

2Q21 Earnings Release

July 20, 2021



June 30, 2021

Share price at 7/19/2021
ROMI3 - R\$23.40 per share

Market value
R\$1,716 million
US\$326.8 million

Number of shares
Common: 73,333,922
Total: 73,333,922

Free float = 50.8%

**Earnings Conference Call broadcast over the web in Portuguese, with
simultaneous translation into English**

July 20, 2021

11a.m. (São Paulo) | 2 p.m. (London) | 9 a.m. (New York)

https://us02web.zoom.us/webinar/register/WN_UbhivmkeTOO1qLBiBicuXw

Zoom ID: 875 7231 7357

Dial-in number: +55 (11) 4680-6788

Dial-in numbers at <https://us02web.zoom.us/j/87572317357>

Santa Bárbara d'Oeste - São Paulo, June 30, 2021

Indústrias Romi S.A. ("Romi" or "Company") (B3: ROMI3), domestic market leader in the Machine Tools and Plastic Processing Machines markets, as well as an important producer of Rough and Machined Cast Iron Parts, announces its results for the second quarter of 2021 ("2Q21"). Except where otherwise stated, the Company's operating and financial information is presented on a consolidated basis, in accordance with the International Financial Reporting Standards (IFRS).

Statements contained in this release related to Romi's business outlook, projections of operating and financial results and references to the Company's growth potential are mere forecasts and have been based on Management's expectations regarding its future performance. These expectations are highly dependent upon market behavior, the economic situation in Brazil, the industry and international markets. Therefore, they are subject to changes.

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Highlights

EBITDA in 2Q21 was R\$66.5M (+245.9% over 2Q20);
Incoming orders of R\$365.2M in 2Q21 (+100.2% over 2Q20);
Order backlog reaches R\$674.8M at the end of 2Q21 (+68.5% over 2Q20)

- Consolidated net operating revenue for 2Q21 reached R\$351.4 million, an increase of 79.3% compared to 2Q20. With the increase in revenue and the effective control over costs and expenses, EBITDA, in 2Q21 posted a growth of 245.9% compared to 2Q20;
- At the Romi Machines Unit, net operating revenue increased by 153.1% in 2Q21 compared to 2Q20, due to the resumption of orders from June 2020 and more recently of the foreign market. The increase in revenue, coupled with an effective control over operating expenses, resulted in a 15.5 p.p. expansion in operating margin compared to 2Q20;
- At the Rough and Machined Cast Iron Parts Unit, net operating revenue increased by 102.9% in 2Q21 compared to 2Q20, with the continuity of deliveries of large parts and the recovery of the other segments. Operating margin grew by 6.8 p.p., reflecting the higher production volume and improved operational efficiency;
- Incoming orders at the Romi Machines Unit increased by 100.4% in 2Q21 compared to 2Q20, reflecting the highly favorable environment for investments, the technology in our products and the new business alternatives, such as the machine rental business;
- In 2Q21, incoming orders at the Rough and Machined Cast Iron Parts Unit increased by 63.4% compared to 2Q20, reflecting the continuity of orders for large parts placed by customers from the energy industry and the recovery of all the other industrial segments;

In 2021, incoming orders at the Burkhardt+Weber Unit reached R\$80.2 million, an increase of 297.6% compared to 2020, reflecting the resumption of projects that had been suspended due to the COVID-19 pandemic;

- At the end of 2Q21, the Company's order backlog grew by 68.8% in comparison to 2Q20.

R\$'000	Quarterly					Acumulated		
	2Q20	1Q21	2Q21	Var.	Var.	1Q20	1Q21	Var.
				2Q21/1Q21	2Q21/2Q20			2021/2020
Revenues Volume								
Romi Machines (units)	137	219	332	52%	142%	301	551	83,1%
Burkhardt+Weber (units)	5	-	5	0%	0%	8	5	-37,5%
Rough and Machined Cast Iron Parts (tons)	4.263	5.808	7.329	26%	72%	8.359	13.137	57,2%
Net Operating Revenue	196.012	222.630	351.459	57,9%	79,3%	361.953	574.089	58,6%
<i>Gross margin (%)</i>	28,1%	33,9%	32,7%			28,5%	23,4%	
Operating Income (EBIT)	10.300	25.375	56.045	120,9%	444,1%	15.014	81.420	442,3%
<i>Operating margin (%)</i>	5,3%	11,4%	15,9%			4,1%	14,2%	
Operating Income (EBIT) - adjusted (*)	10.300	25.375	56.045	120,9%	444,1%	15.969	81.420	409,9%
<i>Operating margin (%) - adjusted (*)</i>	5,3%	11,4%	15,9%			4,4%	14,2%	
Net Income	11.359	20.744	42.819	106,4%	277,0%	52.176	63.563	21,8%
<i>Net margin (%)</i>	5,8%	9,3%	12,2%			14,4%	11,1%	
Net Income - adjusted (*)	11.359	20.744	42.819	106,4%	277,0%	17.202	63.563	269,5%
<i>Net margin (%) - adjusted (*)</i>	5,8%	9,3%	12,2%			4,8%	11,1%	
EBITDA	19.221	35.429	66.486	87,7%	245,9%	32.492	101.915	213,7%
<i>EBITDA margin (%)</i>	9,8%	15,9%	18,9%			9,0%	17,8%	
EBITDA - adjusted (*)	19.221	35.429	66.486	87,7%	245,9%	33.447	101.915	204,7%
<i>EBITDA margin (%) - adjusted (*)</i>	9,8%	15,9%	18,9%			9,2%	17,8%	
Investments	3.351	18.310	19.408	6,0%	479,2%	9.667	37.718	290,2%

EBITDA = Earnings before interest, taxes, depreciation and amortization.

(*) Of the investments made in 2Q21 and 1Q21, R\$11.9 million and R\$7.5 million, respectively, refer to machines manufactured by the Company that were allocated to the machinery rental business, a new solution launched in 3Q20.

Corporate Profile



Romi, founded in 1930, is the leader in the Brazilian industrial machinery and equipment market, and an important manufacturer of rough and machined cast iron parts.

The Company is listed on B3's "New Market", which is reserved for companies with a higher level of corporate governance. Romi manufactures machine tools (Conventional Lathes, Computerized Numerical Control (CNC) Lathes, Lathing Centers, Machining Centers, Vertical and Horizontal Heavy and Extra-Heavy Lathes and Drilling Mills), Plastic Injection or Blow Molding Machines and ductile or CDI gray cast iron parts, either in raw or machined form. The Company's cutting-edge products and services, which feature Industry 4.0 technologies, enable the smart use of the data generated, whether through built-in artificial intelligence or through the transfer of big data over the networks (connectivity) to a central analysis site. The Company's equipment is sold all globally and used by a number of industrial segments, such as the agricultural machinery, capital goods, consumer goods, packaging, tooling, hydraulic equipment, sanitation, automotive and wind power industries, among many others.

The Company has thirteen manufacturing units, four of which for final assembly of industrial machinery, two foundries, four units for machining of mechanical components, two units for manufacture of steel sheet components, and a unit for assembly of electronic panels. Of these, eleven are located in Brazil and two in Germany. The Company has an installed production capacity of approximately 2,900 industrial machines and 50,000 thousand metric tons of castings per year.

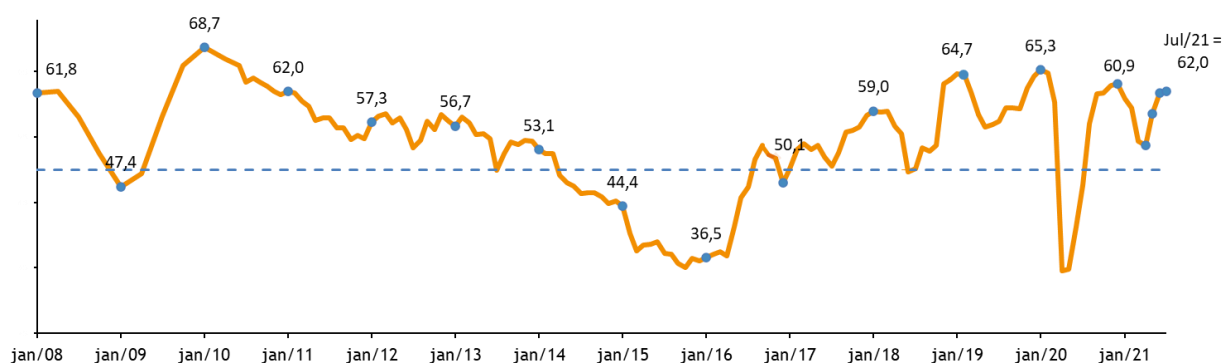
Current Economic Scenario

2021 continues to show a favorable environment for investments, as started in mid-2020. This important recovery in turnover can be seen mainly in the incoming orders for Romi machines. The current interest rates, as well as the exchange rate level stimulates the domestic industry and Brazil in general to allocate a larger share of capital to the productive economy, seeking increased productivity and the preservation of competitiveness. In view of the more concrete signs of this resumption that took place in 2020, the Company prepared itself, especially in relation to orders for raw materials and components along the supply chain, which have allowed us to serve customers in an appropriate and competitive period. Romi is prepared to continue to support its customers by providing high-technology products, within deadlines suitable to the market's needs.

In the foreign market, we have also noted a gradual resumption of machine orders, for machines produced by both Romi and by B+W, and the latter already completed major orders in 4Q20 and in the first half of 2021, as may be seen in the incoming orders reported for these quarters. These orders reflect the growing volume of opportunities, particularly in Asia, although Europe is already showing stronger signs of recovery.

The Industrial Entrepreneur Confidence Index (ICEI) also shows a strong recovery of confidence throughout the first half of 2021, and in recent months this index remained stable at a level considered highly favorable for new investments.

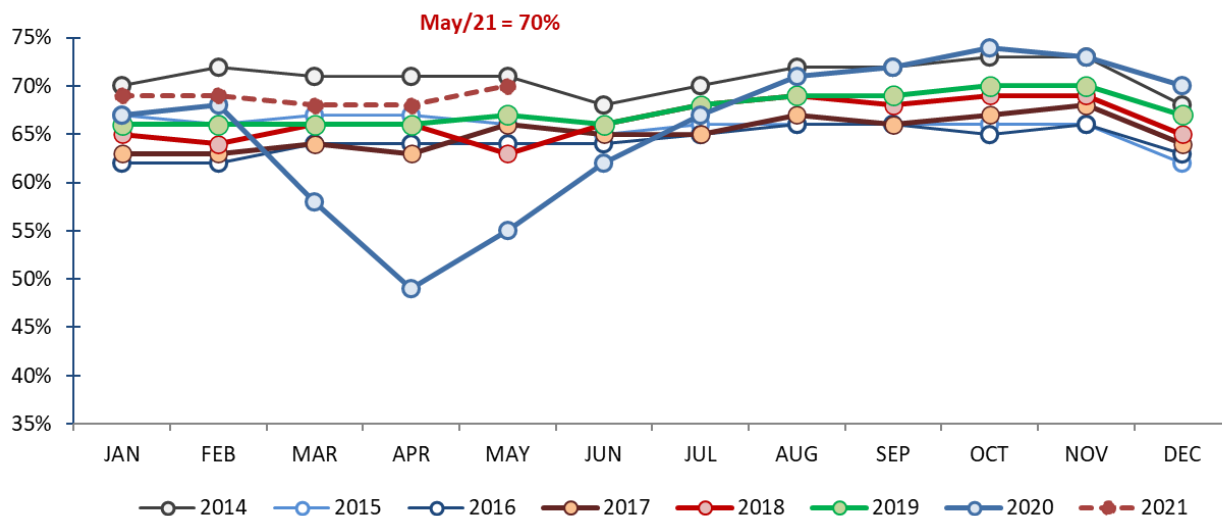
Industrial Entrepreneur Confidence Index - ICEI



Source: CNI - ICEI, July 2021

The Installed Capacity Utilization (UCI) index of the domestic industry in general, released by the National Confederation of Industries (CNI), which has been impacted by the COVID-19 pandemic, returned to its normal levels in August 2020. With the increase in COVID cases at the beginning of 2021, this index has shown greater volatility, however, it remains at levels favorable to investments.

Average Installed Capacity Utilization (UCI)



Source: CNI - UCI, June 2021.

The past few years have been marked by an environment of uncertainty and high volatility, with major challenges in relation to production volume forecasts, for example. Accordingly, we continue to implement actions to streamline the structure and the planning and manufacturing process, to respond quickly to the demand volatility. Over the past few years we have made several optimizations, especially in indirect structures and internal processes automation. We also reinforced the focus on cost and expense reduction projects, in addition to investing in automation and productivity, focusing on the increase of profitability, which can be noted since 2017. Strategically, we have defined the development of new product generations as a priority, and have advanced significantly in terms of technological content, aligned to the needs of Industry 4.0, and the first lines launched in 2018 and 2019 are already a success both in the domestic and foreign markets. This gives us great confidence that we are well prepared to keep seizing the opportunities arising from the rebound in the domestic and foreign economies.

Market

The Company's main leading edges in the market - namely, our ongoing investments in the development of cutting-edge products and solutions, our nationwide distribution network, our own permanent technical assistance service, the availability of attractive customer credit packages in local currency, and our short product delivery times - are all recognized by our customers, giving the ROMI® brand name a traditional and prestigious reputation.

Incoming Orders

Order Entry (R\$ 000)	2Q20	1Q21	2Q21	Chg. 2Q21/1Q21	Chg. 2Q21/2Q20	1H20	1H21	Chg. 21/20
Gross Values, sales taxes included								
Romi Machines	109,324	219,244	219,063	-0.1%	100.4%	196,948	438,307	122.5%
Burkhardt+Weber Machines	-	53,517	26,728	-50.1%	0.0%	20,182	80,245	297.6%
Rough and Machined Cast Iron Parts	73,095	135,451	119,460	-11.8%	63.4%	152,711	254,911	66.9%
Total *	182,418	408,213	365,250	-10.5%	100.2%	369,841	773,463	109.1%

*The informed amounts related to incoming orders and order backlog do not include parts and services.

Although the environment still presents uncertainties, mainly related to the pandemic, the recovery of industrial activities started in mid-2020 continues in 2021. The confidence of the industrial entrepreneur has been showing favorable levels, as well as the basic interest rate and the foreign exchange devaluation continue to boost the incoming orders volume at the Romi Machines Unit observed in 2Q21, which increased by 100.2% compared to 2Q20. In addition to the new generations of products previously commented on, with important technological advances in the mechatronics, thermal compensation and connectivity areas, the Company has been seeking alternatives to offer new business to its customers, such as machine rental, for example. Since the launch of this new product, in 2020, were signed contracts in a total of R\$38.6 million, and in 2021 such contracts totaled R\$16.1 million. These contracts are effective from 12 to 24 months.

The German subsidiary B+W, in 2Q21, obtained new orders totaling R\$26.7 million, demonstrating the economic recovery of Asia and of projects in Europe. Accumulated in 2021, the incoming orders totaled R\$80.2 million, an increase of 297.6% compared to 2020.

In 2Q21, the Rough and Machined Cast Iron Parts Unit posted a 63.4% increase in incoming orders when compared to 2Q20, demonstrating not only the continuity of the business of production of large castings for the energy industry, but also a recovery of the other segments served by this business unit.

Order Backlog

Order Backlog (R\$ 000)	2Q20	1Q21	2Q21	Chg. 2Q21/1Q21	Chg. 2Q21/2Q20
Gross Values, sales taxes included					
Romi Machines	151,191	340,662	340,565	0.0%	125.3%
Burkhardt+Weber Machines	118,574	185,812	146,063	-21.4%	23.2%
Rough and Machined Cast Iron Parts	130,080	181,930	188,265	3.5%	44.7%
Total *	399,845	708,404	674,893	-4.7%	68.8%

*The informed amounts related to incoming orders and order backlog do not include parts and services.

At the end of the second quarter of 2021, the order backlog grew by 68.8% compared to the same period in 2020. This growth is related to the higher volume of business experienced by Romi Machines in the domestic market, where we noticed an important resumption of investments as from June 2020, and the orders fulfilled by the German subsidiary B+W in 2021. At the Rough and Machined Cast Iron Parts Unit, the agricultural, commercial vehicle and construction markets have been recently showing signs of recovery. In addition, the heavy parts market continues quite heated, as can be seen in the growth in volume of new orders at this unit.

Operational Performance

Net Operating Revenue by Business Unit

Net operating revenue posted by the Company in 2Q21 reached R\$351.4 million, 58.6% and 79.3% higher than in 1Q21 and 2Q20, respectively, with emphasis to the Romi Machines and Rough and Machined Cast Iron Parts Units.

Net Operating Revenue (R\$ 000)	Quarterly					Accumulated		
	2Q20	1Q21	2Q21	Var. 2Q21/1Q21	Var. 2Q21/2Q20	1H20	1H21	Chg. 21/20
Romi Machines	76,250	131,934	193,015	46.3%	153.1%	158,753	324,949	104.7%
Burkhardt+Weber Machines	70,082	13,516	57,659	326.6%	-17.7%	106,789	71,175	-33.3%
Rough and Machined Cast Iron Parts	49,680	77,180	100,785	30.6%	102.9%	96,411	177,965	84.6%
Total	196,012	222,630	351,459	57.9%	79.3%	361,953	574,089	58.6%

Romi Machines

The net operating revenue of the Romi Machines Unit reached R\$193.0 million in 2Q21, an increase of 153.1% compared to 2Q20, reflecting the resumption of orders from June 2020 and the gradual resumption of orders in the foreign market in 2021.

Burkhardt + Weber Machines

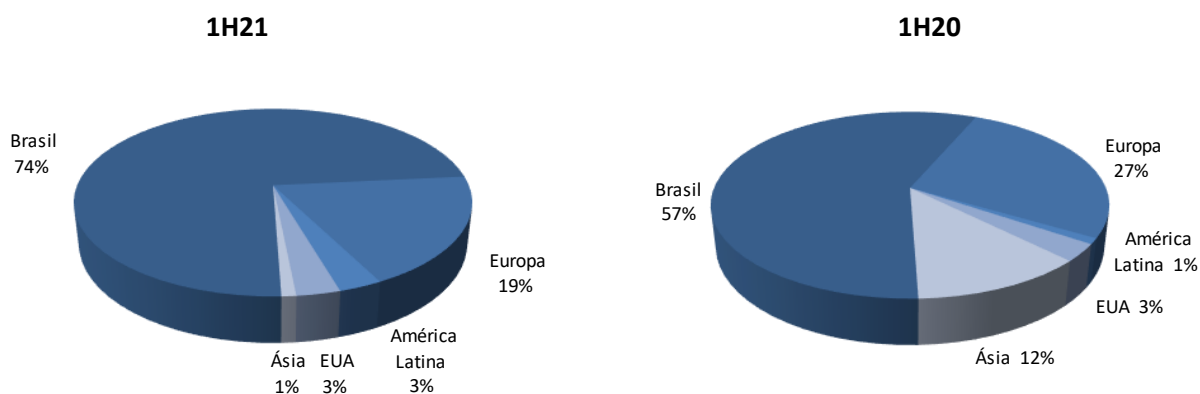
The revenue of the German subsidiary B+W in Reais, in 2Q21, was -17,7% lower than in 2Q20, reflecting the impacts of the pandemic, which led to a reduction in the volume of orders in the first nine months of 2020 and, consequently, negatively impacted the revenue of 2021. It is worth noting that the volume of new orders from the fourth quarter of 2020 showed significant growth, as it can be seen in the income orders table of this report.

Rough and Machined Cast Iron Parts

The net operating revenue of this Business Unit totaled R\$100.7 million in 2Q21, up 102.9% over 2Q20, due to the continuity of business related to large rough and machined cast iron parts for the energy sector and the recovery of the other segments served by this unit.

Net Operating Revenue per Geographical Region

The domestic market accounted for 74% of Romi's consolidated revenue in 1H21 (57% in 1H20). Considering the revenue obtained in foreign markets, which takes into account sales by Romi's subsidiaries abroad (Germany, China, United States, Italy, United Kingdom, France, Mexico and Spain) and direct sales to other markets, the distribution of Romi's consolidated revenue by geographical region was the following:



The following shows the foreign market revenue, in Reais (R\$) and in US dollars (US\$):

Foreign Sales	Quarterly					Accumulated		
	2Q20	1Q21	2Q21	Var. 2Q21/1Q21	Var. 2Q21/2Q20	1H20	1H21	Chg. 1H19/1H18
Net Sales (R\$ million)	101.5	44.7	105.5	-70.6%	-25.7%	161.6	150.2	-7.1%
Net Sales (US\$ million)	18.6	8.0	20.2	-71.4%	-38.1%	31.6	28.2	-10.7%

In the foreign market, Europe and Asia decreased their share of consolidated revenue in 1H21 when compared to 1H20, due to lower revenues from the German subsidiary B+W. Latin America increased its share, mainly in South America.

Adjusted Gross and Operating Margins

The operating margin of 1S20 presented below has been adjusted to reflect the gains from the “Summer Plan” legal proceeding (more information can be found in the 4Q20 Earnings Release), to provide a more objective and transparent view of the results of the Company’s normal and recurring operations. The gross margin obtained in 2Q21 was 32.7%, an increase of 4.6 p.p. compared to 2Q20. The adjusted operating margin (EBIT) increased by 10.7 p.p. in the same period. The higher volume of revenues, combined with the focus on projects aimed at operating efficiency and the efficient control over operating expenses, resulted in this growth in operating margins.

Gross Margin	Quarterly					Accumulated		
	2Q20	1Q21	2Q21	Var. p.p. 2Q21/1Q21	Var. p.p. 2Q21/2Q20	1H20	1H21	Chg. pp 2021/2020
Romi Machines	41.3%	45.9%	40.6%	(5.3)	(0.7)	42.6%	42.7%	0.1
Burkhardt+Weber Machines	18.1%	-22.9%	18.0%	40.9	(0.1)	18.1%	10.2%	(7.8)
Rough and Machined Cast Iron Parts	21.8%	23.4%	25.9%	2.5	4.1	17.0%	24.8%	7.8
Total	28.1%	33.9%	32.7%	(1.2)	4.6	28.5%	33.1%	4.6

EBIT Margin - Adjusted	Quarterly					Accumulated		
	2Q20	1Q21	2Q21	Var. p.p. 2Q21/1Q21	Var. p.p. 2Q21/2Q20			
Romi Machines	6.7%	23.6%	22.1%	(1.5)	15.5	8.9%	22.8%	13.8
Burkhardt+Weber Machines	1.1%	-90.9%	-4.4%	86.5	(5.5)	-2.0%	-20.8%	(18.8)
Rough and Machined Cast Iron Parts	8.9%	9.6%	15.7%	6.1	6.8	4.1%	13.1%	9.0
Total	5.3%	11.8%	15.9%	4.1	10.7	4.4%	14.3%	9.9

(*) 1H20 is adjusted by the impacts of the “Plano Verão” legal proceeding.

Romi Machines

The gross margin of this Business Unit in 2Q21 decreased by 0.7 p.p. compared to 2Q20 due to the product mix. The evolution of net operating revenue, coupled with the effective control over operating expenses, resulted in an expansion of 15.5 p.p. in operating margin (EBIT) in the same comparison period.

Burkhardt + Weber Machines

The gross margin and the operating margin of this business unit in 2Q21 decreased by 0.1 p.p. and 5.5 p.p., respectively, when compared to 2Q20, due to the lower revenue in 2021.

Rough and Machined Cast Iron Parts

In 2Q21, the gross margin of this Business Unit grew by 4.1 p.p. compared to 2Q20, and its operating margin (EBIT) grew by 6.8 p.p. in the same comparison period. This growth was due to the higher volume of revenues and production in 2Q21, reflecting the deliveries of large castings and machined parts, the recovery of the other manufacturing segments, and the projects focused on increasing productivity and operational efficiency.

EBITDA and EBITDA Margin

In 2Q21, the operating cash generation as measured by EBITDA amounted to R\$66.5 million (245.9% over 2Q20), representing an EBITDA margin of 18.9% in the quarter, as shown in the table below:

Reconciliation of Net Income to EBITDA (R\$ 000)	Quarterly					Accumulated		
	2Q20	1Q21	2Q21	Var. 2Q21/1Q21	Var. 2Q21/2Q20	1H20	1H21	Chg. 2021/2020
Net Income	11,359	20,744	42,819	106.4%	277.0%	52,176	63,563	21.8%
Income tax and social contributions	1,336	4,755	15,454	225.0%	1056.7%	(8,681)	20,209	-332.8%
Net Financial Income	(2,395)	(124)	(2,228)	1696.8%	-7.0%	(28,481)	(2,352)	-91.7%
Depreciation and amortization	8,921	10,054	10,441	3.8%	17.0%	17,478	20,495	17.3%
EBITDA	19,221	35,429	66,486	87.7%	245.9%	32,492	101,915	213.7%
EBITDA Margin	9.8%	15.9%	18.9%	18.9%	92.9%	17.8%	34.8%	95.6%
EBITDA - Adjusted (*)	19,221	35,429	66,486	87.7%	245.9%	33,447	101,915	204.7%
EBITDA Margin - Adjusted (*)	9.8%	15.9%	18.9%	18.9%	92.9%	18.4%	34.8%	89.5%
Total Net Operating Revenue	196,012	222,630	351,459	57.9%	79.3%	361,953	574,089	58.6%

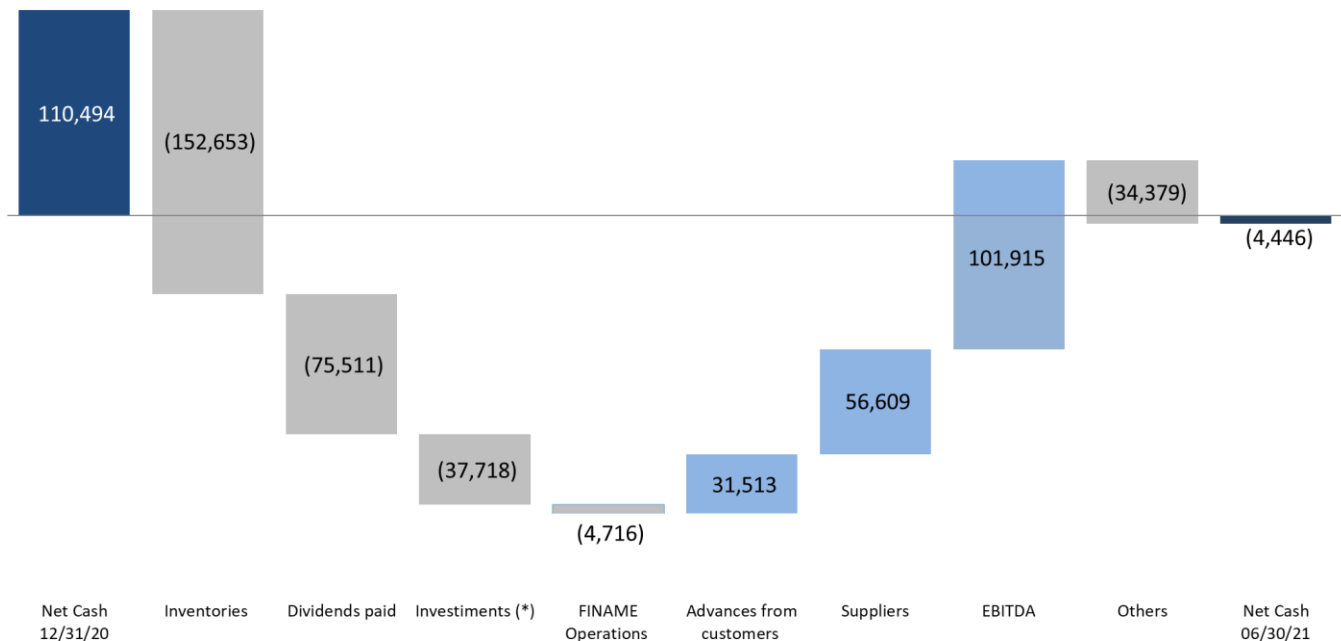
(*) 1H20 is adjusted by the impacts of the “Plano Verão” legal proceeding.

Net Profit

The profit for 2Q21 was R\$42.8 million, an increase of 277.0% compared to the profit for 2Q20.

Evolution of Net Cash (Debt) Position

The main changes in net cash position during 2Q21, in thousands of reais, are described below:



*The balances recognized under “Investments” are net of the impacts recognized in accordance with CPC 06 (R2) - Leases, equivalent to international standard IFRS 16 - Leases.

In 1H21, the Company’s net cash position presented the following main changes:

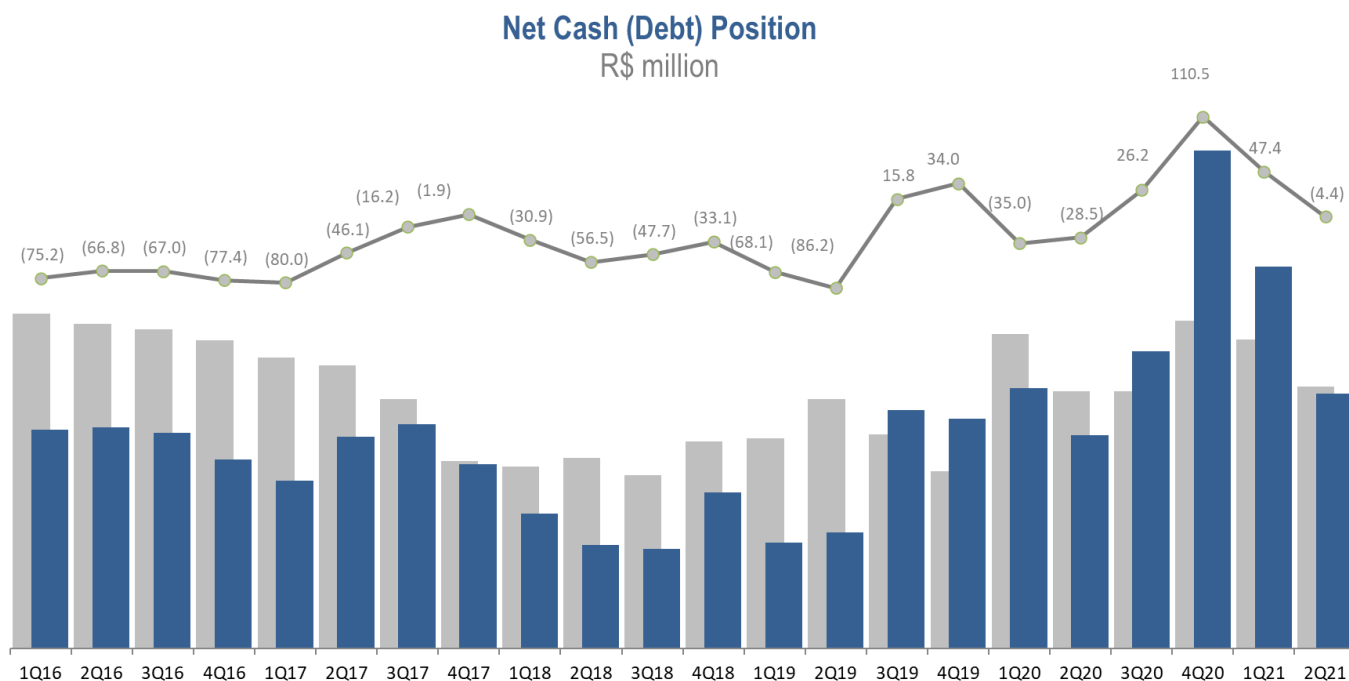
- Increase in inventories due to the growth of about 33% in the backlog. There is also increase in the “Trade accounts payable” account, as a result of the increase in inventories;
- Payment of interest on capital proposed in December 2020 and March 2021, and paid in January and April 2021, respectively;
- Investments made in 1H21, aimed at the maintenance, productivity, flexibility and competitiveness of the other units in the manufacturing complex, as well as in connection with the new machine rental business; and
- Increase in the “Advances from customers” account due to the increase in the volume of new orders and consequently in the backlog.

Financial Position

Short-term investments are made with prime financial institutions with low credit risk and their yield is mainly pegged to the Interbank Certificate of Deposit (CDI). The consolidated net cash position as at June 30, 2021 was negative by R\$4.4 million.

The Company's borrowings are used mainly for investments in the modernization of its manufacturing facilities, research and development of new products, and financing of exports and imports. As at June 30, 2021, the amount of financing in local currency was R\$66.4 million, and in foreign currency, R\$102.9 million, totaling R\$169.3 million, of which R\$35.5 million maturing in up to 12 months.

As at June 30, 2021, the Company recorded R\$164.9 million as cash and cash equivalents and short-term investments.

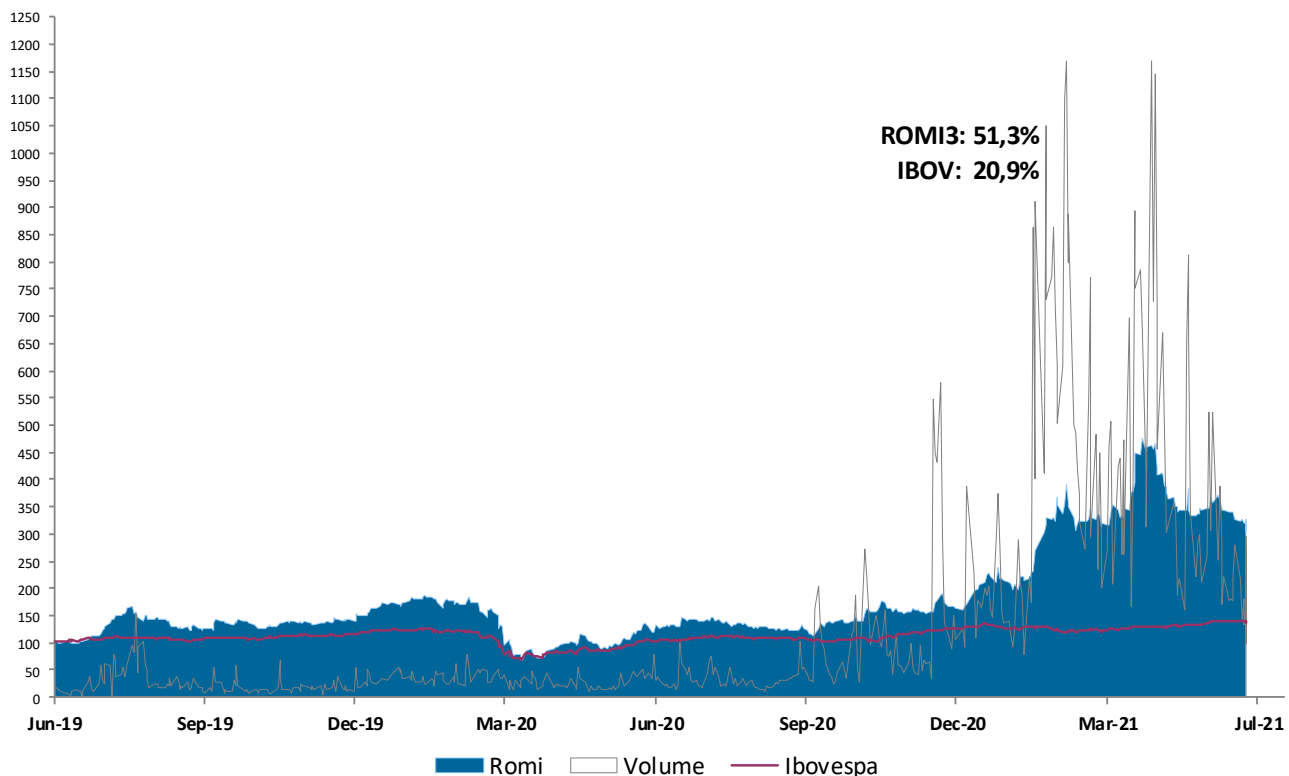


The balances recorded under "Finame Manufacturer Financing" are not used in the calculation of the Company's net debt.

As at June 30, 2021, the Company did not have any derivative transactions.

Capital Markets

Share Performance ROMI3 vs. Ibovespa
From: 06/03/2019 to 07/19/2021



Source: B3.

On July 19, 2021 the Company's common shares (ROMI3), which were quoted at R\$23.40, posted valuation of 81.9% since July 31, 2020 and 51.3% since June 30, 2019. The Bovespa Index (Ibovespa) went up by 18.5% and 20.9%, respectively, in the same periods.

The Company's market capitalization on July 19, 2021 was R\$1,716 million. The average daily trading volume during 2Q21 was R\$31.3 million.

Consolidated Balance Sheet

IFRS (R\$ 000)

	06/30/20	12/31/20	03/31/21	06/30/21	LIABILITIES AND SHAREHOLDER'S EQUITY				
ASSETS	06/30/20	12/31/20	03/31/21	06/30/21	06/30/20	12/31/20	03/31/21	06/30/21	06/30/21
CURRENT	879,539	1,068,695	1,080,877	1,092,746	491,268	586,801	547,701	537,149	
Cash and Cash equivalents	137,711	195,418	147,735	110,676	144,079	115,422	53,893	35,506	
Financial investments	519	127,166	99,444	54,257	97,228	122,704	126,034	118,208	
Trade accounts receivable	157,429	186,183	161,805	181,648	67,630	96,054	142,365	152,663	
Onlending of FINAME manufacturer financing	114,768	131,494	135,019	141,290	29,941	36,163	32,262	45,324	
Inventories	415,997	358,674	457,509	511,327	6,512	13,182	13,192	18,780	
Recoverable taxes	38,001	51,204	63,506	76,193	77,380	70,462	117,324	101,975	
Other receivables	15,114	18,556	15,859	17,355	608	4,856	887	3,074	
Judicial Deposits	-	-	-	-	33,081	91,130	37,322	35,418	
					944	1,216	1,475	1,422	
					33,865	35,612	22,947	24,779	
NON CURRENT	275,816	274,089	278,499	284,098	234,235	345,323	393,893	399,596	
Trade accounts receivable	10,624	13,106	18,590	19,334	22,653	96,668	145,927	133,873	
Onlending of FINAME manufacturer financing	163,997	203,222	203,583	214,598	164,990	201,710	198,946	222,662	
Recoverable taxes	68,146	28,256	23,029	21,565	42,416	43,372	44,680	39,314	
Deferred income and social contribution taxes	26,169	23,934	24,830	20,481	424	296	295	309	
Judicial Deposits	1,877	1,884	2,001	1,976	3,752	3,277	4,045	3,438	
Other receivables	5,003	3,687	6,406	6,144					
Investments									
Property, Plant and Equipment	291,445	314,748	326,769	331,801					
Investment Properties	18,163	18,388	18,388	18,388					
Intangible assets	71,146	70,788	72,641	63,051					
TOTAL ASSETS	1,536,109	1,746,708	1,777,114	1,790,084	809,051	813,003	833,989	851,726	
					492,025	637,756	637,756	637,756	
					233,845	86,894	96,564	130,500	
					83,181	88,353	99,669	83,470	
NON CONTROLLING INTERESTS					1,555	1,581	1,531	1,613	
TOTAL SHAREHOLDER'S EQUITY					810,606	814,584	835,520	853,339	
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	1,536,109	1,746,708	1,777,114	1,790,084	1,536,109	1,746,708	1,777,114	1,790,084	

Consolidated Income Statement

IFRS (R\$ thousand)

	2Q20	1Q21	2Q21	Chg. 2Q21/1Q21	Chg. 2Q21/2Q20	1H20	1H21	Chg. 2021/2020
Net Operating Revenue	196,012	222,630	351,459	57.9%	79.3%	361,953	574,089	58.6%
Cost of Goods Sold	(140,976)	(147,160)	(236,640)	60.8%	67.9%	(258,634)	(383,800)	48.4%
Gross Profit	55,036	75,470	114,819	52.1%	108.6%	103,319	190,289	84.2%
<i>Gross Margin %</i>	<i>28.1%</i>	<i>33.9%</i>	<i>32.7%</i>			<i>28.5%</i>	<i>33.1%</i>	
Operating revenues (expenses)	(44,736)	(50,095)	(58,774)	17.3%	31.4%	(88,305)	(108,869)	23.3%
Selling expenses	(20,373)	(22,393)	(27,923)	24.7%	37.1%	(39,454)	(50,316)	27.5%
Research and development expenses	(5,474)	(6,214)	(6,953)	11.9%	27.0%	(10,544)	(13,167)	24.9%
General and administrative expenses	(17,579)	(20,423)	(21,222)	3.9%	20.7%	(34,772)	(41,645)	19.8%
Management profit sharing and compensation	(2,181)	(2,968)	(4,182)	40.9%	91.7%	(4,161)	(7,150)	71.8%
Other operating income, net	871	1,903	1,506	-20.9%	72.9%	626	3,409	444.6%
Operating Income (loss) before Financial Results	10,300	25,375	56,045	120.9%	444.1%	15,014	81,420	442.3%
<i>Operating Margin %</i>	<i>5.3%</i>	<i>11.4%</i>	<i>15.9%</i>			<i>4.1%</i>	<i>14.2%</i>	
Operating Income (loss) before Financial Results - Adjusted (*)		25,375	56,045			5,669	140,756	
<i>Operating Margin % - Adjusted (*)</i>		<i>11.4%</i>	<i>15.9%</i>			<i>1.6%</i>	<i>24.5%</i>	
Financial Results, Net	2,395	124	2,228	1696.8%	-7.0%	28,481	2,352	-91.7%
Financial income	2,639	2,146	2,609	21.6%	-1.1%	29,932	4,755	-84.1%
Financial expenses	(2,673)	(3,888)	(3,211)	-17.4%	20.1%	(4,815)	(7,099)	47.4%
Exchange gain (loss), net	2,429	1,866	2,830	51.7%	16.5%	3,364	4,696	39.6%
Operations Operating Income	12,695	25,499	58,273	128.5%	359.0%	43,495	83,772	92.6%
Income tax and social contribution	(1,336)	(4,755)	(15,454)	225.0%	1056.7%	8,681	(20,209)	-332.8%
Net income	11,359	20,744	42,819	106.4%	277.0%	52,176	63,563	21.8%
<i>Net Margin %</i>	<i>5.8%</i>	<i>9.3%</i>	<i>12.2%</i>			<i>14.4%</i>	<i>11.1%</i>	
Net profit (loss) concerning:								
Controlling interests	11,320	20,670	42,736	106.8%	277.5%	52,077	63,406	21.8%
Non controlling interests	38	74	83	12.2%	118.4%	98	157	60.2%
EBITDA	19,221	35,429	66,486	87.7%	245.9%	32,492	101,915	213.7%
Profit (loss) for the period	11,359	20,744	42,819	106.4%	277.0%	52,176	63,563	21.8%
Income tax and social contribution	1,336	4,755	15,454	225.0%	1056.7%	(8,681)	20,209	-332.8%
Financial result, net	(2,395)	(124)	(2,228)	1696.8%	-7.0%	(28,481)	(2,352)	-91.7%
Depreciation and amortization	8,921	10,054	10,441	3.8%	17.0%	17,478	20,495	17.3%
<i>EBITDA Margin %</i>	<i>9.8%</i>	<i>15.9%</i>	<i>18.9%</i>			<i>9.0%</i>	<i>17.8%</i>	
EBITDA - Adjusted (*)	62,858	35,429	66,486			77,084	101,915	
<i>EBITDA Margin % - Adjusted (*)</i>		<i>15.9%</i>	<i>18.9%</i>			<i>21.3%</i>	<i>17.8%</i>	
Nº of shares in capital stock (th)	62,858	73,334	73,334			125,715	146,668	16.7%
Profit (loss) per share - R\$	0.18	0.28	0.58			0.83	0.86	4.4%

Consolidated Cash Flow Statement

IFRS (R\$ thousand)

	2Q20	1Q21	2Q21
Cash from operating activities			
Net Income before taxation	12,695	25,499	83,772
Net Income discontinued operations	-	-	-
Financial expenses and exchange gain	5,440	1,424	(10,013)
Depreciation and amortization	8,922	10,054	20,495
Allowance for doubtful accounts and other receivables	806	(209)	(724)
Proceeds from sale of fixed assets and intangibles	(375)	(188)	(495)
Provision for inventory realization	3,349	1,935	(4,216)
Reserve for contingencies	(57)	(13)	(189)
Trade accounts receivable	(11,672)	26,164	2,606
Onlending of Finame manufacturer financing	(4,747)	(3,464)	(20,777)
Inventories	(13,370)	(100,770)	(148,437)
Recoverable taxes, net	(21,604)	(7,971)	(14,845)
Judicial deposits	63	(117)	(92)
Other receivables	27,327	153	(689)
Change on operating liabilities	-	-	-
Trade accounts payable	(21,190)	45,012	57,839
Payroll and related taxes	10,814	(3,901)	9,161
Taxes payable	(1,906)	(3,288)	(18,378)
Advances from customers	4,746	46,862	31,513
Other payables	10,285	(15,593)	(12,042)
Cash provided by (used in) operating activities	9,526	21,589	(25,511)
Income tax and social contribution paid	(53)	(147)	(291)
Net Cash provided by (used in) operating activities	9,473	21,442	(25,802)
Financial Investments	3,137	27,722	72,909
Purchase of fixed assets	(3,351)	(18,307)	(42,580)
Sales of fixed assets	633	324	1,309
Purchase of intangible assets	(447)	(222)	(223)
Net cash Used in Investing Activities	(28)	9,517	31,415
Interest on capital paid	1	(64,931)	(75,636)
New loans and financing	180	57,532	57,532
Payments of loans and financing	(44,779)	(73,962)	(90,210)
Interests paid (including Finame manufacturer financing)	(3,783)	(10,464)	(18,908)
New loans in Finame manufacturer	29,966	40,217	99,974
Payment of Finame manufacturer financing	(15,420)	(32,811)	(70,402)
Net Cash provided by (used in) Financing Activities	(33,835)	(84,419)	(97,650)
Increase (decrease) in cash and cash equivalents	(24,390)	(53,460)	(92,037)
Exchange variation changes on cash and cash equivalents abroad	(2,968)	5,777	7,295
Cash and cash equivalents - beginning of period	165,069	195,418	195,418
Cash and cash equivalents - end of period	137,711	147,735	110,676

Attachment I – Income Statement by Business Unit

Income Statement by Business Units - 1Q21

R\$ 000	Romi Machines	Burkhardt + Weber Machines	Rough and Machined Cast Iron	Total
Net Operating Revenue	193,015	57,659	100,785	351,459
Cost of Sales and Services	(98,587)	(47,274)	(90,779)	(236,640)
Business Units Transfers	333	-	16,431	16,764
Business Units Transfers	(16,431)	-	(333)	(16,764)
Gross Profit	78,330	10,385	26,104	114,819
<i>Gross Margin %</i>	<i>40.6%</i>	<i>18.0%</i>	<i>25.9%</i>	<i>32.7%</i>
Operating Expenses	(37,086)	(12,929)	(10,264)	(60,279)
Selling	(20,636)	(4,921)	(2,365)	(27,923)
General and Administrative	(9,264)	(8,007)	(3,950)	(21,222)
Research and Development	(5,014)	-	(1,938)	(6,953)
Management profit sharing	(2,171)	-	(2,010)	(4,181)
Other operating revenue	-	-	-	-
Operating Income (loss) before Financial Results	41,244	(2,544)	15,840	54,540
<i>Operating Margin %</i>	<i>21.4%</i>	<i>-4.4%</i>	<i>15.7%</i>	<i>15.5%</i>
Operating loss before Financial Results - Adjusted (*)	41,244	(2,544)	15,840	54,540
<i>Operating Margin % - Adjusted (*)</i>	<i>21.4%</i>	<i>-4.4%</i>	<i>15.7%</i>	<i>15.5%</i>
Depreciation and amortization	4,502	2,996	2,943	10,441
EBITDA	45,746	452	18,783	64,981
<i>EBITDA Margin %</i>	<i>23.7%</i>	<i>0.8%</i>	<i>18.6%</i>	<i>18.5%</i>
EBITDA - Adjusted (*)	45,746	452	18,783	64,981
<i>EBITDA Margin % - Adjusted (*)</i>	<i>23.7%</i>	<i>0.8%</i>	<i>18.6%</i>	<i>18.5%</i>

Income Statement by Business Units - 2Q20

R\$ 000	Romi Machines	Burkhardt + Weber Machines	Rough and Machined Cast Iron Parts	Total
Net Operating Revenue	76,250	70,081	49,680	196,011
Cost of Sales and Services	(40,299)	(57,372)	(43,305)	(140,976)
Business Units Transfers	411	-	4,873	5,284
Business Units Transfers	(4,873)	-	(411)	(5,284)
Gross Profit	31,489	12,709	10,837	55,035
<i>Gross Margin %</i>	<i>41.3%</i>	<i>18.1%</i>	<i>21.8%</i>	<i>28.1%</i>
Operating Expenses	(26,394)	(11,949)	(6,395)	(44,737)
Selling	(14,706)	(4,746)	(922)	(20,374)
General and Administrative	(7,077)	(7,203)	(3,299)	(17,579)
Research and Development	(4,262)	-	(1,212)	(5,474)
Management profit sharing	(1,219)	-	(962)	(2,181)
Other operating revenue	871	-	-	871
Operating Income (loss) before Financial Results	5,095	760	4,443	10,298
<i>Operating Margin %</i>	<i>6.7%</i>	<i>1.1%</i>	<i>8.9%</i>	<i>5.3%</i>
Operating loss before Financial Results - Adjusted (*)	5,095	760	4,443	10,298
<i>Operating Margin % - Adjusted (*)</i>	<i>6.7%</i>	<i>1.1%</i>	<i>8.9%</i>	<i>5.3%</i>
Depreciation and amortization	3,220	2,894	2,808	8,922
EBITDA	8,315	3,654	7,251	19,220
<i>EBITDA Margin %</i>	<i>10.9%</i>	<i>5.2%</i>	<i>14.6%</i>	<i>9.8%</i>
EBITDA - Adjusted (*)	8,315	3,654	7,251	19,220
<i>EBITDA Margin % - Adjusted (*)</i>	<i>10.9%</i>	<i>5.2%</i>	<i>14.6%</i>	<i>9.8%</i>

Income Statement by Business Units - 1H21

R\$ 000	Machines	Burkhardt + Weber	Raw and Machined Cast Iron	Total
Net Operating Revenue	324,949	71,175	177,965	574,089
Cost of Sales and Services	(157,706)	(63,880)	(162,214)	(383,800)
Business Units Transfers	667	-	29,067	29,734
Business Units Transfers	(29,067)	-	(667)	(29,734)
Gross Profit	138,843	7,295	44,151	190,289
<i>Gross Margin %</i>	<i>42.7%</i>	<i>10.2%</i>	<i>24.8%</i>	<i>33.1%</i>
Operating Expenses	(65,863)	(22,130)	(20,874)	(108,868)
Selling	(38,241)	(7,663)	(4,413)	(50,316)
General and Administrative	(16,250)	(16,328)	(9,067)	(41,645)
Research and Development	(9,580)	-	(3,586)	(13,167)
Management profit sharing	(3,342)	-	(3,808)	(7,150)
Other operating revenue	1,549	1,861	-	3,409
Operating Income before Financial Results	72,980	(14,835)	23,276	81,421
<i>Operating Margin %</i>	<i>22.5%</i>	<i>-20.8%</i>	<i>13.1%</i>	<i>14.2%</i>
Operating loss before Financial Results - Adjusted (*)	73,935	(14,835)	23,276	82,376
<i>Operating Margin % - Adjusted (*)</i>	<i>22.8%</i>	<i>-20.8%</i>	<i>13.1%</i>	<i>14.3%</i>
Depreciation and amortization	8,566	6,104	5,826	20,495
EBITDA	81,545	(8,731)	29,102	101,916
<i>EBITDA Margin %</i>	<i>25.1%</i>	<i>-12.3%</i>	<i>16.4%</i>	<i>17.8%</i>
EBITDA - Adjusted (*)	82,500	(8,731)	29,102	102,871
<i>EBITDA Margin % - Adjusted (*)</i>	<i>25.4%</i>	<i>-12.3%</i>	<i>16.4%</i>	<i>17.9%</i>

Income Statement by Business Units - 1H20

R\$ 000	Machines	Burkhardt + Weber	Raw and Machined Cast Iron Parts	Total
Net Operating Revenue	158,753	106,788	96,411	361,952
Cost of Sales and Services	(81,591)	(87,473)	(89,570)	(258,634)
Business Units Transfers	550	-	10,100	10,650
Business Units Transfers	(10,100)	-	(550)	(10,650)
Gross Profit	67,612	19,315	16,391	103,318
<i>Gross Margin %</i>	<i>42.6%</i>	<i>18.1%</i>	<i>17.0%</i>	<i>28.5%</i>
Operating Expenses	(54,389)	(21,503)	(12,414)	(88,306)
Selling	(29,611)	(7,991)	(1,853)	(39,455)
General and Administrative	(14,827)	(13,512)	(6,433)	(34,772)
Research and Development	(8,235)	-	(2,309)	(10,544)
Management profit sharing	(2,342)	-	(1,819)	(4,161)
Other operating revenue	626	-	-	626
Operating Income before Financial Results	13,223	(2,188)	3,977	15,012
<i>Operating Margin %</i>	<i>8.3%</i>	<i>-2.0%</i>	<i>4.1%</i>	<i>4.1%</i>
Operating loss before Financial Results - Adjusted (*)	14,178	(2,188)	3,977	15,967
<i>Operating Margin % - Adjusted (*)</i>	<i>8.9%</i>	<i>-2.0%</i>	<i>4.1%</i>	<i>4.4%</i>
Depreciation and amortization	6,164	5,251	6,064	17,479
EBITDA	19,387	3,063	10,041	32,491
<i>EBITDA Margin %</i>	<i>12.2%</i>	<i>2.9%</i>	<i>10.4%</i>	<i>9.0%</i>
EBITDA - Adjusted (*)	20,342	3,063	10,041	33,446
<i>EBITDA Margin % - Adjusted (*)</i>	<i>12.8%</i>	<i>2.9%</i>	<i>10.4%</i>	<i>9.2%</i>

Attachment II - Financial Statements of B+W

Balance Sheet B+W

	(€ 000)			
ASSETS	06/30/20	12/31/20	03/31/21	06/30/21
CURRENT	23,039	19,544	22,132	24,492
Cash and Cash equivalents	169	3,262	4,130	2,073
Trade accounts receivable	7,737	9,154	5,809	7,458
Inventories	13,856	6,342	10,401	12,676
Recoverable taxes	362	331	467	710
Deferred income and social contribution taxes	406	60	650	671
Related Parties	23	-	3	-
Other receivables	486	395	672	904
Investments				
Property, plant and equipment	13,539	13,338	12,803	12,606
Investment in subsidiaries	-	-	-	-
Intangible assets	11,387	10,931	10,682	10,461
TOTAL ASSETS	47,965	43,813	45,617	47,559
LIABILITIES AND SHAREHOLDER'S EQUITY	06/30/20	12/31/20	03/31/21	06/30/21
CURRENT	18,242	10,421	14,223	16,535
Loans and financing	1,953	-	-	-
Trade accounts payable	2,812	888	462	2,083
Payroll and related taxes	1,348	891	1,098	1,646
Taxes payable	156	187	284	335
Advances from customers	8,878	5,209	9,798	9,653
Other payables	2,196	2,834	2,024	2,354
Related Parties	900	412	557	464
NON CURRENT	6,172	9,483	9,276	9,148
Loans and financing	1,937	5,338	5,255	5,172
Deferred income and social contribution taxes	4,235	4,145	4,021	3,976
SHAREHOLDER'S EQUITY	23,551	23,908	22,118	21,876
Capital	7,025	7,025	7,025	7,025
Capital reserve	505	505	505	505
Profit reserve	16,021	16,378	14,588	14,346
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	47,965	43,813	45,617	47,559

B+W Income Statement

	(€ 000)			(€ 000)	
	2Q20	1Q21	2Q21	1H20	1H21
Net Operating Revenue	11,701	2,035	9,353	18,980	11,388
Cost of Goods Sold	(9,573)	(2,519)	(7,595)	(15,652)	(10,114)
Gross Profit	2,128	(484)	1,758	3,328	1,274
<i>Gross Margin %</i>	<i>18.2%</i>	<i>-23.8%</i>	<i>18.8%</i>	<i>17.5%</i>	<i>11.2%</i>
Operating Expenses	(2,010)	(1,401)	(2,043)	(3,950)	(3,444)
Selling expenses	(797)	(414)	(791)	(1,445)	(1,206)
General and administrative expenses	(1,213)	(986)	(1,252)	(2,505)	(2,239)
Operating Income before Financial Results	118	(1,885)	(285)	(622)	(2,170)
<i>Operating Margin %</i>	<i>1.0%</i>	<i>-92.6%</i>	<i>-3.0%</i>	<i>-3.3%</i>	<i>-19.1%</i>
Financial Results, Net	(77)	(69)	(23)	(170)	(92)
Operations Operating Income	41	(1,954)	(308)	(792)	(2,262)
Income tax and social contribution	(36)	635	66	131	701
Net income	5	(1,319)	(242)	(661)	(1,561)
<i>Net Margin %</i>	<i>0.0%</i>	<i>-64.8%</i>	<i>-2.6%</i>	<i>-3.5%</i>	<i>-13.7%</i>
EBITDA	564	(1,414)	184	262	(1,230)
Net income / loss for the period	5	(1,319)	(242)	(661)	(1,561)
Income tax and social contribution	36	(635)	(66)	(131)	(701)
Financial income, net	77	69	23	170	92
Depreciation and amortization	446	471	469	884	940
<i>EBITDA Margin %</i>	<i>4.8%</i>	<i>-69.5%</i>	<i>2.0%</i>	<i>1.4%</i>	<i>-10.8%</i>