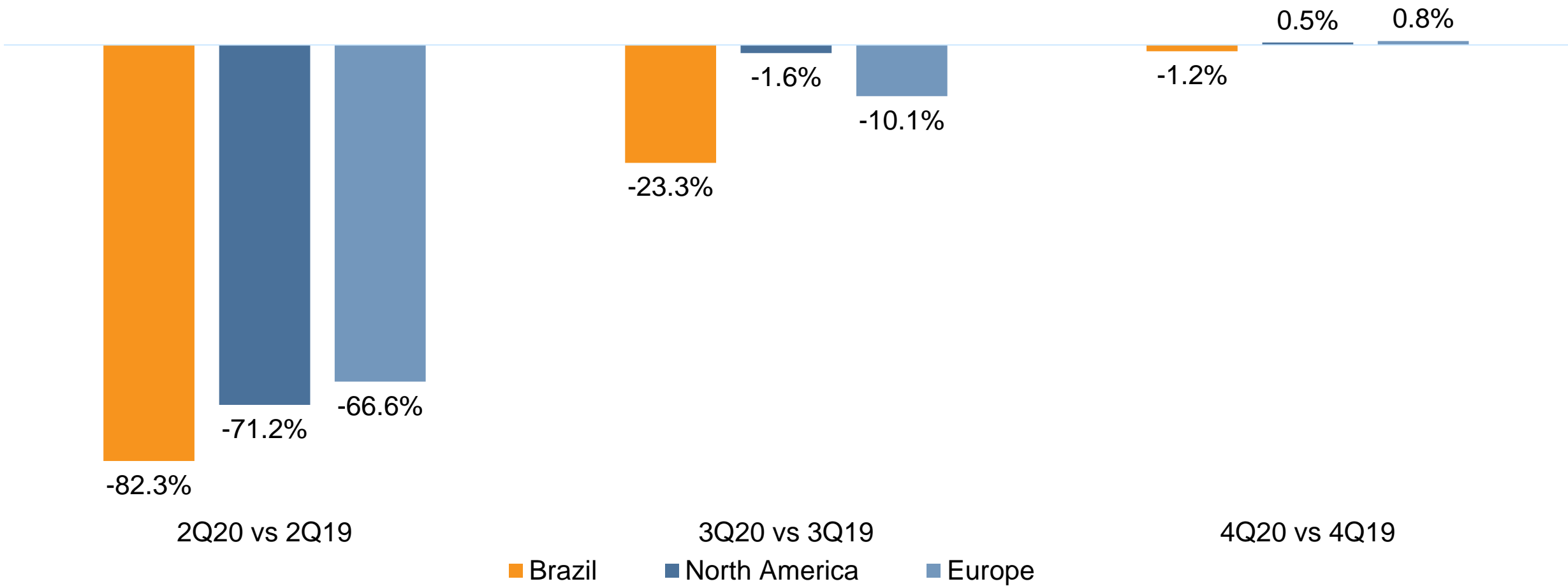


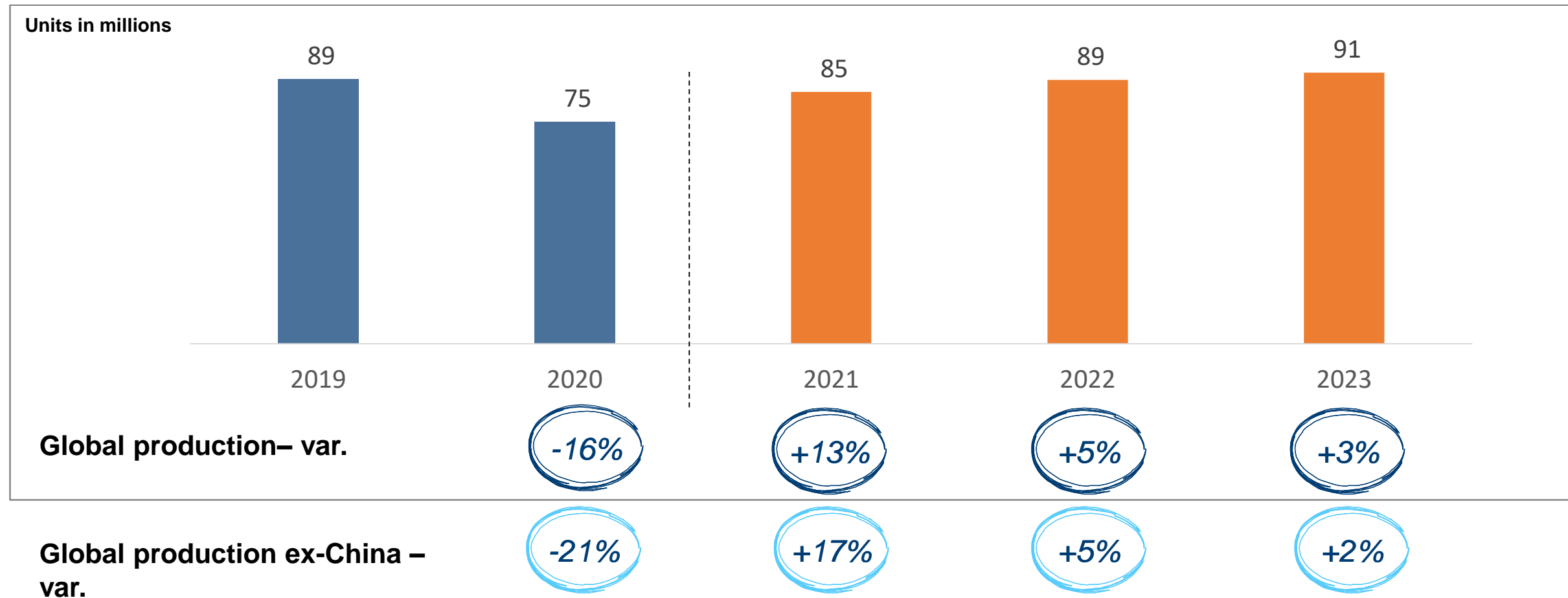


4Q20 and 2020 earnings release – March 4th, 2021

# Impact of the pandemic on automotive production in 2020



## Global market recovery - IHS Automotive forecast



- The recovery of global vehicle production volumes is expected to occur in 2022/2023
- IoChpe-Maxion maintains its agility and flexibility in adapting to changes in demand in all different markets

# 4Q20 Highlights

## Operational

### Net Revenue



### Adjusted EBITDA<sup>1</sup>



### Operating expenses

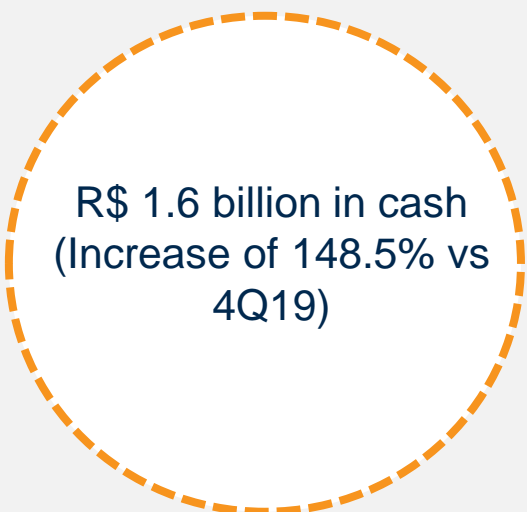


### Investments

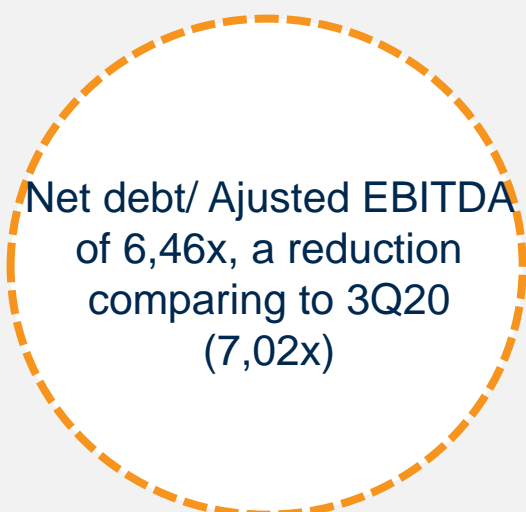


## Financial

### Cash positions



### Leverage



### Funding



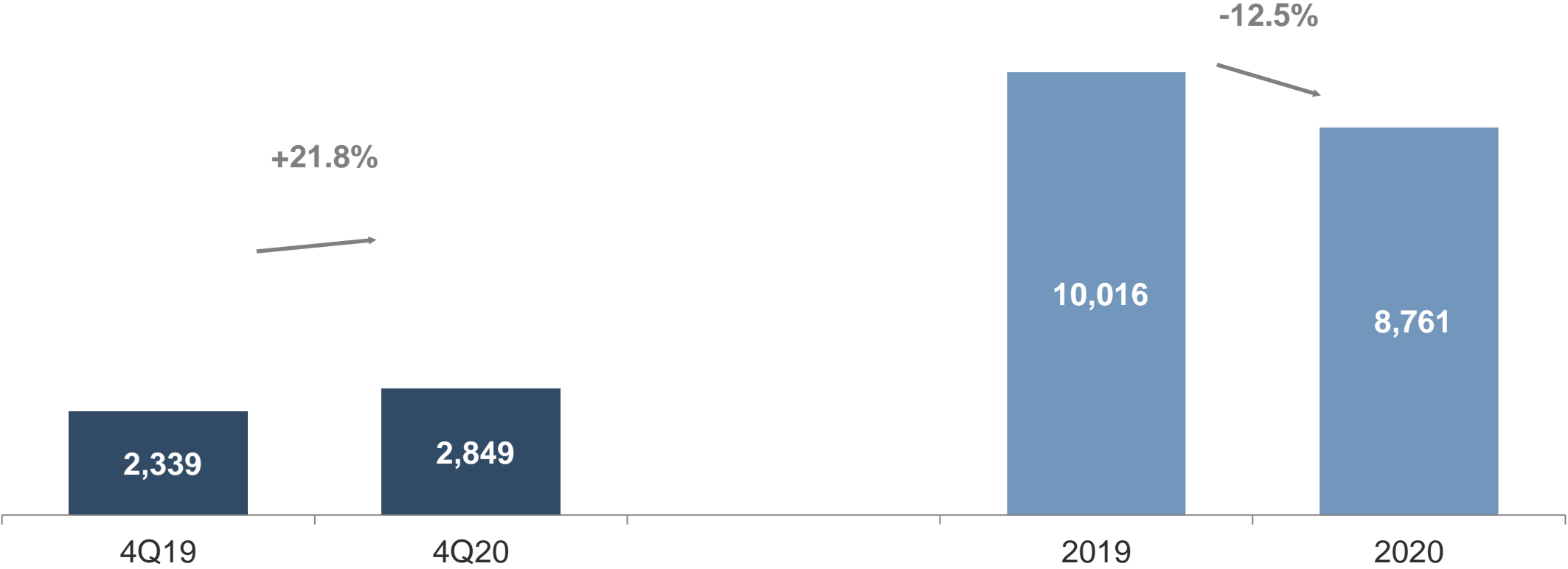
### Restructuring



<sup>1</sup> Excludes expenses with restructuring and impairments.

<sup>2</sup> Excludes exchange rate variation in the period

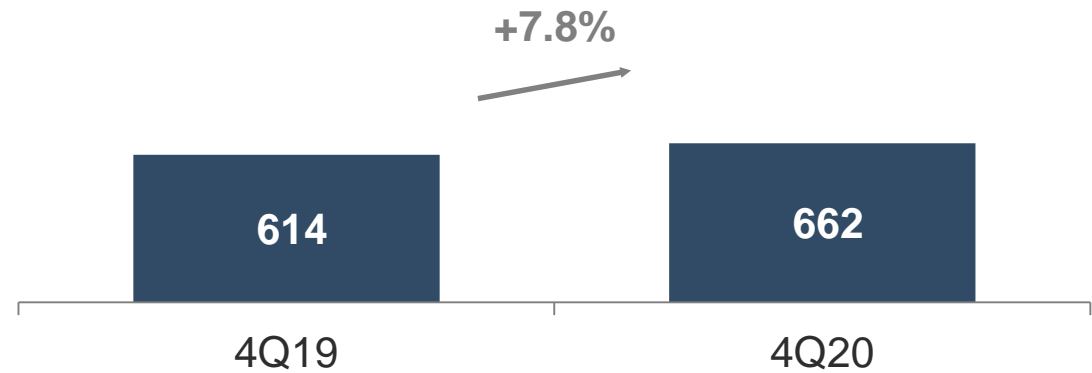
# Consolidated Net Operating Revenue - R\$ million



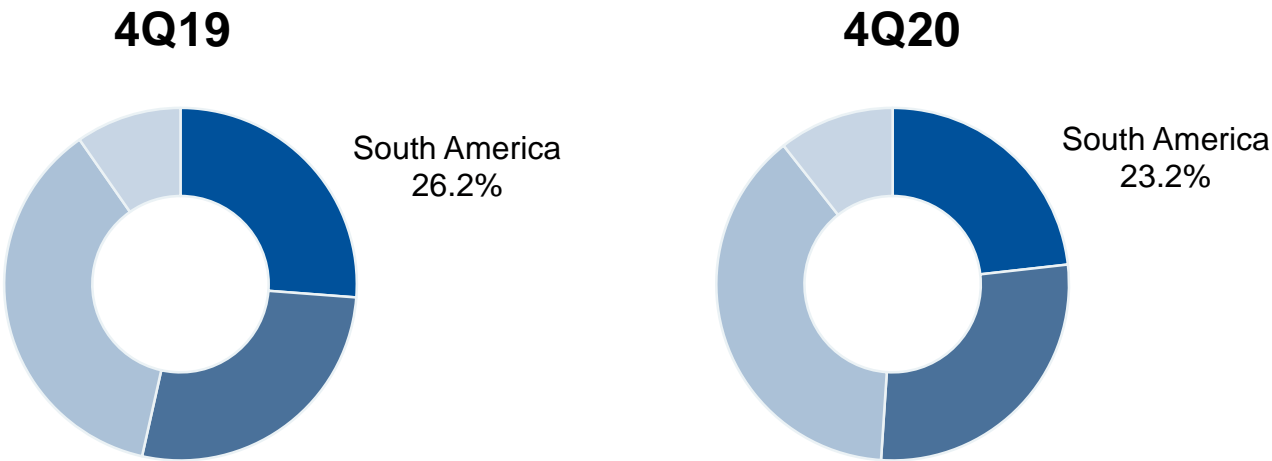
- 4Q20 revenue equivalent to last year due to market recovery and positively impacted by exchange rate variation (R\$ 576.0 million in 4Q20 and R\$ 1,587.2 million in 2020)

# Operational Performance – South America

Net Operating Revenue – R\$ million



Participation in consolidated Net Operating Revenue – (%)



Market performance<sup>1</sup> – vehicle production

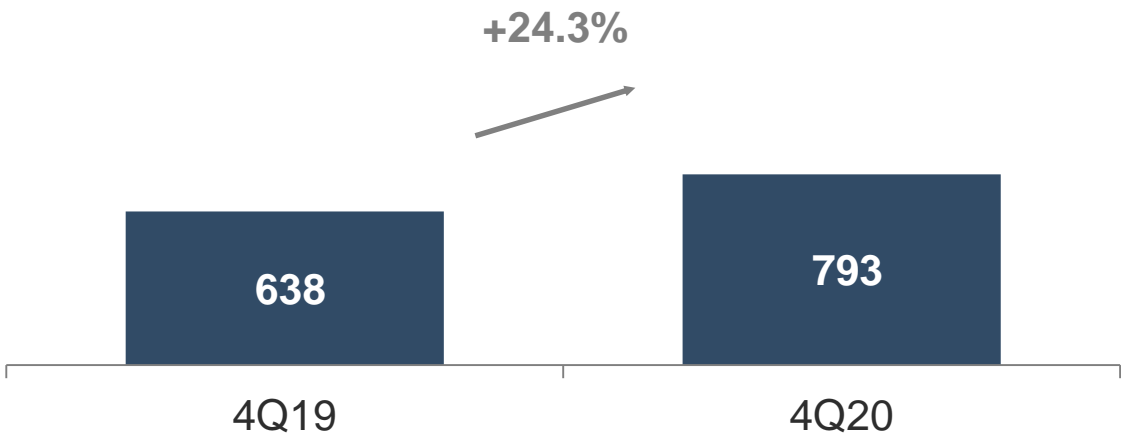
	4Q19	4Q20	Var.
Light vehicles	655	647	-1,2%
Commercial vehicles	32	37	17,1%
Total	686	684	-0,4%

- The growth in demand for commercial vehicles has accelerated the recovery of volumes in the region

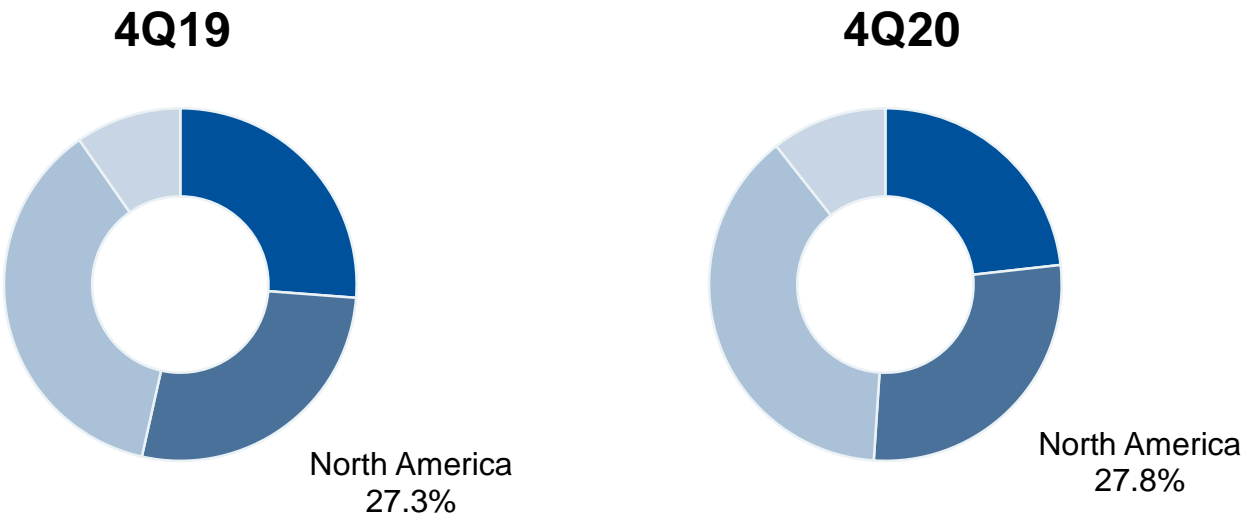
<sup>1</sup> Source: ANFAVEA

# Operational Performance – North America

## Net Operating Revenue – R\$ million



## Participation in consolidated Net Operating Revenue – (%)



## Market performance<sup>1</sup> – vehicle production

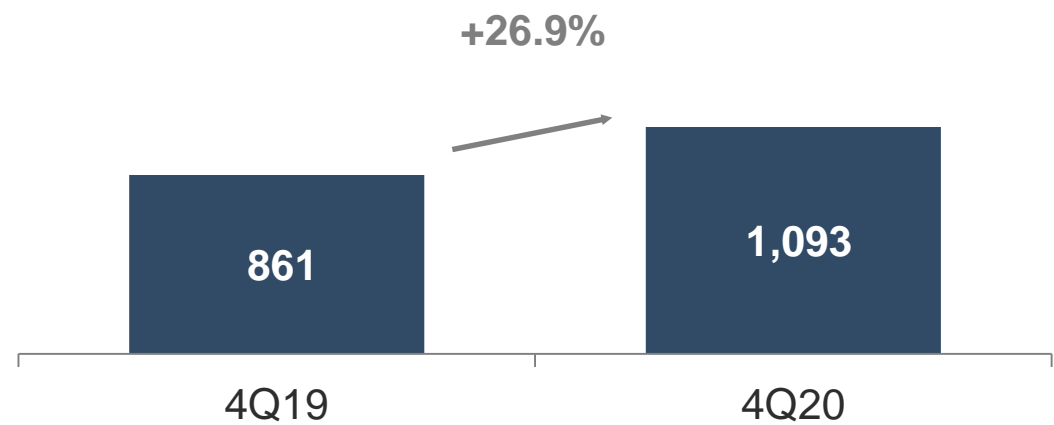
	4Q19	4Q20	Var.
Light vehicles	3,836	3,854	0.5%
Commercial vehicles	131	136	3.8%
Total	3,967	3,991	0.6%

- Consistent and gradual recovery in both segments (light and commercial)
- Revenue positively impacted by the exchange rate variation

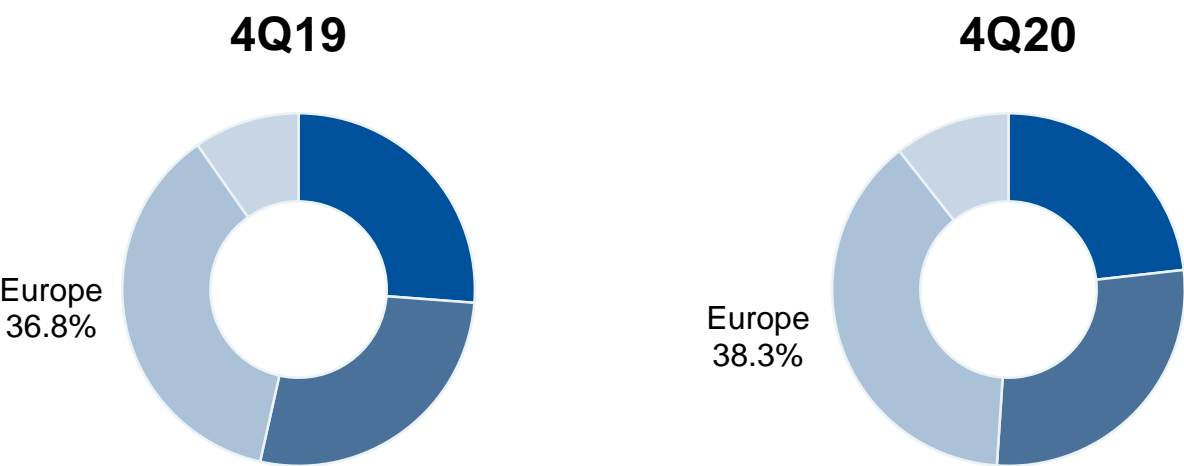
<sup>1</sup> Source: IHS light vehicles and LMC commercial vehicles

# Operational Performance – Europe

## Net Operating Revenue – R\$ million



## Participação na Receita Operacional Líquida consolidada – (%)



## Market performance<sup>1</sup> – vehicle production

	4Q19	4Q20	Var.
Light vehicles	4,731	4,768	0.8%
Commercial vehicles	127	108	-14.9%
Total	4,858	4,876	0.4%

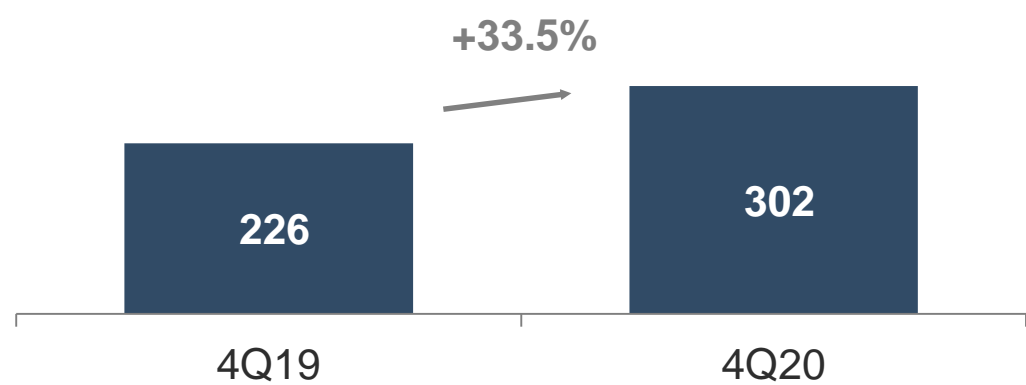
- Consistent and gradual recovery during 4Q20
- Revenue positively impacted by currency devaluation

<sup>1</sup> Source: IHS light vehicles and LMC commercial vehicles – considers EU27 + Turkey

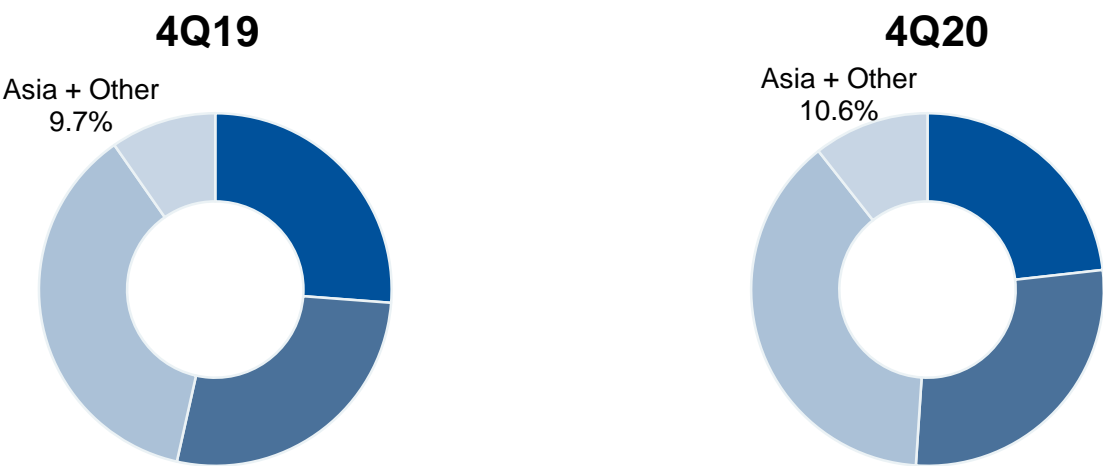


# Operational Performance – Asia + Other<sup>2</sup>

## Net Operating Revenue – R\$ million



## Participação na Receita Operacional Líquida consolidada – (%)



## Market performance<sup>1</sup> – vehicle production

	4Q19	4Q20	Var.
India – LV	955,317	1,141,714	19.5%
India – CV	64,163	68,378	6.6%
Thailand - LV	446,836	448,868	0.5%

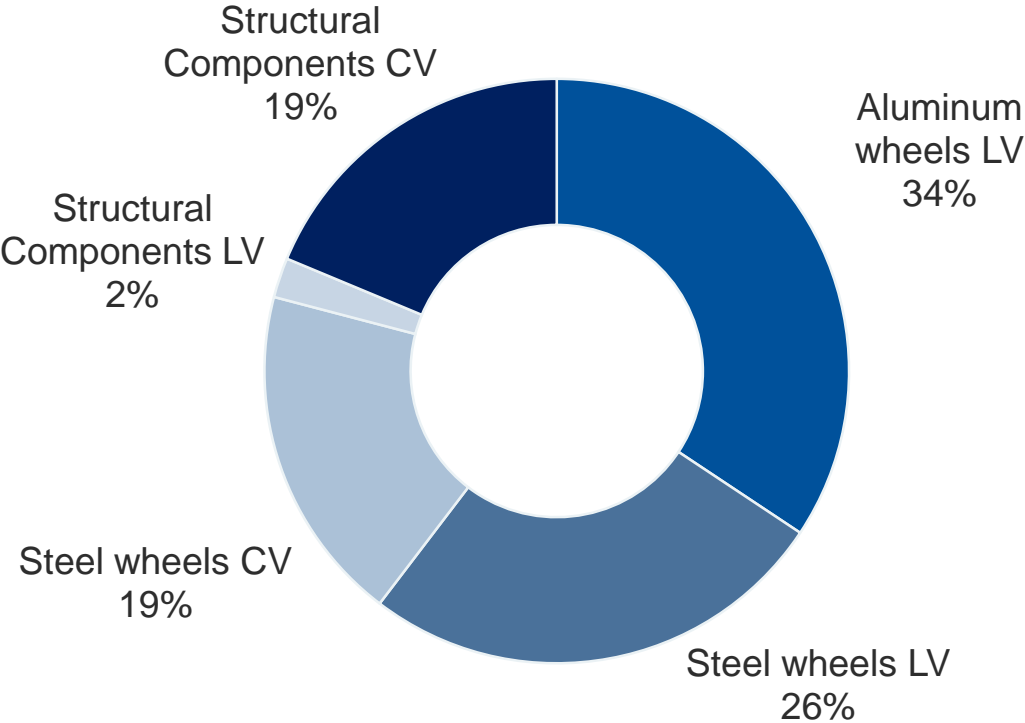
- Ramp-up of India new aluminum plant
- Revenue positively impacted by currency devaluation

<sup>1</sup>Source: IHS light vehicles and LMC commercial vehicles

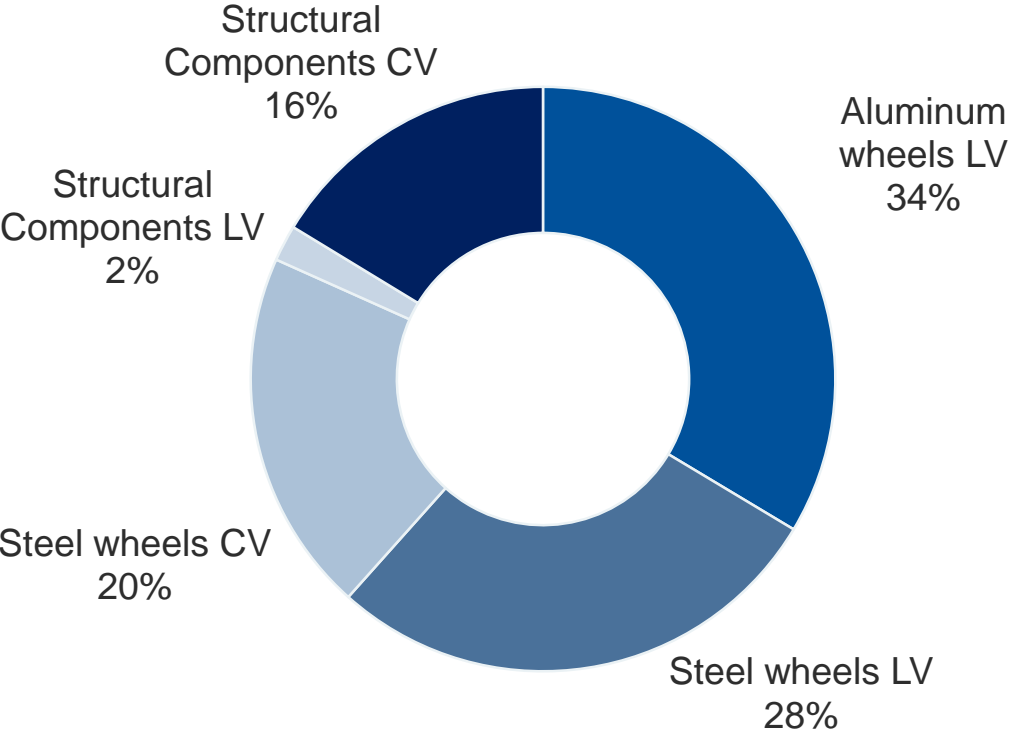
<sup>2</sup> Considers plants located in Asia + South Africa

# Net Operating Revenue by product (%)

4Q19



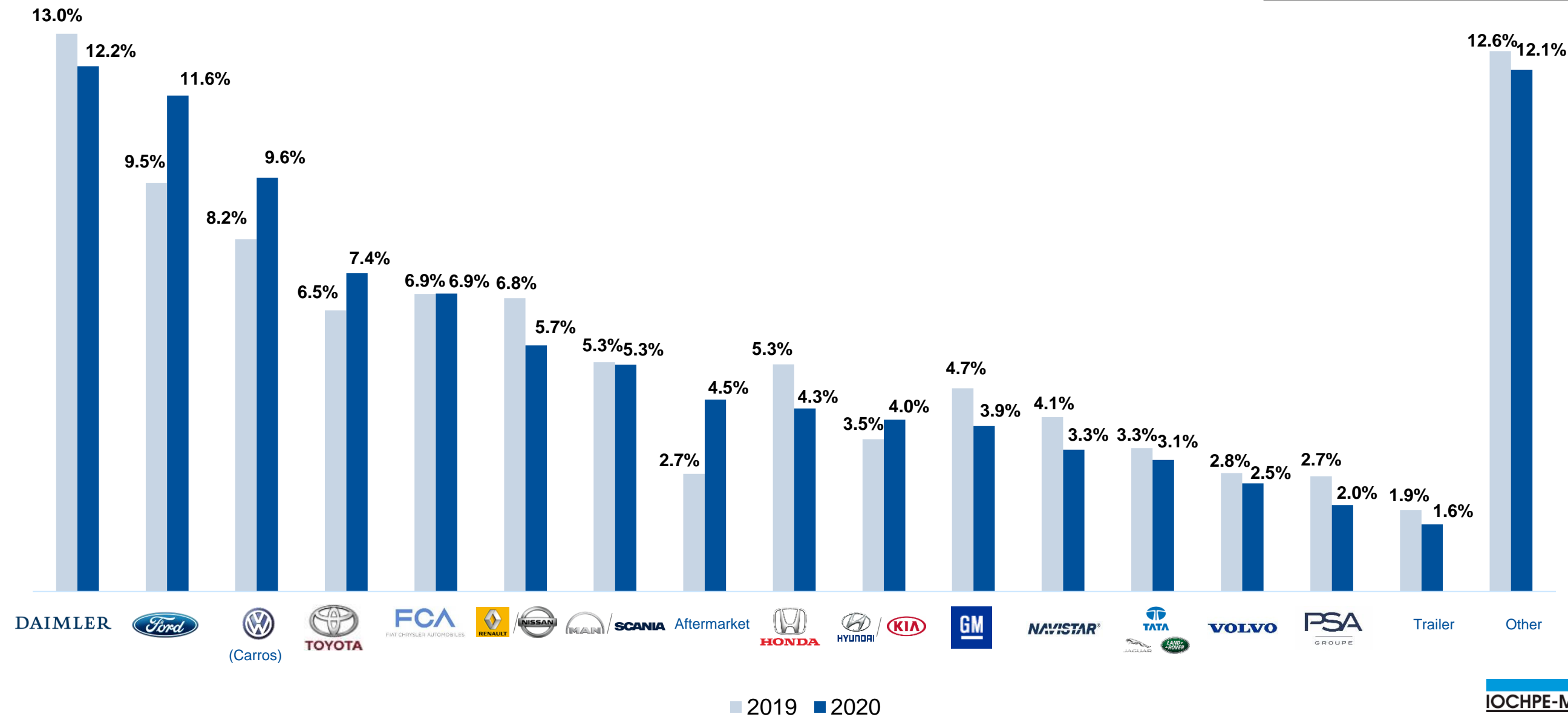
4Q20



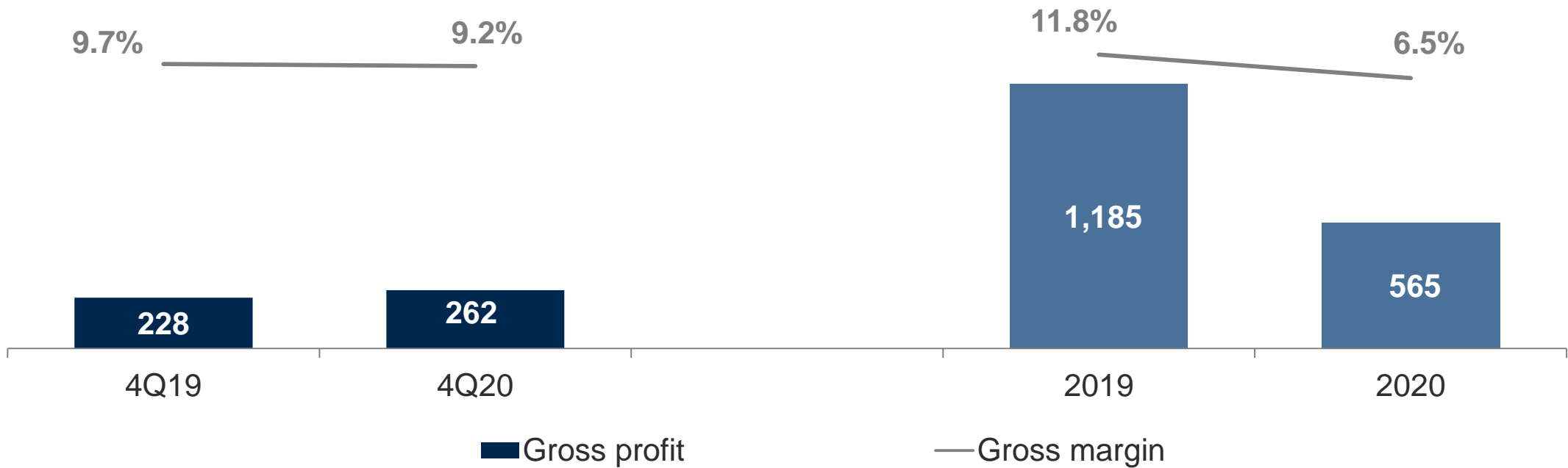
LV: light vehicles  
CV: commercial vehicles

# Net Operating Revenue by customer– (%)

Customers	2019	2020
Top 1	13%	12%
Top 5	44%	48%
Top 10	68%	72%

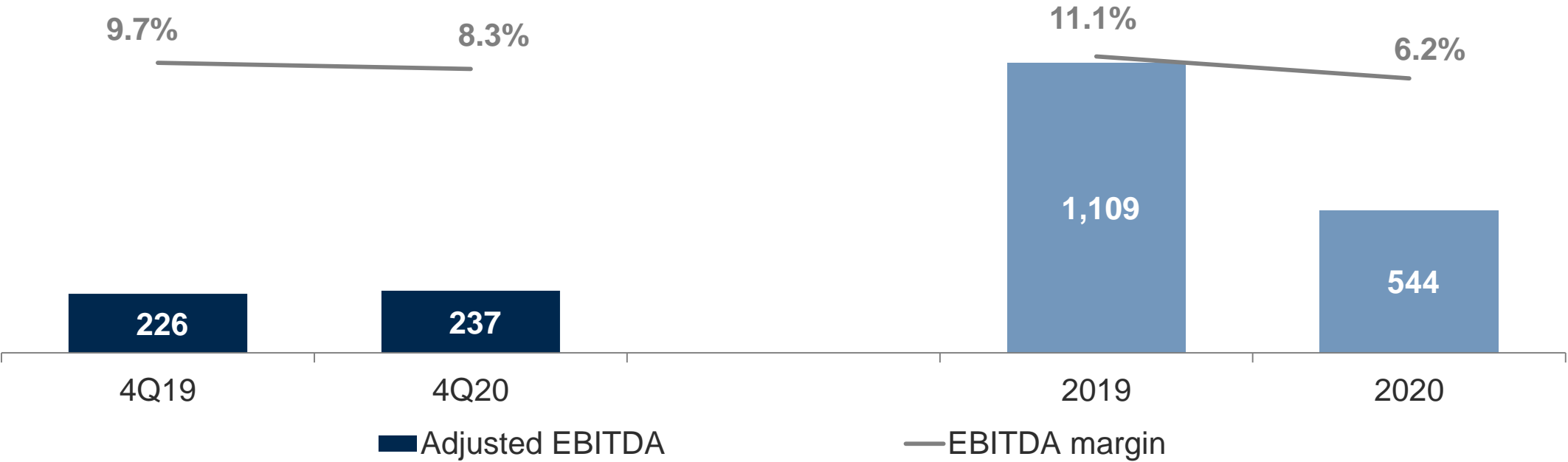


# Gross Profit (R\$ million) and gross margin (%)



- Increase in gross profit in 4Q20 due to the recovery in world vehicle production
- Gross margin in 4Q20 negatively impacted by the increase in overtime, increased tooling changes and changes in production programs.

# Adjusted EBITDA<sup>1</sup> (R\$ million) and EBITDA margin (%)



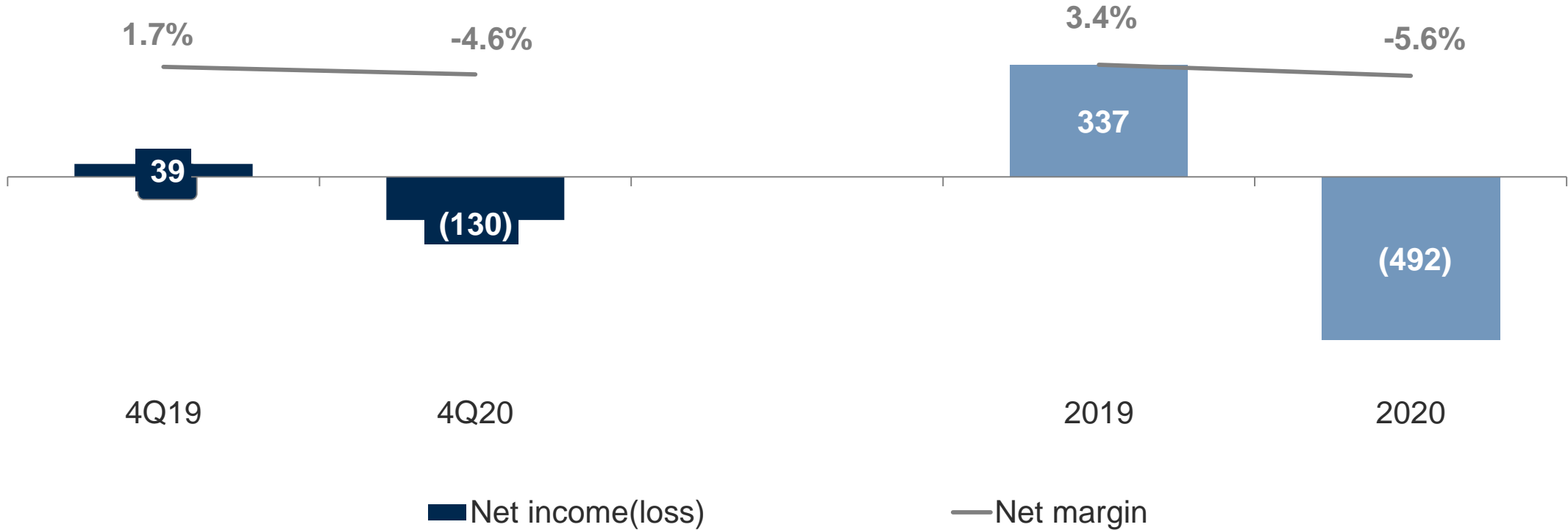
Restructuring Effects and Impairments <sup>1</sup> - R\$ million	
4Q20	78.4
4Q19	10.7
2020	171.3
2019	3.2

In addition to the effects of restructuring and impairments:

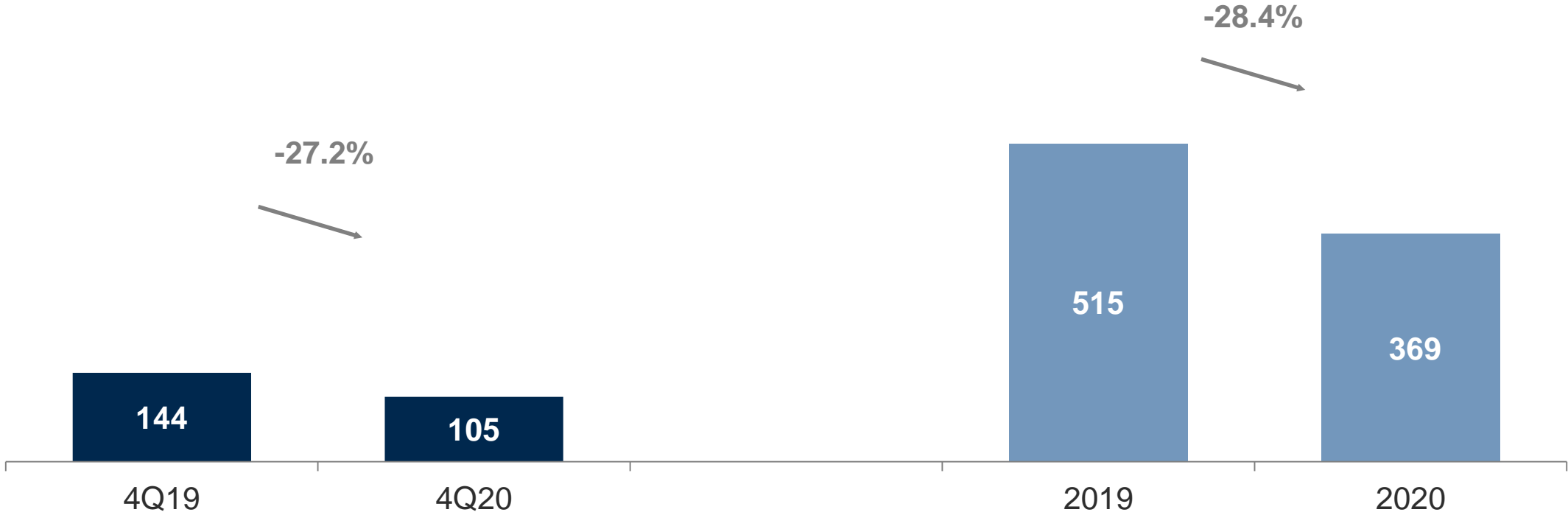
- 4Q19 benefited from the gain in the judicial process of the exclusion of ICMS on the basis of PIS COFINS (R\$ 16.0 million). Excluding this effect, Adjusted EBITDA in 4Q20 would have grown 13.1%.

<sup>1</sup> Excludes the effects of restructuring and impairments

Net income (loss) (R\$ million)



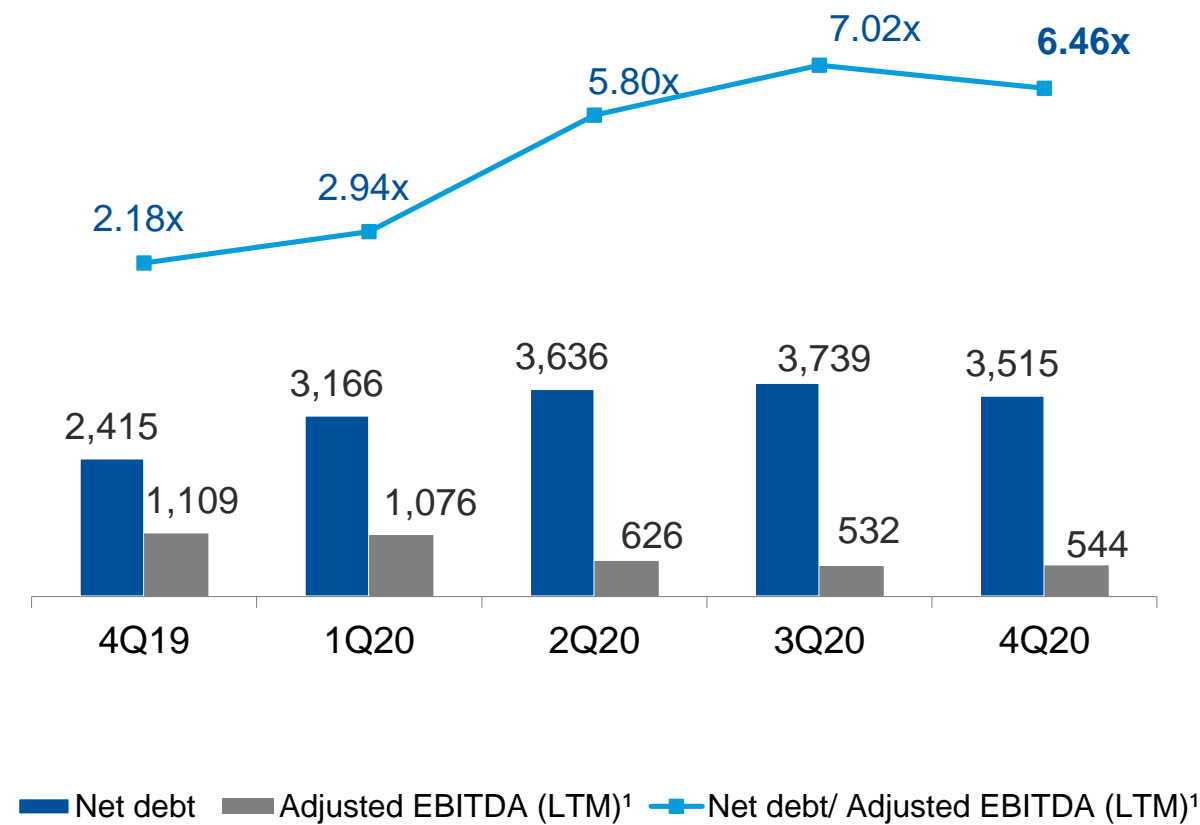
# Capital expenditures - (R\$ million)



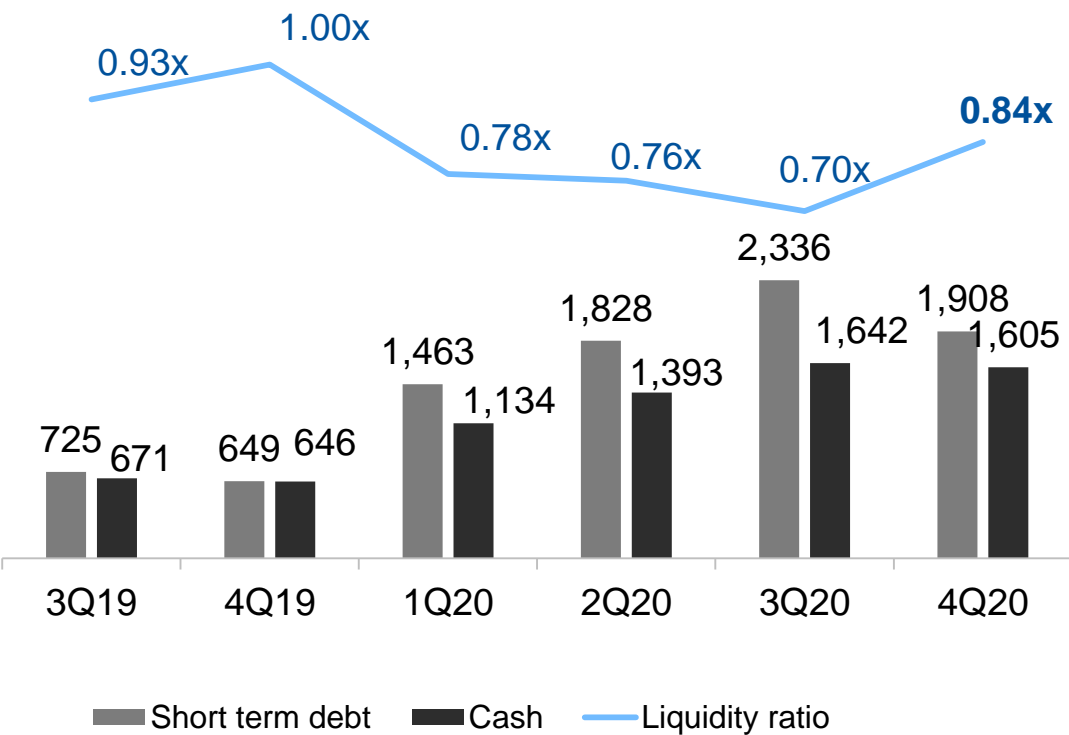
■ Excluding the effect of exchange variation, the reduction in capital expenditure would have been 36.9% in 4Q20 and 37.0% in 2020.

# Financial leverage and liquidity ratio

Leverage - net debt/ Adjusted EBITDA



Liquidity ratio – cash/ short-term debt

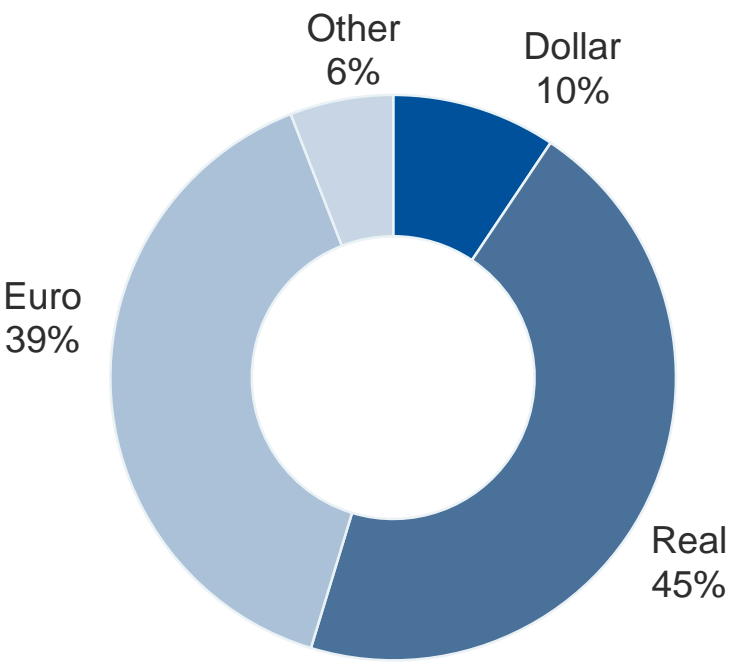


<sup>1</sup>LTM: last twelve months  
Adjusted EBITDA: excludes restructuring and impairments



# Indebtedness (R\$ million)

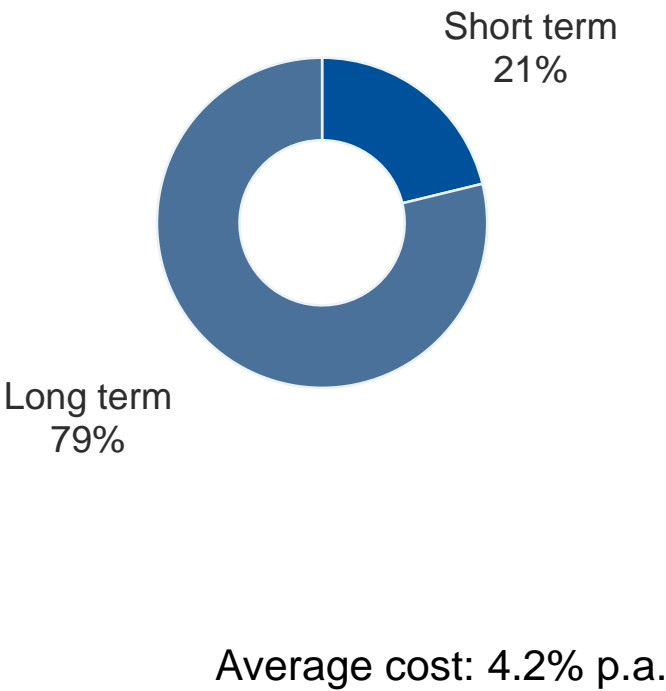
Gross debt breakdown



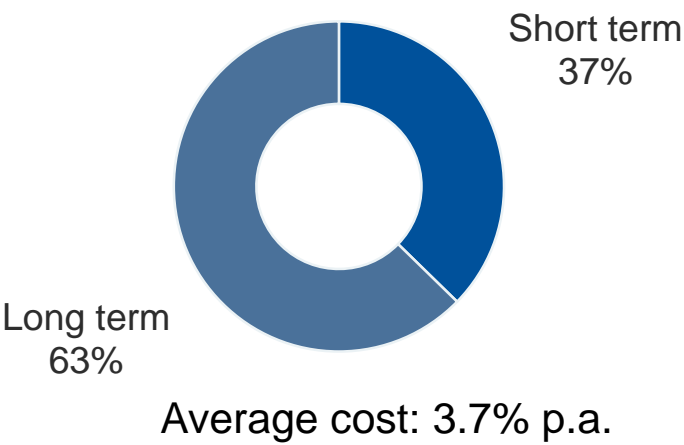
	4Q19	4Q20	Var.
Gross debt	3,061	5,120	67.2%
Cash	646	1,605	148.5%
Net debt	2,415	3,515	45.5%

• Increase in net debt in 2020 due to exchange rate variation (R\$ 503.8 million)

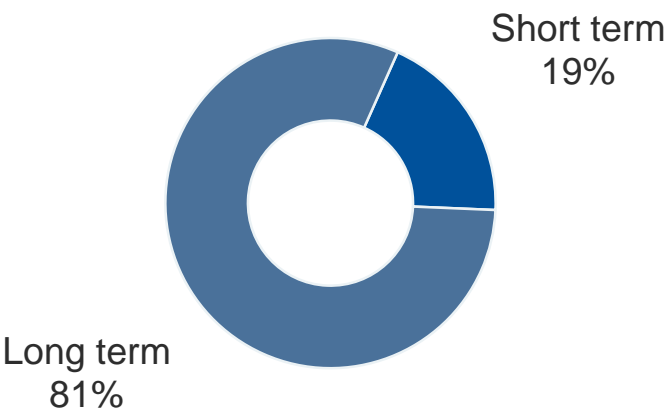
4Q19



4Q20



4Q20 – Pro-forma<sup>1</sup>



<sup>1</sup>Pro-forma: considers the financing lines obtained in 2021 with Brazilian development banks

## 2020 main initiatives

- ✓ Ramp-up of new aluminum wheels plants in India and structural components in Mexico
- ✓ Launch of the first Iochpe-Maxion sustainability report
  - Score B- on the CDP<sup>1</sup> in the “Climate change” category, higher than the industry average (score D) and the global average (score C)
- ✓ New business with automakers in the electric segment and commercialization of new products
- ✓ Partnership with REE Automotive to develop alternatives for the mobility segment
- ✓ Start of the “Unique and United” project, Iochpe-Maxion's commitment to diversity and inclusion
- ✓ Progress of digitization projects, with emphasis on asset condition monitoring and predictive maintenance projects



<sup>1</sup> CDP: Carbon Disclosure Project



# IOCHPE-MAXION