

2Q22 Earnings Release

July 19, 2022



June 30, 2022

Share price at 7/18/2022
ROMI3 - R\$12.04 per share

Market value
R\$882.9 million
US\$162.4 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, 2022

11 a.m. (São Paulo) | 3 p.m. (London) | 10 a.m. (New York)

https://us02web.zoom.us/webinar/register/WN_INWaJW1kTXSHoXI2XHvaKw

ID Zoom: 820 3245 1919

Dial-in number: +55 (11) 4632-2236

International dial-in numbers: <https://us02web.zoom.us/j/82032451919>

Santa Bárbara d'Oeste - São Paulo, June 30, 2022

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 2022 ("2Q22"). 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

**Incoming orders of R\$480.3M in 2Q22 (+35.8% over 2Q21);
Order backlog reaches R\$904.3M at the end of 2Q22 (+36.8% over 2Q21)**

- Incoming orders in 2Q22 exceeded the volume obtained for the same period of 2021 by 35.8%, with growth in all business units.
- Incoming orders in 2Q22 at the Romi Machinery Unit grew by 36.5% compared to 2Q21, showing continuous demand in the domestic market and the increase in exports due to the consolidation of the new generations of machines launched in recent years.
- Incoming orders grew by 19.9% at the Rough and Machined Cast Iron Parts Unit in 2Q22 in comparison with 2Q21, given the continued demand for large parts and the important recovery of the other segments served by this business unit.
- Consolidated net operating revenue in 2Q22 reached R\$372.1 million, up 5.9% over 2Q21, reflecting the consistent increase in incoming orders observed in recent quarters.
- At the end of 2Q22, the Company's order backlog reached R\$904.3 million, an increase of 36.8% in comparison to 2Q21, mainly at the Romi Machines and Rough and Machined Cast Iron Parts business units;

R\$'000	Quarterly					Accumulated		
	2Q21	1Q22	2Q22	Chg. 2Q22/1Q22	Chg. 2Q22/2Q21	1H21	1H22	Chg. 2022/2021
Revenues Volume								
Romi Machines (units)	317	256	294	14.8%	-7.3%	536	550	2.6%
Burkhardt + Weber (units)	5	-	3		-40.0%	5	3	-40.0%
Rough and Machined Cast Iron Parts (tons)	7,329	5,561	6,519	17.2%	-11.1%	13,137	12,080	-8.0%
Net Operating Revenue	351,459	285,335	372,062	30.4%	5.9%	574,089	657,397	14.5%
<i>Gross margin (%)</i>	32.7%	30.0%	28.2%			33.1%	29.0%	
Operating Income (EBIT)	56,045	28,565	40,345	41.2%	-28.0%	81,420	68,910	-15.4%
<i>Operating margin (%)</i>	15.9%	10.0%	10.8%			14.2%	10.5%	
Net Income	42,819	30,504	33,000	8.2%	-22.9%	63,563	63,505	-0.1%
<i>Net margin (%)</i>	12.2%	10.7%	8.9%			11.1%	9.7%	
EBITDA	66,486	40,059	52,502	31.1%	-21.0%	101,915	92,561	-9.2%
<i>EBITDA margin (%)</i>	18.9%	14.0%	14.1%			17.8%	14.1%	
Investments (¹)	19,267	23,095	34,262	48.4%	77.8%	37,577	57,357	52.6%

(1) Of the investments made in 2Q21, 1Q22 and 2Q22, the amounts of R\$11.9, R\$14.3 and R\$23.7 million refer to machines manufactured by the Company that were allocated to the machine rental business, a new solution launched in the third quarter of 2020.

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. This equipment is sold worldwide 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 energy 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

Year 2022 continued to indicate a favorable environment for investments, as we can see in the business confidence indices and the use of installed capacity. This recovery in business volume can be noticed in all units, both in businesses in the domestic market and in exports and more recently at the Burkhardt Weber business unit. Although the current level of real interest rates and the prospects indicate its increase and the current exchange rate level represents new challenges to competitiveness of the national industry, the costs, and the global logistics availability, as well as the impacts of geopolitical conflicts continue stimulating the production in Brazil.

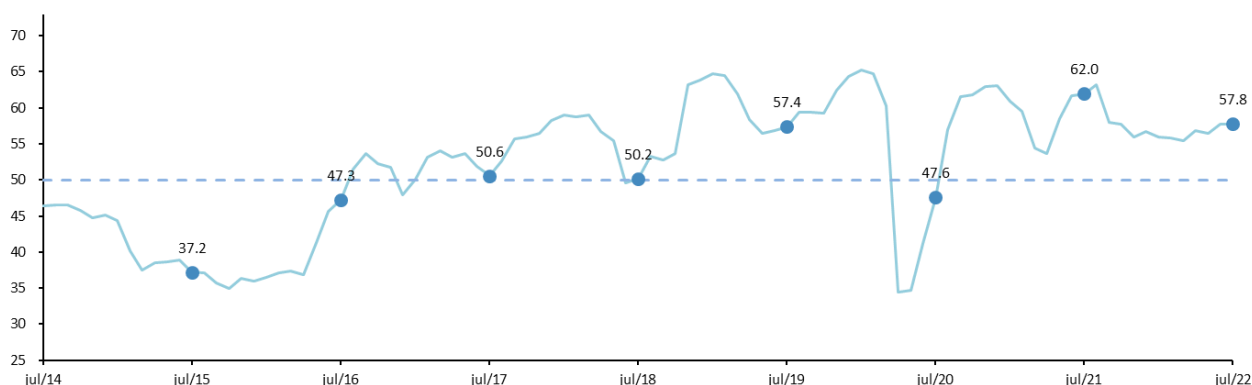
In May 2022, the largest fair of machinery and equipment in Latin America, Feimec (International Fair of Machinery and Equipment) returned. The number of exhibitors and visitors exceeded expectations and the business volume also demonstrated the good moment experienced by the industry in general, which had a positive impact on the growth of orders at the Romi Machines Unit in 2Q22.

In view of the more concrete signs of this resumption, 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 recovery of machine orders, not only for Romi Machines, but also for BW Machines, the latter with relevant orders placed in the last quarters. These orders reflect the economic recovery and, consequently, the growing volume of opportunities both in the Asian continent and in Europe.

The Industrial Entrepreneur Confidence Index (ICEI) continues to show, in 2022, the recovery that started in 2021, and in recent months this index has stabilized at a level considered very positive for new investments.

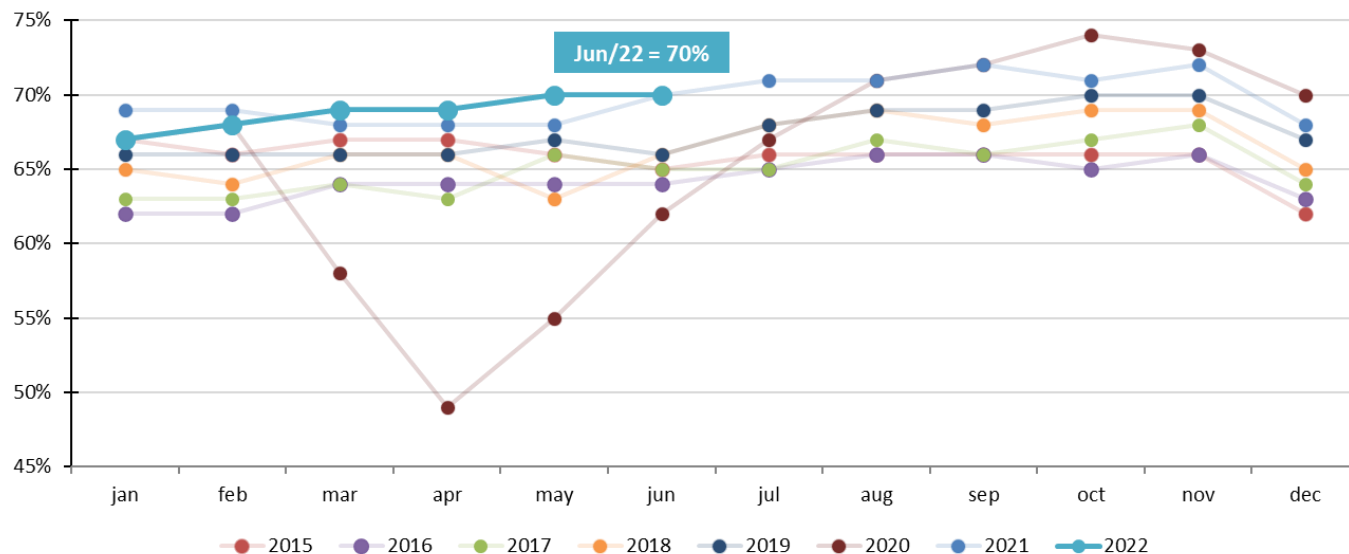
Industrial Entrepreneur Confidence Index - ICEI



Source: CNI-ICEI, July 2022

Having suffered the impact of the pandemic, the Installed Capacity Utilization (UCI) index of the domestic industry in general, released by the National Confederation of Industry (CNI), has shown a constant evolution in 2022, and in May it reached the level of 70%, the highest level for the month of May since 2015, which continues to stimulate investments.

Average Installed Capacity Utilization (UCI)



Source: CNI - UCI, June 2022

The past few years have been marked by an environment of uncertainty and high volatility, with major challenges in relation to production volume management, 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 lines launched in 2018 and 2019 have been consolidating successfully 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 - ongoing investments in the development of cutting-edge products and solutions, nationwide distribution network, own permanent technical assistance service, availability of attractive customer credit packages in local currency, and short product delivery times - are all recognized by the customers, giving the Romi brand name a traditional and prestigious reputation.

Incoming Orders

Order Entry (R\$ 000) Gross Values, sales taxes included	2Q21	1Q22	2Q22	Chg. 2Q22/1Q22	Chg. 2Q22/2Q21	1H21	1H22	Chg. 22/21
Romi Machines	207,562	192,725	283,333	47.0%	36.5%	414,673	476,057	14.8%
Burkhardt+Weber Machines	26,728	41,415	53,725	29.7%	101.0%	80,245	95,140	18.6%
Rough and Machined Cast Iron Parts	119,460	93,933	143,276	52.5%	19.9%	254,911	237,209	-6.9%
Total *	353,750	328,072	480,333	46.4%	35.8%	749,829	808,406	7.8%

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

Although the environment presents uncertainties, both related to the pandemic and to geopolitical events, the recovery of industrial activities in Brazil started in mid-2020 continued throughout 2021 and 2022. The confidence of the industrial entrepreneur and the use of installed capacity have been showing favorable levels, demonstrating that the environment of optimism remains in 2022. In the foreign market, the recent resumption of the main markets boosted the volume of new orders, as well as the consolidation of new generations of machines launched in recent years, with significant evolution of embedded technology and productivity. The new generations of products mentioned above, with important technological developments in the mechatronics, thermal compensation and connectivity aspects, also allowed the Company to seek competitive alternatives to enable new business for its customers, such as the leasing of machines, for example. In 2Q22, 54 new machines were leased (37 machines in 2Q21), with contracts representing approximately R\$16.4 million (R\$8.5 million in 2Q21). Since the launch of this solution in the market in June 2020, 386 machines have been leased, with contracts representing R\$83.4 million. These contracts are effective for 12 to 24 months.

The German subsidiary BW, in 2Q22, showed strong growth in new orders, which totaled R\$53.7 million, an increase of 101.0% in comparison with the same period of 2021. Projects in both Asia and Europe showed recovery, following the gradual recovery of the economy in Asia and Europe.

The volume of new orders for the Rough and Machined Cast Iron Parts Unit grew further in 2Q22, by 19.9% in comparison with 2Q21. Both the large parts segment for the energy segment and the other segments served by this unit have grown and showed favorable prospects for 2022.

Order Backlog

Order Backlog (R\$ 000) Gross Values, sales taxes included	2Q21	1Q22	2Q22	Chg. 2Q22/1Q22	Chg. 2Q22/2Q21
Romi Machines	326,608	330,716	409,224	23.7%	25.3%
Burkhardt+Weber Machines	146,063	140,481	167,937	19.5%	15.0%
Rough and Machined Cast Iron Parts	188,265	320,190	327,143	2.2%	73.8%
Total *	660,936	791,386	904,304	14.3%	36.8%

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

At the end of the second quarter of 2022, the order backlog grew by 36.8% compared to the same period in 2021. This growth occurred in all business units, with emphasis on the increase in the business volume of Romi Machines and Rough and Machined Cast Iron Parts, in the domestic and foreign markets, which has shown an important recovery since 2021.

The German subsidiary B+W obtained an important volume of new orders in 2Q22, reflecting the 15.0% increase in its order backlog in 2Q22, when compared to the backlog at the end of 2Q21.

Operational Performance

Net Operating Revenue by Business Unit

The net operating revenue posted in 2Q22 reached R\$372.1 million, 5.9% higher than in 2Q21, especially at the Romi Machines and Rough and Machined Cast Iron Parts Business Units.

Net Operating Revenue (R\$ 000)	Quarterly					Accumulated		
	2Q21	1Q22	2Q22	Var. 2Q22/1Q22	Var. 2Q22/2Q21	1H21	1H22	Chg. 22/21
Romi Machines	193,015	177,289	203,242	14.6%	5.3%	324,949	380,531	17.1%
Burkhardt+Weber Machines	57,659	11,229	43,033	283.2%	-25.4%	71,175	54,262	-23.8%
Rough and Machined Cast Iron Parts	100,785	96,817	125,787	29.9%	24.8%	177,965	222,604	25.1%
Total	351,459	285,335	372,062	30.4%	5.9%	574,089	657,397	14.5%

Romi Machines

The net operating revenue of this Business Unit reached R\$203.2 million in 2Q22, an increase of 5.3% compared to 2Q21, reflecting the recovery in the volume of orders in the domestic and foreign markets and the significant increase in revenues with machine leasing, a business launched by Romi in mid-2020.

Burkhardt + Weber Machines

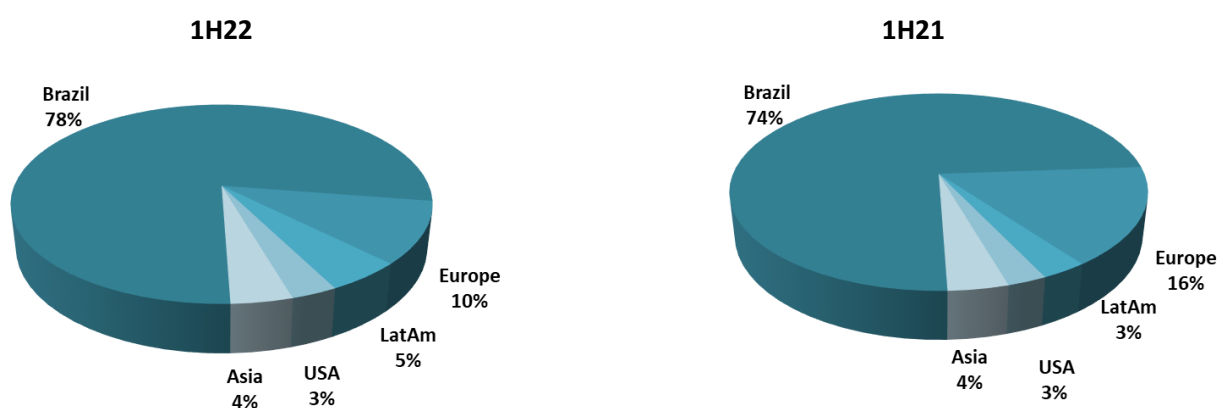
In 2Q22 the revenue of the German subsidiary BW in Reais was 25.4% lower than in 2Q21 as a result of the larger concentration of machine deliveries from the second quarter of this year.

Rough and Machined Cast Iron Parts

The net operating revenue of this Business Unit totaled R\$125.8 million in 2Q22, which represents a growth of 24.8% compared to 2Q21, 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 78% of Romi's consolidated revenue in 1H22 (74% in 1H21). 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		
	2Q21	1Q22	2Q22	Var. 2Q22/1Q22	Chg. 2Q22/2Q21	1H21	1H22	Chg. 21/20
Net Sales (R\$ million)	105.5	59.5	90.2	51.6%	-14.5%	150.2	149.7	-0.3%
Net Sales (US\$ million)	20.2	11.7	18.2	55.6%	-9.9%	28.2	29.9	6.0%

Gross and Operating Margins

The gross margin obtained in 2Q22 was 28.2%, a decrease of 4.5 p.p. compared to 2Q21, due to the decrease in the gross margin of Romi Machines and Rough and Machined Cast Iron Parts Units. The drop in gross margin also had an impact on the operating margin (EBIT), which fell 5.1 p.p. in the same period.

Gross Margin	Quarterly					Accumulated		
	2Q21	1Q22	2Q22	Chg. p.p. 2Q22/1Q22	Chg. p.p. 2Q22/2Q21	1H21	1H22	Chg. pp 2022/2021
Romi Machines	40.6%	42.0%	36.6%	(5.4)	(4.0)	42.7%	39.1%	(3.6)
Burkhardt+Weber Machines	18.0%	-54.5%	9.4%	63.9	(8.7)	10.2%	-3.9%	(14.1)
Rough and Machined Cast Iron Parts	25.9%	17.9%	21.1%	3.2	(4.8)	24.8%	19.7%	(5.1)
Total	32.7%	30.0%	28.2%	(1.8)	(4.5)	33.1%	29.0%	(4.2)

EBIT Margin - Adjusted	Quarterly					Accumulated		
	2Q21	1Q22	2Q22	Chg. p.p. 2Q22/1Q22	Chg. p.p. 2Q22/2Q21	1H21	1H22	Chg. pp 2022/2021
Romi Machines	22.1%	20.7%	15.3%	(5.4)	(6.9)	22.8%	17.8%	(5.0)
Burkhardt+Weber Machines	-4.4%	-139.6%	-16.2%	123.4	(11.7)	-20.8%	-41.7%	(20.8)
Rough and Machined Cast Iron Parts	15.7%	7.8%	12.9%	5.1	(2.8)	13.1%	10.7%	(2.4)
Total	15.9%	10.0%	10.8%	0.8	(5.1)	14.3%	10.5%	(3.9)

Romi Machines

The gross margin of this Business Unit in 2Q22 decreased by 4.0 p.p. compared to 2Q21, due to the product mix and the recent appreciation of the Real, which impacted export margins. This reduction in gross margin also had an impact on the operating margin (EBIT), which fell 6.9 p.p. in the same period.

Burkhardt + Weber Machines

The gross margin and the operating margin of this business unit in 2Q22 decreased by 8.7 p.p. and 11.7 p.p., respectively, when compared to 2Q21. Both periods presented very low net operating revenue due to the lack of machine deliveries, which makes it difficult to compare margins in these periods.

Rough and Machined Cast Iron Parts

In 2Q22, the gross margin of this Business Unit decreased by 4.8 p.p. compared to 2Q21, and its operating margin (EBIT) decreased by 2.8 p.p. in the same comparison period. This reduction is due to the costs of developing and improving production processes.

EBITDA and EBITDA Margin

In 2Q22, the operating cash generation as measured by EBITDA amounted to R\$52.5 million, representing an EBITDA margin of 14.1% in the quarter, as shown in the table below:

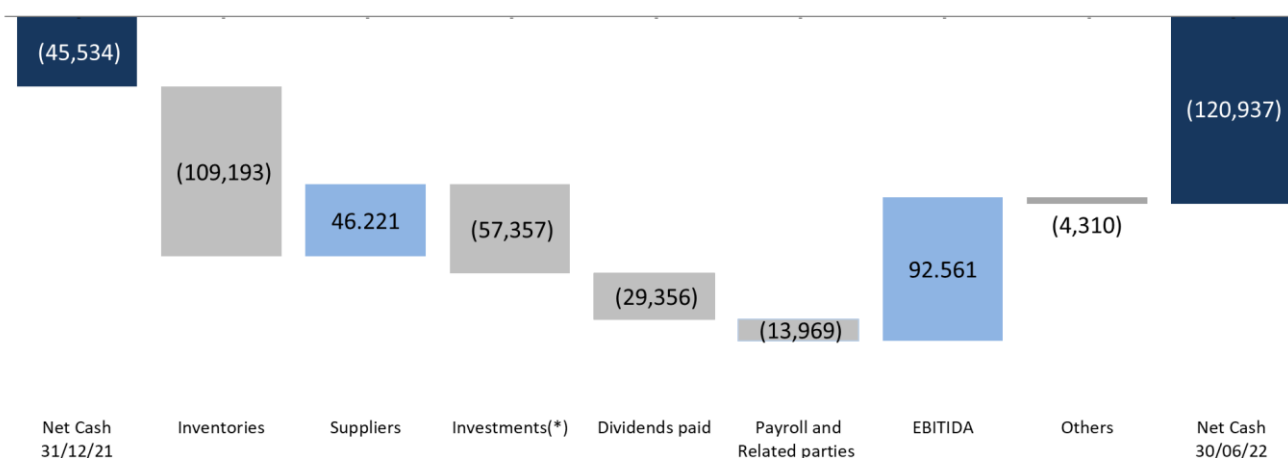
Reconciliation of Net Income to EBITDA (R\$ 000)	Quarterly					Accumulated		
	2Q21	1Q22	2Q22	Chg. 2Q22/1Q22	Chg. 2Q22/2Q21	1H21	1H22	Chg. 2022/2021
Net Income	42,819	30,504	33,000	8.2%	-22.9%	63,563	63,504	-0.1%
Income tax and social contributions	15,454	7,273	5,121	-29.6%	-66.9%	20,209	12,394	-38.7%
Net Financial Income	(2,228)	(9,212)	2,224	-124.1%	-199.8%	(2,352)	(6,988)	197.1%
Depreciation and amortization	10,441	11,494	12,157	5.8%	16.4%	20,495	23,651	15.4%
EBITDA	66,486	40,059	52,502	31.1%	-21.0%	101,915	92,561	-9.2%
EBITDA Margin	18.9%	14.0%	14.1%	0.5%	-25.4%	34.8%	28.2%	-19.2%
Total Net Operating Revenue	351,459	285,335	372,062	-35.6%	28.2%	574,089	657,397	14.5%

Profit for the Period

The profit for 2Q22 was R\$33.0 million, a decrease of 22.9% compared to the profit for 2Q21, mainly due to the financial result.

Evolution of Net Cash (Debt) Position

The main changes in net cash position during the first half of 2022 (1H22), 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 1H22, the Company's net cash position presented the following main changes:

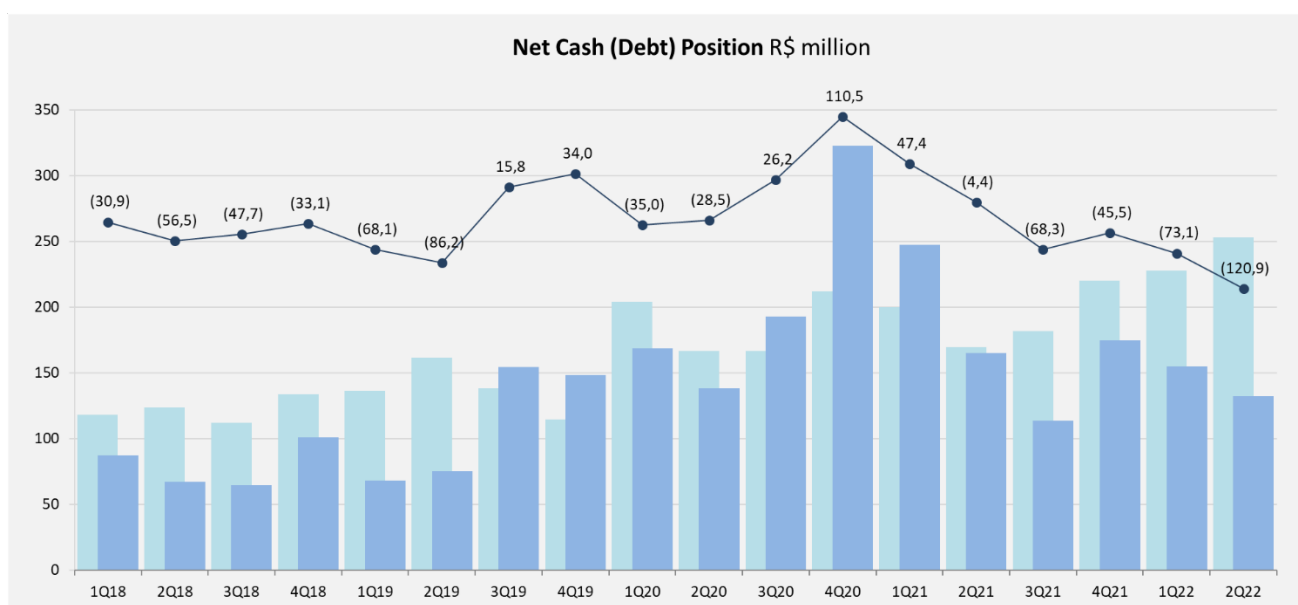
- Increase in inventories due to the growth of the order backlog, inflation aspects and the increase in the delivery time of important suppliers;
- Payment of interest on capital and interim dividends, declared in December 2021, February 2022 and March 2022, paid during the first half of 2022;
- Investments made in 2022 aimed at the maintenance, productivity, flexibility and competitiveness of the other units in the manufacturing facilities and, mainly, related to the new machine rental business; and

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, 2022 was negative by R\$120.9 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, 2022, the amount of financing in local currency was R\$61.2 million, and in foreign currency R\$191.9 million, totaling R\$253.1 million, of which R\$72.1 million maturing in up to 12 months.

As at June 30, 2022, the Company recorded R\$132.1 million as cash and cash equivalents and short-term investments.



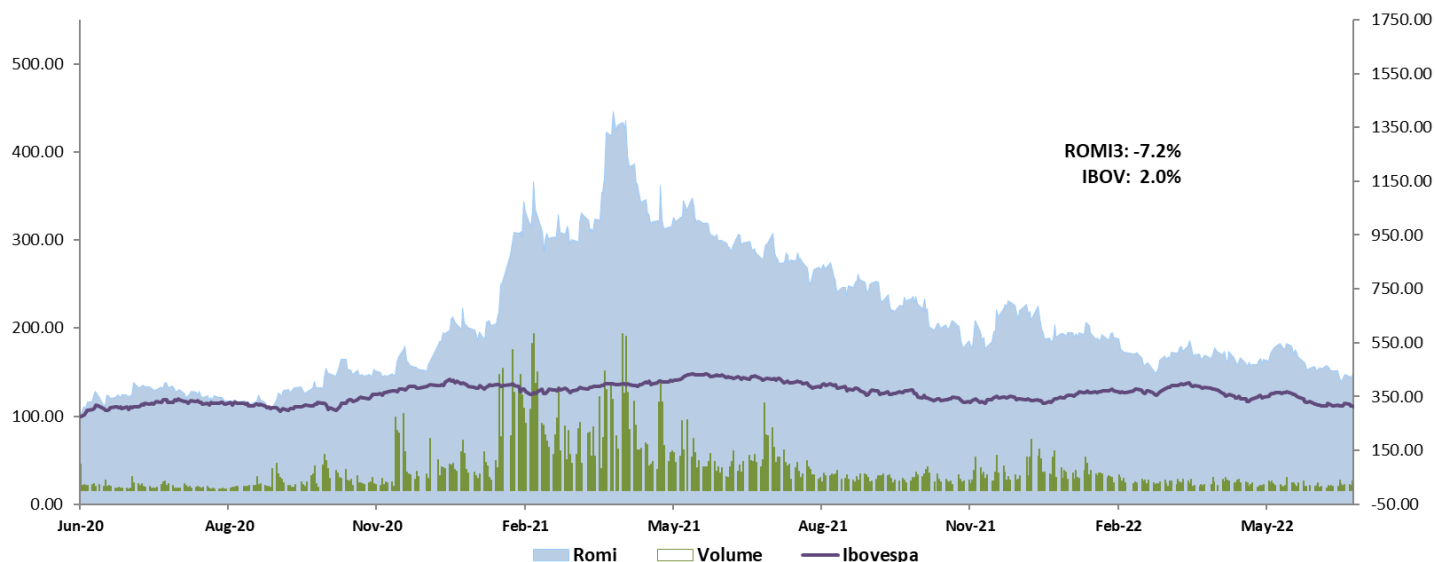
The balances recorded under “Finame Manufacturer Financing” are not used in the calculation of the Company’s net debt.

As at June 30, 2022, the Company did not have any derivative transactions.

Capital Markets

Share Performance Romi3 x Ibovespa

Period: 06/01/2020 to 07/18/2022



Source: B3.

On July 18, 2022 the Company's common shares (ROMI3), which were quoted at R\$12.04, posted devaluation of 7.2% since June 30, 2020 and 34.6% since December 31, 2021. The Bovespa Index (Ibovespa) went up by 2.0% and devaluation 7.5%, respectively, in the same periods.

The Company's market capitalization on July 18, 2022 was R\$882,9 million. The average daily trading volume during 2Q22 was R\$5.3 million.

Consolidated Balance Sheet

IFRS (R\$ 000)

	06/30/21	12/31/21	03/31/22	06/30/22		06/30/21	12/31/21	03/31/22	06/30/22
ASSETS					LIABILITIES AND SHAREHOLDER'S EQUITY				
CURRENT	1,092,746	1,164,282	1,147,778	1,229,703	CURRENT	537,149	576,153	564,188	633,309
Cash and Cash equivalents	110,676	99,911	89,032	89,609	Loans and financing	35,506	70,732	64,617	72,097
Financial investments	54,257	74,786	65,786	42,537	FINAME manufacturer financing	118,208	142,830	142,651	142,329
Trade accounts receivable	181,648	237,952	204,784	241,373	Trade accounts payable	152,663	129,391	145,702	175,612
Onlending of Finame manufacturer financing	141,290	152,775	153,304	152,741	Payroll and related taxes	45,324	46,062	38,244	47,513
Inventories	511,327	536,699	575,910	645,892	Taxes payables	18,780	21,246	18,468	18,616
Recoverable taxes	76,193	48,935	41,583	35,315	Advances from customers	101,975	103,997	104,377	120,290
Other receivables	17,355	13,224	17,379	22,236	Related parties	3,074	7,680	1,529	2,983
Judicial Deposits	-	-	-	-	Dividends	35,418	18,191	19,465	21,418
					Provision for contingent liabilities	1,422	1,445	2,220	2,349
					Other payables	24,779	34,579	26,915	30,102
NON CURRENT	284,098	339,204	333,358	336,552	NON CURRENT	399,596	413,406	408,699	418,701
Trade accounts receivable	19,334	20,714	16,466	19,152	Loans and financing	133,873	149,499	163,311	180,986
Onlending of Finame manufacturer financing	214,598	218,866	209,961	203,865	FINAME manufacturer financing	222,662	219,104	208,602	199,924
Recoverable taxes	21,565	70,472	71,450	73,213	Deferred income and social contribution taxes	39,314	41,361	34,163	35,399
Deferred income and social contribution taxes	20,481	10,557	15,858	21,198	Reserve for contingencies	309	347	286	283
Judicial Deposits	1,976	12,097	12,108	12,163	Other payables	3,438	3,095	2,337	2,109
Other receivables	6,144	6,498	7,515	6,961					
Investments					SHAREHOLDER'S EQUITY	851,726	963,288	948,928	971,079
Property, Plant and Equipment	331,801	370,348	373,546	388,875	Capital	637,756	637,756	637,756	637,756
Investment Properties	18,388	16,621	16,593	16,579	Retained earnings	130,500	233,695	244,283	262,496
Intangible assets	63,051	64,065	52,113	53,073	Cumulative translation adjustments	83,470	91,837	66,889	70,827
					NON CONTROLLING INTERESTS	1,613	1,673	1,573	1,693
					TOTAL SHAREHOLDER'S EQUITY	853,339	964,961	950,501	972,772
TOTAL ASSETS	1,790,084	1,954,520	1,923,388	2,024,782	TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	1,790,084	1,954,520	1,923,388	2,024,782

Consolidated Income Statement

IFRS (R\$ thousand)

	2Q21	1Q22	2Q22	Chg. 2Q22/1Q22	Chg. 2Q22/2Q21	1H21	1H22	Chg. 2022/2021
Net Operating Revenue	351,459	285,335	372,062	30.4%	5.9%	574,089	657,397	14.5%
Cost of Goods Sold	(236,640)	(199,730)	(267,095)	33.7%	12.9%	(383,800)	(466,825)	21.6%
Gross Profit	114,819	85,605	104,967	22.6%	-8.6%	190,289	190,572	0.1%
Gross Margin %	32.7%	30.0%	28.2%			33.1%	29.0%	
Operating revenues (expenses)	(58,774)	(57,040)	(64,622)	13.3%	9.9%	(108,869)	(121,662)	11.8%
Selling expenses	(27,923)	(25,587)	(32,414)	26.7%	16.1%	(50,316)	(58,001)	15.3%
Research and development expenses	(6,953)	(6,924)	(7,745)	11.9%	11.4%	(13,167)	(14,669)	11.4%
General and administrative expenses	(21,222)	(22,117)	(21,549)	-2.6%	1.5%	(41,645)	(43,666)	4.9%
Management profit sharing and compensation	(4,182)	(3,438)	(3,540)	3.0%	-15.4%	(7,150)	(6,978)	-2.4%
Other operating income, net	1,506	1,026	626	-39.0%	-58.4%	3,409	1,652	-51.5%
Operating Income (loss) before Financial Results	56,045	28,565	40,345	41.2%	-28.0%	81,420	68,910	-15.4%
Operating Margin %	15.9%	10.0%	10.8%			14.2%	10.5%	
Operating Income (loss) before Financial Results - Adjusted (*)	56,045	28,565	40,345	41.2%	-28.0%	81,420	68,910	-15.4%
Operating Margin % - Adjusted (*)	15.9%	10.0%	10.8%			14.2%	10.5%	
Financial Results, Net	2,228	9,212	(2,224)	-124.1%	-199.8%	2,352	6,988	197.1%
Financial income	2,609	3,640	3,842	5.5%	47.3%	4,755	7,482	57.4%
Financial expenses	(3,211)	(2,841)	(3,983)	40.2%	24.0%	(7,099)	(6,824)	-3.9%
Exchange gain (loss), net	2,830	8,413	(2,083)	-124.8%	-173.6%	4,696	6,330	34.8%
Operations Operating Income	58,273	37,777	38,121	0.9%	-34.6%	83,772	75,898	-9.4%
Income tax and social contribution	(15,454)	(7,273)	(5,121)	-29.6%	-66.9%	(20,209)	(12,394)	-38.7%
Net income	42,819	30,504	33,000	8.2%	-22.9%	63,563	63,504	-0.1%
Net Margin %	12.2%	10.7%	8.9%			11.1%	9.7%	
Net profit (loss) concerning:								
Controlling interests	42,736	30,388	32,880	8.2%	-23.1%	63,406	63,268	-0.2%
Non controlling interests	83	116	120	3.4%	44.6%	157	236	50.3%
EBITDA	66,486	40,059	52,502	31.1%	-21.0%	101,915	92,561	-9.2%
Profit (loss) for the period	42,819	30,504	33,000	8.2%	-22.9%	63,563	63,505	-0.1%
Income tax and social contribution	15,454	7,273	5,121	-29.6%	-66.9%	20,209	12,393	-38.7%
Financial result, net	(2,228)	(9,212)	2,224	-124.1%	-199.8%	(2,352)	(6,988)	197.1%
Depreciation and amortization	10,441	11,494	12,157	5.8%	16.4%	20,495	23,651	15.4%
EBITDA Margin %	18.9%	14.0%	14.1%			17.8%	14.1%	
EBITDA - Adjusted (*)	66,486	40,059	52,502	31.1%	-21.0%	101,915	92,561	-9.2%
EBITDA Margin % - Adjusted (*)	18.9%	14.0%	14.1%			17.8%	14.1%	
Nº of shares in capital stock (th)	73,334	73,334	73,334			73,334	73,334	
Profit (loss) per share - R\$	0.58	0.41	0.45			0.86	0.86	-0.2%

Consolidated Cash Flow Statement

IFRS (R\$ thousand)

	2Q21	1Q22	2Q22
Cash from operating activities			
Net Income before taxation	58,273	37,777	38,121
Financial expenses and exchange gain	(11,437)	(12,903)	34,577
Depreciation and amortization	10,441	12,451	12,768
Allowance for doubtful accounts and other receivables	(515)	(1,185)	523
Proceeds from sale of fixed assets and intangibles	(307)	(1,167)	(350)
Provision for inventory realization	(6,151)	(3,248)	-
Reserve for contingencies	(176)	714	126
Trade accounts receivable	(23,558)	22,910	(46,727)
Onlending of Finame manufacturer financing	(17,313)	8,450	6,340
Inventories	(47,667)	(35,865)	(70,236)
Recoverable taxes, net	(6,874)	1,073	(835)
Judicial deposits	25	(11)	(55)
Other receivables	(842)	(4,041)	(2,234)
Trade accounts payable	12,827	21,048	32,926
Payroll and related taxes	13,062	(7,818)	9,269
Taxes payable	(15,090)	(17,012)	(3,412)
Advances from customers	(15,349)	380	15,913
Other payables	3,551	(15,277)	5,149
Cash provided by (used in) operating activities	(47,100)	6,276	31,863
Income tax and social contribution paid	(144)	(237)	(324)
Net Cash provided by (used in) operating activities	(47,244)	6,039	31,539
Financial Investments	45,187	9,000	23,249
Purchase of fixed assets	(24,273)	(33,387)	(35,032)
Sales of fixed assets	985	2,293	1,748
Purchase of intangible assets	(1)	(102)	(18)
Net cash Used in Investing Activities	21,898	(22,196)	(10,053)
Interest on capital paid	(10,705)	(18,545)	(12,714)
New loans and financing	-	52,618	(5,973)
Payments of loans and financing	(16,248)	(18,259)	(149)
Interests paid (including Finame manufacturer financing)	(8,444)	(11,963)	(10,635)
New loans in Finame manufacturer	59,757	35,598	40,697
Payment of Finame manufacturer financing	(37,591)	(37,625)	(40,932)
Net Cash provided by (used in) Financing Activities	(13,231)	1,824	(29,706)
Increase (decrease) in cash and cash equivalents	(38,577)	(14,333)	(8,220)
Exchange variation changes on cash and cash equivalents abroad	1,518	3,454	8,797
Cash and cash equivalents - beginning of period	147,735	99,911	89,032
Cash and cash equivalents - end of period	110,676	89,032	89,609

Attachment I – Income Statement by Business Unit

R\$ 000	Romi Machines	Burkhardt + Weber Machines	Rough and Machined Cast Iron	Total
Net Operating Revenue	203,242	43,033	125,787	372,062
Cost of Sales and Services	(106,642)	(39,009)	(121,444)	(267,095)
Business Units Transfers	329	(22,830)	22,500	-
Business Units Transfers	(22,500)	22,830	(329)	0
Gross Profit	74,429	4,024	26,514	104,967
<i>Gross Margin %</i>	<i>36.6%</i>	<i>9.4%</i>	<i>21.1%</i>	<i>28.2%</i>
Operating Expenses	(43,400)	(10,975)	(10,247)	(64,622)
Selling	(25,764)	(5,080)	(1,570)	(32,414)
General and Administrative	(10,578)	(5,895)	(5,076)	(21,549)
Research and Development	(5,765)	-	(1,981)	(7,745)
Management profit sharing	(1,920)	-	(1,620)	(3,540)
Other operating revenue	626	-	-	626
Operating Income (loss) before Financial Results	31,029	(6,951)	16,267	40,345
<i>Operating Margin %</i>	<i>15.3%</i>	<i>-16.2%</i>	<i>12.9%</i>	<i>10.8%</i>
Operating loss before Financial Results - Adjusted (*)	31,029	(6,951)	16,267	40,345
<i>Operating Margin % - Adjusted (*)</i>	<i>15.3%</i>	<i>-16.2%</i>	<i>12.9%</i>	<i>10.8%</i>
Depreciation and amortization	6,114	2,592	3,451	12,157
EBITDA	37,143	(4,359)	19,718	52,502
<i>EBITDA Margin %</i>	<i>18.3%</i>	<i>-10.1%</i>	<i>15.7%</i>	<i>14.1%</i>
EBITDA - Adjusted (*)	37,143	(4,359)	19,718	52,502
<i>EBITDA Margin % - Adjusted (*)</i>	<i>18.3%</i>	<i>-10.1%</i>	<i>15.7%</i>	<i>14.1%</i>

Income Statement by Business Units - 2Q21

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	(35,581)	(12,929)	(10,264)	(58,774)
Selling	(20,636)	(4,921)	(2,365)	(27,923)
General and Administrative	(9,264)	(8,007)	(3,950)	(21,222)
Research and Development	(5,015)	-	(1,938)	(6,953)
Management profit sharing	(2,172)	-	(2,010)	(4,182)
Other operating revenue	1,506	-	-	1,506
Operating Income (loss) before Financial Results	42,749	(2,544)	15,840	56,045
<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 (*)	42,749	(2,544)	15,840	56,045
<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	47,251	452	18,783	66,486
<i>EBITDA Margin %</i>	<i>23.7%</i>	<i>0.8%</i>	<i>18.6%</i>	<i>18.5%</i>
EBITDA - Adjusted (*)	47,251	452	18,783	66,486
<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 - 1H22

R\$ 000	Machines	Burkhardt + Weber	Raw and Machined Cast Iron	Total
Net Operating Revenue	380,531	54,262	222,604	657,397
Cost of Sales and Services	(193,599)	(56,362)	(216,864)	(466,825)
Business Units Transfers	403	-	38,487	38,890
Business Units Transfers	(38,487)	-	(403)	(38,890)
Gross Profit	148,849	(2,100)	43,823	190,572
<i>Gross Margin %</i>	<i>39.1%</i>	<i>-3.9%</i>	<i>19.7%</i>	<i>29.0%</i>
Operating Expenses	(81,129)	(20,521)	(20,012)	(121,662)
Selling	(47,292)	(7,854)	(2,855)	(58,001)
General and Administrative	(20,923)	(12,667)	(10,076)	(43,666)
Research and Development	(10,844)	-	(3,825)	(14,669)
Management profit sharing	(3,723)	-	(3,256)	(6,979)
Other operating revenue	1,652	-	-	1,652
Operating Income before Financial Results	67,720	(22,621)	23,811	68,910
<i>Operating Margin %</i>	<i>17.8%</i>	<i>-41.7%</i>	<i>10.7%</i>	<i>10.5%</i>
Operating loss before Financial Results - Adjusted (*)	67,720	(22,621)	23,811	68,910
<i>Operating Margin % - Adjusted (*)</i>	<i>17.8%</i>	<i>-41.7%</i>	<i>10.7%</i>	<i>10.5%</i>
Depreciation and amortization	11,403	5,509	6,739	23,651
EBITDA	79,123	(17,112)	30,550	92,561
<i>EBITDA Margin %</i>	<i>20.8%</i>	<i>-31.5%</i>	<i>13.7%</i>	<i>14.1%</i>
EBITDA - Adjusted (*)	79,123	(17,112)	30,550	92,561
<i>EBITDA Margin % - Adjusted (*)</i>	<i>20.8%</i>	<i>-31.5%</i>	<i>13.7%</i>	<i>14.1%</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>

Attachment II - Financial Statements of BW

Balance Sheet BW

(€ Mil)

ASSETS	06/30/21	12/31/21	03/31/22	06/30/22
CURRENT	24,492	24,277	22,166	24,989
Cash and Cash equivalents	2,073	3,415	1,414	511
Trade accounts receivable	7,458	11,557	6,932	6,600
Inventories	12,676	7,611	11,298	14,529
Recoverable taxes	710	383	480	876
Deferred income and social contribution taxes	671	155	834	1,179
Related Parties	-	404	202	178
Other receivables	904	752	1,006	1,116
Investments				
Property, plant and equipment	12,606	12,581	12,432	12,277
Investment in subsidiaries	-	-	-	-
Intangible assets	10,461	9,989	9,736	9,516
TOTAL ASSETS	47,559	46,847	44,334	46,782
LIABILITIES AND SHAREHOLDER'S EQUITY	06/30/21	12/31/21	03/31/22	06/30/22
CURRENT	16,535	14,825	15,410	18,889
Loans and financing	-	-	1,074	991
Trade accounts payable	2,083	1,403	1,843	3,405
Payroll and related taxes	1,646	885	1,443	1,508
Taxes payable	335	1,164	(39)	221
Advances from customers	9,653	6,895	7,939	8,761
Other payables	2,354	3,487	2,561	3,132
Related Parties	464	991	590	871
NON CURRENT	9,148	8,892	7,691	7,646
Loans and financing	5,172	5,006	3,849	3,849
Deferred income and social contribution taxes	3,976	3,886	3,842	3,797
SHAREHOLDER'S EQUITY	21,876	23,130	21,234	20,248
Capital	7,025	7,025	7,025	7,025
Capital reserve	505	505	505	505
Profit reserve	14,346	15,600	13,704	12,718
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	47,559	46,847	44,334	46,782

BW Income Statement

	(€ Mil)			(€ Mil)	
	2Q21	1Q22	2Q22	1H21	1H22
Net Operating Revenue	9,353	1,925	8,100	11,388	10,025
Cost of Goods Sold	(7,595)	(2,727)	(7,175)	(10,114)	(9,902)
Gross Profit	1,758	(802)	925	1,274	124
Gross Margin %	18.8%	-41.7%	11.4%	11.2%	1.2%
Operating Expenses	(2,043)	(1,624)	(2,085)	(3,444)	(3,709)
Selling expenses	(791)	(479)	(960)	(1,206)	(1,439)
General and administrative expenses	(1,252)	(1,146)	(1,125)	(2,238)	(2,271)
Operating Income before Financial Results	(285)	(2,426)	(1,160)	(2,170)	(3,586)
Operating Margin %	-3.0%	-126.0%	-14.3%	-19.1%	-35.8%
Financial Results, Net	(23)	(81)	(94)	(92)	(175)
Operations Operating Income	(308)	(2,507)	(1,254)	(2,262)	(3,761)
Income tax and social contribution	66	724	390	701	1,114
Net income	(242)	(1,783)	(863)	(1,561)	(2,647)
Net Margin %	-2.6%	-92.6%	-10.7%	-13.7%	-26.4%
EBITDA	184	(1,927)	(665)	(1,230)	(2,592)
Net income / loss for the period	(242)	(1,783)	(863)	(1,561)	(2,647)
Income tax and social contribution	(66)	(724)	(390)	(701)	(1,114)
Financial income, net	23	81	94	92	175
Depreciation and amortization	469	499	495	940	994
EBITDA Margin %	2.0%	-100.1%	-8.2%	-10.8%	-25.9%