



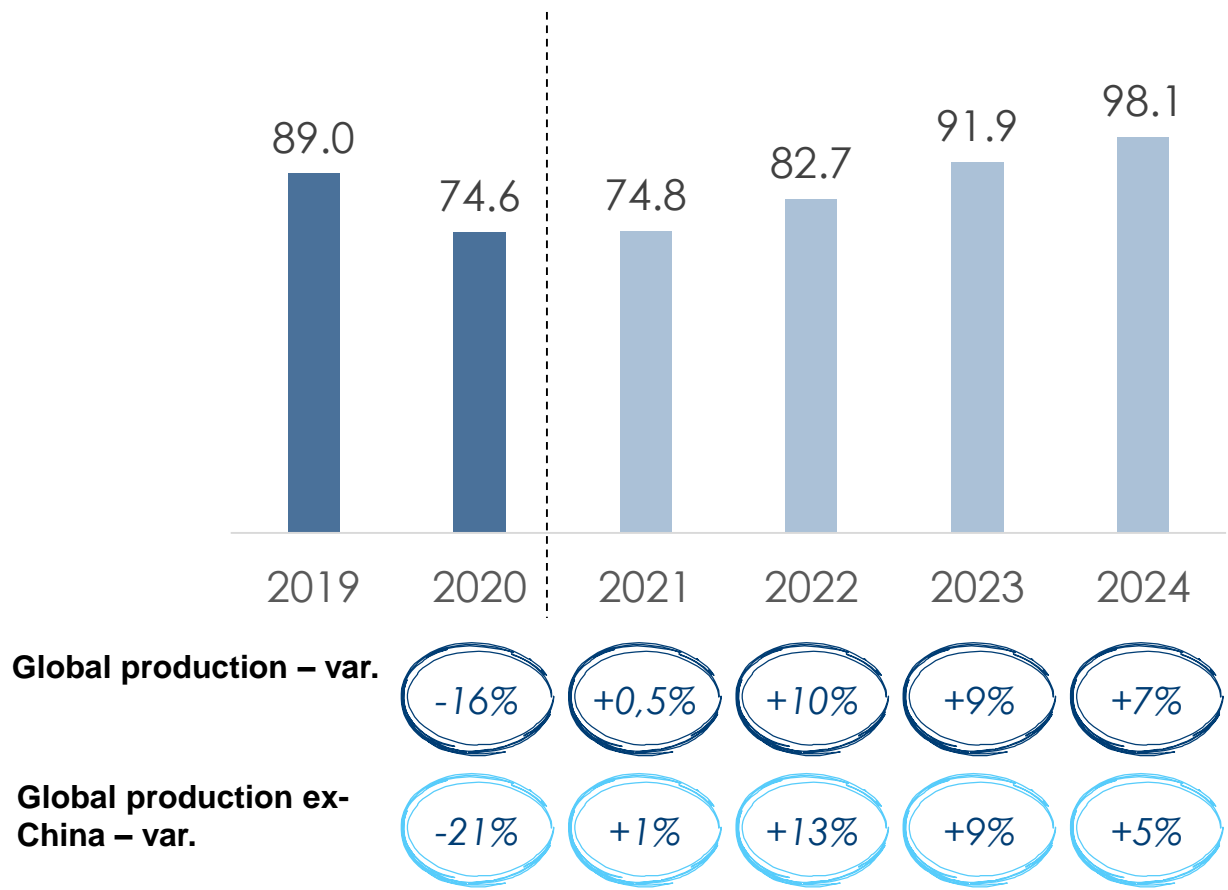
# 3Q21 EARNINGS RELEASE

NOVEMBER 17, 2021

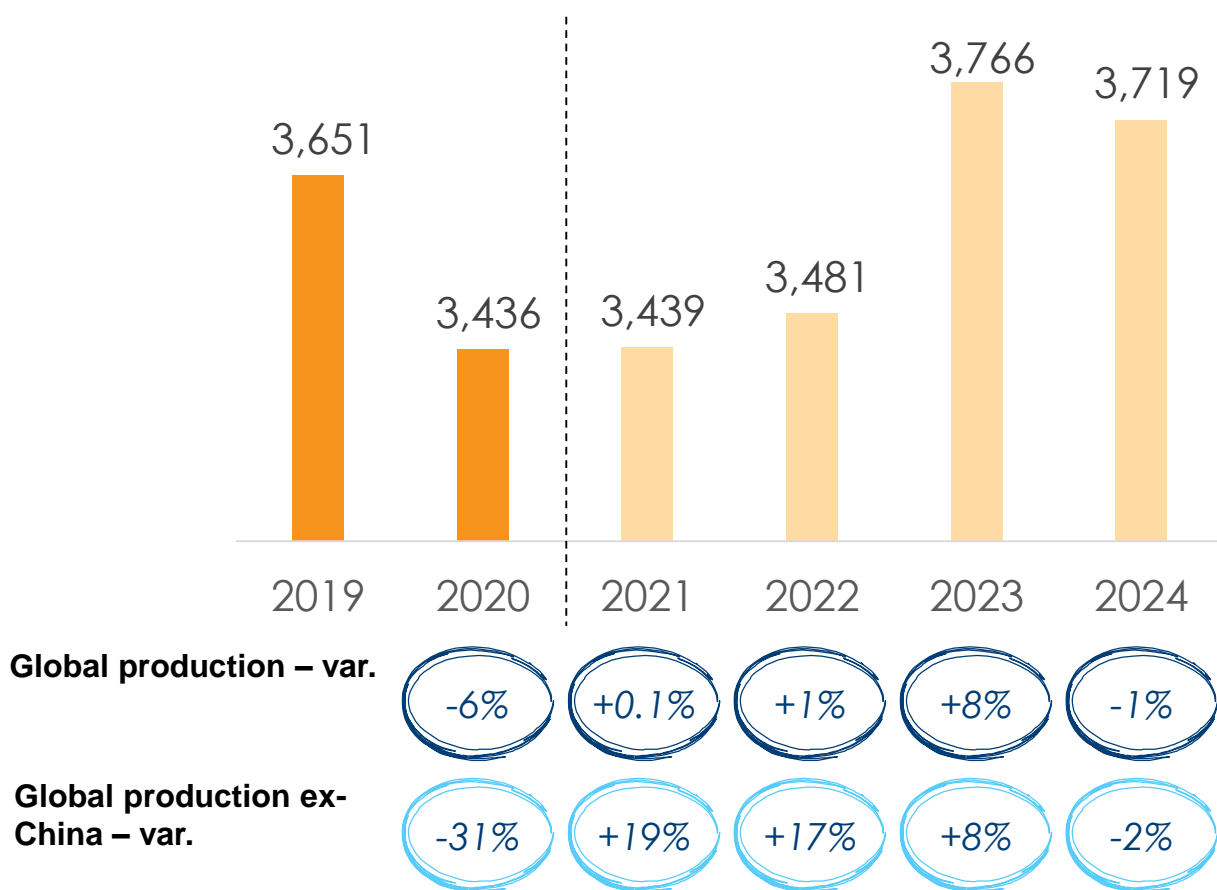


# Global market recovery – Light and Commercial vehicles forecast

Light vehicles<sup>1</sup> - Million units



Commercial vehicles<sup>2</sup> - Thousand units



- Successive downward revisions in 2021, due to the semiconductor crisis. Positive scenario for the coming years due to repressed demand
- Commercial vehicles show a positive scenario in 2021 as they have less exposure to semiconductor crisis

Source:  
<sup>1</sup> IHS Auto – November 2021 and Company estimates  
<sup>2</sup> LMC Auto and Company estimates

## 3Q21 main highlights

### Positive effect of a diversified business model

#### Net revenue

R\$ 3.6 billion an increase of 42.5% versus 3Q20

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

R\$ 483.7 million with 13.5% margin (R\$ 455.3 million and 12.7% margin, not considering non-recurring effects)

#### Gross profit

R\$ 495.6 million (+ 93.8% versus 3Q20) and 13.8% of gross margin

#### Leverage

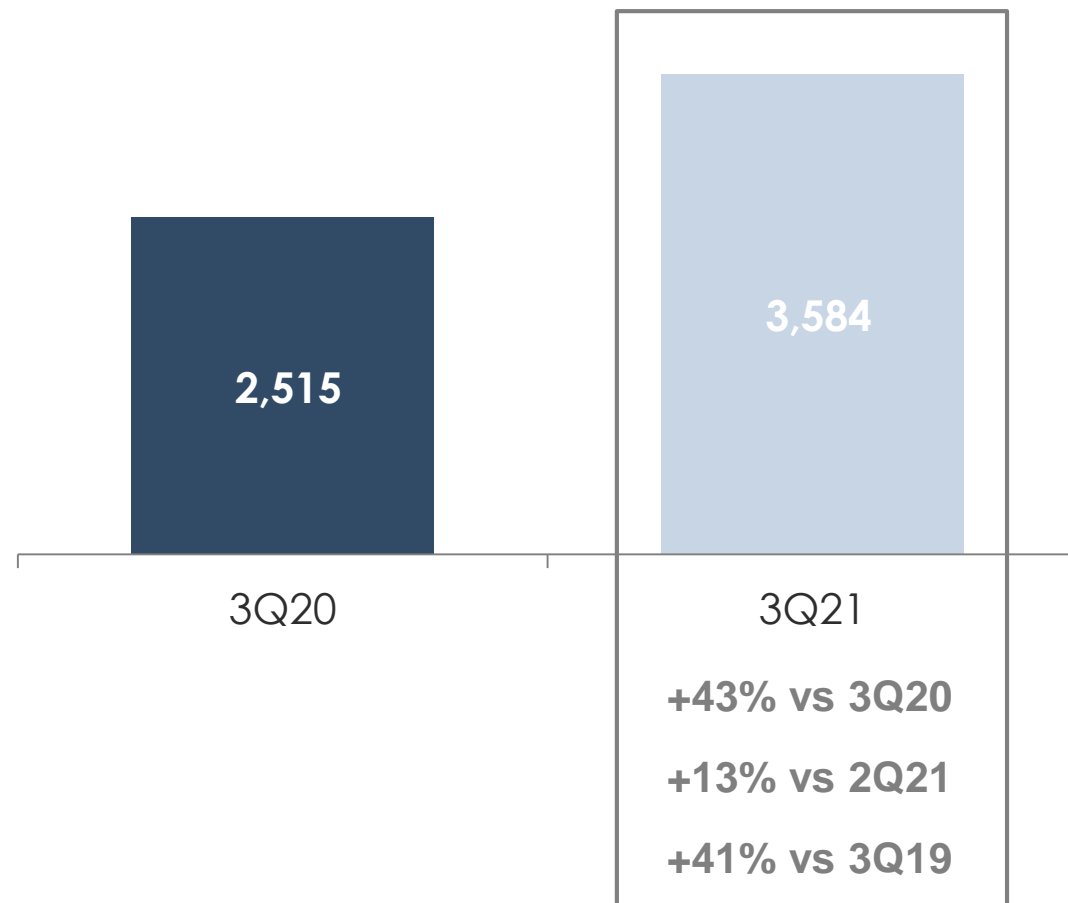
Net debt/ Adjusted EBITDA of 2.66x, reduction compared to 3Q20 (7.02x) and 2Q21 (2.74x)

#### Net income

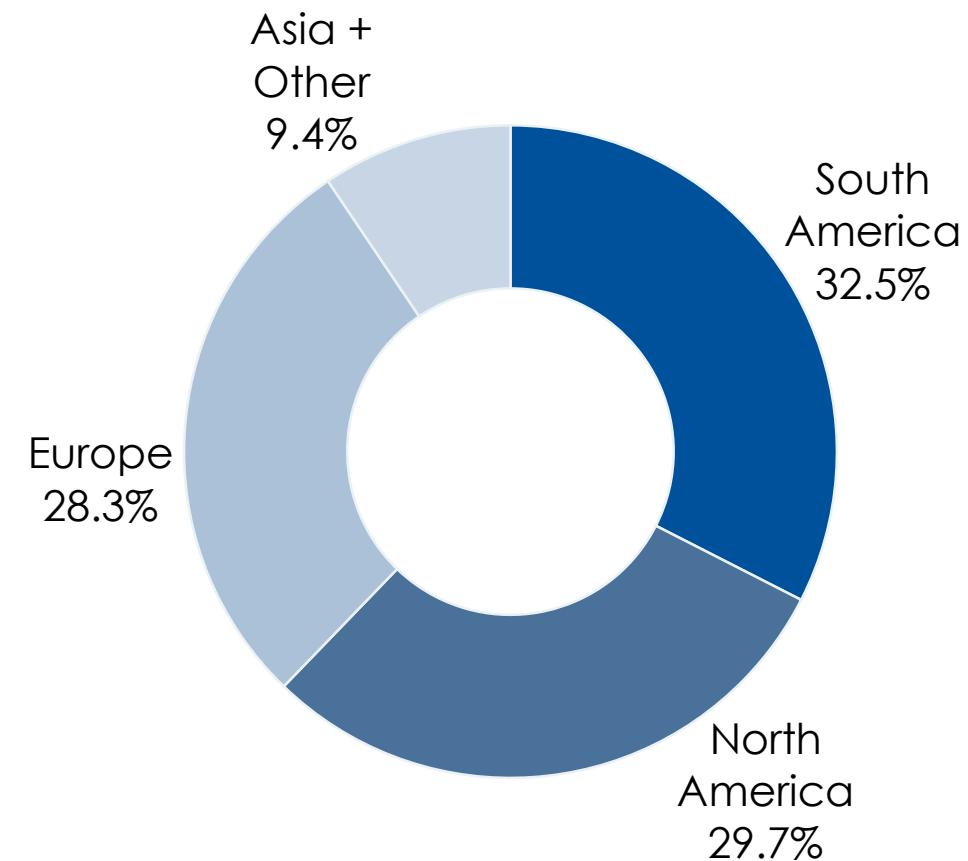
R\$ 177.0 million

<sup>1</sup> Exclude restructuring and impairments expenses

# Net Operating Revenue– R\$ million



3Q21 – Revenue by region(%)

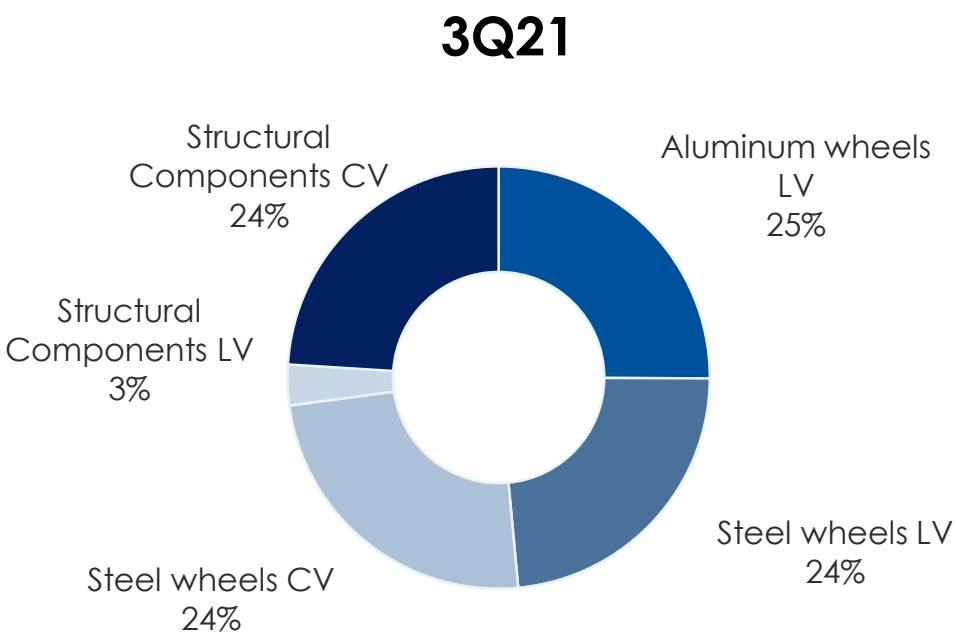
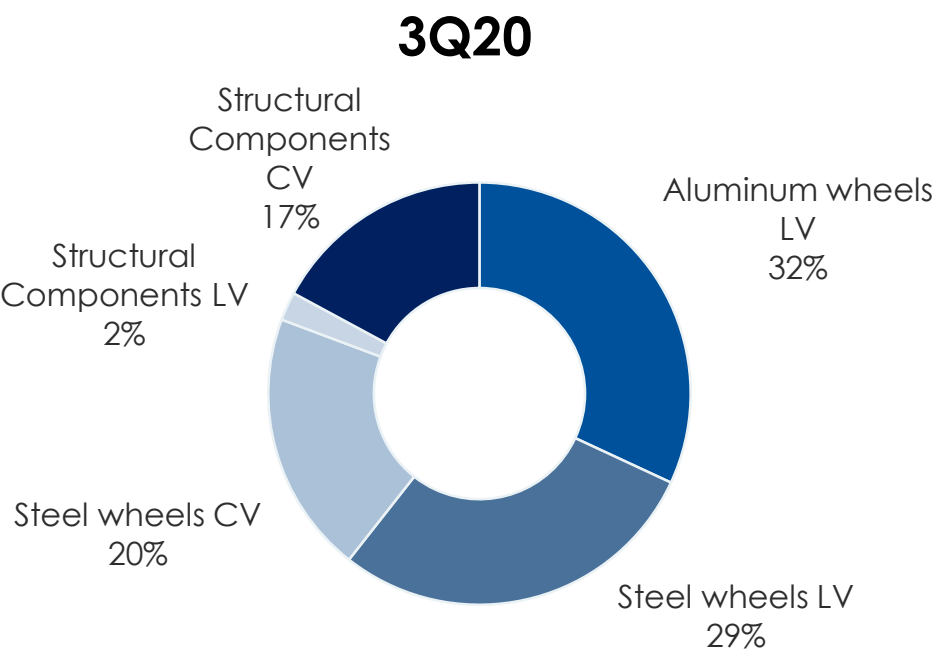


- The increase in revenue in 3Q21 due to higher sales, launches of new programs/products, improved product mix and higher raw material prices

# Net Operating Revenue - (%)

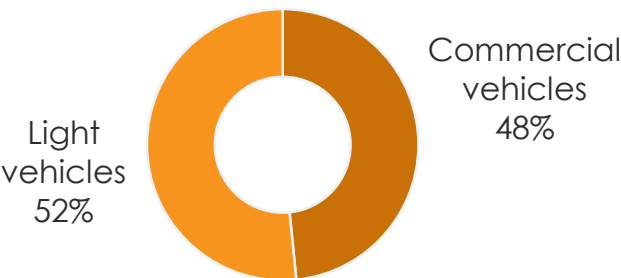
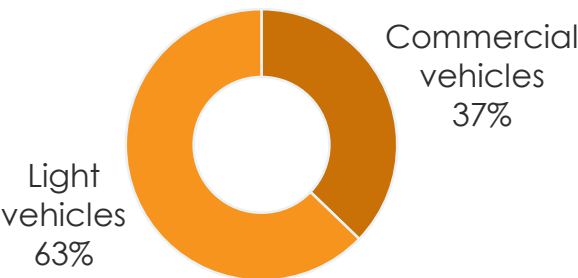
## Net revenue by product

- Growth in the share of revenue from structural components and wheels for commercial vehicles, reflecting the diversified business model



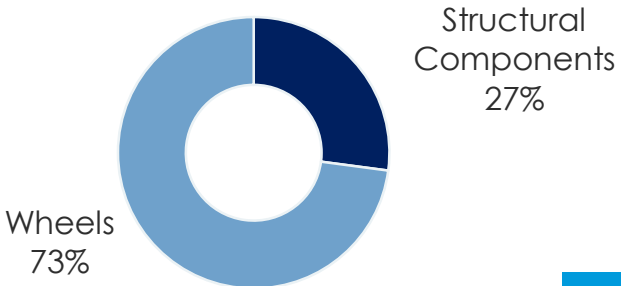
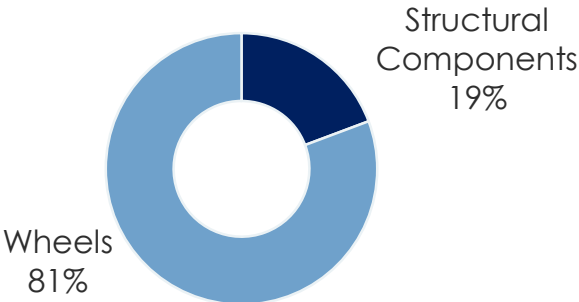
## Net revenue by segment

- 85.2% growth in commercial vehicle revenue



## Net revenue by division

- 100.3% growth in revenue from structural components

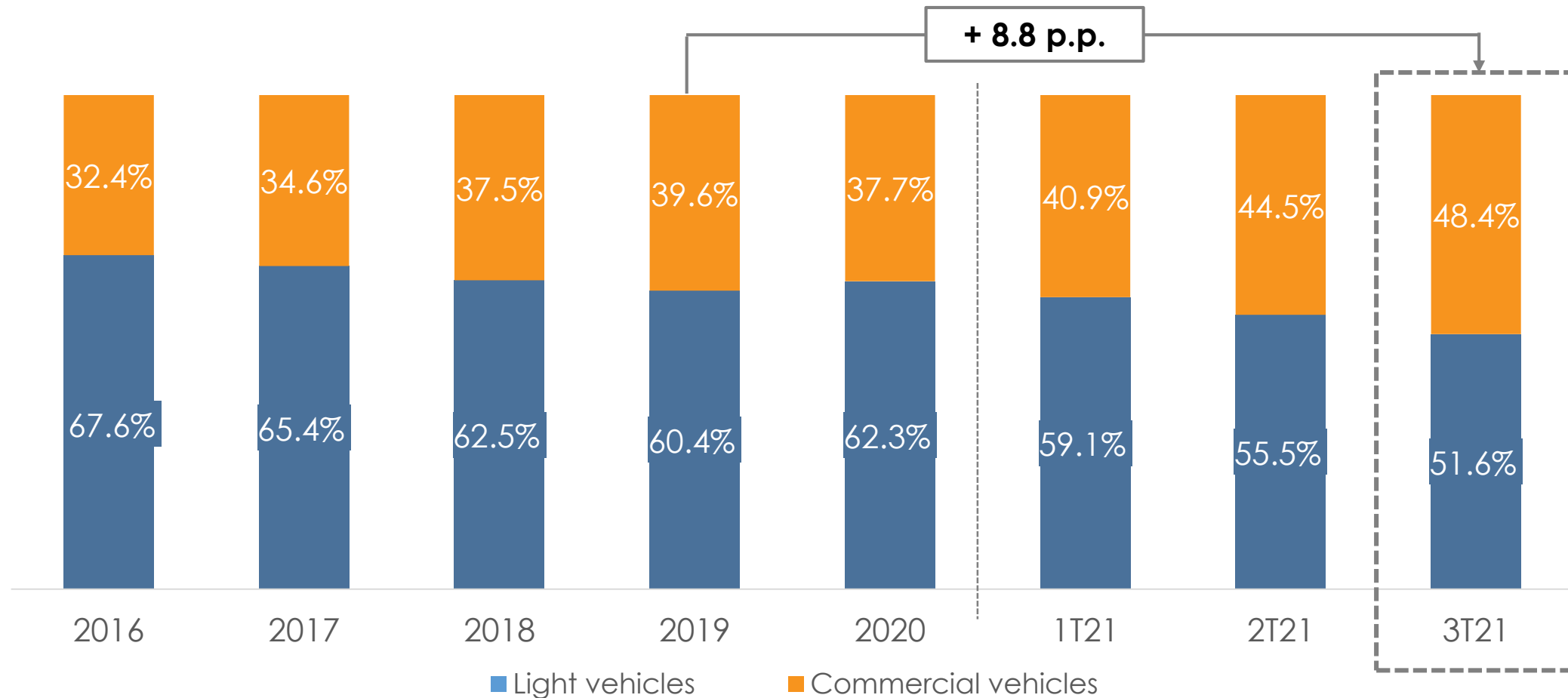


LV: light vehicles  
CV: commercial vehicles



# Revenue Evolution by Segment

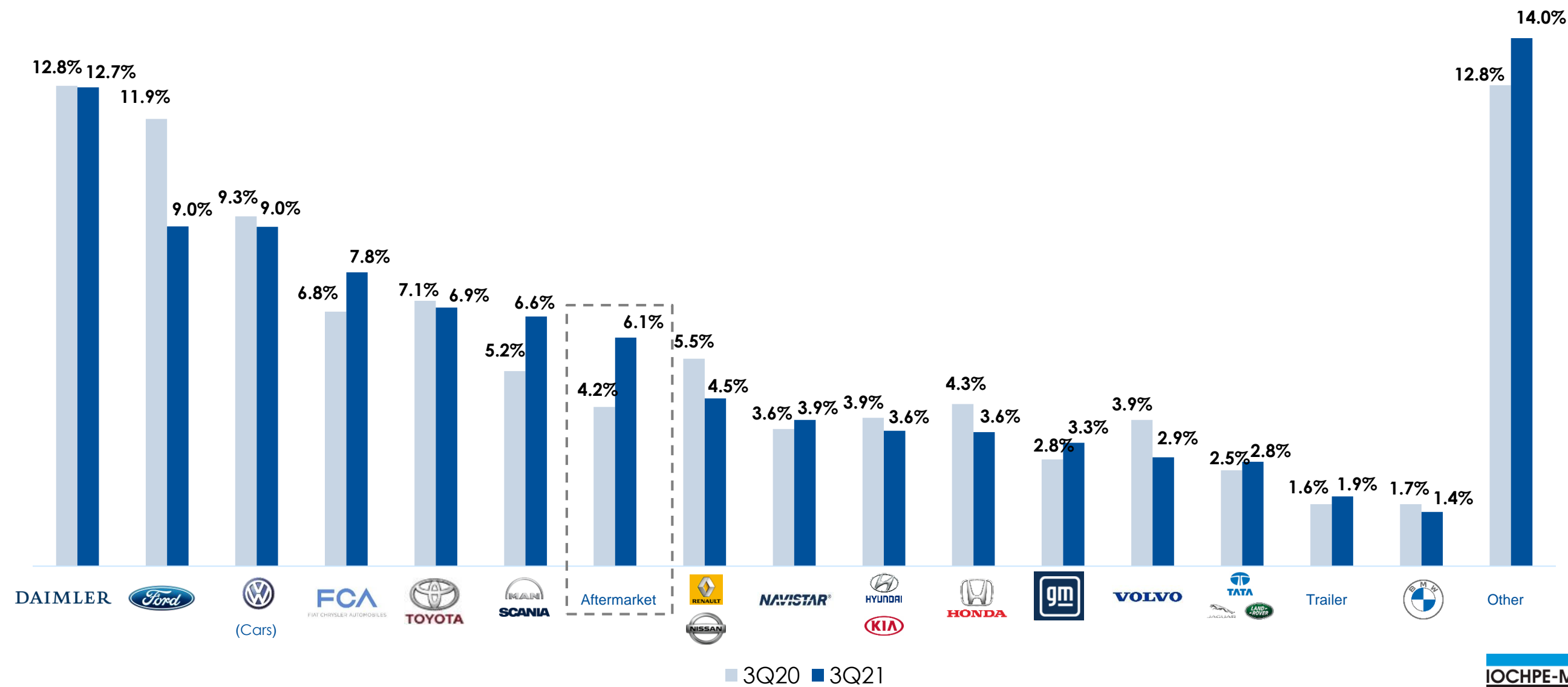
Commercial vehicles represent approximately 50% of the Company's revenue



- Increased share of commercial vehicles from 39.6% in 2019 to 48.4% in 3Q21
- Impact of semiconductor supply with less relevance in the commercial vehicle segment

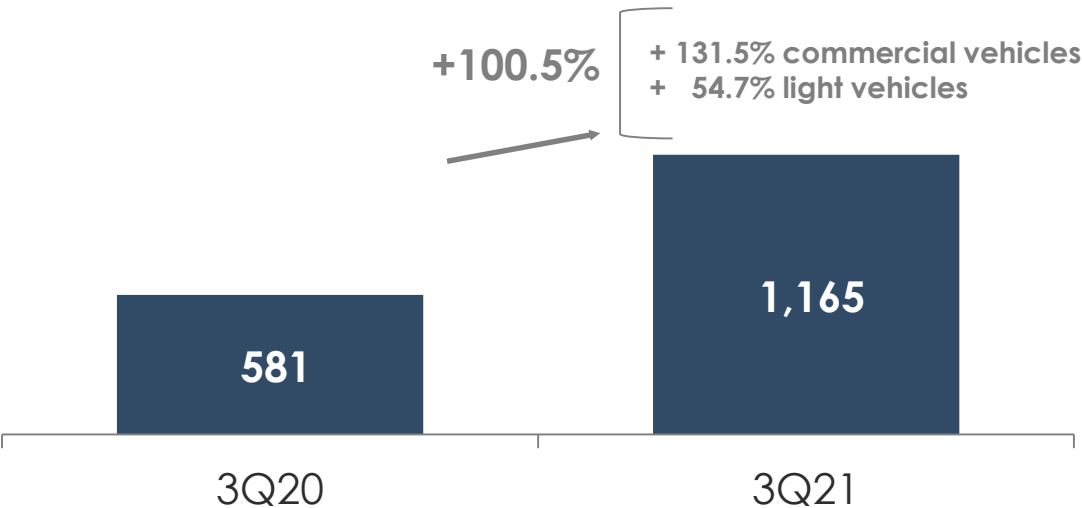
# Net Operating Revenue by Client – (%)

Customers	3Q20	3Q21
Top 1	13%	13%
Top 5	48%	45%
Top 10	70%	70%

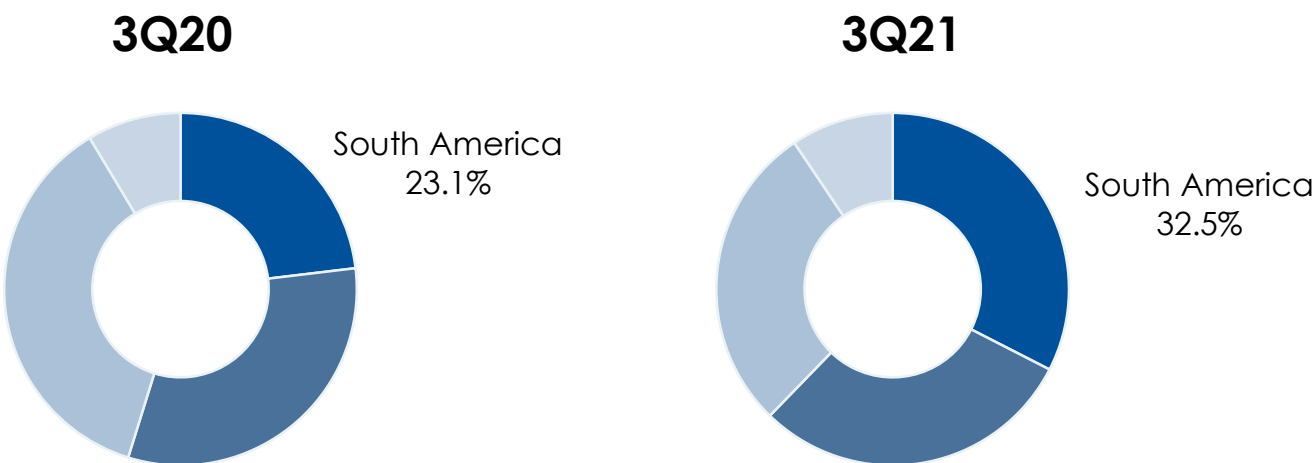


# Operational Performance – South America

## Net Operating Revenue– R\$ million



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



## Brazilian market performance<sup>1</sup> – vehicle production (thousand)

	3Q20	3Q21	Var.
Light vehicles	573	453	-20.9%
Commercial vehicles	28	48	69.3%
Total	601	501	-16.6%

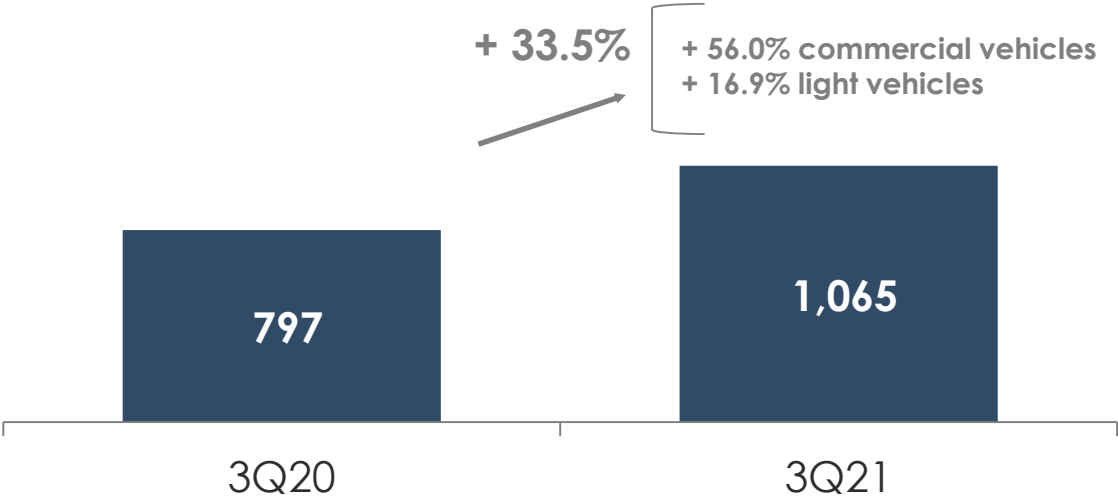
- Increased share of revenue from 23.1% to 32.5%, due to the strong performance of commercial vehicles

<sup>1</sup> Source: ANFAVEA and Company estimates.

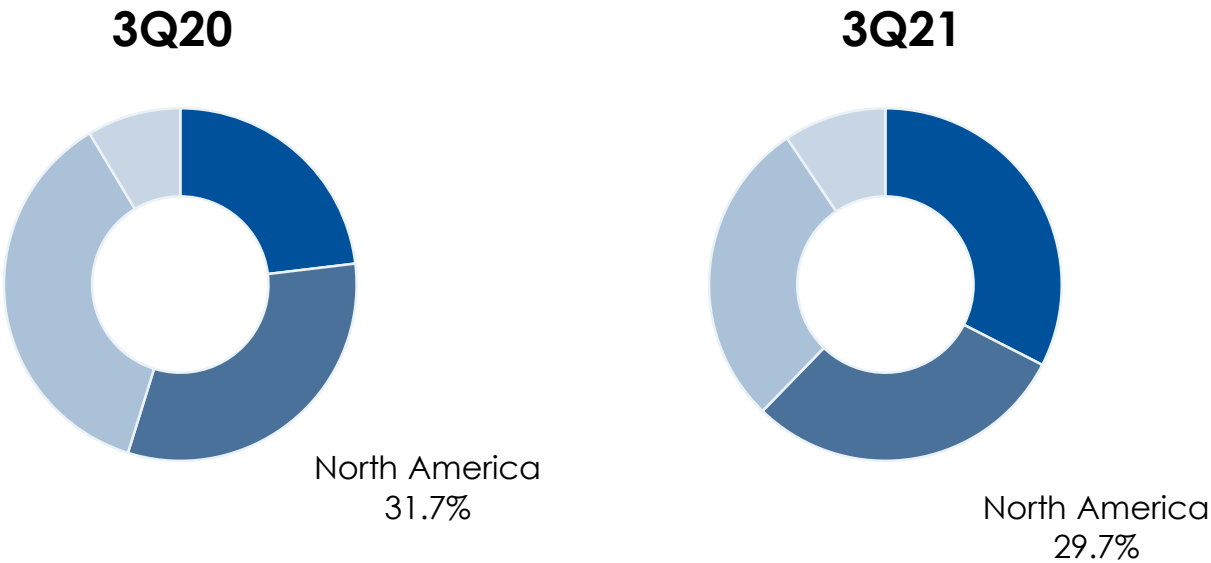


# Operational Performance – North America

Net Operating Revenue– R\$ million



Participation in consolidated Net Operating Revenue – (%)



Market performance<sup>1</sup> – vehicle production (thousand)

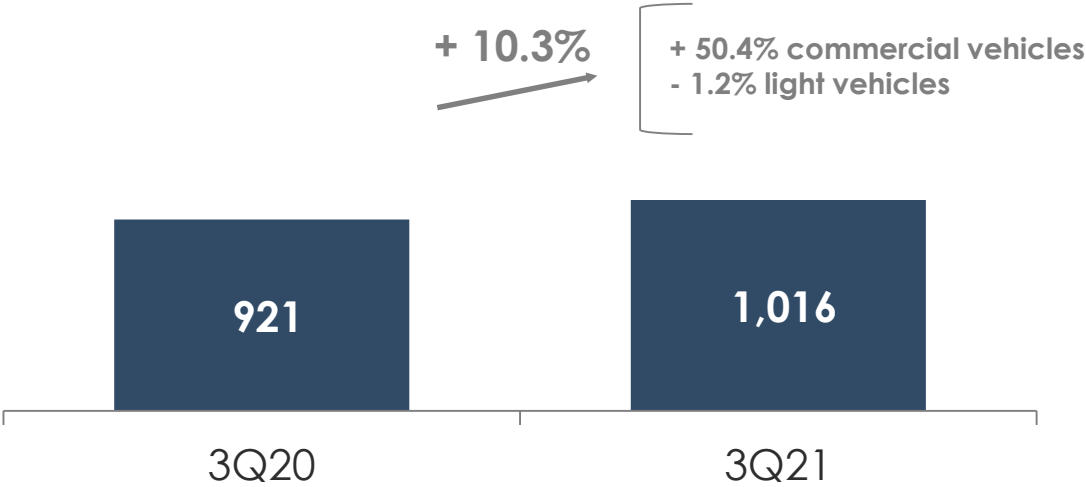
	3Q20	3Q21	Var.
Light vehicles	4,017	2,947	-26.6%
Commercial Vehicles	129	119	-7.7%
Total	4,146	3,066	-26%

- Strong performance of the structural components division

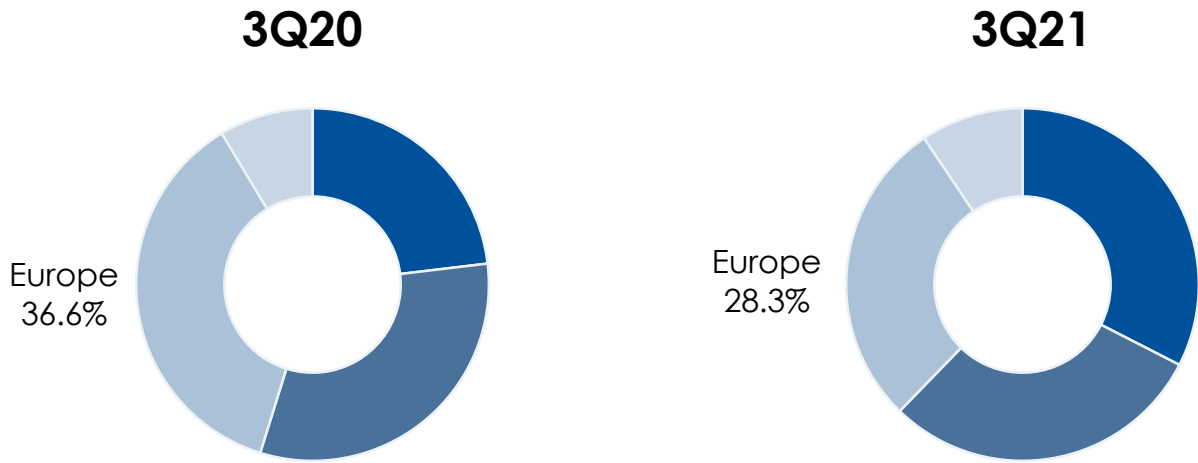
<sup>1</sup> Source: IHS light vehicles, LMC commercial vehicles and Company’s estimates.

# Operational Performance – Europe

## Net Operating Revenue– R\$ million



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



## Market performance<sup>1</sup> – vehicle production (thousand)

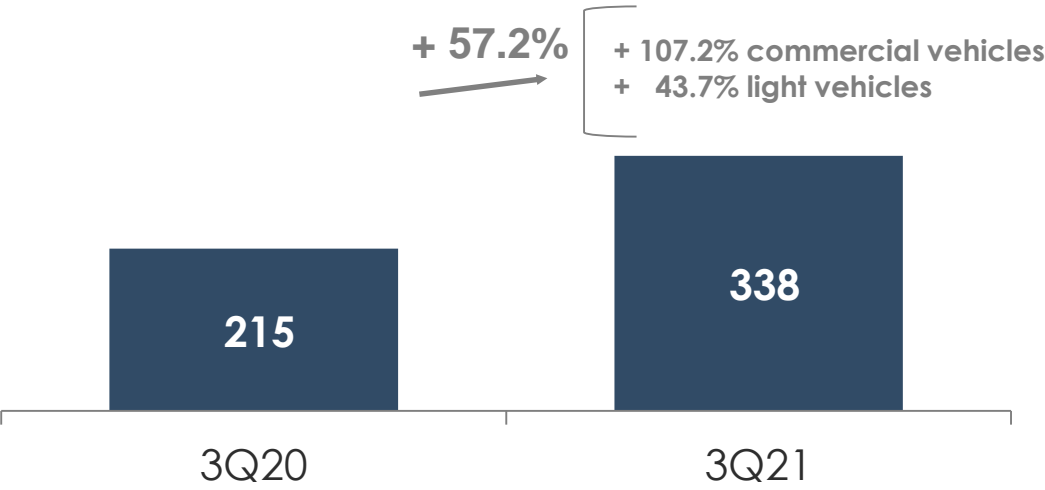
	3Q20	3Q21	Var.
Light vehicles	3,904	2,608	-33.2%
Commercial vehicles	98	100	2.0%
Total	4,002	2,708	-32.3%

- Region with the highest impact from customer shutdowns, affected by the semiconductor shortage crisis

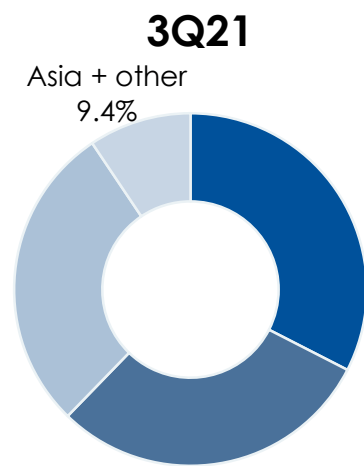
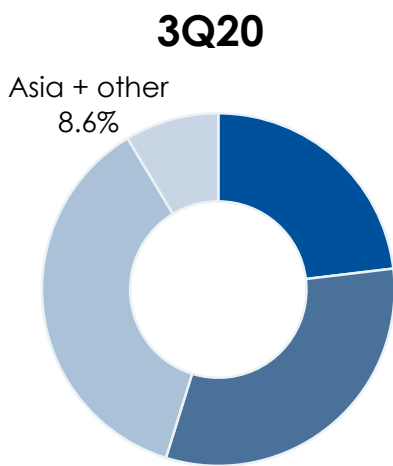
<sup>1</sup> Source: IHS light vehicles, LMC commercial vehicles; Company’s estimates – considers EU27 + UK + Turkey

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

## Net Operating Revenue– R\$ million



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



## Market performance<sup>1</sup> – vehicle production (thousand)

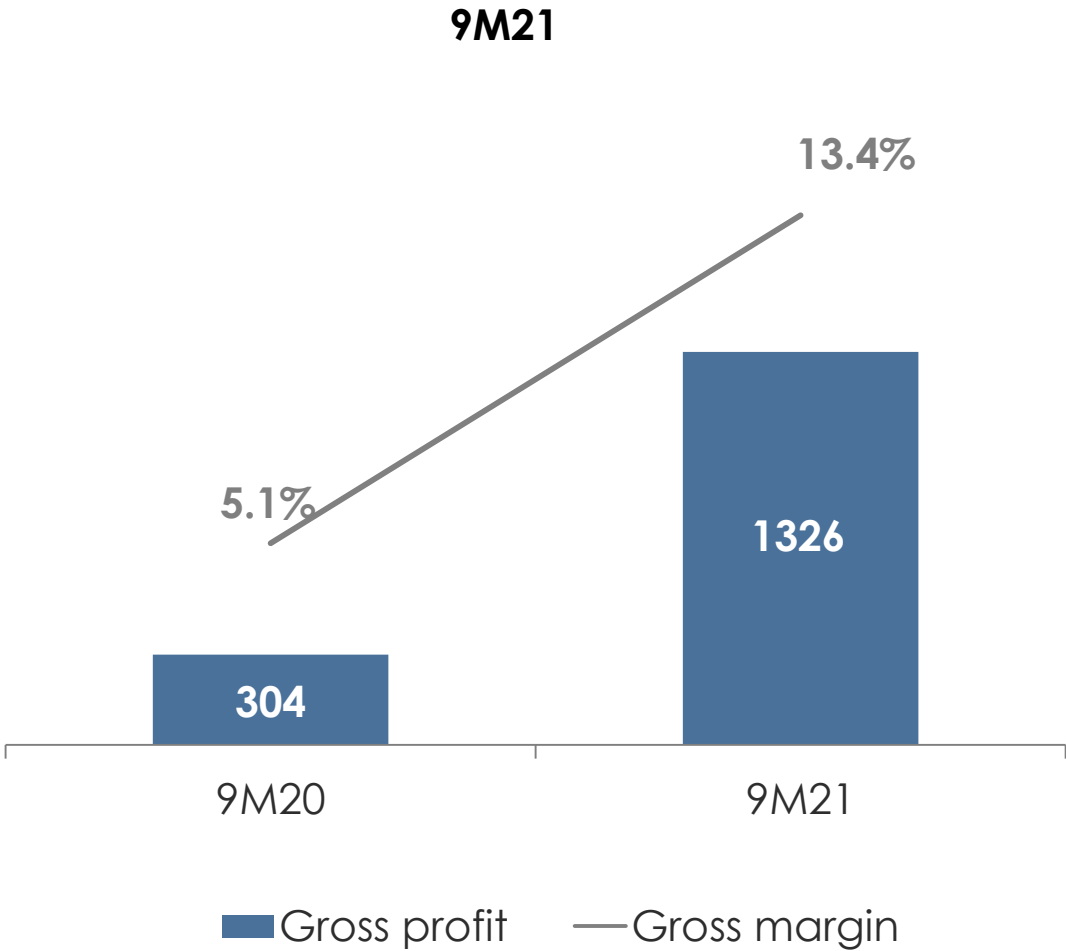
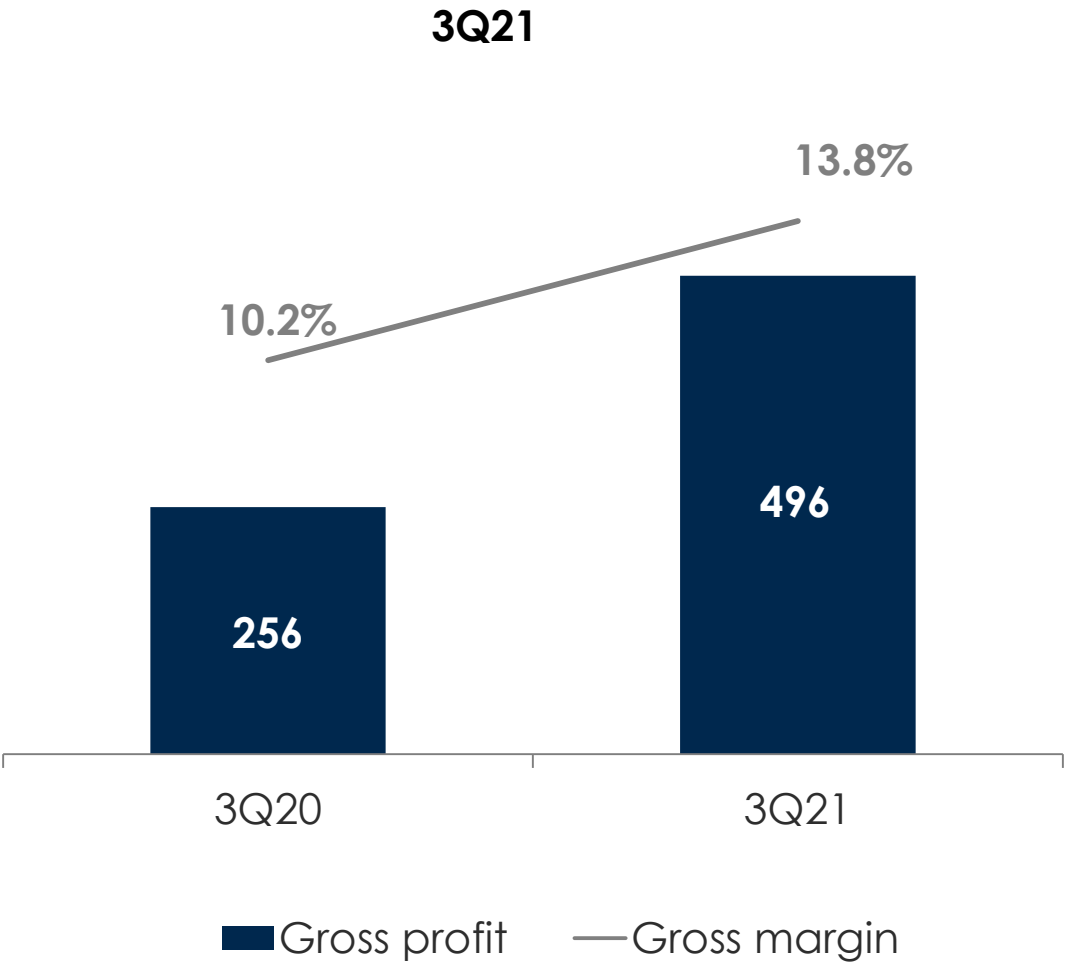
	3Q20	3Q21	Var.
Índia – LV	957	1,014	5.9%
Índia – CV	36	45	25.0%
Tailândia -LV	350	353	0.8%

- Indian market growth
- Commercial wheel revenue growth in our India and China operations

<sup>1</sup> Source: IHS light vehicles and LMC commercial vehicles  
<sup>2</sup> Considers plants located in Asia + South Africa

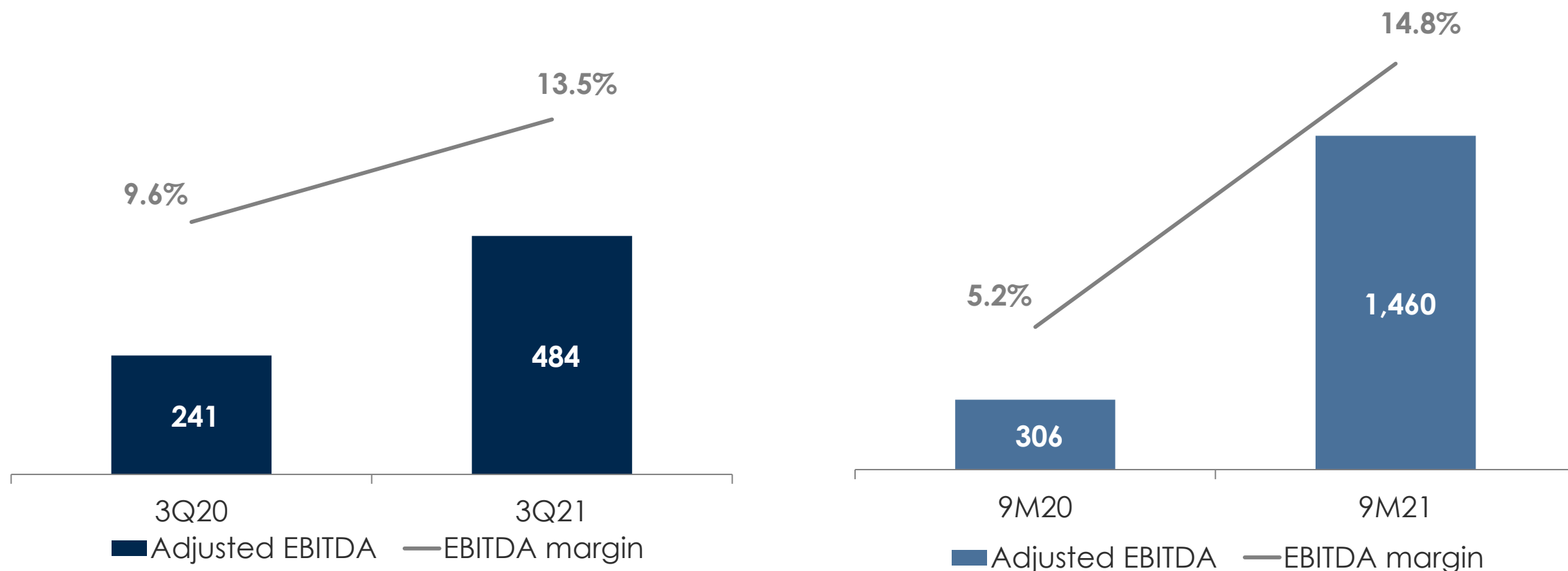
LV: light vehicles  
CV: commercial vehicles

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



- Increase of gross profit in 3Q21 due to revenue growth, improved product mix and greater operating leverage

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



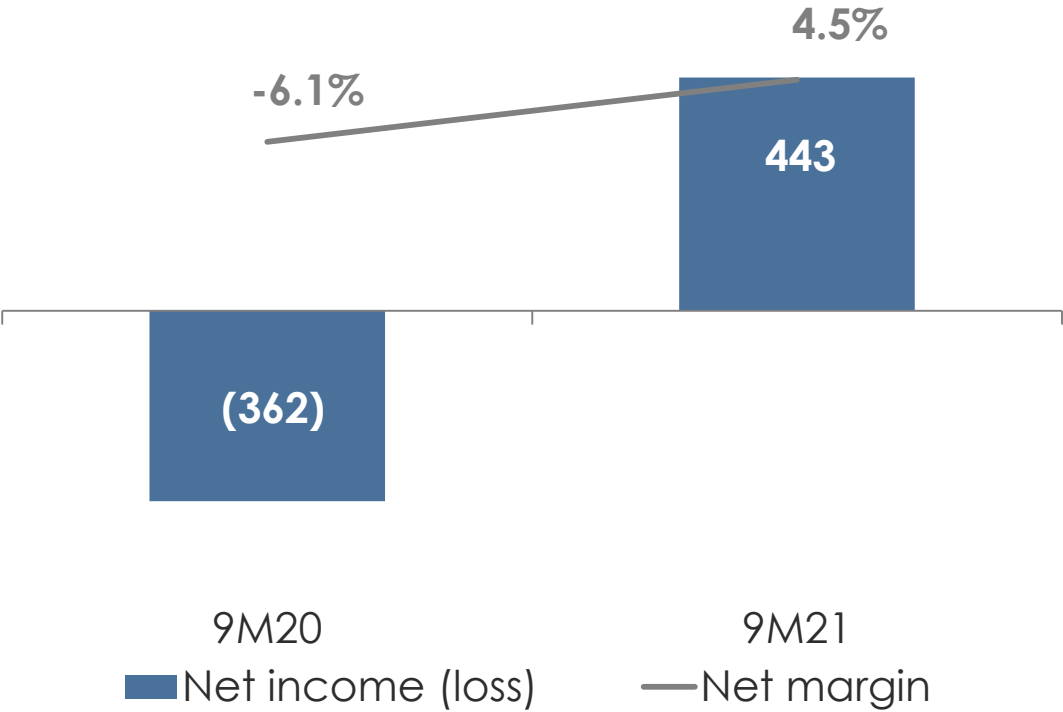
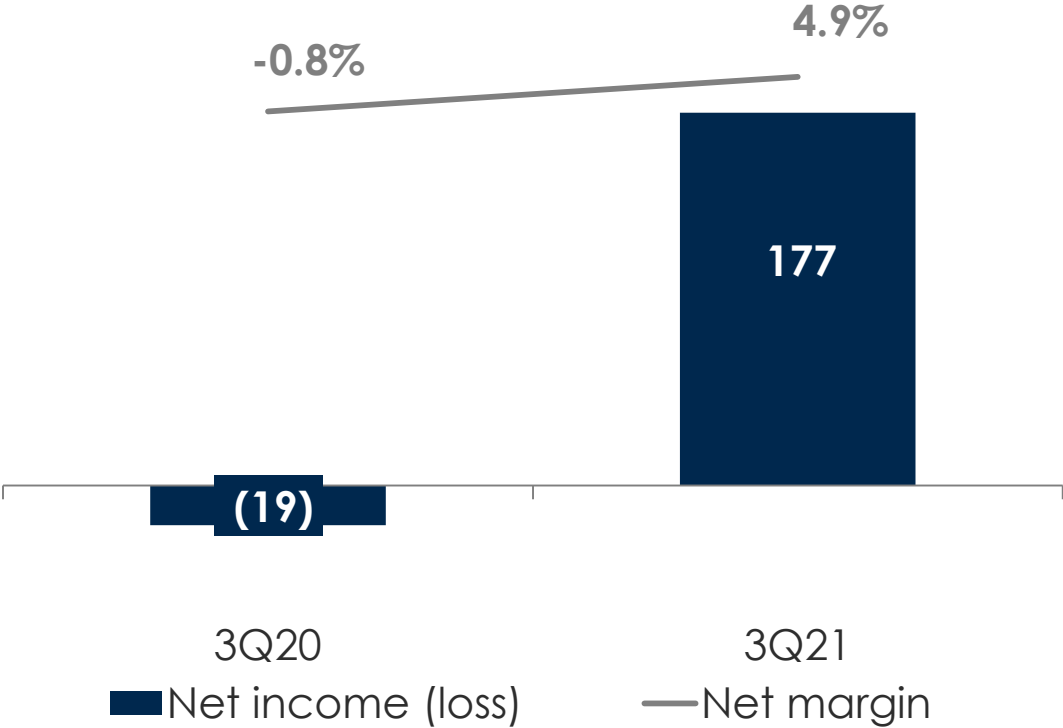
Restructuring and impairments effects - R\$ million	
3Q20	(33.3)
3Q21	6.1
9M20	(93.3)
9M21	(9.9)

In addition to the effects of restructuring and impairments:

- 3Q21 benefited from gain related to the sale of Akron plant in the United States (R\$18.3 million) and from the net gain from the legal proceeding from the exclusion of ICMS on the PIS/Cofins basis (R\$10.0 million)
- EBITDA of R\$ 455.3 million in 3Q21 with a margin of 12.7% , excluding non-recurring effects.

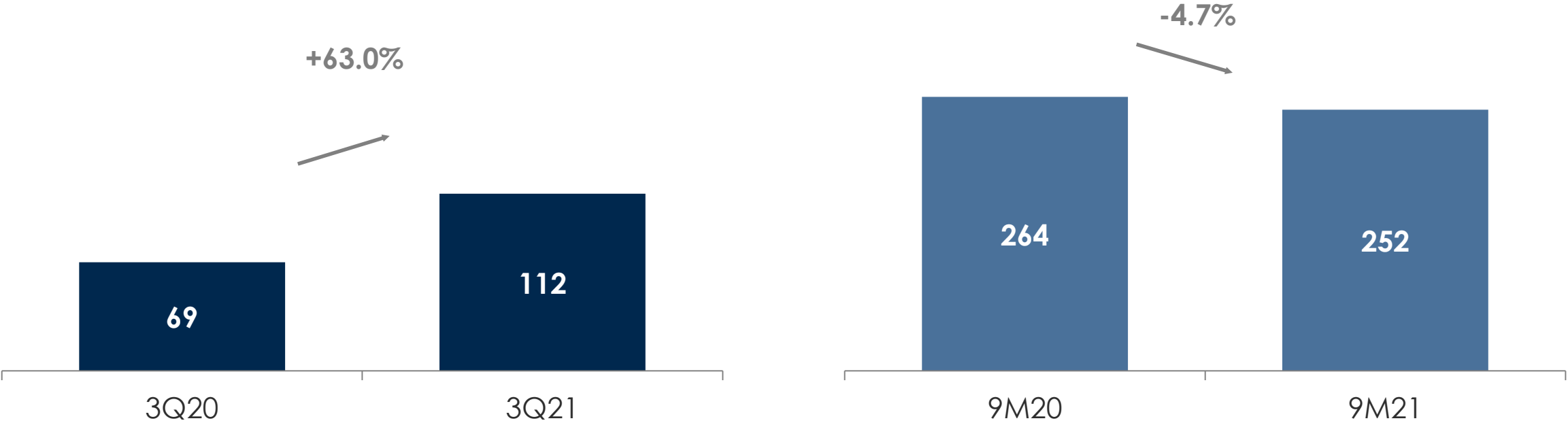
<sup>1</sup> Excludes the effects of restructuring and impairments

# Net Income (Loss) (R\$ million)





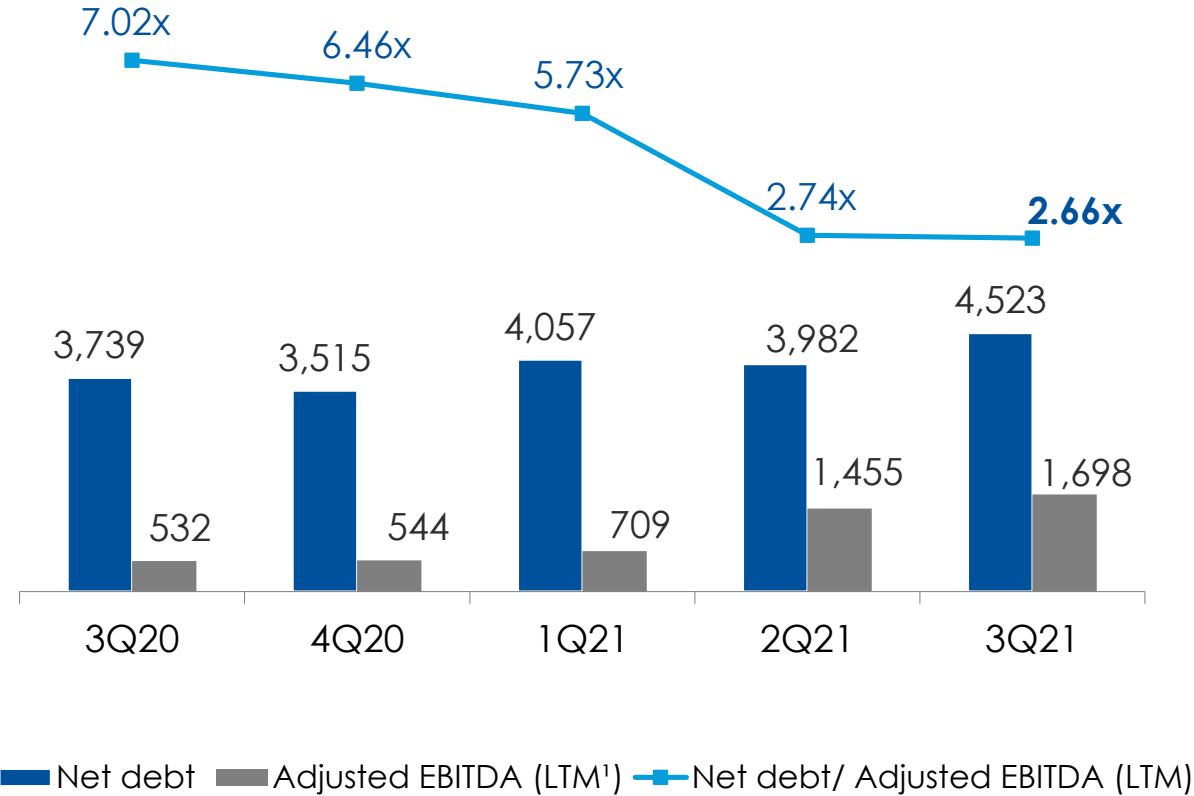
# Investments - (R\$ million)



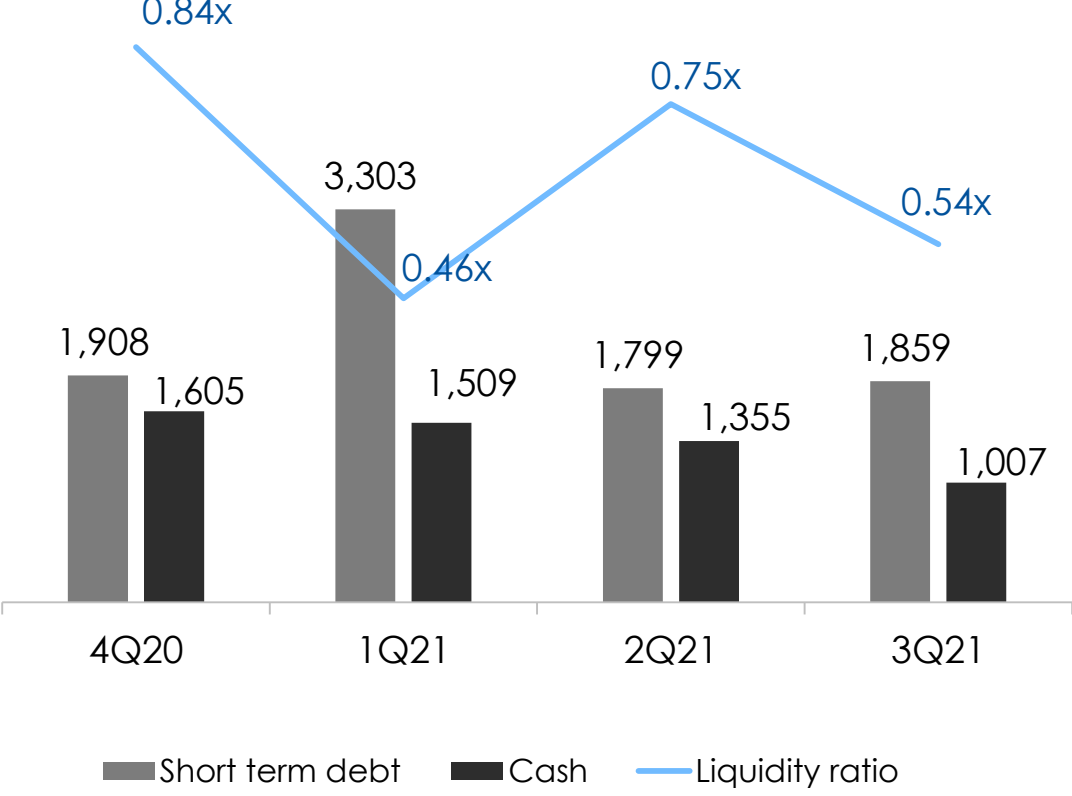
- Main investments related to health and safety, maintenance, launching new products and improving productivity

# Financial leverage and liquidity ratio

Leverage – net debt / Adjusted EBITDA



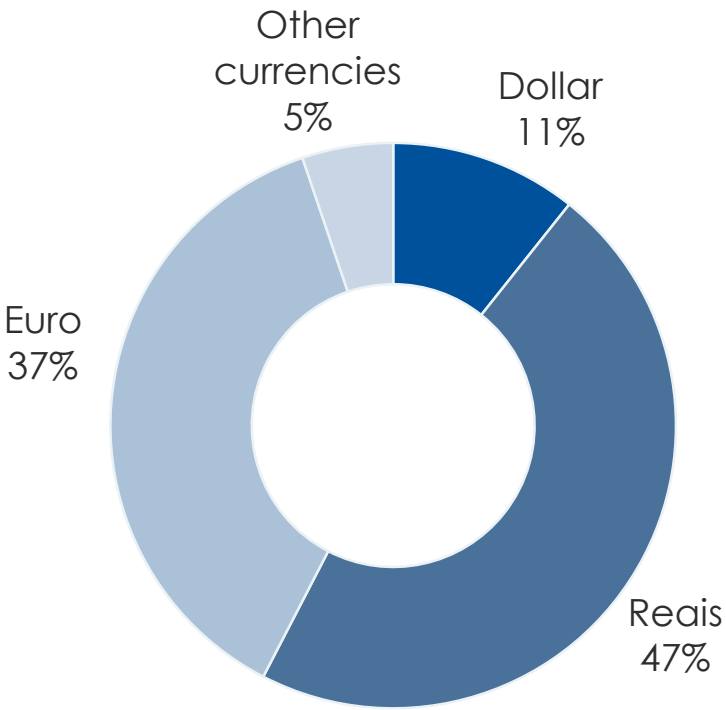
Liquidity ratio – cash / short-term debt



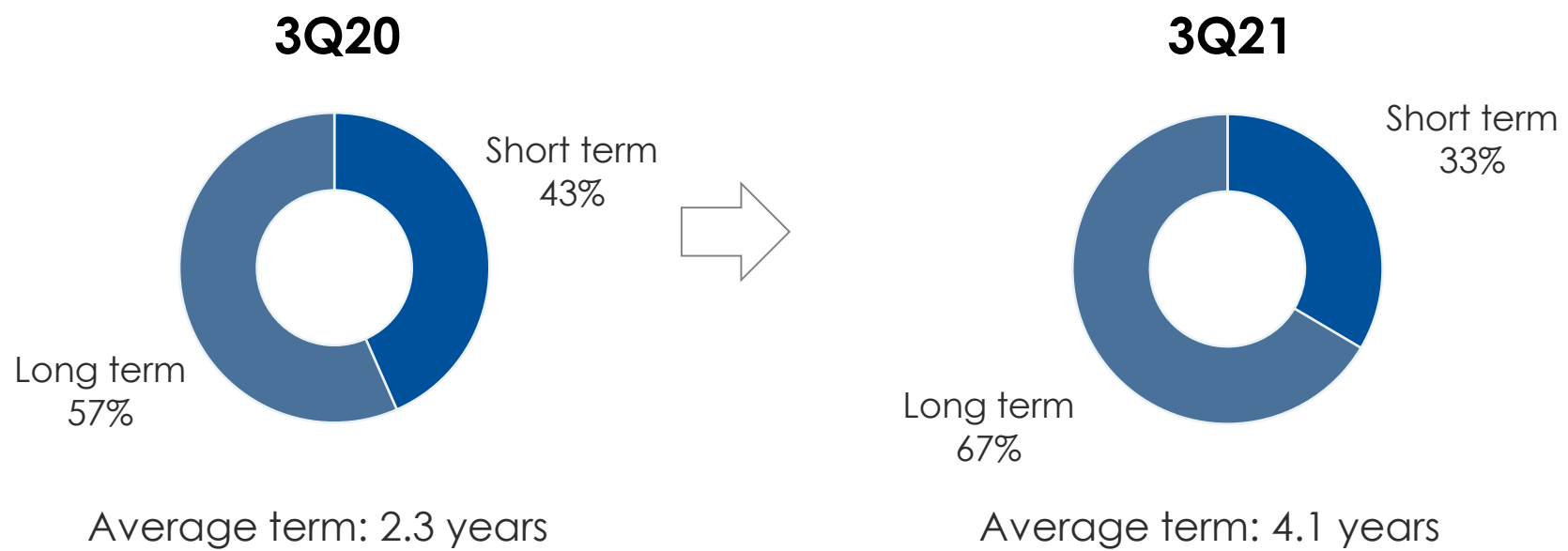
<sup>1</sup>LTM: last twelve months  
Adjusted EBITDA : excludes restructuring and impairments costs

# Indebtedness (R\$ million)

## Gross debt breakdown



	3Q20	3Q21	Var.
Gross debt	5,380	5,624	4.5%
Cash	1,642	1,007	-38.7%
Net debt	3,739	4,523	21.0%



Cost of debt	3Q20	3Q21
R\$ - CDI	CDI + 1.93%	CDI + 1.36%
EU\$	3.0%	3.3%
US\$	2.7%	3.9%

# Recognition in 3Q21



- Autodata Best of the Year Award  
Maxion Structural Components: parts and components supplier  
Maxion Wheels: exporter/supplier



- Nissan “Regional Supplier Quality Award Finalist” in Thailand



- Quality certificate grade “A” by Skoda, Volkswagen subsidiary in India

## APIMEC/Investor Day 2021 Invitation







# **IOCHPE-MAXION**