

1Q22 Earnings Release

April 26, 2022



March 31, 2022

Share price at 04/25/2022
ROMI3 - R\$13.93 per share

Market value
R\$1,022 million
US\$209.7 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**

April 27, 2022

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

https://us02web.zoom.us/webinar/register/WN_gSh9hzAoSLejQ6j03-MlcQ
ID Zoom: 819 7909 3207

Dial-in number: +55 (11) 4632-2236
International dial-in numbers: <https://us02web.zoom.us/j/81979093207>

Santa Bárbara d'Oeste - São Paulo, March 31, 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 first quarter of 2022 ("1Q22"). 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

**Net Operating Revenue of R\$285.3M in 1Q22 (+28.2% over 1Q21);
Order backlog reaches R\$791.3M at the end of 1Q22 (+14.1% over 1Q21)**

- Consolidated net operating revenue for 1Q22 reached R\$285.3 million, an increase of 28.2% compared to 1Q21.
- At the Romi Machines Unit, net operating revenue increased by 34.4% in 1Q22 compared to 1Q21, due to the consolidation of the success of the new product lines and the resumption of orders in the domestic and foreign markets; The increase in revenue, coupled with an effective control over operating expenses, resulted in an increase of 21.3% in operating profit compared to 1Q21;
- At the end of 1Q22, the Company's order backlog reached R\$791.3 million, an increase of 14.1% in comparison to 1Q21, with highlights to the Romi Machines and Raw and Machined Cast Iron Parts business units; and
- In addition to the Material Fact published on March 29, 2022, the wholly-owned subsidiary Rominor Empreendimentos Imobiliários S.A. launched, in April of that year, the closed subdivision Vila Romi Residence, which has 352 lots from 300 m² to 884m². So far, sales are indicating that the total GSV (General Sales Value) estimated at around R\$137 million proved to be adequate. Rominor Empreendimentos' interest in this project is 50% of GSV.

R\$'000	Quarterly				
	1Q21	4Q21	1Q22	Chg. 1Q22/4Q21	Chg. 1Q22/1Q21
Revenues Volume					
Romi Machines (units)	219	338	255	-24.6%	16.4%
Burkhardt + Weber (units)	-	7	-	-100.0%	0.0%
Rough and Machined Cast Iron Parts (tons)	5,808	6,089	5,561	-8.7%	-4.3%
Net Operating Revenue	222,630	442,834	285,335	-35.6%	28.2%
<i>Gross margin (%)</i>	33.9%	32.0%	30.0%		
Operating Income (EBIT)	25,375	74,009	28,565	-61.4%	12.6%
<i>Operating margin (%)</i>	11.4%	16.7%	10.0%		
Net Income	20,744	54,739	30,504	-44.3%	47.0%
<i>Net margin (%)</i>	9.3%	12.4%	10.7%		
EBITDA	35,429	85,183	40,059	-53.0%	13.1%
<i>EBITDA margin (%) - adjusted (*)</i>	15.9%	19.2%	14.0%		
Investments (**)	18,310	36,542	23,095	-36.8%	26.1%

(1) Of the investments made in 1Q21, 4Q21, and 1Q22, the amounts of R\$8.6 million, R\$10.2 million and R\$14.3 million 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.

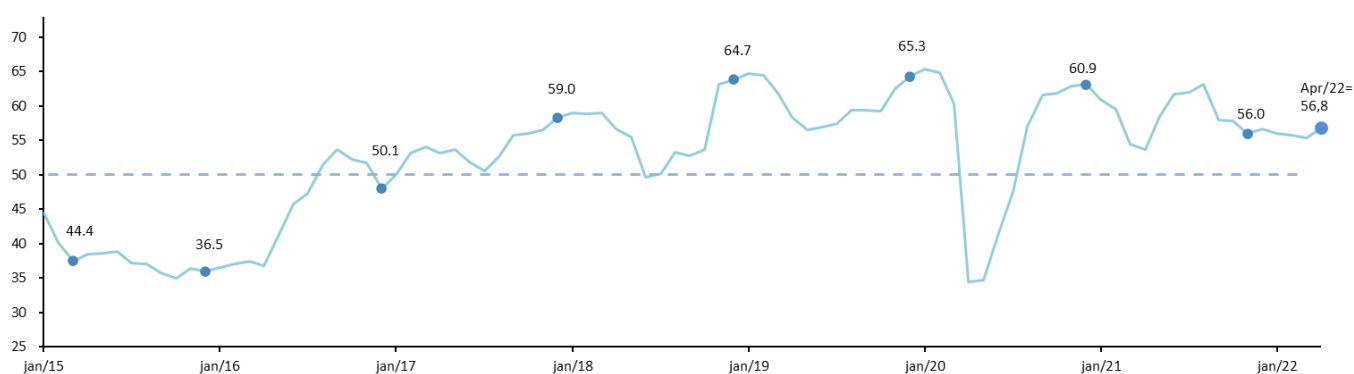
Current Economic Scenario

2022 ended indicating the continuity of a favorable environment for investments, as started in mid-2020. This important recovery in business volume can be noticed in all units, both in businesses in the domestic market and in exports and 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 continue stimulating the country in general to allocate a greater portion of production to Brazil, as well as to seek greater productivity and 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 recovery of machine orders, not only for Romi Machines, but also for BW Machines, the latter with relevant orders placed in 2021. 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) also shows a strong recovery of confidence throughout 2021, and in recent months this index remained stable at a level considered highly favorable for new investments.

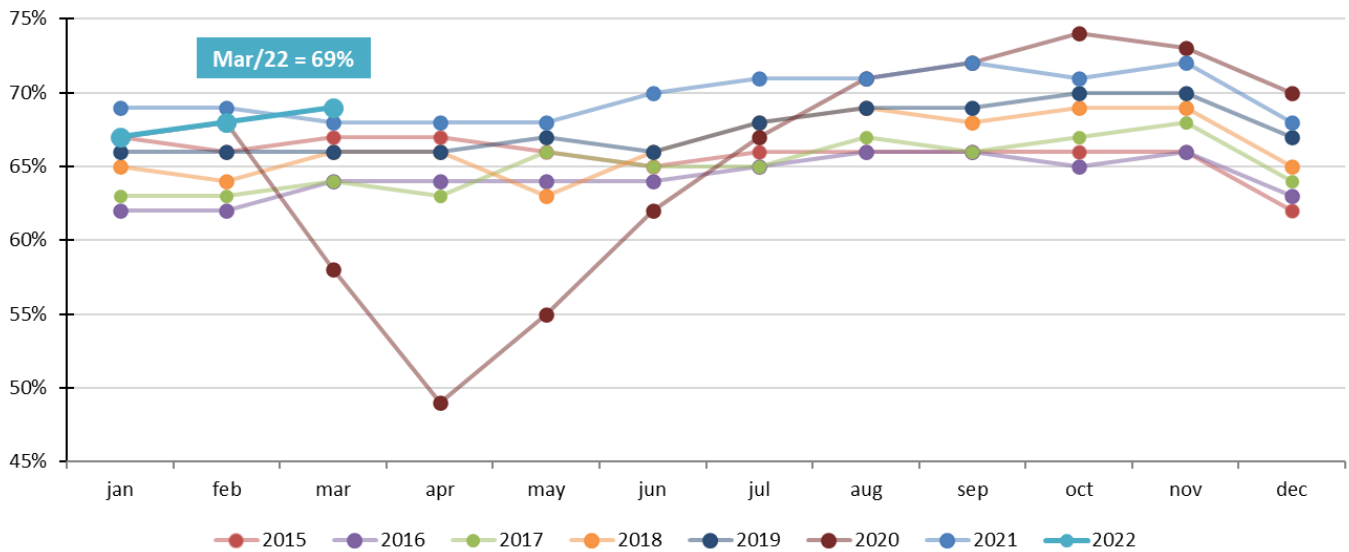
Industrial Entrepreneur Confidence Index - ICEI



Source: CNI-ICEI, April 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 Industries (CNI), is currently at normal levels, and continues to stimulate investments.

Average Installed Capacity Utilization (UCI)



Source: CNI - UCI, March 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 - on going 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)	1Q21	4Q21	1Q22	Chg. 1Q22/4Q21	Chg. 1Q22/1Q21
Gross Values, sales taxes included					
Romi Machines	207,111	183,354	192,725	5.1%	-6.9%
Burkhardt+Weber Machines	53,517	71,606	41,415	-42.2%	-22.6%
Rough and Machined Cast Iron Parts	135,451	254,545	93,933	-63.1%	-30.7%
Total *	396,080	509,504	328,072	-35.6%	-17.2%

*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 started in mid-2020 continued throughout 2021 and 2022. The confidence of the industrial entrepreneur has been showing favorable levels, as well as the foreign exchange devaluation continues to boost the incoming orders volume at the Romi Machines Unit observed in 1Q22 and in 2021. 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. In 1Q22, 59 machines were leased (33 machines in 1Q21), with contracts representing R\$18.0 million (R\$8.6 million in 1Q21). Since the launch of this solution in the market in June 2020, 332 machines have been leased, with contracts representing R\$ 83.4 million. These contracts are effective from 12 to 24 months.

In 1Q22 the German subsidiary BW obtained new orders totaling R\$41.4 million, demonstrating the economic recovery of Asia and also of projects in Europe.

The Rough and Machined Cast Iron Parts Unit presented an important volume of new orders in 1Q22. The reduction in relation to the comparative periods is mainly due to the dynamics of placing orders in the wind power segment, as it presents orders of large amounts for longer periods. Both the large parts segment for the energy segment and the other segments served by this unit have shown favorable prospects for 2022.

Order Backlog

Order Backlog (R\$ 000) Gross Values, sales taxes included	1Q21	4Q21	1Q22	Chg. 1Q22/4Q21	Chg. 1Q22/1Q21
Romi Machines	325,844	331,040	330,676	-0.1%	1.5%
Burkhardt+Weber Machines	185,812	107,583	140,481	30.6%	-24.4%
Rough and Machined Cast Iron Parts	181,930	330,310	320,190	-3.1%	76.0%
Total *	693,586	768,933	791,346	2.9%	14.1%

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

At the end of the first quarter of 2022, the order backlog grew by 14.1% compared to the same period in 2021. This growth is related to the business volume of Romi Machines and Rough and Machined Cast Iron Parts in the domestic and foreign markets, which showed an important recovery since 2021.

The German subsidiary B+W showed a 30.6% increase in orders volume in 1Q22 when compared to 4Q21, reflecting the resumption of projects previously paralyzed due to the pandemic.

Operational Performance

Net Operating Revenue by Business Unit

The net operating revenue posted by the Company in 1Q22 reached R\$285.3 million, 28.2% higher than in 1Q21, especially at the Romi Machines and Rough and Machined Cast Iron Parts Business Units.

Net Operating Revenue (R\$ 000)	Quarterly				
	1Q21	4Q21	1Q22	Var. 1Q22/4Q21	Var. 1Q22/1Q21
Romi Machines	131,934	227,022	177,289	-21.9%	34.4%
Burkhardt+Weber Machines	13,516	119,073	11,229	-90.6%	-16.9%
Rough and Machined Cast Iron Parts	77,180	96,739	96,817	0.1%	25.4%
Total	222,630	442,834	285,335	-35.6%	28.2%

Romi Machines

The net operating revenue of this Business Unit reached R\$177.2 million in 1Q22, an increase of 34.4% compared to 1Q21, reflecting the resumption of orders in the domestic and international markets.

Burkhardt + Weber Machines

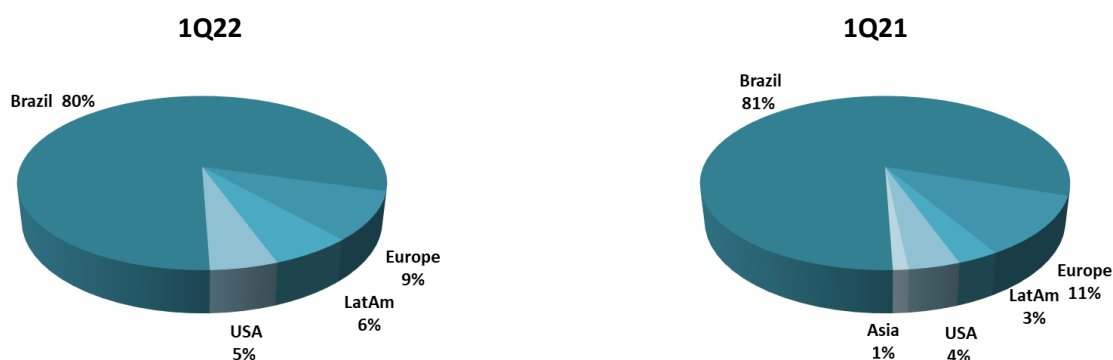
In 1Q22 the revenue of the German subsidiary BW in Reais was 16.9% lower than in 1Q21 as a result of the larger concentration of machine deliveries in the second half of 2022.

Rough and Machined Cast Iron Parts

The net operating revenue of this Business Unit totaled R\$96.8 million in 1Q22, up 25.4% over 1Q21, 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 80% of Romi's consolidated revenue in 1Q22 (81% in 1Q21). 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				
	1Q21	4Q21	1Q22	Var. 1Q22/4Q21	Chg. 1Q22/1Q21
Net Sales (R\$ million)	44.7	203.6	64.8	-68.2%	45.0%
Net Sales (US\$ million)	8.0	36.3	12.8	-64.7%	60.0%

Gross and Operating Margins

The gross margin obtained in 1Q22 was 30.0%, a decrease of 3.9 p.p. compared to 1Q21, 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 1.4 p.p. in the same period.

	Quarterly				
	1Q21	4Q21	1Q22	Var. p.p. 1Q22/4Q21	Var. p.p. 1Q22/1Q21
Gross Margin					
Romi Machines	45.9%	45.2%	42.0%	(3.2)	(3.9)
Burkhardt+Weber Machines	-22.9%	28.0%	-54.5%	(82.5)	(31.7)
Rough and Machined Cast Iron Parts	23.4%	6.1%	17.9%	11.8	(5.5)
Total	33.9%	32.0%	30.0%	(2.0)	(3.9)

	Quarterly				
	1Q21	4Q21	1Q22	Var. p.p. 1Q22/4Q21	Var. p.p. 1Q22/1Q21
EBIT Margin - Adjusted					
Romi Machines	22.9%	26.7%	20.7%	(6.0)	(2.2)
Burkhardt+Weber Machines	-90.9%	15.3%	-139.6%	(154.9)	(48.6)
Rough and Machined Cast Iron Parts	9.6%	-5.1%	7.8%	12.9	(1.8)
Total	11.4%	16.7%	10.0%	(6.7)	(1.4)

Romi Machines

The gross margin of this Business Unit in 1Q22 decreased by 3.9 p.p. compared to 1Q21, 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 2.2 p.p. in the same period.

Burkhardt + Weber Machines

The gross margin and the operating margin of this business unit in 1Q22 decreased by 31.7 p.p. and 48.6 p.p., respectively, when compared to 1Q21. 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 1Q22, the gross margin of this Business Unit decreased by 5.5 p.p. compared to 1Q21, and its operating margin (EBIT) decreased by 1.8 p.p. in the same comparison period. This reduction is due to the product mix and the costs of developing and improving production processes linked to large parts.

EBITDA and EBITDA Margin

In 1Q22, the operating cash generation as measured by EBITDA amounted to R\$40.1 million, representing an EBITDA margin of 14.0% in the quarter, as shown in the table below:

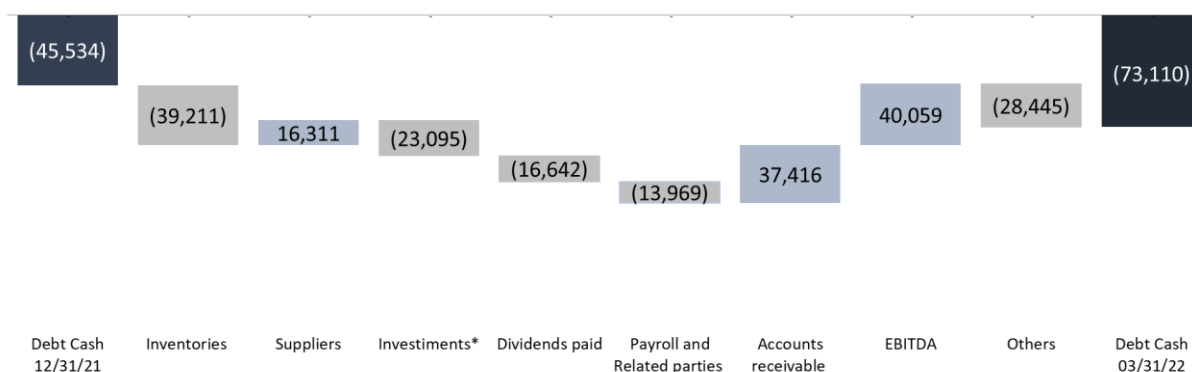
Reconciliation of Net Income to EBITDA (R\$ 000)	Quarterly				
	1Q21	4Q21	1Q22	Var. 1Q22/4Q21	Var. 1Q22/1Q21
Net Income	20,744	54,735	30,504	-44.3%	47.0%
Income tax and social contributions	4,755	17,068	7,273	-57.4%	53.0%
Net Financial Income	(124)	2,203	(9,212)	-518.2%	7329.0%
Depreciation and amortization	10,054	11,177	11,494	2.8%	14.3%
EBITDA	35,429	85,183	40,059	-53.0%	13.1%
EBITDA Margin	15.9%	19.2%	14.0%	-27.0%	-11.8%
Total Net Operating Revenue	222,630	442,834	285,335	-35.6%	28.2%

Profit for the Period

The profit for 1Q22 was R\$30.5 million, an increase of 47.0% compared to the profit for 1Q21.

Evolution of Net Cash (Debt) Position

The main changes in net cash position during 1Q22, 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 1Q22, the Company's net cash position presented the following main changes:

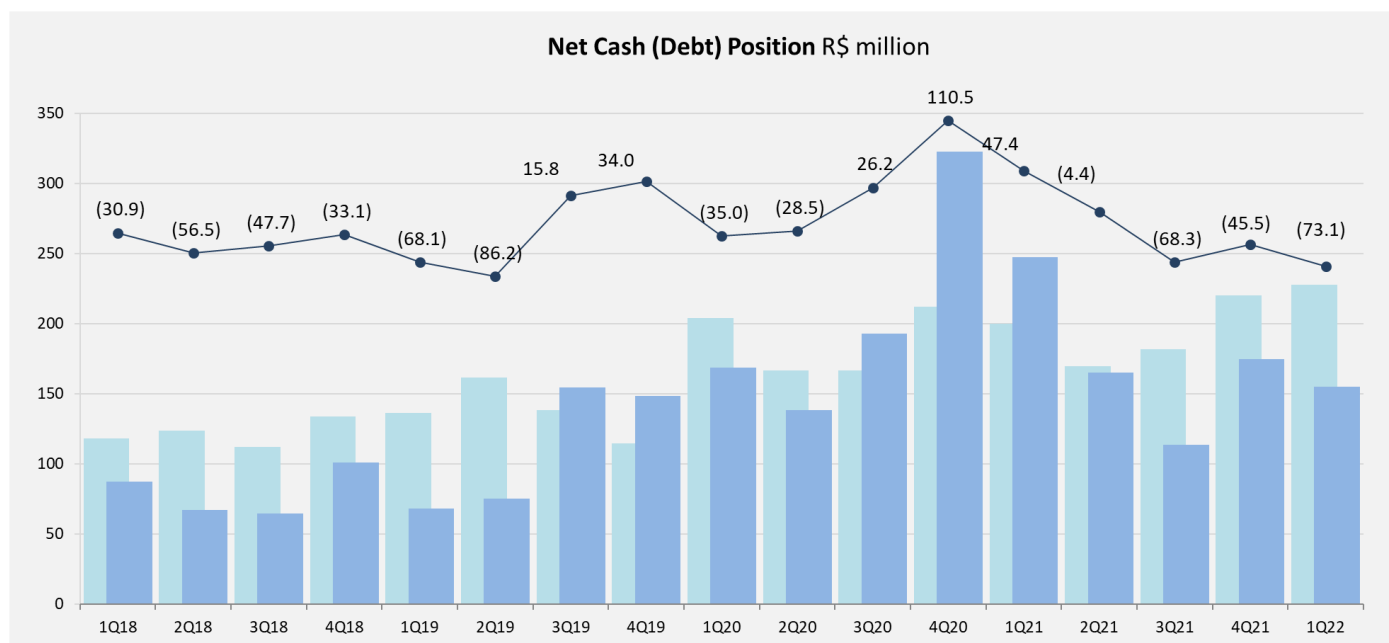
- Increase in inventories due to the growth of the backlog when compared to December 2021, inflation aspects and the increase in the delivery time of important suppliers;
- Payment of interest on capital and interim dividends, declared in December 2021 and February 2022, paid in the first quarter of 2022;
- Investments made in 2022, 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
- Reduction in accounts receivable, mainly from the German subsidiary B+W, due to receipts in 1Q22, referring to machines delivered in 4Q21; and
- Payment of payroll and related parties of profit sharing for 2021.

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 March 31, 2022 was negative by R\$73.1 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 March 31, 2022, the amount of financing in local currency was R\$61.9 million, and in foreign currency, R\$165.9 million, totaling R\$227.9 million, of which R\$64.6 million maturing in up to 12 months.

As at March 31, 2022, the Company recorded R\$154.8 million as cash and cash equivalents and short-term investments.



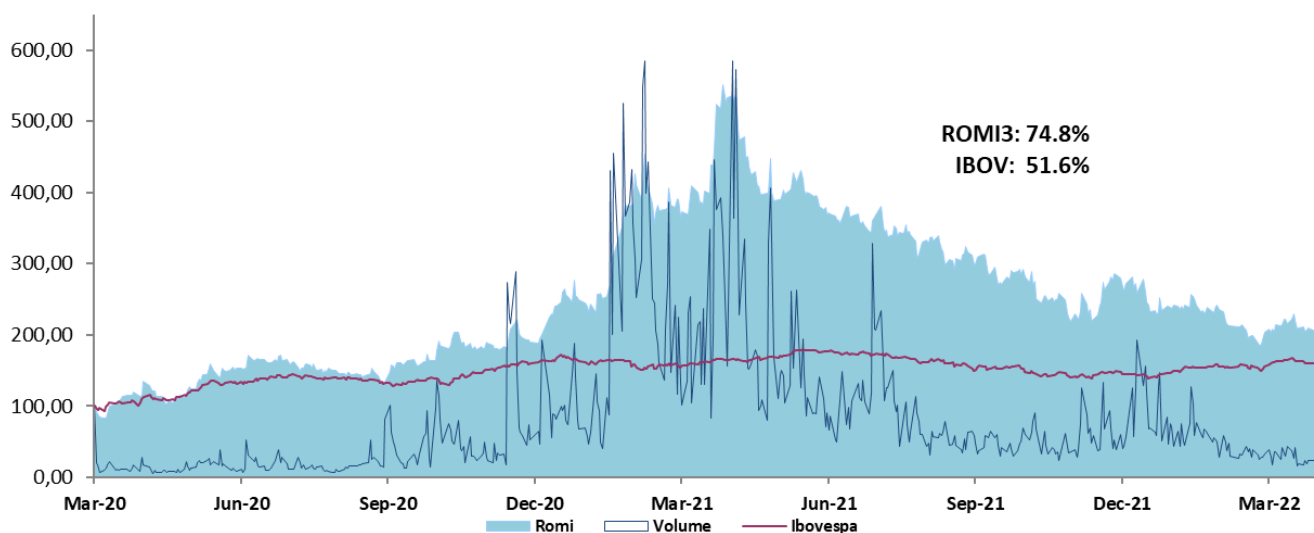
The balances recorded under "Finame Manufacturer Financing" are not used in the calculation of the Company's net debt.

As at March 31, 2022, the Company did not have any derivative transactions.

Capital Markets

Share Performance Romi3 x Ibovespa

From: 3/31/2020 to 04/25/2022



Source: B3.

On April 25, 2022 the Company's common shares (ROMI3), which were quoted at R\$13.93, posted valuation of 74.8% since March 31, 2020 and -24.3% since December 31, 2021. The Bovespa Index (Ibovespa) went valuation by 51.6% and 5.6%, in the same periods.

The Company's market capitalization on April 25, 2022 was R\$1,022 million. The average daily trading volume during 1Q22 was R\$11.3 million.

Consolidated Balance Sheet

IFRS (R\$ 000)

	03/31/21	12/31/21	03/31/22		03/31/21	12/31/21	03/31/22
ASSETS				LIABILITIES AND SHAREHOLDER'S EQUITY			
CURRENT	1,080,877	1,164,282	1,147,778	CURRENT	547,701	576,153	564,188
Cash and Cash equivalents	147,735	99,911	89,032	Loans and financing	53,893	70,732	64,617
Financial investments	99,444	74,786	65,786	FINAME manufacturer financing	126,034	142,830	142,651
Trade accounts receivable	161,805	237,952	204,784	Trade accounts payable	142,365	129,391	145,702
Onlending of FINAME manufacturer financing	135,019	152,775	153,304	Payroll and related taxes	32,262	46,062	38,244
Inventories	457,509	536,699	575,910	Taxes payables	13,192	21,246	18,468
Recoverable taxes	63,506	48,935	41,583	Advances from customers	117,324	103,997	104,377
Other receivables	15,859	13,224	17,379	Related parties	887	7,680	1,529
Judicial Deposits	-	-	-	Dividends	37,322	18,191	19,465
				Provision for contingent liabilities	1,475	1,445	2,220
				Other payables	22,947	34,579	26,915
NON CURRENT	278,439	339,204	333,358	NON CURRENT	393,893	413,406	408,699
Trade accounts receivable	18,590	20,714	16,466	Loans and financing	145,927	149,499	163,311
Onlending of FINAME manufacturer financing	203,583	218,866	209,961	FINAME manufacturer financing	198,946	219,104	208,602
Recoverable taxes	23,029	70,472	71,450	Deferred income and social contribution taxes	44,680	41,361	34,163
Deferred income and social contribution taxes	24,830	10,557	15,858	Reserve for contingencies	295	347	286
Judicial Deposits	2,001	12,097	12,108	Other payables	4,045	3,095	2,337
Other receivables	6,406	6,498	7,515				
Investments				SHAREHOLDER'S EQUITY	833,989	963,288	948,928
Property, Plant and Equipment	326,769	370,348	373,546	Capital	637,756	637,756	637,756
Investment Properties	18,388	16,621	16,593	Retained earnings	96,564	233,695	244,283
Intangible assets	72,641	64,065	52,113	Cumulative translation adjustments	99,669	91,837	66,889
				NON CONTROLLING INTERESTS	1,531	1,673	1,573
TOTAL ASSETS	1,777,114	1,954,520	1,923,388	TOTAL SHAREHOLDER'S EQUITY	835,520	964,961	950,501
				TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	1,777,114	1,954,520	1,923,388

Consolidated Income Statement

IFRS (R\$ thousand)

	1Q21	4Q21	1Q22	Chg. 1Q22/4Q21	Chg. 1Q22/1Q21
Net Operating Revenue	222,630	442,834	285,335	-35.6%	28.2%
Cost of Goods Sold	(147,160)	(300,965)	(199,730)	-33.6%	35.7%
Gross Profit	75,470	141,869	85,605	-39.7%	13.4%
Gross Margin %	33.9%	32.0%	30.0%		
Operating revenues (expenses)	(50,095)	(67,860)	(57,040)	-15.9%	13.9%
Selling expenses	(22,393)	(33,635)	(25,587)	-23.9%	14.3%
Research and development expenses	(6,214)	(6,909)	(6,924)	0.2%	11.4%
General and administrative expenses	(20,423)	(22,297)	(22,117)	-0.8%	8.3%
Management profit sharing and compensation	(2,968)	(4,632)	(3,438)	-25.8%	15.8%
Other operating income, net	1,903	(387)	1,026	-365.1%	-46.1%
Operating Income (loss) before Financial Results	25,375	74,009	28,565	-61.4%	12.6%
Operating Margin %	11.4%	16.7%	10.0%		
Operating Income (loss) before Financial Results - Adjusted (*)	25,375	74,009	28,565	-61.4%	12.6%
Operating Margin % - Adjusted (*)	11.4%	16.7%	10.0%		
Financial Results, Net	124	(2,203)	9,212	-518.3%	7329.0%
Financial income	2,146	2,708	3,640	34.4%	69.6%
Financial expenses	(3,888)	(3,677)	(2,841)	-22.7%	-26.9%
Exchange gain (loss), net	1,866	(1,234)	8,413	-781.8%	350.9%
Operations Operating Income	25,499	71,807	37,777	-47.4%	48.2%
Income tax and social contribution	(4,755)	(17,068)	(7,273)	-57.4%	53.0%
Net income	20,744	54,739	30,504	-44.3%	47.0%
Net Margin %	9.3%	12.4%	10.7%		
Net profit (loss) concerning:					
Controlling interests	20,670	54,625	30,388	-44.4%	47.0%
Non controlling interests	74	114	116	1.8%	56.8%
EBITDA	35,429	85,183	40,059	-53.0%	13.1%
Profit (loss) for the period	20,744	54,735	30,504	-44.3%	47.0%
Income tax and social contribution	4,755	17,068	7,273	-57.4%	53.0%
Financial result, net	(124)	2,203	(9,212)	-518.2%	7329.0%
Depreciation and amortization	10,054	11,177	11,494	2.8%	14.3%
EBITDA Margin %	15.9%	19.2%	14.0%		
EBITDA - Adjusted (*)	35,429	85,183	40,059	-53.0%	13.1%
EBITDA Margin % - Adjusted (*)	15.9%	19.2%	14.0%		
Nº of shares in capital stock (th)	73,334	73,334	73,334		
Profit (loss) per share - R\$	0.28	0.74	0.41		

Consolidated Cash Flow Statement

IFRS (R\$ thousand)

	1Q21	4Q21	1Q22
Cash from operating activities			
Net Income before taxation	25,499	71,803	37,777
Financial expenses and exchange gain	1,424	(11,092)	(12,903)
Depreciation and amortization	10,054	9,841	12,451
Allowance for doubtful accounts and other receivables	(209)	255	(1,185)
Proceeds from sale of fixed assets and intangibles	(188)	(1,507)	(1,167)
Provision for inventory realization	1,935	(1,449)	(3,248)
Reserve for contingencies	(13)	(369)	714
Trade accounts receivable	26,164	(34,699)	22,910
Onlending of Finame manufacturer financing	(3,464)	(6,149)	8,450
Inventories	(100,770)	60,361	(35,865)
Recoverable taxes, net	(7,971)	(18,487)	1,073
Judicial deposits	(117)	(5)	(11)
Other receivables	153	8,554	(4,041)
Trade accounts payable	45,012	(27,682)	21,048
Payroll and related taxes	(3,901)	(9,531)	(7,818)
Taxes payable	(3,288)	24,139	(17,012)
Advances from customers	46,862	(3,086)	380
Other payables	(15,593)	9,265	(15,277)
Cash provided by (used in) operating activities	21,589	70,162	6,276
Income tax and social contribution paid	(147)	(390)	(237)
Net Cash provided by (used in) operating activities	21,442	69,772	6,039
Financial Investments	27,722	(24,503)	9,000
Purchase of fixed assets	(18,307)	(43,518)	(33,387)
Sales of fixed assets	324	2,394	2,293
Purchase of intangible assets	(222)	(2,221)	(102)
Net cash Used in Investing Activities	9,517	(67,848)	(22,196)
Interest on capital paid	(64,931)	(18,290)	(18,545)
New loans and financing	57,532	50,269	52,618
Payments of loans and financing	(73,962)	(9,973)	(18,259)
Interests paid (including Finame manufacturer financing)	(10,464)	(12,244)	(11,963)
New loans in Finame manufacturer	40,217	61,691	35,598
Payment of Finame manufacturer financing	(32,811)	(41,482)	(37,625)
Net Cash provided by (used in) Financing Activities	(84,419)	29,971	1,824
Increase (decrease) in cash and cash equivalents	(53,460)	31,895	(14,333)
Exchange variation changes on cash and cash equivalents abroad	5,777	4,828	3,454
Cash and cash equivalents - beginning of period	195,418	63,188	99,911
Cash and cash equivalents - end of period	147,735	99,911	89,032

Attachment I – Income Statement by Business Unit

Income Statement by Business Units - 1Q22

R\$ 000	Romi Machines	Burkhardt + Weber Machines	Rough and Machined Cast Iron	Total
Net Operating Revenue	177,289	11,229	96,817	285,335
Cost of Sales and Services	(86,957)	(17,353)	(95,420)	(199,730)
Business Units Transfers	74	-	15,986	16,060
Business Units Transfers	(15,986)	-	(74)	(16,060)
Gross Profit	74,420	(6,124)	17,309	85,605
	<i>Gross Margin %</i>	<i>42.0%</i>	<i>-54.5%</i>	<i>17.9%</i>
Operating Expenses	(37,728)	(9,547)	(9,765)	(57,040)
Selling	(21,528)	(2,774)	(1,285)	(25,587)
General and Administrative	(10,345)	(6,772)	(5,000)	(22,117)
Research and Development	(5,079)	-	(1,844)	(6,924)
Management profit sharing	(1,803)	-	(1,636)	(3,438)
Other operating revenue	1,026	-	-	1,026
Operating Income (loss) before Financial Results	36,692	(15,671)	7,544	28,565
	<i>Operating Margin %</i>	<i>20.7%</i>	<i>-139.6%</i>	<i>10.0%</i>
Operating loss before Financial Results - Adjusted (*)	36,692	(15,671)	7,544	28,565
	<i>Operating Margin % - Adjusted (*)</i>	<i>20.7%</i>	<i>-139.6%</i>	<i>10.0%</i>
Depreciation and amortization	5,290	2,917	3,287	11,494
EBITDA	41,981	(12,754)	10,831	40,059
	<i>EBITDA Margin %</i>	<i>23.7%</i>	<i>-113.6%</i>	<i>11.2%</i>
EBITDA - Adjusted (*)	41,981	(12,754)	10,831	40,059
	<i>EBITDA Margin % - Adjusted (*)</i>	<i>23.7%</i>	<i>-113.6%</i>	<i>11.2%</i>

Income Statement by Business Units - 1Q21

R\$ 000	Romi Machines	Burkhardt + Weber Machines	Rough and Machined Cast Iron	Total
Net Operating Revenue	131,934	13,516	77,180	222,630
Cost of Sales and Services	(59,119)	(16,606)	(71,435)	(147,160)
Business Units Transfers	334	-	12,636	12,969
Business Units Transfers	(12,636)	-	(334)	(12,969)
Gross Profit	60,513	(3,090)	18,047	75,470
	<i>Gross Margin %</i>	<i>45.9%</i>	<i>-22.9%</i>	<i>33.9%</i>
Operating Expenses	(30,283)	(9,201)	(10,611)	(50,095)
Selling	(17,604)	(2,741)	(2,048)	(22,393)
General and Administrative	(6,985)	(8,321)	(5,117)	(20,423)
Research and Development	(4,566)	-	(1,648)	(6,214)
Management profit sharing	(1,170)	-	(1,798)	(2,968)
Other operating revenue	42	1,861	-	1,903
Operating Income (loss) before Financial Results	30,230	(12,291)	7,436	25,375
	<i>Operating Margin %</i>	<i>22.9%</i>	<i>-90.9%</i>	<i>9.6%</i>
Operating loss before Financial Results - Adjusted (*)	30,230	(12,291)	7,436	25,375
	<i>Operating Margin % - Adjusted (*)</i>	<i>22.9%</i>	<i>-90.9%</i>	<i>9.6%</i>
Depreciation and amortization	4,064	3,107	2,883	10,054
EBITDA	34,294	(9,184)	10,319	35,429
	<i>EBITDA Margin %</i>	<i>26.0%</i>	<i>-68.0%</i>	<i>13.4%</i>
EBITDA - Adjusted (*)	34,294	(9,184)	10,319	35,429
	<i>EBITDA Margin % - Adjusted (*)</i>	<i>26.0%</i>	<i>-68.0%</i>	<i>13.4%</i>

Attachment II - Financial Statements of BW

Balance Sheet BW

	(€ Mil)		
ASSETS	03/31/21	12/31/21	03/31/22
CURRENT	22,132	24,277	22,166
Cash and Cash equivalents	4,130	3,415	1,414
Trade accounts receivable	5,809	11,557	6,932
Inventories	10,401	7,611	11,298
Recoverable taxes	467	383	480
Deferred income and social contribution taxes	650	155	834
Related Parties	3	404	202
Other receivables	672	752	1,006
Investments			
Property, plant and equipment	12,803	12,581	12,432
Investment in subsidiaries	-	-	-
Intangible assets	10,682	9,989	9,736
TOTAL ASSETS	45,617	46,847	44,334
LIABILITIES AND SHAREHOLDER'S EQUITY	03/31/21	12/31/21	03/31/22
CURRENT	14,223	14,825	15,410
Loans and financing	-	-	1,074
Trade accounts payable	462	1,403	1,843
Payroll and related taxes	1,098	885	1,443
Taxes payable	284	1,164	(39)
Advances from customers	9,798	6,895	7,939
Other payables	2,024	3,487	2,561
Related Parties	557	991	590
NON CURRENT	9,276	8,892	7,691
Loans and financing	5,255	5,006	3,849
Deferred income and social contribution taxes	4,021	3,886	3,842
SHAREHOLDER'S EQUITY	22,118	23,130	21,234
Capital	7,025	7,025	7,025
Capital reserve	505	505	505
Profit reserve	14,588	15,600	13,704
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	45,617	46,847	44,334

BW Income Statement

	(€ Mil)		
	1Q21	4Q21	1Q22
Net Operating Revenue	2,035	18,683	1,925
Cost of Goods Sold	(2,519)	(13,456)	(2,727)
Gross Profit	(484)	5,227	(802)
Gross Margin %	-23.8%	28.0%	-41.7%
Operating Expenses	(1,400)	(2,361)	(1,624)
Selling expenses	(414)	(1,219)	(479)
General and administrative expenses	(986)	(1,141)	(1,146)
Operating Income before Financial Results	(1,885)	2,867	(2,426)
Operating Margin %	-92.6%	15.3%	-126.0%
Financial Results, Net	(69)	(81)	(81)
Operations Operating Income	(1,954)	2,786	(2,507)
Income tax and social contribution	635	(702)	724
Net income	(1,319)	2,084	(1,783)
Net Margin %	-64.8%	11.2%	-92.6%
EBITDA	(1,414)	3,443	(1,927)
Net income / loss for the period	(1,319)	2,084	(1,783)
Income tax and social contribution	(635)	702	(724)
Financial income, net	69	81	81
Depreciation and amortization	471	576	499
EBITDA Margin %	-69.5%	18.4%	-100.1%