

(Convenience Translation into English from the
Original Previously Issued in Portuguese)

Romi S.A.

Individual and Consolidated
Interim Financial Information
for the Quarter Ended
March 31, 2023 and
Independent Auditor's Report

Deloitte Touche Tohmatsu Auditores Independentes Ltda.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders, Board of Directors and Management of
Romi S.A.

Introduction

We have reviewed the accompanying individual and consolidated interim financial information of Romi S.A. (“Company”), included in the Interim Financial Information Form (ITR) for the quarter ended March 31, 2023, which comprises the individual and consolidated balance sheets as at March 31, 2023, and the related statements of profit and loss, of comprehensive income, of changes in equity and of cash flows for the three-month period then ended, including the explanatory notes.

Management is responsible for the preparation of this individual and consolidated interim financial information in accordance with Brazilian standard NBC TG 21 - “Demonstração Intermediária” and international standard IAS 34 - Interim Financial Reporting, applicable to real estate development entities in Brazil registered with the Brazilian Securities and Exchange Commission (CVM), as well as for the presentation of such information in accordance with the standards issued by the CVM, applicable to the preparation of Interim Financial Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Review of Interim Financial Information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the standards on auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the individual and consolidated interim financial information included in the ITR referred to above was not prepared, in all material respects, in accordance with Brazilian standard NBC TG 21 and international standard IAS 34, applicable to real estate development entities in Brazil registered with the CVM, and presented in accordance with the standards issued by the CVM, applicable to the preparation of ITR.

Emphasis of matter

As described in note 2, the individual and consolidated interim financial information, included in the ITR, has been prepared in accordance with Brazilian standard NBC TG 21 and international standard IAS 34, applicable to real estate development entities in Brazil registered with the CVM. Accordingly, the determination of the accounting policy adopted by the Company, for the recognition of revenue in the purchase and sale agreements of uncompleted real estate units on aspects related to transfer of control, abides by the Company's Management understanding on the application of Brazilian standard NBC TG 47, aligned with the understanding expressed by the CVM in Circular Letter CVM/SNC/SEP 02/2018. Our conclusion is not modified in respect of this matter.


Other matters

Statements of value added

The interim financial information referred to above includes the individual and consolidated statements of value added (DVA) for the three-month period ended March 31, 2023, prepared under the responsibility of the Company's Management and presented as supplemental information for international standard IAS 34 purposes, applicable to real estate development entities in Brazil registered with the CVM. These statements were subject to the review procedures performed together with the review of the ITR to reach a conclusion on whether they are reconciled with the interim financial information and the accounting records, as applicable, and if their form and content are consistent with the criteria set forth in Brazilian standard NBC TG 09 - "Demonstração do Valor Adicionado". Based on our review, nothing has come to our attention that causes us to believe that these statements of value added were not prepared, in all material respects, in accordance with Brazilian standard NBC TG 09 and consistently with the individual and consolidated interim financial information taken as a whole.

The accompanying individual and consolidated interim financial information has been translated into English for the convenience of readers outside Brazil.

Campinas, April 18, 2023


DELOITTE TOUCHE TOHMATSU
Auditores Independentes Ltda.


Paulo de Tarso Pereira Jr.
Engagement Partner

ROMI S.A.

BALANCE SHEETS

QUARTERS ENDED MARCH 31

(In thousands of Brazilian reais - R\$)

(Convenience Translation into English from the Original Previously Issued in Portuguese)

	Note	Parent		Consolidated		Parent	Consolidated	
		March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022		March 31, 2023	December 31, 2022
ASSETS								
CURRENT ASSETS								
Cash and cash equivalents	3	86,112	21,662	180,990	131,999	92,061	23,456	135,023
Short-term investments	3	22,362	118,814	22,362	118,814	156,271	154,076	156,271
Trade accounts receivable	4	117,695	151,459	190,284	275,323	99,921	106,976	122,297
Onhanding of FINAME - manufacturer financing	5	167,928	162,993	167,928	162,993	25,918	42,079	35,063
Inventories	6	541,398	501,668	714,432	640,797	7,133	25,138	14,439
Related parties	8	15,525	28,851	-	-	34,132	31,187	125,356
Taxes recoverable	9	34,465	31,441	46,472	41,880	1,420	9,406	1,420
Other receivables		10,038	8,781	18,753	17,128	16,547	15,130	16,547
		995,523	1,025,669	1,341,221	1,388,934	2,492	2,683	2,492
						7,391	9,693	26,296
						823	1,490	-
						446,109	421,314	637,204
NONCURRENT ASSETS								
Trade accounts receivable	4	8,391	9,850	29,752	28,571	124,511	200,089	185,985
Onhanding of FINAME - manufacturer financing	5	239,144	243,845	239,144	243,845	234,586	237,055	234,586
Related parties	8	36,127	31,297	-	-	416	270	416
Taxes recoverable	9	57,630	56,434	57,635	56,440	3	14	3,521
Deferred income tax and social contribution	16	12,844	11,967	21,878	19,006	7,262	7,067	-
Judicial deposits	15	12,212	12,200	12,212	12,200	-	-	-
Other receivables		6,789	8,880	7,312	9,399	-	-	34,907
		373,137	374,473	367,933	369,461	366,778	444,495	459,425
						812,887	865,809	1,096,629
INVESTMENTS IN SUBSIDIARIES								
Investments in subsidiaries	7	178,452	198,103	-	-	-	-	-
Property, plant and equipment	11	349,820	346,383	422,905	420,275	904,772	771,454	904,772
Investment property	10	13,500	13,500	15,251	15,251	120,859	248,144	120,859
Intangible assets	12	734	808	49,186	51,012	72,648	73,529	72,648
		915,643	933,267	855,275	855,999	1,098,279	1,093,127	1,098,279
						-	-	1,588
NONCONTROLLING INTERESTS								
TOTAL EQUITY						1,098,279	1,093,127	1,099,867
TOTAL LIABILITIES AND EQUITY		1,911,166	1,958,936	2,196,496	2,244,933	1,911,166	1,958,936	2,196,496

The accompanying notes are an integral part of this interim financial information.

ROMI S.A.
**STATEMENTS OF PROFIT AND LOSS
 QUARTERS ENDED MARCH 31**

 (In thousands of Brazilian reais - R\$, except for earnings per share expressed in Brazilian reais)
 (Convenience Translation into English from the Original Previously Issued in Portuguese)

	Note	Parent		Consolidated	
		2023	2022	2023	2022
Net operating revenue		226.152	259.871	259.155	285.335
Cost of sales and services		(154.037)	(183.431)	(173.378)	(199.730)
Gross profit		72.115	76.440	85.777	85.605
Operating income (expenses)					
Selling		(14.382)	(16.605)	(25.421)	(25.587)
General and administrative		(9.168)	(10.391)	(20.590)	(22.117)
Research and development		(7.681)	(6.924)	(7.681)	(6.924)
Management profit sharing and fees	8	(3.463)	(3.401)	(3.517)	(3.438)
Equity in earnings of subsidiaries	7	61	(8.255)	-	-
Other operating income, net		2.239	1.026	8.477	1.026
		(32.394)	(44.550)	(48.732)	(57.040)
Operating profit		39.721	31.890	37.045	28.565
Finance income (costs)					
Finance income		8.057	3.092	9.791	3.640
Finance costs		(4.962)	(2.060)	(6.037)	(2.841)
Foreign exchange gains (losses), net		(138)	8.571	549	8.413
		2.957	9.603	4.303	9.212
Profit before taxation		42.678	41.493	41.348	37.777
Income tax and social contribution					
Current	16	(6.680)	(11.105)	(5.218)	(7.273)
Deferred	16	(7.557)	(12.997)	(8.550)	(13.444)
	16	877	1.892	3.332	6.171
Profit for the period		35.998	30.388	36.130	30.504
Attributable to					
Controlling interests				35.998	30.388
Noncontrolling interests				132	116
				36.130	30.504
Basic earnings per share in reais - R\$	17	0,41	0,34		

The accompanying notes are an integral part of this interim financial information.

ROMI S.A.**STATEMENTS OF COMPREHENSIVE INCOME****QUARTERS ENDED MARCH 31**

(In thousands of Brazilian reais - R\$)

(Convenience Translation into English from the Original Previously Issued in Portuguese)

	<u>Parent</u>		<u>Consolidated</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Profit for the period	35.998	30.388	36.130	30.504
Foreign currency translation effects	<u>(881)</u>	<u>(24.948)</u>	<u>(881)</u>	<u>(24.948)</u>
Comprehensive profit for the period	<u>35.117</u>	<u>5.440</u>	<u>35.249</u>	<u>5.556</u>
Attributable to				
Controlling interests			35.117	5.440
Noncontrolling interests			<u>132</u>	<u>116</u>
			<u>35.249</u>	<u>5.556</u>

The accompanying notes are an integral part of this interim financial information.

ROMI S.A.

STATEMENTS OF CHANGES IN EQUITY
 QUARTERS ENDED MARCH 31

(In thousands of Brazilian reais - R\$)

(Convenience Translation into English from the Original Previously Issued in Portuguese)

Attributable to the controlling interests

	Note	Income reserve		Legal reserve	Total	Carrying value adjustment	Profit for the period	Total	Noncontrolling interests	Total
		Earnings reserve	Capital							
At December 31, 2021		160,461	637,756	73,234	233,695	91,837	-	963,288	1,673	964,961
Profit for the period		-	-	-	-	-	215,027	215,027	1,069	216,096
Foreign currency translation effects		-	-	-	-	(18,308)	-	(18,308)	-	(18,308)
Total comprehensive income for the period		-	-	-	-	(18,308)	-	(18,308)	-	(18,308)
Interest on capital		(133,698)	133,698	-	(133,698)	-	-	-	-	-
Dividends paid by subsidiary		(7,333)	-	-	(7,333)	-	-	(7,333)	-	(7,333)
Interest on equity		-	-	-	-	-	(59,547)	(59,547)	-	(59,547)
Mandatory dividends and interest on capital		-	-	-	-	-	-	-	(471)	(471)
Transfers between reserves		144,729	-	10,751	155,480	-	(155,480)	-	-	-
Total contributions by and distributions to controlling interests		3,698	133,698	10,751	14,449	-	(215,027)	(66,880)	(471)	(67,351)
At December 31, 2022		164,159	771,454	83,985	248,144	73,529	-	1,093,127	2,271	1,095,398
At December 31, 2022		164,159	771,454	83,985	248,144	73,529	-	1,093,127	2,271	1,095,398
Profit for the period		-	-	-	-	-	35,998	35,998	132	36,130
Foreign currency translation effects		-	-	-	-	(881)	-	(881)	-	(881)
Total comprehensive income for the period		-	-	-	-	(881)	-	(881)	-	(881)
Interest on capital	17	(133,318)	133,318	-	(133,318)	-	-	-	-	-
Dividends paid by subsidiary	17	(11,412)	-	-	(11,412)	-	-	(11,412)	-	(11,412)
Interest on equity	17	-	-	-	-	-	(18,553)	(18,553)	-	(18,553)
Mandatory dividends and interest on capital		-	-	-	-	-	-	-	(815)	(815)
Transfers between reserves		17,445	-	-	17,445	-	(17,445)	-	-	-
Total contributions by and distributions to controlling interests		(127,285)	133,318	-	(127,285)	-	(35,998)	(29,965)	(815)	(30,780)
At March 31, 2023		36,874	904,772	83,985	120,859	72,648	-	1,098,279	1,588	1,099,867

The accompanying notes are an integral part of this interim financial information.

ROMI S.A.

STATEMENTS OF CASH FLOWS

QUARTERS ENDED MARCH 31

(In thousands of Brazilian reais - R\$)

(Convenience Translation into English from the Original Previously Issued in Portuguese)

	Note	Parent		Consolidated	
		2023	2022	2023	2022
<u>Cash flows from operating activities</u>					
Profit before taxation		42.678	41.493	41.348	37.777
Adjustments from:					
Unrealized finance costs and foreign exchange difference		(1.925)	(9.668)	(802)	(12.903)
Depreciation and amortization	11, 12	11.237	7.903	14.628	12.451
Allowance (reversal) for doubtful accounts and other receivables	4, 5	(644)	(439)	(644)	(1.185)
Recognition of inventory realization	6	1.065	772	1.699	(3.248)
Gain (loss) on disposals of property, plant and equipment and intangible assets	11, 12	(3.056)	(1.330)	(3.056)	(1.167)
Equity in earnings of subsidiaries	8	(61)	8.255	-	-
Recognition (reversal) of provision for contingent liabilities	15	162	714	162	714
Change in operating assets and liabilities					
Trade accounts receivable		37.336	(31.272)	85.971	22.910
Related parties (assets and liabilities)		7.881	30.431	-	-
Onlending of FINAME - manufacturer financing		412	8.450	412	8.450
Inventories		(40.795)	(45.787)	(75.330)	(35.865)
Taxes recoverable		(11.788)	(8.519)	(8.659)	1.073
Judicial deposits		(12)	(11)	(12)	(11)
Other receivables		2.645	(2.825)	2.273	(4.041)
Trade accounts payable		(6.465)	21.740	(12.670)	21.048
Payroll and related taxes		(16.161)	(9.338)	(13.787)	(7.818)
Taxes payable		4.773	7.414	(4.792)	(17.012)
Advances from customers		2.945	1.430	18.952	380
Other payables		(10.485)	(3.675)	(15.752)	(15.277)
Cash used in operations		19.742	15.738	29.941	6.276
Income tax and social contribution paid		(22.778)	-	(23.917)	(237)
Net cash used in operating activities		(3.036)	15.738	6.024	6.039
Cash flows from investing activities					
Short-term investments		96.452	9.000	96.452	9.000
Purchase of property, plant and equipment	11	(21.174)	(22.475)	(21.420)	(33.387)
Purchase of intangible assets	12	-	(102)	-	(102)
Proceeds from the sale of property, plant and equipment		9.630	2.560	9.630	2.293
Dividends received	7	25.026	2.913	-	-
Capital increase in subsidiary	7	(6.000)	-	-	-
Net cash used in investing activities		103.934	(8.104)	84.662	(22.196)
Cash flows from financing activities					
Interest on capital and dividends paid	17	(28.549)	(18.329)	(29.364)	(18.545)
New borrowings	13	-	43.637	-	52.618
Financing paid	13	(5.747)	(8.919)	(7.639)	(18.259)
Interest paid	13	(3.878)	(3.157)	(4.951)	(3.309)
New Finame - manufacturer financing		47.530	35.598	47.530	35.598
Payment of Finame - manufacturer financing		(39.156)	(37.625)	(39.156)	(37.625)
Interest paid - Finame - manufacturer financing		(6.648)	(8.654)	(6.648)	(8.654)
Net cash provided by (used in) financing activities		(36.448)	2.551	(40.228)	1.824
Increase (decrease) in cash and cash equivalents, net		64.450	10.185	50.458	(14.333)
Cash and cash equivalents at the beginning of the period		21.662	28.047	131.999	99.911
Foreign exchange gains (losses) on cash equivalents of foreign subsidiaries		-	-	(1.467)	3.454
Cash and cash equivalents at the end of the period		86.112	38.232	180.990	89.032

The accompanying notes are an integral part of this interim financial information.

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**STATEMENTS OF VALUE ADDED
QUARTERS ENDED MARCH 31**

(In thousands of Brazilian reais - R\$)

(Convenience Translation into English from the Original Previously Issued in Portuguese)

	Parent		Consolidated	
	2023	2022	2023	2022
Revenues				
Sales of goods, products and services	262.160	298.194	295.037	323.829
Revenues related to the constructions of own assets	10.380	34.387	10.380	42.208
Allowance for doubtful accounts	(644)	439	(644)	1.185
Other operating income, net	2.239	1.026	8.477	1.026
	<u>274.135</u>	<u>334.046</u>	<u>313.250</u>	<u>368.248</u>
Inputs acquired from third parties				
Materials used	(135.300)	(204.235)	(129.859)	(173.128)
Other costs of products and services	(7.778)	(12.096)	(8.325)	(15.985)
Electricity, third-party services and other expenses	(14.642)	(17.938)	(23.747)	(32.027)
	<u>(157.720)</u>	<u>(234.269)</u>	<u>(161.931)</u>	<u>(221.140)</u>
Gross value added	116.415	99.777	151.319	147.108
Depreciation and amortization	(11.237)	(7.903)	(14.628)	(12.451)
Net value added generated by the Company	<u>105.178</u>	<u>91.874</u>	<u>136.691</u>	<u>134.657</u>
Value added received through transfers				
Equity in earnings of subsidiaries	61	(8.255)	-	-
Finance income (costs) and net foreign exchange gains (losses)	7.919	11.663	10.340	12.053
	<u>113.158</u>	<u>95.282</u>	<u>147.031</u>	<u>146.710</u>
Total value added to distribute	<u>113.158</u>	<u>95.282</u>	<u>147.031</u>	<u>146.710</u>
Distribution of value added				
Employees				
Payroll and related taxes	43.994	45.242	74.469	75.398
Sales commission	1.301	3.250	1.301	3.250
Management profit sharing and fees	3.463	3.401	3.625	3.438
Private pension plan	290	297	290	297
Taxes, fees and contributions	22.265	9.714	24.242	21.514
Interest	4.962	2.060	6.037	10.614
Rentals	885	930	1.884	1.911
Dividends and interest on capital declared but not yet distributed	18.553	19.800	18.553	19.800
Noncontrolling interests	-	-	(815)	(100)
Retained earnings	<u>17.445</u>	<u>10.588</u>	<u>17.445</u>	<u>10.588</u>
Value added distributed	<u>113.158</u>	<u>95.282</u>	<u>147.031</u>	<u>146.710</u>

The accompanying notes are an integral part of this interim financial information.

ROMI S.A.

Notes to the interim financial information at March 31, 2023

(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

1 General information

Romi S.A. (Parent) and its subsidiaries (jointly referred to as “Company” or “Consolidated”), listed on the "New Market" of B3 S.A. - Brasil, Bolsa, Balcão, since March 23, 2007, and based in Santa Bárbara d’Oeste, São Paulo. The Company is engaged in the assembly and sale of capital goods in general, including machine tools, plastic injection molding machines, industrial equipment and accessories, tools, castings and parts, as well as providing systems analysis and developing data processing software related to the production, sale, and use of machine tools and plastic injectors; the manufacture and sale of rough cast parts and machined cast parts; export and import, and representation on its own account or on account of third parties, and the provision of related services. It also holds investments in other companies as a partner, shareholder or member in other civil or business entities, business ventures of any nature, in Brazil or abroad, and manages its own and/or third-party assets.

The Company's industrial facilities consist of thirteen plants in three units located in the city of Santa Bárbara d’Oeste, in the State of São Paulo, and one located in the city of Reutlingen, Germany. The latter is a plant for large tooling machinery for special applications, with high precision and productivity. It also holds interest in subsidiaries in Brazil and abroad.

This interim financial information was approved by the Company’s Board of Directors and authorized for issue on April 18, 2023.

Possible impacts related to the Russia and Ukraine conflict

On February 24, 2022, for political and economic reasons, Russia invaded the Ukrainian territory initiating an armed conflict against Ukraine. From that moment on, Governments, entrepreneurs and the entire world population started to keep track of the development of the conflict and assess the economic impacts. Until the date of approval of this individual and consolidated interim financial information, the Company’s management has assessed and concluded that there are no significant impacts on its operation. Management constantly evaluates the development of this matter in order to implement measures to mitigate any impact on its operations.

2 Basis of preparation and accounting policies

The individual and consolidated interim financial information for the quarter ended March 31, 2023 has been prepared in accordance with CVM Ruling No. 673 dated October 20, 2011, which approved accounting standard CPC 21 (R1) and IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board (IASB) and applicable to real estate development entities in Brazil, registered with the Brazilian Securities and Exchange Commission (CVM).

The individual and consolidated interim financial information has been prepared in accordance with the rules applicable to real estate development entities in Brazil, registered with the Brazilian Securities and Exchange Commission (CVM). Aspects related to the transfer of control in the sale of

ROMI S.A.

Notes to the interim financial information at March 31, 2023

(In thousands of Brazilian reais (R\$), unless otherwise stated)

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real estate units follow the understanding of the Company's Management, in line with that expressed by CVM in Circular Letter/CVM/SNC/SEP No. 02/18 on the application of Technical Pronouncement CPC 47 (IFRS 15) .

The accounting practices adopted by the Company in the preparation of the individual and consolidated interim financial information are the same as those used in the preparation of the financial statements for the year ended December 31, 2022 and, therefore, should be read in conjunction with those financial statements.

The preparation of the individual and consolidated statements of value added (DVA) is required by the Brazilian corporate law and the accounting practices adopted in Brazil for listed companies, but is not required by IFRS. Therefore, under IFRS, the presentation of such statements is considered supplementary information, and not part of the set of financial statements.

(a) Notes included in the financial statements for the year ended December 31, 2022 not included in this quarterly information

The individual and consolidated interim financial information is presented in accordance with technical pronouncement 7 CPC 21 and IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board (IASB). The preparation of this individual and consolidated interim financial information involves judgment by the Company's management on the materiality and changes that should be disclosed in the accompanying notes. Accordingly, this individual and consolidated interim financial information includes selected notes and does not comprise all notes presented for the year ended December 31, 2022. As permitted by Circular Letter 03/2011 of the Brazilian Securities and Exchange Commission (CVM), the following notes are not presented:

- Basis of preparation and significant accounting policies (Note 2);
- Pension plan (Note 18);
- Insurance (Note 19);
- Financial instruments and operational risks (Note 20);
- Net sales revenue (Note 23);
- Expenses by nature (Note 24);
- Finance income (costs) (Note 25); and
- Other operating income (expenses), net (Note 26).

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Notes to the interim financial information at March 31, 2023

(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

3 Cash and cash equivalents and short-term investments

	Parent		Consolidated	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Cash and banks	8,344	8,327	56,632	49,254
Bank deposit certificates (CDB) (a)	77,686	13,048	124,276	82,458
Other	82	287	82	287
Total cash and cash equivalents	<u>86,112</u>	<u>21,662</u>	<u>180,990</u>	<u>131,999</u>
Short-term investments backed by debentures (a)	22,362	76,157	22,362	76,157
Investment funds DI and fixed income (b)	-	42,657	-	42,657
Total assets held for trading	<u>22,362</u>	<u>118,814</u>	<u>22,362</u>	<u>118,814</u>

(a) These investments are substantially pegged to the Interbank Deposit Certificate ("CDI") rate.

(b) They are comprised of investment funds with notes backed by LTN and NTN.

4 Trade accounts receivable

	Parent		Consolidated	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Current				
Domestic customers (Brazil)	100,839	133,308	117,459	147,549
Foreign customers	17,808	19,085	78,243	133,173
Allowance for doubtful accounts	<u>(952)</u>	<u>(934)</u>	<u>(5,418)</u>	<u>(5,399)</u>
	<u>117,695</u>	<u>151,459</u>	<u>190,284</u>	<u>275,323</u>
Noncurrent				
Domestic customers (Brazil)	1,923	2,506	17,475	15,530
Foreign customers	6,911	7,803	12,720	13,500
Allowance for doubtful accounts	<u>(443)</u>	<u>(459)</u>	<u>(443)</u>	<u>(459)</u>

ROMI S.A.

Notes to the interim financial information at March 31, 2023

(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

	<u>8,391</u>	<u>9,850</u>	<u>29,752</u>	<u>28,571</u>
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Trade accounts receivable are recorded at their amortized costs, which approximate their fair values.

The balance of current trade accounts receivable as at March 31, 2023 and December 31, 2022, parent and consolidated, is distributed as follows:

	<u>Parent</u>		<u>Consolidated</u>	
	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2023</u>	<u>December 31, 2022</u>
Falling due	98,088	124,779	158,494	230,061
Past due:				
1 to 30 days	5,216	14,810	9,262	25,810
31 to 60 days	2,905	944	4,046	2,359
61 to 90 days	2,084	2,392	5,018	4,306
91 to 180 days	2,596	2,933	5,801	6,584
181 to 360 days	3,970	2,520	4,565	2,785
Over 360 days	<u>3,788</u>	<u>4,015</u>	<u>8,516</u>	<u>8,817</u>
	20,559	27,614	37,208	50,661
Total	<u>118,647</u>	<u>152,393</u>	<u>195,702</u>	<u>280,722</u>
Allowance for doubtful accounts	<u>(952)</u>	<u>(934)</u>	<u>(5,418)</u>	<u>(5,399)</u>
Total current	<u>117,695</u>	<u>151,459</u>	<u>190,284</u>	<u>275,323</u>

ROMI S.A.

Notes to the interim financial information at March 31, 2023

(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

The balance of noncurrent trade accounts receivable as at March 31, 2023, parent and consolidated, is distributed as follows:

	<u>Parent</u>	<u>Consolidated</u>
Falling due:		
2024 (9 months)	6,073	20,909
2,025	2,541	8,359
2026 onward	<u>220</u>	<u>927</u>
Allowance for doubtful accounts	<u>(443)</u>	<u>(443)</u>
Total – noncurrent	<u>8,391</u>	<u>29,752</u>

Changes in the allowance for doubtful accounts, parent and consolidated, are as follows:

	<u>Parent</u>	<u>Consolidated</u>
At December 31, 2022	1,393	5,858
Receivables written off	2	2
Foreign exchange difference	-	1
At March 31, 2023	<u>1,395</u>	<u>5,861</u>

The allowance for doubtful accounts is estimated and recorded based on the individual analysis of each customer, and for the transactions where there are security interests, the expected loss is calculated based on the net realizable value and the amount of the security interest receivable. The additions to and release of the provision for impaired receivables have been included in the statement of profit and loss line item "General and administrative expenses".

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Notes to the interim financial information at March 31, 2023

(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

5 Onlending of FINAME manufacturer financing

	Parent and Consolidated	
	March 31, 2023	December 31, 2022
Current		
FINAME falling due	157,407	152,287
FINAME awaiting release (a)	1,627	1,968
FINAME past due (b)	13,812	13,999
	<u>172,846</u>	<u>168,254</u>
Allowance for doubtful accounts	<u>(4,918)</u>	<u>(5,261)</u>
	<u>167,928</u>	<u>162,993</u>
Noncurrent		
FINAME falling due	234,091	237,515
FINAME awaiting release (a)	7,335	8,915
	<u>241,426</u>	<u>246,430</u>
Allowance for doubtful accounts	<u>(2,282)</u>	<u>(2,585)</u>
	<u>239,144</u>	<u>243,845</u>
Total	<u>407,072</u>	<u>406,838</u>

The item "Onlending of FINAME manufacturer financing" refers to sales to customers financed by funds from the Brazilian Development Bank ("BNDES") (Note 14) which are carried at their amortized costs, which approximate their fair values.

FINAME manufacturer refers to financing specifically linked to sales transactions, with terms of up to 60 months with a grace period of up to six months, in accordance with the terms defined by the BNDES at the time of the financing.

The financing terms are also based on customer's characteristics. Funds are released by the BNDES on identification of a customer and sale, as well as checking that a customer has fulfilled the terms of Circular Letter 195 dated July 28, 2006 issued by BNDES, through a financial agent, with the formalization of a financing agreement in the name of the Company and consent of the customer to be financed. The amounts, periods and charges of the transaction are fully reflected in the amounts to be received by the Company from the bank mediating the agreement to which the Company is the debtor. The Company retains title to the financed equipment until the final settlement of the obligation by the customer.

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Notes to the interim financial information at March 31, 2023

(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

The differences between onlending of FINAME manufacturer financing receivables and payables include:

- (a) FINAME transactions awaiting release: refers to FINAME manufacturer financing transactions that meet the specified terms and have been approved by all parties involved. The preparation of documentation, the issue of the sales invoice, and the delivery of the equipment to the customer have all taken place. The crediting of the related funds to the Company's account by the agent bank is pending at the end of the reporting period, in view of the normal operating terms of the agent.
- (b) FINAME past due: refers to amounts receivable not settled by customers on their due dates. The Company records the provision for possible losses on the realization of these balances, at the amount of the difference between the expected value of the sale of the collateral (machines) recovered through execution of the covenant regarding reservation of title over the machinery sold (security interest) and the value of the receivables from the defaulting customer. In instances in which the security interest cannot be located, a full loss provision is made for the balance of the receivable.

The machinery repossessed as part of the execution process is recorded at its carrying amount, not exceeding its fair value, under "Other receivables", pending a final court decision, after which it is transferred to inventories. As at March 31, 2023, the balance of repossessed machinery, included under "Other receivables", parent and consolidated, amounted to R\$78 (R\$78 as at December 31, 2022) in current assets and R\$5,285 (R\$7,502 as at December 31, 2022) in noncurrent assets.

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Notes to the interim financial information at March 31, 2023

(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

As at March 31, 2023 and December 31, 2022, the balances of "Onlending of FINAME manufacturer financing", parent and consolidated, were as follows:

	Parent and Consolidated	
	March 31, 2023	December 31, 2022
Falling due	159,034	154,255
Past due:		
1 to 30 days	1,487	1,729
31 to 60 days	1,021	565
61 to 90 days	491	544
91 to 180 days	1,015	1,216
181 to 360 days	1,044	1,423
Over 360 days	8,754	8,522
	<u>13,812</u>	<u>13,999</u>
Total - current	<u><u>172,846</u></u>	<u><u>168,254</u></u>

The expected realization of noncurrent receivables relating to the onlending of FINAME - manufacturer financing, parent and consolidated, is as follows:

	Parent and Consolidated
Falling due:	
2024 (9 months)	99,668
2025	88,868
2026	47,177
2027 onward	5,713
Total – noncurrent	<u><u>241,426</u></u>

ROMI S.A.

Notes to the interim financial information at March 31, 2023

(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

Changes in the allowance for doubtful accounts, parent and consolidated, are as follows:

	<u>Parent and Consolidated</u>
At December 31, 2022	7,846
Allowance recognized (or written off) for the period	<u>(646)</u>
At March 31, 2023	<u>7,200</u>

The allowance for doubtful accounts is estimated and recorded based on the individual analysis of each customer, and for the transactions where there are security interests, the expected loss is calculated based on the net realizable value and the amount of the security interest receivable.

The additions to and release of the provision for impaired receivables have been included in the statement of profit and loss line item "General and administrative expenses".

6 Inventories

	<u>Parent</u>		<u>Consolidated</u>	
	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2023</u>	<u>December 31, 2022</u>
Finished products	55,256	32,757	102,696	78,854
Used machinery	4,886	1,145	4,886	1,145
Work in progress	149,215	146,052	209,484	173,546
Raw materials and components	313,296	305,950	371,439	363,812
Imports in transit	18,745	15,764	25,927	23,440
Total	<u>541,398</u>	<u>501,668</u>	<u>714,432</u>	<u>640,797</u>

The inventory balances, parent and consolidated, as at March 31, 2023 are net of provision for slow-moving inventories and inventories posing a remote probability of being realized through sale or use, amounting to R\$25,720 and R\$34,845 (R\$22,845 and R\$30,976 as at December 31, 2022), respectively.

ROMI S.A.

Notes to the interim financial information at March 31, 2023

(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

The changes in the provision to bring inventories to their net realizable value are as follows:

	<u>Parent</u>	<u>Consolidated</u>
At January 1, 2023	22,485	30,976
Inventories sold or written off	(1,841)	(1,720)
Provision recognized	2,906	2,901
Foreign exchange difference	-	518
Transfer of provision resulting from machinery repossessed during the period	2,170	2,170
	<u>2,170</u>	<u>2,170</u>
At March 31, 2023	25,720	34,845

The changes in the provision for inventory losses by class of inventories are as follows:

	<u>Parent</u>		<u>Consolidated</u>	
	<u>March 31, 2023</u>	<u>December 31, 2022</u>	<u>March 31, 2023</u>	<u>December 31, 2022</u>
Finished products	1,115	975	3,665	2,970
Used machinery	3,122	952	3,122	952
Work in progress	6,063	5,921	6,063	5,921
Raw materials and components	15,420	14,637	21,995	21,133
	<u>15,420</u>	<u>14,637</u>	<u>21,995</u>	<u>21,133</u>
Total	<u>25,720</u>	<u>22,485</u>	<u>34,845</u>	<u>30,976</u>

ROMI S.A.

Notes to the interim financial information at March 31, 2023

(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

7 Investments in subsidiaries

	Ownership interest					
	March 31, 2023			December 31, 2022		
	Direct	Indirect	Noncontrolling	Direct	Indirect	Noncontrolling
1. Romi Itália S.r.l. ("Romi Italy")	99.99	0.01	-	99.99	0.01	-
1.1 Romi Machines UK Ltd.	-	100.00	-	-	100.00	-
1.2 Romi France SAS	-	100.00	-	-	100.00	-
1.3 Romi Máquinas España S.A.	-	100.00	-	-	100.00	-
2. Romi Europa GmbH ("Romi Europe")	100.00	-	-	100.00	-	-
Burkhardt + Weber						
2.1 Fertigungssysteme GmbH ("B+W")	-	100.00	-	-	100.00	-
2.1.1 Burkhardt + Weber / Romi (Shanghai) Co., Ltd	-	100.00	-	-	100.00	-
Rominor Comércio, Empreendimentos e Participações S.A. ("Rominor Comércio")	93.07	-	6.93	93.07	-	6.93
3. Romi BW Machine Tools, Ltd.	100.00	-	-	100.00	-	-
Rominor Empreendimentos						
5. Imobiliários S.A. ("Rominor Empreendimentos")	100.00	-	-	100.00	-	-
6. Romi A.L. S.A. ("Romi A.L.")	100.00	-	-	100.00	-	-
7. Irsa Maquinas México S. de R. L. de C.V.	99.99	-	0.01	99.99	0.01	-
8. Prodç Administração e Gestão de Bens Ltda	100.00	-	-	100.00	-	-

Romi S.A.

Notes to the interim financial information at March 31, 2023

(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

	Romi Italy and subsidiaries (1)	Romi Europe and subsidiaries (2)	Rominor Comércio (3)	Romi Machine Tools (4)	Rominor Empreendimentos (5)	Romi A.L. (6)	IRSA Máq. Mexico (7)	Prodz (8)	March 31, 2023
Investments:									
Number of shares held	(a)	(a)	6,191,156	3,000,000	78	13,028,000	1,188,000		
Ownership interest	100.0%	100.0%	93.07%	100.0%	100.0%	100.0%	100.0%	100.0%	
Current assets	90,266	154,282	23,034	34,287	24,981	7,870	27,914	18,425	
Noncurrent assets	12,411	123,473	300	632	1,287	-	5,048	15,330	
Current liabilities	46,897	148,270	408	26,192	16,472	4	26,636	219	
Noncurrent liabilities	47,808	31,541	-	11,754	-	-	10,561	-	
Equity (equity deficit) of subsidiary	7,972	97,944	22,927	(3,027)	9,796	7,866	(4,235)	33,536	
Changes in investment:									
Investment balance as at December 31, 2022	10,603	104,897	30,505	(2,684)	17,327	8,044	(4,383)	26,726	191,036
Foreign exchange differences on foreign investments	(22)	(861)	-	81	-	(192)	113	-	(881)
Dividends proposed and paid (b)	-	-	(10,938)	-	(14,088)	-	-	-	(25,026)
Equity in earnings of subsidiaries	(2,609)	(6,092)	1,771	(425)	6,557	14	35	810	61
Increase/Decrease in capital in subsidiaries	-	-	-	-	-	-	-	6,000	6,000
Equivalent value - closing balance	7,972	97,944	21,338	(3,027)	9,796	7,866	(4,235)	33,536	171,190
Investments in subsidiaries	7,972	97,944	21,338	-	9,796	7,866	-	33,536	178,452
Provision for equity deficit of subsidiaries	-	-	-	(3,027)	-	-	(4,235)	-	(7,262)

(a) The subsidiaries' capital is not divided into units of interest or shares in their articles of organization.

(b) Payment of dividends by subsidiary Rominor Comércio, approved by the Board of Directors at the meeting held on January 31, 2023, and at the Annual Shareholders' Meeting held on March 14, 2023, the distribution of profits for the year 2022 was authorized. The Company received from this distribution in the first quarter of 2023 the amount of R\$10,938. Additionally, dividends was distributed by the subsidiary Rominor Empreendimentos, approved at the Annual and Extraordinary General Meeting on March 14, 2023 in the amount of R\$18,584. The Company received from this distribution the amount of R\$14,088.

Romi S.A.

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(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

	Romi Italy and subsidiaries		Romi Europe and subsidiaries		Rominor Comércio	Romi Machine Tools (4)	Rominor Empreendimentos	Romi A.L.	IRSA Máq. Mexico	Prodz	Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Investments:											
Number of shares held	(a)	(a)	6,191,156	3,000,000	78	13,028,000	1,188,000				
Ownership interest	100.0%	100.0%	93.07%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Current assets	57,427	118,035	22,684	13,574	6,102	10,824	13,613	6,074			
Noncurrent assets	11,778	122,468	300	1,125	285	-	4,554	-			
Current liabilities	47,436	93,236	284	19,236	506	-	21,828	(222)			
Noncurrent liabilities	16,003	40,713	-	-	-	-	-	-			
Equity (equity deficit) of subsidiary	5,766	106,554	22,700	(4,537)	5,881	10,824	(3,661)	5,852			
Changes in investment:											
Investment balance as at December 31, 2021	9,148	141,126	22,479	(6,376)	3,339	12,920	(4,713)	2,000			179,923
Foreign exchange differences on foreign investments	(1,488)	(23,141)	-	931	-	(1,939)	688	-			(24,948)
Dividends proposed and paid (b)	-	-	(2,913)	-	-	-	-	-			(2,913)
Equity in earnings of subsidiaries	(1,894)	(11,431)	1,562	908	2,542	(157)	364	(148)			(8,255)
Equivalent value - closing balance	5,766	106,554	21,128	(4,537)	5,881	10,824	(3,661)	5,852			147,806
Investments in subsidiaries	5,766	106,554	21,128	-	5,881	10,824	-	5,852			156,004
Provision for equity deficit of subsidiaries	-	-	-	(4,537)	-	-	(3,661)	-			(8,198)

(a) The subsidiaries' capital is not divided into units of interest or shares in their articles of organization.

(b) Payment of dividends by subsidiary ROMINOR, approved by the Board of Directors at the meeting held on February 1, 2022, in the amount of R\$3,130, related to the second half of 2021. The Company received from this distribution the amount of R\$2,913.

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(Convenience Translation into English from the Original Previously in Portuguese)

8 Related party transactions and balances

The balances and transactions with related parties as at March 31, 2023 and December 31, 2022 are as follows:

(i) Balance sheet accounts – Parent

	Receivables		Payables	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Direct subsidiaries				
Romi Europe	8,203	10,597	138	482
Romi Italy	4,047	2,261	-	-
Romi BW Machine Tools	3,263	6,083	-	-
Romi A.L.	-	-	630	772
Irsa Maquinas Mexico	18,426	17,667	46	6
Rominor Empreendimentos	-	4,497	-	-
Rominor Comércio	-	504	-	-
	33,939	41,609	814	1,260
Indirect subsidiaries				
B+W - Burkhardt+Weber	3,422	2,507	-	135
Romi France S.A.S.	3,022	2,925	-	-
Romi Máquinas España S.A.	9,866	10,330	-	-
Romi Machines UK	1,403	2,812	9	95
	17,713	18,574	9	230
Total	51,652	60,183	823	1,490
Current	15,525	28,886	823	1,490
Noncurrent	36,127	31,297	-	-
Total	51,652	60,183	823	1,490

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(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

(ii) Transactions

	Sales revenue		Operating expense and finance income (costs)	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
Romi Europe	1,495	7,443	208	2,403
Rominor Comércio	11	54	-	-
Rominor Empreendimentos	8	39	-	-
Romi Italy	3,471	11,395	-	-
Romi BW Machine Tools	198	16,734	-	1,110
Romi France S.A.S.	658	6,294	-	-
Romi A.L.	-	-	5	739
Romi Machines UK	1,558	25,878	-	982
Irsa Maquinas Mexico	3,393	16,851	48	189
B+W - Burkhardt + Weber	799	2,933	-	-
Romi Máquinas Española	429	5,825	-	-
Prodz	18	62	-	-
Total	12,038	93,508	261	5,423

The main balances and transactions with the aforementioned related parties refer to trading transactions between the parent and its subsidiaries.

The Company entered into trading transactions with certain subsidiaries for the supply and purchase of equipment, parts and pieces, but it does not have material transactions with related parties other than those described above. Decisions regarding transactions between the parent and its subsidiaries are made by management. Notes fall due in the short term.

The Company provides administrative services, mainly accounting and legal services, to the parent Fênix Empreendimentos S.A. The revenue until March 31, 2023 was R\$39 (R\$38 as at March 31, 2022).

The Company makes donations to Romi Foundation at amounts set in the agreement approved by the State Prosecutor's Office. Donations until March 31, 2023 totaled R\$288 (R\$273 as at March 31, 2022).

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(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

Management compensation for the periods ended March 31, 2023 and 2022 was as follows:

	March 31, 2023	March 31, 2022
Fees and charges	1,811	1,724
Profit sharing	1,472	1,515
Private pension plan	98	94
Healthcare plan	82	63
Parent	<u>3,463</u>	<u>3,396</u>
Fees and charges of subsidiaries	54	14
Consolidated	<u>3,517</u>	<u>3,410</u>

The amounts shown above comply with the limits established by the Board of Directors and approved at the Annual General Meeting of Shareholders held on March 14, 2023.

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(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

9 Taxes recoverable

The breakdown of taxes recoverable is as follows:

	March 31, 2023	December 31, 2022
Note	<u>2023</u>	<u>2022</u>
Current		
Withholding Income Tax (IRRF)	304	259
Corporate Income Tax (IRPJ)	-	-
Social Contribution on Net Income (CSLL)	-	-
Social Security Contribution (INSS)	2	2
Excise Tax (IPI)	4,081	4,871
Value-added Tax on Sales and Services (ICMS)	25,118	24,767
Social Integration Program (PIS)	2,017	1,161
Social Contribution on Revenues (COFINS)	2,943	381
Total Parent	<u>34,465</u>	<u>31,441</u>
Taxes recoverable of subsidiaries	12,007	10,439
Total Consolidated	<u>46,472</u>	<u>41,880</u>
Noncurrent		
Selic proceeding	54,348	52,970
Value-added Tax on Sales and Services (ICMS)	3,258	3,440
OTHER	24	24
Total Parent	<u>57,630</u>	<u>56,434</u>
Taxes recoverable of subsidiaries	5	6
Total Consolidated	<u>57,635</u>	<u>56,440</u>

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(In thousands of Brazilian reais (R\$), unless otherwise stated)

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10 Investment property

In 2012, the Company's Management decided, based on the perspectives of short and medium-term expansion of operations, to classify certain property as "Investment Property" for future capital appreciation. The amounts classified as investment property are R\$13,500 (R\$13,500 as at December 31, 2022) in the parent and R\$15,251 (R\$15,251 as at December 31, 2022) in the consolidated.

The investment property is stated at historical cost, and for fair value disclosure purposes the Company contracted an independent expert who applied a methodology accepted by the Brazilian Institute of Engineering Appraisals as well as recent transactions with similar property and assessed the fair value less cost to sell of this property at R\$110,661 in the parent and R\$126,318 in the consolidated.

- (i) In April 2022, through the subsidiary Rominor Empreendimentos Imobiliários S.A. ("Rominor Empreendimentos"), there was the launch of the land subdivision Vila Romi Residence, with 339 lots between 300m² and 884m², which is expected to be completed and delivered in 2024. So far, sales are indicating that the total General Sales Value (GSV) estimated at around R\$130 million are adequate. Rominor Empreendimentos' interest, a wholly-owned subsidiary of the Company in this project is 50% of GSV. As of the date of this individual and consolidated interim financial information, the subsidiary "Rominor Empreendimentos" had recorded approximately R\$16,237 million as advances from customers related to its share in the land subdivision. Management analyzed the accounting standard CPC47 - Revenue from Contracts with Customers and the relevant CVM rules and believes that the Percentage of Completion ("POC") methodology should be applied for revenue recognition of Vila Romi Residence. As at March 31, 2023, the percentage of completion of the works was 26.14%, according to the construction work measurement report, causing an impact of R\$6,278 in "Other operating income, net".

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(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

11 Property, plant and equipment

Changes in property, plant and equipment, parent and consolidated, are as follows:

	<u>Parent</u>	<u>Consolidated</u>
At December 31, 2022, net	346,383	420,275
Additions	21,174	21,420
Disposals	(6,574)	(6,574)
Depreciation	(11,163)	(13,980)
Foreign exchange difference	-	1,764
	<hr/>	<hr/>
At March 31, 2023, net	349,820	422,905
	<hr/>	<hr/>
Total cost	788,543	949,258
Accumulated depreciation	(438,723)	(526,353)
	<hr/>	<hr/>
At March 31, 2023, net	349,820	422,905
	<hr/>	<hr/>

Due to the financing agreements with the BNDES, the Company pledged as collateral property, plant and equipment items amounting to R\$188,891 as at March 31, 2023 (R\$189,699 as at December 31, 2022). These items refer to land, buildings, facilities, machinery and equipment.

For the period ended March 31, 2023, the Company's Management evaluated each business segment (Note 21) and concluded that there is no indication that would require the recognition of a provision for impairment of property, plant and equipment and intangible assets.

12 Intangible assets

Changes in intangible assets, parent and consolidated, are as follows:

	<u>Parent</u>	<u>Consolidated</u>
At December 31, 2022, net	808	51,012
Amortization	(74)	(648)
Foreign exchange difference	-	(1,178)
	<hr/>	<hr/>

ROMI S.A.

Notes to the interim financial information at March 31, 2022

(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

At March 31, 2023, net	734	49,186
------------------------	-----	--------

For the period ended March 31, 2023, the Company's Management evaluated each business segment (Note 21) and concluded that there is no indication that would require the recognition of a provision for impairment of property, plant and equipment and intangible assets.

13 Borrowings

Changes in borrowings, parent and consolidated, are as follows:

	Domestic currency	Foreign currency	Parent Total	Consolidated Total
Borrowing balance at				
December 31, 2022	129,361	94,184	223,545	329,883
Payment of principal	(572)	(5,174)	(5,747)	(7,639)
Payment of interest	(3,074)	(804)	(3,878)	(4,951)
Exchange and monetary differences (principal and interest)	-	(1,340)	(1,340)	(2,412)
Interest at the end of the period	3,472	519	3,991	6,137
	129,187	87,385	216,572	321,018
Borrowing balance at				
March 31, 2023	129,187	87,385	216,572	321,018
Current	15,719	76,342	92,061	135,023
Noncurrent	113,468	11,043	124,511	185,995
	129,188	87,385	216,572	321,018

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Notes to the interim financial information at March 31, 2022

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The maturities of financing recorded in noncurrent liabilities as at March 31, 2023, parent and consolidated, were as follows:

	<u>Parent Consolidated</u>	
2024 (9 months)	66,942	91,213
2025	26,552	49,826
2026	15,508	29,448
2027 onward	15,509	15,508
Total	124,511	185,995

14 FINAME manufacturer financing

	<u>Parent and Consolidated</u>	
	<u>Domestic currency</u>	
	<u>Total</u>	
FINAME manufacturer financing		
December 31, 2022		391,131
New borrowing		40,564
Payment of principal		(25,234)
Payment of interest		(13,933)
Interest at the end of the period		329
Borrowing balance		
At March 31, 2023		392,857
Current		
FINAME manufacturer financing		158,271
Noncurrent		
FINAME manufacturer financing		234,586
		392,857

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Notes to the interim financial information at March 31, 2022

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The agreements related to FINAME manufacturing financing are guaranteed by promissory notes and sureties, and the main guarantor is the subsidiary Rominor. Balances are directly related to the balances of "Onlending of FINAME manufacturer financing" (Note 5), considering that the loans are directly linked to sales to specific customers. The contractual terms related to the amounts, charges and periods financed under the program are on-lent in full to the financed customers and amounts received on a monthly basis under the line item "Amounts receivable - onlending of FINAME manufacturer financing" are fully used for the repayment of the related financing agreements. The Company, therefore, acts as an agent for the financing, but remains as the main debtor in this transaction.

The balances of the line item "FINAME manufacturer financing" and, consequently, of the line item "Onlending of FINAME manufacturer financing" as at March 31, 2023 and December 31, 2022 were monetarily adjusted through the end of the reporting period. The difference of R\$14,215 between these line items as at March 31, 2023 (R\$15,707 as at December 31, 2022) refers to past-due trade notes, renegotiations in progress, and FINAME transactions not yet released by the agent bank. Management understands that there are no risks to the realization of these receivables, other than the amount of the allowance for doubtful accounts already recorded, since the amounts are collateralized by the financed machinery.

The noncurrent maturities of the FINAME manufacturer financing as at March 31, 2023, parent and consolidated, were as follows:

	<u>Parent and Consolidated</u>
2024	97,405
2025	87,347
2026	44,999
2027 onward	<u>4,835</u>
Total	<u>234,586</u>

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Notes to the interim financial information at March 31, 2022

(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

15 Provision for tax, labor and civil risks

The Company's management, based on the opinion of legal counsel, classified the legal proceedings in accordance with the likelihood of loss, as follows:

	Parent and Consolidated	
	March 31, 2023	December 31, 2022
Tax	150	-
Civil	1,592	1,835
Labor	1,166	1,118
Total	2,908	2,953
Current liabilities	2,492	2,683
Noncurrent liabilities	416	270
	2,908	2,953

For legal proceedings classified as probable losses, changes in the provision for the period ended March 31, 2023 are as follows:

	December 31, 2022	Additions	Utilizations/ reversals	foreign exchange Monetary adjustment and difference	March 31, 2023
Tax	-	150	-	-	150
Civil	1,835	-	-	(243)	1,592
Labor	1,118	375	(363)	36	1,166
Total Parent	2,953	525	(363)	(207)	2,908
Total Parent and Consolidated	2,953	525	(363)	(207)	2,908

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Notes to the interim financial information at March 31, 2022

(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

As at March 31, 2023, the main legal proceedings classified by Management, based on the opinion of its legal counsels, as probable losses or as legal obligation, are as follows:

(a) Tax proceedings

Refer to the provisions for:

- (i) Excess of IRPJ and CSLL on interest on capital: Refers to the deductibility of interest on capital, based on profits from previous years, which were not distributed at the time they were calculated. According to the analysis made by our legal counselors, on February 15, 2023, a STJ decision was published denying the National Treasury special appeal and upholding the previous decision on the merits of the action filed by ROMI.

STF Decision - Topics 881 and 885 of general repercussion on February 8, 2023

On February 13, 2023, the Brazilian Securities and Exchange Commission – CVM released CIRCULAR LETTER No. 1/2023/CVM/SNC/SEP which brought guidance on relevant aspects to be observed in the preparation and publication of the individual and consolidated interim financial information in relation to decision of the Federal Supreme Court – STF of February 8, 2023, on res judicata in tax matters.

The decision of the STF that stipulated the loss of effects of a definitive sentence, final and unappealable, without the possibility of appeal, is valid only for taxes collected on a continuous basis and, in view of this, the technical areas of the CVM understand that the technical pronouncements CPC 24 and 25 must be observed when preparing the financial statements.

In this context, the Company's Management evaluated together with its legal advisors and concluded that the decision issued by the STF does not have any impact on the set of individual and consolidated interim financial information for the period ended March 30, 2023.

(b) Civil proceedings

These refer to civil proceedings in which the Company is the defendant related mainly to the following claims: (i) revision/termination of contracts; (ii) damages; and (iii) annulment of protest of notes with losses and damages, among others.

(c) Labor claims

The Company has recorded a provision for contingencies for labor claims in which it is the defendant, the main causes are as follows: (i) additional overtime due to reduction of lunch break; (ii) health hazard

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Notes to the interim financial information at March 31, 2022

(In thousands of Brazilian reais (R\$), unless otherwise stated)

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premium/hazardous duty premium; (iii) stability prior to retirement; (iv) damages for work-related accident/disease; and (v) jointly liability over outsourced companies, among others.

(d) Judicial deposits

The Company has judicial deposits amounting to R\$ 12,212 as at March 31, 2023 (2022 – R\$12,108) of different natures and classified in noncurrent assets, referring to possible or remote lawsuits.

The tax, civil and labor proceedings assessed as representing possible losses involve matters similar to those above. The Company's management believes that the outcomes of ongoing legal proceedings shall not result in disbursements higher than those recognized in the provision. The amounts involved do not qualify as legal obligations.

On August 31, 2021, the Company deposited in court the amount of R\$10,072 related to the proceeding regarding ICMS in the PIS and COFINS tax base; although a final and unappealable decision was rendered on February 21, 2019, only on September 2, 2020 the Brazilian Federal Revenue Office decided to verify whether the tax credits stated in the DCFT (Declaration of Federal Tax Debts and Credits) referred to PIS and COFINS levied on ICMS included in the respective tax bases. A tax notice was issued, requiring the presentation of various accounting documents.

After analysis, the Federal Revenue Office understood that the Company would have considered, in the calculation of PIS and Cofins levied on ICMS stated in the shipping invoices, operations of sale of goods and services that supposedly would not have been included in the calculation bases of such contributions. The Federal Revenue concluded that part of the PIS and Cofins tax credits stated in the DCTF related to the writ of mandamus would not correspond to the amount of ICMS stated in the invoices and thus a collection letter was issued, requiring the payment of these amounts.

After a detailed analysis of such collection, the Company understood that the Federal Revenue made several mistakes in its calculation of PIS and COFINS; thus, for legal reasons it was necessary to make a deposit in court to contest such undue collection.

As at December 31, 2022, in an analysis made by our legal counselors, this proceeding was classified as possible loss. For the period ended March 31, 2023, the Company's Management reassessed and concluded that there are no facts or factors that change the conclusion previously reached at the time of issue of the individual and consolidated financial statements at December 31, 2022.

16 Income tax and social contribution

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Notes to the interim financial information at March 31, 2022

(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

Income tax is calculated at the rate of 15% on the taxable profits plus a 10% surtax on taxable profit exceeding R\$240, and social contribution is calculated at the rate of 9% on taxable profits, except for subsidiaries Rominor Comércio and Rominor Empreendimentos, which pay income tax and social contribution based on the deemed taxable income method.

The reconciliation of the tax effect on the Company's profit before income tax and social contribution through application of the prevailing tax rates as at March 31, 2023 and 2022 is as follows:

	Parent		Consolidated	
	2023	2022	2023	2022
Profit before income tax and social contribution	42,678	41,493	41,348	37,777
Statutory rate (income tax and social contribution)	34%	34%	34%	34%
Income tax and social contribution expense at statutory rates	(14,511)	(14,108)	(14,058)	(12,844)
Reconciliation to the effective rate:				
Interest on capital	6,308	4,239	6,308	4,239
Monetary variation - Selic proceeding	615	381	615	381
Research and development ("Lei do Bem" - Law 11,196/05)	951	1,144	951	1,144
Transfer price				
Equity in earnings of subsidiaries	21	(2,807)	-	-
Unrecorded deferred income tax and social contribution in subsidiaries	-	-	1,156	323
Management profit sharing	(501)	(517)	(501)	(517)
Other additions (deductions), net	437	562	311	-
Current and deferred income tax and social contribution income (expense)	(6,680)	(11,105)	(5,218)	(7,273)

(a) See information on "IR/CSLL credit tax proceedings" in note 9.

The amount in the consolidated financial information refers basically to the difference in the calculation of income tax and social contribution between actual income method <lucro real> and deemed taxable income method <lucro presumido>, due to the fact that subsidiaries Rominor Comércio and Rominor Empreendimentos opted to calculate tax based on deemed taxable income method in the periods

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presented, and for non-recognition of deferred income taxes on the tax losses of foreign subsidiaries, except for BW.

The breakdown of income tax and social contribution income (expense) is as follows:

	Parent		Consolidated	
	2023	2022	2023	2022
Current	(7,557)	(12,997)	(8,550)	(13,444)
Deferred	877	1,892	3,332	6,171
Total	(6,680)	(11,105)	(5,218)	(7,273)

Changes in deferred tax assets and liabilities, parent and consolidated, for the period ended March 31, 2023 were as follows:

	Assets		Liabilities	
	Parent	Consolidated	Parent	Consolidated
At December 31, 2022	11,967	19,006	-	35,440
Changes in the year				
Additions	3,243	5,284	-	-
Realization	(2,366)	(2,366)	-	(414)
Foreign exchange difference	-	(46)	-	(119)
At March 31, 2023	12,844	21,878	-	34,907

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Notes to the interim financial information at March 31, 2022

(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

17 Equity

Capital

As at March 31, 2023, the Company's subscribed and paid-up capital amounting to R\$904,772 (R\$771,454 as at December 31, 2022) is represented by 88,734,045 book-entry, registered common shares, without par value (80,667,314 as at December 31, 2022).

On March 28, 2023, a capital increase in the amount of R\$133,318 was approved, through the capitalization of the Company's income reserve, within the limit of authorized capital, pursuant to Article 7, paragraph one of the Company's Bylaws with bonus shares.

The share bonus was paid at a 10% rate, and the capital increase was made with the issue of 8,066,731 new book-entry common shares, without par value, attributed to the holders of shares as a bonus in the proportion of 1 new share for every 10 existing shares.

Income reserve

a) Legal reserve

As required by Article 193 of Law 6404/76, the balance of the line item "Legal reserve" is equivalent to 5% of the profit for the year, limited to 20% of the capital.

b) Dividends and interest on capital

Until the period ended March 31, 2023, distributions of interest on capital of R\$18,553 and interim dividends ("Dividends") of R\$11,412 were approved, according to the notice to the market on the dates below:

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Notes to the interim financial information at March 31, 2022

(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

1. On March 14, 2023, the distribution of interest on capital to be attributed to the mandatory dividends for 2023 in the gross amount of R\$18,553, at R\$0.23 per share, was approved, for payment on April 26, 2023.
2. On January 31, 2023, the distribution of interim dividends ("Dividends") in the gross amount of R\$11,412, at 0.14 per share, was approved, for payment on March 08, 2023.

The total amount paid by the Company in the period ended March 31, 2023, net of withholding income tax, was R\$28,549.

Earnings per share

Basic earnings per share are calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of outstanding common shares in the period, excluding common shares purchased by the parent and held as treasury shares.

	March 31, 2023	March 31, 2022
Profit (loss) for the period attributable to the controlling interests	35,998	30,388
Weighted average number of shares outstanding (adjusted for bonus)	88,734	88,734
Basic and diluted earnings per share	<u>0.41</u>	<u>0.34</u>

Basic and diluted earnings per share are the same, since the Company does not have any instruments diluting the earnings per share.

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Notes to the interim financial information at March 31, 2022

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18 Segment reporting - consolidated

To manage its business, the Company is organized into three business units on which the Company reports its primary information by segment, namely: Romi Machinery, Burkhardt+Weber Machinery and Cast and Machined Products. The information for the period ended March 31, 2023 was prepared and is being presented on a comparative basis with the period ended March 31, 2022, according to the Company's segments:

	March 31, 2023					
	Romi Machinery	Burkhardt + Weber Machinery	Cast and machined products	Other	Eliminations between segments	Consolidated
Net operating revenue	165,242	15,623	78,290	-	-	259,155
Cost of sales and services	(70,252)	(14,310)	(88,816)	-	-	(173,378)
Transfers remitted	536	-	15,385	-	(15,921)	-
Transfers received	(15,385)	-	(536)	-	15,921	-
Gross profit	80,141	1,313	4,323	-	-	85,777
Operating (expenses) income:						
Selling expenses	(20,524)	(3,278)	(1,619)	-	-	(25,421)
General and administrative expenses	(9,507)	(6,690)	(4,393)	-	-	(20,590)
Research and development	(5,667)	-	(2,014)	-	-	(7,681)
Management fees	(1,858)	-	(1,659)	-	-	(3,517)
Other income (expenses), net	2,199	-	-	6,278	-	8,477
Operating profit (loss) before finance income (costs)	44,784	(8,655)	(5,362)	6,278	-	37,045
Inventories	516,616	105,483	92,333	-	-	714,432
Depreciation and amortization	7,927	2,601	4,100	-	-	14,628
Property, plant and equipment, net	290,198	65,898	66,809	-	-	422,905
Intangible assets	730	48,451	5	-	-	49,186
	Europe	Latin America	North America	Asia	Total	
Net operating revenue per geographical region	34,927	214,725	7,838	1,665	-	259,155

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Notes to the interim financial information at March 31, 2022

(In thousands of Brazilian reais (R\$), unless otherwise stated)

(Convenience Translation into English from the Original Previously in Portuguese)

						March 31, 2022
	Romi Machinery	Burkhardt + Weber Machinery	Cast and machined products	Other	Eliminations between segments	Consolidated
Net operating revenue	177,289	11,229	96,817		-	285,335
Cost of sales and services	(86,957)	(17,353)	(95,420)		-	(199,730)
Transfers remitted	74	-	15,986		(16,060)	-
Transfers received	(15,986)	-	(74)		16,060	-
Gross profit	74,420	(6,124)	17,309		-	85,605
Operating (expenses) income:						
Selling expenses	(21,528)	(2,774)	(1,285)		-	(25,587)
General and administrative expenses	(10,345)	(6,772)	(5,000)		-	(22,117)
Research and development	(5,079)	-	(1,844)		-	(6,924)
Management fees	(1,803)	-	(1,636)		-	(3,438)
Other operating income (expenses), net	1,026	-	-		-	1,026
Operating profit (loss) before finance income (costs)	36,692	(15,671)	7,544		-	28,565
Inventories	427,612	51,548	96,750		-	575,910
Depreciation and amortization	5,290	2,917	3,287		-	11,494
Property, plant and equipment, net	240,279	72,605	60,662		-	373,546
Intangible assets	944	51,163	6		-	52,113
	Europe	Latin America	North America		Asia	Total
Net operating revenue per geographical region	26,015	244,047	13,969		1,304	285,335

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Notes to the interim financial information at March 31, 2022

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19 Future commitments

On April 10, 2017, the Company and Centrais Elétricas Cachoeira Dourada S.A. - CDSA, belonging to Endesa, decided to amend the agreement for the supply of electric energy entered into on May 1, 2007, which intended to contract a volume of electric energy according to the Company's needs. On May 30, 2019, the Company entered into an electric energy purchase agreement with Engie Brasil Energia Comercializadora LTDA - Engie, for the periods following the ongoing agreement with CDSA. As a result, the supply of electric energy has been extended for further three years, up to December 31, 2023, and has reflected the following commitments that will be adjusted annually by the General Market Price Index (IGP-M).

Year of supply	Amount
2023	18,381
2024	16,200
2025 onward	15,673
	<hr/> <hr/> 50,254 <hr/> <hr/>

The Company's management believes that this agreement is compatible with the electricity requirements for the contracted period.

* * *

1Q23 Earnings Release

April 18, 2023



April 18, 2023

Share price at 4/17/2023
ROMI3 - R\$15.20 per share

Market value
R\$1,226,1 million
US\$248.1 million

Number of shares
Common: 88,734,045
Total: 88,734,045

Free float = 50.8%

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

April 18, 2023

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

https://us02web.zoom.us/webinar/register/WN_JdJIWVNQSPuXx7I1YM1P4Q

ID Zoom: 863 6443 8820

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

International dialing numbers: <https://us02web.zoom.us/j/86364438820>

Santa Bárbara d'Oeste - São Paulo, April 18, 2023

ROMI S.A. ("ROMI" or "Company") (B3: 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 2023 ("1Q23"). 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.

Investor Relations Contact

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Highlights

Adjusted EBITDA in 1Q23 was R\$45.4 million (+13.3% over 1Q22), with a margin increase of 17.5%

- Gross margin in 1Q23 grew by 3.1 p.p. compared to the same period of 2022, with emphasis on the ROMI Machines and B+W Machines Business Units. Operating profit also grew by 1.9 p.p.;
- The gross and operating margin of the ROMI Machines Unit in 1Q23 grew by 6.5 p.p. and 6.4 p.p. compared to the same period of 2022, with the growth of the domestic market and the machine rental business;
- The B+W Machines Unit, in 1Q23, presented an important evolution in operating margins, reflecting gains in operational efficiency and the increase in revenues from services and spare parts;
- At the ROMI Machines Unit, order intake in 1Q23 grew by 3.6% compared to 1Q22, with emphasis on the domestic market and the machine rental business;

R\$'000	Quarterly				
	1Q22	4Q22	1Q23	Chg. 1Q23/4Q22	Chg. 1Q23/1Q22
Revenues Volume					
ROMI Machines (units)	256	382	205	-46.3%	-19.9%
Burkhardt+Weber (units)	-	8	-	-100.0%	0.0%
Rough and Machined Cast Iron Parts (tons)	5,561	6,844	4,232	-38.2%	-23.9%
Net Operating Revenue	285,335	536,215	259,155	-51.7%	-9.2%
<i>Gross margin (%)</i>	30.0%	33.8%	33.1%		
Operating Income (EBIT)	28,565	124,161	37,045	-70.2%	29.7%
<i>Operating margin (%)</i>	10.0%	23.2%	14.3%		
Operating Income (EBIT) - adjusted (*)	28,565	110,746	30,767	-72.2%	7.7%
<i>Operating margin (%) - adjusted (*)</i>	10.0%	20.7%	11.9%		
Net Income	30,504	87,670	36,130	-58.8%	18.4%
<i>Net margin (%)</i>	10.7%	16.3%	13.9%		
Net Income - adjusted (*)	30,504	74,622	30,052	-59.7%	-1.5%
<i>Net margin (%) - adjusted (*)</i>	10.7%	13.9%	11.6%		
EBITDA	40,059	138,246	51,671	-62.6%	29.0%
<i>EBITDA margin (%)</i>	14.0%	25.8%	19.9%		
EBITDA - adjusted (*)	40,059	124,831	45,393	-63.6%	13.3%
<i>EBITDA margin (%) - adjusted</i>	14.0%	23.3%	17.5%		
Investments (**)	23,095	27,547	21,420	-22.2%	-7.3%

(*) 4Q22 and 1Q23 are adjusted by the values of: (i) EBIT and EBITDA in the amounts of R\$13,415 and R\$6,278, respectively; and (ii) Profit in the amounts of R\$13,048 and R\$6,078, respectively, referring to the recognition of the impacts of the Vila Romi Residence project, as described in section "Vila Romi Residence (real estate project)" and the sale of a non-industrial plot of land owned by the Company.

(**) Of the investments made in 1Q21, 4Q22 and 1Q23, the amounts of R\$14.3, R\$11.2 and R\$8.4 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. In the accumulated of the years 2021 and 2022, R\$38.9 and R\$64.9 million were invested, respectively.

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.

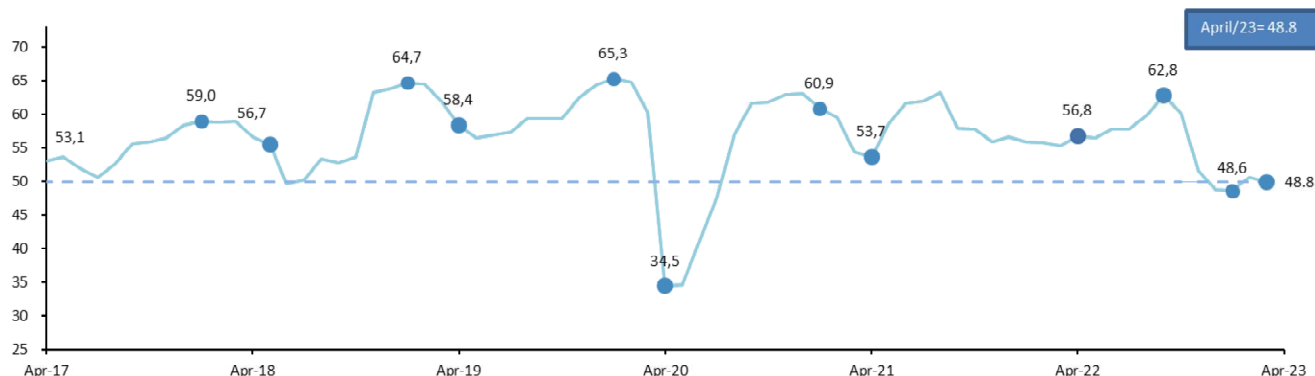
The Company has thirteen manufacturing units, four of which for final assembly of industrial machinery, two foundries, four units for machining of mechanical components, two units for manufacture of steel sheet components, and a unit for assembly of electronic panels. Of these, eleven are located in 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

Although the beginning of 2023 continues to indicate an unstable environment for investments, both in the domestic and foreign markets, we can see that in the domestic market, the level of confidence in business shows a gradual recovery trend, as well as in the installed capacity utilization. This improvement was reflected in the data of the ROMI Machines Unit, which in this quarter returned to 2022 levels.

We noticed a gradual recovery in the Industrial Entrepreneur Confidence Index (ICEI) in March and April, reaching a level of 48.8. However, with the world scenario of inflation and interest rates at high levels, we currently have a more challenging environment for carrying out investments, mainly in the foreign market.

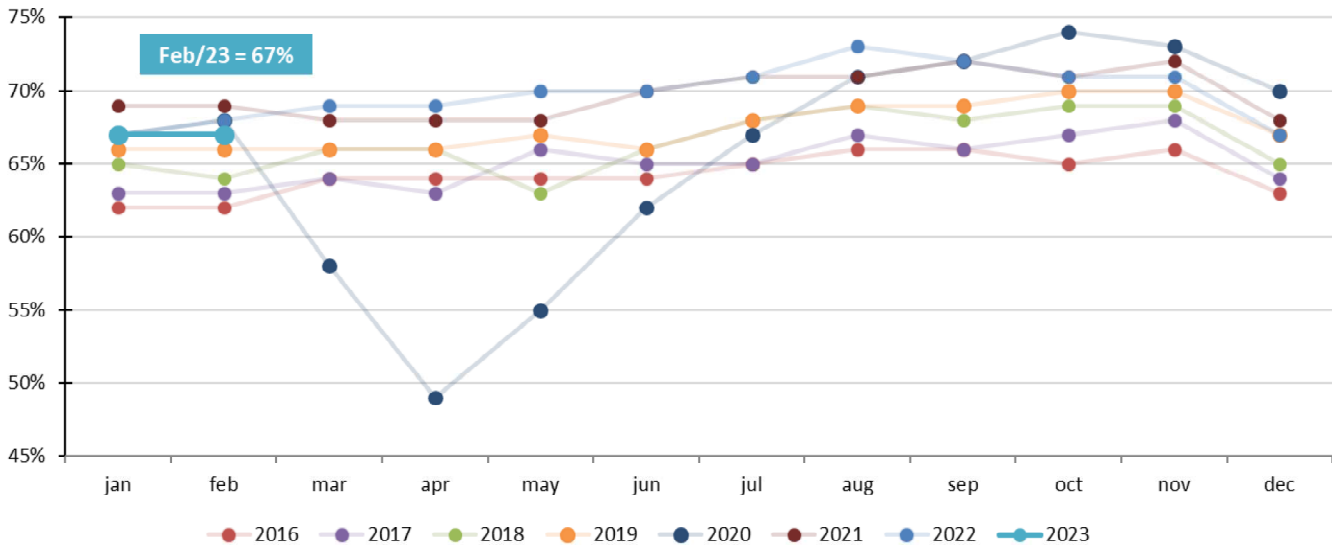
Industrial Entrepreneur Confidence Index – ICEI



Source: CNI-ICEI, April 2023

The Installed Capacity Utilization (UCI) index for the domestic industry in general, released by the National Confederation of Industry (CNI), remained stable at the beginning of 2023, and in March it reached the level of 67%, showing that industrial activity continues to operate at normal levels.

Average Installed Capacity Utilization (UCI)



Source: CNI - UCI, February 2023

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, with a more agile and flexible 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 in internal processes automation.

Strategically, we have defined the development of new product generations as a priority. We have advanced significantly in terms of technological content, aligned to the needs of Industry 4.0, and the new products launched in recent years have achieved great success in the domestic and foreign markets. Focused on the future, we continue to invest heavily in launching new generations of machines and new technologies to be incorporated into our products.

Additionally, we have strengthened our structures abroad and developed new solutions for our customers, such as machine leasing and financial support, through the creation of a fintech. These strategies are consistently consolidating and give us great confidence that we are very well prepared to keep seizing the opportunities, both in the domestic and foreign markets.

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, machine rental, 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	1Q22	4Q22	1Q23	Chg. 1Q23/4Q22	Chg. 1Q23/1Q22
ROMI Machines	192,725	140,122	199,713	42.5%	3.6%
Burkhardt+Weber Machines	41,415	88,470	-	-100.0%	-100.0%
Rough and Machined Cast Iron Parts	93,933	52,386	60,676	15.8%	-35.4%
Total *	328,072	280,978	260,389	-7.3%	-20.6%

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

The last quarter of 2022 was marked by a significant drop in the industrial entrepreneur confidence index, which mainly impacted the incoming orders of the ROMI Machines Unit. In 2023, we can see a gradual recovery of industrial entrepreneur confidence, as well as the installed capacity utilization remaining at normal levels, which demonstrates that the domestic market has good prospects for normalization throughout the year.

In the foreign market, the current levels of inflation and the perspective of rising interest rates are affecting investment prospects. As a result of this moment in the domestic and foreign markets, at the ROMI Machines Unit, incoming orders in 1Q23 grew by 3.6% in comparison with the same period in 2022, due to orders from the domestic market and the consolidation of the machine rental business.

As previously mentioned, the new generations of products, with important technological evolutions in the mechatronic part, in thermal compensation and in their connectivity, also allowed the Company to seek competitive alternatives to enable new business to its customers, such as, for example, the leasing of machines. In the first quarter of 2023, 42 new machines have been rented, or 50 new contracts (59 machines in the first quarter of 2022, or 72 new contracts), whose contracts represent approximately R\$13.6 million (R\$21.5 million in the first quarter of 2022). Since the date this solution was launched to the market, in June 2020, 478 machines have been rented, or 577 contracts, representing R\$150.2 million. Such contracts are valid for 12 to 24 months.

In 1Q23, although the German subsidiary BW has not closed new orders, it has a significant volume of projects in progress and we are confident that they will materialize over the coming quarters, so that we may improve over 2024.

The Cast and Machined Cast Iron Parts Unit showed a 35.4% reduction in incoming orders, as a result of the reduction in new projects linked to wind energy, which, given the drop in electricity prices, are being reviewed or postponed. The other segments served by this unit continue with order levels similar to 2022.

Order Backlog

Order Backlog (R\$ 000) Gross Values, sales taxes included	1Q22	4Q22	1Q23	Chg. 1Q23/4Q22	Chg. 1Q23/1Q22
ROMI Machines	330,676	221,881	263,208	18.6%	-20.4%
Burkhardt+Weber Machines	140,481	191,711	188,043	-1.9%	33.9%
Rough and Machined Cast Iron Parts	320,190	145,559	118,609	-18.5%	-63.0%
Total *	791,346	559,151	569,861	1.9%	-28.0%

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

At the end of the first quarter of 2023, the order backlog dropped by 28.0% compared to the same period in 2022. However, when compared to 4Q22, there was an increase of 1.9%, with emphasis on the ROMI Machines Unit, which showed an important recovery in incoming orders in 1Q23.

Operational Performance

Net Operating Revenue by Business Unit

The net operating revenue posted in 1Q23 reached R\$259.2 million, a 9.2% decrease in comparison with 1Q22, especially at the ROMI Machines and Rough and Machined Cast Iron Parts Business Units.

Net Operating Revenue (R\$ 000)	Quarterly				
	1Q22	4Q22	1Q23	Var. 1Q23/4Q22	Var. 1Q23/1Q22
ROMI Machines	177,289	296,512	165,242	-44.3%	-6.8%
Burkhardt+Weber Machines	11,229	103,971	15,623	-85.0%	39.1%
Rough and Machined Cast Iron Parts	96,817	135,732	78,290	-42.3%	-19.1%
Total	285,335	536,215	259,155	-51.7%	-9.2%

ROMI MACHINES

This Business Unit's net operating revenue reached R\$165.2 million in 1Q23, showing a small reduction of 6.8% when compared to 1Q22, reflecting the decrease in incoming orders from the foreign market, which was largely offset by the significant increase in revenues from machine rental, a business launched by ROMI in mid-2020.

BURKHARDT + WEBER MACHINES

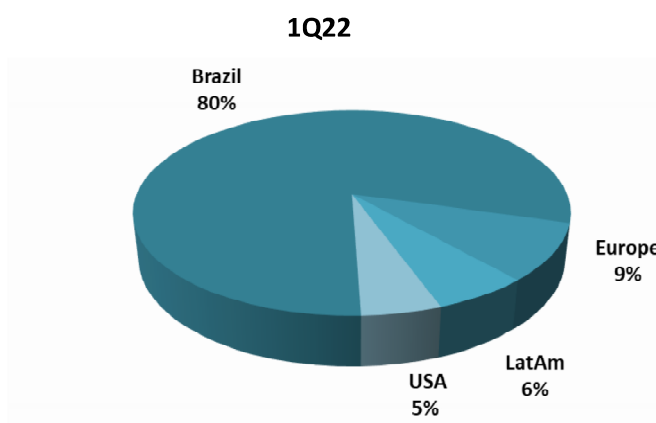
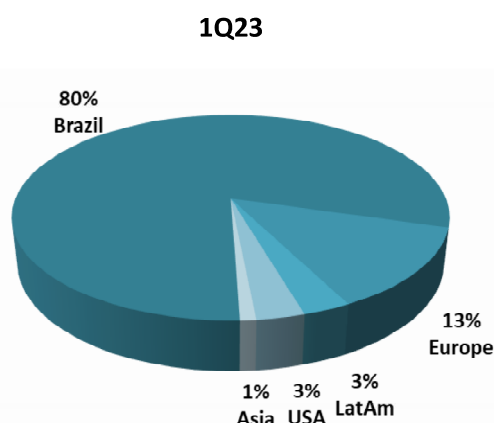
The revenue of German subsidiary BW, in Reais, reached a total of R\$15.6 million in 1Q23, a volume 39.1% higher when compared to 1Q22, reflecting the increase in revenues from technical assistance services and spare parts.

ROUGH AND MACHINED CAST IRON PARTS

The net operating revenue of this Business Unit was R\$78.3 million in 1Q23, which represents a volume 19.1% lower compared to 1Q22, due to the already mentioned reduction in the business related to large rough and machined cast iron parts for the wind energy sector.

Net Operating Revenue per Geographical Region

The domestic market accounted for 80% of ROMI's consolidated revenue in 1Q23 (80% in 1Q22). 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				
	1Q22	4Q22	1Q23	Var. 1Q23/4Q22	Chg. 1Q23/1Q22
Net Sales (R\$ million)	59.5	165.1	53.3	-67.7%	-10.4%
Net Sales (US\$ million)	11.7	31.4	10.4	-66.9%	-11.1%

Gross and Operating Margins

The gross margin obtained in 1Q23 was 33.1%, an increase of 3.1 p.p. compared to 1Q22, due to the positive performance of the ROMI Machines and B+W Machines Units. The operating margin (EBIT) in the same period increased by 4.0 p.p. The new solutions and products launched by the Company in recent years, greater share of the domestic market in revenue, as well as projects aimed at improving operational efficiency and efficient control of expenditures were the facts leading to this improvement in the operating margins.

Gross Margin	Quarterly				
	1Q22	4Q22	1Q23	Chg. p.p. 1Q23/4Q22	Chg. p.p. 1Q23/1Q22
ROMI Machines	42.0%	45.3%	48.5%	3.2	6.5
Burkhardt+Weber Machines	-54.5%	21.2%	8.4%	(12.8)	62.9
Rough and Machined Cast Iron Parts	17.9%	18.4%	5.5%	(12.9)	(12.4)
Total	30.0%	33.8%	33.1%	(0.7)	3.1

EBIT Margin - Adjusted	Quarterly				
	1Q22	4Q22	1Q23	Chg. p.p. 1Q23/4Q22	Chg. p.p. 1Q23/1Q22
ROMI Machines	20.7%	29.2%	27.1%	(2.1)	6.4
Burkhardt+Weber Machines	-139.6%	10.6%	-55.4%	(66.0)	84.2
Rough and Machined Cast Iron Parts	7.8%	9.6%	-6.9%	(16.5)	(14.6)
Total	10.0%	20.7%	11.9%	(8.8)	1.9

(*) 4Q22 and 1Q23 are adjusted by the values of: (i) EBIT and EBITDA in the amounts of R\$13,415 and R\$6,278, respectively; and (ii) Profit in the amount of R\$13,048 and R\$6,078, respectively, referring to the recognition of the impacts of the Vila Romi Residence project, as described in section "Vila Romi Residence (real estate project)" and the sale of a non-industrial plot of land owned by the Company.

ROMI MACHINES

In 1Q23, the gross margin of this Business Unit was at a high level, given the revenue mix, with a greater presence in the domestic market and rental machines. The high level of gross margin and the control of operating expenses resulted in an increase in the adjusted operating margin (EBIT) of 6.4 p.p. in the same comparison period.

BURKHARDT + WEBER MACHINES

The gross margin and operating margin of this Business Unit in 1Q23 showed a significant improvement of 62.9p.p. and 84.2pp, respectively, compared to 1Q22. Both periods had very low net operating revenues, due to the lack of delivery of machines. However, the improvement in operational efficiency in 2023 is beginning to show concrete progress in results.

ROUGH AND MACHINED CAST IRON PARTS

In 1Q23, the gross margin of this Business Unit decreased by 12.4 p.p. compared to 1Q22, and its operating margin (EBIT) grew by 14.6 p.p. in the same comparison period. This reduction is due to the lower revenue and production volume in 1Q23, since this business unit has a significant fixed cost, and expenses with adapting the structure to a lower level of production expected in 2023.

EBITDA and EBITDA Margin

In 1Q23, the operating cash generation as measured by adjusted EBITDA amounted to R\$45.4 million, representing an EBITDA margin of 17.5% in the quarter, as shown in the table below:

Reconciliation of Net Income to EBITDA (R\$ 000)	Quarterly				
	1Q22	4Q22	1Q23	Chg. 1Q23/4Q22	Chg. 1Q23/1Q22
Net Income	30,504	87,670	36,130	-58.8%	18.4%
Income tax and social contributions	7,273	32,542	5,218	-84.0%	-28.3%
Net Financial Income	(9,212)	3,949	(4,303)	-209.0%	-53.3%
Depreciation and amortization	11,494	14,085	14,626	3.8%	27.3%
EBITDA	40,059	138,246	51,671	-62.6%	29.0%
EBITDA Margin	14.0%	25.8%	19.9%	-22.7%	42.0%
EBITDA - Adjusted (*)	40,059	124,831	45,393	-63.6%	13.3%
EBITDA Margin - Adjusted (*)	14.0%	23.3%	17.5%	-24.8%	24.8%
Total Net Operating Revenue	285,335	536,215	259,155	34.5%	-9.2%

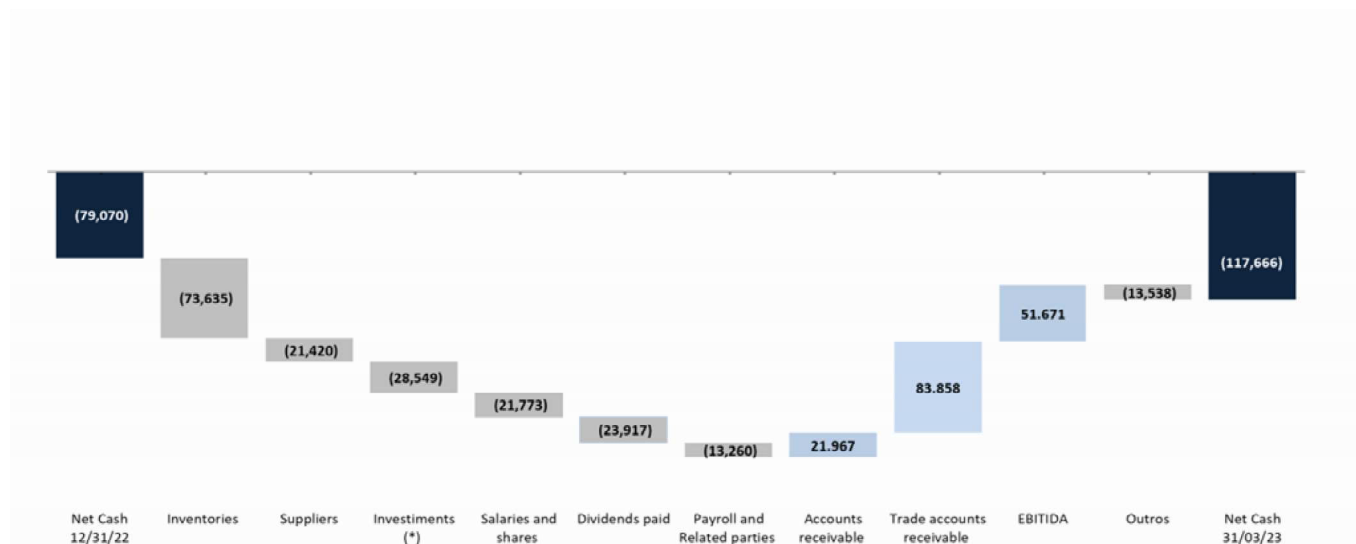
(*) 4Q22 and 1Q23 are adjusted by the values of: (i) EBIT and EBITDA in the amounts of R\$13,415 and R\$6,278, respectively; and (ii) Profit in the amount of R\$13,048 and R\$6,078, respectively, referring to the recognition of the impacts of the Vila Romi Residence project, as described in section "Vila Romi Residence (real estate project)" and the sale of a non-industrial plot of land owned by the Company.

Adjusted Profit for the Period

The adjusted profit for 1Q23 was R\$30.1 million, a slight decrease of 1.5% compared to the profit for 1Q22, due to the higher volume of exchange variation in 1Q22, reflecting the behavior of the exchange rate.

Evolution of Net Cash (Debt) Position

The main changes in net cash position during the first quarter of 2023, 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.

The evolution of the net cash position in the first quarter of 2023 showed the following main variations:

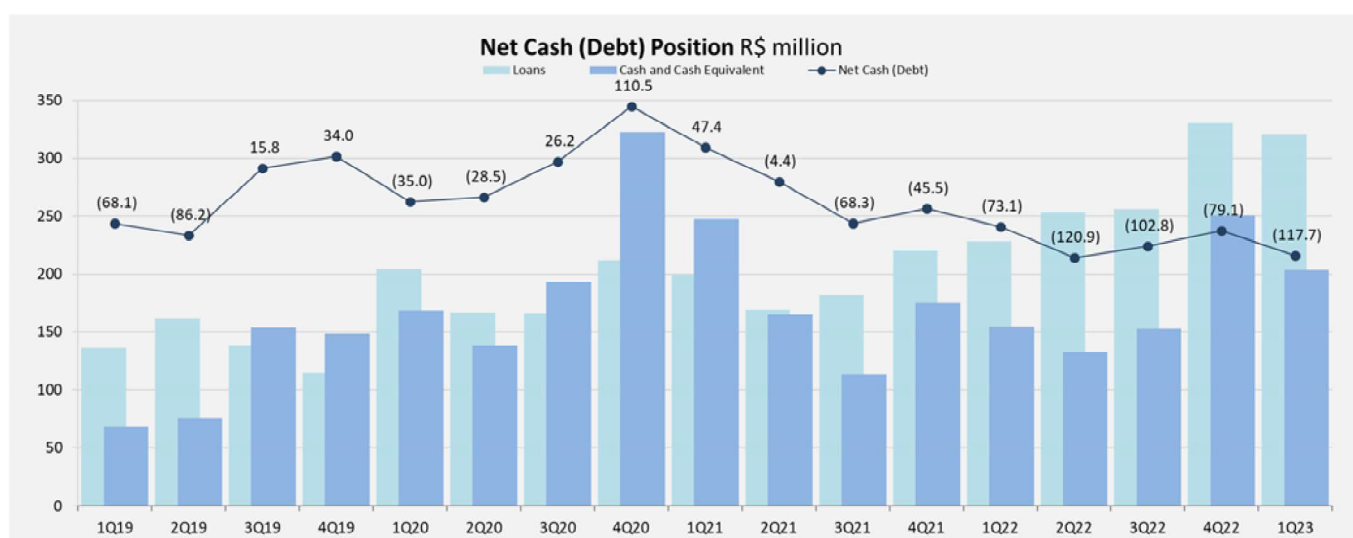
- Investments made in 1Q23 aimed at the maintenance, productivity, flexibility and competitiveness of the other units in the manufacturing facilities and, mainly, related to the new machine rental business;
- Payments of interest on capital and interim dividends, declared in December 2022 and January 2023, paid during 1Q23, amounting to R\$28.5 million;
- Increase in trade accounts receivable, mainly due to the Parent company's and German subsidiary B+W's revenue, which will be received at the beginning of 2023.

Financial Position

Short-term investments are made with prime institutions with low credit risk and their yield is mainly linked to the Interbank Certificate of Deposit (CDI). The consolidated net cash position as at March 31, 2023 was negative by R\$117.7 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, 2023, the amount of financing in local currency was R\$129.2 million, and in foreign currency R\$191.8 million, totaling R\$321.0 million, of which R\$135.0 million maturing in up to 12 months.

As at March 31, 2023, the Company recorded R\$203.4 million as cash and cash equivalents and short-term investments.



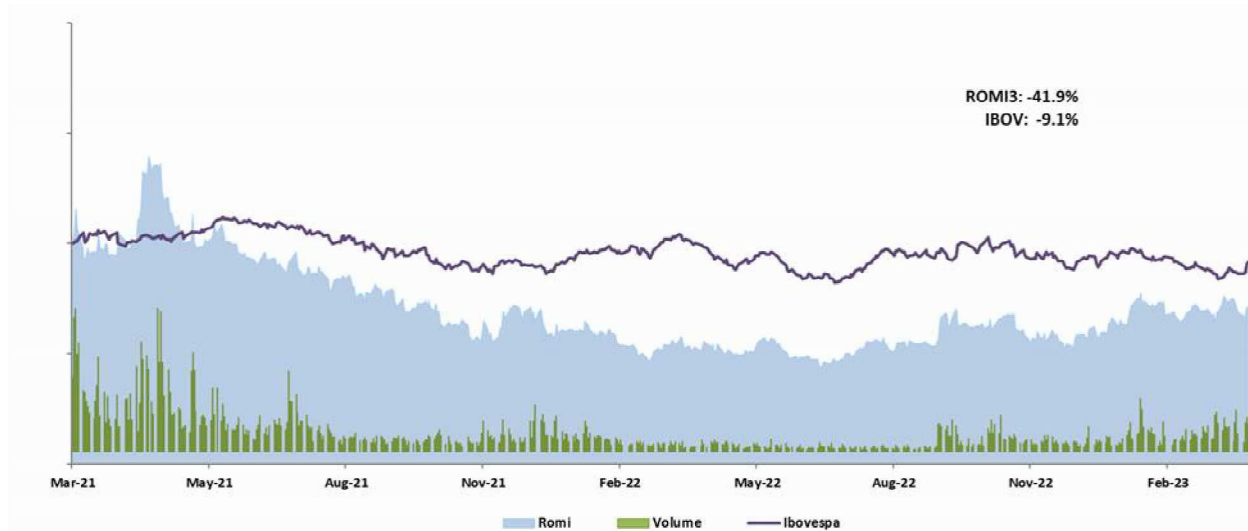
The balances recorded under “Finame Manufacturer Financing” are not used in the calculation of the Company's net debt.

As at March 31, 2023, the Company did not have any derivative transactions.

Capital Markets

Share Performance ROMI3 x Ibovespa

Period: March 30, 2021 to April 17, 2023



Note: The performance of ROMI3 shares shown in the chart above does not consider the distribution of profits made in the period presented, as well as the stock bonus in shares that occurred in March 2023 and October 2022.

Source: B3.

On April 17, 2023 the Company's common shares (ROMI3), which were quoted at R\$15.20, posted devaluation of 41,9% since March 31, 2021 and 1.5% since December 29, 2022. The Ibovespa Index (Ibovespa) went down 9.1% and 3.4%, respectively, in the same periods.

The Company's market capitalization on April 17, 2023 was R\$1,226.1 billion. The average daily trading volume during 1Q23 was R\$17.3 million.

Vila Romi Residence

In April 2022, through the subsidiary Rominor Empreendimentos Imobiliários S.A. (“Rominor Empreendimentos”), there was the launch of the closed subdivision Vila Romi Residence, which has 350 lots between 300m² and 884m², whose delivery and completion forecast is by the end of 2024. Currently, 339 lots have been sold, with the General Sales Value (“GSV”) estimated at around R\$130 million. The interest of Rominor Empreendimentos, a wholly-owned subsidiary of the Company, in this project is 50% of GSV.

The payment terms vary from cash up to 10 years of direct financing, with 10% of the total land value being mandatory. The financing installments are monetarily adjusted by the IPCA, plus 12% interest per year. In cases where the land was financed, the property itself appears as a guarantee for the payment of the installments.

As of the date of these interim financial statements, the subsidiary Rominor Empreendimentos had received approximately R\$37.8 million (amount plus monetary adjustment and interest), of which R\$16.2 million are recorded under advances from customers, in current liabilities.

Management, based on CPC47 - Revenue from Contracts with Customers and the applicable CVM rules, adopted as a criterion for the recognition of the enterprise's revenue the Percentage of Completion (POC) methodology, where revenue and the respective costs are recognized in profit or loss in proportion to the percentage of completion of the infrastructure works, through measurement reports issued monthly.

As at March 31, 2023, the percentage of completion of the works was 26.14% according to the aforementioned construction measurement report, which resulted in the following impacts on the financial statements:

(i) Net operating revenue/EBIT/EBITDA: R\$6.3 million; and (ii) profit for the period: R\$6.1 million.

Consolidated Balance Sheet

IFRS (R\$ 000)

ASSETS	03/31/22	12/31/22	03/31/23	LIABILITIES AND SHAREHOLDER'S EQUITY	03/31/22	12/31/22	03/31/23
CURRENT	1.147.778	1.388.934	1.341.221	CURRENT	564.188	597.847	637.203
Cash and Cash equivalents	89.032	131.999	180.990	Loans and financing	64.617	53.714	135.023
Financial investments	65.786	118.814	22.362	FINAME manufacturer financing	142.651	154.076	158.271
Trade accounts receivable	204.784	275.323	190.284	Trade accounts payable	145.702	135.557	122.297
Onlending of Finame manufacturer financing	153.304	162.993	167.928	Payroll and related taxes	38.244	48.850	35.063
Inventories	575.910	640.797	714.432	Taxes payables	18.468	37.397	14.439
Recoverable taxes	41.583	41.880	46.472	Advances from customers	104.377	106.404	125.356
Other receivables	17.379	17.128	18.753	Related parties	1.529	9.406	1.420
Judicial Deposits	-	-	-	Dividends	19.465	15.130	16.547
				Provision for contingent liabilities	2.220	2.683	2.492
NON CURRENT	333.358	369.461	367.933	Other payables	26.915	34.630	26.295
Trade accounts receivable	16.466	28.571	29.752	NON CURRENT	408.699	551.688	459.425
Onlending of Finame manufacturer financing	209.961	243.845	239.144	Loans and financing	163.311	276.169	185.995
Recoverable taxes	71.450	56.440	57.635	FINAME manufacturer financing	208.602	237.055	234.586
Deferred income and social contribution taxes	15.858	19.006	21.878	Deferred income and social contribution taxes	34.163	35.440	34.907
Judicial Deposits	12.108	12.200	12.212	Reserve for contingencies	286	270	416
Other receivables	7.515	9.399	7.312	Other payables	2.337	2.754	3.521
Investments							
Property, Plant and Equipment	373.546	420.275	422.905	SHAREHOLDER'S EQUITY	948.928	1.093.127	1.098.280
Investment Properties	16.593	15.251	15.251	Capital	637.756	771.454	904.772
Intangible assets	52.113	51.012	49.186	Retained earnings	244.283	248.144	120.860
				Cumulative translation adjustments	66.889	73.529	72.648
				NON CONTROLLING INTERESTS	1.573	2.271	1.588
TOTAL ASSETS	1.923.388	2.244.933	2.196.496	TOTAL SHAREHOLDER'S EQUITY	950.501	1.095.398	1.099.868
				TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	1.923.388	2.244.933	2.196.496

Consolidated Income Statement IFRS (R\$ thousand)

	1Q22	4Q22	1Q23	Chg. 1Q23/4Q22	Chg. 1Q23/1Q22
Net Operating Revenue	285,335	536,215	259,155	-51.7%	-9.2%
Cost of Goods Sold	(199,730)	(354,812)	(173,378)	-51.1%	-13.2%
Gross Profit	85,605	181,403	85,777	-52.7%	0.2%
<i>Gross Margin %</i>	30.0%	33.8%	33.1%		
Operating revenues (expenses)	(57,040)	(57,242)	(48,732)	-14.9%	-14.6%
Selling expenses	(25,587)	(33,574)	(25,421)	-24.3%	-0.6%
Research and development expenses	(6,924)	(7,797)	(7,681)	-1.5%	10.9%
General and administrative expenses	(22,117)	(24,919)	(20,590)	-17.4%	-6.9%
Management profit sharing and compensation	(3,438)	(5,755)	(3,517)	-38.9%	2.3%
Other operating income, net	1,026	14,803	8,477	-42.7%	726.2%
Operating Income (loss) before Financial Results	28,565	124,161	37,045	-70.2%	29.7%
<i>Operating Margin %</i>	10.0%	23.2%	14.3%		
Operating Income (loss) before Financial Results - Adjusted (*)	28,565	110,746	30,767	-72.2%	7.7%
<i>Operating Margin % - Adjusted (*)</i>	10.0%	20.7%	11.9%		
Financial Results, Net	9,212	(3,949)	4,303	-209.0%	-53.3%
Financial income	3,640	5,586	9,791	75.3%	169.0%
Financial expenses	(2,841)	(6,468)	(6,037)	-6.7%	112.5%
Exchange gain (loss), net	8,413	(3,067)	549	-117.9%	-93.5%
Operations Operating Income	37,777	120,212	41,348	-65.6%	9.5%
Income tax and social contribution	(7,273)	(32,542)	(5,218)	-84.0%	-28.3%
Income (loss) for Continued Operation	30,504	87,670	36,130	-58.8%	18.4%
<i>Net Margin %</i>	10.7%	16.3%	13.9%		
Net income - Adjusted (*)	30,504	74,622	30,052	-59.7%	-1.5%
<i>Net Margin % - Adjusted (*)</i>	10.7%	13.9%	11.6%		
Net profit (loss) concerning:					
Controlling interests	30,388	86,966	35,998	-58.6%	18.5%
Non controlling interests	116	722	132	-81.7%	13.8%
EBITDA	40,059	138,246	51,671	-62.6%	29.0%
Profit (loss) for the period	30,504	87,670	36,130	-58.8%	18.4%
Income tax and social contribution	7,273	32,542	5,218	-84.0%	-28.3%
Financial result, net	(9,212)	3,949	(4,303)	-209.0%	-53.3%
Depreciation and amortization	11,494	14,085	14,626	3.8%	27.3%
<i>EBITDA Margin %</i>	14.0%	25.8%	19.9%		
EBITDA - Adjusted (*)	40,059	124,831	45,393	-63.6%	13.3%
<i>EBITDA Margin % - Adjusted (*)</i>	14.0%	23.3%	17.5%		
Nº of shares in capital stock (th)	73,334	80,667	88,734		
Profit (loss) per share - R\$	0.41	1.09	0.41		

Consolidated Cash Flow Statement

IFRS (R\$ thousand)

	1Q22	4Q22	1Q23
Cash from operating activities			
Net Income before taxation	37,777	120,212	41,348
Financial expenses and exchange gain	(12,903)	3,747	(802)
Depreciation and amortization	12,451	14,085	14,626
Allowance for doubtful accounts and other receivables	(1,185)	507	(644)
Proceeds from sale of fixed assets and intangibles	(1,167)	(21,012)	(3,056)
Provision for inventory realization	(3,248)	(1,352)	1,699
Reserve for contingencies	714	131	162
Trade accounts receivable	22,910	(45,625)	85,971
Onlending of Finame manufacturer financing	8,450	(36,981)	412
Inventories	(35,865)	118,420	(75,330)
Recoverable taxes, net	1,073	23,981	(8,659)
Judicial deposits	(11)	-	(12)
Other receivables	(4,041)	(736)	2,273
Trade accounts payable	21,048	(65,649)	(12,670)
Payroll and related taxes	(7,818)	(8,983)	(13,787)
Taxes payable	(17,012)	(19,053)	(4,792)
Advances from customers	380	(36,018)	18,952
Other payables	(15,277)	8,842	(15,752)
Cash provided by (used in) operating activities	6,276	54,516	29,939
Income tax and social contribution paid	(237)	(8,723)	(23,917)
Net Cash provided by (used in) operating activities	6,039	45,793	6,022
Financial Investments	9,000	(75,343)	96,452
Purchase of fixed assets	(33,387)	(30,334)	(21,420)
Sales of fixed assets	2,293	11,708	9,630
Purchase of intangible assets	(102)	(132)	-
Net cash Used in Investing Activities	(22,196)	(94,101)	84,662
Interest on capital paid	(18,545)	(23,919)	(29,364)
New loans and financing	52,618	101,681	-
Payments of loans and financing	(18,259)	(41,942)	(7,639)
Interests paid (including Finame manufacturer financing)	(11,963)	2,813	(11,599)
New loans in Finame manufacturer	35,598	71,402	47,530
Payment of Finame manufacturer financing	(37,625)	(38,241)	(39,156)
Net Cash provided by (used in) Financing Activities	1,824	71,794	(40,228)
Increase (decrease) in cash and cash equivalents	(14,333)	23,486	50,456
Exchange variation changes on cash and cash equivalents abroad	3,454	1,575	(1,467)
Cash and cash equivalents - beginning of period	99,911	109,497	131,999
Cash and cash equivalents - end of period	89,032	131,999	180,990

Attachment I – Income Statement by Business Unit

Income Statement by Business Units - 1Q23

R\$ 000	ROMI Machines	Burkhardt + Weber Machines	Rough and Machined Cast Iron	Total
Net Operating Revenue	165,242	15,623	78,290	259,155
Cost of Sales and Services	(70,252)	(14,310)	(88,816)	(173,378)
Business Units Transfers	536	-	15,385	15,921
Business Units Transfers	(15,385)	-	(536)	(15,921)
Gross Profit	80,141	1,313	4,323	85,777
<i>Gross Margin %</i>	48.5%	8.4%	5.5%	33.1%
Operating Expenses	(35,357)	(9,968)	(9,686)	(55,010)
Selling	(20,524)	(3,278)	(1,619)	(25,421)
General and Administrative	(9,507)	(6,690)	(4,393)	(20,590)
Research and Development	(5,667)	-	(2,014)	(7,681)
Management profit sharing	(1,858)	-	(1,659)	(3,517)
Other operating revenue	2,199	-	-	2,199
Operating Income (loss) before Financial Results	44,785	(8,655)	(5,363)	30,767
<i>Operating Margin % - Adjusted (*)</i>	27.1%	-55.4%	-6.9%	11.9%
Depreciation and amortization	7,926	2,601	4,100	14,626
EBITDA	52,710	(6,054)	(1,263)	45,393
<i>EBITDA Margin %</i>	31.9%	-38.8%	-1.6%	17.5%

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>	42.0%	-54.5%	17.9%	30.0%
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>	20.7%	-139.6%	7.8%	10.0%
Depreciation and amortization	5,290	2,917	3,287	11,494
EBITDA	41,981	(12,754)	10,831	40,059
<i>EBITDA Margin %</i>	23.7%	-113.6%	11.2%	14.0%

Attachment II - Financial Statements of BW

Balance Sheet BW

	(€ Mil)		
ASSETS	03/31/22	12/31/22	03/31/23
CURRENT	22,166	28,454	28,383
Cash and Cash equivalents	1,414	291	135
Trade accounts receivable	6,932	12,892	5,859
Inventories	11,298	12,697	19,103
Recoverable taxes	480	697	718
Deferred income and social contribution taxes	834	1,035	1,443
Related Parties	202	92	29
Other receivables	1,006	750	1,096
Investments			
Property, plant and equipment	12,432	12,047	12,107
Investment in subsidiaries	-	-	-
Intangible assets	9,736	9,019	8,775
TOTAL ASSETS	44,334	49,520	49,265
LIABILITIES AND SHAREHOLDER'S EQUITY	03/31/22	12/31/22	03/31/23
CURRENT	15,410	21,296	24,868
Loans and financing	1,074	2,727	3,930
Trade accounts payable	1,843	4,508	3,351
Payroll and related taxes	1,443	760	1,259
Taxes payable	(39)	597	152
Advances from customers	7,939	7,965	12,121
Other payables	2,561	3,369	2,431
Related Parties	590	1,371	1,624
NON CURRENT	7,691	7,556	4,705
Loans and financing	3,849	3,849	1,042
Deferred income and social contribution taxes	3,842	3,707	3,662
SHAREHOLDER'S EQUITY	21,234	20,669	19,694
Capital	7,025	7,025	7,025
Capital reserve	505	505	505
Profit reserve	13,704	13,139	12,164
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	44,334	49,520	49,265

BW Income Statement

	(€ Mil)		
	1Q22	4Q22	1Q23
Net Operating Revenue	1,925	18,967	2,804
Cost of Goods Sold	(2,727)	(14,536)	(2,570)
Gross Profit	(802)	4,431	234
Gross Margin %	-41.7%	23.4%	8.3%
Operating Expenses	(1,624)	(2,041)	(1,789)
Selling expenses	(479)	(874)	(588)
General and administrative expenses	(1,146)	(1,167)	(1,201)
Operating Income before Financial Results	(2,426)	2,390	(1,555)
Operating Margin %	-126.0%	12.6%	-55.5%
Financial Results, Net	(81)	(125)	(45)
Operations Operating Income	(2,507)	2,265	(1,600)
Income tax and social contribution	724	(555)	452
Net income	(1,783)	1,710	(1,148)
Net Margin %	-92.6%	9.0%	-40.9%
EBITDA	(1,927)	2,867	(1,089)
Net income / loss for the period	(1,783)	1,710	(1,148)
Income tax and social contribution	(724)	555	(452)
Financial income, net	81	125	45
Depreciation and amortization	499	477	467
EBITDA Margin %	-100.1%	15.1%	-38.8%