

## 1) MESSAGE FROM THE CEO

The second quarter of 2020 will always be remembered for the impacts of the coronavirus pandemic. Our priority, since the beginning, has been and continues to be taking care of the health of our employees, their families and communities in the 32 plants in 14 countries in which we operate. We adopted protocols established in accordance with the guidelines of authorities each location, implemented actions, rules and controls to monitor the entire process, in addition to providing the necessary support to our employees.

The global automotive industry was strongly impacted in the quarter. Excluding China, light vehicles production fell by 62.3% compared to the previous year, according to IHS Automotive consultancy. Likewise, the month of April had the lowest level of production, with a reduction of 83.1% compared with the same period of the previous year. The months of May and June, on the other hand, indicated a gradual recovery with decreases in relation to the previous year of 69.8% and 32.9%, respectively. For full year 2020, the main information providers in the automotive sector estimate a 25% to 30% reduction in global vehicle production. In order to achieve this scenario, the third and fourth quarters must have a reduction compared to the previous year of around 15.0% and 10.0%, respectively. We observed different recovery speeds in several markets. North America is recovering faster than the Brazilian market, while Europe has shown a consistent improvement in recent months. Due to our geographic diversification, we have seen a recovery pace equivalent to the world market average.

In view of the challenges posed by the pandemic, we focused on financial and operational management with the objectives of preserving liquidity and recovering operating margins. On the operational side, we adopted measures on a timely basis: (i) adherence to government-aid programs to support workforce idleness; (ii) reduction of operating expenses by 19.1% and capital expenditures by 41.6% compared to the same quarter of the previous year (excluding the effect of exchange rate variation); (iii) reduction of approximately 8.0% in the number of jobs in this first semester; (v) announcement of an industrial restructuring in North America with closure of the Akron plant in the USA; and (vi) focus and discipline in managing working capital.

On the financial side, the Company ended the quarter with a cash position of R\$ 1.4 billion, a very high level to withstand any volatility generated by the recovery of the industry in the second half of the year. We concluded the renegotiation of financial covenants and borrowed new unsecured credit lines of approximately R\$ 1.2 billion (new lines less amortizations) during the 1H20.

From a different perspective, 2Q20 was very positive in terms of new businesses. Maxion Wheels confirmed the supply of new steel and aluminum wheel projects, with emphasis on new customers in the electric vehicle segment in the USA and Europe, and wheels for commercial vehicles in China. Maxion Structural Components was nominated for new stamping businesses in the commercial and light vehicle segments in Brazil and Mexico. These new programs were demonstrations of our customers' confidence in the quality of our products and in our ability to meet their immediate and future needs with competitive and technologically innovative products and solutions. Some recent awards are examples of the recognition of our customers, such as: "Logistic & Quality Excellence Performance Award" by Honda in Brazil, "Supplier Quality Excellence Performance Award" by General Motors in India, "Quality and Delivery Performance in 2019" by John Deere in Brazil, and "Supplier Quality Excellence Award 2019" from General Motors in Brazil.

We are closely monitoring the speed of recovery in each of the markets where we operate and seeking to flexibly align our production capacity with the different schedules of our customers.

Even with the challenges observed by the pandemic, we are following the recovery of the markets around the world. We maintain our medium and long-term growth plans, mainly in the Asia region, aligning the speed of expansion and capital expenditures to the volume levels projected by the industry.

## 2) COMPANY OVERVIEW

Iochope-Maxion is a global company, the world leader in the production of automotive wheels and a leading producer of automotive structural components in the Americas.

We have 32 manufacturing plants located in 14 countries and approximately 15,000 employees, which enables us to serve our customers around the world according to their delivery terms, quality standards and competitiveness requirements.

Our Company holds a high level of technical knowledge, and permanently seeks to provide innovative solutions in the areas in which it operates, using global macro-trends that guide the development of new products, technologies and processes, whether independently or in cooperation with strategic partners.

We operate our core business through two divisions: Maxion Wheels and Maxion Structural Components.

At Maxion Wheels, we produce and sell a wide range of steel wheels for light and commercial vehicles and agricultural machinery and aluminum wheels for light vehicles.

At Maxion Structural Components, we produce side rails, cross members and full frames for commercial vehicles and structural components for light vehicles.

In addition, through AmstedMaxion (related company), we produce railway wheels and castings, industrial castings and freight cars.

## 3) HIGHLIGHTS

- Cash position of R\$ 1,392.6 million at the end of 2Q20, an increase of about 3 times the level observed in 2Q19.
- Reduction in operating expenses (excluding the effect of exchange rate variation) of 19.1% in 2Q20 and 17.3% in 1H20.
- Reduction in capital expenditures (excluding the effect of exchange rate variation) of 41.6% in 2Q20 and 27.8% in 1H20.
- Additional fund raising of approximately R\$ 490.0 million in credit lines in 2Q20 (R\$ 1,160.0 million in 1H20) in order to strengthen the Company's liquidity.
- Renegotiation, still in 2Q20, of financial covenants.
- Reduction in net operating revenue of 56.1% in 2Q20 and 33.9% in 1H20.
- Net debt of R\$ 3,636.2 million in 2Q20 (R\$ 2,640.5 million in 2Q19). Financial leverage (net debt/adjusted EBITDA LTM) represented 5.8x at the end of 2Q20.

#### 4) MARKET

Production of vehicles and agricultural machinery in regions where the Company's highest percentage of consolidated revenues are concentrated, presented the following behavior in the periods indicated (in units):

PRODUCTION	BRAZIL <sup>1</sup>			North America <sup>2</sup>			EUROPE <sup>2</sup>		
Segment	2Q19	2Q20	Var.	2Q19	2Q20	Var.	2Q19	2Q20	Var.
Light Vehicles	737,875	130,587	-82.3%	4,244,667	1,221,919	-71.2%	5,115,285	1,710,453	-66.6%
Commercial Vehicles	38,583	13,048	-66.2%	177,630	45,881	-74.2%	139,964	50,598	-63.8%
<b>Total Vehicles</b>	<b>776,458</b>	<b>143,635</b>	<b>-81.5%</b>	<b>4,422,297</b>	<b>1,267,800</b>	<b>-71.3%</b>	<b>5,255,249</b>	<b>1,761,051</b>	<b>-66.5%</b>
Agricultural Machinery	13,908	8,788	-36.8%	N/A	N/A		N/A	N/A	
Segment	1H19	1H20	Var.	1H19	1H20	Var.	1H19	1H20	Var.
Light Vehicles	1,404,845	685,799	-51.2%	8,478,231	5,013,285	-40.9%	10,296,872	5,940,021	-42.3%
Commercial Vehicles	69,460	43,728	-37.0%	339,035	172,915	-49.0%	284,624	154,482	-45.7%
<b>Total Vehicles</b>	<b>1,474,305</b>	<b>729,527</b>	<b>-50.5%</b>	<b>8,817,266</b>	<b>5,186,200</b>	<b>-41.2%</b>	<b>10,581,496</b>	<b>6,094,503</b>	<b>-42.4%</b>
Agricultural Machinery	24,724	19,135	-22.6%	N/A	N/A		N/A	N/A	

(1) Source: ANFAVEA

(2) Source: IHS Automotive (Light Vehicles) and LMC Automotive (Commercial Vehicles)

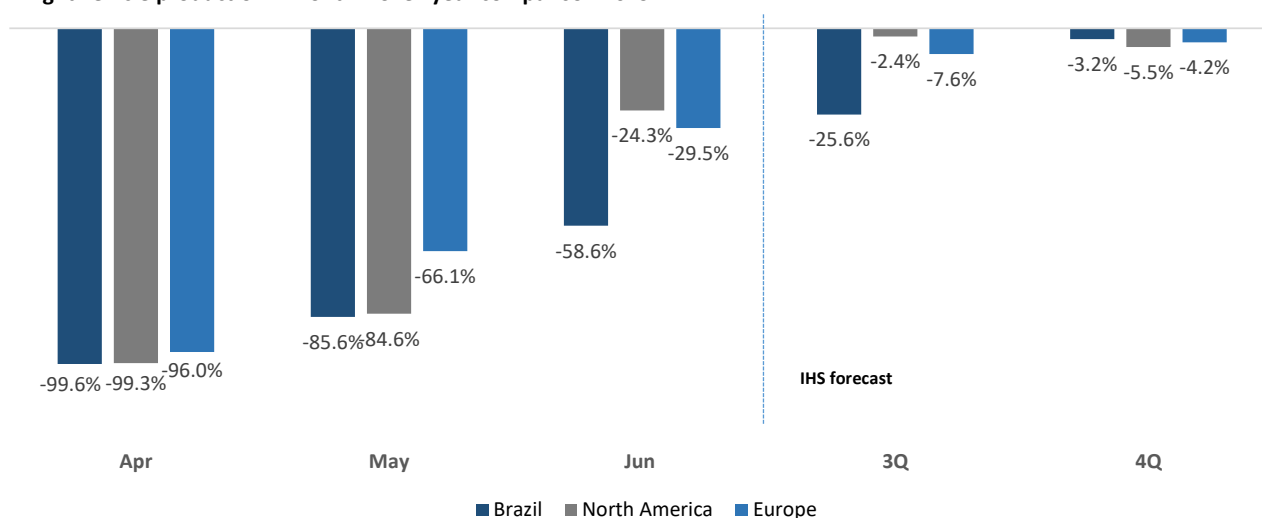
(3) Consider Western Europe + Central Europe + Turkey

The pandemic had a negative impact on world vehicle production. In the regions where the Company has a greater presence, the most significant drop in the period was in Brazil, affected mainly by the light vehicle segment, with longer production stops than other regions.

In North America, the commercial vehicle segment has been declining since the end of 2019 (expected effect due to cyclical demand for trucks) and which intensified during the pandemic in 2Q20. Production in Europe indicated a smaller reduction when compared to other regions.

According to IHS projections, Brazil will have a slower pace of recovery in the third quarter compared to Europe and North America, and the fourth quarter indicates reductions of 3% to 6% compared to 2019 in the main regions where we operate.

Light vehicle production – month – over-year comparison 2019\*



\*Source: ANFAVEA and IHS automotive. Forecast: IHS automotive

#### 5) OPERATING AND FINANCIAL PERFORMANCE

Consolidated I.S - R\$ thousand	2Q19	2Q20	Var.	1H19	1H20	Var.
Net Operating Revenue	2,667,331	1,171,844	-56.1%	5,135,450	3,396,404	-33.9%
Cost of Goods Sold	(2,330,756)	(1,308,180)	-43.9%	(4,500,565)	(3,348,384)	-25.6%
<b>Gross Profit (Loss)</b>	<b>336,575</b>	<b>(136,336)</b>	<b>-140.5%</b>	<b>634,885</b>	<b>48,020</b>	<b>-92.4%</b>
	<b>12.6%</b>	<b>-11.6%</b>		<b>12.4%</b>	<b>1.4%</b>	
Operating Expenses	(133,158)	(132,365)	-0.6%	(274,132)	(262,621)	-4.2%
Other Operating Expenses/Revenues	1,988	(61,064)	n.m.	(3,853)	(35,300)	n.m.
Equity Income	(3,753)	(2,269)	-39.5%	(11,481)	3,363	-129.3%
<b>Operating Income (Loss) (EBIT)</b>	<b>201,652</b>	<b>(332,034)</b>	<b>-264.7%</b>	<b>345,419</b>	<b>(246,538)</b>	<b>-171.4%</b>
	<b>7.6%</b>	<b>-28.3%</b>		<b>6.7%</b>	<b>-7.3%</b>	
Financial Results	(49,704)	(84,121)	69.2%	(127,506)	(133,701)	4.9%
Income Taxes	(21,886)	64,469	n.m.	(6,797)	58,879	n.m.
Minority Shareholders	(19,672)	(667)	-96.6%	(37,628)	(21,843)	-42.0%
<b>Net Income (Loss)</b>	<b>110,390</b>	<b>(352,353)</b>	<b>n.m.</b>	<b>173,488</b>	<b>(343,203)</b>	<b>-297.8%</b>
	<b>4.1%</b>	<b>-30.1%</b>		<b>3.4%</b>	<b>-10.1%</b>	
<b>EBITDA</b>	<b>304,247</b>	<b>(199,515)</b>	<b>n.m.</b>	<b>546,835</b>	<b>5,452</b>	<b>n.m.</b>
	<b>11.4%</b>	<b>-17.0%</b>		<b>10.6%</b>	<b>0.2%</b>	
<b>Adjusted EBITDA<sup>1</sup></b>	<b>304,581</b>	<b>(144,430)</b>	<b>n.m.</b>	<b>547,725</b>	<b>65,493</b>	<b>n.m.</b>
	<b>11.4%</b>	<b>-12.3%</b>		<b>10.7%</b>	<b>1.9%</b>	

<sup>1</sup> Adjusted EBITDA: excludes expenses with restructuring and impairments, in order to reflect the calculation of leverage for the measurement of financial covenants

n.m. - not measurable

## 5.1) Net operating revenue

Consolidated net operating revenue reached R\$ 1,171.8 million in 2Q20 and R\$ 3,396.4 million in 1H20, a reduction of 56.1% and 33.9%, respectively.

Operating revenue in 2Q20 was negatively impacted by the drop in vehicle production in the period, due to the impacts of the pandemic in the different markets where the Company operates.

The exchange rate variation positively impacted the Company's operating revenue by R\$ 256.9 million in 2Q20 and R\$ 483.9 million in 1H20.

The following table indicates the performance of consolidated net operating revenue by origin and by product type.

Net Operating Revenue- R\$ thousand	2Q19	2Q20	Var.	1H19	1H20	Var.
Aluminum Wheels (Light vehicles)	128,201	16,631	-87.0%	256,554	100,041	-61.0%
Steel Wheels (Light vehicles)	127,514	19,156	-85.0%	234,438	111,335	-52.5%
Steel Wheels (Commercial vehicles)	174,302	75,194	-56.9%	327,870	202,159	-38.3%
Structural Components (Light vehicles)	55,877	14,438	-74.2%	93,872	53,976	-42.5%
Structural Components (Commercial vehicles)	254,172	52,179	-79.5%	431,838	224,809	-47.9%
<b>South America</b>	<b>740,065</b>	<b>177,598</b>	<b>-76.0%</b>	<b>1,344,572</b>	<b>692,320</b>	<b>-48.5%</b>
	<b>27.7%</b>	<b>15.2%</b>		<b>26.2%</b>	<b>20.4%</b>	
Aluminum Wheels (Light vehicles)	119,366	41,141	-65.5%	230,607	142,623	-38.2%
Steel Wheels (Light vehicles)	277,832	100,028	-64.0%	553,896	354,924	-35.9%
Steel Wheels (Commercial vehicles)	105,345	64,524	-38.7%	202,099	142,844	-29.3%
Structural Components (Commercial vehicles)	322,880	138,438	-57.1%	616,206	371,600	-39.7%
<b>North America</b>	<b>825,423</b>	<b>344,131</b>	<b>-58.3%</b>	<b>1,602,808</b>	<b>1,011,993</b>	<b>-36.9%</b>
	<b>30.9%</b>	<b>29.4%</b>		<b>31.2%</b>	<b>29.8%</b>	
Aluminum Wheels (Light vehicles)	441,064	249,798	-43.4%	886,888	684,253	-22.8%
Steel Wheels (Light vehicles)	243,228	186,328	-23.4%	463,845	415,762	-10.4%
Steel Wheels (Commercial vehicles)	178,354	139,872	-21.6%	371,255	327,636	-11.7%
<b>Europe</b>	<b>862,646</b>	<b>575,998</b>	<b>-33.2%</b>	<b>1,721,988</b>	<b>1,427,651</b>	<b>-17.1%</b>
	<b>32.3%</b>	<b>49.2%</b>		<b>33.5%</b>	<b>42.0%</b>	
Aluminum Wheels (Light vehicles)	150,830	44,415	-70.6%	300,475	177,217	-41.0%
Steel Wheels (Light vehicles)	23,448	4,895	-79.1%	44,873	26,189	-41.6%
Steel Wheels (Commercial vehicles)	64,917	24,809	-61.8%	120,734	61,035	-49.4%
<b>Asia + Others</b>	<b>239,195</b>	<b>74,118</b>	<b>-69.0%</b>	<b>466,082</b>	<b>264,441</b>	<b>-43.3%</b>
	<b>9.0%</b>	<b>6.3%</b>		<b>9.1%</b>	<b>7.8%</b>	
<b>Iochope-Maxion Consolidated</b>	<b>2,667,331</b>	<b>1,171,844</b>	<b>-56.1%</b>	<b>5,135,450</b>	<b>3,396,404</b>	<b>-33.9%</b>
	<b>100.0%</b>	<b>100.0%</b>		<b>100.0%</b>	<b>100.0%</b>	
Maxion Wheels	2,034,401	966,789	-52.5%	3,993,534	2,746,019	-31.2%
	76.3%	82.5%		77.8%	80.9%	
Maxion Structural Components	632,929	205,055	-67.6%	1,141,916	650,385	-43.0%
	23.7%	17.5%		22.2%	19.1%	

## 5.2) Cost of Goods Sold (COGS)

The cost of products sold reached R\$ 1,308.2 million in 2Q20 and R\$ 3,348.4 million in 1H20, a reduction of 43.9% compared to 2Q19 and of 25.6% compared to 1H19.

## 5.3) Gross Profit

Gross loss of R\$ 136.3 million in 2Q20 and gross profit of R\$ 48.0 million in 1H20. The gross result in the period was decisively impacted by the reduction in world vehicle production.

## 5.4) Operational expenses

Operating expenses (selling, general and administrative expenses and management fees) reached R\$ 132.4 million in 2Q20 and R\$ 262.6 million in 1H20, a reduction of 0.6% in relation to 2Q19 and of 4.2% compared to 1H19.

The exchange rate variation negatively impacted operating expenses by R\$ 24.1 million in 2Q20 and by R\$ 35.5 million in 1H20. Excluding these effects, the reduction in operating expenses would have decreased by 19.1% in 2Q20 and by 17.3% in 1H20.

The line of other operating expenses / revenues was impacted in the quarter by R\$ 55.1 million in expenses with restructuring and impairments.

## 5.5) Equity Income

Equity income reached a negative amount of R\$ 2.3 million in 2Q20 and a positive result of R\$ 3.4

million in 1H20, an improvement over the negative results of R\$ 3.8 million in 2Q19 and R\$ 11.5 million in 1H19.

The following table sets forth the amounts corresponding to Iochpe-Maxion's interest, which reflect the results of the equity income in the Company.

R\$ thousand	2Q19			2Q20				Var.
	Amsted Maxion	Maxion Montich	Total	Amsted Maxion	Maxion Montich	Dongfeng Maxion	Total	
Net Income (Loss)	(3,763)	11	(3,753)	(1,589)	(285)	(394)	(2,269)	39.6%

R\$ thousand	1H19			1H20				Var.
	Amsted Maxion	Maxion Montich	Total	Amsted Maxion	Maxion Montich	Dongfeng Maxion	Total	
Net Income (Loss)	(9,446)	(2,035)	(11,481)	3,921	160	(718)	3,363	129.3%

## 5.6) Earnings before Interest and Tax (EBIT)

Operating loss of R\$ 332.0 million in 2Q20 and R\$ 246.5 million in 1H20, impacted by the reduction in world vehicle production and expenses with restructuring and impairments, mentioned in item 5.4 above.

## 5.7) EBITDA

Negative EBITDA of R\$ 199.5 million in 2Q20 and a positive EBITDA of R\$ 5.5 million in 1H20.

EBITDA was impacted by the drop in world vehicle production and expenses with restructuring and impairments mentioned in item 5.4 above. Excluding these expenses, the adjusted EBITDA in 2Q20 was negative by R\$ 144.4 million and positive by R\$ 65.5 million in 1H20.

The table below shows the evolution of EBITDA and the effects of restructuring and impairments.

EBITDA Reconciliation - R\$ Thousand	2Q19	2Q20	Var.	1H19	1H20	Var.
Net Income (Loss)	110,390	(352,353)	n.m.	173,488	(343,203)	-297.8%
Minority Shareholders	19,672	667	-96.6%	37,628	21,843	-42.0%
Income Taxes	21,886	(64,469)	n.m.	6,797	(58,879)	n.m.
Financial Results	49,704	84,121	69.2%	127,506	133,701	4.9%
Depreciation / Amortization	102,595	132,519	29.2%	201,416	251,990	25.1%
<b>EBITDA</b>	<b>304,247</b>	<b>(199,515)</b>	<b>-165.6%</b>	<b>546,835</b>	<b>5,452</b>	<b>-99.0%</b>
Restructuring and Impairments	(334)	(55,085)		(890)	(60,041)	
<b>Adjusted EBITDA<sup>1</sup></b>	<b>304,581</b>	<b>(144,430)</b>	<b>-147.4%</b>	<b>547,725</b>	<b>65,493</b>	<b>-88.0%</b>

<sup>1</sup> Adjusted EBITDA: excludes expenses with restructuring and impairments, in order to reflect the calculation of leverage for the measurement of financial covenants

n.m. - not measurable

## 5.8) Financial Result

The financial result was negative by R\$ 84.1 million in 2Q20 and R\$ 133.7 million in 1H20, an increase of 69.2% and 4.9% compared to 2Q19 and 1H19, respectively.

The worsening of the financial result is related to the increase in financial expenses resulting from the new borrowings carried out in 1H20, higher cost of carrying cash (given the higher cash balance

as well as a greater difference between borrowing and investment rates), exchange rate variation (devaluation of the Real against the Euro of 35.8% and 35.9% against the Dollar in the year) and expenses related to the renegotiation of financial covenants.

### 5.9) Net income

Net loss of R\$ 352.4 million in 2Q20 (negative result per share of R\$ 2.31257) and R\$ 343.2 million in 1H20 (negative result per share of R\$ 2.25251). Excluding the effects of restructuring and impairments mentioned in item 5.4 above, the net loss in 2Q20 would have been R\$ 297.3 million and R\$ 283.2 million in 1H20.

### 6) CAPITAL EXPENDITURES

Capital expenditures reached R\$ 85.2 million in 2Q20 and R\$ 195.3 million in 1H20, a reduction of 25.3% and 14.4% compared to 2Q19 and 1H19 (R\$ 114.1 million in 2Q19 and R\$ 228.3 million in 1H19). Excluding the effect of exchange variation, the reduction would have been 41.6% in 2Q20 and 27.8% in 1H20.

The main projects in the period were related to health and safety, maintenance, and productivity at different industrial units of the Company.

The expansion projects continue in the Company's medium and long term planning, mainly in the Asia region, aligning the speed of expansion and capital expenditures to the volumes projected by the industry.

### 7) LIQUIDITY AND INDEBTEDNESS

The cash and cash equivalents position on June 30, 2020 was R\$ 1,392.6 million, 56.1% in Reais and 43.9% in other currencies.

Consolidated gross debt on June 30, 2020 reached R\$ 5,028.7 million, of which R\$ 1,828.3 million (36.4%) was recorded in current liabilities and R\$ 3,200.5 million (63.6%) in non-current liabilities.

The liquidity ratio (cash to short-term debt ratio) was 0.76x at the end of 2Q20, an improvement over the 0.47x ratio observed at the end of 2Q19.

The increase in gross debt is related to the increase in the Company's liquidity, in view of the uncertainty generated by the pandemic.

The main indicators of consolidated gross debt at the end of 2Q20 were: (i) credit lines in Reais indexed to the CDI, which represented 43.8% (average cost CDI + 1.9%), (ii) credit lines in Euros (Euro + 3.1% per year) with 35.8%, and (iii) credit lines in Dollars (US\$ + average of 2.9% per year) with 12.2%.

Consolidated net debt on June 30, 2020 reached R\$ 3,636.2 million, an increase of 37.7% in relation to the amount of R\$ 2,640.5 million reached at the end of the same period in 2019. The exchange rate variation impacted negatively the net debt by R\$ 628.4 million. Excluding this effect, net debt would have increased by 13.9%.

Net debt at the end of 2Q20 represented 5.8x of the adjusted EBITDA for the last 12 months, while at the end of 2Q19 it represented 2.4x.



## 8) SHAREHOLDERS' EQUITY

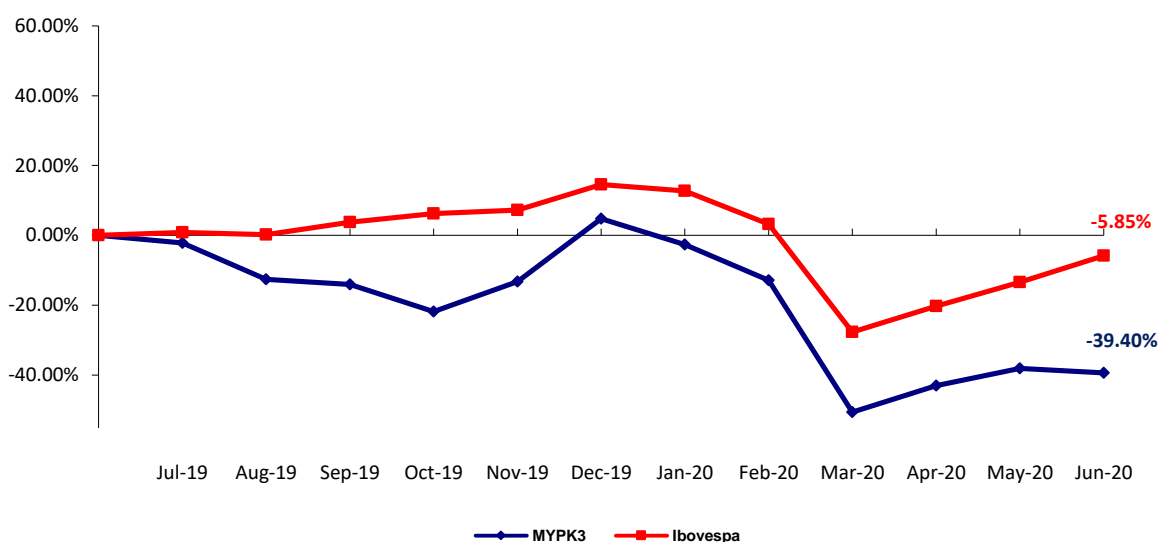
Consolidated shareholders' equity reached R\$ 4,044.7 million (book value per share of R\$ 26.31) on June 30, 2020, an increase of 21.5% in relation to shareholders' equity reached on June 30, 2019 (R\$ 3,330.1 million and book value per share of R\$ 21.66).

The shareholders' equity attributed to the controllers reached R\$ 3,762.4 million (book value per share of R\$ 24.48) on June 30, 2020, an increase of 20.8% in relation to the shareholders' equity attributed to the controllers reached in 30 June 2019 (R\$ 3,114.8 million and book value per share of R\$ 20.26).

## 9) CAPITAL MARKETS

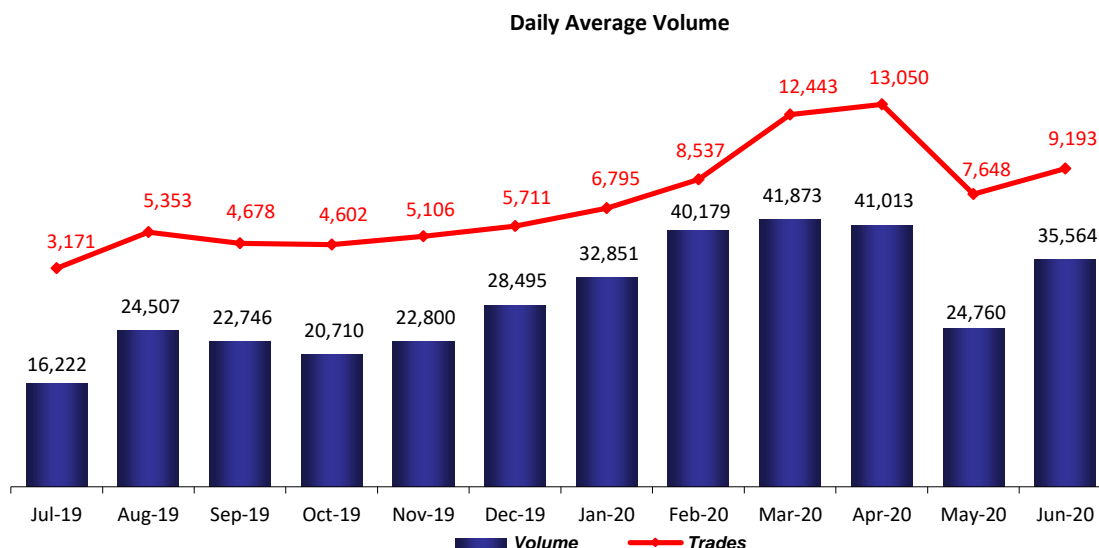
lochpe-Maxion common shares (B3: MYPK3) closed 2Q20 quoted at R\$ 13.52, an increase of 22.7% in the quarter and a drop of 39.4 % in the last 12 months. At the end of 2Q20, lochpe-Maxion reached a capitalization (market cap) of R\$ 2,078.3 million (R\$ 3,429.5 million at the end of 2Q19).

Share Performance – Last 12 months



lochpe-Maxion's shares in 2Q20 had an average daily trading volume on the São Paulo Stock Exchange of R\$ 33.6 million (R\$ 17.1 million in 2Q19) and an average daily number of 9,942 trades (3,484 trades in 2Q19).





## 10) ARBITRATION CLAUSE

The Company is bound to arbitration at the Arbitration Chamber of Novo Mercado, as provided for in the Arbitration Clause included in its By-laws.

## 11) CVM INSTRUCTION No. 381

In accordance with CVM Instruction No. 381, we inform that during 2Q20, Iochpe-Maxion, its subsidiaries and its jointly-controlled business have contracted services not related to the external audit, for periods lasting less than one year, which represented less than 5% of the fees related to the audit of the consolidated financial statements.

In our relationship with the Independent Auditor, we evaluate conflicts of interest with non-audit work based on the following: the auditor should not (a) audit its own work, (b) carry out management functions and (c) promote our interests.

## 12) MANAGEMENT'S STATEMENT

Pursuant to article 25 of CVM Instruction No 480/09, of December 7, 2009, Management declares that they have discussed, reviewed and agreed with the independent auditors' report and the individual and consolidated financial statements as of June 30, 2020.

The Company's financial statements presented herein are in accordance with the criteria of the Brazilian corporate law, prepared in accordance with accounting practices adopted in Brazil and the International Financial Reporting Standards - IFRS.

EBITDA should not be considered as an alternative to net income (loss), as an indicator of the Company's operating performance or as an alternative to cash flow as an indication of liquidity.

The Company's management believes that EBITDA is a useful measure to assess its operating performance and enables comparison with other companies.

The Company calculates EBITDA according to CVM Instruction 527 of October 04, 2012. Thus, EBITDA represents net income (loss) before financial income, income and social contribution taxes, and depreciation and amortization.

Cruzeiro, August 11th, 2020.

## 13) APPENDIX

### 13.1) Income Statement (Consolidated)

Consolidated						
I.S - R\$ thousand	2Q19	2Q20	Var.	1H19	1H20	Var.
Net Operating Revenue	2,667,331	1,171,844	-56.1%	5,135,450	3,396,404	-33.9%
Cost of Goods Sold						
Raw Material	(1,436,650)	(616,024)	-57.1%	(2,744,294)	(1,754,689)	-36.1%
Labor	(425,120)	(311,523)	-26.7%	(837,601)	(745,251)	-11.0%
Others	(468,985)	(380,634)	-18.8%	(918,670)	(848,444)	-7.6%
	(2,330,756)	(1,308,180)	-43.9%	(4,500,565)	(3,348,384)	-25.6%
<b>Gross Profit (Loss)</b>	<b>336,575</b>	<b>(136,336)</b>	<b>-140.5%</b>	<b>634,885</b>	<b>48,020</b>	<b>-92.4%</b>
	<b>12.6%</b>	<b>-11.6%</b>		<b>12.4%</b>	<b>1.4%</b>	
Operating Expenses						
Selling expenses	(9,142)	(13,579)	48.5%	(23,015)	(26,837)	16.6%
General and administrative	(119,701)	(116,217)	-2.9%	(243,382)	(229,635)	-5.6%
Management fees	(4,315)	(2,569)	-40.5%	(7,735)	(6,149)	-20.5%
Other	1,988	(61,064)	n.m.	(3,853)	(35,300)	n.m.
	(131,170)	(193,429)	47.5%	(277,985)	(297,921)	7.2%
Equity Income	(3,753)	(2,269)	-39.5%	(11,481)	3,363	-129.3%
<b>Operating Income(Loss) (EBIT)</b>	<b>201,652</b>	<b>(332,034)</b>	<b>-264.7%</b>	<b>345,419</b>	<b>(246,538)</b>	<b>-171.4%</b>
	<b>7.6%</b>	<b>-28.3%</b>		<b>6.7%</b>	<b>-7.3%</b>	
Financial Results						
Financial Revenue	4,680	7,185	53.5%	10,472	10,606	1.3%
Financial Expenses	(51,480)	(75,746)	47.1%	(130,660)	(125,145)	-4.2%
Foreing exchange gains (losses)	(2,904)	(15,560)	n.m.	(7,318)	(19,162)	161.8%
	(49,704)	(84,121)	69.2%	(127,506)	(133,701)	4.9%
<b>Earnings After Financial Results</b>	<b>151,948</b>	<b>(416,155)</b>	<b>n.m.</b>	<b>217,913</b>	<b>(380,239)</b>	<b>-274.5%</b>
	<b>5.7%</b>	<b>-35.5%</b>		<b>4.2%</b>	<b>-11.2%</b>	
Income Taxes	(21,886)	64,469	n.m.	(6,797)	58,879	n.m.
Minority Shareholders	(19,672)	(667)	-96.6%	(37,628)	(21,843)	-42.0%
<b>Net Income (Loss)</b>	<b>110,390</b>	<b>(352,353)</b>	<b>n.m.</b>	<b>173,488</b>	<b>(343,203)</b>	<b>-297.8%</b>
	<b>4.1%</b>	<b>-30.1%</b>		<b>3.4%</b>	<b>-10.1%</b>	
<b>EBITDA</b>	<b>304,247</b>	<b>(199,515)</b>	<b>-165.6%</b>	<b>546,835</b>	<b>5,452</b>	<b>-99.0%</b>
	<b>11.4%</b>	<b>-17.0%</b>		<b>10.6%</b>	<b>0.2%</b>	
Restructuring and Impairments	(334)	(55,085)		(890)	(60,041)	
<b>Adjusted EBITDA<sup>1</sup></b>	<b>304,581</b>	<b>(144,431)</b>	<b>-147.4%</b>	<b>547,725</b>	<b>65,493</b>	<b>-88.0%</b>
	<b>11.4%</b>	<b>-12.3%</b>		<b>10.7%</b>	<b>1.9%</b>	

<sup>1</sup> Adjusted EBITDA: excludes expenses with restructuring and impairments, in order to reflect the calculation of leverage for the measurement of financial covenants

n.m. - not measurable

## 13.2) Balance Sheet (Consolidated)

R\$ thousand

ASSETS			LIABILITIES		
	jun-19	jun-20		jun-19	jun-20
CURRENT			CURRENT		
Cash and Cash Equivalents	353,039	1,392,574	Borrowings, Financing and Debentures	726,463	1,827,512
Trade Receivables	1,479,216	966,336	Debentures	17,474	765
Inventory	1,399,921	1,659,113	Trade Payables	1,246,438	919,013
Recoverable Taxes	252,380	200,080	Taxes Payables	172,239	73,495
Prepaid Expenses	25,991	48,608	Taxes Installments	194,728	254,245
Other	105,689	105,581	Payroll and related taxes	132,162	97,427
	<b>3,616,236</b>	<b>4,372,292</b>	Advances from Customers	76,239	47,215
			Dividends and Interests on Capital	56,117	86,596
			Other	231,278	296,446
				<b>2,853,138</b>	<b>3,602,714</b>
LONG TERM			LONG TERM		
Related parts	32,571	-	Borrowings, Financing and Debentures	1,358,854	1,959,363
Recoverable taxes	34,388	150,092	Debentures	890,776	1,241,100
Deferred income tax and social contribution	328,681	444,780	Provision for tax, civil and labor risks	84,568	84,136
Escrow deposits	55,398	59,979	Deferred Income Tax and Social Contribution	165,427	203,951
Other receivables	3,736	1,217	Pension Plan Liabilities	459,380	678,251
Investments	37,768	93,706	Other	94,543	78,398
Property, plant and equipment	3,404,563	4,372,430		<b>3,053,548</b>	<b>4,245,199</b>
Intangible assets	1,651,821	2,334,121	EQUITY		
Right of use	71,588	63,970	Issued Capital	1,447,474	1,576,954
	<b>5,620,514</b>	<b>7,520,295</b>	Stock Options	3,100	3,061
			Earning reserves	393,156	606,530
			Capital reserves	133,113	6,000
			Period results	175,221	(343,203)
			Period (deemed cost adjustment)	-	3,088
			Treasury Shares	(28,988)	(28,894)
			Valuation Adjustment to Equity	1,034,227	1,938,867
			Other comprehensive income: pension plan	(42,472)	-
			Equity Attributable to Company Owners	<b>3,114,831</b>	<b>3,762,403</b>
			Noncontrolling Interests in Subsidiaries' Equity	215,233	282,271
				<b>3,330,064</b>	<b>4,044,674</b>
<b>TOTAL ASSETS</b>	<b>9,236,750</b>	<b>11,892,587</b>	<b>TOTAL LIABILITIES</b>	<b>9,236,750</b>	<b>11,892,587</b>