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# 3Q23 Earnings Release

*October 24, 2023*



## Share price at 10/23/2023

ROMI3 - R\$ 11.57 per share

## Market value

R\$ 1,026.6 million

US\$ 204.6 million

## Number of shares

Common: 88,734,045



## Earnings Conference Call

*Simultaneous translation (Portuguese - English)*

October 25, 2023 - 11 a.m. (São Paulo)  
| 3 p.m. (London) | 10 a.m. (New York)

**Click here** to access the conference call

ID 844 2424 1429

# Summary

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## Message from Management

We remain focused on the continuous improvement of our operations, as well as the introduction of new technologies into our product portfolio, with the aim of providing our customers with the best solution for their success. We have also been working on developing our human capital, represented by a committed, engaged team aligned with ROMI's purposes.

Although the domestic market and, mainly, the foreign market are experiencing a moment of instability, we are convinced that our competitive advantages will continue to allow us to evolve and add more and more value to all stakeholders. We continue to strengthen our investments in innovation through new technologies, such as connectivity, big data, new generations of machines, improvement of our processes and human development, which will allow us to capture market opportunities, both in Brazil and abroad.

Additionally, our solutions, such as machine rental and PRODZ, a fintech specialized in financing Romi machines, have responded very well, even in a more volatile environment, allowing us to mitigate reductions in certain markets and maintain solid and profitable business.

We had solid cash generation in the quarter, demonstrating ROMI's ability to react and adapt quickly to market fluctuations.

**Luiz Cassiano Rosolen**  
CEO

Santa Bárbara d'Oeste - São Paulo, October 24, 2023

ROMI S.A. ("ROMI" or "Company") (B3: ROMI3) domestic market leader in the Machine Tools and Plastic Processing Machines markets, as well as an important producer of Rough and Machined Cast Iron Parts, announces its results for the third quarter of 2023 ("3Q23"). Except where otherwise stated, ROMI's operating and financial information is presented on a consolidated basis, in accordance with the International Financial Reporting Standards (IFRS).

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

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## Highlights

### *Adjusted EBITDA in 3Q23 was R\$ 32.9M with margin of 12.1%*

**Adjusted EBITDA**  
**R\$32.9 million**  
margin of 12.1%

- The gross margin of the ROMI Machines Unit in 9M23 increased by 1.9 p.p. compared to the same period of 2022, with the growth of the domestic market and the machine rental business;

**Order Backlog**  
**R\$557.3 million**

- The incoming orders for rental machines grew by around 26.5% in 9M23 when compared to the same period in 2022, demonstrating the consolidation of this new business;

**Incoming Orders**  
**R\$288.6 million**

- The B+W Machines Unit in 3Q23 posted a significant increase in operating margins, reflecting gains in operational efficiency and the increase in revenues from services provided and spare parts;

- The order backlog of the B+W Machine Unit reached R\$259.7 million, an increase of 47.6% compared to 3Q22.

- The cash generation in 3Q23 was R\$20.5 million.

## Other Highlights

- On September 12, 2023, the Company's Board of Directors approved the payment of interest on capital in the gross amount of R\$17.8 million (equivalent to R\$ 0.2014 per share).



- ROMI and BW were present at EMO Hannover, the world's main production technology fair, where they presented new technologies and new generations of machines. The participation in the event solidifies the ROMI brand in the international market.



- ROMI scores **8.1** in the Ethos 2023 Report, maintaining the continuous improvement of its ESG practices.

R\$'000	Quarterly					Acumulated		
	3Q22	2Q23	3Q23	Chg. 3Q23/2Q23	Chg. 3Q23/3Q22	9M22	9M23	Chg. 2023/2022
<b>Revenue</b>								
ROMI Machines (units)	355	291	281	-3.4%	-20.8%	905	777	-14.1%
Burkhardt+Weber (units)	2	2	1	-50.0%	-50.0%	5	3	-40.0%
Rough and Machined Cast Iron Parts (tons)	7,294	3,542	2,725	-23.1%	-62.6%	19,374	10,499	-45.8%
<b>Net Operating Revenue</b>	<b>398,690</b>	<b>308,636</b>	<b>272,795</b>	<b>-11.6%</b>	<b>-31.6%</b>	<b>1,056,087</b>	<b>840,586</b>	<b>-20.4%</b>
<i>Gross margin (%)</i>	34.3%	29.7%	29.6%			31.0%	30.7%	
<b>Operating Income (EBIT)</b>	<b>78,067</b>	<b>33,561</b>	<b>42,413</b>	<b>26.4%</b>	<b>-45.7%</b>	<b>146,977</b>	<b>113,019</b>	<b>-23.1%</b>
<i>Operating margin (%)</i>	19.6%	10.9%	15.5%			13.9%	13.4%	
<b>Operating Income (EBIT) - adjusted (*)</b>	<b>68,603</b>	<b>26,755</b>	<b>19,539</b>	<b>-27.0%</b>	<b>-71.5%</b>	<b>137,513</b>	<b>77,061</b>	<b>-44.0%</b>
<i>Operating margin (%) - adjusted (*)</i>	17.2%	8.7%	7.2%			13.0%	9.2%	
<b>Net Income</b>	<b>64,920</b>	<b>32,625</b>	<b>44,491</b>	<b>36.4%</b>	<b>-31.5%</b>	<b>128,424</b>	<b>113,246</b>	<b>-11.8%</b>
<i>Net margin (%)</i>	16.3%	10.6%	16.3%			12.2%	13.5%	
<b>Net Income - adjusted (*)</b>	<b>55,771</b>	<b>26,036</b>	<b>22,348</b>	<b>-14.2%</b>	<b>-59.9%</b>	<b>119,275</b>	<b>78,437</b>	<b>-34.2%</b>
<i>Net margin (%) - adjusted (*)</i>	14.0%	8.4%	8.2%			11.3%	9.3%	
<b>EBITDA</b>	<b>92,068</b>	<b>48,038</b>	<b>55,768</b>	<b>16.1%</b>	<b>-39.4%</b>	<b>184,629</b>	<b>155,477</b>	<b>-15.8%</b>
<i>EBITDA margin (%)</i>	23.1%	15.6%	20.4%			17.5%	18.5%	
<b>EBITDA - adjusted (*)</b>	<b>82,604</b>	<b>41,232</b>	<b>32,894</b>	<b>-20.2%</b>	<b>-60.2%</b>	<b>175,165</b>	<b>119,519</b>	<b>-31.8%</b>
<i>EBITDA margin (%) - adjusted</i>	20.7%	13.4%	12.1%			16.6%	14.2%	
<b>Investments ( ** )</b>	<b>42,418</b>	<b>32,805</b>	<b>39,902</b>	<b>21.6%</b>	<b>-5.9%</b>	<b>99,775</b>	<b>94,127</b>	<b>-5.7%</b>

(\*) 3Q22, 2Q23 and 3Q23: EBIT and EBITDA are adjusted by the amounts of R\$ 9,464, R\$ 6,806 and R\$ 22,874, respectively; and Profit by the amounts of R\$ 9,149, R\$ 6,589 and R\$ 22,143, respectively, referring to the recognition of the impacts of the Vila ROMI Residence project.

9M22 and 9M23: EBIT AND EBITDA are adjusted by the amounts of R\$ 9,464 and R\$ 35,958, respectively, and Profit by the amounts of R\$ 9,149 and R\$ 34,809, respectively, referring to the recognition of the impacts of the Vila ROMI Residence project, as described in the section "Vila ROMI Residence".

(\*\*) Of the investments made in 3Q22, 2Q23 and 3Q23, the amounts of R\$ 17,197, R\$22,947 and R\$25,890, respectively, refer to machines manufactured by the Company that were allocated to the machine rental business.

## Corporate Profile

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Founded in 1930, ROMI is a renowned company operating in the Brazilian industrial machinery and equipment market. Over the years, it has emerged as a key manufacturer of rough and machined cast iron parts, establishing itself as a key player in the industry. Notably, ROMI is publicly listed on the B3 exchange's prestigious "New Market" segment, which is dedicated to companies with a strong commitment to corporate governance.

Specializing in an extensive range of machine tools, ROMI manufactures Conventional Lathes, Computerized Numerical Control (CNC) Lathes, Lathing Centers, Machining Centers, Vertical and Horizontal Heavy and Extra-Heavy Lathes, and Drilling Mills. Additionally, ROMI manufactures Plastic Injection and Blow Molding Machines, as well as ductile or CDI gray cast iron parts, both raw and machined.

A distinguishing feature of ROMI's products and services lies in its incorporation of Industry 4.0 technologies across its products and services. These advanced capabilities facilitate the intelligent utilization of data generated by ROMI equipment. The data can be processed internally through built-in artificial intelligence or transmitted via networks (connectivity) to a central analysis site.

These high-quality equipment and solutions are globally distributed and widely adopted across various industrial sectors. Industries such as agricultural machinery, capital goods, consumer goods, packaging, tooling, hydraulic equipment, sanitation, automotive, and wind energy rely on ROMI's machinery for their operations.

ROMI operates a network of thirteen manufacturing units. These units encompass four facilities dedicated to the final assembly of industrial machinery, two foundries, four units for machining mechanical components, two units for manufacturing steel sheet components, and one unit for the assembly of electronic panels. While eleven units are based in Brazil, two are

located in Germany. The Company's production capacity amounts to approximately 2,900 industrial machines and 50,000 metric tons of castings per year.

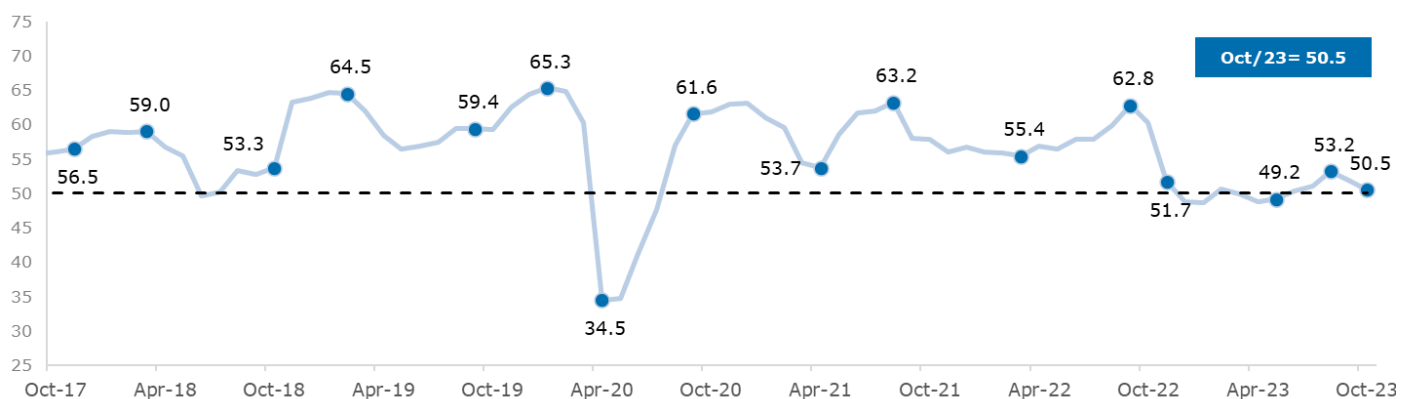
Benefiting from its extensive history, diverse product portfolio, and global presence, ROMI has established itself as a trusted leader in the Brazilian industrial machinery and equipment market. The company's unwavering commitment to innovation, quality, and customer satisfaction sets it apart, ensuring continued success and a strong market position.

## Current Economic Scenario

The third quarter of 2023 continues to indicate an unstable environment for investments, both in the domestic and international markets. We also note that the set of recent indicators shows a scenario of strong industrial activity, with high use of installed capacity, however, the perspectives regarding the future economic scenario have been unstable. The Business Confidence Index presents a fluctuating scenario, reflecting local and global geopolitical and economic instabilities. On the other hand, recent signs of a reduction in interest rates and control of inflation in Brazil could have a positive impact on general market confidence and boost new investments.

During the third quarter, we observed a recent fluctuation in the Industrial Entrepreneur Confidence Index (ICEI), which reached 50.5 in October. Although investors currently face a challenging environment for making investments, industry leaders continue to express optimism through the index, even amid a more complex environment for investments.

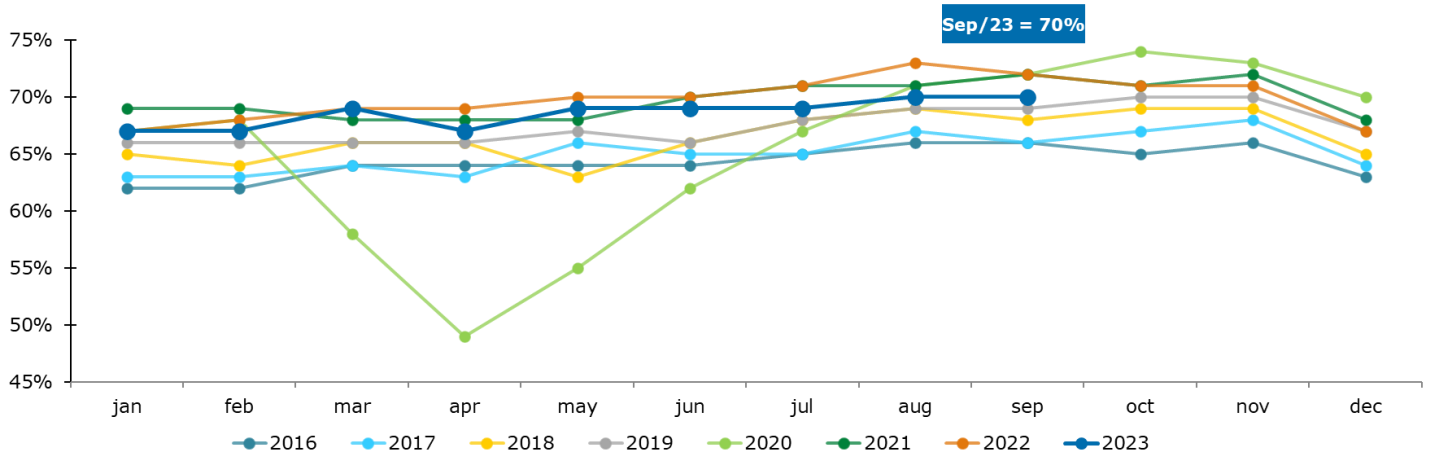
### Industrial Business Confidence Index – ICEI



Source: CNI - ICEI, October 2023

According to data from the National Confederation of Industry (CNI), the Installed Capacity Utilization Index (UCI) of the national industry reached 70% in September 2023, indicating that industrial activity remains solid.

## Average Installed Capacity Utilization (UCI)



Source: CNI - UCI, October 2023

The past few years have been characterized by a volatile business environment marked by uncertainty. These conditions have presented significant obstacles in effectively managing production volumes. As a response, the Company has implemented a series of strategic measures to optimize its operational structure, enhance planning and manufacturing processes, and improve its ability to swiftly adapt to fluctuations in demand.

The Company has strategically prioritized the development of new product generations aligned with the technological advancements of Industry 4.0. This strategic focus has yielded significant advancements in technological content, resulting in a successful market reception of our recent product launches, both domestically and internationally. Looking ahead, ROMI remains committed in launching new machine generations and integrating cutting-edge technologies into our product portfolio, ensuring our continued relevance and competitiveness in the industry.

Furthermore, we have expanded our international presence and introduced innovative customer solutions, including machine leasing and financial support, facilitated through the establishment of a fintech division. These strategic initiatives continue to solidify our position and instill a strong sense of confidence in our ability to seize opportunities, both domestically and internationally.



## Market

The Company holds a prominent position in the market, driven by its notable competitive advantages. Ongoing investments in cutting-edge product development and innovative solutions, alongside an extensive nationwide distribution network, contribute to its market leadership. The Company's unwavering commitment to customer satisfaction is exemplified by the provision of a dedicated in-house technical assistance service, machine rental options, attractive customer credit packages in local currency, and efficient product delivery. As a result, the ROMI brand enjoys a long-standing reputation for excellence and prestige, as recognized and valued by its discerning customers.

### Incoming Orders

Order Entry (R\$ 000) Gross Values, sales taxes included	3Q22	2Q23	3Q23	Chg. 3Q23/2Q23	Chg. 3Q23/3Q22	9M22	9M23	Chg. 23/22
<b>ROMI Machines</b>	240,161	212,684	182,804	-14.0%	-23.9%	716,219	595,202	-16.9%
<b>Burkhardt+Weber Machines</b>	41,254	47,635	66,566	39.7%	61.4%	136,394	114,201	-16.3%
<b>Rough and Machined Cast Iron Parts</b>	82,207	21,379	39,244	83.6%	-52.3%	319,416	121,299	-62.0%
<b>Total *</b>	<b>363,622</b>	<b>281,698</b>	<b>288,614</b>	<b>2.5%</b>	<b>-20.6%</b>	<b>1,172,028</b>	<b>830,702</b>	<b>-29.1%</b>

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

In the third quarter of 2023, we noticed the continuity of uncertainties and their impact on the confidence of industrial entrepreneurs, which have fluctuated, without a defined direction throughout the year. The use of installed capacity remained at high levels, which demonstrates a domestic market with good prospects for stability until the end of 2023.

In the foreign market, the current levels of inflation, the rising interest rates and the political instabilities are affecting investment prospects. As a result of the reduction in demand in the foreign market, at the ROMI Machines Unit, incoming orders showed a 23.9% drop in comparison with the same period in 2022.

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 third quarter of 2023, 68 new machines have been rented, or 77 new contracts (27 machines in 3Q22 or 38 new contracts), which represent approximately R\$ 19.4 million (R\$13.8 million in 3Q22). Since the date this solution was launched to the market, in June 2020, 613 machines have been rented, or 735 contracts, representing R\$195.2 million. Such contracts are valid for 12 to 24 months.

In 3Q23 The German subsidiary BW has received significant new orders, leading to a substantial increase in Order Entry. These new orders are expected to materialize throughout 2024.

The Cast and Machined Cast Iron Parts Unit had a reduction of 52.3 % in incoming orders, primarily due to a decrease in new projects related to the wind power sector. This is largely

due to the impact of declining electricity prices, which has prompted a review or postponement of certain projects.

## Order Backlog

Order Backlog (R\$ 000) Gross Values, sales taxes included	3Q22	2Q23	3Q23	Chg. 3Q23/2Q23	Chg. 3Q23/3Q22
<b>ROMI Machines</b>	394,019	271,745	241,210	-11.2%	-38.8%
<b>Burkhardt+Weber Machines</b>	175,982	199,688	259,707	30.1%	47.6%
<b>Rough and Machined Cast Iron Parts</b>	246,154	62,966	56,369	-10.5%	-77.1%
<b>Total *</b>	<b>816,155</b>	<b>534,400</b>	<b>557,286</b>	<b>4.3%</b>	<b>-31.7%</b>

At the end of the third quarter of 2023, the order backlog dropped by 31.7% compared to the same period in 2022. However, when compared to 2Q23, the Burkhardt-Weber Machinery Unit showed an important recovery in order entry in 3Q23, presenting an increase of 4.3%.

## Operational Performance

### Net Operating Revenue by Business Unit

The net operating revenue posted in 3Q23 reached R\$272.8 million, a 31.6% decrease in comparison with 3Q22, especially as a consequence of lower sales of large parts at the Rough and Machined Cast Iron Parts Business Unit.

Net Operating Revenue (R\$ 000)	Quarter					Accumulated		
	3Q22	2Q23	3Q23	Chg. 3Q23/2Q23	Chg. 3Q23/3Q22	9M22	9M23	Chg. 23/22
<b>ROMI Machines</b>	227,557	202,947	193,997	-4.4%	-14.7%	608,088	562,186	-7.5%
<b>Burkhardt+Weber Machines</b>	22,333	45,900	29,345	-36.1%	31.4%	76,595	90,868	18.6%
<b>Rough and Machined Cast Iron Parts</b>	148,800	59,789	49,453	-17.3%	-66.8%	371,404	187,532	-49.5%
<b>Total</b>	<b>398,690</b>	<b>308,636</b>	<b>272,795</b>	<b>-11.6%</b>	<b>-31.6%</b>	<b>1,056,087</b>	<b>840,586</b>	<b>-20.4%</b>

### ROMI MACHINES

This Business Unit's net operating revenue reached R\$193.9 million in 3Q23, showing a reduction of 14.7% when compared to 3Q22, 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\$29.3 million in 3Q23, a volume 31.4% higher when compared to 3Q22, reflecting the increase in revenues from technical assistance services and spare parts.

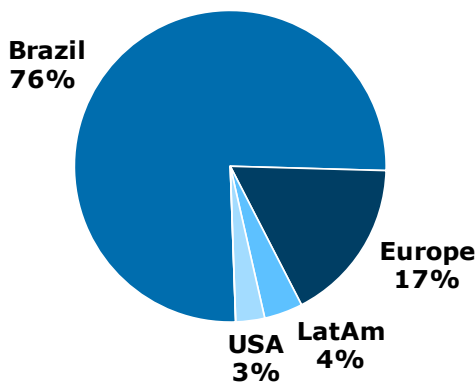
## ROUGH AND MACHINED CAST IRON PARTS

The net operating revenue of this Business Unit was R\$49.4 million in 3Q23, which represents a volume 66.8% lower compared to 3Q22, due to the already mentioned reduction in the business related to large rough and machined cast iron parts for the wind energy sector.

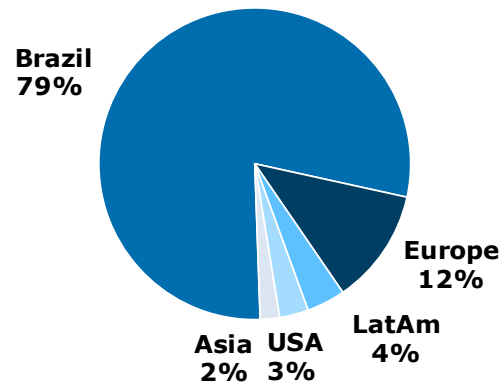
## Net Operating Revenue per Geographical Region

The domestic market accounted for 76% of ROMI's consolidated revenue in 9M23 (79% in 9M22). When considering the revenue generated from foreign markets, which includes sales by ROMI subsidiaries abroad (Germany, China, United States, Italy, United Kingdom, France, Mexico and Spain) as well as direct sales to other markets, the distribution of ROMI's consolidated revenue by geographical region was as follows:

9M23



9M22



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

Foreign Sales	Quarterly					Accumulated		
	3Q22	2Q23	3Q23	Chg. 3Q23/2Q23	Chg. 3Q23/3Q22	9M22	9M23	Chg. 23/22
Net Sales (R\$ million)	81.3	86.2	61.2	-29.0%	-24.7%	231.0	200.7	-13.1%
Net Sales (US\$ million)	15.5	17.1	12.2	-28.7%	-21.3%	45.4	39.7	-12.6%

## Gross and Operating Margins

The gross margin obtained in 3Q23 was 29.6%, a decrease of 4.8 p.p. compared to 3Q22, mainly due to the significant reduction in the revenue volume of the Rough and Machined Cast Iron Parts Unit. The Adjusted Operating Margin (EBIT) decreased by 10 p.p. in the same period. Year-to-date, the gross margin recorded a slight reduction of 0.3 percentage points, while the operating margin (EBIT) posted a drop of 3.8 percentage points.

Gross Margin	Quarterly					Accumulated		
	3Q22	2Q23	3Q23	Chg.pp 3Q23/2Q23	Chg.pp 3Q23/3Q22	9M22	9M23	Chg. pp 2023/2022
ROMI Machines	41.3%	37.6%	40.5%	2.9	(0.8)	39.9%	41.8%	1.9
Burkhardt+Weber Machines	6.2%	15.2%	14.9%	(0.3)	8.7	-0.9%	14.0%	14.9
Rough and Machined Cast Iron Parts	28.0%	13.7%	-4.7%	(18.4)	(32.7)	23.0%	5.4%	(17.6)
<b>Total</b>	<b>34.3%</b>	<b>29.7%</b>	<b>29.6%</b>	<b>(0.1)</b>	<b>(4.8)</b>	<b>31.0%</b>	<b>30.7%</b>	<b>(0.3)</b>

EBIT Margin - Adjusted	Quarterly					Accumulated		
	3Q22	2Q23	3Q23	Chg.pp 3Q23/2Q23	Chg.pp 3Q23/3Q22	9M22	9M23	Chg. pp 2023/2022
ROMI Machines	21.7%	16.1%	19.5%	3.4	(2.3)	19.3%	20.5%	1.2
Burkhardt+Weber Machines	-50.2%	-7.3%	-24.0%	(16.7)	26.2	-44.2%	-21.0%	23.2
Rough and Machined Cast Iron Parts	20.4%	-4.2%	-22.6%	(18.3)	(43.0)	14.6%	-10.2%	(24.8)
<b>Total</b>	<b>17.2%</b>	<b>8.7%</b>	<b>7.2%</b>	<b>(1.5)</b>	<b>(10.0)</b>	<b>13.0%</b>	<b>9.2%</b>	<b>(3.8)</b>

(\* ) 3Q22, 2Q23 and 3Q23: EBIT and EBITDA are adjusted by the amounts of R\$ 9,464, R\$ 6,806 and R\$ 22,874, respectively; and Profit by the amounts of R\$ 9,149, R\$ 6,589 and R\$ 22,143, respectively, referring to the recognition of the impacts of the Vila ROMI Residence project.

9M22 and 9M23: EBIT AND EBITDA are adjusted by the amounts of R\$9,464 and R\$35,958, respectively, and Profit by the amounts of R\$9,149 and R\$34,809, respectively, referring to the recognition of the impacts of the Vila ROMI Residence project, as described in the section "Vila ROMI Residence".

## ROMI MACHINES

The gross margin of this Business Unit in 3Q23 showed a high level due to the revenue mix, with a greater presence in the domestic market and rental machines. The rapid adaptation to new levels of demand and control of operating expenses resulted in the stability of the gross margin and a slight drop of 2.3 pp in the operating margin when compared to the same quarter in 2022. Year-to-date, gross margins and EBIT increased by 1.9 p.p. and 1.2 p.p. respectively.

## BURKHARDT + WEBER MACHINES

The gross margin and operating margin of this Business Unit in 3Q23 showed a significant improvement of 8.7 p.p. and 26.2 p.p., respectively, compared to 3Q22. Both periods had very low net operating revenues, due to the lack of significant delivery of machines. However, the improvement in operational efficiency in 2023 is beginning to show concrete progress in results. Year-to-date, gross margins and EBIT increased by 14.9 p.p. and 23.2 p.p. respectively.

## ROUGH AND MACHINED CAST IRON PARTS

In 3Q23, the gross margin of this Business Unit decreased by 32.7 p.p. compared to 3Q22, and its operating margin (EBIT) decreased by 43.0 p.p. in the same comparison period. This reduction is due to lower volume of revenue and production in 3Q23, and to the expenses with adapting the structure to a lower level of production expected in 2023, since this business unit has a significant fixed cost. Year-to-date, the gross margins and EBIT fell by 17.6 p.p. and 24.8 p.p. respectively.

### EBITDA and EBITDA Margin

In 3Q23, the operating cash generation as measured by adjusted EBITDA amounted to R\$32.8 million, representing an EBITDA margin of 12.1% in the quarter, as shown in the table below:

Reconciliation of Net Income to EBITDA (R\$ 000)	Quarterly					Accumulated		
	3Q22	2Q23	3Q23	Chg. 3Q23/2Q23	Chg. 3Q23/3Q22	9M22	9M23	Chg. 2023/2022
<b>Net Income</b>	<b>64,920</b>	<b>32,625</b>	<b>44,491</b>	36.4%	-31.5%	128,424	113,246	-11.8%
Income tax and social contributions	18,059	1,998	2,364	18.3%	-86.9%	30,453	9,580	-68.5%
Net Financial Income	(4,912)	(1,062)	(4,442)	318.3%	-9.6%	(11,900)	(9,807)	-17.6%
Depreciation and amortization	14,001	14,477	13,355	-7.8%	-4.6%	37,652	42,458	12.8%
<b>EBITDA</b>	<b>92,068</b>	<b>48,038</b>	<b>55,768</b>	16.1%	-39.4%	184,629	155,477	-15.8%
<b>EBITDA Margin</b>	<b>23.1%</b>	<b>15.6%</b>	<b>20.4%</b>	31.3%	-11.5%	17.5%	18.5%	5.8%
<b>EBITDA - Adjusted (*)</b>	<b>82,604</b>	<b>41,232</b>	<b>32,894</b>	-20.2%	-60.2%	175,165	119,519	-31.8%
<b>EBITDA Margin - Adjusted (*)</b>	<b>20.7%</b>	<b>13.4%</b>	<b>12.1%</b>	-9.7%	-41.8%	16.6%	14.2%	-14.3%
<b>Total Net Operating Revenue</b>	<b>398,690</b>	<b>308,636</b>	<b>272,795</b>	<b>-11.6%</b>	<b>-31.6%</b>	<b>1,056,087</b>	<b>840,586</b>	<b>-20.4%</b>

(\*) 3Q22, 2Q23 and 3Q23: EBIT and EBITDA adjusted by the amounts of R\$ 9,464, R\$ 6,806 and R\$ 22,874, respectively; and Profit by the amounts of R\$ 9,149, R\$ 6,589 and R\$ 22,143, respectively, referring to the recognition of the impacts of the Vila ROMI Residence project.

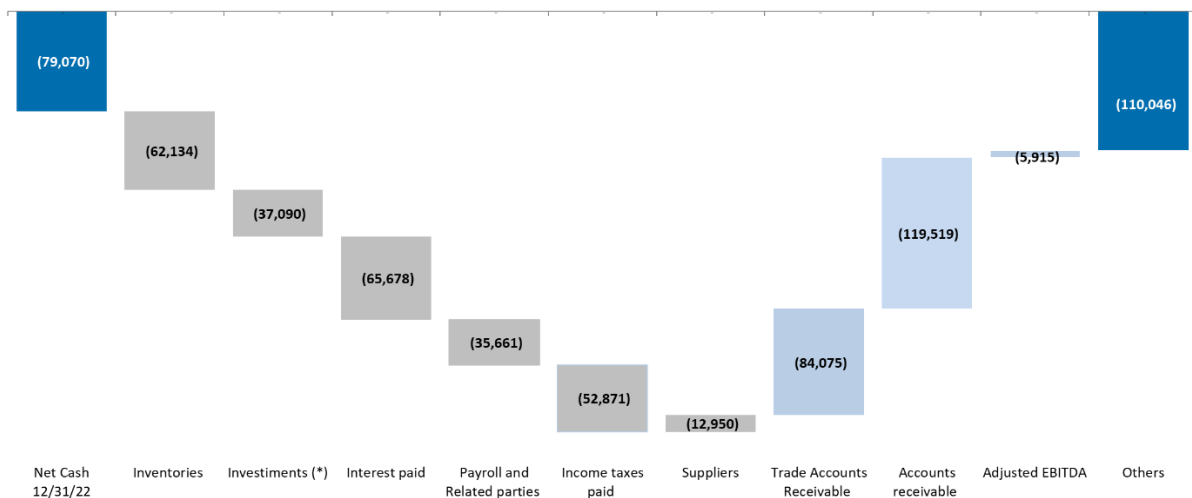
9M22 and 9M23: adjusted EBIT AND EBITDA in the amounts of R\$9,464 and R\$35,958, respectively, and net profit in the amounts of R\$9,149 and R\$34,809, respectively, referring to the recognition of the impacts of the Vila ROMI Residence project, as described in the section "Vila ROMI Residence".

### Adjusted Profit for the Period

The adjusted profit for 3Q23 was R\$ 22,3 million, a decrease of 59,9% compared to the same period in 3Q22, impacted by the results of the Rough and Machined Cast Iron Parts Unit.

## Evolution of Net Cash (Debt) Position

The main changes in net cash position during 9M23, 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.

During 9M23, the net cash (debt) position had the following main variations:

- The investments made in 9M23 were focused on enhancing the maintenance, productivity, flexibility and competitiveness of our manufacturing facilities, with particular emphasis on the new machine rental business; and
- Increase in inventories due to the prospects for production volume and the larger portfolio of the German subsidiary B+W. Volume adjustments were made and in 3Q23 we can already see the beginning of its reduction;
- Payments of interest on capital and interim dividends, declared in December 2022 and January, March, June and September 2023, paid during the year, amounting to R\$65.7 million;
- Decrease in trade accounts receivable, mainly due to the reduction in the parent company's revenue.

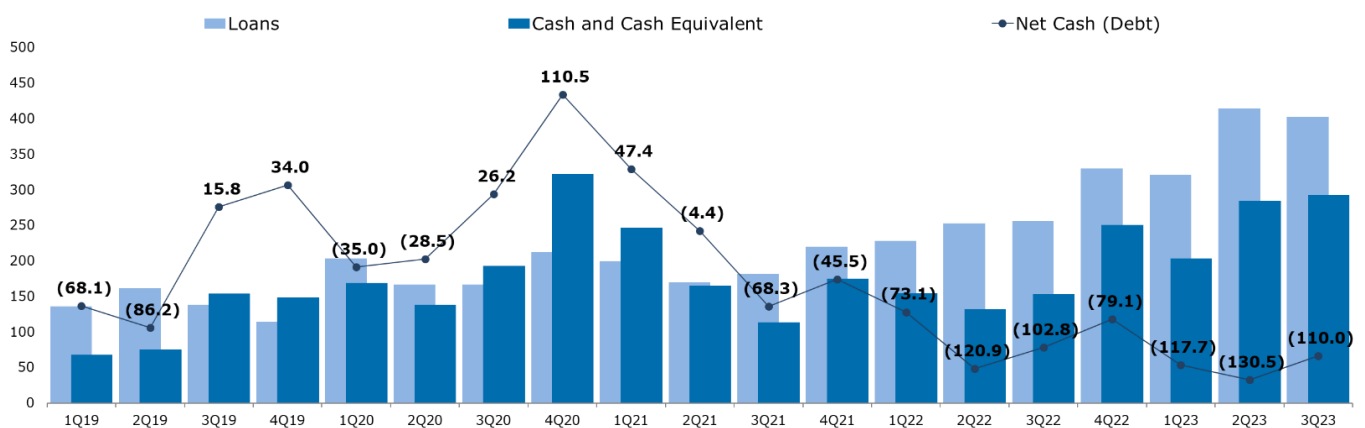
## Financial Position

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 September 30, 2023, the amount of financing in local currency was R\$212.4 million, and in foreign currency R\$190.5 million, totaling R\$402.9 million, of which R\$127.0 million maturing in up to 12 months.

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 September 30, 2023 was negative by R\$110.0 million.

As at September 30, 2023, the Company recorded R\$292.8 million as cash and cash equivalents and short-term investments.

**Net Cash (Debt) Position** R\$ million



The balances recorded under "Finame Manufacturer Financing" are not used in the calculation of the Company's net debt. As at September 30, 2023, the Company did not have any derivative transactions.

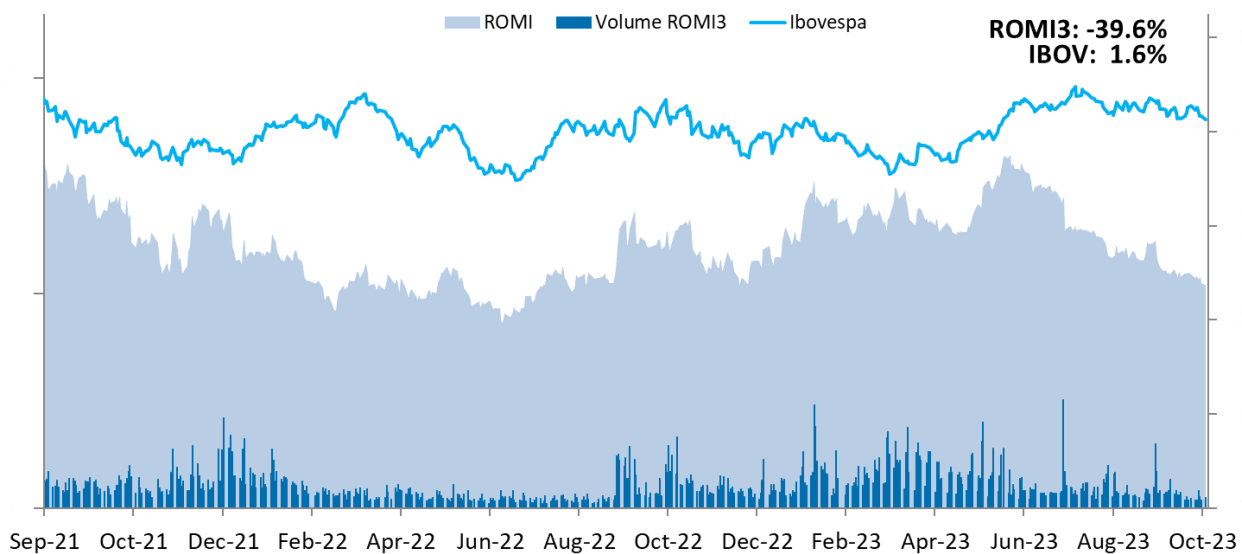
## Capital Markets

### Share Performance ROMI3 x Ibovespa

Period: September 30, 2021 to October 23, 2023

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

**Source:** Brasil, Bolsa e Balcão (B3).



On October 23, 2023 the Company's common shares (ROMI3), which were quoted at R\$11.57, posted devaluation of 39.6% since September 30, 2021 and 25.0% since December 29, 2022. The Bovespa Index (Ibovespa) went up 1.6% and 2.8%, respectively, in the same periods. The Company's market capitalization on October 23, 2023 was R\$1,026.6 billion. The average daily trading volume during 3Q23 was R\$8.2 million.



## Vila Romi Residence

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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 300m<sup>2</sup> and 884m<sup>2</sup>, whose delivery and completion forecast is by the end of 2024. Currently, 344 lots have been sold, with the General Sales Value (“GSV”) estimated at around R\$133 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\$43.6 million (amount plus monetary adjustment and interest), of which R\$8.8 million are recorded under trade accounts receivable, in current assets.

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.

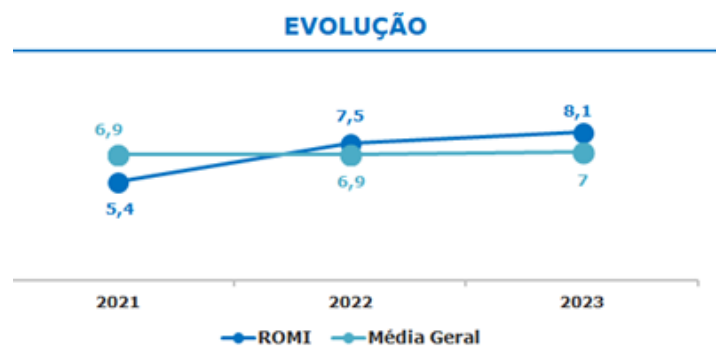
As at September 30, 2023, the percentage of completion of the works was 62.2% according to the aforementioned construction measurement report, which resulted in the following impacts on the financial statements:

**(i) Net operating revenue/EBIT/EBITDA:** R\$35.9 million; and **(ii) Profit for the period:** R\$ 34.8 million.

## ESG at ROMI

Since 2021, ROMI has been part of the Business Pact for Integrity and Against Corruption, an initiative of the Ethos Institute, through which it undertakes to follow strict internal control, assuming the commitment to comply with and disclose anti-corruption legislation to its stakeholders.

After joining the pact, ROMI joined the Ethos Institute and has continuously improved its practices, based on the institute's diagnosis and recommendations. In 2021, in its first diagnosis, Romi obtained a score of 5.4; in 2022, after implementing several ESG practices, it increased its score to 7.5 and, in 2023, maintaining the continuous improvement of its practices, it obtained a score of 8.1, according to the Thematic Guide's Diagnostic Report: Integrity, Prevention and Fight against Corruption.



During this quarter, ROMI developed several actions with the aim of promoting the culture of Diversity and Inclusion, which ranged from specialized training for employees to conducting the First Diversity and Inclusion Census, which will enable the formulation of strategies and initiatives for strengthening equity, inclusion and representation of minority groups in the company in the coming years.

To check all the actions carried out by the company in all ESG pillars, visit [www.romi.com/esg/](http://www.romi.com/esg/).

### Consolidated Balance Sheet

IFRS (R\$ 000)

	09/30/22	12/31/22	06/30/23	09/30/23	LIABILITIES AND SHAREHOLDER'S EQUITY			
ASSETS	09/30/22	12/31/22	06/30/23	09/30/23	09/30/22	12/31/22	06/30/23	09/30/23
<b>CURRENT</b>	<b>1,326,286</b>	<b>1,388,934</b>	<b>1,410,441</b>	<b>1,396,962</b>	<b>714,791</b>	<b>597,847</b>	<b>611,364</b>	<b>603,518</b>
Cash and cash equivalents	109,497	131,999	247,248	260,649	64,963	53,714	134,781	127,002
Financial investments	43,471	118,814	36,789	32,188	142,990	154,076	161,602	160,562
Trade accounts receivable	233,521	275,323	185,205	185,106	203,581	135,557	100,832	82,686
Outstanding of Fime manufacturer financing	152,703	162,993	170,319	168,986	57,833	48,850	45,861	51,246
Inventories	727,582	640,797	711,012	702,931	34,163	37,397	10,310	12,867
Recoverable taxes	39,495	41,880	36,675	25,549	142,422	106,404	109,203	119,354
Other receivables	20,017	17,128	23,193	21,553	5,743	9,406	2,685	3,761
Judicial Deposits	-	-	-	-	22,110	15,130	16,496	15,791
					2,406	2,683	2,606	2,556
					38,580	34,630	26,988	27,696
<b>NON CURRENT</b>	<b>370,365</b>	<b>369,461</b>	<b>372,371</b>	<b>372,754</b>	<b>444,656</b>	<b>551,688</b>	<b>554,861</b>	<b>537,238</b>
Trade accounts receivable	31,243	28,571	32,016	34,713	190,842	276,169	279,780	275,882
Outstanding of Fime manufacturer financing	217,661	243,845	237,779	231,913	216,469	237,055	237,888	224,306
Recoverable taxes	74,941	56,440	58,620	59,805	33,908	35,440	33,026	33,021
Deferred income and social contribution taxes	26,871	19,006	24,113	26,266	281	270	411	650
Judicial Deposits	12,200	12,200	12,135	12,125	3,156	2,754	3,756	3,380
Other receivables	7,449	9,399	7,709	7,932				
<b>INVESTMENTS</b>					<b>1,016,966</b>	<b>1,093,127</b>	<b>1,107,182</b>	<b>1,134,295</b>
Property, Plant and Equipment	415,522	420,275	431,391	447,072	771,454	771,454	904,772	904,772
Investment Properties	16,004	15,251	15,251	15,183	178,117	248,144	134,722	161,231
Intangible assets	49,820	51,012	45,668	44,910	67,395	73,529	67,688	68,292
<b>NON CONTROLLING INTERESTS</b>					<b>1,584</b>	<b>2,271</b>	<b>1,716</b>	<b>1,829</b>
<b>TOTAL SHAREHOLDER'S EQUITY</b>	<b>2,177,997</b>	<b>2,244,933</b>	<b>2,275,123</b>	<b>2,276,880</b>	<b>1,018,550</b>	<b>1,095,398</b>	<b>1,108,898</b>	<b>1,136,124</b>
<b>TOTAL ASSETS</b>	<b>2,177,997</b>	<b>2,244,933</b>	<b>2,275,123</b>	<b>2,276,880</b>	<b>TOTAL LIABILITIES AND SHAREHOLDER'</b>	<b>2,177,997</b>	<b>2,244,933</b>	<b>2,275,123</b>
					<b>2,275,123</b>	<b>2,244,933</b>	<b>2,275,123</b>	<b>2,276,880</b>

Consolidated Income Statement IFRS (R\$ thousand)	3Q22	2Q23	3Q23	Chg. 3Q23/2Q23	Chg. 3Q23/3Q22	9M22	9M23	Chg. 2023/2022
<b>Net Operating Revenue</b>	<b>398,690</b>	<b>308,636</b>	<b>272,795</b>	-11.6%	<b>-31.6%</b>	<b>1,056,087</b>	<b>840,586</b>	<b>-20.4%</b>
Cost of Goods Sold	(261,833)	(261,833)	(192,113)	-11.5%	-26.6%	(728,658)	(582,580)	-20.0%
<b>Gross Profit</b>	<b>136,857</b>	<b>136,857</b>	<b>80,682</b>	<b>-11.9%</b>	<b>-41.0%</b>	<b>327,429</b>	<b>258,006</b>	<b>-21.2%</b>
	<b>Gross Margin %</b>	<b>34.3%</b>	<b>34.3%</b>	<b>29.6%</b>		<b>31.0%</b>	<b>30.7%</b>	
<b>Operating revenues (expenses)</b>	<b>(58,790)</b>	<b>(58,790)</b>	<b>(38,269)</b>	<b>-34.0%</b>	<b>-34.9%</b>	<b>(180,452)</b>	<b>(144,987)</b>	<b>-19.7%</b>
Selling expenses	(34,181)	(34,181)	(27,896)	-3.5%	-18.4%	(92,182)	(82,232)	-10.8%
Research and development expenses	(7,441)	(7,441)	(6,769)	-20.1%	-9.0%	(22,110)	(22,922)	3.7%
General and administrative expenses	(22,791)	(22,791)	(24,326)	-4.2%	6.7%	(66,457)	(70,296)	5.8%
Management profit sharing and compensation	(4,842)	(4,842)	(3,283)	-5.5%	-32.2%	(11,820)	(10,275)	-13.1%
Other operating income, net	10,465	10,465	24,005	190.8%	129.4%	12,117	40,738	236.2%
<b>Operating Income (loss) before Financial Results</b>	<b>78,067</b>	<b>78,067</b>	<b>42,413</b>	<b>26.4%</b>	<b>-45.7%</b>	<b>146,977</b>	<b>113,019</b>	<b>-23.1%</b>
	<b>Operating Margin %</b>	<b>19.6%</b>	<b>19.6%</b>	<b>15.5%</b>		<b>13.9%</b>	<b>13.4%</b>	
<b>Operating Income (loss) before Financial Results - Adjusted (*)</b>	<b>68,603</b>	<b>68,603</b>	<b>19,539</b>	<b>-27.0%</b>	<b>-71.5%</b>	<b>137,513</b>	<b>77,061</b>	<b>-44.0%</b>
	<b>Operating Margin % - Adjusted (*)</b>	<b>17.2%</b>	<b>17.2%</b>	<b>7.2%</b>		<b>13.0%</b>	<b>9.2%</b>	
<b>Financial Results, Net</b>	<b>4,912</b>	<b>4,912</b>	<b>4,442</b>	<b>318.3%</b>	<b>-9.6%</b>	<b>11,900</b>	<b>9,807</b>	<b>-17.6%</b>
Financial income	6,007	6,007	9,225	27.7%	53.6%	13,489	26,239	94.5%
Financial expenses	(3,459)	(3,459)	(6,249)	-6.4%	80.7%	(10,283)	(18,963)	84.4%
Exchange gain (loss), net	2,364	2,364	1,466	184.1%	-38.0%	8,694	2,531	-70.9%
<b>Operations Operating Income</b>	<b>82,979</b>	<b>82,979</b>	<b>46,855</b>	<b>35.3%</b>	<b>-43.5%</b>	<b>158,877</b>	<b>122,826</b>	<b>-22.7%</b>
Income tax and social contribution	(18,059)	(18,059)	(2,364)	18.3%	-86.9%	(30,453)	(9,580)	-68.5%
<b>Income (loss) for Continued Operation</b>	<b>64,920</b>	<b>64,920</b>	<b>44,491</b>	<b>36.4%</b>	<b>-31.5%</b>	<b>128,424</b>	<b>113,246</b>	<b>-11.8%</b>
	<b>Net Margin %</b>	<b>16.3%</b>	<b>16.3%</b>	<b>16.3%</b>		<b>12.2%</b>	<b>13.5%</b>	
<b>Net income - Adjusted (*)</b>	<b>55,771</b>	<b>55,771</b>	<b>22,348</b>	<b>-14.2%</b>	<b>-59.9%</b>	<b>119,275</b>	<b>78,437</b>	<b>-34.2%</b>
	<b>Net Margin % - Adjusted (*)</b>	<b>14.0%</b>	<b>14.0%</b>	<b>8.2%</b>		<b>11.3%</b>	<b>9.3%</b>	
<b>Net profit (loss) concerning:</b>								
Controlling interests	64,792	64,792	44,379	36.6%	-31.5%	128,061	112,875	-11.9%
Non controlling interests	128	128	112	-12.5%	-12.5%	364	372	2.2%
<b>EBITDA</b>	<b>92,068</b>	<b>92,068</b>	<b>55,768</b>	<b>16.1%</b>	<b>-39.4%</b>	<b>184,629</b>	<b>155,477</b>	<b>-15.8%</b>
Profit (loss) for the period	64,920	64,920	44,491	36.4%	-31.5%	128,424	113,246	-11.8%
Income tax and social contribution	18,059	18,059	2,364	18.3%	-86.9%	30,453	9,580	-68.5%
Financial result, net	(4,912)	(4,912)	(4,442)	318.3%	-9.6%	(11,900)	(9,807)	-17.6%
Depreciation and amortization	14,001	14,001	13,355	-7.8%	-4.6%	39,220	42,458	8.3%
	<b>EBITDA Margin %</b>	<b>23.1%</b>	<b>23.1%</b>	<b>20.4%</b>		<b>17.5%</b>	<b>18.5%</b>	
<b>EBITDA - Adjusted (*)</b>	<b>82,604</b>	<b>82,604</b>	<b>32,894</b>	<b>-20.2%</b>	<b>-60.2%</b>	<b>175,165</b>	<b>119,519</b>	<b>-31.8%</b>
	<b>EBITDA Margin % - Adjusted (*)</b>	<b>20.7%</b>	<b>20.7%</b>	<b>12.1%</b>		<b>16.6%</b>	<b>14.2%</b>	
Nº of shares in capital stock (th)	73,603	73,603	88,734			73,603	88,734	
Profit (loss) per share - R\$	0.88	0.88	0.50			1.74	1.27	-26.9%

**Consolidated Cash Flow Statement**  
IFRS (R\$ thousand)

	3Q22	2Q23	3Q23	9M22	9M23
<b>Cash from operating activities</b>					
<b>Net Income before taxation</b>	<b>82,979</b>	<b>34,623</b>	<b>46,856</b>	<b>158,877</b>	<b>122,827</b>
Financial expenses and exchange gain	(19,466)	1,380	(6,641)	2,208	(6,063)
Depreciation and amortization	14,001	14,477	13,355	39,220	42,458
Allowance for doubtful accounts and other receivables	(481)	508	1,884	(1,143)	1,748
Proceeds from sale of fixed assets and intangibles	(4,287)	(6,897)	(15,692)	(5,804)	(25,645)
Provision for inventory realization	259	(1,525)	(1,539)	(2,989)	(1,365)
Reserve for contingencies	55	50	163	895	375
Trade accounts receivable	(10,982)	3,893	(963)	(34,799)	88,901
Onlending of Finame manufacturer financing	(12,579)	(790)	6,403	2,211	6,025
Inventories	(81,791)	4,804	10,018	(187,892)	(60,508)
Recoverable taxes, net	(11,581)	6,578	7,787	(11,343)	5,706
Judicial deposits	(37)	77	10	(103)	75
Other receivables	12,529	(2,631)	5,953	6,254	5,595
Trade accounts payable	30,488	(21,234)	(16,712)	84,462	(50,616)
Payroll and related taxes	10,320	10,798	5,385	11,771	2,396
Taxes payable	(3,127)	(417)	4,341	(23,551)	(868)
Advances from customers	22,132	(16,153)	10,151	38,425	12,950
Other payables	2,700	2,267	1,448	(7,428)	(12,037)
<b>Cash provided by (used in) operating activities</b>	<b>31,132</b>	<b>29,808</b>	<b>72,207</b>	<b>69,271</b>	<b>131,954</b>
Income tax and social contribution paid	(875)	(7,591)	(4,153)	(1,436)	(35,661)
<b>Net Cash provided by (used in) operating activities</b>	<b>30,257</b>	<b>22,217</b>	<b>68,054</b>	<b>67,835</b>	<b>96,293</b>
Financial Investments	(934)	(14,427)	4,601	31,315	86,626
Purchase of fixed assets	(33,444)	(31,018)	(39,871)	(101,863)	(92,309)
Sales of fixed assets	5,294	14,224	28,493	9,335	52,347
Purchase of intangible assets	-	(181)	(4)	(120)	(185)
<b>Net cash Used in Investing Activities</b>	<b>(29,084)</b>	<b>(31,402)</b>	<b>(6,781)</b>	<b>(61,333)</b>	<b>46,479</b>
Interest on capital paid	(15,017)	(18,548)	(18,581)	(46,276)	(66,493)
New loans and financing	39,420	102,910	-	86,065	102,910
Payments of loans and financing	(2,896)	(10,207)	(9,827)	(21,304)	(27,673)
Interests paid (including Finame manufacturer financing)	(16,880)	(12,943)	(30,980)	(39,478)	(55,522)
New loans in Finame manufacturer	64,225	60,187	14,443	140,520	122,160
Payment of Finame manufacturer financing	(39,474)	(45,423)	(2,327)	(118,031)	(86,906)
<b>Net Cash provided by (used in) Financing Activities</b>	<b>29,378</b>	<b>75,976</b>	<b>(47,272)</b>	<b>1,496</b>	<b>(11,524)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>30,551</b>	<b>66,791</b>	<b>14,001</b>	<b>7,998</b>	<b>131,248</b>
Exchange variation changes on cash and cash equivalents abroad	(10,663)	(531)	(600)	1,588	(2,598)
<b>Cash and cash equivalents - beginning of period</b>	<b>89,609</b>	<b>180,990</b>	<b>247,248</b>	<b>99,911</b>	<b>131,999</b>
<b>Cash and cash equivalents - end of period</b>	<b>109,497</b>	<b>247,248</b>	<b>260,649</b>	<b>109,497</b>	<b>260,649</b>

## Attachment I – Income Statement by Business Unit

### Income Statement by Business Units - 3Q23

R\$ 000	ROMI Machines	Burkhardt + Weber Machines	Rough and Machined Cast Iron Parts	Total
<b>Net Operating Revenue</b>	<b>193,997</b>	<b>29,345</b>	<b>49,453</b>	<b>272,795</b>
<b>Cost of Sales and Services</b>	(98,363)	(24,962)	(68,788)	(192,113)
Business Units Transfers	208	-	17,214	17,423
Business Units Transfers	(17,214)	-	(208)	(17,423)
<b>Gross Profit</b>	<b>78,628</b>	<b>4,383</b>	<b>(2,329)</b>	<b>80,682</b>
	<i>Gross Margin %</i>	<i>14.9%</i>	<i>-4.7%</i>	<i>29.6%</i>
<b>Operating Expenses</b>	<b>(40,883)</b>	<b>(11,423)</b>	<b>(8,837)</b>	<b>(61,143)</b>
Selling	(21,921)	(4,471)	(1,504)	(27,896)
General and Administrative	(12,667)	(6,952)	(4,707)	(24,326)
Research and Development	(5,319)	-	(1,450)	(6,769)
Management profit sharing	(2,107)	-	(1,176)	(3,283)
Other operating revenue	1,131	-	-	1,131
<b>Operating loss before Financial Results - Adjusted (*)</b>	<b>37,745</b>	<b>(7,040)</b>	<b>(11,166)</b>	<b>19,539</b>
	<i>Operating Margin % - Adjusted (*)</i>	<i>-24.0%</i>	<i>-22.6%</i>	<i>7.2%</i>
Depreciation and amortization	7,427	2,191	3,737	13,355
<b>EBITDA - Adjusted (*)</b>	<b>45,172</b>	<b>(4,849)</b>	<b>(7,429)</b>	<b>32,894</b>
	<i>EBITDA Margin % - Adjusted (*)</i>	<i>23.3%</i>	<i>-16.5%</i>	<i>12.1%</i>

### Income Statement by Business Units - 3Q22

R\$ 000	Romi Machines	Burkhardt + Weber Machines	Rough and Machined Cast Iron Parts	Total
<b>Net Operating Revenue</b>	<b>227,557</b>	<b>22,333</b>	<b>148,800</b>	<b>398,690</b>
<b>Cost of Sales and Services</b>	(96,455)	(31,421)	(133,957)	(261,833)
Business Units Transfers	372	10,464	27,141	37,976
Business Units Transfers	(37,605)	-	(372)	(37,976)
<b>Gross Profit</b>	<b>93,869</b>	<b>1,376</b>	<b>41,612</b>	<b>136,857</b>
	<i>Gross Margin %</i>	<i>6.2%</i>	<i>28.0%</i>	<i>34.3%</i>
<b>Operating Expenses</b>	<b>(44,461)</b>	<b>(12,590)</b>	<b>(11,202)</b>	<b>(68,253)</b>
Selling	(28,098)	(4,313)	(1,770)	(34,181)
General and Administrative	(9,369)	(8,277)	(5,145)	(22,791)
Research and Development	(5,466)	-	(1,975)	(7,441)
Management profit sharing	(2,531)	-	(2,312)	(4,842)
Other operating revenue	1,002	-	-	1,002
<b>Operating Income (loss) before Financial Results Adjusted (*)</b>	<b>49,408</b>	<b>(11,214)</b>	<b>30,411</b>	<b>68,604</b>
	<i>Operating Margin % - Adjusted (*)</i>	<i>-50.2%</i>	<i>20.4%</i>	<i>17.2%</i>
Depreciation and amortization	6,676	3,625	3,700	14,001
<b>EBITDA</b>	<b>56,083</b>	<b>(7,589)</b>	<b>34,110</b>	<b>82,604</b>
	<i>EBITDA Margin % - Adjusted (*)</i>	<i>-34.0%</i>	<i>22.9%</i>	<i>20.7%</i>

(\*) 3Q22 / 3Q23: adjusted for the recognition of revenue from the "Vila Romi Residence" project.

### Income Statement by Business Units - 9M23

R\$ 000	Machines	Burkhardt + Weber	Raw and Machined Cast Iron Parts	Total
<b>Net Operating Revenue</b>	<b>562,186</b>	<b>90,868</b>	<b>187,532</b>	<b>840,586</b>
<b>Cost of Sales and Services</b>	(271,540)	(78,187)	(232,853)	(582,580)
Business Units Transfers	1,512	-	57,036	58,547
Business Units Transfers	(57,036)	-	(1,512)	(58,547)
<b>Gross Profit</b>	<b>235,122</b>	<b>12,681</b>	<b>10,203</b>	<b>258,006</b>
<i>Gross Margin %</i>	<b>41.8%</b>	<b>14.0%</b>	<b>5.4%</b>	<b>30.7%</b>
<b>Operating Expenses</b>	<b>(119,933)</b>	<b>(31,739)</b>	<b>(29,273)</b>	<b>(180,945)</b>
Selling	(65,974)	(11,386)	(4,872)	(82,232)
General and Administrative	(35,256)	(20,353)	(14,687)	(70,296)
Research and Development	(17,306)	-	(5,616)	(22,922)
Management profit sharing	(6,176)	-	(4,099)	(10,275)
Other operating revenue	4,780	-	-	4,780
<b>Operating loss before Financial Results - Adjusted (*)</b>	<b>115,189</b>	<b>(19,058)</b>	<b>(19,070)</b>	<b>77,061</b>
<i>Operating Margin % - Adjusted (*)</i>	<b>20.5%</b>	<b>-21.0%</b>	<b>-10.2%</b>	<b>9.2%</b>
Depreciation and amortization	23,416	7,383	11,659	42,458
<b>EBITDA - Adjusted (*)</b>	<b>138,605</b>	<b>(11,675)</b>	<b>(7,411)</b>	<b>119,519</b>
<i>EBITDA Margin % - Adjusted (*)</i>	<b>24.7%</b>	<b>-12.8%</b>	<b>-4.0%</b>	<b>14.2%</b>

### Income Statement by Business Units - 9M22

R\$ 000	Machines	Burkhardt + Weber	Raw and Machined Cast Iron Parts	Total
<b>Net Operating Revenue</b>	<b>608,088</b>	<b>76,595</b>	<b>371,404</b>	<b>1,056,087</b>
<b>Cost of Sales and Services</b>	(290,054)	(87,783)	(350,821)	(728,658)
Business Units Transfers	775	10,464	65,627	76,866
Business Units Transfers	(76,091)	-	(775)	(76,866)
<b>Gross Profit</b>	<b>242,717</b>	<b>(724)</b>	<b>85,436</b>	<b>327,429</b>
<i>Gross Margin %</i>	<b>39.9%</b>	<b>-0.9%</b>	<b>23.0%</b>	<b>31.0%</b>
<b>Operating Expenses</b>	<b>(125,591)</b>	<b>(33,111)</b>	<b>(31,214)</b>	<b>(189,916)</b>
Selling	(75,390)	(12,167)	(4,625)	(92,182)
General and Administrative	(30,292)	(20,944)	(15,221)	(66,457)
Research and Development	(16,310)	-	(5,800)	(22,110)
Management profit sharing	(6,253)	-	(5,568)	(11,821)
Other operating revenue	2,654	-	-	2,654
<b>Operating Income before Financial Results - Adjusted (*)</b>	<b>117,127</b>	<b>(33,835)</b>	<b>54,222</b>	<b>137,513</b>
<i>Operating Margin % - Adjusted (*)</i>	<b>19.3%</b>	<b>-44.2%</b>	<b>14.6%</b>	<b>13.0%</b>
Depreciation and amortization	18,080	9,134	10,438	37,652
<b>EBITDA - Adjusted (*)</b>	<b>135,206</b>	<b>(24,701)</b>	<b>64,660</b>	<b>175,165</b>
<i>EBITDA Margin % - Adjusted (*)</i>	<b>22.2%</b>	<b>-32.2%</b>	<b>17.4%</b>	<b>16.6%</b>

(\*) 9M22 / 9M23: adjusted for the recognition of revenue from the "Vila Romi Residence" project.

## Attachment II - Financial Statements of BW

### Balance Sheet BW

(€ Mil)

<b>ASSETS</b>	<b>30/09/22</b>	<b>31/12/22</b>	<b>30/06/23</b>	<b>30/09/23</b>
<b>CURRENT</b>	<b>29,208</b>	<b>28,454</b>	<b>32,815</b>	<b>33,758</b>
Cash and Cash equivalents	121	291	110	194
Trade accounts receivable	6,910	12,892	7,890	4,528
Inventories	18,595	12,697	21,566	25,623
Recoverable taxes	753	697	510	553
Deferred income and social contribution taxes	1,634	1,035	1,588	1,913
Related Parties	188	92	42	34
Other receivables	1,007	750	1,109	913
<b>Investments</b>				
Property, plant and equipment	12,225	12,047	12,050	11,846
Investment in subsidiaries	-	-	-	-
Intangible assets	9,264	9,019	8,529	8,341
<b>TOTAL ASSETS</b>	<b>50,697</b>	<b>49,520</b>	<b>53,394</b>	<b>53,945</b>
<b>LIABILITIES AND SHAREHOLDER'S EQUITY</b>	<b>30/09/22</b>	<b>31/12/22</b>	<b>30/06/23</b>	<b>30/09/23</b>
<b>CURRENT</b>	<b>24,212</b>	<b>21,296</b>	<b>26,379</b>	<b>28,065</b>
Loans and financing	2,501	2,727	3,931	2,795
Trade accounts payable	3,941	4,508	4,202	3,758
Payroll and related taxes	1,429	760	1,584	1,537
Taxes payable	461	597	14	184
Advances from customers	11,668	7,965	12,009	15,059
Other payables	3,038	3,369	2,597	2,373
Related Parties	1,174	1,371	2,042	2,360
<b>NON CURRENT</b>	<b>7,601</b>	<b>7,556</b>	<b>8,160</b>	<b>8,115</b>
Loans and financing	3,849	3,849	4,542	4,542
Deferred income and social contribution taxes	3,752	3,707	3,618	3,573
<b>SHAREHOLDER'S EQUITY</b>	<b>18,884</b>	<b>20,669</b>	<b>18,856</b>	<b>17,766</b>
Capital	7,025	7,025	7,025	7,025
Capital reserve	505	505	505	505
Profit reserve	11,354	13,139	11,326	10,236
<b>TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY</b>	<b>50,697</b>	<b>49,520</b>	<b>53,394</b>	<b>53,945</b>



## BW Income Statement

	(€ Mil)			(€ Mil)	
	3Q22	2Q23	3Q23	9M22	9M23
<b>Net Operating Revenue</b>	<b>4,269</b>	<b>8,518</b>	<b>5,532</b>	<b>14,294</b>	<b>16,854</b>
Cost of Goods Sold	(3,833)	(7,221)	(4,708)	(13,735)	(14,499)
<b>Gross Profit</b>	<b>436</b>	<b>1,297</b>	<b>824</b>	<b>559</b>	<b>2,355</b>
<i><b>Gross Margin %</b></i>	<i><b>10.2%</b></i>	<i><b>15.2%</b></i>	<i><b>14.9%</b></i>	<i><b>3.9%</b></i>	<i><b>14.0%</b></i>
<b>Operating Expenses</b>	<b>(2,390)</b>	<b>(1,923)</b>	<b>(2,152)</b>	<b>(6,100)</b>	<b>(5,864)</b>
Selling expenses	(819)	(678)	(843)	(2,257)	(2,109)
General and administrative expenses	(1,572)	(1,245)	(1,309)	(3,843)	(3,755)
<b>Operating Income before Financial Results</b>	<b>(1,955)</b>	<b>(626)</b>	<b>(1,328)</b>	<b>(5,541)</b>	<b>(3,509)</b>
<i><b>Operating Margin %</b></i>	<i><b>-45.8%</b></i>	<i><b>-7.3%</b></i>	<i><b>-24.0%</b></i>	<i><b>-38.8%</b></i>	<i><b>-20.8%</b></i>
<b>Financial Results, Net</b>	<b>(98)</b>	<b>(149)</b>	<b>(131)</b>	<b>(273)</b>	<b>(324)</b>
<b>Operations Operating Income</b>	<b>(2,053)</b>	<b>(775)</b>	<b>(1,459)</b>	<b>(5,814)</b>	<b>(3,833)</b>
Income tax and social contribution	496	190	370	1,610	1,012
<b>Net income</b>	<b>(1,557)</b>	<b>(584)</b>	<b>(1,088)</b>	<b>(4,204)</b>	<b>(2,821)</b>
<i><b>Net Margin %</b></i>	<i><b>-36.5%</b></i>	<i><b>-6.9%</b></i>	<i><b>-19.7%</b></i>	<i><b>-29.4%</b></i>	<i><b>-16.7%</b></i>
<b>EBITDA</b>	<b>(1,457)</b>	<b>(144)</b>	<b>(915)</b>	<b>(4,049)</b>	<b>(2,148)</b>
Net income / loss for the period	(1,557)	(585)	(1,088)	(4,204)	(2,821)
Income tax and social contribution	(496)	(190)	(370)	(1,610)	(1,012)
Financial income, net	98	149	131	273	324
Depreciation and amortization	498	482	413	1,492	1,362
<i><b>EBITDA Margin %</b></i>	<i><b>-34.1%</b></i>	<i><b>-1.7%</b></i>	<i><b>-16.5%</b></i>	<i><b>-28.3%</b></i>	<i><b>-12.7%</b></i>