



4Q20 Earnings Release

February 10th, 2021





This release contains forward-looking statements subject to risks and uncertainties. Such forward-looking statements are based on the management's beliefs and assumptions on information currently available to the Company. The reservations as to forward-looking statements also apply to information on possible or presumed operating results, as well as any statements preceded, followed or including words such as "believes", "may", "will", "expects", "intends", "plans", "estimates" or similar expressions. Forward-looking statements are not performance guarantees. They involve risks, uncertainties and assumptions because they refer to future events and, therefore, depend on circumstances which may or may not occur. Future results may differ materially from those expressed or suggested by forward-looking statements. Many of the factors which will determine these results and figures are beyond Romi's control or prediction capacity.

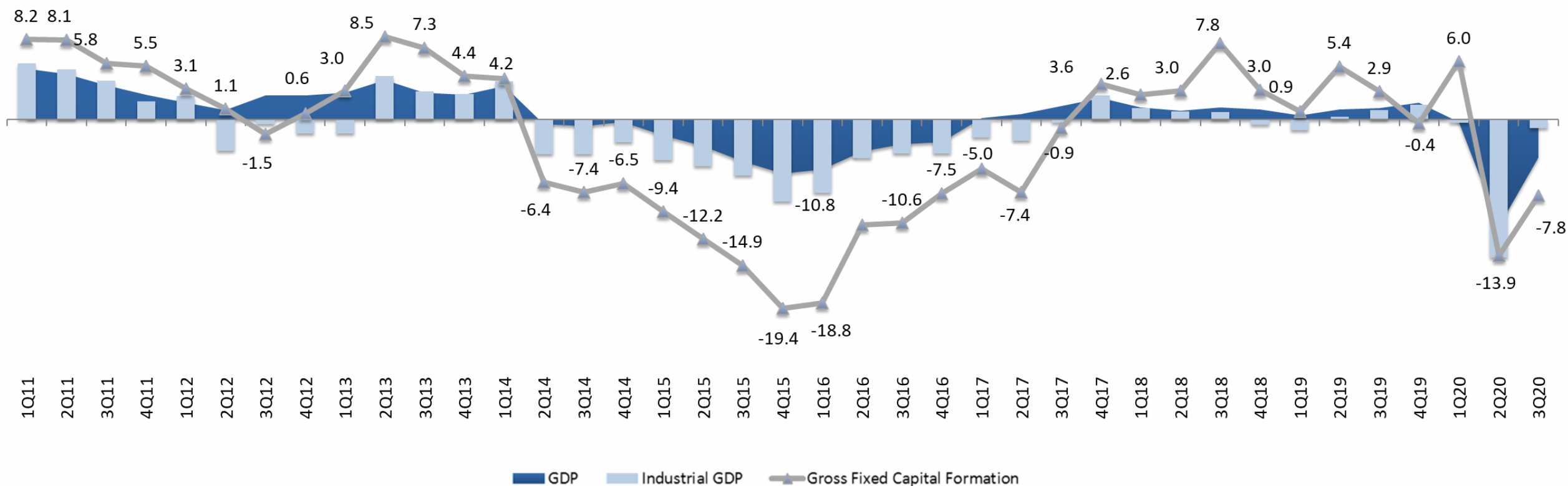


- **Record revenue of R\$ 360.6 million in 4Q20** (56.5% increase over 4Q19);
- **Incoming orders of R\$ 390.1 million in 4Q20** (110.6% increase over 4Q19);
- 2021 started with an order backlog of **R\$ 510 million** (67.2% increase over 2019);
- At the **Romi Machines** Unit, net operating revenue **increased** by **37.1%** in 4Q20 compared to 4Q19, due to the resumption of orders from June 2020. The increase in revenue, coupled with a reduction in operating expenses, resulted in a 10.1 p.p. expansion in operating margin compared to 4Q19;
- At the **Rough and Machined Cast Iron Parts** Unit, net operating revenue **increased** by **102.3%** compared to 4Q19, driven by deliveries of large parts and the recovery of the other segments. **Operating margin grew by 8.2 p.p.**, reflecting the higher production volume, improved operational efficiency and higher revenues;



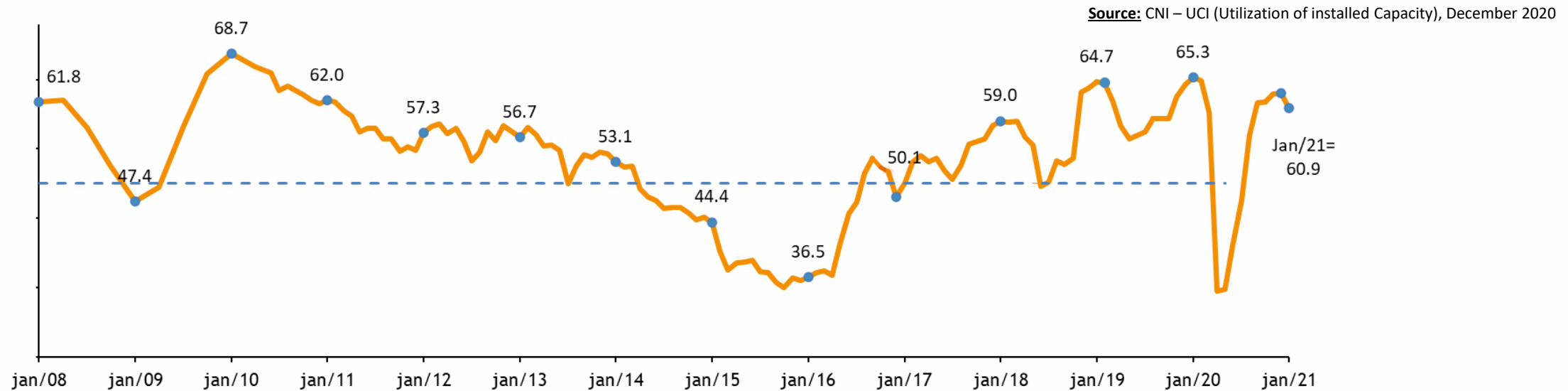
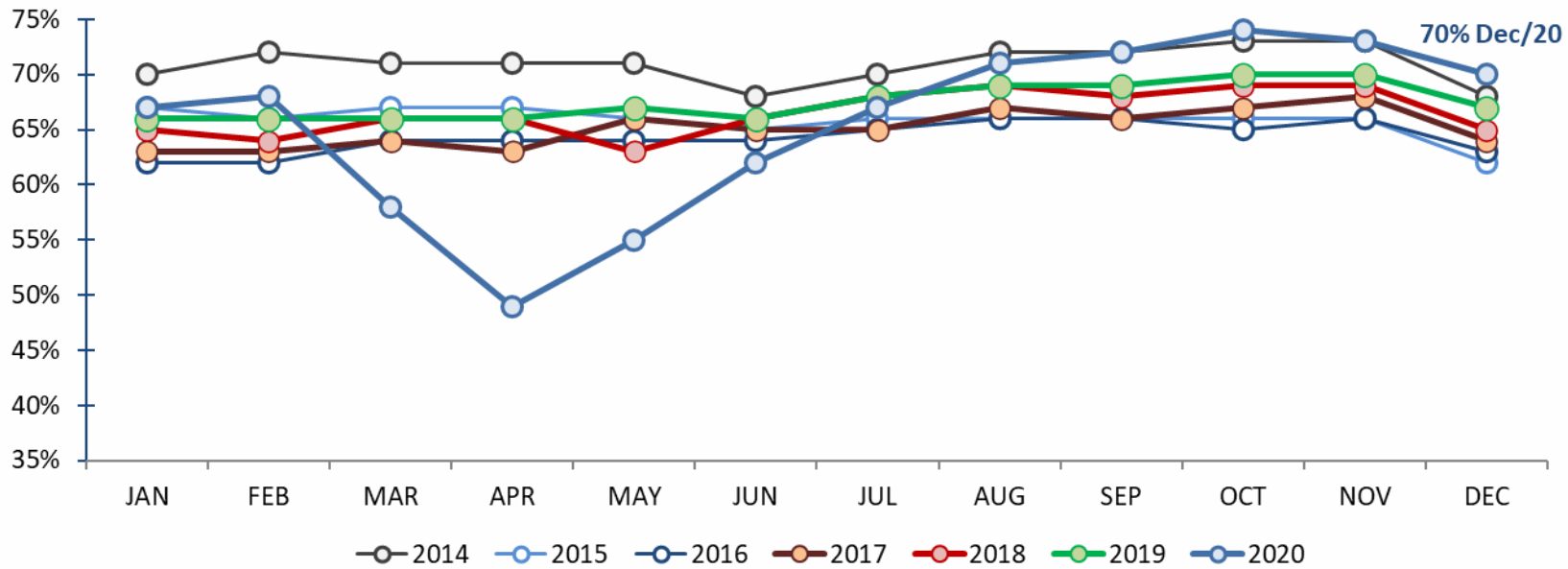
- **Incoming orders** at the Romi Machines Unit **increased** by **87.5%** in 4Q20 compared to 4Q19, reflecting the highly favorable environment for investments and the new business alternatives, such as the machine rental business;
- In 4Q20, **incoming orders** at the Rough and Machined Cast Iron Parts Unit **increased 75.7%** compared to 4Q19, reflecting orders for large parts placed by customers from the energy industry and the gradual recovery of all the other industrial segments;
- In 4Q20, **incoming orders** at the Burkhardt+Weber Unit reached R\$ 99.3 million, an **increase** of **264.6%** compared to 4Q19, reflecting the resumption of business in Asia;
- At the end of the fourth quarter of 2020, the Company's **order backlog grew** by **67.2%** in comparison to December 31, 2019.
- Inclusion in the indexes: **IBRA** (Brazil Broad Index), **IDIV** (Dividend Index), **SMLL** (Small Cap Index) and **IGCT** (Trade Corporate Governance Index)
- As at December 31, 2020, the Company's **net cash** totaled **R\$110.5 million**.

Conjunctural Indicators – GDP and FBKF



Source: IBGE (current quarter vs. the same quarter last year)

Economic Indexes - Conjunctural





Romi Machines



	2020	2019
Job shops	19%	22%
Machines and Equipments	19%	19%
Automotive	12%	14%
Agricultural	8%	2%
Tooling	6%	7%
Packing	8%	5%
Construction	4%	2%
Housewares	4%	4%
Others	20%	25%

B+W Machines



	2020	2019
Machines and Equipments	51%	52%
Automotive	21%	24%
Motors and Systems	22%	20%
Aerospace	6%	4%

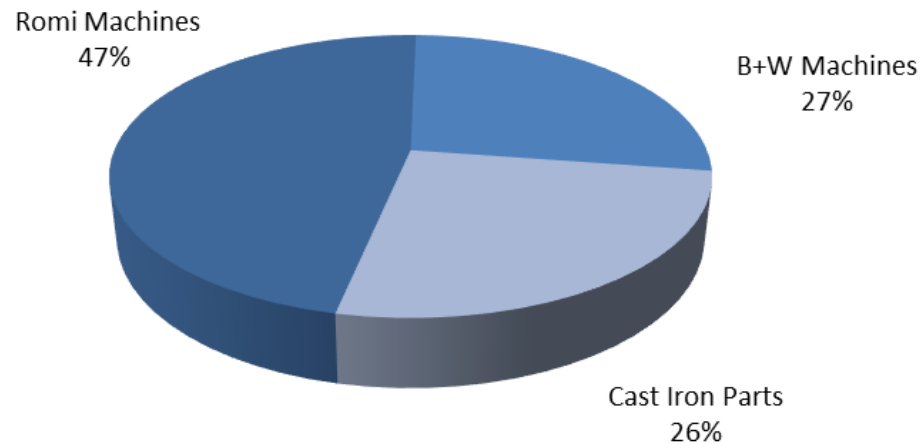
Rough and Machined Cast Iron Parts



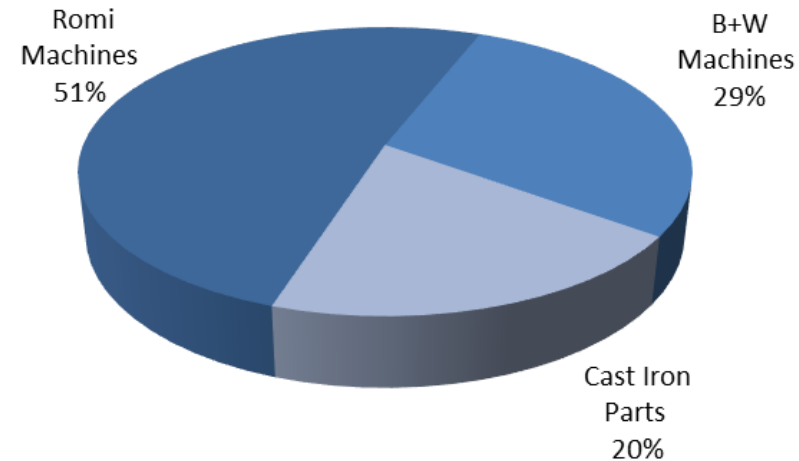
	2020	2019
Wind Power	53%	23%
Automotive	22%	32%
Construction	12%	20%
Agriculture	13%	23%
Others	0%	2%

Net Sales per Business Unit

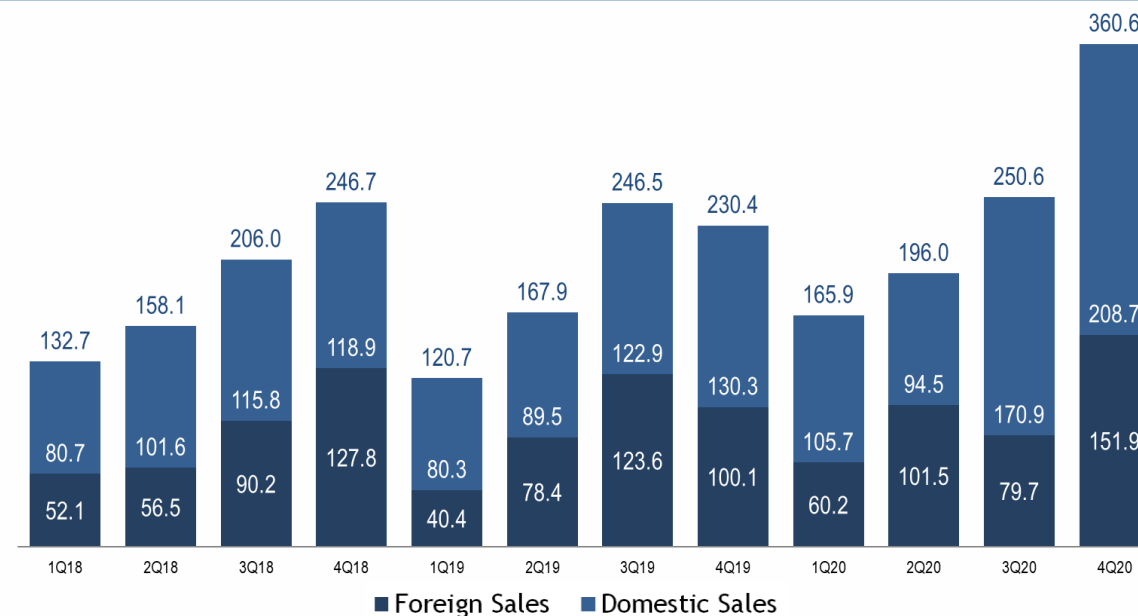
2020



2019

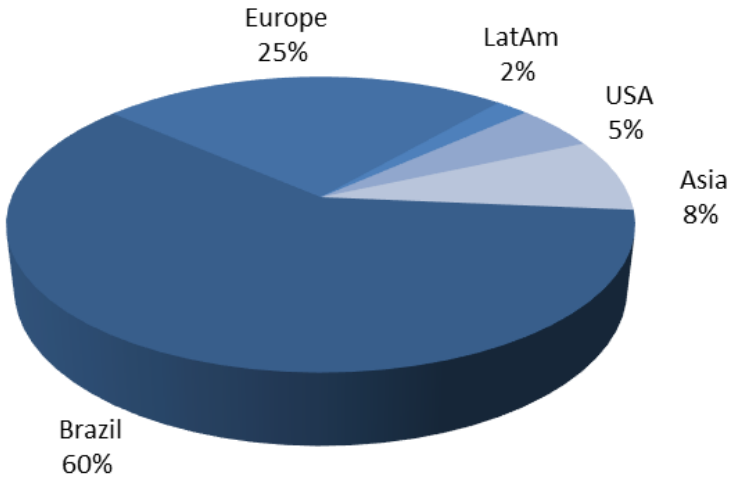


Net Operating Sales (R\$ million)

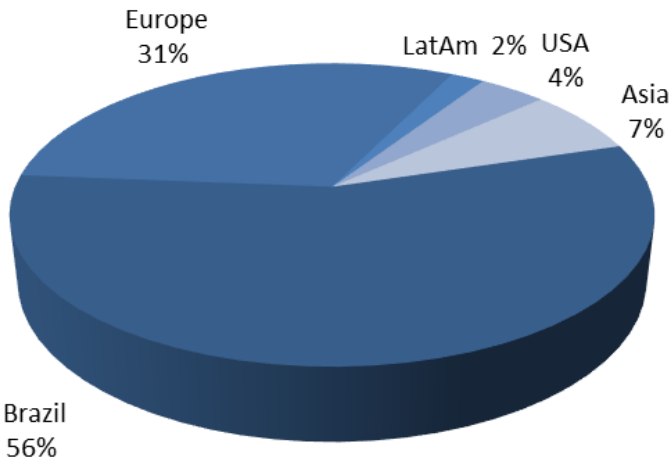




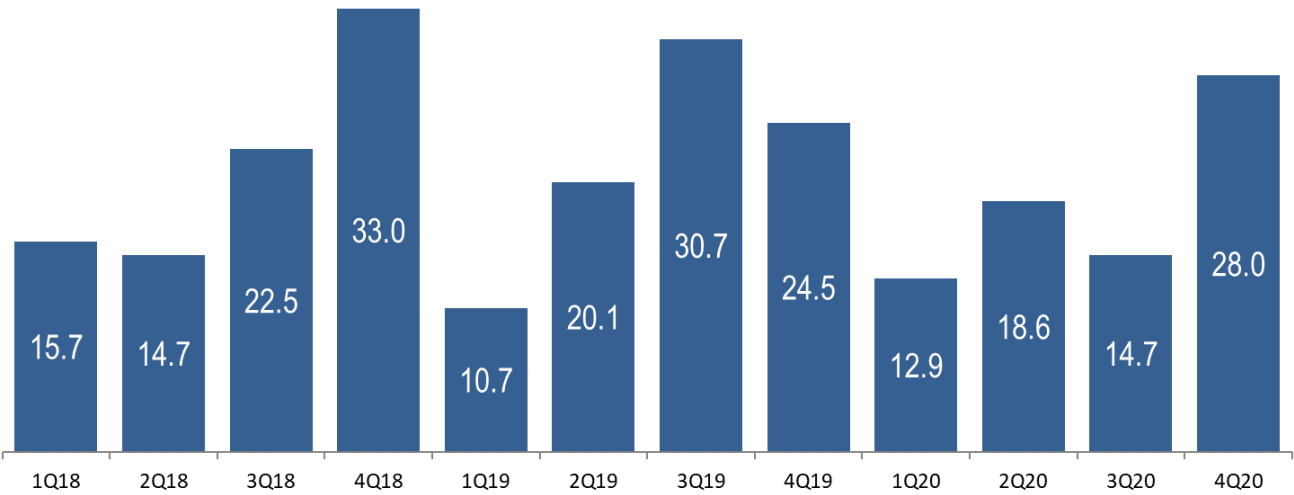
2020



2019



Foreign Sales (US\$ million)



Order Entry and Backlog



Order Entry (R\$ 000)								
Gross Values, sales taxes included	4Q19	3Q20	4Q20	Chg. 4Q20/3Q20	Chg. 4Q20/4Q19	2019	2020	Chg. 20/19
Romi Machines	111,184	223,189	208,471	-6.6%	87.5%	392,077	628,608	60.3%
Burkhardt+Weber Machines	27,249	6,012	99,346	1552.5%	264.6%	137,517	125,541	-8.7%
Rough and Machined Cast Iron Parts	46,820	84,236	82,250	-2.4%	75.7%	210,232	319,197	51.8%
Total *	185,253	313,436	390,067	24.4%	110.6%	739,826	1,073,345	45.1%

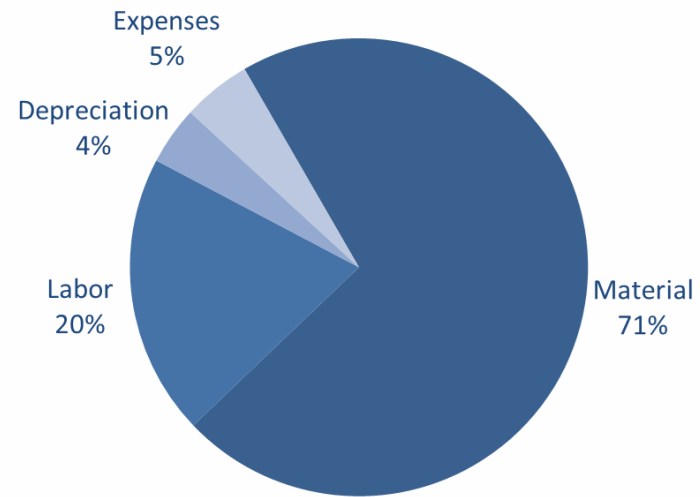
Order Backlog (R\$ 000)					
Gross Values, sales taxes included	4Q19	3Q20	4Q20	Chg. 4Q20/3Q20	Chg. 4Q20/4Q19
Romi Machines	93,276	255,346	254,213	-0.4%	172.5%
Burkhardt+Weber Machines	138,470	89,526	126,200	41.0%	-8.9%
Rough and Machined Cast Iron Parts	73,207	127,262	129,612	1.8%	77.0%
Total *	304,952	472,134	510,024	8.0%	67.2%

(*) Order backlog and order entry values do not include spare parts and services

Cost of Goods Sold



2020



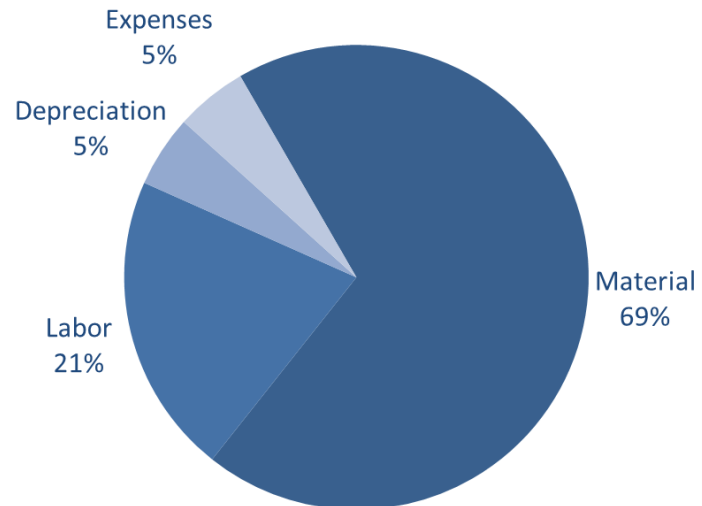
21% Domestic material

15% FX Related Domestic Material

16% Metals

19% Imported Material

2019



20% Domestic material

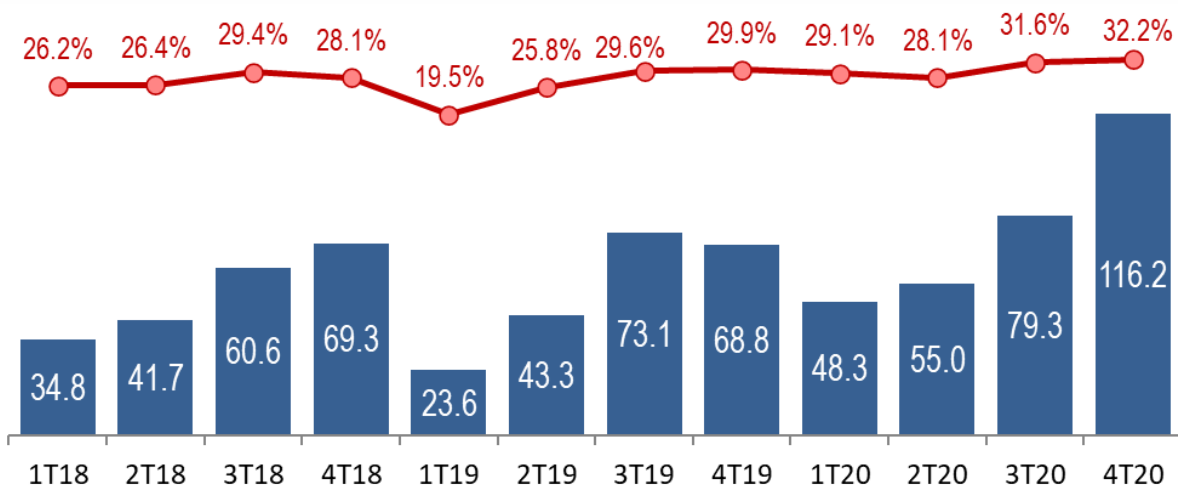
16% FX Related Domestic Material

15% Metals

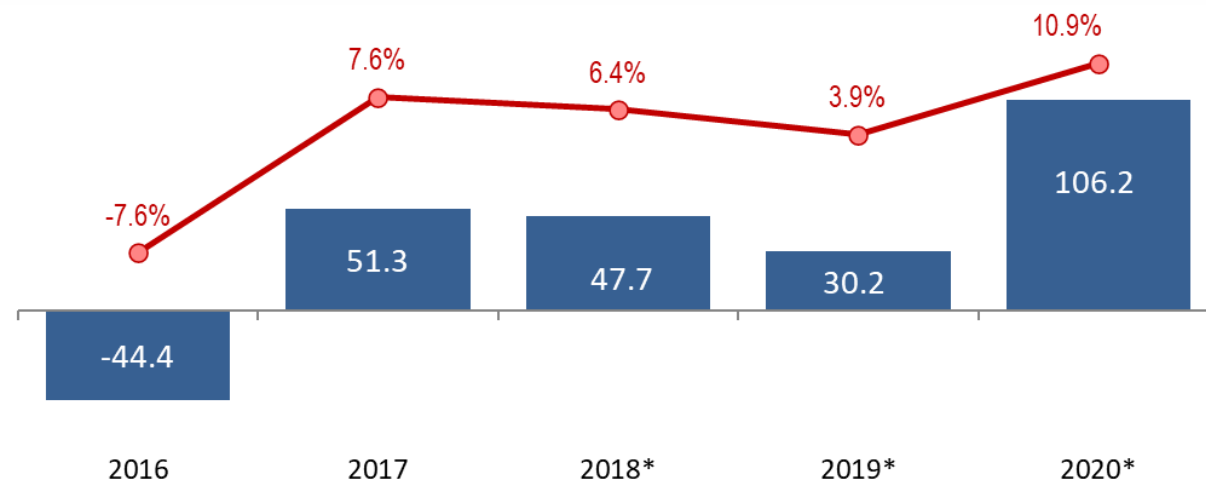
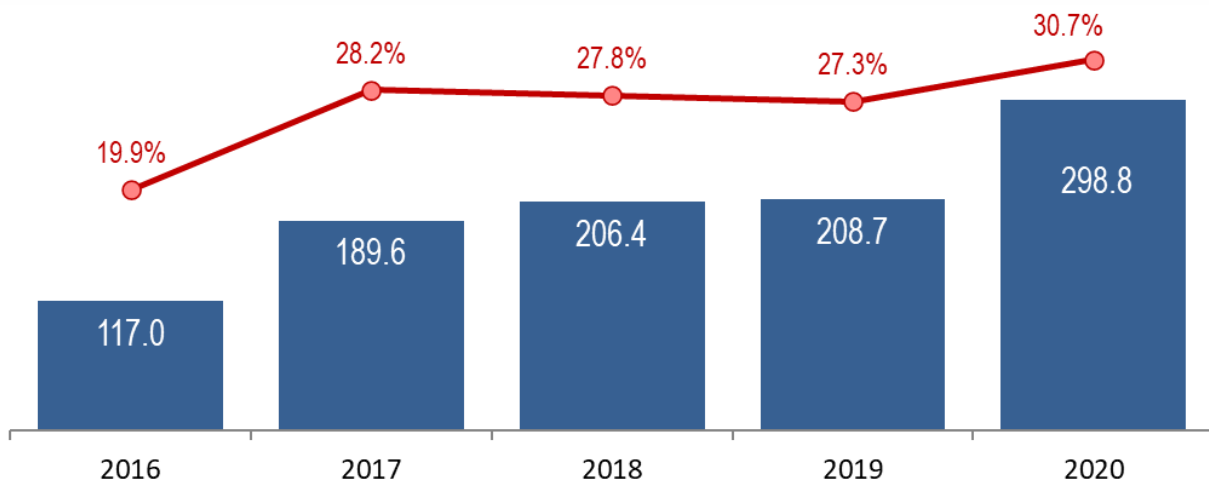
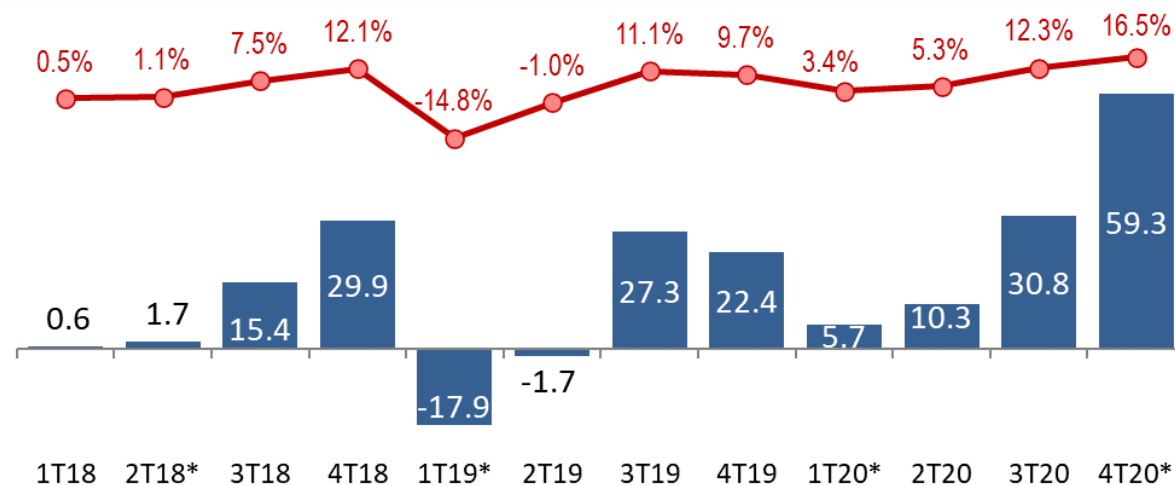
18% Imported Material

Profitability

Gross Profit (R\$ million) and Gross Margin



Operating Profit (loss) (R\$ million) and Operating Margin

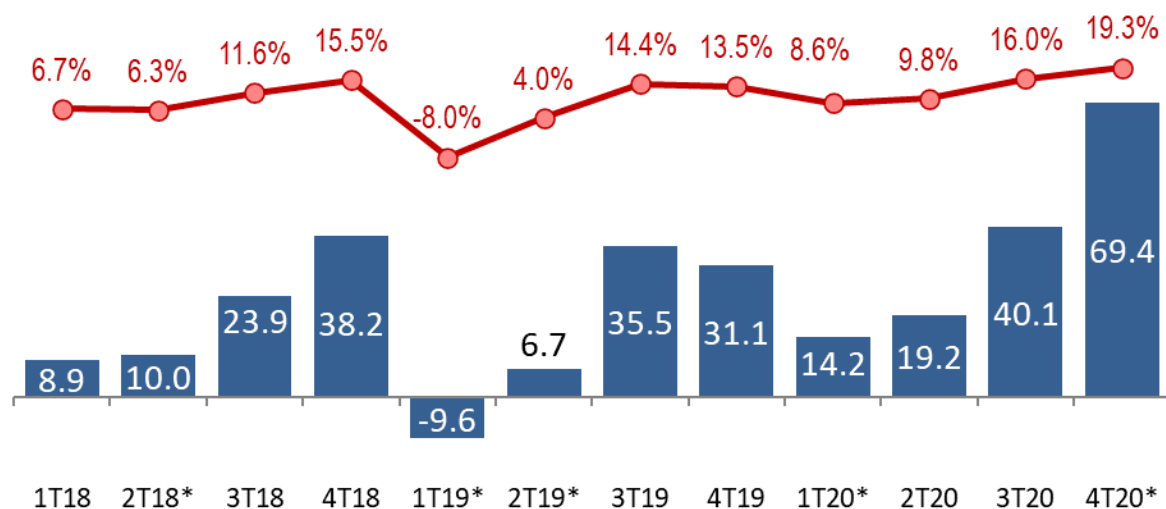


(*) According to the information in the 1Q20 Earnings Release, operating income is adjusted as follows: (i) 2Q18/2018: increased by R\$1.6 million; (ii) 1Q19/2019: reduced by R\$74.3 million; and (iii) 1Q20: increased by R\$1.0 million, (iv) 4Q20: reduced by R\$1.7 million (v) 2020: reduced by R\$0.7 million

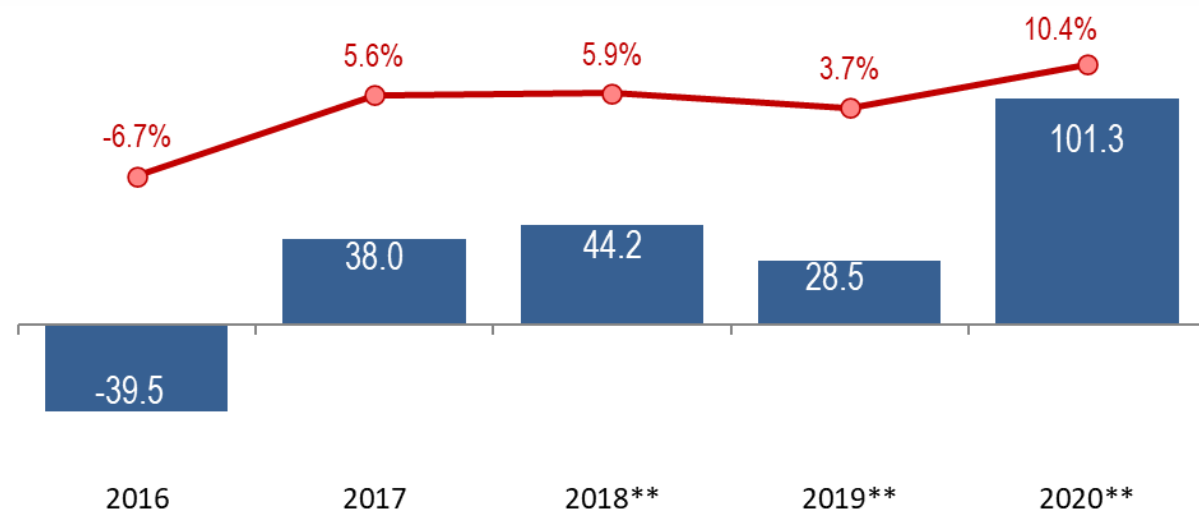
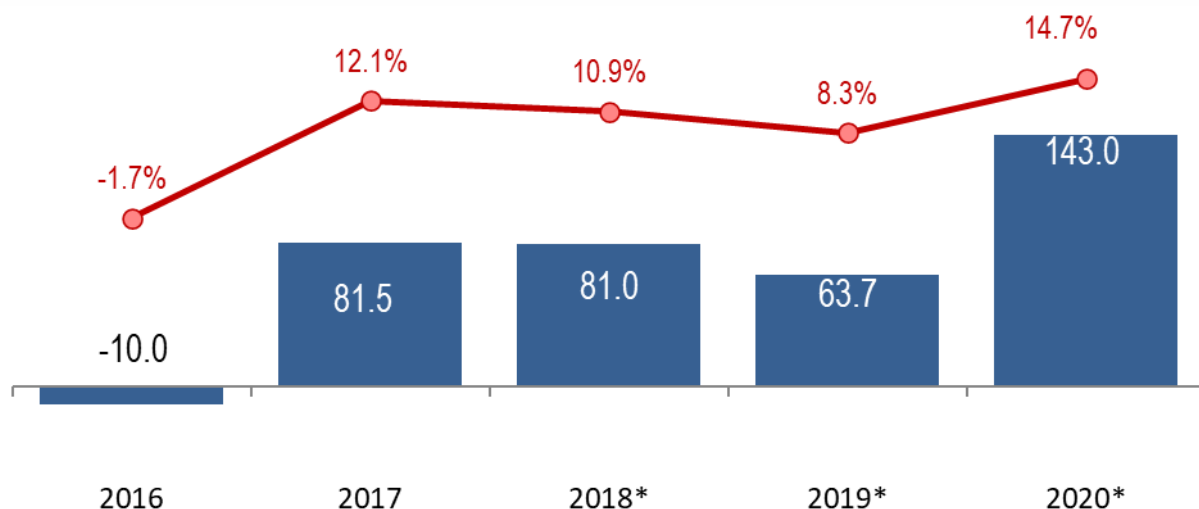
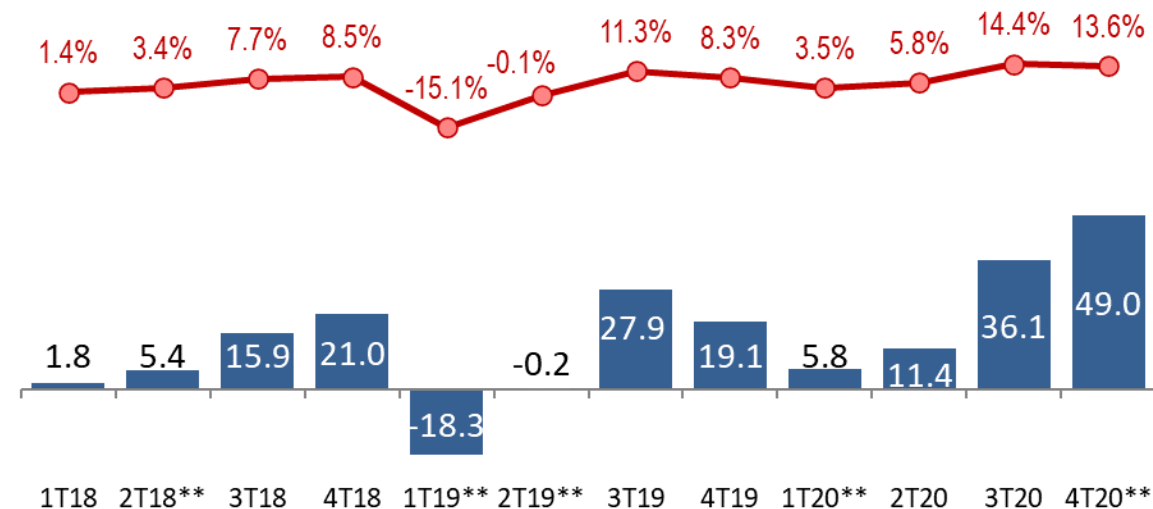
Profitability



EBITDA (R\$ million) and EBTIDA Margin



Net income (loss) (R\$ million) and Net Margin



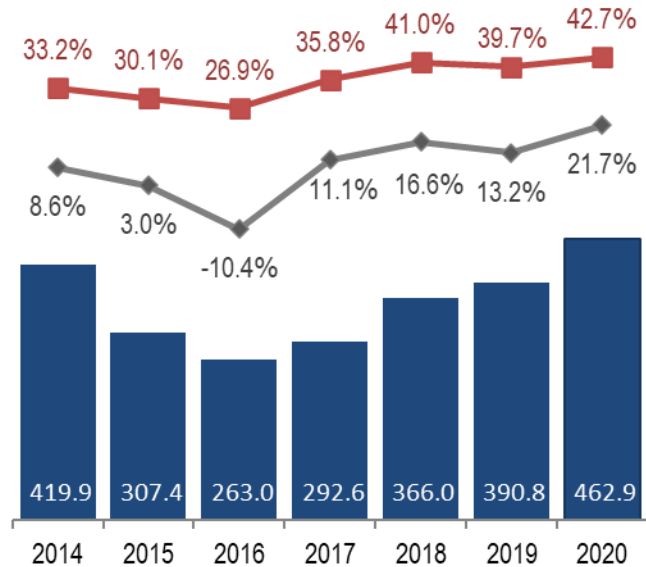
(*) According to the information in the 1Q20 Earnings Release, EBITDA is adjusted by the following aspects: (i) 2Q18/2018: increased by R\$1.6 million; (ii) 1Q19/2019: reduced by R\$74.3 million; and (iii) 1Q20: reduced by R\$1.0 million. (**) According to the information in the 1Q20 Earnings Release, net income is adjusted by the following aspects: (i) 2Q18/2018: reduced by R\$40.1 million; (ii) 1Q19: reduced by R\$105.6 million; and (iii) 2Q19: increased by R\$4.2 million; (iv) 2019: reduced by R\$101.4; and (v) 1Q20: reduced by R\$35.0 million; (vi) 4Q20: reduced by R\$37.4 million; (viii) 2020: reduced by R\$73.4 million.

Business Units' Results

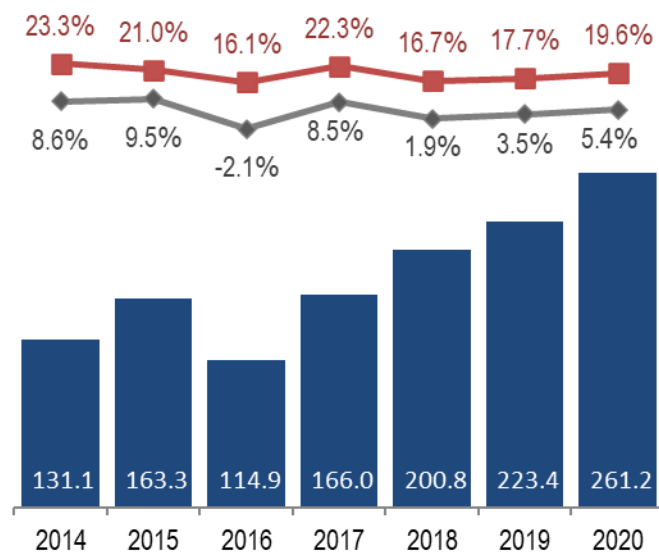


Sales	Quarter												Accumulated	
	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	2019	2020
Romi Machines (qty)	144	183	227	270	137	172	242	248	164	137	230	329	799	860
Burkhardt+Weber (qty)	3	4	9	13	2	8	12	7	3	5	2	7	29	17
Rough and Machined Cast Iron Parts (ton)	4.592	5.453	5.520	3.469	3.567	3.836	4.286	3.605	4.095	4.263	7.056	6,528	15,294	21,943

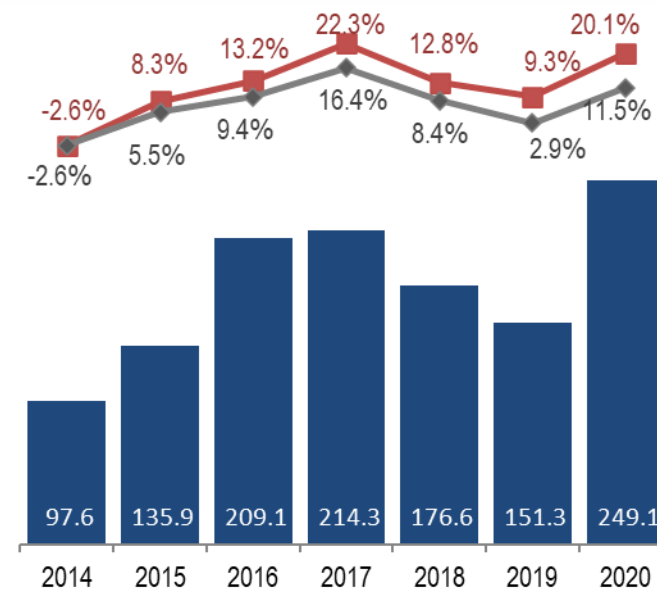
Romi Machines



B+W Machines



Rough and Machined Cast Iron Parts



■ Revenue ■ Gross Margin ● EBTIDA Adjusted

(*) EBTIDA margin is adjusted according to previous slides.

Cash Position



Cash and Cash Equivalent (R\$ MM) - 12/31/2020

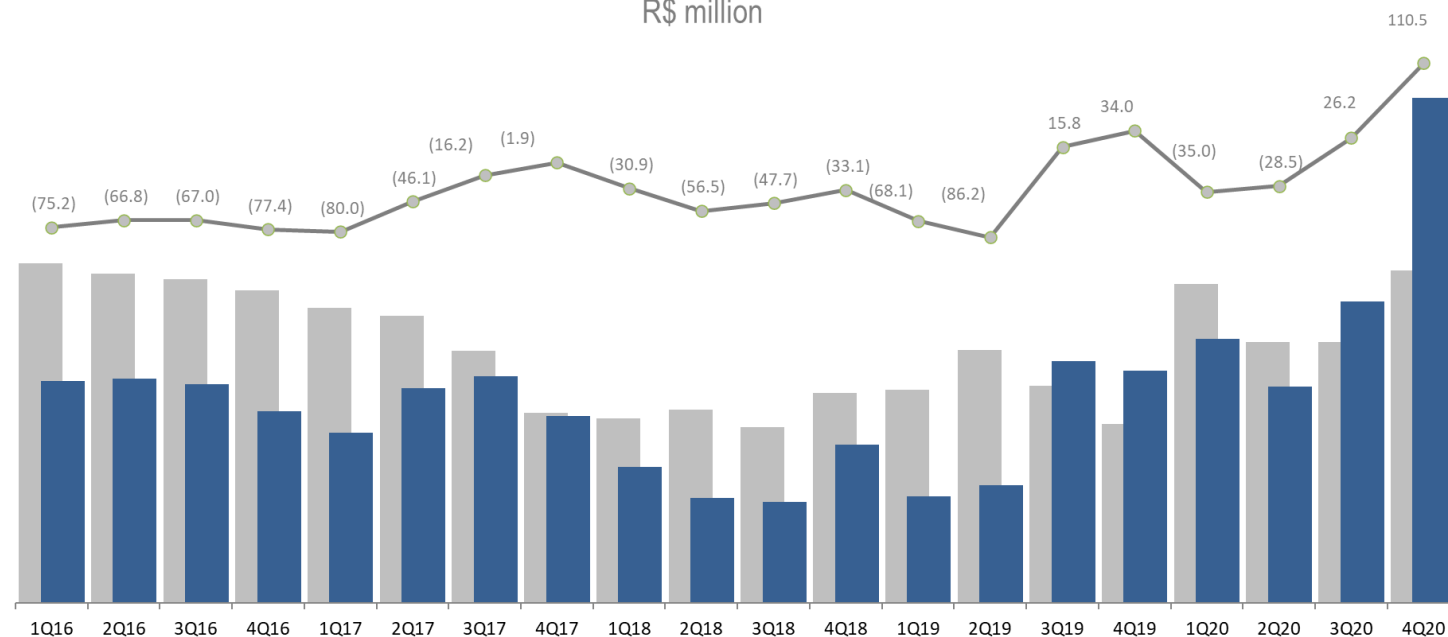
	Amount
Bank Deposit Certificate ("CDB")	153.9
Investment funds DI and fixed income	116.5
Financial investments covered by debentures	10.7
Banks	41.5
Total	322.6

Net Cash = 110.5

Loans* (R\$ MM) - 12/31/2020

	Amount
2021	115.0
2022	15.1
2023	18.7
2024	57.1
2024 and after	6.3
Total	212.1

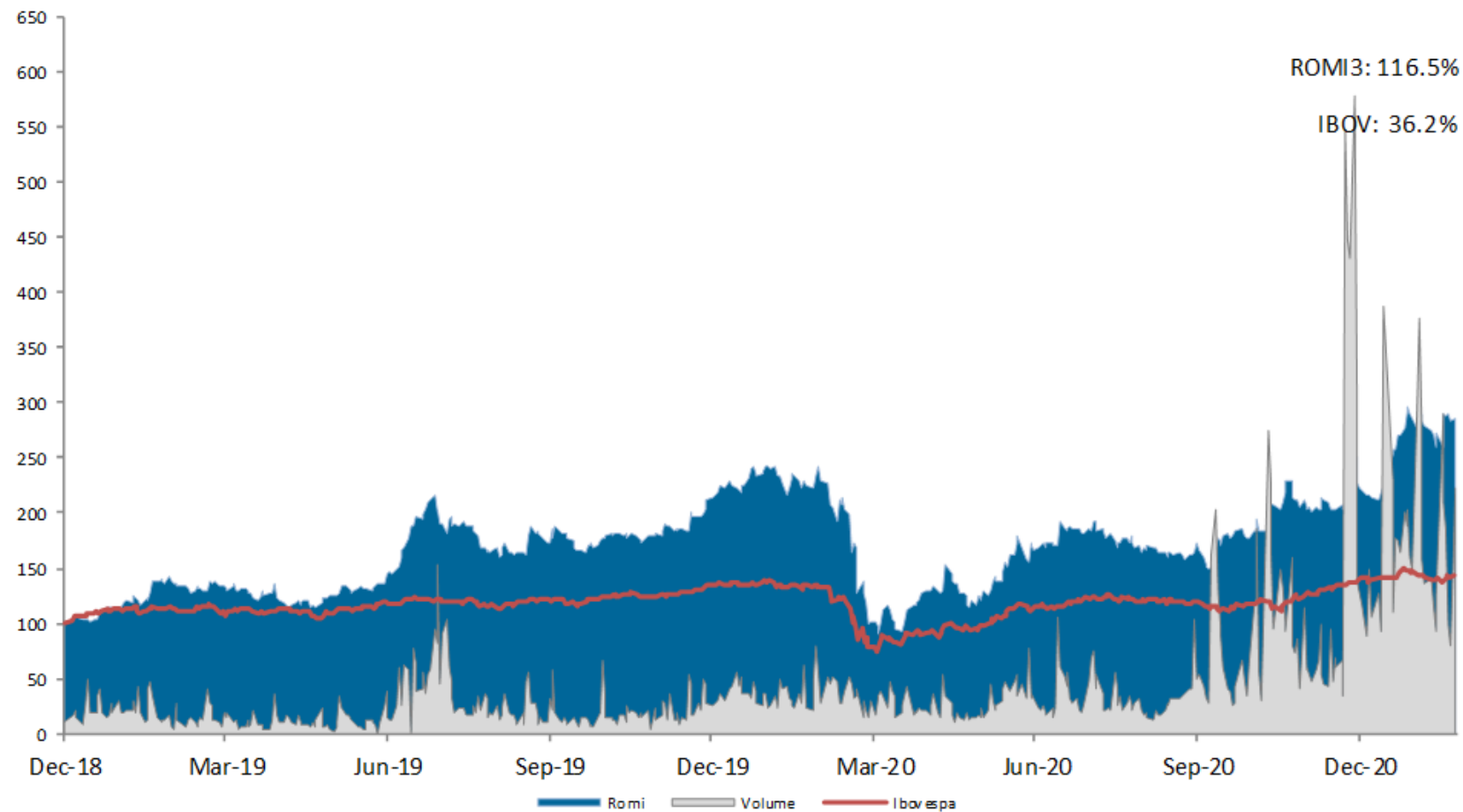
Net Cash (Debt) Position R\$ million





Share Performance ROMI3 vs. Ibovespa

From 12/28/2018 to 02/09/2021



Source: B3

ROMI3
B3 LISTED NM

IBRA B3

IDIV B3

IGCT B3

ITAG B3

SMLL B3

IGC-NM B3

IGC B3



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