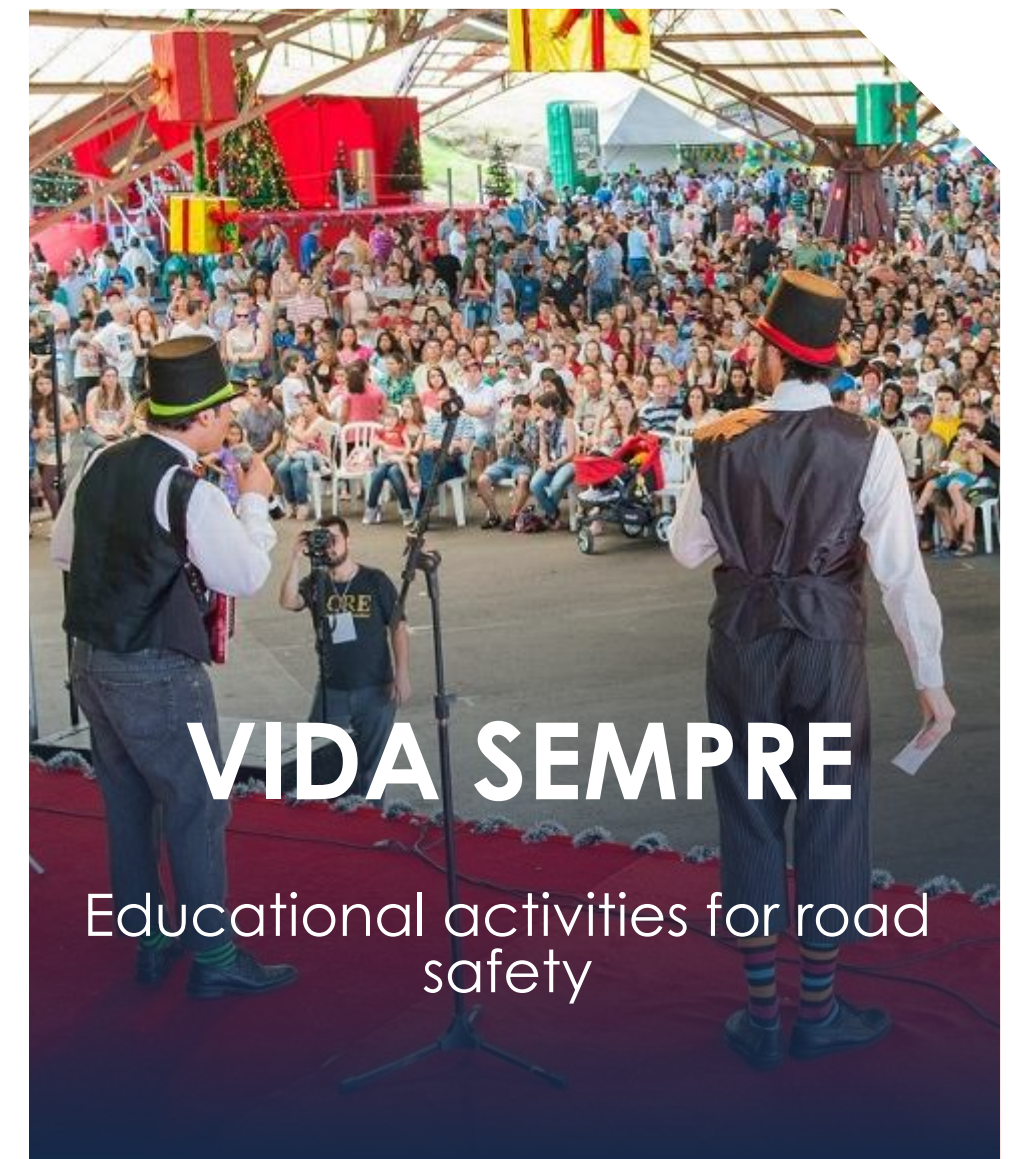
FLORESCER

Integral education for children and adolescents



MEMORIAL RANDON

Preserving our memory and cargo transportation in Brazil



VIDA SEMPRE

Educational activities for road safety

CREATIVITY AND ENVIRONMENTAL AWARENESS GENERATE INNOVATIVE SOLUTIONS

These qualities are always part of DNA Randon. Our daily routines are marked by effective waste management, conscious consumption of electricity and sustainable management of water and effluents, in addition to strict emissions control for the preservation of natural resources.

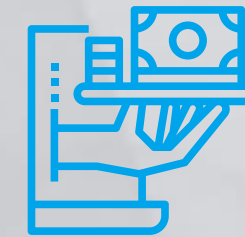
Our actions are guided by the principles of Circular Economy



R\$ 3.5 Million/year is the economy obtained by the best use of the raw material



25,500 tons/year of scrap metal generated by Randon Companies (which represents 81% of the foundry consumption)



R\$ 6.7 Million/year is the savings generated from the reuse of residues from our own production processes



In 2019, we invested **R\$ 11.1 million** in environmental preservation projects

BIG NUMBERS

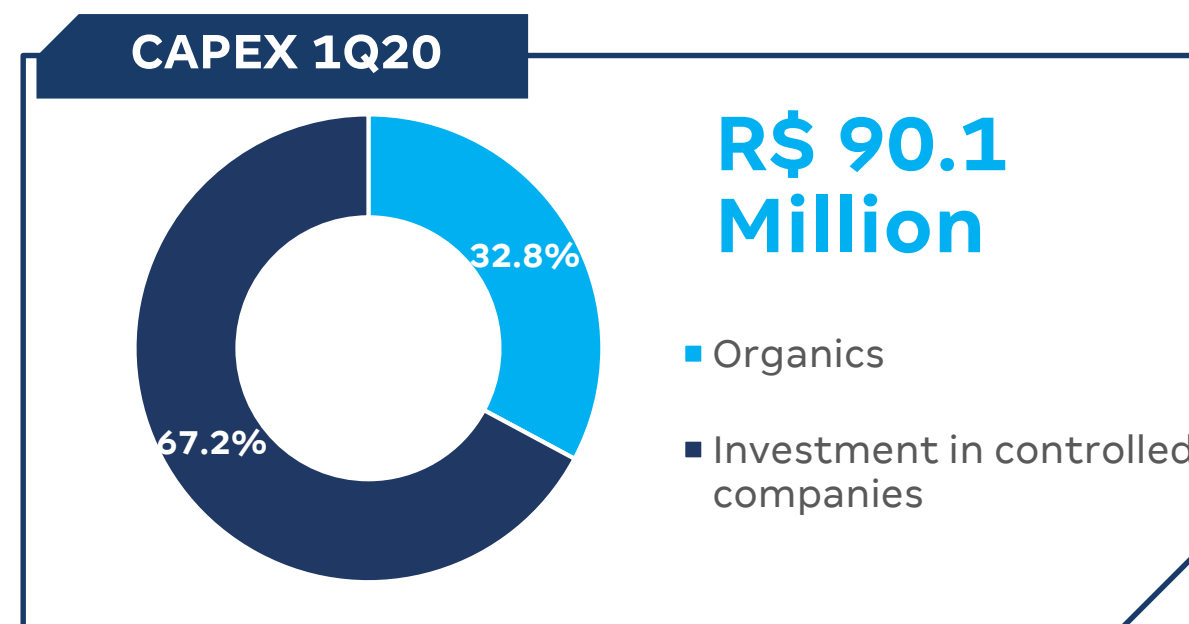
Resultados consolidados

	1Q20	1Q19	Δ%	1Q20	4Q19	Δ%
Total Gross Revenue¹	1,674,718	1,636,372	2.3%	1,674,718	1,806,027	-7.3%
Domestic market¹	1,528,834	1,483,432	3.1%	1,528,834	1,621,980	-5.7%
Exports¹	145,884	152,941	-4.6%	145,884	184,047	-20.7%
Consolidated Exports US\$	17,420	30,601	-43.1%	17,420	31,821	-45.3%
Revenues from Overseas US\$²	52,405	68,605	-23.6%	52,405	77,500	-32.4%
Consolidated Net Revenue	1,167,733	1,133,591	3.0%	1,167,733	1,285,323	-9.1%
Consolidated Gross Profit	252,181	268,875	-6.2%	252,181	304,172	-17.1%
Gross Margin (%)	21.6%	23.7%	-212 bps	21.6%	23.7%	-207 bps
Consolidated Net Profit	2,994	31,665	-90.5%	2,994	52,874	-94.3%
Net Margin (%)	0.3%	2.8%	-254 bps	0.3%	4.1%	-386 bps
Consolidated EBITDA	106,980	134,306	-20.3%	106,980	160,620	-33.4%
EBITDA Margin (%)	9.2%	11.8%	-269 bps	9.2%	12.5%	-334 bps
Adjusted EBITDA	150,006	152,834	-1.9%	150,006	157,138	-4.5%
Adjusted EBITDA Margin (%)	12.6%	13.3%	-70 bps	12.6%	12.2%	34 bps

¹ Without eliminating intercompany sales

² Exports + Revenues from Overseas

Values in R\$ Thousands



1Q20:

Revenue stability compared to 1Q19;

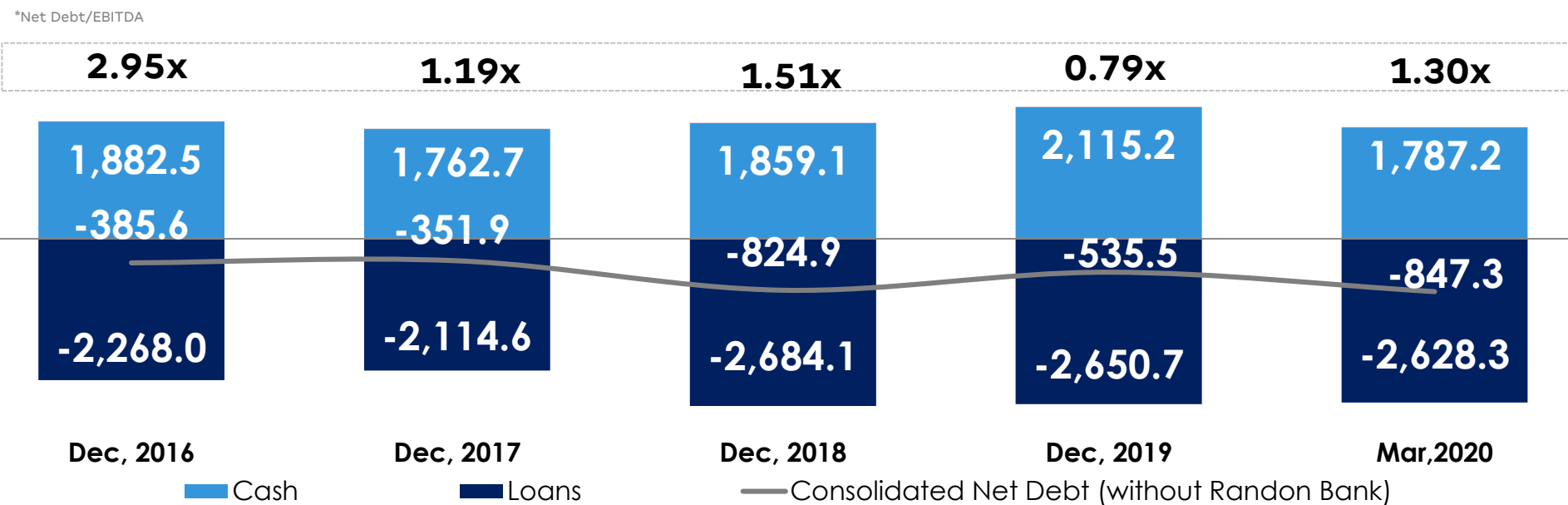
Market with drop in production and sales of trucks and semi-trailers;

EBITDA and Net income affected by non-recurring expenses.

INDEBTEDNESS

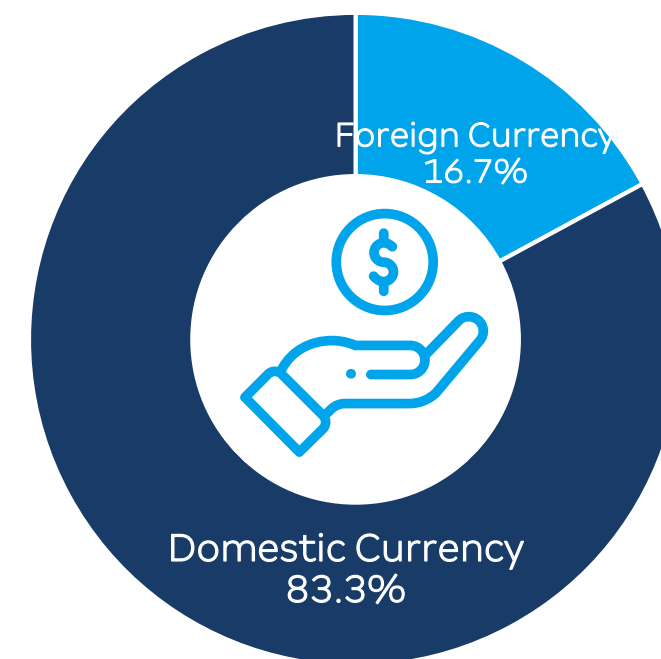
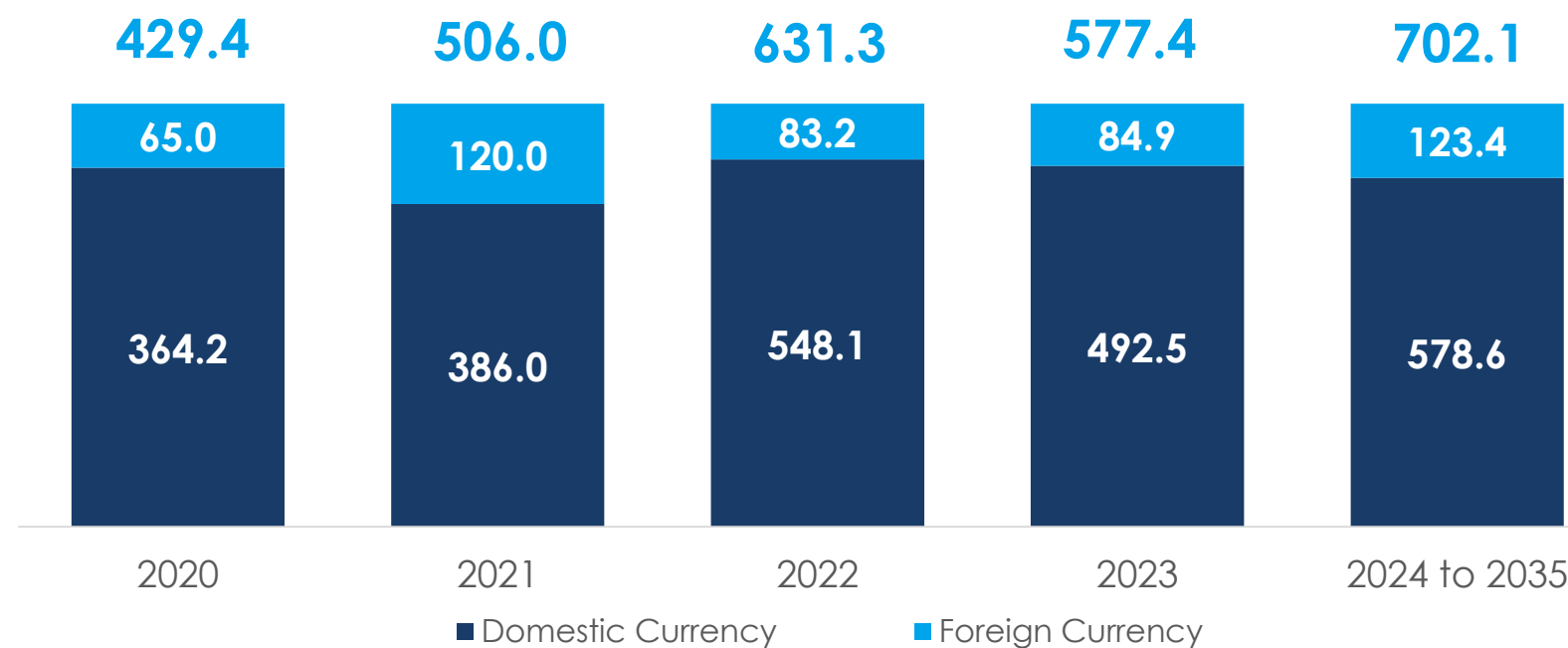
Total Gross Debt: R\$ 2.8 billion
 Gross Debt in BR currency: R\$ 2.4 billion
 Gross Debt in foreign currency: R\$ 476 million
 USD rate (March 31, 2020) R\$ 5.1987
 Average Cost of Debt in BRL: 5.5% per year
 Average Cost of Debt in USD: 4.1% per year
 Average Debt Term: 2.7 years

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



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

Schedule of Debt Payment (R\$ Million)

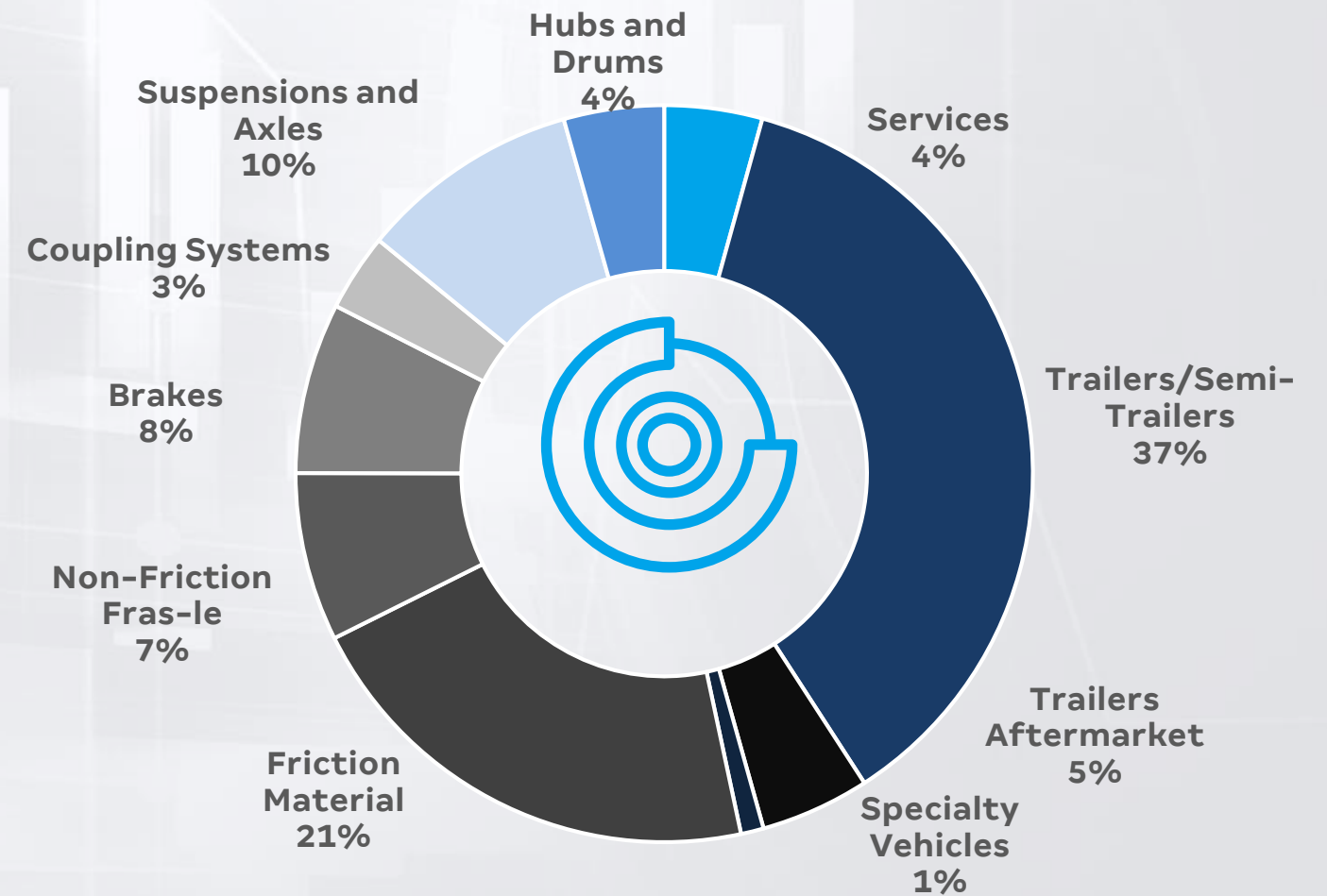
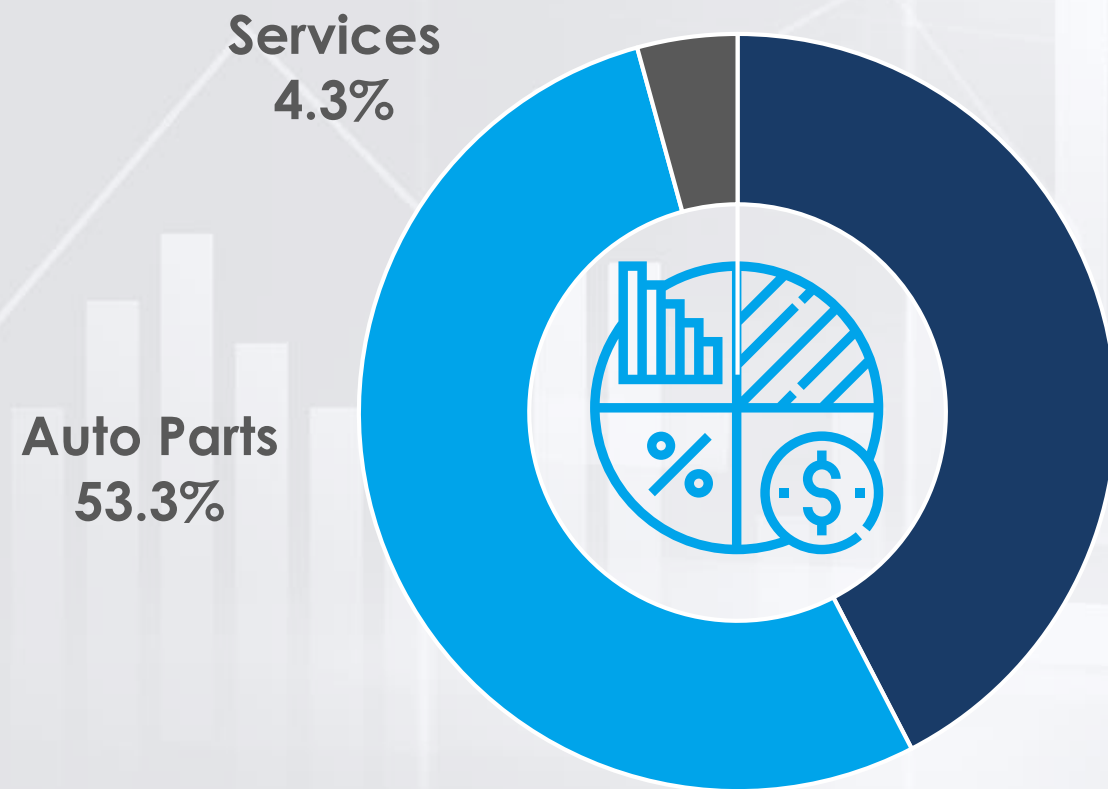


**Working Capital
+224.7 MM**

Currency
Contributed to
the working
capital increase

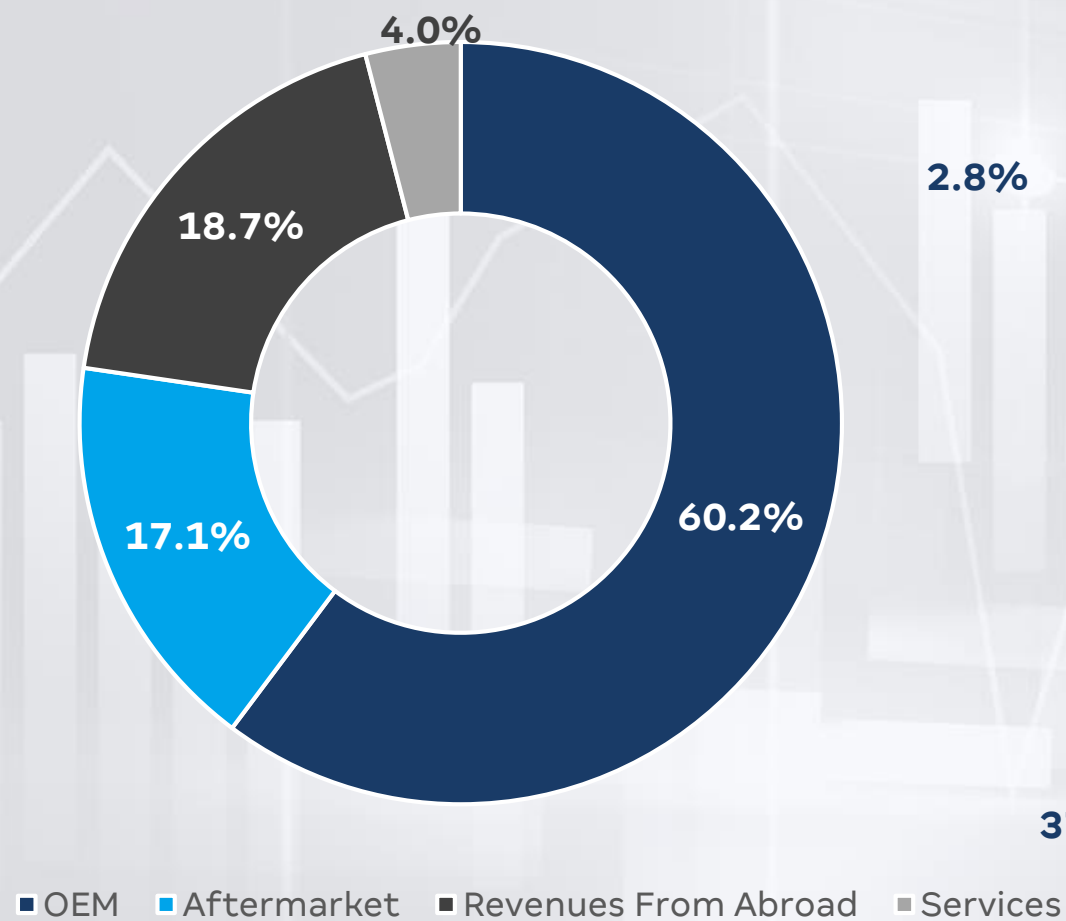
DIVERSIFIED BUSINESS MODEL

% Net Revenue Breakdown by Product 1Q20

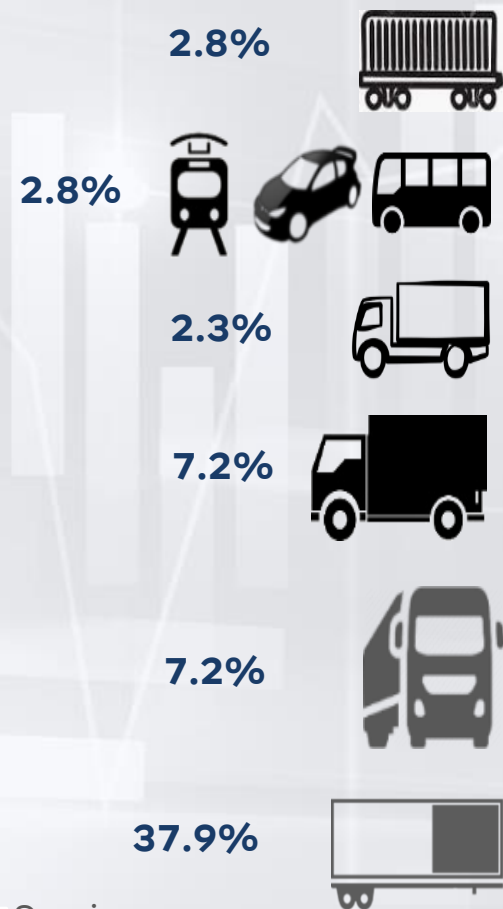


Net Revenue Breakdown by Division 1Q20

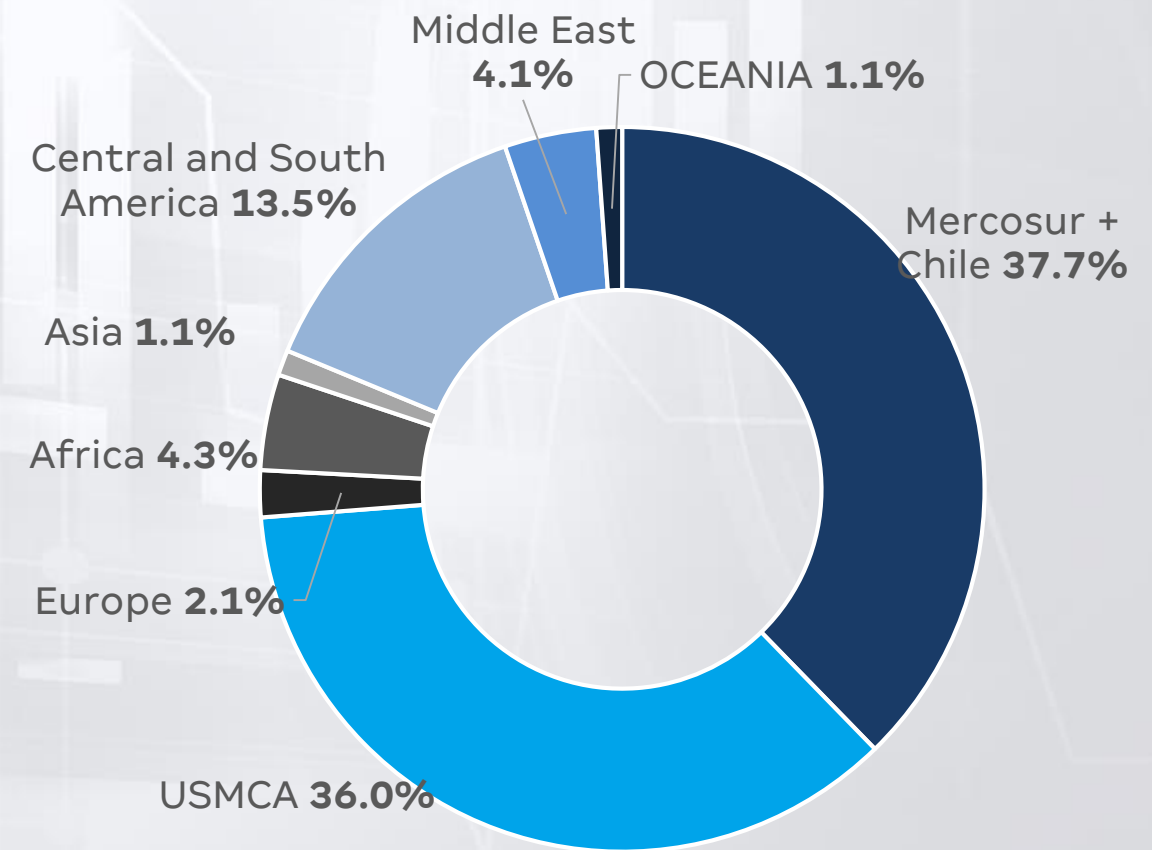
DIVERSIFIED BUSINESS MODEL



Sales by Segment 1Q20



Exports Destination by Economic Region



MARKET and DRIVERS

Trailers³
Trucks²
Buses²

PRODUCTION

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

Trailers¹
Trucks²
Buses²

SALES

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



MAIN FIGURES

- GDP
- Harvey
- Confidence
- Unemployment Rate
- Interest Rate
- Inflation

Source:
¹ ANFIR
² ANFAVEA
³ ANFIR + AliceWeb

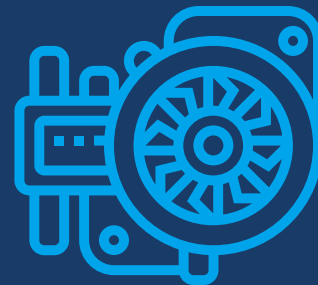
#RANDONISALLOFUS

It is through the synergy between our companies that we offer end-to-end solutions to our customers.



TRAILERS

Directly linked to the evolution of cargo transport in Brazil, it produces trailers and semi-trailers, special vehicles and rail cars



AUTO PARTS

The best market solutions for axles, suspensions, friction materials, brake components, coupling and wheel end systems



SERVICES

Own financial institution, one of the largest consortium administrators in Brazil, in addition to investment and acceleration of startups

TRAILERS DIVISION

RAIL CARS



TRAILERS AND SEMITRAILERS



SPECIALTY VEHICLES



TRAILERS DIVISION

Trailers and Semitrailers

MARKET CHARACTERISTICS:

Diversified customer base, covering different market segments

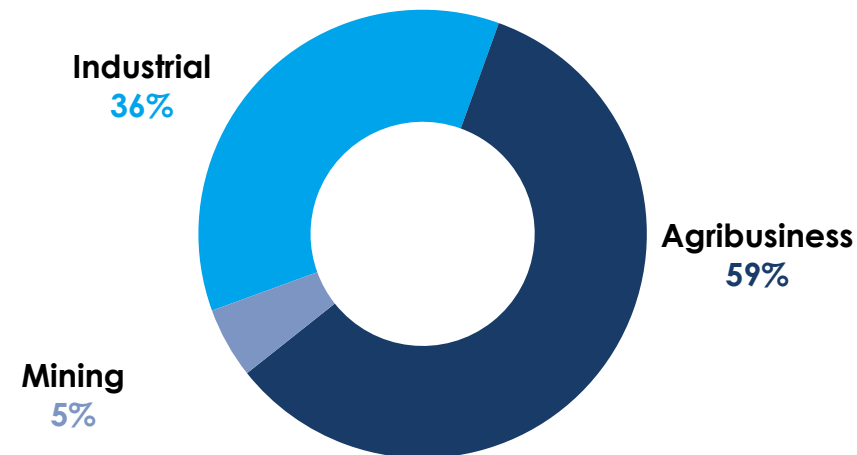
Low penetration of imported road implements in the country

We are exposed to all sectors of the economy, as the road modal is the most used for cargo transportation in Brazil

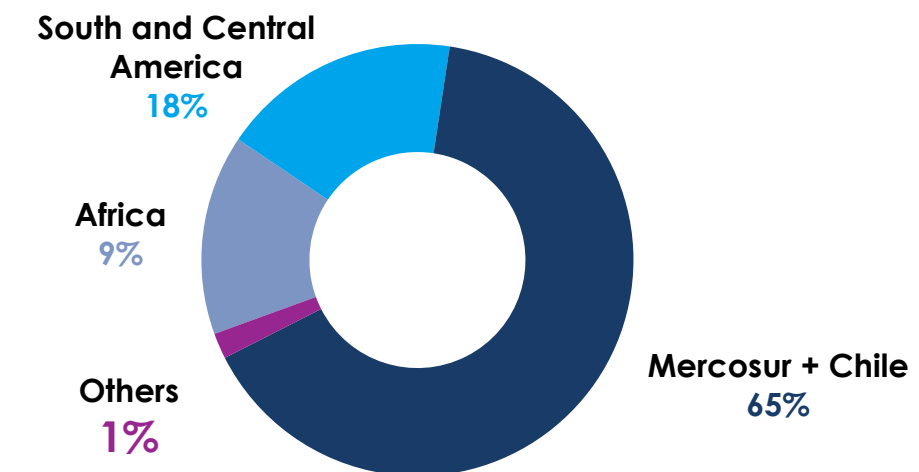
SALES SEMITRAILERS

	Brazil	Foreign Market	Total
1Q20	5,186	464	5,650
1Q19	4,358	777	5,135
Δ%	19.0%	-40.3%	10.0%
1Q20	5,186	464	5,650
4Q19	5,736	654	6,390
Δ%	-9.6%	-29.1%	-11.6%

Sales by Sector 1Q20



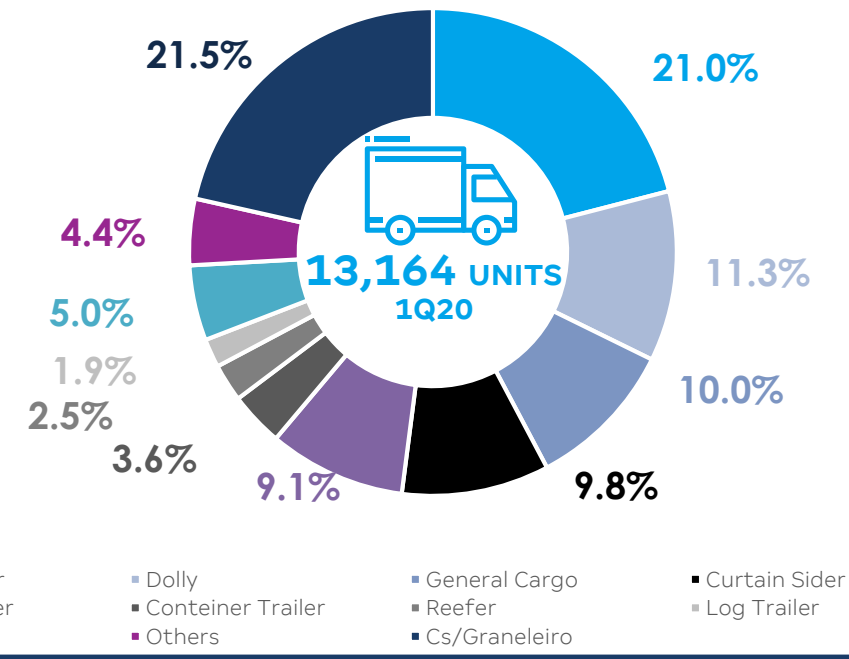
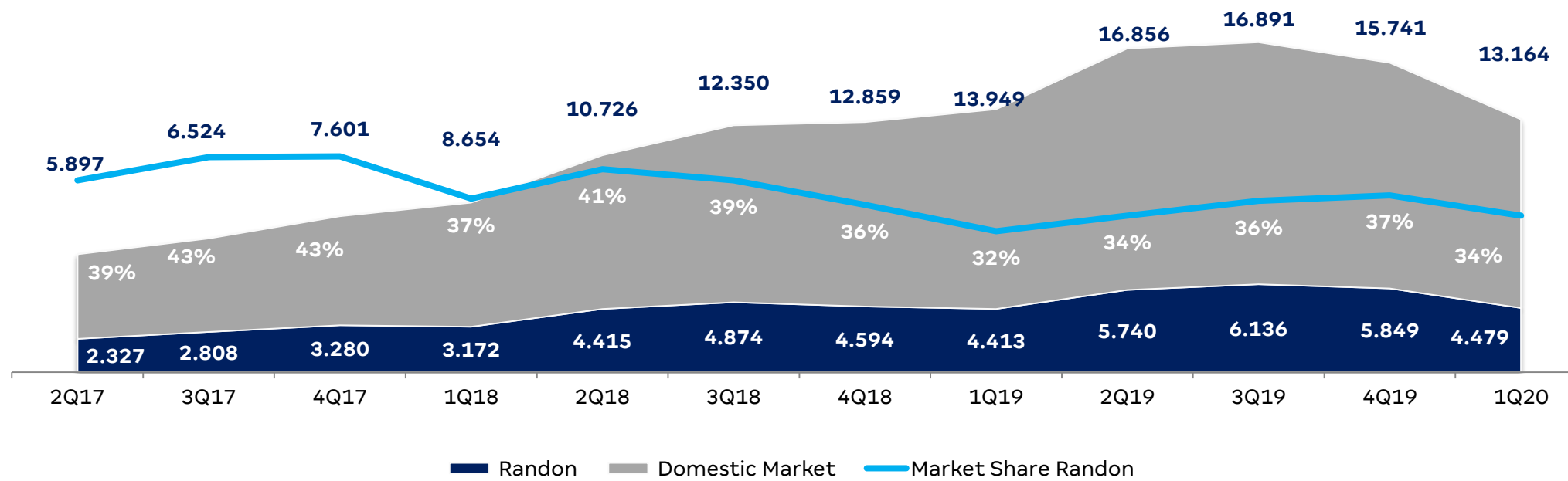
Exports by Economic Region 1Q20



TRAILERS DIVISION

SEMITRAILERS – Domestic Market Leadership

QUARTERLY MARKET SHARE



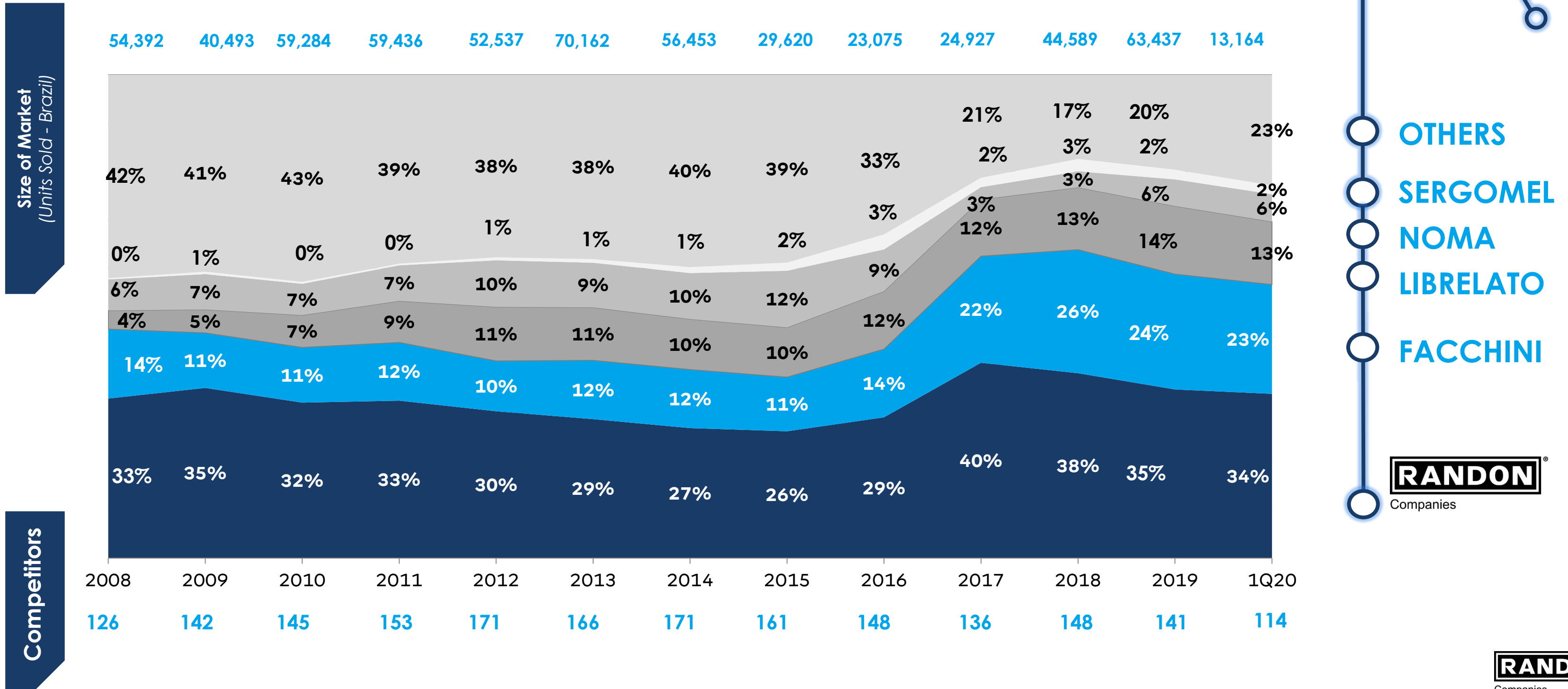
Achieve Leadership

	Grain Trailer	Dump Trailer	Dolly	Tanker Trailer	Reefer	Stainless Steel Tanker	Container Trailer	Log Trailer	Sugar Cane	General Cargo	Curtain Sider
1°	RANDON	RANDON	RANDON	RANDON	RANDON	RANDON					
2°							RANDON	RANDON	RANDON	RANDON	RANDON

Ensure Leadership

TRAILERS DIVISION

SEMITRAILERS – Domestic Market Leadership



TRAILERS DIVISION

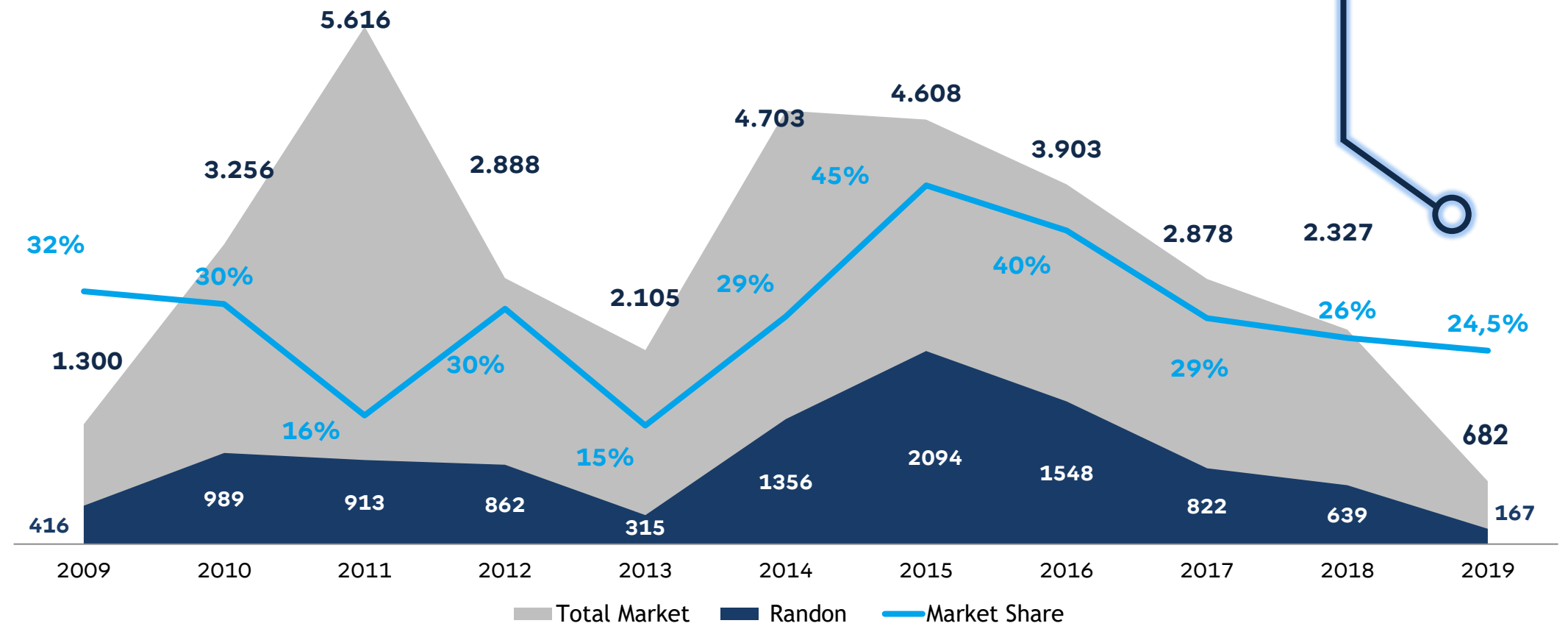
Rail Cars

MARKET CHARACTERISTICS:

 Customer base concentrated in large industries or concessionaires

 Long cycle between order and delivery

 Higher cargo volume

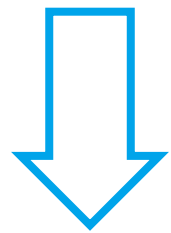


RAIL CARS SOLD (UNITS)		
1Q20	1Q19	Δ%
-	86	-100%
1Q20	4Q19	Δ%
-	6	-100%

TRAILERS DIVISION

Highlights 1Q20

BRAZILIAN MARKET DELIVERIES:



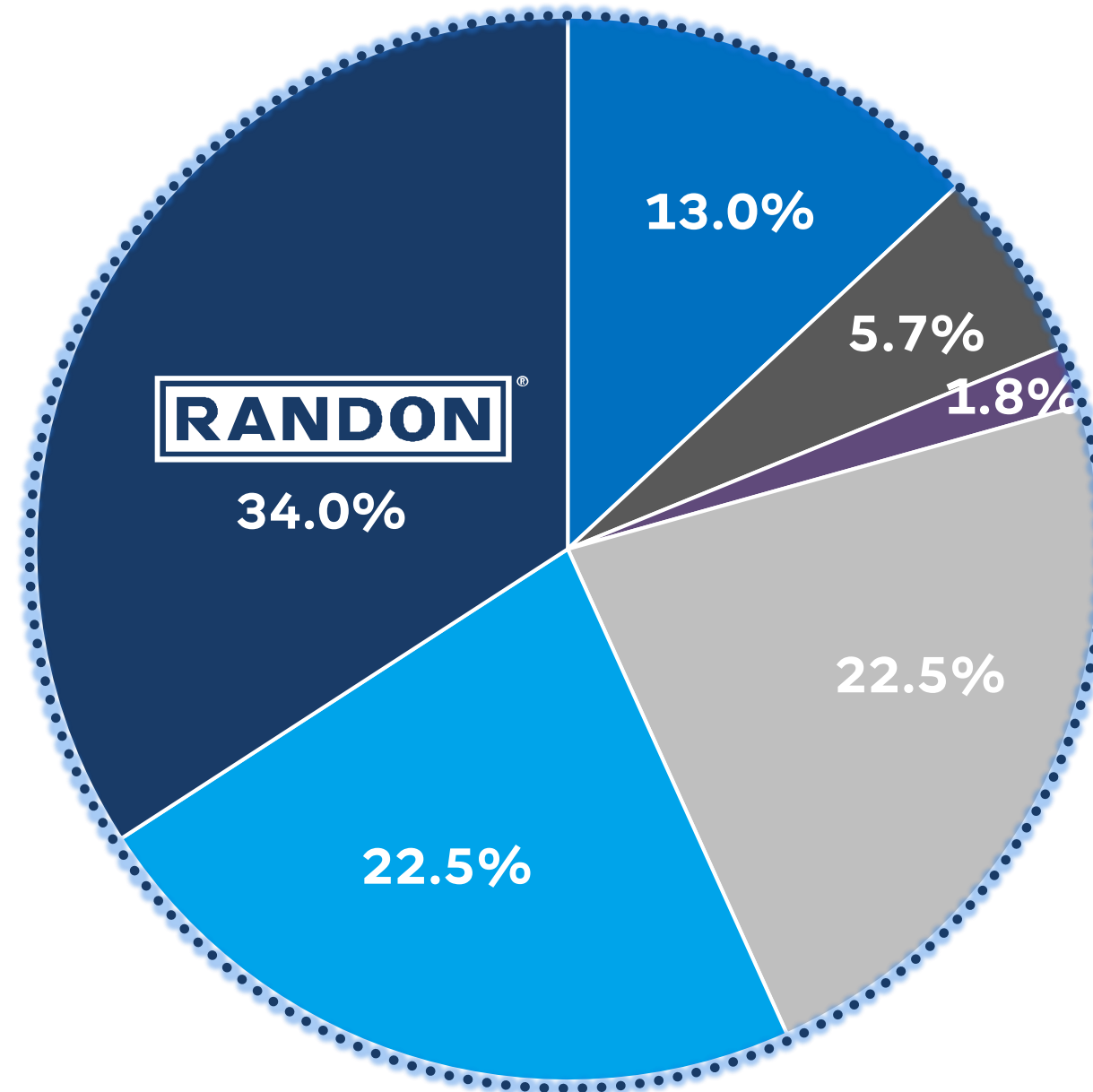
-5.6%
13,164 units

4,479

Randon's Semitrailers delivered



Access the QR Code to check the expansion of Randon's productive capacity



- Librelato
- Noma
- Sergomel
- Others
- Fachhini
- Randon

FOREIGN MARKET VOLUMES:

464 units

SALES ABROAD

-40.3%

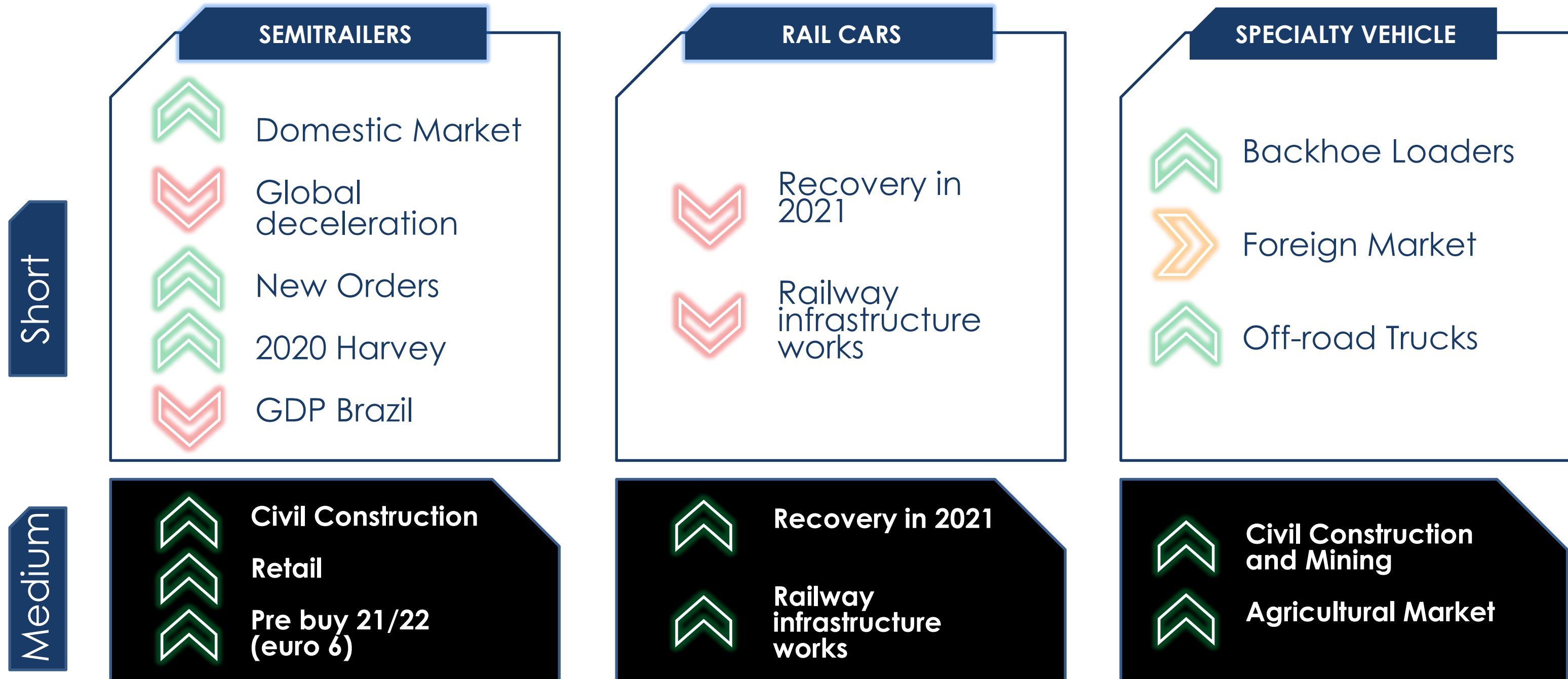
(777 units in 1Q19)

The drop is due to the complexity inherent in the scenario of South American countries

TRAILERS DIVISION

MARKET TRENDS

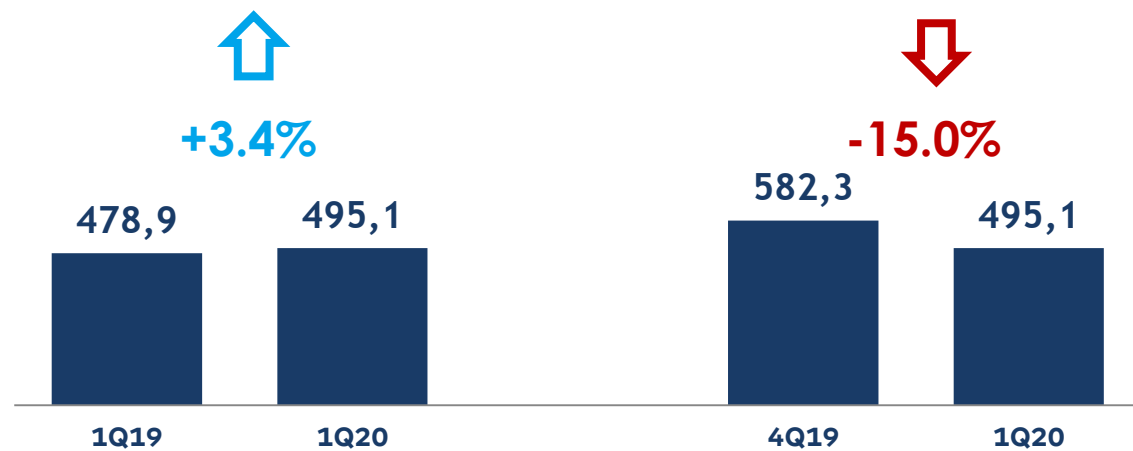
Short and medium term



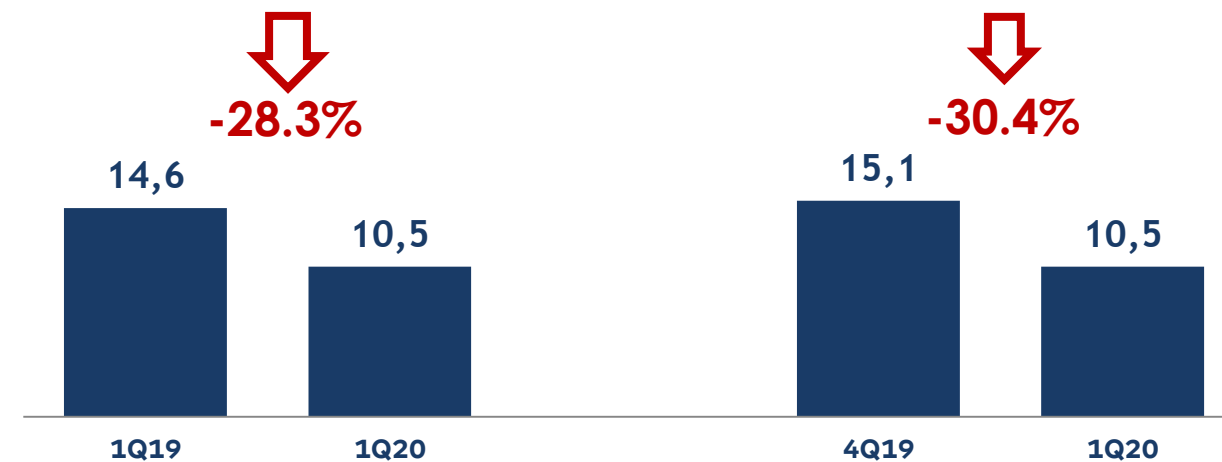
TRAILERS DIVISION

1Q20 PERFORMANCE

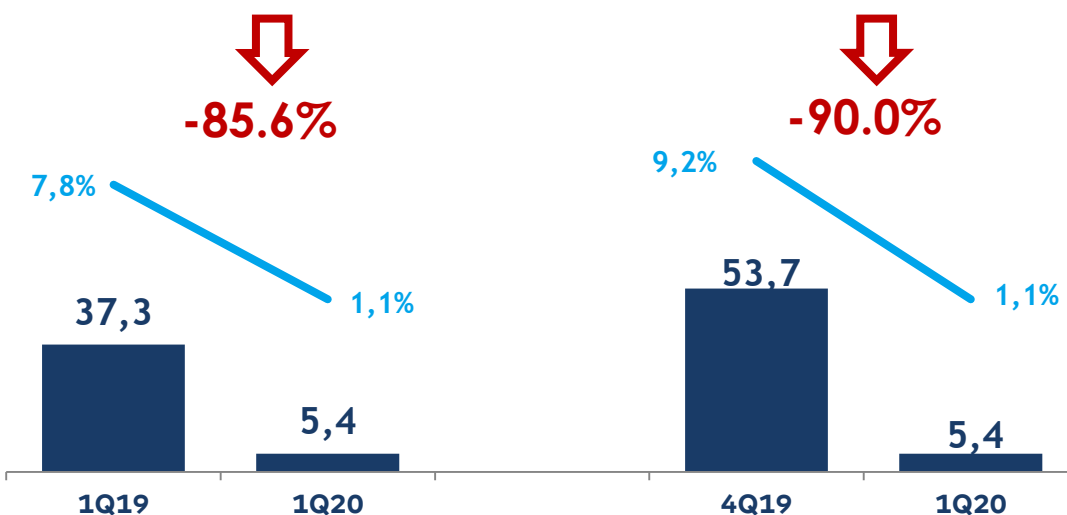
CONSOLIDATED NET REVENUE (R\$ MILLION)



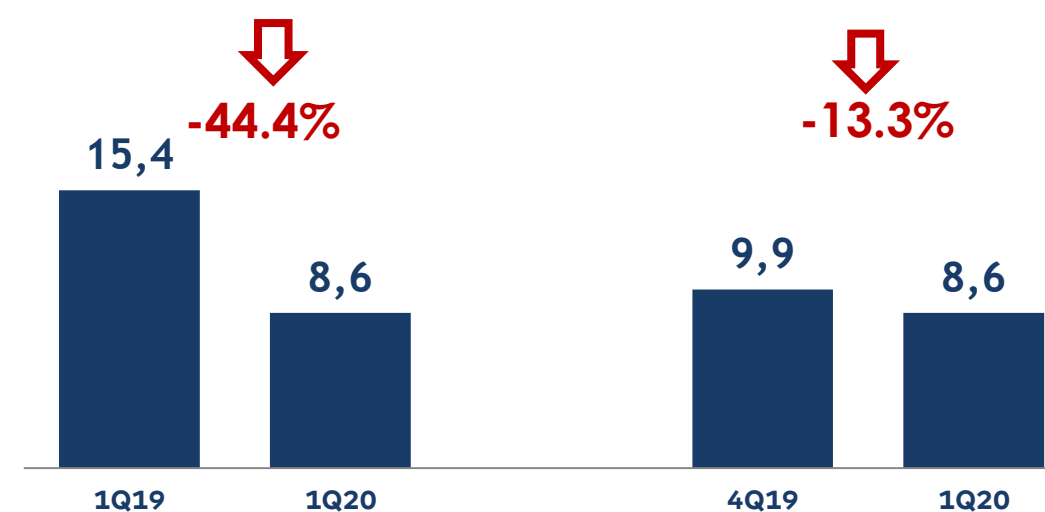
EXPORTS (US\$ MILLION)



Consolidated EBITDA | EBITDA Margin (R\$ Million)



INVESTMENTS (R\$ MILLION)



AUTO PARTS



AUTO PARTS DIVISION

SEGMENTS



Automakers



Exports



Aftermarket

MARKET CHARACTERISTICS

- Diversified customer base
- Moderate import penetration
- Exposure to all sectors of the economy
- Exports concentrated in the US, Argentina and Colombia markets

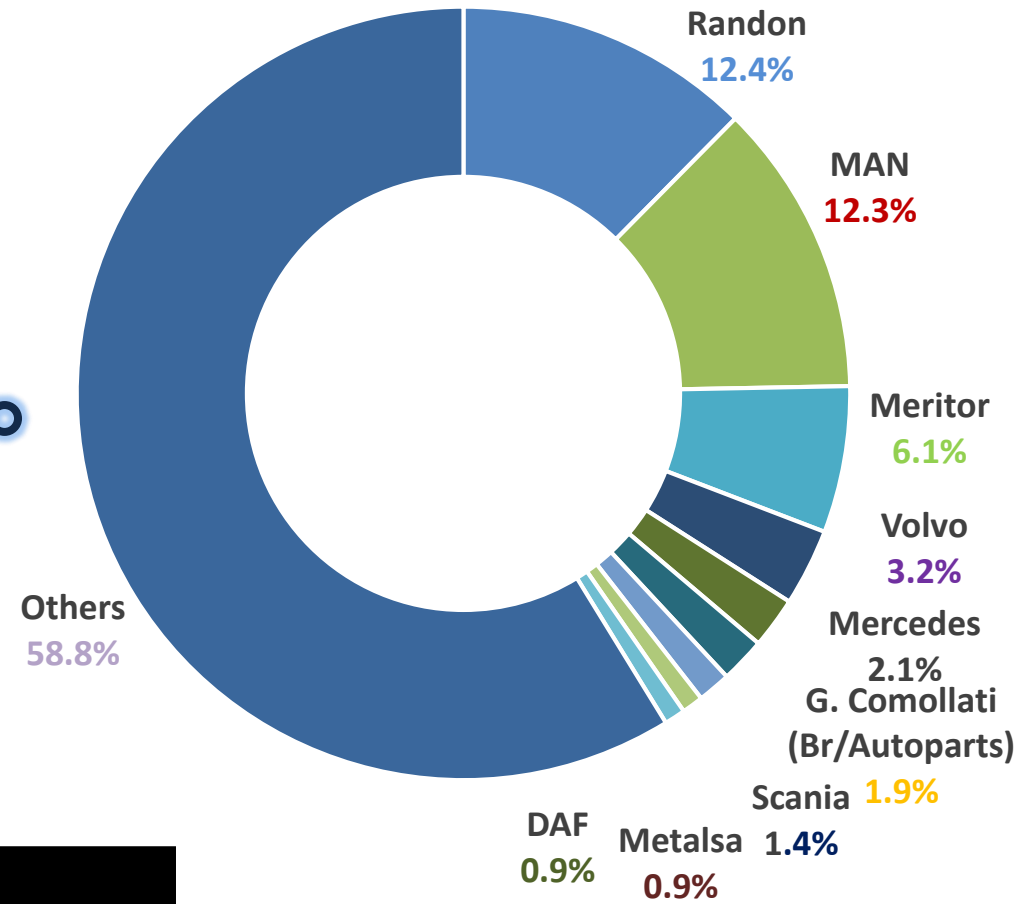
SALES VOLUME

	1Q20		1Q19		Δ%	1Q20		4Q19		Δ% Units
	Units	% CNR	Units	% CNR		Units	% CNR	Units	% CNR	
Auto Parts		53.3%		53.8%			53.3%		50.9%	
Friction Materials (un.)	23,258	21.0%	27,645	20.5%	-15.9%	23,258	21.0%	26,706	20.9%	-12.9%
Non-Friction Fras-le (un.)	4,571	7.4%	5,448	6.9%	-16.1%	4,571	7.4%	4,859	7.4%	-5.9%
Brakes (un.)	151,072	7.5%	182,660	8.5%	-17.3%	151,072	7.5%	158,640	7.2%	-4.8%
Coupling Systems (un.)	26,534	3.4%	30,011	4.0%	-11.6%	26,534	3.4%	27,556	3.4%	-3.7%
Suspensions and Axles (un.) ¹	32,199	9.7%	32,704	9.8%	-1.5%	32,199	9.7%	31,606	8.9%	1.9%
Hubs and Drums (un.)	123,331	4.4%	110,503	4.1%	11.6%	123,331	4.4%	117,881	3.2%	4.6%

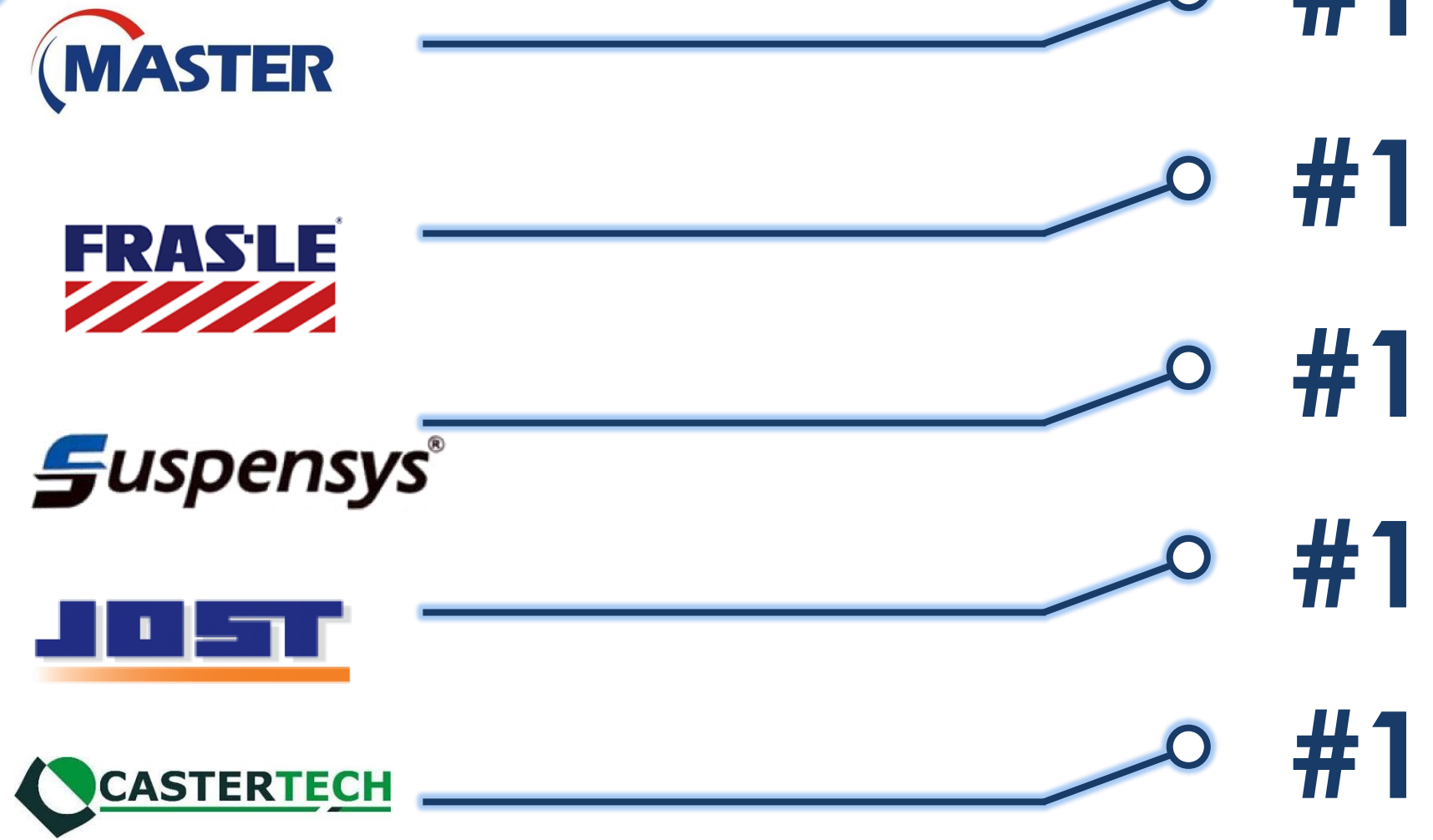
¹ The suspension and axles volumes were revised to better reflect the units sold by the subsidiary Suspensys. The history of these volumes can be obtained in the section Interactive Spreadsheets - Consolidated Data Randon S/A.

AUTO PARTS DIVISION

Leadership



SOUTH AMERICA OEM RANKING



Main Competitors



Knorr (Germany) – Brazil/SP
Wabco (USA) – Brazil/SP
Captive Market – (MB, Scania and Silpa)



KLL/ SAF Holland – Brazil/SP
Ibero – Brazil/SP
Hendrickson (USA)
BPW (Germany)
Fuwa (China)
Captive Market – (Facchini, Noma)



Fontaine – Brazil/PR
GF – George Fischer (Switzerland)
Fuwa (China)



Durametal (Brazil/CE)
Schulz (Brazil/SC)
Frum (Brazil/MG)
Fundimisa (Brazil/RS)



Cobreq (TMD) – Brazil/SP
Duroline – Brazil/RS
SYL – Brazil/SP
TRW (USA) – Brazil/SP
Brakeparts – Brazil/SP

AUTO PARTS DIVISION

Highlights 1Q20



-15.9%

In sales of friction materials

- *Aftermarkets and Automakers sales decrease and COVID-19 impacts*



-16.1%

Non-friction Fras-le volumes

- *Aftermarket faced drop in sales due to the social isolation.*



11.6%

In hubs and drums sales

- *Increase in portfolio mix for OEM*



-1.5% e -11.6%

Suspensions and axles e
Coupling Systems

- *Drop in sales to Trailers manufacturers*



-17.3%

Brake systems sales

- *Drop in exports for the USA*



AUTO PARTS DIVISION

Market Trends

Short and medium term

Short

OEM - DOMESTIC

2020 Harvey



Consumer and retail



Industry



Civil Construction



DOMESTIC AFTERMARKET

More stable segment



Growing fleet



Heavy trucks market



Light trucks market



EXPORTS

Global Deceleration



North American Market



New operation in Asia



Argentina



COVID-19 Impacts



Medium

Pre Buy Euro 6



Civil Construction



Consumer and retail



Unemployment increase



New sales channels



New markets and products



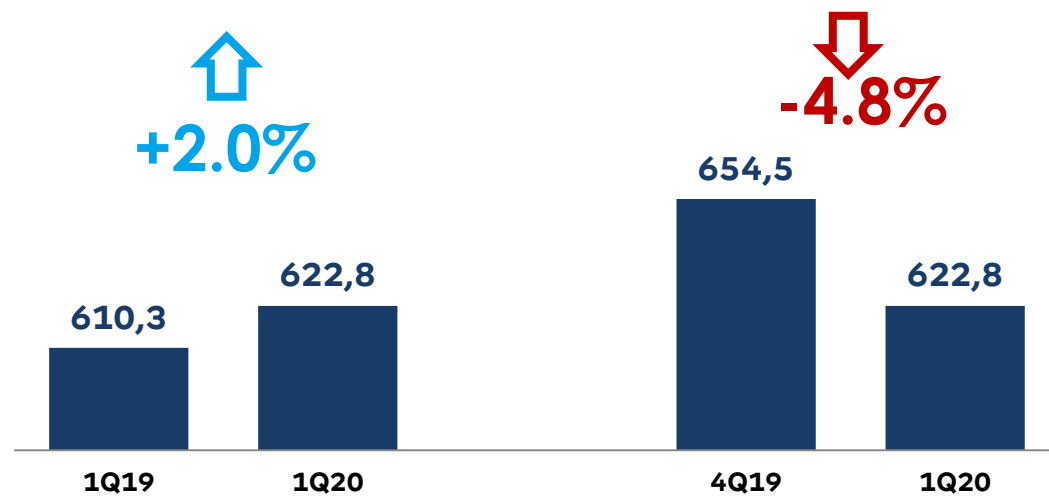
Global economy recovery



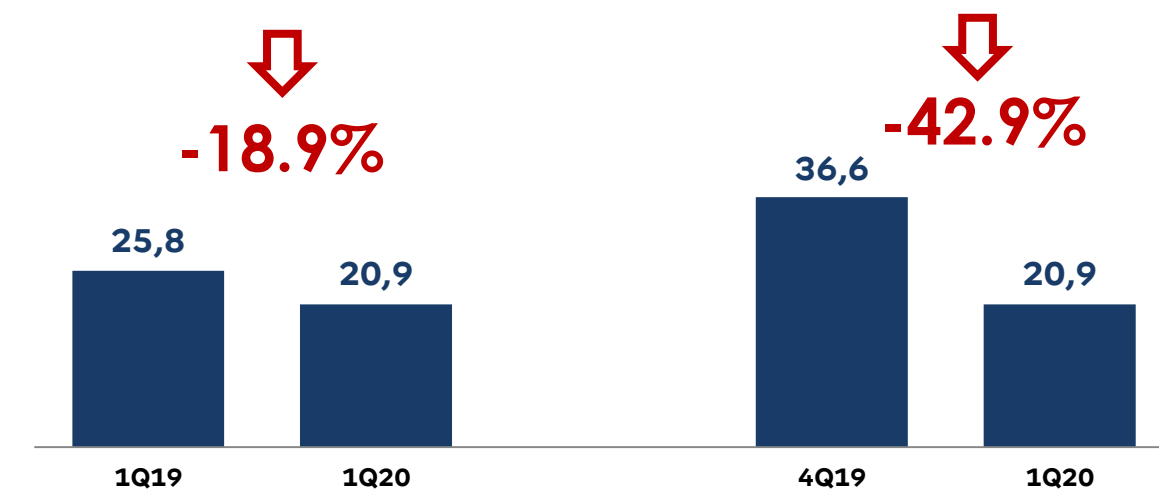
AUTO PARTS DIVISION

1Q20 PERFORMANCE

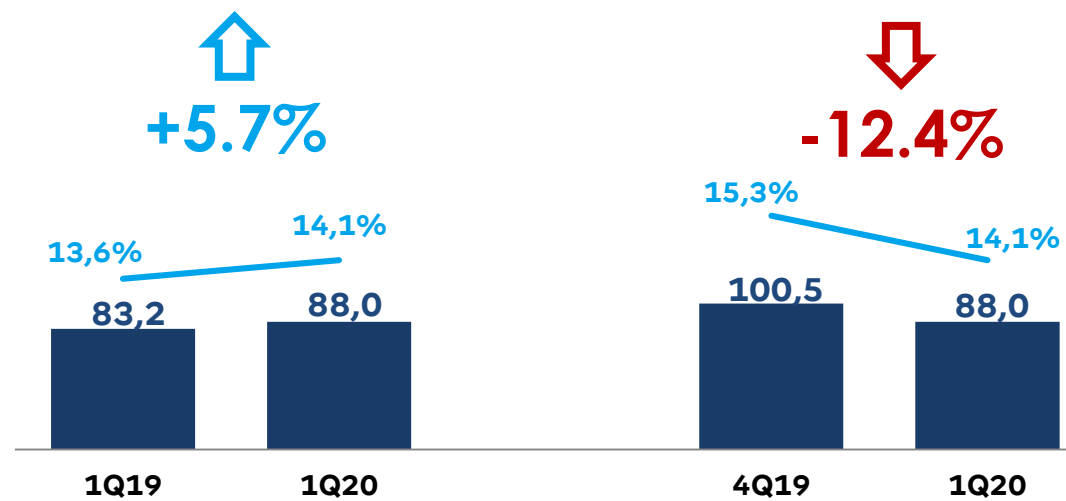
Consolidated Net Revenue (R\$ Million)



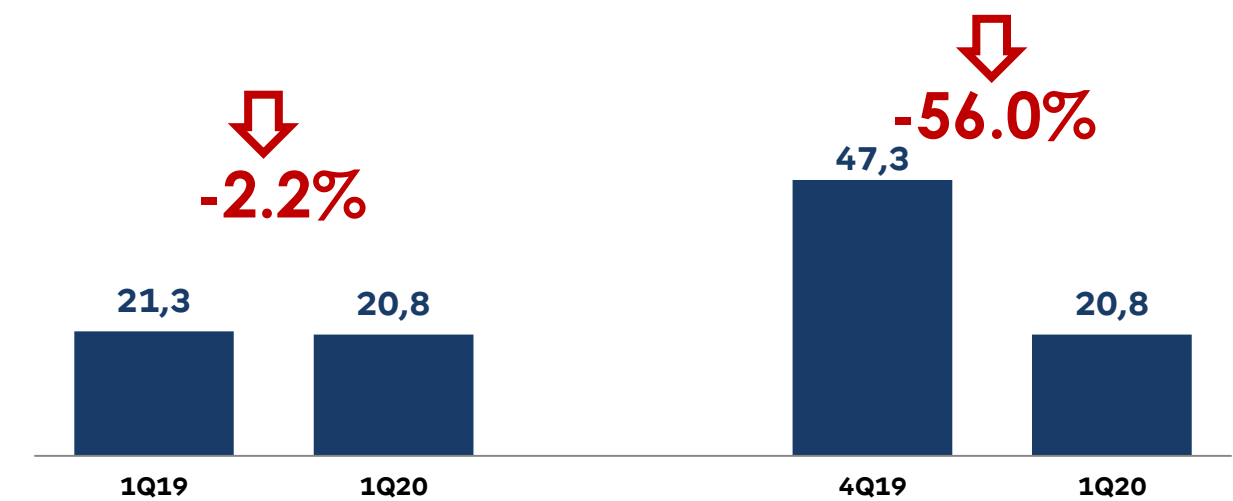
Exports (US\$ Million)



Consolidated EBITDA | EBITDA Margin (R\$ Million)



Investments (R\$ Million)





SERVICES

Randon Companies have their own financial institution and one of the largest consortium administrators in Brazil, in addition to the investment company in startups.

SERVICES

PERFORMANCE 1Q20



29 thousand
Customers

217 thousand
Quotas commercialized

65 thousand
Active Quotas

R\$ 637 M
Accrued Administration Fee

114 thousand
Quotas Awarded

Trailers; • Real estate and vehicles; • Machinery and Equipment • Minibus; • Light and Heavy Trucks.



R\$ 3 M
invested

Conexão with 40 Startups



R\$ 545 M
Assets

146 M
Equity

Number of Customers
1,774

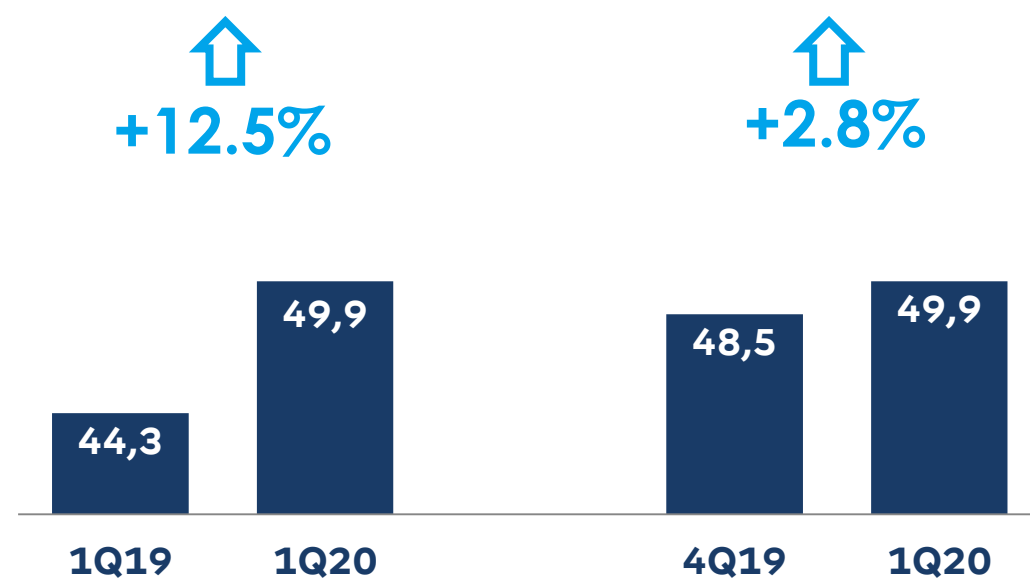
CREDIT LINE

For the acquisition of trailers, vehicles, components and automotive systems

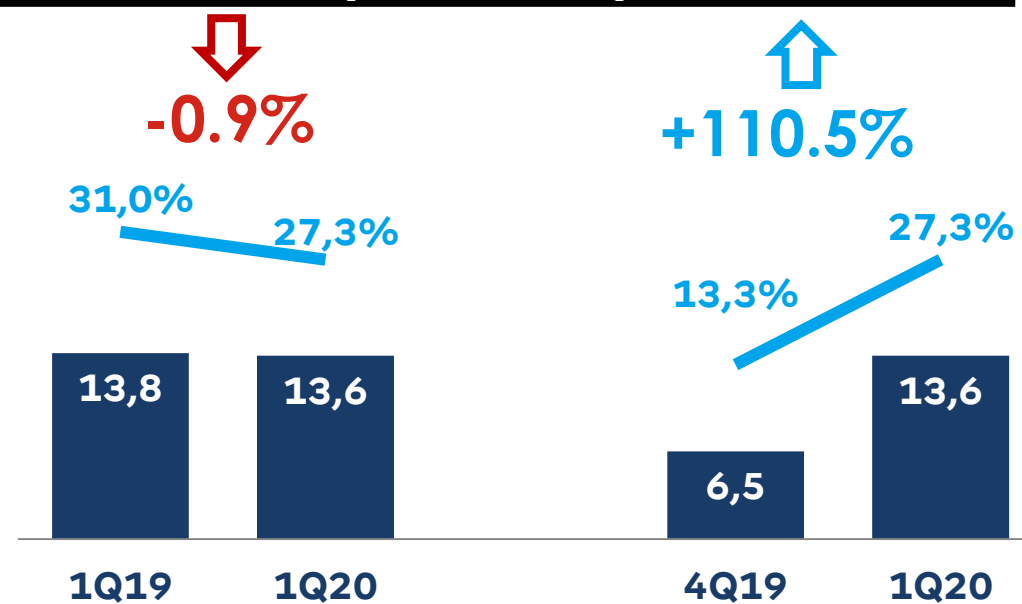
SERVICES

1Q20 PERFORMANCE

CONSOLIDATED NET REVENUE (R\$ MILLION)



CONSOLIDATED EBITDA | EBITDA MARGIN (R\$ MILLION)



RANDON BANK – ROE %

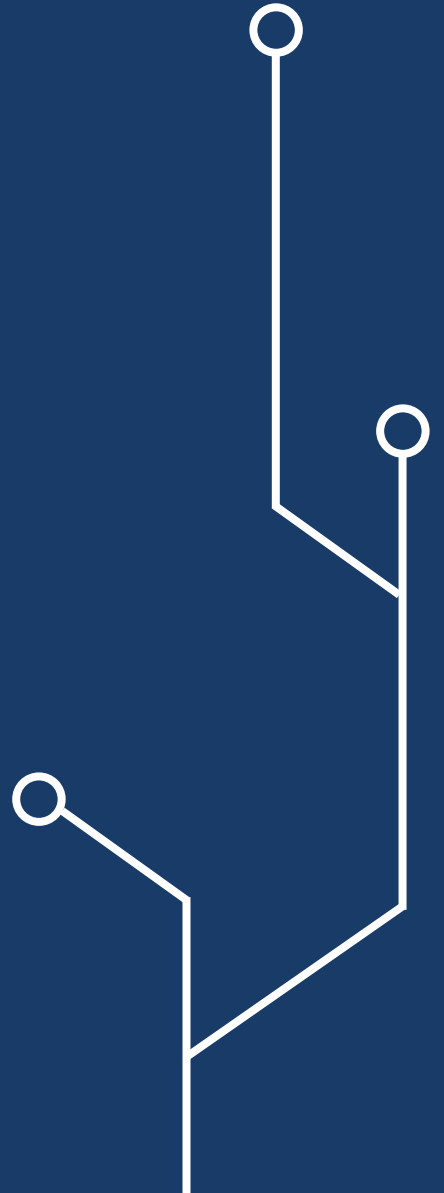


RANDON CONSÓRCIOS – ROE (%)



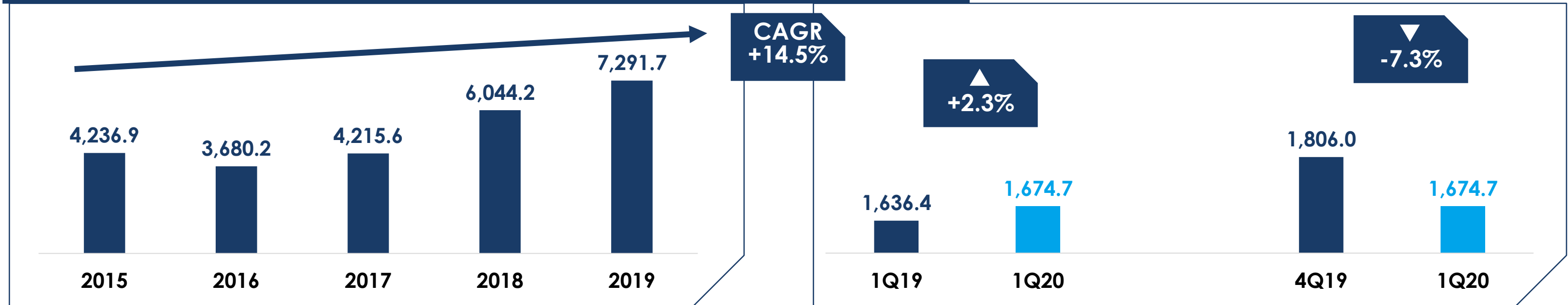


SUPPORT MATERIAL

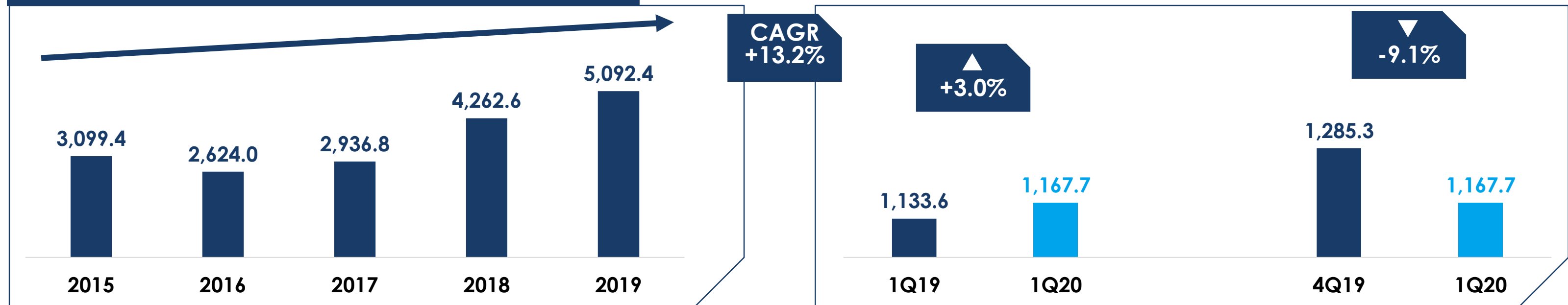


OPERATING RESULTS

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

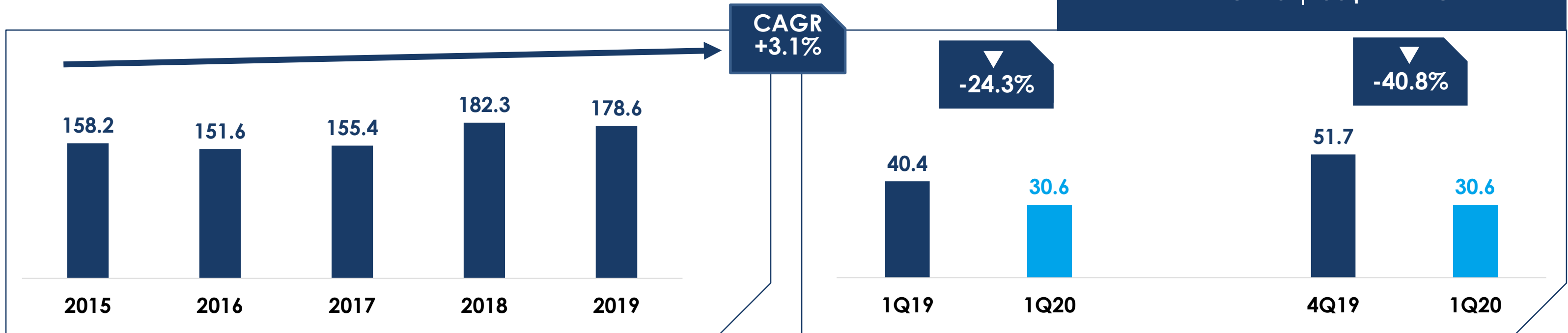


CONSOLIDATED NET REVENUE – R\$ MILLION

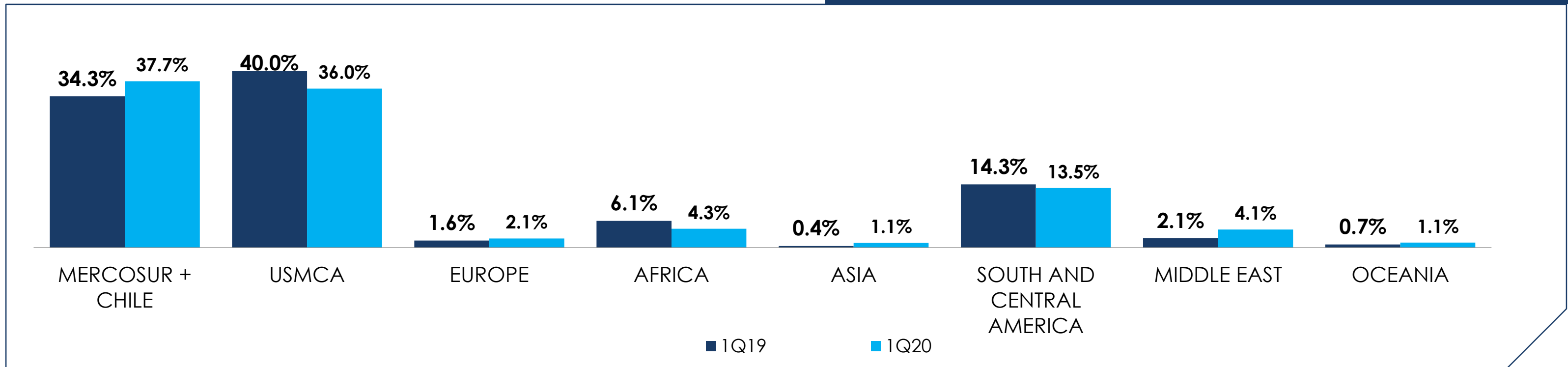


OPERATING RESULTS

EXPORTS | US\$ MILLION

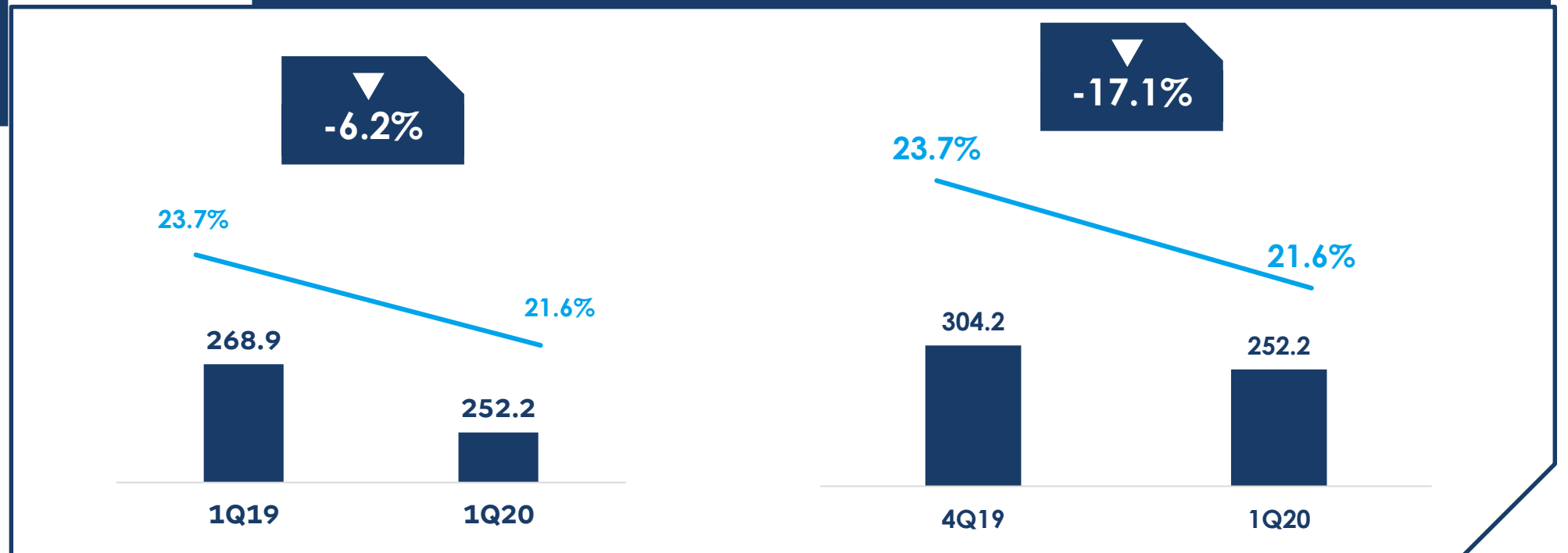
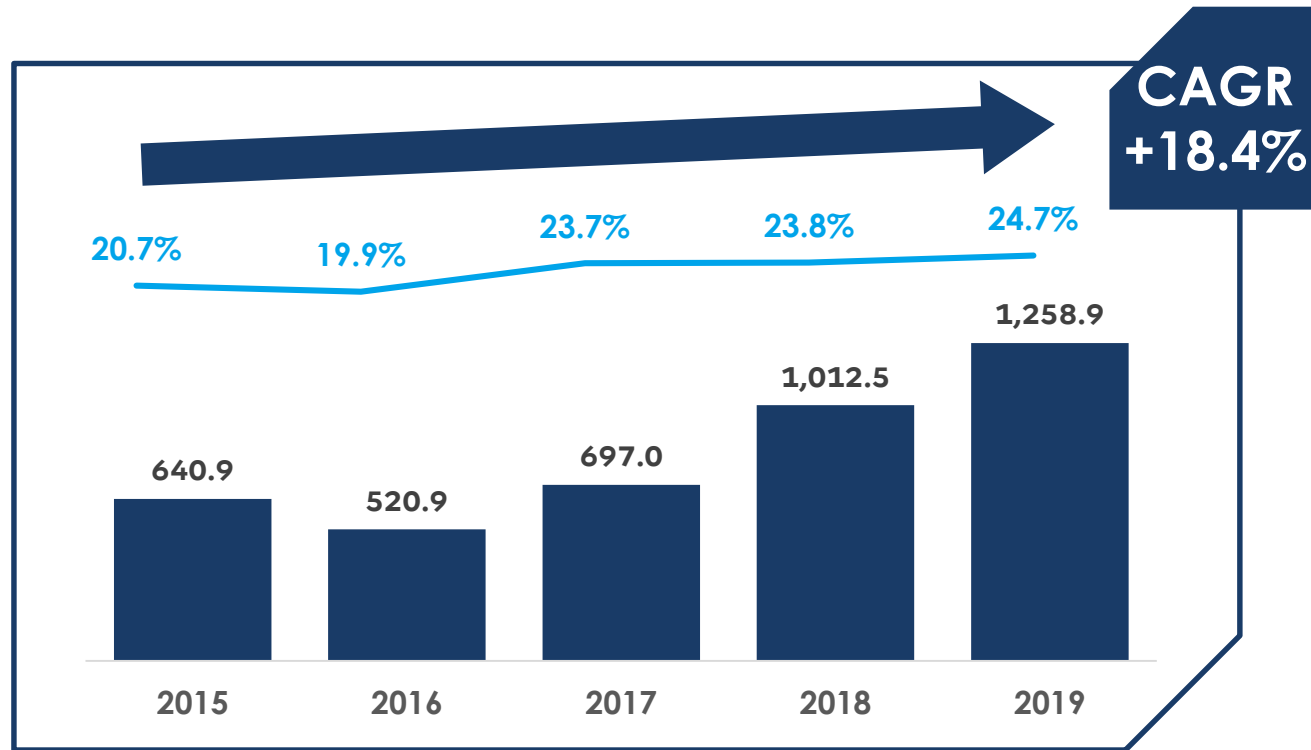


EXPORTS BY ECONOMIC REGION | US\$ MILLION

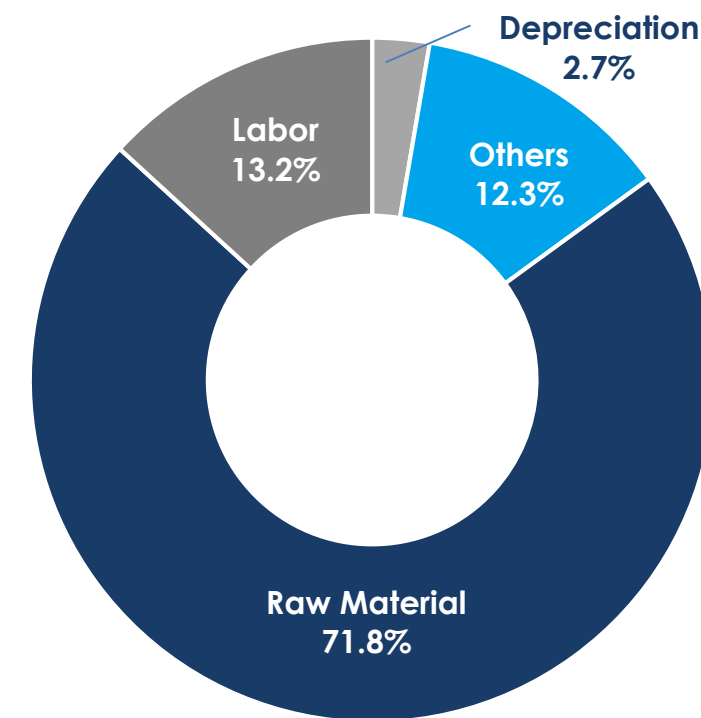
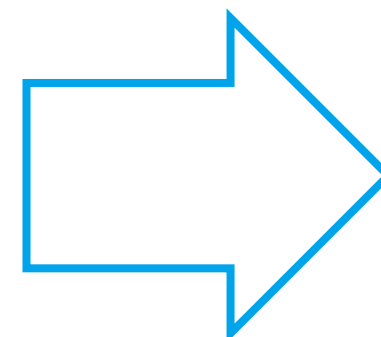


OPERATING RESULTS

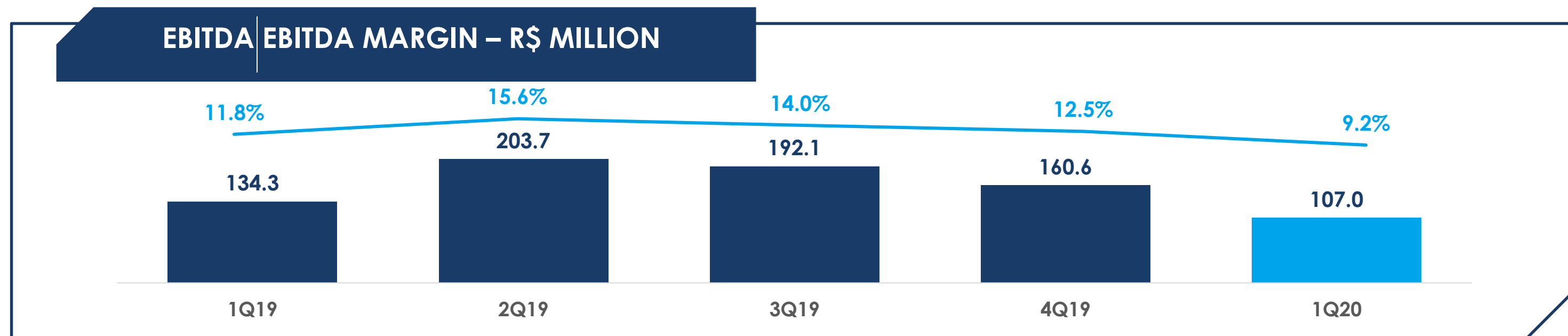
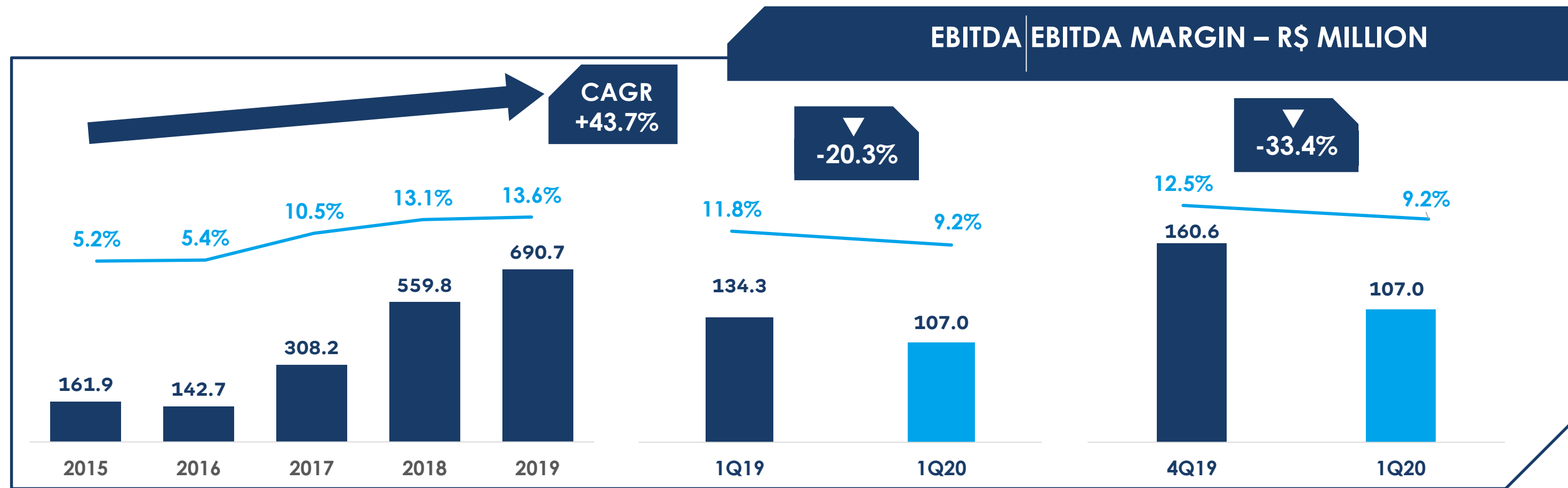
GROSS PROFIT | GROSS MARGIN – R\$ MILLION | %



COGS 1Q20
R\$ 915.6 M
(78.4% o/CNR)

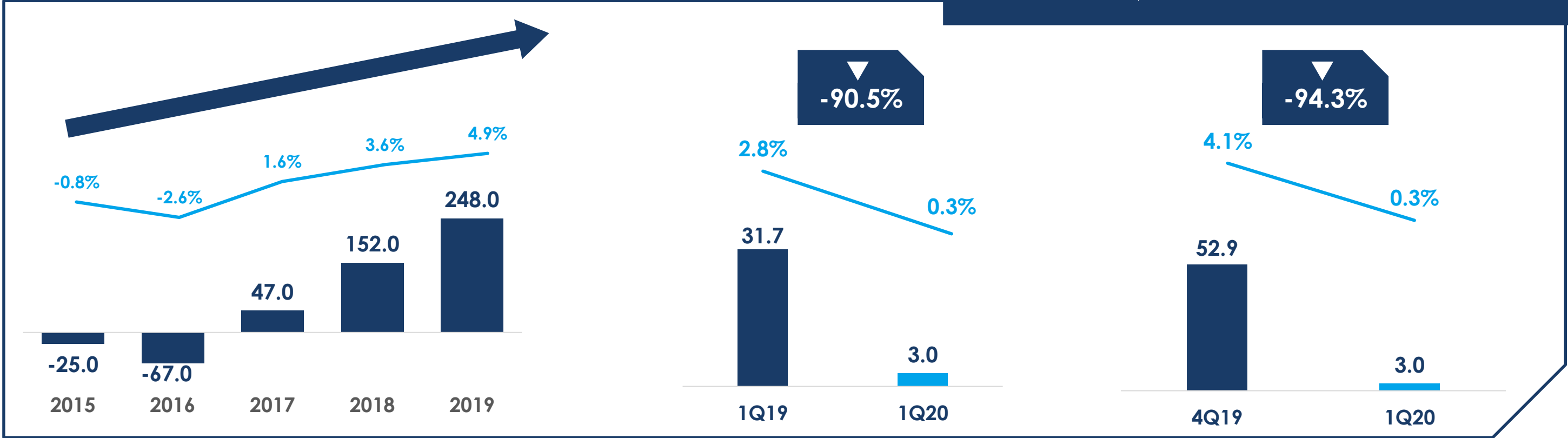


OPERATING RESULTS

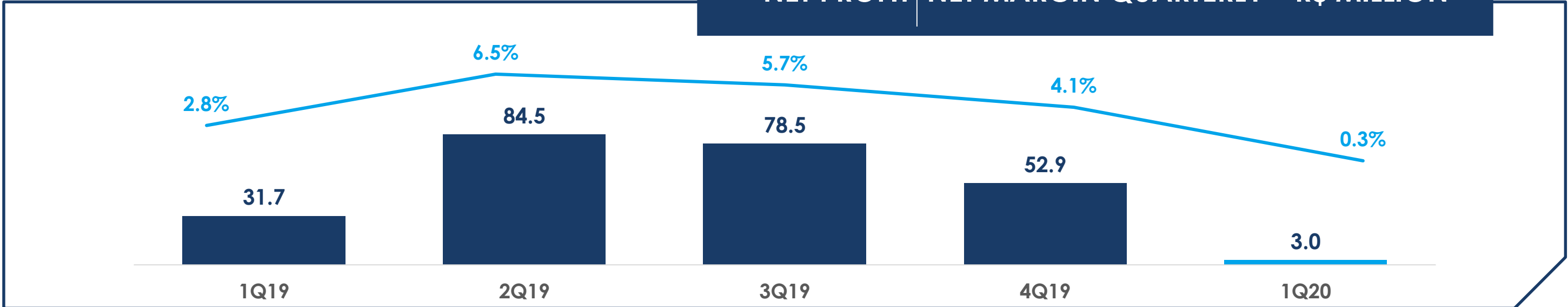


FINANCIAL RESULTS

NET PROFIT | NET MARGIN – R\$ MILLION

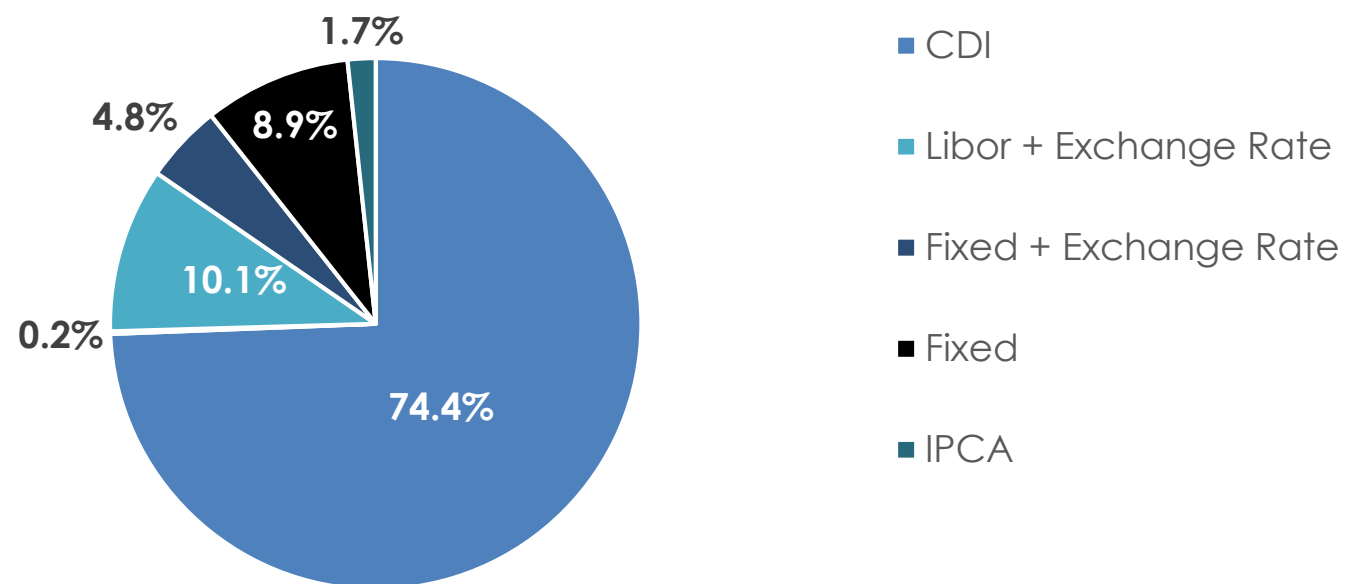


NET PROFIT | NET MARGIN QUARTERLY – R\$ MILLION

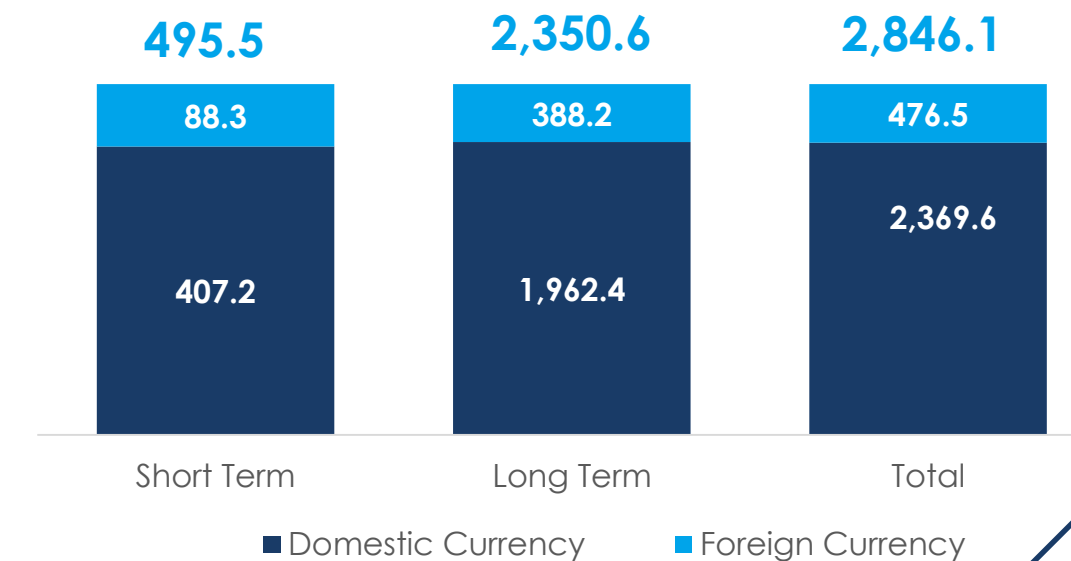


INDEBTEDNESS

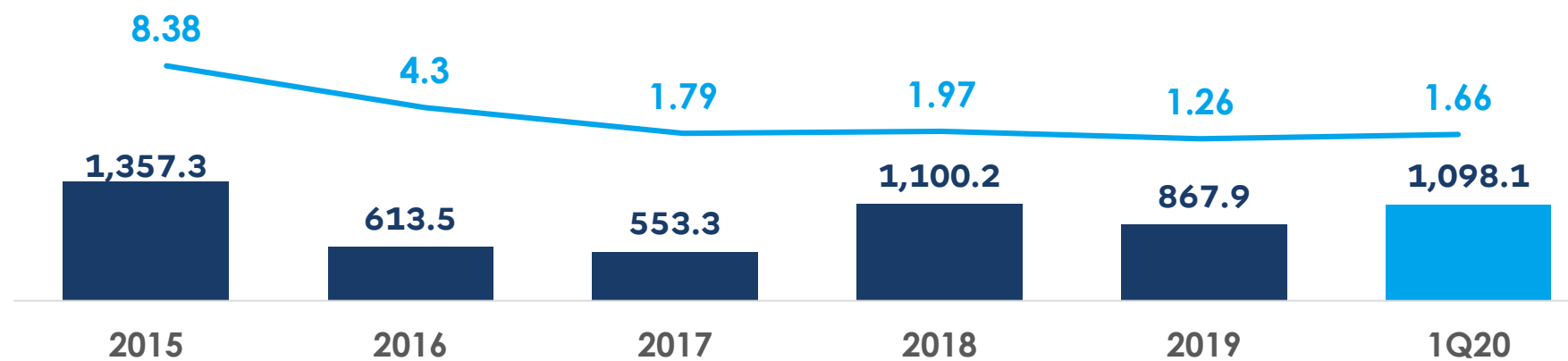
Debt Indexes



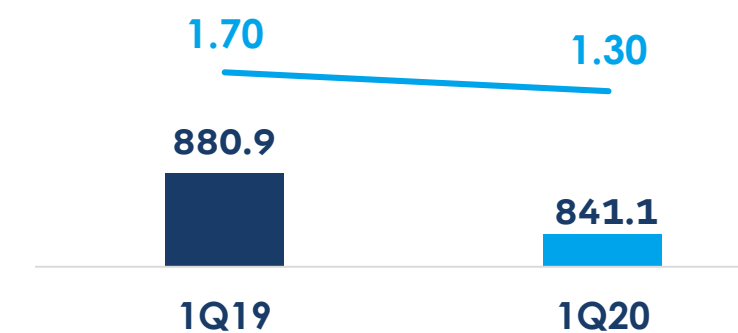
ORIGIN OF DEBT SHORT AND LONG TERM MARCH/2020 – R\$ MILLION



INDEBTEDNESS | NET DEBT / EBITDA – R\$ MILLION

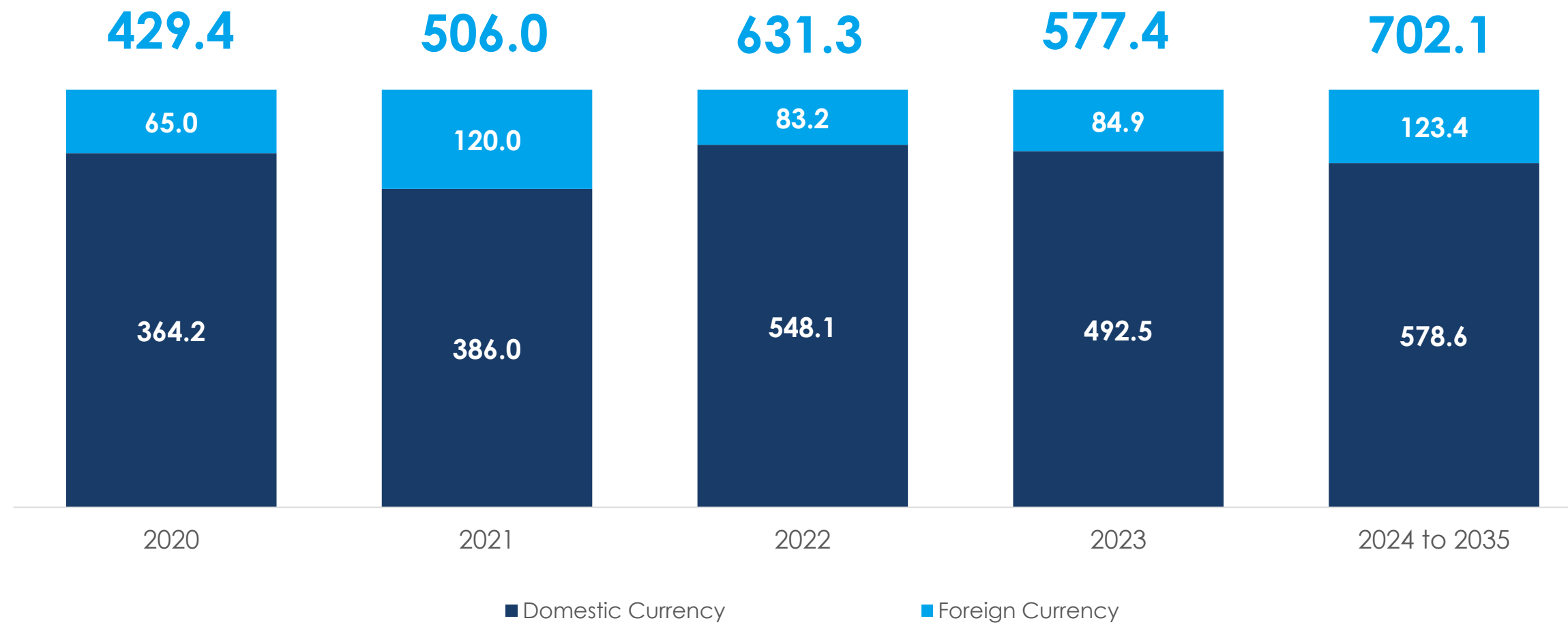


NET DEBT (Without Randon Bank)



INDEBTEDNESS

Schedule of Debt Payment (R\$ Million)



CONSOLIDATED INCOME STATEMENT BY SEGMENT R\$ MILLION

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

QUARTERLY INFORMATION

R\$ MILLION | %

	1Q2019	2Q2019	3Q2019	4Q2019	2019	1Q2020
Consolidated Net Revenue	1,133.6	1,302.1	1,371.3	1,285.3	5,092.4	1,167.7
% Trailers	42.3%	45.0%	45.8%	45.3%	44.7%	42.4%
%Auto Parts	53.8%	51.2%	50.7%	50.9%	51.6%	53.3%
% Services	3.9%	3.8%	3.5%	3.8%	3.7%	4.3%
Consolidated Gross Profit	268.9	347.2	338.6	304.2	1,258.9	252.2
%Gross Margin	23.7%	26.7%	24.7%	23.7%	24.7%	21.6%
EBITDA	134.3	203.7	192.1	160.6	690.7	107.0
% EBITDA Margin	11.8%	15.6%	14.0%	12.5%	13.6%	9.2%
Net Income	31.7	84.5	78.5	52.9	247.6	3.0
% Net Margin	2.8%	6.5%	5.7%	4.1%	4.9%	0.3%



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