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## Earnings Release 3Q21

Caxias do Sul, November 11, 2021.

### Data from Sept 30, 2021



**MARKET CAP**  
R\$ 4.1 billion



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RAPT3 - R\$ 13.48  
RAPT4 - R\$ 11.78



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### VIDEO CONFERENCE CALL RESULTS 3Q21 - APIMEC MEETING



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Friday



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## QUARTER HIGHLIGHTS

- > **Consolidated Net Revenue** amounted to **R\$ 2.5 billion** in 3Q21, 64.1% up from 3Q20 and 17.6% up from 2Q21, reflecting the increase in volumes and prices of products sold.
- > **Foreign market revenues** reached **US\$ 86.5 million** in 3Q21, 50.1% up from the same period of 2020, driven by favorable exchange rates and good commodity price levels.
- > **Consolidated gross margin** went down by 200 bps when compared to 3Q20, reaching **25.7%** in 3Q21, impacted by an increase in the Cost of Goods Sold, caused mainly by input inflation.
- > **Consolidated EBITDA** amounted to **R\$ 396.6 million** in 3Q21, an increase of 46.9% when compared to 3Q20, with **EBITDA Consolidated margin of 15.9%**, a decrease of 187 bps as compared to 3Q20.
- > **Net Income** was **R\$ 288.5 million** and **net margin of 11.6%** in 3Q21, benefited by one-off events related to the recognition of tax credits, which impacted income taxes.
- > **Investments** of **R\$ 179.9 million** were made in 3Q21, mostly in machinery, equipment, and Paid-in Capital.
- > Growth in **net debt (without Randon Bank)**, which reached **R\$ 1.8 billion** at the end of 3Q21, to support the increase in working capital caused by the higher level of activity in the operations.

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

**RAPT**

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## BUSINESS OVERVIEW

Randon Companies had another quarter with record sales and positive results, as it has been during the entire year of 2021. Even in a context of challenges related mainly to inflation and shortage of inputs, the Company continued to carry out its strategic plan to expand business, diversifying sources of revenue and expanding its operations with innovation and sustainability. The result of this is an increasingly stronger and more resilient company that creates value for its shareholders and delivers differentiated and more competitive products to its customers.

**Automotive market continues in high demand.**  
Truck production

**43,580** units

**+86.7%** x 3Q20

Number of semi-trailers registered

**23,391** units

**+16.0%** x 3Q20

The market has made an important contribution in this respect. With the agribusiness, mining and trade of consumer goods continuing to enjoy a good market moment, the demand for transportation continued to rise in the country. Furthermore, the lack of semiconductors, which has affected the automobile industry on a large scale, has not significantly affected heavy vehicle manufacturers.

This positive scenario allowed truck sales to continue to grow, recording 36.6 thousand units in 3Q21, which is 11.9% up from 2Q21 and 46.6% up year-on-year.

The semi-trailer market is even stronger. With 23.4 thousand units of semi-trailers sold in 3Q21, the volume has already reached 68 thousand units in the year, which is very close to the historical record for this segment (70 thousand units in 2013).

Looking beyond Brazilian borders, we can see the recovery of economic activity in the countries where we operate. This recovery, combined with the rise in commodity prices and the favorable exchange rate, has boosted our exports.

In this quarter, we have announced important moves in our Business Units, such as the expansion of Randon Araraquara unit, which will now have new production lines. In the future, Randon Araraquara will have its own railway track, improving the logistics in the delivery of railcars. Also announced was the completion of the acquisition of UPI (Isolated Productive Unit) assets of the Menegotti group, with which the Castertech Schroeder unit was created. This move will enable Castertech to reach more than 100 thousand tons of casting capacity, becoming one of the largest companies in the country in this segment.

In addition, we are experiencing an intense period of implementation of disruptive innovation projects aimed at building up the future based on sustainable development. We have announced a discovery, that of producing niobium nanoparticles on a large scale. We have also announced the production of parts in composite materials by our subsidiary Fras-le. Furthermore, in partnership with a major global truck manufacturer, we have launched the Randon Concept Trailer, which is the most technologically advanced semi-trailer ever produced in Brazil. All these initiatives result from our efforts aimed at the megatrends of mobility, electrification and IoT developed by the Randon Technological Center in conjunction with the Hercílio Randon Institute.

We are aware that all these moves, our growth and our achievements take place only thanks to the commitment of our people, to our good governance practices and to our ethical and responsible behavior. Our daily purpose is to connect people and riches, generating prosperity. More than financial results, what drives us is the quest to generate a positive impact for all our stakeholders, and thus increasingly contributing to building up a better future for everyone.

Enjoy the Reading!

MARKET PERFORMANCE		3Q21	3Q20	Δ%	2Q21	Δ%	9M21	9M20	Δ%
Production	Trucks <sup>1</sup>	43,580	23,337	86.7%	41,640	4.7%	118,302	58,075	103.7%
	Trailers <sup>3</sup>	24,768	20,886	18.6%	24,681	0.4%	71,831	48,424	48.3%
Brazil Sales	Trucks <sup>1</sup>	36,554	24,928	46.6%	32,658	11.9%	95,289	62,788	51.8%
	Trailers <sup>2</sup>	23,391	20,164	16.0%	23,575	-0.8%	68,262	46,865	45.7%
Exports	Trucks <sup>1</sup>	5,928	3,901	52.0%	5,452	8.7%	16,659	8,700	91.5%
	Trailers <sup>3</sup>	1,377	722	90.7%	1,106	24.5%	3,569	1,559	128.9%

<sup>1</sup> Anfavea

<sup>2</sup> Anfir

<sup>3</sup> Anfir + Aliceweb

Volumes in units

## MAIN FIGURES

Economic Highlights	3Q21	3Q20	Δ%	2Q21	Δ%	9M21	9M20	Δ%
Total Gross Revenue <sup>1</sup>	3,657,046	2,120,122	72.5%	3,048,653	20.0%	9,469,152	5,091,945	86.0%
Consolidated Net Revenue	2,486,489	1,515,500	64.1%	2,113,800	17.6%	6,513,396	3,616,225	80.1%
International Market Revenues US\$ <sup>2</sup>	86,545	57,649	50.1%	71,331	21.3%	225,342	155,038	45.3%
Consolidated Gross Profit	638,635	419,624	52.2%	520,566	22.7%	1,671,552	872,593	91.6%
Gross Margin (%)	25.7%	27.7%	-200 bps	24.6%	106 bps	25.7%	24.1%	153 bps
Consolidated EBITDA	396,561	269,996	46.9%	322,645	22.9%	1,068,479	530,908	101.3%
EBITDA Margin (%)	15.9%	17.8%	-187 bps	15.3%	68 bps	16.4%	14.7%	172 bps
Adjusted EBITDA	388,931	260,551	49.3%	322,645	20.5%	1,045,648	495,297	111.1%
Adjusted EBITDA Margin (%)	15.6%	17.2%	-155 bps	15.3%	38 bps	16.1%	13.6%	246 bps
Consolidated Net Profit	288,500	116,016	148.7%	122,146	136.2%	544,711	174,280	212.5%
Net Margin (%)	11.6%	7.7%	395 bps	5.8%	582 bps	8.4%	4.8%	354 bps
Earnings per share	0.88	0.35	149.4%	0.37	136.2%	1.65	0.53	213.5%

## Financial Highlights

Equity	2,531,010	1,743,361	45.2%	2,283,579	10.8%	2,531,010	1,743,361	45.2%
Investments <sup>3</sup>	179,933	323,106	-44.3%	102,874	74.9%	405,618	444,294	-8.7%
Net Debt	2,555,243	1,594,860	60.2%	2,306,036	10.8%	2,555,243	1,594,860	60.2%
Net Debt (Without Randon Bank)	1,754,937	1,195,657	46.8%	1,667,043	5.3%	1,754,937	1,195,657	46.8%
Leverage	1.47 x	2.31 x	-36.2%	1.43 x	2.7%	1.47 x	2.31 x	-36.2%
Leverage (Without Randon Bank)	1.02 x	1.77 x	-42.2%	1.05 x	-2.6%	1.02 x	1.77 x	-42.2%
ROE (last 12 months)	50.3%	13.4%	3684 bps	41.9%	838 bps	50.3%	13.4%	3684 bps
ROIC (last 12 months)	22.6%	8.4%	1420 bps	18.2%	434 bps	22.6%	8.4%	1420 bps

<sup>1</sup> Without eliminating intercompany sales

<sup>2</sup> Exports + Revenues from International Markets

<sup>3</sup> Capex + Non-Organics + Paid-in Capital

Values in R\$ Thousands

## Capital Market

	09/30/2021	09/30/2020	Δ%	06/30/2021	Δ%
RAPT4 Closure Quote <sup>1</sup>	11.78	11.68	0.9%	13.46	-12.5%
RAPT3 Closure Quote <sup>1</sup>	13.48	9.07	48.6%	12.78	5.5%
RAPT4 Total shares <sup>2</sup>	229,260	229,260	0.0%	229,260	0.0%
RAPT3 Total shares <sup>2</sup>	116,516	116,516	0.0%	116,516	0.0%
Market cap <sup>3</sup>	4,077,590	3,553,771	14.7%	4,353,558	-6.3%
RAPT4 Treasury shares <sup>2</sup>	16,445	15,478	6.2%	16,445	0.0%
Price over book value <sup>1</sup>	10.01	6.95	44.0%	9.04	10.7%

<sup>1</sup> Values in R\$ and adjusted to dividends and interest on equity paid

<sup>2</sup> Values in Thousands

<sup>3</sup> 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 3Q21 Quarterly Financial Information, the numbers on this Operation is presented separately.

## CONSOLIDATED PERFORMANCE

### Consolidated Net Revenue

	3Q21	3Q20	Δ%	2Q21	Δ%	9M21	9M20	Δ%
Net Revenue	2,486,489	1,515,500	64.1%	2,113,800	17.6%	6,513,396	3,616,225	80.1%
Domestic Market	2,033,444	1,203,929	68.9%	1,732,288	17.4%	5,308,118	2,829,198	87.6%
International Market <sup>1</sup>	453,045	311,571	45.4%	381,512	18.7%	1,205,278	787,027	53.1%

<sup>1</sup> Exports + Revenues from International

Values in R\$ Thousands

In 3Q21, the Company achieved R\$ 2.5 billion in consolidated net revenue, an increase of 64.1% when compared to 3Q20, and 17.6% up from 2Q21. Both the domestic and international markets showed significant growth in revenues compared to the same period of 2020.

When looking at the breakdown of consolidated net revenue, we highlight the auto parts division, which, in 3Q21, accounted for 52.3% of the total (51.1% in 3Q20), and which has gained relevance not only due to an increased sales volume, but also due to the recent acquisitions that have taken place in this Division. Revenues from the Trailers Division and Financial and Digital Services Division also increased because of the good market momentum.

The following factors helped revenues to grow in 3Q21, similarly to those in 2Q21:

- Larger volume of railcars;
- Revenues from the new companies acquired in 2021;
- Growth in exports as a result of favorable exchange rate;
- Heated demand in truck and semi-trailer markets;
- Increased sales in practically all of the Company's product lines;
- Adjustment of prices to mitigate the effects of inflation.

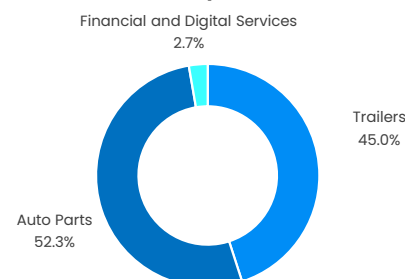
### International Market

Revenues from the foreign market, achieved by the Company and its subsidiaries in 3Q21, reached US\$ 86.5 million, an increase of 50.1% when compared to 3Q20 (US\$ 57.6 million). This amount is the result of exports from Brazilian Units and of sales made by Units located abroad (without intercompany sales).

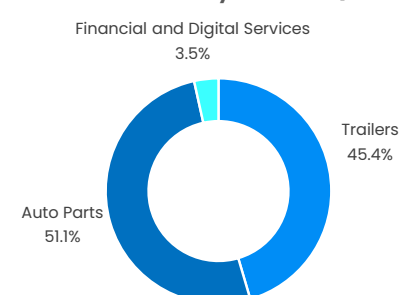
Exports	3Q21	3Q20	Δ%	2Q21	Δ%	9M21	9M20	Δ%
Trailers	19,654	11,410	72.2%	13,933	41.1%	47,163	27,640	70.6%
Auto Parts	31,076	23,755	30.8%	32,431	-4.2%	91,178	60,906	49.7%
Sub-Total	50,730	35,166	44.3%	46,364	9.4%	138,341	88,546	56.2%
(-) Intercompany Sales	-16,611	-13,114	26.7%	-16,043	3.5%	-48,340	-34,257	41.1%
<b>Total</b>	<b>34,118</b>	<b>22,052</b>	<b>54.7%</b>	<b>30,321</b>	<b>12.5%</b>	<b>90,001</b>	<b>54,288</b>	<b>65.8%</b>
Revenues from International Units	3Q21	3Q20	Δ%	2Q21	Δ%	9M21	9M20	Δ%
Trailers	12,227	6,372	91.9%	8,627	41.7%	30,100	16,665	80.6%
Auto Parts	44,873	33,309	34.7%	35,872	25.1%	116,993	96,832	20.8%
(-) Intercompany Sales	-4,674	-4,084	14.4%	-3,489	34.0%	-11,751	-12,747	-7.8%
<b>Total</b>	<b>52,427</b>	<b>35,597</b>	<b>47.3%</b>	<b>41,010</b>	<b>27.8%</b>	<b>135,341</b>	<b>100,750</b>	<b>34.3%</b>
<b>International Market US\$</b>	<b>86,545</b>	<b>57,649</b>	<b>50.1%</b>	<b>71,331</b>	<b>21.3%</b>	<b>225,342</b>	<b>155,038</b>	<b>45.3%</b>

Values in US\$ Thousands

#### Net Revenue by Division 3Q21



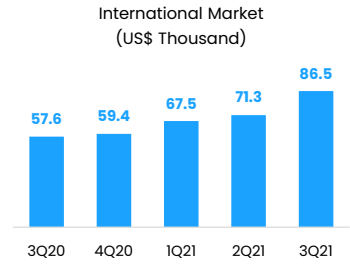
#### Net Revenue by Division 3Q20



Following a difficult period of sales to the foreign market in 2020, largely due to the impacts of the pandemic, the scenario this year has been one of recovery over the quarters in most markets. Exports, mainly to Mercosur countries and Chile, showed significant growth, especially in sales of semi-trailers.

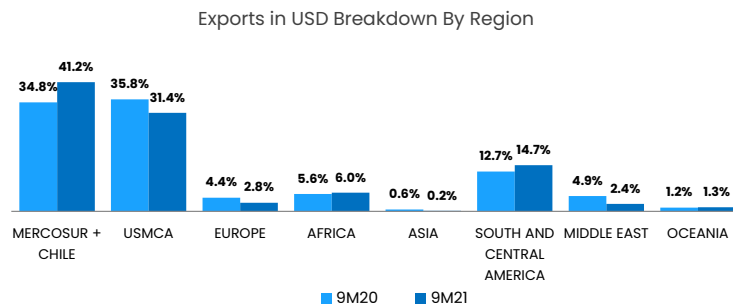
The Company's good performance in the foreign market is primarily due to:

- High prices of commodities such as copper, which has boosted sales to Chile;
- Agribusiness, which has generated positive demand in South American countries, especially Paraguay;
- Favorable exchange rate, which, in addition to contributing to exports, allowed for an increase in margins;
- Advances in vaccination, which created an environment of trust for new investments;
- Attractiveness of Brazilian products, which are a more competitive alternative in terms of logistics for some destinations, given the significant increase in global maritime freight.

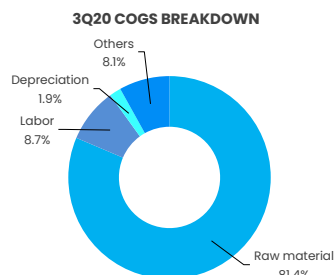
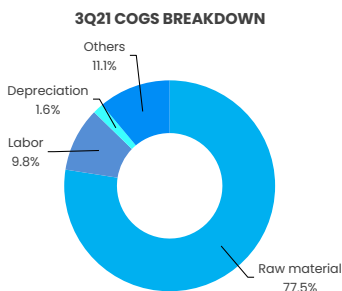


On the negative side, we mention the political and economic crises, experienced mainly in countries like Peru and Argentina, which have been facing declines in domestic demand, in addition to import barriers and shortages of foreign exchange. There also concerns regarding the lack of containers in some regions, which affect the delivery of products to the final customer.

The chart below shows exports (sales out of Brazilian plants), by region, in the nine-month periods of 2020 and 2021:



## Cost of Goods Sold



In 3Q21, the Cost of Goods Sold of the Company was R\$1.8 billion, which accounted for 74.3% of consolidated net revenue for the period. In 3Q20, it had totaled R\$1.1 billion (72.3% of consolidated net revenue). Gradually, this indicator has felt the effects of inflation, both in raw materials and in labor, resulting in an increase of 200 base points over revenue, when comparing to last year.

The main factors for increased Cost of Goods Sold were:

- Significant adjustments in prices of flat steel, cast iron, resins, tires and wheels;
- Collective labor agreement higher than initially expected, due to significant increase in inflation indicators.

Inflationary impacts remain a point of attention in the Company's COGS. We continue taking actions to mitigate these effects on margins. In addition, strong market demand has contributed to the growth in the Company's volumes and consequent greater dilution of fixed costs.

## General, Commercial and Administrative Expenses and Income

	3Q21	%	3Q20	%	Δ%	2Q21	%	Δ%	9M21	%	9M20	%	Δ%
Selling Expenses	-155,725	-6.3%	-108,168	-7.1%	44.0%	-142,357	-7.4%	9.4%	-430,063	-6.6%	-283,794	-7.8%	51.5%
Administrative Expenses	-119,629	-4.8%	-81,884	-5.4%	46.1%	-105,477	-5.5%	13.4%	-317,133	-4.9%	-231,485	-6.4%	37.0%
Other Expenses/Income	-23,365	-0.9%	-7,538	-0.5%	210.0%	-3,401	-0.2%	587.0%	-21,366	-0.3%	37,973	1.1%	-156.3%
Other Operating Expenses	-64,612	-2.6%	-26,500	-1.7%	143.8%	-40,686	-2.1%	58.8%	-150,064	-2.3%	-106,519	-2.9%	40.9%
Other Operating Income	41,247	1.7%	18,961	1.3%	117.5%	37,285	1.9%	10.6%	128,699	2.0%	144,491	4.0%	-10.9%
Total Operating Exp/Income	-298,719	-12.0%	-197,591	-13.0%	51.2%	-251,234	-13.1%	18.9%	-768,562	-11.8%	-477,306	-13.2%	61.0%

Values in R\$ Thousand and % over Net Revenue

Operating expenses totaled R\$298.7 million in 3Q21, 51.2% higher than in 3Q20 (R\$197.6 million). However, the share over net revenue decreased by 100 base points. These are the factors that impacted operating expenses and revenues in 3Q21:

- Increase in commercial expenses directly related to sales, such as commissions and freight;
- Addition of expenses related to the purchase of UPI Menegotti assets and some provisions for the new Unit created as a result of this acquisition (Castertech Schroeder);
- One-off revenue related to the recognition of credit from the ICMS exclusion process from the PIS and COFINS calculation basis, net of fees, of the subsidiary Randon São Paulo (R\$ 19.6 million);
- One-off expenses (lawyer fees and Nakata's active supervenience) related to the recognition of tax credit on the non-levy of Income Taxes and Social Contribution on the adjustment of SELIC, paid for repetition of tax overdue (R\$ 12.0 million).

## EBITDA

In 3Q21, consolidated EBITDA amounted to R\$396.6 million (15.9% over Net Revenue), growth of 46.9% compared to 3Q20 (R\$270.0 million, or 17.8% over Net Revenue). When adjusting consolidated EBITDA for the on-off effects in 3Q21 (R\$7.6 million), we would have an adjusted consolidated EBITDA of R\$388.9 million with an adjusted EBITDA margin of 15.6%.

The highlights of this indicator in 3Q21 are:

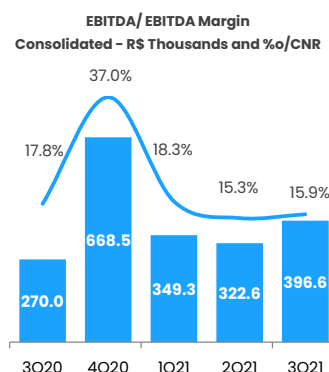
- Growth in volumes, enabling greater dilution of fixed costs due to the continued good market momentum in the automotive sector;
- Increased exports (the current exchange rate helped improve profitability);
- Return on investments in efficiency and productivity has mitigated the inflationary effects on margins.

More details can be seen under Performance by Segment.

	3Q21	3Q20	Δ%	2Q21	Δ%	9M21	9M20	Δ%
Net Profit	288,500	116,016	148.7%	122,146	136.2%	544,711	174,280	212.5%
Interest of non-controlling shareholders	-74,303	-30,572	143.0%	-37,924	95.9%	-158,492	-47,726	232.1%
Income Tax and Social Contribution	51,222	-59,204	-186.5%	-79,392	-164.5%	-112,460	-123,567	-9.0%
Financial Income	-28,335	-16,241	74.5%	-29,869	-5.1%	-87,326	-49,714	75.7%
EBIT	339,917	222,033	53.1%	269,331	26.2%	902,989	395,287	128.4%
Depreciation and Amortization	56,644	47,962	18.1%	53,314	6.2%	165,490	135,621	22.0%
Consolidated EBITDA	396,561	269,996	46.9%	322,645	22.9%	1,068,479	530,908	101.3%
EBITDA Margin (%)	15.9%	17.8%	-187 bps	15.3%	68 bps	16.4%	14.7%	172 bps
One-Offs	-7,629	-9,445	-19.2%	-	-	-22,831	-35,611	-35.9%
Adjusted EBITDA <sup>1</sup>	388,931	260,551	49.3%	322,645	20.5%	1,045,648	495,297	111.1%
Adjusted EBITDA Margin (%)	15.6%	17.2%	-155 bps	15.3%	38 bps	16.1%	13.6%	246 bps

<sup>1</sup> Breakdown of EBITDA by division in the Performance by Business Segment chapter

Values in R\$ Thousands



## Financial Result

The Company's net financial result totaled R\$87.3 million (negative) at the end of 9M21, which is 75.7% higher than the result achieved in the same period of 2020 (R\$49.7 million negative).

The accumulated net financial result was mainly impacted by the following factors:

- Gains from lawsuits and recognition of tax credits;
- Positive effect of monetary adjustment (IAS 29) of subsidiaries located in Argentina;
- Negative exchange rate impact due to the devaluation of the Real against the Dollar;
- Increase in interest paid on financing linked to Interbank Deposit Certificates (CDI), due to new levels of the SELIC rate.

	3Q21	3Q20	Δ%	2Q21	Δ%	9M21	9M20	Δ%
Financial Revenues	105,669	81,003	30.5%	63,861	65.5%	274,338	328,186	-16.4%
Financial Expenses	-150,711	-102,322	47.3%	-105,550	42.8%	-407,030	-385,898	5.5%
Monetary Adjustment (IAS 29)	16,707	5,078	229.0%	11,820	41.3%	45,366	7,998	467.2%
<b>Net Financial Income</b>	<b>-28,335</b>	<b>-16,241</b>	<b>74.5%</b>	<b>-29,869</b>	<b>-5.1%</b>	<b>-87,326</b>	<b>-49,714</b>	<b>75.7%</b>

Values in R\$ Thousand

For a breakdown of the financial result, see Note 20 in the Quarterly Financial Information.

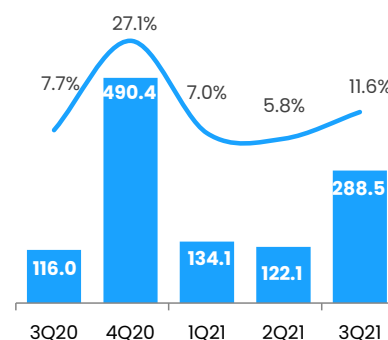
## Net Result

The Company delivered consolidated net income of R\$288.5 million in 3Q21, with a net margin of 11.6%, increasing ROE to 50.3% (13.4% in 3Q20).

The graph on the right shows the evolution of the Company's net income, which has been positive over the past quarters. As in 4Q20, in 3Q21, we had tax impacts that benefited this indicator, listed below:

- Tax process related to the exclusion of ICMS from the PIS and COFINS calculation basis (R\$ 19.8 million) and;
- Recognition of tax credits in the amount of BRL 113.9 million, due to the decision of the Supreme Court (STF), in general repercussion, on the non-levy of Income Taxes and Social Contribution on the correction of the SELIC, paid by repetition of tax overdue.

**Net Income/ Net Margin**  
**Consolidated - R\$ Million and %/CNR**



For more information on these tax impacts, which positively affected the Company's net income, see Note 16.3 in the Quarterly Financial Information.

	3Q21	3Q20	Δ%	2Q21	Δ%	9M21	9M20	Δ%
EBIT	339,917	222,033	53.1%	269,331	26.2%	902,989	395,287	128.4%
Financial Income	-28,335	-16,241	74.5%	-29,869	-5.1%	-87,326	-49,714	75.7%
Operating Results	311,581	205,793	51.4%	239,462	30.1%	815,663	345,573	136.0%
Income Tax and Social Contribution	51,222	-59,204	-186.5%	-79,392	-164.5%	-112,460	-123,567	-9.0%
Interest of non-controlling shareholders	-74,303	-30,572	143.0%	-37,924	95.9%	-158,492	-47,726	232.1%
<b>Net Profit</b>	<b>288,500</b>	<b>116,016</b>	<b>148.7%</b>	<b>122,146</b>	<b>136.2%</b>	<b>544,711</b>	<b>174,280</b>	<b>212.5%</b>
Net Margin (%)	11.6%	7.7%	395 bps	5.8%	582 bps	8.4%	4.8%	354 bps
ROE (last 12 months)	50.3%	13.4%	3684 bps	41.9%	838 bps	50.3%	13.4%	3684 bps

Values in R\$ Thousands

## Free Cash Flow (without Randon Bank)

At the end of 9M21, the Company had a negative free cash flow of R\$ 895.8 million, an increase of 35.7% when compared to the nine-month period of 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 2021;
- Increased working capital, mainly due to the Company's high level of activity, increase in acquired companies and recognition of tax credits already mentioned in this report;
- Paid-in Capital at Banco Randon, payment of earn-out for Nakata and non-organic investments (acquisition of CNCS, Auttom, Castertech Schroeder, RAR Corretora and Ferrari).

	3Q21	3Q20	Δ%	2Q21	Δ%	9M21	9M20	Δ%	
EBITDA	391,240	263,356	48.6%	316,401	23.7%	1,052,186	519,318	102.6%	
Investments	-71,530	-49,004	46.0%	-73,186	-2.3%	-197,975	-114,456	73.0%	
Financial Income	-28,313	-16,219	74.6%	-29,847	-5.1%	-87,260	-49,646	75.8%	
Income Tax and Social Contribution	53,826	-56,299	-195.6%	-77,157	-169.8%	-105,330	-119,305	-11.7%	
Working Capital	-344,426	8,796	-4015.7%	-199,110	73.0%	-1,097,180	-250,848	337.4%	
<b>Operating Cash Flow</b>	<b>797</b>	<b>150,631</b>	<b>-99.5%</b>	<b>-62,900</b>	<b>-101.3%</b>	<b>-435,559</b>	<b>-14,937</b>	<b>2815.9%</b>	
Dividends/Interest on Equity	-52,678	-	36,830	43.0%	-131,102	-59.8%	-251,606	-102,184	146.2%
Paid-in Capital	-98,111	-	274,577	-64.3%	-26,799	266.1%	-185,409	-336,577	-44.9%
Others	62,051	-205,324	-130.2%	-56,034	-210.7%	-23,249	-206,461	-88.7%	
<b>Free Cash Flow</b>	<b>-87,941</b>	<b>-366,099</b>	<b>-76.0%</b>	<b>-276,835</b>	<b>-68.2%</b>	<b>-895,824</b>	<b>-660,160</b>	<b>35.7%</b>	

Values in R\$ Thousands without Randon Bank

## Investments

In 3Q21, R\$ 179.9 million were invested, distributed in Capex (R\$ 71.6 million), non-organic acquisitions (R\$ 45.9 million) and Paid-in Capital (R\$ 62.5 million).

The table below shows the investments made in the quarter and in the 2021 nine-month period, by division, with the respective comparisons:

		3Q21	3Q20	Δ%	2Q21	Δ%	9M21	9M20	Δ%
Capex	Trailers	23,000	21,843	5.3%	27,270	-15.7%	64,948	41,191	57.7%
	Auto Parts	45,414	24,732	83.6%	45,184	0.5%	129,059	61,455	110.0%
	Services	3,145	954	229.7%	854	268.1%	4,172	3,571	16.8%
	<b>Subtotal</b>	<b>71,559</b>	<b>47,528</b>	<b>50.6%</b>	<b>73,308</b>	<b>-2.4%</b>	<b>198,179</b>	<b>106,217</b>	<b>86.6%</b>
Non Organic	Trailers	-	-	-	5,544	-	5,544	-	-
	Auto Parts	45,911	274,577	-83.3%	8,250	456.5%	64,661	276,577	-76.6%
	Services	-	-	-	13,004	-	13,004	-	-
	<b>Subtotal</b>	<b>45,911</b>	<b>274,577</b>	<b>-83.3%</b>	<b>26,799</b>	<b>71.3%</b>	<b>83,209</b>	<b>276,577</b>	<b>-69.9%</b>
Paid-in Capital	Trailers	5,750	1,000	475.0%	1,608	257.5%	66,358	61,500	7.9%
	Auto Parts	56,713	-	-	1,159	4794.9%	57,872	-	-
	<b>Subtotal</b>	<b>62,463</b>	<b>1,000</b>	<b>6146.3%</b>	<b>2,767</b>	<b>2157.5%</b>	<b>124,230</b>	<b>61,500</b>	<b>102.0%</b>
	<b>Total</b>	<b>179,933</b>	<b>323,106</b>	<b>-44.3%</b>	<b>102,874</b>	<b>74.9%</b>	<b>405,618</b>	<b>444,294</b>	<b>-8.7%</b>

Values in R\$ Thousands

Highlights in investments in 3Q21:

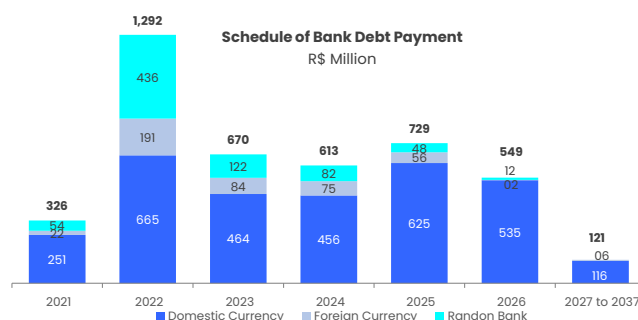
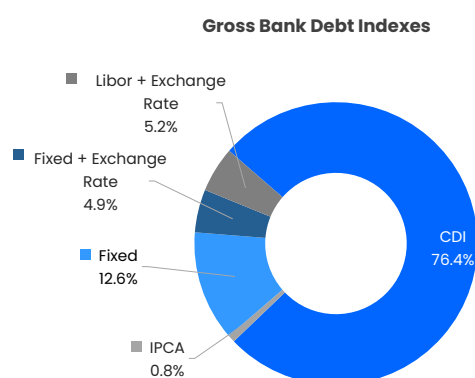
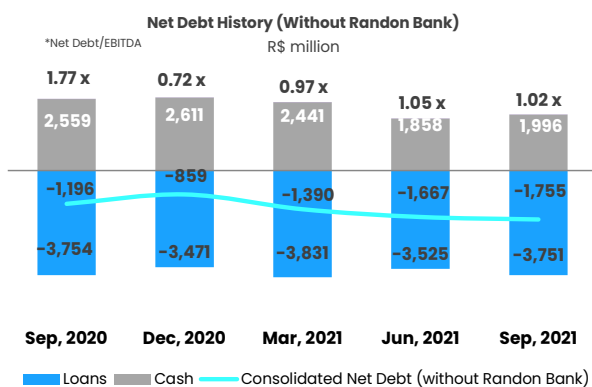
- Capex: machinery and equipment (R\$ 23.9 million), industrial automation (R\$ 4.9 million), expansion of the Araraquara branch (R\$ 4.1 million), expansion of physical structure (R\$ 2.4 million) and new ERP and other applications acquired by Randon Consórcios (R\$2.8 million);
- Paid-in Capital in Castertech Schroeder (R\$ 52.2 million) and CTR (R\$ 10.0 million);
- Non-organic investments: earn-out related to the acquisition of Nakata (R\$45.9 million).



## Net Debt

At the end of 9M21, the Company's consolidated net debt totaled R\$ 2.6 billion, with a leverage ratio of 1.47x (Net Debt / EBITDA for the last twelve months). Without Randon Bank figures, net debt at the end of the period was R\$ 1.8 billion, with a leverage of 1.02x EBITDA.

With the increase in the CDI (Interbank Deposit Certificate) and the bank spread, the average cost of debt in local currency increased from 5.9% per year at the end of June 2021, to 7.8% per year at the end of September 2021. Currently, 76.4% of bank debt is linked to this indicator.



	09/30/2020	12/31/2020	03/31/2021	06/30/2021	09/30/2021
Short Term Cash and Financial Investments	2,290,503	2,459,254	2,284,065	1,723,817	1,856,830
Long Term Cash and Financial Investments	68,022	68,740	129,204	89,901	90,948
<b>Total Cash and Financial Investments</b>	<b>2,358,525</b>	<b>2,527,993</b>	<b>2,413,269</b>	<b>1,813,718</b>	<b>1,947,778</b>
Short Term Debt Domestic Currency	704,415	921,937	942,661	742,193	1,253,708
Short Term Debt Foreign Currency	202,327	209,786	189,433	173,467	204,597
<b>Total Short Term Debt</b>	<b>906,743</b>	<b>1,131,723</b>	<b>1,132,094</b>	<b>915,660</b>	<b>1,458,305</b>
Long Term Debt Domestic Currency	2,460,326	2,378,471	2,765,870	2,731,472	2,611,206
Long Term Debt Foreign Currency	349,373	301,957	309,403	230,712	234,553
<b>Total Long Term Debt</b>	<b>2,809,699</b>	<b>2,680,428</b>	<b>3,075,273</b>	<b>2,962,185</b>	<b>2,845,759</b>
Accounts Payable by Business Combination	236,943	231,484	238,551	241,910	198,956
<b>Total Gross Debt</b>	<b>3,953,385</b>	<b>4,043,635</b>	<b>4,445,919</b>	<b>4,119,755</b>	<b>4,503,020</b>
<b>Total Consolidated Net Debt</b>	<b>1,594,860</b>	<b>1,515,642</b>	<b>2,032,650</b>	<b>2,306,036</b>	<b>2,555,243</b>
<b>Net Debt (Without Randon Bank)</b>	<b>1,195,657</b>	<b>859,113</b>	<b>1,390,255</b>	<b>1,667,043</b>	<b>1,754,937</b>
Average Cost of Bank Debt in Domestic Currency	3.9% per year	3.4% per year	4.2% per year	5.9% per year	7.8% per year
Average Cost of Bank Debt in Foreign Currency	3.7% per year	3.7% per year	3.8% per year	4.0% per year	4.0% per year
Average Term of Bank Debt	2.5 years	2.3 years	2.4 years	2.4 years	2.3 years
Average Term of Bank Debt Without Randon Bank	2.6 years	2.5 years	2.6 years	2.6 years	2.5 years

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

## PERFORMANCE BY BUSINESS SEGMENT

### Trailers Division

Volumes	3Q21			3Q20			2Q21			9M21			9M20		
	Units	Revenue	Δ%	Units	Revenue	Δ%	Units	Revenue	Δ%	Units	Revenue	Δ%	Units	Revenue	Δ%
Trailers Brazil (un.)	8,034	784,336	18.6%	6,774	510,088	18.6%	7,353	660,197	9.3%	22,380	2,030,078	34.5%	16,638	1,226,705	105.3%
Trailers International Market (un.)	1,108	138,744	62.7%	681	81,552	62.7%	925	96,639	19.8%	2,958	336,996	105.3%	1,441	175,667	105.3%
Railcars (un.)	171	88,535	3320.0%	5	605	3320.0%	132	65,016	29.5%	312	155,456	1633.3%	18	6,708	1633.3%
Aftermarket	-	103,363	-	-	70,838	-	-	100,868	-	-	284,019	-	-	181,664	-
Specialty Vehicles (un.)	-	-	-100.0%	115	25,684	-100.0%	-	-	-	-	428	-100.0%	275	58,902	-100.0%
Others <sup>1</sup>	-	4,246	-	-	-	-	-	3,384	-	-	7,630	-	-	-	-

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

Performance	3Q21	3Q20	Δ%	2Q21	Δ%	9M21	9M20	Δ%
Net Revenue	1,119,225	688,768	62.5%	926,104	20.9%	2,814,607	1,649,646	70.6%
COGS	-941,916	-559,068	68.5%	-790,069	19.2%	-2,354,261	-1,399,326	68.2%
Gross Profit	177,310	129,700	36.7%	136,035	30.3%	460,346	250,320	83.9%
Gross Margin %	15.8%	18.8%	-299 bps	14.7%	115 bps	16.4%	15.2%	118 bps
Operating Expenses/Revenues	-56,883	-56,657	0.4%	-56,813	0.1%	-172,907	-150,425	14.9%
EBIT	120,426	73,044	64.9%	79,223	52.0%	287,439	99,895	187.7%
EBITDA	133,013	85,718	55.2%	91,827	44.9%	325,975	137,478	137.1%
EBITDA Margin %	11.9%	12.4%	-56 bps	9.9%	197 bps	11.6%	8.3%	325 bps
Adjusted EBITDA	117,914	81,401	44.9%	91,827	28.4%	310,876	145,061	114.3%
Adjusted EBITDA Margin %	10.5%	11.8%	-128 bps	9.9%	62 bps	11.0%	8.7%	239 bps

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

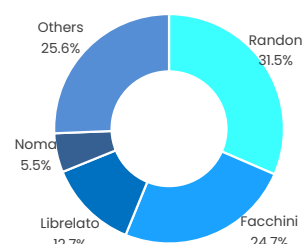
The trailers division delivered another positive quarter, like the previous quarters, in which it had already been showing an increase in revenue, volumes and profitability.

The demand for semi-trailers both in the domestic market and in the foreign market has been driven mainly by the agribusiness, boosted by the high grain harvest and by the recovery of some sectors of the economy, which have been gradually reaching pre-pandemic numbers due to the advance of vaccination.

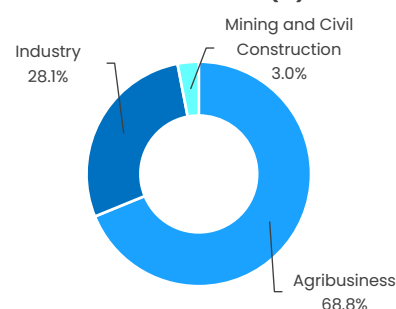
In addition to these factors, we highlight the following facts of the trailers division in 3Q21:

- We reached a production average of 143 semi-trailers per day at the Company's various manufacturing units of trailers/semi-trailers;
- 9,142 semi-trailers were sold (+22.6% x 3Q20), 8,034 units in Brazil and 1,108 units abroad;
- Best third quarter in net revenue in the history of the Trailers Division for semi-trailer exports, especially Chile and Paraguay;
- Market share continued to be pressured by the increase in demand in the domestic market, reaching 31.5% in the quarter;
- Agribusiness sector continues to be the main business driver, accounting for 68.8% of the Company's semi-trailer sales;
- Expansion of Araraquara plant, with the optimization of production lines and increase in installed capacity;
- Delivery of 171 railcars in 3Q21, a significant increase compared to 3Q20 (5 railcars);
- Impact of one-off items related to tax credits, which benefited the EBITDA of this Division by R\$ 15.1 million;
- Inflation pressure on costs resulted in a 299 base points reduction in the gross margin, year-over-year.

Quarterly Market Share (%)



Net Revenue Breakdown by Economic Sector (%)



## PERFORMANCE BY BUSINESS SEGMENT

### Auto Parts

Volumes	3Q21			3Q20			2Q21			9M21			9M20		
	Units	Revenue	Units	Revenue	Δ% Units	Units	Revenue	Δ% Units	Units	Revenue	Units	Revenue	Δ% Units		
Friction Materials (Thousand/un.)	27,487	327,320	26,148	273,830	5.1%	24,306	298,267	13.1%	78,636	930,125	67,933	725,680	15.8%		
Other products Fras-le (Thousand/un.) <sup>1</sup>	9,382	314,111	6,053	172,768	55.0%	9,415	288,304	-0.3%	29,336	927,769	13,032	326,966	125.1%		
Brakes (un.)	253,893	181,684	157,078	90,178	61.6%	223,471	156,139	13.6%	692,282	470,567	388,054	223,137	78.4%		
Coupling Systems (un.)	39,833	87,428	31,178	47,155	27.8%	37,432	78,105	6.4%	114,194	232,583	74,562	108,790	53.2%		
Suspensions and Axles (un.)	56,030	222,431	36,839	131,797	52.1%	46,094	175,683	21.6%	147,896	549,130	91,392	296,147	61.8%		
Hubs and Drums (un.)	226,771	162,372	173,297	58,330	30.9%	201,966	119,595	12.3%	628,483	383,249	412,765	136,767	52.3%		
Others	-	4,389	-	-	-	-	2,058	-	-	6,447	-	-	-		

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

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

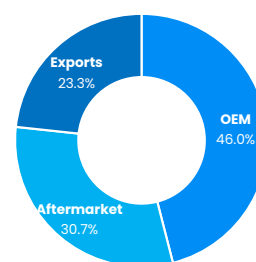
Performance	3Q21	3Q20	Δ%	2Q21	Δ%	9M21	9M20	Δ%
Net Revenue	1,299,737	774,057	67.9%	1,118,150	16.2%	3,499,871	1,817,487	92.6%
COGS	-893,468	-530,280	68.5%	-793,180	12.6%	-2,456,049	-1,326,421	85.2%
Gross Profit	406,270	243,778	66.7%	324,970	25.0%	1,043,822	491,066	112.6%
Gross Margin %	31.3%	31.5%	-24 bps	29.1%	219 bps	29.8%	27.0%	281 bps
Operating Expenses/Revenues	-200,352	-111,470	79.7%	-154,174	30.0%	-478,625	-237,045	101.9%
EBIT	205,917	132,308	55.6%	170,796	20.6%	565,197	254,021	122.5%
EBITDA	249,437	167,362	49.0%	211,262	18.1%	691,135	351,566	96.6%
EBITDA Margin %	19.2%	21.6%	-243 bps	18.9%	30 bps	19.7%	19.3%	40 bps
Adjusted EBITDA	256,906	162,233	58.4%	211,262	21.6%	683,403	308,371	121.6%
Adjusted EBITDA Margin %	19.8%	21.0%	-119 bps	18.9%	87 bps	19.5%	17.0%	256 bps

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

Similarly, to the trailers division, auto parts was another quarter in which demand for auto parts was high, both in the OEM market and in the aftermarket of heavy trucks. Growth was seen in volumes in all product lines of this division year-over-year (3Q21 and 3Q20), increasing net revenue.

Although pressured by the increase in the price of inputs and labor, this division has managed to mitigate these effects and practically maintained its gross margin year-over-year, mainly due to the dilution of fixed costs and the exchange rate, which mainly benefits the subsidiary Fras-le.

Net Revenue Breakdown by Segment 3Q21



### CASTERTECH, JOST, MASTER and SUSPENSYS

- Suspensys delivered its first suspensions as part of the Volkswagen Trucks and Buses modular consortium, continuing the partnership signed in 2020;
- With the recent acquisitions, Castertech has added important revenue to this division, such as the purchase of assets from UPI Menegotti (Castertech Schroeder);
- Release from OEMs point to high volumes in the coming months;
- Production of heavy trucks was little impacted by the lack of semiconductors in 3Q21, but the shortage of other production inputs continues to be a point of attention.

### FRAS-LE

- Friction materials for the heavy line are still in high demand;
- The population's loss of purchasing power, due to high inflation, has negatively impacted the aftermarket for cars and light commercial vehicles;
- Exchange continues to benefit exports of Fras-le products, but the high cost of sea freight and the shortage of containers may affect sales in the coming months;
- International units performed well in 3Q21. However, Fras-le China has been affected by that country's energy crisis.

## PERFORMANCE BY BUSINESS SEGMENTS

### Financial and Digital Services

Volumes	3Q21			3Q20			2Q21			9M21			9M20		
	Units	Revenue	Δ%	Units	Revenue	Δ%	Units	Revenue	Δ%	Units	Revenue	Δ%	Units	Revenue	Δ%
Coop-payment plan quotas sold	3,248	49,026		3,415	41,481	-4.9%	4,695	51,725	-30.8%	10,966	146,016		8,714	118,145	25.8%
Randon Investimentos (Randon Bank)	-	17,754		-	11,188	-	-	16,686	-	-	50,728		-	30,932	-
Others <sup>1</sup>	-	747		-	6	-	-	1,135	-	-	2,174		-	15	-

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

Performance	3Q21	3Q20	Δ%	2Q21	Δ%	9M21	9M20	Δ%
Net Revenue	67,527	52,675	28.2%	69,546	-2.9%	198,918	149,092	33.4%
COGS	-12,470	-6,529	91.0%	-9,986	24.9%	-31,535	-17,885	76.3%
Gross Profit	55,056	46,146	19.3%	59,560	-7.6%	167,384	131,207	27.6%
Gross Margin %	81.5%	87.6%	-607 bps	85.6%	-411 bps	84.1%	88.0%	-386 bps
Operating Expenses/Revenues	-41,483	-29,464	40.8%	-40,247	3.1%	-117,030	-89,836	30.3%
EBIT	13,573	16,682	-18.6%	19,313	-29.7%	50,353	41,371	21.7%
EBITDA	14,111	16,916	-16.6%	19,556	-27.8%	51,369	41,864	22.7%
EBITDA Margin %	20.9%	32.1%	-1122 bps	28.1%	-722 bps	25.8%	28.1%	-226 bps
Adjusted EBITDA	14,111	16,916	-16.6%	19,556	-27.8%	51,369	41,864	22.7%
Adjusted EBITDA Margin %	20.9%	32.1%	-35 bps	28.1%	-722 bps	25.8%	28.1%	-226 bps

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

With an increase of 28.2% in its net revenue, year-over-year, the division of Financial and Digital Services keeps up with the good momentum of the Trailers and Auto Parts divisions. However, the increase in Randon Bank's funding costs, combined with the expenses caused by the digitalization of this division, impacted margins in 3Q21.

### RANDON CONSÓRCIOS

- There was a reduction in the number of active coop. payment quotas sold, even though the average ticket is above forecast;
- The good performance of the agricultural market has driven the sale of coop. payment quotas;
- Most representative segments: trucks, implements, real estate and agricultural machinery.

### RANDON BANK

- Growth in the number of financial operations signed in the quarter;
- Increase in funding costs linked to SELIC;
- Presentation of the new application for smartphones, making it easier for customers, optimizing the relationship with the public and reinforcing its increasingly digital performance.

### RANDON VENTURES

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

- 7 invested startups;
- 12 co-invested startups;
- R\$ 18.9 million of capital invested.

Randon Ventures has a new invested Company: the *PX Motorista* (Driver). The startup connects autonomous truckers to cargo carriers for punctual services. Drivers benefit because they do not need to have their own truck to offer their services and the company benefits from having greater flexibility in its operation. Drivers have the advantage of being able to choose the period, destination and even the type of cargo they want to handle and considering that they use the carriers' fleet, they have new trucks mapped via satellite, which provide much more safety in the operation.

## CAPITAL MARKET

### Events

In the third quarter of 2021, the Company participated in the following on-line events: line:

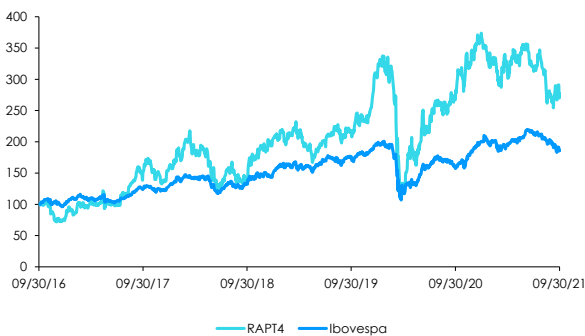
- Credit Suisse: 2021 Transportation & Infrastructure Conference;
- BM&C News: Randon & Fras-le ESG;
- Santander Videoconference;
- Bradesco BBI Videoconference;
- Podcast | Videocast: *Café com Banco do Brasil*;
- 22th Santander Annual Conference - 2021;
- Interview with BM&C NEWS;
- BTG Pactual: Websession Brazil.

### RAPT4 X IBOV

Starting from the base date of September 30, 2016, we have seen higher appreciation of the Company's shares as compared to the benchmark index in B3. In the period, RAPT4 shares appreciated by 176.5% against 90.1% for the IBOV.

In 3Q21, Randon's shares underperformed the IBOV, devaluing 13.2% as compared to the close of 2Q21, while the Bovespa Index dropped by 12.8%.

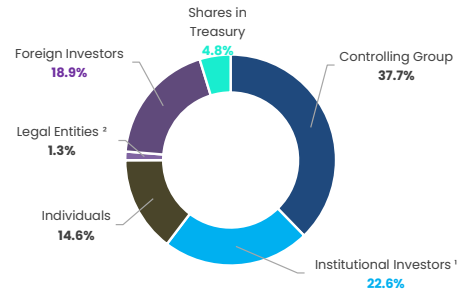
In 9M21, RAPT4 depreciated by 24.9%, while IBOV dropped by 6.8%.



### Shareholders' Profile

At the end of September 2021, Randon's shareholder base was made up of 41,033 shareholders.

The total shares of the Company are distributed as follows:

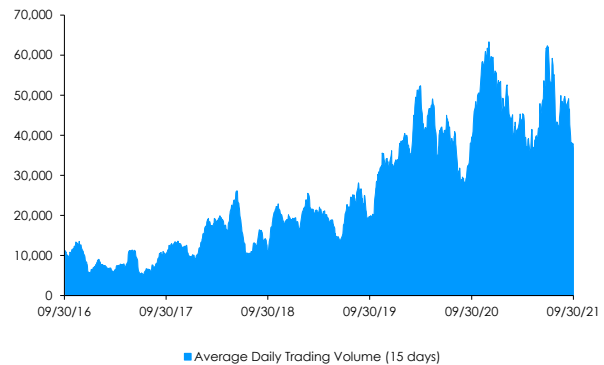


<sup>1</sup> Investment clubs and funds  
<sup>2</sup> Companies, banks, brokers and associations

### Financial Volume

The Company has recorded an increase in its liquidity over the last few years. In 9M21, the average daily liquidity was R\$ 45.2 million, above the R\$ 40.2 million in 9M20.

In the 3Q21, the daily average of RAPT4 trading was R\$43.1 million, against R\$53.7 million in 3Q20.



### TRANSPARENCY TROPHY – ANEFAC.FIPECAFI

For the 3rd consecutive year, the Company was recognized as one of the most transparent companies in Brazil in the category Net Revenue Up to R\$ 8 billion, based on its financial statements.

The criteria analyzed include quality, degree of information contained in the statements and the Notes, transparency in the information provided, quality and consistency of the Management Report and adherence to accounting principles for the year 2020.

This recognition drives us to continue expanding our governance, improving our disclosure of results and demonstrating our commitment to shareholders and other stakeholders.

## CVM Instruction no. 381/2003 – Independent Auditors

In compliance with Instruction No. 381/2003 of the Brazilian Securities Commission, please be informed that, in 9M21, the Company paid fees in the amount of R\$ 4.6 million to the company Ernst Young Auditores Independentes S/S. Such services cover external audit and other services, whose characteristics are shown below:

Audit Fees	
Audit services for financial statements, accounting reports, additional fees related to the review of financial information.	4.2 thousand
Extra-Audit Fees	
Tax consultancy services in Brazil and abroad, global mobility consultancy, E-social review.	0.4 thousand
<b>% share in extra-audit services</b>	<b>9.3%</b>

Values in thousands of Reais.

## ESG | Sustainability

In 3Q21, we released our ESG Ambition, as we believe that sustainability is the way to build what is new in a responsible, efficient, and prosperous way for everyone.

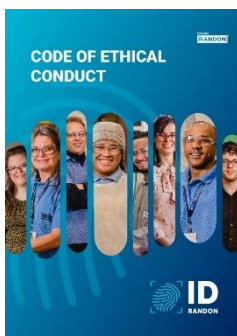
Our aim is to inform you how we are working to generate more positive impact on the planet.



[Click here](#) or access the QR-code shown here to know more about our ESG Ambition.

### Governance

In December 2020, we began to modernize the Code of Ethical Conduct of Randon Companies. Several people, representing the processes and businesses of our companies, helped prepare this document, which was approved by the Company's Board of Directors in September 2021.



[Click here](#) to access the Code video.

[Click here](#) to access the full Code.

### Personnel

At the end of 9M21, the Company counted on 14,741 employees, an increase of 21.7% as compared to the end of 2020.

In 3Q21, Castertech Schroeder was incorporated, adding 460 employees to the Company's workforce. And, throughout the year, new employees were hired to meet the increase in demand. An example of this is Randon Araraquara unit, which has undergone a recent industrial expansion.

Every year, we hold an important anniversary celebration with the employees who have been with us for 25, 35 and 40 years. In 2021, 129 employees reached this important milestone. Although we were unable to physically be together to celebrate, we delivered to them a special kit so they could celebrate this significant achievement with their families.



Credits: Alex Battistel

The internal auditor, Adenir Fernandes Borges, celebrated 25 years with the company.

## Covid-19 Actions

Randon Companies, through their health operator *SSI Saúde*, has signed an agreement with the city of Caxias do Sul to expand vaccination against Covid-19 in the city. The Company provided space for three advanced vaccination booths in its units at the Interlagos and Forqueta sites, in addition to the headquarters of *SSI Saúde*.

We continue to encourage our employees to take care of themselves and others, with our “An Attitude Changes Life” initiative, with the adoption of health protocols appropriate to this moment of pandemic.

## Randon Companies Summit

During 3Q21, Randon Companies put together a week of lectures and activities aimed at showing a culture of excellence, within the pillars of innovation, safety, quality and productivity, for the company's global team of employees, having sustainability as the central theme.

Overall, more than three thousand people attended the event, in addition to 14 speakers such as the CEO of Siemens in Brazil, Pablo Roberto Fava, and cases from other partner companies such as *Gerdau*, *BASF*, *DAF/Paccar*, *MRS Logística* and *Grupo Uniftec*.



Credits: Alex Battistel

*Bernardo Bregoli Soares, Director of Operational Excellence, presenting the ER Summit*

During the event, the Hercilio Randon Innovation Award was handed over. Overall, 104 projects were registered by employees, in seven categories: new services and solutions, new products, process innovation, ESG - Sustainability, customer experience, good practices for culture transformation and good practices of collaborative work.

## Actions at the Community

In September 2020, we held a meeting with the Serra Gaúcha community (Northeastern portion of the State of Rio Grande do Sul), where most of the Company's operations are located.

The event, which was attended by community leaders, sought to promote closer ties with the population. We presented our sustainability practices and listened to suggestions from local representatives.



Credits: Alex Battistel

*Meeting with the community, held in person at Conexo, following all health and safety protocols.*

## Relationship with Customers

With the support of partners, Randon Companies organized, in September, the Pit-Stop Truck Driver, an action to honor truckers.

Aesthetic and health services were offered, in addition to free Wi-Fi, totems for recharging electronic devices, promotional vouchers that could be exchanged for food and non-alcoholic beverages.

And through a partnership with the Social Service of Transport and the National Service of Transport (SEST/SENAT), assistance was offered for health services with physiotherapist, nutritionists, dentists, psychologists, and physical educators.



Credits: Márcio Campos

*Randon Companies organize a Wellness Pitstop for truckers.*

## SSMA

In 3Q21, Randon Companies developed several HSE initiatives (Health, Safety and Environment), as follows:

- The subsidiary Fras-le held the 3rd edition of Day S, an event that aims to further reinforce the culture of safety among all company employees;
- Randon Technological Center - achieved Management Certification for occupational health and safety, ISO 45001:2018 in August;
- Fremax, a branch of Fras-le, achieved international certification in Environmental Management, ISO 14001:2015, which qualifies a management system, aiming at expanding market opportunities.

## Innovation

On August 27th, the Company announced, through a Material Fact, its discovery of a method to produce niobium nanoparticles on a large scale, unprecedented in the world market, based on a scientific study carried out by the Randon Technological Center and by the Hercílio Institute Randon (IHR).

The solution enhances the characteristics of other materials, providing greater durability, mechanical resistance and significantly altering their physicochemical properties. In addition, it uses environmentally friendly methods, contributing to a sustainable process.

Initially, the new technology will be used in the automotive industry, but it may be extended to other industrial segments.

To expand the research and expand the applications of this new technology, a new unit was created, NiOne, which has its structure, teams, and resources,

Another important innovation was the new line of products in composite materials, presented by the subsidiary Fras-le.

The Fras-le Smart Composites line was born with a focus on sustainability and global megatrends and enables new production technology in the auto parts line. The use of this technology appears as an alternative to items made of steel and will result in products with better performance,

innovative design and weight reduction of up to 65%, which reduces fuel consumption and, consequently, reduces pollutant emissions.

In the trailers division, the Randon Concept Trailer was launched, a Dump semi-trailer which makes it possible to increase performance and reduce the carrier's operating costs. The product uses less welding and is made of aluminum and high-strength steels, being one ton lighter than the current similar model. Its manufacturing process is unprecedented in the segment. To learn more, [click here](#).

Randon Companies have sustainable innovation as an ESG pillar. Therefore, they seek to innovate in its products and processes. In the ranking of resident depositors for 2020, by the INPI (National Institute of Industrial Property), Randon is among the thirty companies with the largest registration of patents in Brazil, reinforcing its innovative position.

## Awards and Highlights

In 3Q21, the Company and its subsidiaries received the following awards and highlights:

- *Randon Implementos* (Trailers Division) and Fras-le stood out in the 49th RS Export Awards. Randon Implementos was highlighted in Global Advancement, while Fras-le was the winner in the Sector Highlight category - Vehicles and Auto Parts;
- Randon Companies are included, for the third consecutive year, in the list of the 100 Brazilian companies most connected with startups in Brazil, according to the Top 100 Open Corps ranking. The company was recognized and awarded among 3,334 corporations and was highlighted in the 100 Open Startups 2021 ranking, as 2<sup>nd</sup> Place in the Automotive Industry;
- The subsidiary Fras-le ranked first in the Brake Pad category on the Inova 2021 Award. The award was received by companies in the automotive sector, in several categories. Fremax won 1st place in the Brake Disc category and Nakata received 1st place in the Pivot and Terminal category.



## 3Q21 CONSOLIDATED STATEMENTS OF INCOME – Values in thousands of Reais

	3Q21		3Q20		2Q21		9M21		9M20		Variation %		
		%		%		%		%		%	3Q21/3Q20	3Q21/2Q21	9M21/9M20
Gross Revenue	3,084,022	124.0%	1,878,703	124.0%	2,625,944	124.2%	8,097,368	124.3%	4,503,919	124.5%	64.2%	17.4%	79.8%
Deduction in Gross Revenue	-597,533	-24.0%	-363,203	-24.0%	-512,144	-24.2%	-1,583,971	-24.3%	-887,694	-24.5%	64.5%	16.7%	78.4%
Net Revenue	2,486,489	100.0%	1,515,500	100.0%	2,113,800	100.0%	6,513,396	100.0%	3,616,225	100.0%	64.1%	17.6%	80.1%
Costs of Sales and Service	-1,847,854	-74.3%	-1,095,876	-72.3%	-1,593,234	-75.4%	-4,841,845	-74.3%	-2,743,632	-75.9%	68.6%	16.0%	76.5%
Gross Profit	638,635	25.7%	419,624	27.7%	520,566	24.6%	1,671,552	25.7%	872,593	24.1%	52.2%	22.7%	91.6%
Sales Expenses	-155,725	-6.3%	-108,168	-7.1%	-142,357	-6.7%	-430,063	-6.6%	-283,794	-7.8%	44.0%	9.4%	51.5%
Administrative Expenses	-119,629	-4.8%	-81,884	-5.4%	-105,477	-5.0%	-317,133	-4.9%	-231,485	-6.4%	46.1%	13.4%	37.0%
Financial Income	-28,335	-1.1%	-16,241	-1.1%	-29,869	-1.4%	-87,326	-1.3%	-49,714	-1.4%	74.5%	-5.1%	75.7%
Financial Revenues	105,669	4.2%	81,003	5.3%	63,860	3.0%	274,337	4.2%	328,186	9.1%	30.5%	65.5%	-16.4%
Financial Expenses	-150,711	-6.1%	-102,321	-6.8%	-105,549	-5.0%	-407,030	-6.2%	-385,898	-10.7%	47.3%	42.8%	5.5%
Monetary Adjustment(IAS 29)	16,707	0.7%	5,078	0.3%	11,820	0.6%	45,366	0.7%	7,998	0.2%	229.0%	41.3%	467.2%
Other Expenses/Income	-23,365	-0.9%	-7,538	-0.5%	-3,401	-0.2%	-21,366	-0.3%	37,973	1.1%	210.0%	587.0%	-156.3%
Result Before Income Tax	311,581	12.5%	205,793	13.6%	239,462	11.3%	815,663	12.5%	345,573	9.6%	51.4%	30.1%	136.0%
Provision for Income Tax and Social Contribution Taxes	51,222	2.1%	-59,204	-3.9%	-79,392	-3.8%	-112,460	-1.7%	-123,567	-3.4%	-186.5%	-164.5%	-9.0%
Interest of non-controlling shareholders	-74,303	-3.0%	-30,572	-2.0%	-37,924	-1.8%	-158,492	-2.4%	-47,726	-1.3%	143.0%	95.9%	232.1%
Net Income for the Period	288,500	11.6%	116,016	7.7%	122,146	5.8%	544,711	8.4%	174,280	4.8%	148.7%	136.2%	212.5%
EBIT	339,917	13.7%	222,033	14.7%	269,331	12.7%	902,989	13.9%	395,287	10.9%	53.1%	26.2%	128.4%
EBITDA	396,561	15.9%	269,996	17.8%	322,645	15.3%	1,068,479	16.4%	530,908	14.7%	46.9%	22.9%	101.3%
EBITDA Margin (%)	15.9%		17.8%		15.3%		16.4%		14.7%		-187 bps	68 bps	172 bps
Adjusted EBITDA	388,931		260,551		322,645		1,045,648		495,297		49.3%	20.5%	111.1%
Adjusted EBITDA Margin (%)	15.6%		17.2%		15.3%		16.1%		13.6%		-155 bps	38 bps	246 bps

## STATEMENTS OF CASH FLOW – INDIRECT METHOD

	Parent Company		Consolidated	
	09/30/2021	09/30/2020	09/30/2021	09/30/2020
<b>Cash flow from operations</b>				
Income for the period	544,711	174,280	703,203	222,006
Income tax and social contribution (current and deferred)	-9,547	24,759	112,480	120,513
Exchange variation and interest on loans and leases	84,196	129,970	179,824	280,426
Depreciation and amortization	33,421	44,810	165,490	135,036
Other Provisions	-9,428	-21,410	500	-32,375
Provisions (reversal) for litigation	1,636	7,536	-1,746	14,638
Variation in derivatives	3,381	-864	9,893	-582
Residual cost from sold and written off fixed assets	4,764	22,024	30,039	29,824
Provision for doubtful accounts	-5,491	-1,001	-272	-633
Provision for obsolete inventory	1,055	2,081	-2,266	9,575
Investment property fair value	-322,672	-101,326	-	-
Revenue from active legal proceedings, net of fees	-	-45,420	-31,921	-102,309
Reduction (reversal) impairment	1,501	-	-1,517	8,431
Fair value of investment properties	-	-	653	-
Monetary Adjustment (IAS 29)	-	-	-45,366	-7,998
Compensation of retained values business combination	-	-	-10,213	-
	327,527	235,439	1,108,781	676,552
<b>Variations in assets and liabilities</b>				
Financial Investments	-50,184	246,387	-72,932	127,897
Accounts receivable from customers	-175,961	-161,869	-569,765	-414,593
Inventory	-350,754	-13,654	-984,141	-61,555
Taxes to be recovered	-114,506	-24,227	-127,210	-117,876
Other assets	7,812	109,162	-148,137	206,692
Suppliers	176,439	72,031	393,085	191,317
Other liabilities	54,067	110	242,225	30,741
Net variation in discontinued operations	-	-	3,394	7,758
<b>Cash generated by operation</b>	-125,560	463,379	-154,700	646,933
Income tax and Social Contribution paid	-97,882	-2,592	-261,396	-52,122
<b>Net cash used (generated by) operation</b>	-223,442	460,787	-416,096	594,811
<b>Cash Flow from Investments</b>				
Receipt of profits and dividends of subsidiaries	73,903	26,358	-	-
Paid-in capital in subsidiary	-67,167	-61,500	-	-
Disposal for investment property	-	-12,055	-20,536	-12,055
Investment addition	-	-	-500	-1
Loans granted to subsidiaries	-75,274	-16,323	-	-
Acquisition of interest in jointly controlled	-12,191	-	-12,191	-
Business combination	-5,497	-	-16,230	-261,688
Permanent assets acquisition	-55,732	-53,878	-188,353	-110,618
Intangible assets acquisition	-2,706	-10,146	-9,826	-40,082
<b>Net available cash used in investments</b>	-144,664	-127,544	-247,636	-424,444
<b>Cash Flow From Financing</b>				
Dividend and Interest on Equity Paid	-202,591	-78,267	-237,351	-91,354
Loans taken and derivatives	487,768	218,083	1,101,152	1,111,830
Payment of loans	-327,900	-97,404	-714,692	-491,013
Acquisition of Treasury Shares	-	-124,160	-	-124,160
Interest paid on loans	-75,465	-69,824	-113,738	-90,502
Loans granted by related parties	-	-	10,335	8,264
Payment of leaseings	-5,913	-5,921	-30,055	-20,665
Net variation in discontinued operations	-	-	-40	-1,378
<b>Net Cash used (resulting from) financing</b>	-124,101	-157,493	15,611	301,022
<b>Statement of increase in cash</b>				
At beginning of period	996,576	883,874	1,660,364	1,177,202
At end of period	504,369	1,059,624	1,012,243	1,648,591
<b>Increase in cash</b>	-492,207	175,750	-648,121	471,389

## SUMMARIZED FINANCIAL STATEMENTS – SEPT 30, 2021

	RANDON S/A IMPL. E PARTIC. CONSOLIDATED	RANDON S/A IMPL. E PARTIC. PARENT CO.	RANDON INVESTIMENTOS
Assets	10,339,502	5,675,013	1,109,458
Current Assets	6,319,152	2,731,080	695,037
Cash and equivalents	1,018,793	504,369	35,567
Financial Investments	833,268	833,210	-
Derivative Financial Instrument	4,769	-	-
Receivables	1,696,843	380,874	658,996
Inventory	2,060,568	648,074	-
Deferred Charges/ Recoverable taxes	612,389	312,914	-
Others	92,522	51,639	474
Noncurrent Assets	4,020,350	2,943,933	414,421
Long-term Assets	1,371,474	672,323	410,143
Investments of non-immediate liquidity	90,948	-	20,720
Credit with controlled companies	-	193,714	-
Receivables	375,186	-	375,186
Consortiums for resale	16,328	-	-
Deferred Charges/ recoverable taxes	744,012	457,452	5,862
Other non-current assets	28,325	-	123
Taxes under litigation	45,990	12,744	-
Goods for resale	13,411	5,158	8,253
Long Term Receivables	57,275	3,254	-
Investments/Property, Plant, Property/Intangible/Deferred	2,428,633	2,251,811	3,273
Right to use asset	220,243	19,799	1,005
Liabilities	10,339,502	5,675,013	1,109,458
Current Liabilities	3,534,234	1,496,896	601,755
Suppliers	1,272,909	594,713	5,259
Financing institutions	1,161,850	651,433	290,678
Accounts payable by business combination Short Term	17,150	2,986	-
Salaries and benefits	208,495	68,794	1,491
Taxes and Fees	136,720	19,337	7,415
Advances for customers and others	704,261	154,408	296,813
Leases Short Term	32,847	5,226	99
Noncurrent Liabilities	3,510,226	1,647,107	297,163
Financing institutions	2,828,342	1,582,974	295,178
Accounts payable by business combination Long Term	181,806	8,627	-
Government Subsidy	3,858	-	-
Debits with controlled companies	17,417	-	1
Diverse taxes and contributions	75,526	518	56
Provision for contingencies	50,881	16,651	-
Other non-current liabilities	59,118	4,550	956
Coop-payment plans obligations	81,003	-	-
Advances for customers and others	28,740	18,459	-
Leases Long Term	183,535	15,328	972
Total Net Equity	3,295,042	2,531,010	210,540
Net Equity	2,531,010	2,531,010	210,540
Minority interest	764,032	-	-

## SUMMARIZED FINANCIAL STATEMENTS – SEPT 30, 2021

	RANDON S/A IMPL. E PARTIC. CONSOLIDATED	RANDON S/A IMPL. E PARTIC. PARENT CO.	RANDON INVESTIMENTOS
<b>INCOME STATEMENT</b>			
Net revenue	6,513,396	2,678,157	67,845
Cost of goods and services	-4,841,845	-2,217,868	-33,996
Gross income	1,671,552	460,289	33,848
Sales expenses	-430,063	-89,594	-
Administrative expenses	-317,133	-91,079	-14,788
Financial income	-87,326	-50,564	-66
Equity equivalence	-	323,188	-
Other expenses/income	-21,366	-17,076	-2,936
Income before taxes	815,663	535,164	16,058
Provision for taxes and social contributions	-112,460	9,548	-7,130
Interest of non-controlling shareholders	-158,492	-	-
Net income for the period	544,711	544,711	8,928
E BIT	902,989	262,540	16,124
E BITDA	1,068,479	295,961	16,293
E BITDA MARGIN (%)	16.4%	11.1%	24.0%

**SUMMARIZED FINANCIAL STATEMENTS WITH NO DISCONTINUED OPERATION – SEPT 30, 2021**

	<b>RANDON S/A IMPL. E PARTIC. CONSOLIDATED</b>	<b>RANDON S/A IMPL. E PARTIC. PARENT CO.</b>	<b>RANDON INVESTIMENTOS</b>
Assets	10,339,502	5,675,013	1,109,458
Current Assets	6,319,152	2,731,080	695,037
Cash and equivalents	1,012,243	504,369	35,567
Financial Investments	833,268	833,210	-
Derivative Financial Instrument	4,769	-	-
Receivables	1,696,843	380,874	658,996
Inventory	2,060,511	648,074	-
Deferred Charges/ Recoverable taxes	612,378	312,914	-
Others	99,140	51,639	474
Noncurrent Assets	4,020,350	2,943,933	414,421
Long-term Assets	1,371,474	672,323	410,143
Investments of non-immediate liquidity	90,948	-	20,720
Credit controlling company/controlled companies	-	193,714	-
Receivables	375,186	-	375,186
Consortiums for resale	16,328	-	-
Deferred Charges/ recoverable taxes	744,012	457,452	5,862
Other non-current assets	28,325	-	123
Taxes under litigation	45,990	12,744	-
Goods for resale	13,411	5,158	8,253
Long Term Receivables	57,275	3,254	-
Investments/Property, Plant, Property/Intangible/Deferred	2,428,633	2,251,811	3,273
Right to use asset	220,243	19,799	1,005
Liabilities	10,339,502	5,675,013	1,109,458
Current Liabilities	3,534,234	1,496,896	601,755
Suppliers	1,272,909	594,713	5,259
Financing institutions	1,161,850	651,433	290,678
Accounts payable by business combination Short Term	17,150	2,986	-
Salaries and benefits	208,495	68,794	1,491
Taxes and Fees	136,716	19,337	7,415
Advances for customers and others	704,266	154,408	296,813
Leases Short Term	32,847	5,226	99
Noncurrent Liabilities	3,510,226	1,647,107	297,163
Financing institutions	2,828,342	1,582,974	295,178
Accounts payable by business combination Long Term	181,806	8,627	-
Government Subsidy	3,858	-	-
Debits with controlled companies	17,417	-	1
Diverse taxes and contributions	75,526	518	56
Provision for contingencies	50,881	16,651	-
Other non-current liabilities	59,118	4,550	956
Coop-payment plans obligations	81,003	-	-
Advances for customers and others	28,740	18,459	-
Leases	183,535	15,328	972
Total Net Equity	3,295,042	2,531,010	210,540
Net Equity	2,531,010	2,531,010	210,540
Minority interest	764,032	-	-

## SUMMARIZED FINANCIAL STATEMENTS WITH NO DISCONTINUED OPERATION – SEPT 30, 2021

	RANDON S/A IMPL. E PARTIC. CONSOLIDATED	RANDON S/A IMPL. E PARTIC. PARENT CO.	RANDON INVESTIMENTOS
INCOME STATEMENT			
Net revenue	6,512,968	2,678,157	67,845
Cost of goods and services	-4,841,506	-2,217,868	-33,996
Gross income	1,671,462	460,289	33,848
Sales expenses	-430,385	-89,594	-
Administrative expenses	-316,943	-91,079	-14,788
Financial income	-87,383	-50,564	-66
Equity equivalence	-	323,188	-
Other expenses/income	- 21,584	-17,076	-2,936
Income before taxes	815,167	535,164	16,058
Provision for taxes and social contributions	-112,480	9,548	-7,130
Interest of non-controlling shareholders	-158,492	-	-
Net income for the period	544,711	544,711	8,928
EBIT	902,550	262,540	16,124
EBITDA	1,068,040	295,961	16,293
EBITDA MARGIN (%)	16.4%	11.1%	24.0%