Interim Financial Information

Plascar Participações Industriais S.A.

As of September 30, 2021

Plascar Participações Industriais S.A.

Individual and consolidated interim financial information
September 30, 2021

Summary

MANAGEMENT REPORT

Performance Overview

The non-financial information included in the report, as well as the derived percentages and information on EBITDA, were not reviewed by our independent auditors.

Amounts expressed in thousands of Reais, unless otherwise stated.

Gross Income

In the 3rd quarter of 2021, the gross margin was 3.6% against 0.5% in the same period of 2020.

Automotive Market

According to data from ANFAVEA, vehicle production in 9M2021 had an increase of 24.0% over the same period in 2020, totaling 1.649 million units in the country. The result represented an increase of 24% compared to the production registered in January-September last year.

Source: ANFÁVEA – BRASIL						
	3ºQ/20	3ºQ/21	VAR. %	Accum/20	Accum/21	VAR. %
VEHICLE PRODUCTION	601	501	-16.6%	1,330	1,649	24.0%
VEHICLE SALES	566	503	-11.0%	1,374	1,578	14.8%

The volume presented is seen by Anfavea as a positive scenario, even though there is concern about the supply of components, whose imbalance that persists in the chain has affected the lines of many assemblers, which have started to regularly stop production.

For the end of the year, the organization, in its latest projection, pointed to a volume of 2.4 million units of cars, light commercial vehicles, trucks and bus chassis. Now, given the situation, ANFAVEA has reduced its projections and reproduced two scenarios that point to a positive variation of 6% to 10% over the total produced in 2020.

In this context, it is worth noting that the production of trucks will have a very expressive result, since its estimated production volume should be between 173 thousand and 175 thousand heavy vehicles (trucks and buses together), indicating an increase between 58% and 60% over the production of 2020, and the highest value since 2013.

ANFAVEA Projection 2021

Vehicles: Automobiles, Light Commercials, Trucks and Buses		Accomplished 2020	2021 (4Q average monthly production of 160k)		2021 (4Q average monthly production of 190k)	
		thousand units	thousand units	Δ %	thousand units	Δ %
Licensing	Total	2,058	2,038	-1	2,118	3
	Light vehicles	1,955	1,906	-2	1,980	1
	Heavy vehicles	104	132	27	138	33
Exports	Total	324	356	10	377	16
	Light vehicles	307	331	8	351	14
	Heavy vehicles	17.4	25.2	45	26.1	50
Production	Total	2,014	2,129	6	2,219	10
	Light vehicles	1,905	1,956	3	2,044	7
	Heavy vehicles	109	173	58	175	60

Net income

The combined result of all the factors mentioned on September 30, 2021 resulted in a negative cash generation (EBITDA) of R$ 1,248 (0.8%) in the 3rd quarter, as shown in the table below:

CONSOLIDATED PLASCAR BRASIL						
Month/Year	Net Sale R$	Gross Margin		EBITDA (Accumulated)		(Loss) Accumulated of the Period (R$)
		R$	% Sales	R$	% Sales	
3Q18	**87,912**	**1,495**	**1.7%**	**(6,535)**	**-7.4%**	**(65,781)**
sep/18	**252,939**	**1,937**	**0.8%**	**(16,763)**	**-6.6%**	**(141,457)**
dec/18	346,821	10,883	3.1%	(85,090)	-24.5%	(257,254)
mar/19	75,160	(5,421)	-7.2%	(13,155)	-17.5%	(57,670)
jun/19	178,242	(2,772)	-1.6%	(12,291)	-6.9%	(102,613)
3Q19	**111,895**	**14,241**	**12.7%**	**5,510**	**4.9%**	**(24,068)**
sep/19	**290,137**	**11,469**	**4.0%**	**(6,781)**	**-2.3%**	**(126,681)**
dec/19	407,550	31,303	7.7%	67,051	16.5%	(6,825)
mar/19	91,744	5,699	6.2%	2,631	2.9%	(26,684)
jun/20	133,470	(13,203)	-9.9%	(14,637)	-11.0%	(64,057)
3Q20	**98,595**	**489**	**0.5%**	**(10,775)**	**-10.9%**	**(36,023)**
sep/20	**232,065**	**(12,714)**	**-5.5%**	**(25,412)**	**-11.0%**	**(100,080)**
dec/20	369,188	(4,692)	-1.3%	(22,277)	-6.0%	(117,013)
mar/20	142,345	15,238	10.7%	9,179	6.4%	(14,208)
jun/21	287,831	23,227	8.1%	13,779	4.8%	(36,513)
3Q21	**160,960**	**5,855**	**3.6%**	**(1,248)**	**-0.8%**	**(60,671)**
sep/21	**448,791**	**29,082**	**6.5%**	**12,531**	**2.8%**	**(97,184)**

Human Resources

Despite the economic adversities in the country, the company continues to invest in the professional development of its employees, with approximately 28.70 hours of training per employee (in the last 12 months), focused on apprenticeships at SENAI, internships, supplementary education, in addition to technical and operational development training.

On September 30, 2021, the Company had 1,810 employees (1,751 on September 30, 2020).

Relationship with External Auditors

In compliance with CVM Instruction 381, we inform that for the nine-month period ended September 30, 2021, the Company contracted R$ 22, from its auditors, a service not related to external auditing.

The policy of the Company and its subsidiary regarding the contracting of non-audit related services from the independent auditors is based on the following principles that preserve the independence of the auditor, which are: the auditor must not audit his own work; the auditor must not exercise a managerial role in his client and the auditor must not advocate for his client.

Building a better working world

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A free translation from Portuguese into English of Independent Auditor's Review Report on Quarterly Information prepared in Brazilian currency in accordance with accounting practices adopted in Brazil

Independent auditor's review report on quarterly information

To the Board of Directors, Shareholders and Officers

Plascar Participações Industriais S.A.

Jundiaí – SP

Introduction

We have reviewed the individual and consolidated interim financial information of Plascar Participações Industriais SA ("Company"), contained in the Quarterly Information Form - ITR for the quarter ended September 30, 2021, which comprises the balance sheet on September 30, 2021, and the respective statements of income and comprehensive income for the three and nine-month periods ended on that date, and changes in shareholders' equity and cash flows for the three-month period ended on that date, including the explanatory notes.

The Company's management is responsible for preparing the individual and consolidated interim financial information in accordance with NBC TG 21 - Interim Statement and the international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, as well as for the presentation this information in a manner consistent with the rules issued by the Brazilian Securities and Exchange Commission ("CVM"), applicable to the preparation of the Quarterly Information - ITR. Our responsibility is to express a conclusion on this interim financial information based on our review.

Review scope

We conducted our review in accordance with Brazilian and international standards for the review of interim financial information (NBC TR 2410 Review of Interim Information Performed by the Entity Auditor and ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, mainly of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The scope of a review is significantly less than that of an audit conducted in accordance with auditing standards and, consequently, has not allowed us to obtain assurance that we are aware of all significant matters that could be identified in an audit. Therefore, we do not express an audit opinion.

Conclusion on the individual and consolidated interim information

Based on our review, we are not aware of any facts that would lead us to believe that the interim financial information, individual and consolidated, included in the aforementioned quarterly information was not prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information (ITR), and presented in a manner consistent with the rules issued by the Brazilian Securities and Exchange Commission.

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Emphasis of matter

Uncertainty about the Company's ability to continue as a going concern

We call attention to Note 1 of the interim financial information, individual and consolidated, which describes that the Company through its subsidiary has recorded recurring losses in its operations and has presented accumulated losses in shareholders' equity in the amount of R$ 1,218,177 thousand, in individual and consolidated and excess current liabilities over current assets at the end of the period ended September 30, 2021, in the amount of R$ 226,175 thousand in the consolidated. As presented in Note 1, these events, or conditions, together with other matters described in Note 1, indicate the existence of significant uncertainty that may raise significant doubts as to the Company's ability to continue operating. Our conclusion does not contain a reservation related to the matter.

Other matters

Statements of value added

The quarterly information includes the individual and consolidated statements of added value (DVA) for the nine-month period ended September 30, 2021, prepared under the responsibility of the Company's management and presented as supplementary information for the purposes of IAS 34. These statements have been subject to review procedures performed in conjunction with the review of the quarterly information, in order to determine whether they are reconciled with the interim accounting information and accounting records, as applicable, and whether their form and content are in accordance with the criteria defined in NBC TG 09 Statement of Added Value. Based on our review, we are not aware of any fact that leads us to believe that these statements of added value were not prepared, in all material respects, in accordance with the criteria defined in this Standard and in a consistent manner in relation to the individual interim financial information. and consolidated figures taken together.

Campinas, November 9, 2021

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP034519/O-6

Cristiane Cléria S. Hilario
Sócia-Contadora
CRC 1SP243766/O

Plascar Participações Industriais S.A.

Balance Sheets
Period ended September 30, 2021 and Year ended December 31, 2020
(In thousands of reais)

Assets

	Individual		Consolidated	
Current Assets	**09/30/2021**	**12/31/2020**	**09/30/2021**	**12/31/2020**
Cash and cash equivalents	11,253	31,444	13,965	33,681
Trade accounts receivable	-	-	37,966	58,774
Inventories	-	-	100,192	43,008
Taxes recoverable	-	-	23,624	30,406
Other assets	17	17	2,496	2,414
Total current assets	**11,270**	**31,461**	**178,243**	**168,283**
Noncurrent assets	**6/30/2021**	**12/31/2020**	**6/30/2021**	**12/31/2020**
Taxes recoverable	-	-	103,323	126,601
Judicial deposits	-	-	2,836	4,103
Other assets	-	-	161	158
Investment property			8,385	8,452
Property, plant and equipment in operation	7	7	285,204	275,848
Right-of-use assets	-	-	17,987	21,672
Total noncurrent assets	**7**	**7**	**417,896**	**436,834**
Total assets	**11,277**	**31,468**	**596,139**	**605,117**

Liabilities and equity

	Individual		Consolidated	
Current liabilities	**09/30/2021**	**12/31/2020**	**09/30/2021**	**12/31/2020**
Loans and financing	-	-	41,188	19,864
Lease liabilities	-	-	19,083	23,175
Trade accounts payable	-	-	49,309	36,886
Taxes payable	32	32	70,044	46,848
Payroll, vacation pay and social charges payable	-	-	145,196	101,168
Advances from customers	-	-	38,300	15,184
Other liabilities	-	-	41,298	30,919
Total current liabilities	**32**	**32**	**404,418**	**274,044**
Noncurrent liabilities	**09/30/2021**	**12/31/2020**	**09/30/2021**	**12/31/2020**
Loans and financing	-	-	93,880	118,373
Lease liabilities	-	-	38,916	22,377
Related parties	25,580	44,460	7,857	7,450
Payroll, vacation pay and social charges payable	-	-	10,479	10,366
Taxes payable	-	-	98,212	110,592
Deferred income and social contribution taxes	-	-	19,231	19,205
Contingencies	-	-	7,685	11,550
Provision for capital deficiency	272,065	176,192	-	-
Other accounts payable	-	-	201,861	220,376
Total noncurrent liabilities	**297,645**	**220,652**	**478,121**	**520,289**
	297,677	220,684	882,539	794,333
Equity				
Capital	931,455	931,455	931,455	931,455
Equity adjustments	322	335	322	335
Accumulated losses	(1,218,177)	(1,121,006)	(1,218,177)	(1,121,006)
	(286,400)	**(189,216)**	**(286,400)**	**(189,216)**
Total equity	**(286,400)**	**(189,216)**	**(286,400)**	**(189,216)**
Total liabilities and equity	**11,277**	**31,468**	**596,139**	**605,117**

Plascar Participações Industriais S.A.

Income Statements for three and nine periods ended of September 30, 2021 and 2020
(In thousands of reais)

	Individual				Consolidated			
	07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020	07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020
Net operating revenue	-	-	-	-	160,960	448,791	98,595	232,065
Cost of goods sold	-	-	-	-	(155,105)	(419,709)	(98,106)	(244,779)
Gross profit / (loss)	**-**	**-**	**-**	**-**	**5,855**	**29,082**	**489**	**(12,714)**
Operating (expenses) and income								
Selling expenses	-	-	-	-	(7,755)	(21,647)	(5,923)	(15,407)
General and administrative expenses	(456)	(1,371)	(339)	(1,062)	(12,749)	(40,674)	(15,782)	(39,160)
Equity pick-up	(60,224)	(95,873)	(35,698)	(99,066)	-	-	-	-
Other operating income/(expenses), net	-	-	-	-	(2,486)	(2,441)	(4,593)	(3,951)
	(60,680)	**(97,244)**	**(36,037)**	**(100,128)**	**(22,990)**	**(64,762)**	**(26,298)**	**(58,518)**
Operating income before finance income (expenses)	**-60,680**	**(97,244)**	**(36,037)**	**(100,128)**	**(17,135)**	**(35,680)**	**(25,809)**	**(71,232)**
Finance income (expenses)								
Finance income	15	77	19	65	795	13,162	5,284	13,621
Finance costs	(6)	(17)	(6)	(17)	(44,301)	(74,640)	(15,366)	(41,931)
	9	**60**	**13**	**48**	**(43,506)**	**(61,478)**	**(10,082)**	**(28,310)**
Loss before income and social contribution taxes	**(60,671)**	**(97,184)**	**(36,023)**	**(100,080)**	**(60,641)**	**(97,158)**	**(35,891)**	**(99,542)**
Income and social contribution taxes	**-**	**-**	**-**	**-**	**(30)**	**(26)**	**(132)**	**(538)**
Deferred	-	-	-	-	(30)	(26)	(132)	(538)
Net loss for the period	**(60,671)**	**(97,184)**	**(36,023)**	**(100,080)**	**(60,671)**	**(97,184)**	**(36,023)**	**(100,080)**

Plascar Participações Industriais S.A.

Statements of comprehensive income for the three and nine periods ended September 30, 2021 and 2020
(In thousands of reais)

	Individual				Consolidated			
	07/01/2021 to 09/30/2021	**01/01/2021 to 09/30/2021**	**07/01/2020 to 09/30/2020**	**01/01/2020 to 09/30/2020**	**07/01/2021 to 09/30/2021**	**01/01/2021 to 09/30/2021**	**07/01/2020 to 09/30/2020**	**01/01/2020 to 09/30/2020**
Net loss for the period	(60,671)	(97,184)	(36,023)	(100,080)	(60,671)	(97,184)	(36,023)	(100,080)
	(60,671)	(97,184)	(36,023)	(100,080)	(60,671)	(97,184)	(36,023)	(100,080)
Total comprehensive income	**(60,671)**	**(97,184)**	**(36,023)**	**(100,080)**	**(60,671)**	**(97,184)**	**(36,023)**	**(100,080)**

Plascar Participações Industriais S.A.

Statement of changes in shareholders' equity
Periods ended September 30, 2021 and 2020
(In thousands of reais)

	Paid capital	Capital reserve, options granted and treasury shares	Accumulated Profits or Losses	Other Comprehensive Results	Total
Balance as of January 1, 2020	**931,455**	**-**	**(1,004,063)**	**405**	**(72,203)**
Capital increase	-	-	-	-	-
Net Income for the Period	-	-	(100,080)	-	(100,080)
Internal changes in shareholders' equity	-	-	62	(62)	-
Realization of property, plant and equipament deemed cost	-	-	94	(94)	-
Realization of deferred taxes on property, plant and equipament deemed cost	-	-	(32)	32	-
Balance as of September 30, 2020	**931,455**	**-**	**(1,104,081)**	**343**	**(172,283)**
Balance as of January 1, 2021	**931,455**	**-**	**(1,121,006)**	**335**	**(189,216)**
Capital increase	-	-	-	-	-
Net Income for the Period	-	-	(97,184)	-	(97,184)
Internal changes in shareholders' equity	-	-	13	(13)	-
Realization of property, plant and equipament deemed cost	-	-	20	(20)	-
Realization of deferred taxes on property, plant and equipament deemed cost	-	-	(7)	7	-
Balance as of September 30, 2021	**931,455**	**-**	**(1,218,177)**	**322**	**(286,400)**

Plascar Participações Industriais S.A.

Cash flow statements for the period ended September 30, 2021 and the year ended December 31, 2020
(In thousands of reais)

	Individual		Consolidated	
Cash flows from operating activities	**9/30/2021**	**12/31/2020**	**9/30/2021**	**12/31/2020**
Net loss for the year before income and social contribution taxes	**(97,184)**	**(100,080)**	**(97,158)**	**(99,542)**
Adjustments to reconcile net income to cash from (used in) operating activities:				
Depreciation	-	-	27,368	28,633
Amortization	-	-	20,739	17,063
Interest and monetary variation, net	-	-	68,865	35,922
Provision for legal claims	-	-	4,399	9,004
Provision for adjustment of inventories at market value and obsolescence	-	-	340	443
Constitution (reduction) of provision for doubtful claims	-	-	671	2,377
Others	-	-	132	355
Equity pick-up	95,873	99,066	-	-
(Increase)/decrease in asset and liability accounts				
Accounts receivable from customers	-	-	20,138	(10,982)
Inventories	-	-	(57,524)	(3,058)
Taxes to recover	-	-	9,431	25,206
Judicial Deposits	-	-	1,267	693
Other asset accounts, net	-	-	(18)	385
Suppliers	-	-	12,253	11,163
Obligations with staff and social charges	-	-	37,275	32,320
Advance of customers	-	-	19,013	(5,110)
Taxes, contributions and installments to be collected	-	(12)	(11,062)	(19,059)
Provision for legal claims (payments)	-	-	(8,264)	(4,322)
Other accounts payable	-	-	(9,367)	3,599
Interest paid	-	-	(9,741)	(8,780)
Net cash from (applied in) operating activities	**(1,311)**	**(1,026)**	**28,757**	**16,310**
Cash flows from investment activities				
Acquisitions of fixed assets and intangible assets	-	-	(36,856)	(3,697)
Net cash used in investment activities	**-**	**-**	**(36,856)**	**(3,697)**
Cash flows from financing activities				
Borrowings	-	-	9,191	3,277
Payment of loans, financing and leasing (principal)	-	-	(21,215)	(16,046)
Net increase in receivables from related parties	(18,880)	18,444	407	1,651
Net cash from (used in) financing activities	**(18,880)**	**18,444**	**(11,617)**	**(11,118)**
(Reduction)/Increase in cash and cash equivalents	**(20,191)**	**17,418**	**(19,716)**	**1,495**
Cash and cash equivalents at the beginning of the period	31,444	29	33,681	17,383
Cash and cash equivalents at the end of the period	11,253	17,447	13,965	18,878
(Reduction)/Increase in cash and cash equivalents	**(20,191)**	**17,418**	**(19,716)**	**1,495**

Plascar Participações Industriais S.A.

Statements of Value Added for the period ended September 30, 2021 and the year ended December 31, 2020
(In thousands of reais)

	Individual		Consolidated	
	09/30/2021	**09/30/2020**	**09/30/2021**	**09/30/2020**
Revenue				
Sales of Goods, Products and Services	-	-	544,738	281,323
	-	-	544,738	281,323
Purchased supplies				
Cost of products and services sold	-	-	(206,365)	(99,960)
Materials, energy, third-party services and others	(572)	(499)	(90,908)	(45,115)
Others	-	-	(340)	(443)
	(572)	(499)	(297,613)	(145,518)
Gross added value	**(572)**	**(499)**	**247,125**	**135,805**
Depreciations and amortization	-	-	(48,107)	(45,696)
Net Added Value Produced	(572)	(499)	199,018	90,109
Value added received in transfer				
Equity pick up	(95,873)	(99,066)	-	-
Finance income	77	65	13,085	13,621
Other revenues	-	-	320	814
	(95,796)	(99,001)	13,405	14,435
Total value added to distribute	**(96,368)**	**(99,500)**	**212,423**	**104,544**
Distribution of value added	**(96,368)**	**(99,500)**	**212,423**	**104,544**
Personnel	595	413	137,508	112,474
Salaries	463	322	108,090	90,167
Others	132	91	29,418	22,307
Taxes, charges and contributions	**204**	**150**	**97,459**	**50,219**
Federal taxes	-	-	43,517	24,239
State taxes	-	-	52,983	25,537
Local taxes	204	150	959	443
Remuneration of third-party capital	**17**	**17**	**74,640**	**41,931**
Interest	17	17	74,640	41,931
Equity remuneration				
Net losses	(97,184)	(100,080)	(97,184)	(100,080)
Total added value	**(97,184)**	**(100,080)**	**(97,184)**	**(100,080)**

1 Operational context

Plascar Participações Industriais S.A. ("Plascar S.A." or "Company"), headquartered in the city of Jundiaí (since February 11, 2019 - previously headquartered in the city of Campinas), in the State of São Paulo, is a publicly traded company, with its shares traded at BM&FBOVESPA (PLAS3). The Company's activities are represented by its interest in the subsidiary Plascar Indústria de Componentes Plásticos Ltda. ("Plascar Ltda."), which operates in the automotive sector and has as its operational activity the industrialization and commercialization of parts and pieces related to the internal and external finishing of automotive vehicles.

Plascar Ltda. has industrial plants located in the cities of Jundiaí/SP, Varginha/MG, and Betim/MG.

On September 24, 2021, the Company informed the market about the installation of a new industrial unit in the city of Caçapava / SP. The start of activities is scheduled for the 3rd quarter of 2022 and, at first, the new unit will serve automakers installed in the region of Vale do Paraíba.

The plants act mainly in the automotive sector, with focus in serving the vehicles' assemblers, supplying bumpers, instrument panels, air diffusers, cup holders, door sides, package holders, among other components. Plascar Ltda. also operates in the industrialization of non-automotive products, such as, for example, injection and assembly of supermarket carts, multipurpose boxes, pallets, and ecological furniture, an activity that represents less than 10% of the Company's total consolidated assets, net revenue, and net income.

After the completion of the financial restructuring of the Company and its subsidiary on January 31, 2019, the controlling interest in Plascar S.A. is now held by Pádua IV Participações S.A., with 59.99% of its capital, which is also composed of Permali do Brasil Indústria e Comércio Ltda. with 18.44%, Postalis Instituto de Seguridade Social dos Correios e Telégrafos with 7.12%, and other individual shareholders that together hold 14.45%.

The issue of these individual and consolidated Quarterly Financial Statements (ITRs) was authorized by the Board of Directors on November 9, 2021.

Financial Condition

On September 30, 2021, the Company presents an excess of current liabilities over current assets in the amount of R$226,175 (R$105,761 on December 31, 2020) in the consolidated and negative equity in the consolidated and in the parent company the amount of R$286,400 (R$189,216 as of December 31, 2020).

Additionally, the Company presented a loss in the current and comparative period, as well as maintaining an accumulated loss of R$1,218,177, in the individual and consolidated (R$1,121,006 on December 31, 2020).

Financial expenses amount to R$74,640 as of September 30, 2021 (R$41,931 as of September 30, 2020), in the consolidated statement. Management is taking measures to reduce the impact of these expenses on the Company's results, mainly through the management and renegotiation of its tax and banking liabilities.

According to official data from ANFAVEA, vehicle production in 2021, in a scenario called "less pessimistic", points to an increase of 10%; at the beginning of the year, projections were higher, 25%.

The 16.6% drop in vehicle production in the 3rd quarter of 2021 was still marked by the COVID-19 pandemic and its effects on the industry. As in March 2020, the auto industry suffered production interruptions, which extended into the following month. The Company's net revenue, in turn, in the 3rd quarter of 2021 showed an increase of 63.3% when compared to the same period of the previous year, thus showing the maintenance of a gradual and consistent recovery in volumes.

The Company continues to adopt measures to increase the revenue obtained from new projects, reduce its internal operational costs and improve margins, also promoting constant price negotiations with customers to pass on cost increases (labor, raw materials, etc.), following the Company's restructuring process, as well as facing the crisis that started in March 2020 due to the COVID-19 pandemic.

The Company's Management is in the process of reviewing the projections, considering new projects and oscillation of volumes in face of the current scenario (COVID-19).

Impact of COVID-19 (Coronavirus) on the Company's Business

On March 11, 2020, the World Health Organization (WHO) decreed the outbreak of the COVID-19 Coronavirus as a pandemic on a global scale. The outbreak triggered significant decisions by governments and private sector entities, which added to the potential impact of the outbreak, increased the degree of uncertainty for economic agents and generated impacts on financial statements.

The world's main economies and major economic blocs implemented significant economic stimulus packages to overcome the potential economic recession that the spread of COVID-19 effectively provoked.

In Brazil, the Executive and Legislative branches of the Union have published several normative acts to prevent and contain the pandemic, as well as mitigate the respective impacts on the economy, with emphasis on Legislative Decree No. 6, published on March 20, 2020, which declared a state of public calamity. The state and municipal governments also published several normative acts seeking to restrict the free movement of people, commercial activities, and services, as well as to enable emergency investments in the health area.

The suspension of automotive production affected almost the entire sector in the country, with 123,000 workers paralyzed in 63 plants located in 40 cities in 10 states.

During the crisis, Management constantly evaluated the impact of the outbreak on the operations and equity and financial position of the Company and its subsidiary, in order to implement appropriate measures to mitigate the impacts on operations. Management immediately activated its Crisis Committee to ensure the safety of its employees, service providers and the customers it serves.

The Company implemented the following measures to combat the crisis:

- Implementation of a Crisis Management committee;
- Restrictions regarding the circulation and agglomeration of people on its premises, as a way to avoid the spread of the virus;
- Suspension of trips, on-site training sessions and participation in events for all employees;
- Guidance on the home office regime for employees whose function allows for this type of work and isolation of all employees classified as being at higher risk (over 60 years old and with chronic diseases, according to the guidance of the public entities);
- Intensifying internal communications of preventive measures, making available 24-hour medical care channels to support employees and their families, and making available internal communication channels for employees focused on pandemic-related care; and
- Optimization of the use of technology to ensure virtual attendance to its clients, impacting as little as possible its administrative and operational activities

Aiming to reduce the financial impacts, the Administration also adopted the following measures:

- Anticipation of collective vacation for its employees and on April 1, 2020, aligned with the union responsible for the category, implemented the reduced workday by 50% for all employees, a measure that was gradually reversed in the third quarter;
- Renegotiation of the terms of certain liabilities with banks, suppliers, and other accounts payable
- Increased inventory controls to keep them at the minimum necessary level; and
- Benchmarking with other auto parts and with the assemblers to exchange information and measures to be applied in the Company.

Despite the total stoppage of the assemblers, which occurred in different periods between March and July 2020, the three plants continued to operate. However, the pace of work was much reduced, focusing on specific projects and preventive maintenance activities. The costs related to the idle capacity of the plants during this period and for the whole year were measured by Management and recorded directly in the result of the respective periods, as per CVM guidance opinion 24/92.

Management continues to monitor the effects of the crisis. After a recovery movement in the Brazilian vehicle market.

Due to this potential market recovery, the Company has already adopted some measures of flexibility and resumption of its production capacity, in which the following stand out:

• Resumption of full working hours;
• Flexibility of the home office regime;
• Resumption of visits by third parties to the Company's facilities, by prior scheduling and following security protocols;
• Intensification of hygiene and health protocols to ensure the health of all Company employees, customers and partners.

Despite the demobilization of the Crisis Committee implemented at the beginning of the pandemic, the committee can be activated immediately, in case of need. The company continues to monitor the situation, always ready to intervene if the pandemic situation worsens.

Corporate and Financial Restructuring

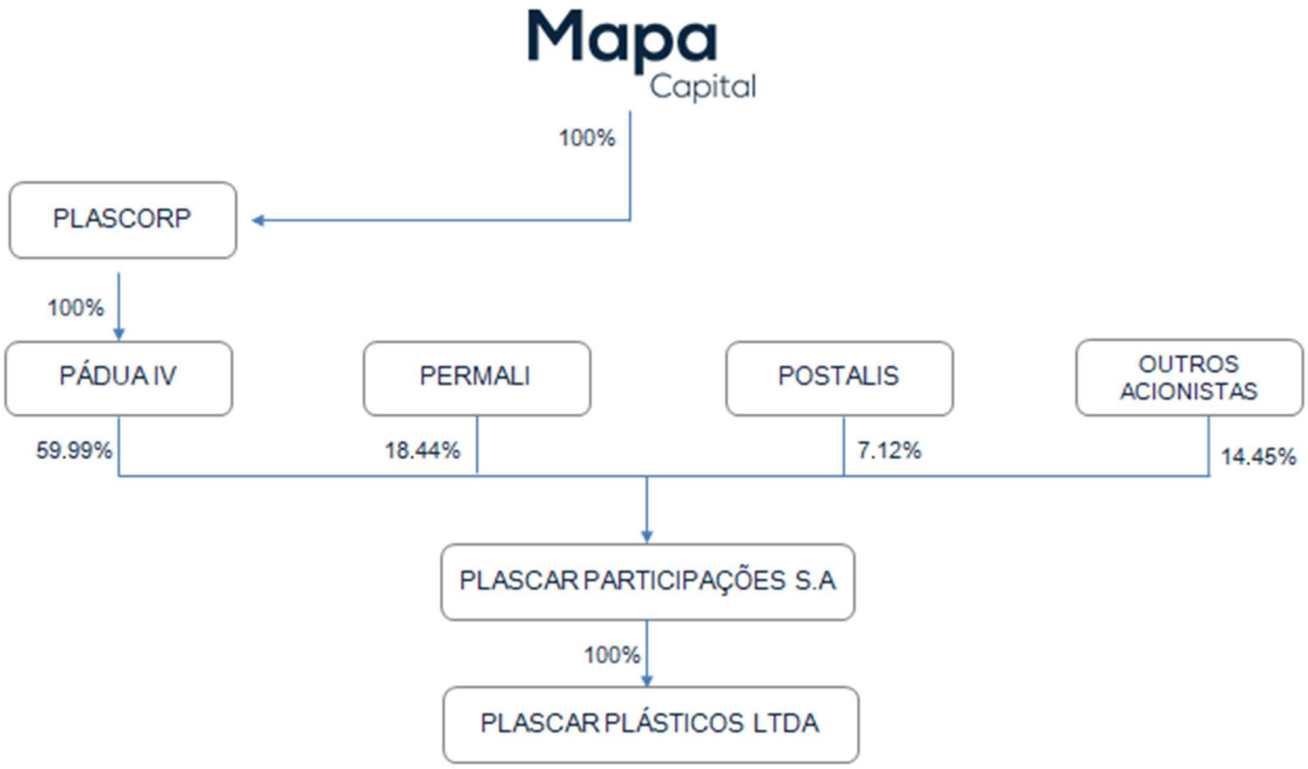
At an Extraordinary General Meeting held on December 13, 2018, the Company's final debt restructuring plan was approved by unanimous vote of the shareholders present, which, in general terms, involves the assignment of approximately 90% of Plascar's existing debt by the Company's main creditors to the current parent company "Pádua IV Participações S.A.".

On January 31, 2019, according to the Notice to Shareholders and Material Fact disclosed to the market, the Company's capital increase took place with payment through the use of credits held against Plascar Ltda., by private subscription, in the amount of R$ 449,483, through the issuance of 7,455,251 common shares at a unit issue price of R$ 60.29 per common share. After the Capital Increase, the Company's capital stock, previously amounting to R$ 481,972, divided into 4,970,167 common shares, became R$ 931,455, divided into 12,425,418 common shares.

With the completion of the Company's financial restructuring on January 31, 2019, the Company's shareholders' equity and current liabilities were positively impacted by R$ 449,483, resulting from capital increase.

Management continues to negotiate liabilities with various creditors, in order to adjust them to the Company's cash generation capacity. Throughout 2019 and the beginning of 2020 certain liabilities were renegotiated and are now reported in non-current assets.

The Corporate Structure is shown below, including the new controlling shareholder - Pádua IV Participações S.A., after completion of the Company's restructuring plan and capital subscription.



2 Summary of main accounting policies and presentation of quarterly information – ITR

The Company presents the individual and consolidated Quarterly Information in accordance with CPC 21 (R1) - Interim Financial Statements, issued by the CPC - Accounting Pronouncements Committee and IAS 34 - Interim Financial Reporting, issued by the IASB - International Accounting Standards Board, applicable to the preparation of Quarterly Information (ITR), and presented in accordance with the standards established by the CVM - Brazilian Securities Commission.

According to the Circular Letter CVM/SNC/SEP No. 03/2011, the Company chose to present the explanatory notes in this quarterly information in summarized form in cases of redundancy in relation to what is presented in the annual statements. In these cases, the location of the full explanatory note in the annual statement is indicated, to avoid prejudice to the understanding of the financial position and performance of the Company during the interim period. Accordingly, this quarterly information should be read in conjunction with the annual financial statements for the year ended December 31, 2020.

The basis of preparation and accounting policies are the same as those used in the annual financial statements for fiscal year 2020. Therefore, the corresponding information should be read in note 2 of those financial statements.

The consolidated interim financial information includes the financial statements of Plascar Participações Industriais S.A and its subsidiary detailed below:

	Direct participation	
	09/30/2021	**12/31/2020**
Plascar Indústria de Componentes Plásticos Ltda. (Plascar Ltda.)	100%	100%

3 Critical accounting estimates and judgments

Accounting estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Based on assumptions, the Company makes estimates concerning the future. By definition, the accounting estimates will rarely equal the respective actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the relevant amounts of assets and liabilities within the next fiscal year are contemplated below:

(a) Income tax, social contribution, and other taxes

The Company is subject to income tax in all countries in which it operates. Significant judgment is required to determine the provision for income taxes in these countries.

In many operations, the ultimate tax determination is uncertain. The Company also recognizes provisions for situations in which it is probable that additional amounts of tax will be due.

Where the ultimate outcome of these matters is different from the amounts initially estimated and recorded, these differences affect current and deferred tax assets and liabilities in the period in which the ultimate value is determined.

(b) Deferred taxes

Deferred tax is generated by temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts. Deferred tax liabilities are recognized for all temporary tax differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction other than a business combination and, at the date of the transaction, does not affect the accounting profit or tax profit or loss; and
- On temporary tax differences related to investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences and unused tax credits and losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be realized, and unused tax credits and losses can be utilized, except:

- When the deferred tax asset related to the deductible temporary difference is generated on initial recognition of the asset or liability in a transaction that is not a business combination and, at the date of the transaction, affects neither accounting profit nor taxable profit (or tax loss); and
- On deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the near future and taxable profit is available against which the temporary differences can be utilized.

(c) Impairment of non-financial assets

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the asset's carrying amount exceeds its recoverable amount, which represents the greater of an asset's fair value less costs to sell and its value in use. For impairment assessment purposes, assets are grouped at the lowest levels for which there are separately identifiable cash flows (Cash Generating Units (CGUs) as shown in Note 13.

4 Financial risk management

4.1 Financial risk factors

The Company's activities expose it to various financial risks: market risk (including currency risk and fair value risk associated with the interest rate), credit risk and liquidity risk. The Company's global risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

The Company's treasury identifies, assesses, and protects the Company against possible financial risks in cooperation with the Company's operating units.

(a) Market risk

(i) Cambial risk

The Company operates internationally and is exposed to foreign exchange risk arising from exposure to certain currencies, primarily with respect to the US dollar. Foreign exchange risk arises from commercial operations, assets, and liabilities.

As of September 30, 2021, and December 31, 2020, the Company has assets and liabilities in foreign currency arising from import and export operations, in the amounts shown below:

	Consolidated	
	09/30/2021	**12/31/2020**
Accounts receivable from customers (Note 7)	8,004	7,648
Suppliers (Note 16)	(684)	(1,139)
Net exposure	7,320	6,509

As of September 30, 2021, and December 31, 2020, the Company did not have operations with derivative financial instruments to manage the exchange rate risk.

(ii) Cash flow or fair value risk associated with interest rate

The Company does not have significant assets that bear interest.

The Company's interest rate risk arises from loans and financing. Variable rate loans expose the Company to cash flow interest rate risk. Fixed rate loans expose the Company to fair value risk associated with the interest rate.

The table below shows the sensitivity to a possible change in interest rates, keeping all other variables constant, in the Company's profit before taxation (it is affected by the impact of loans payable subject to variable rates).

	Impact on income for the period (1)		
Financial liability	**Scenario I**	**Scenario I**	**Scenario I**
CDI	8.0%	10.0%	12.0%
Loans na financing	(10,818)	(12,750)	(14,677)

(1) Refers to the hypothetical interest rate scenario to be incurred for the next 12 months or until the contract expiration date, whichever is lower.

In the sensitivity analysis, the interest rate is based on the rates currently practiced in the market environment.

Sensitivity analyzes were prepared based on the value of net debt and the index of fixed interest rates to variable interest rates on debt as of September 30, 2021.

(b) Credit risk

Credit risk is managed on a corporate basis. Credit risk arises from credit exposures to original equipment ("OEM") and replacement/dealership ("DSH") customers, including outstanding accounts receivable and repurchase agreements. For banks and other financial institutions, only bonds from top-tier entities are accepted. The individual risk limits are determined based on internal or external classifications in accordance with the limits determined by the Board of Directors. The use of credit limits is regularly monitored.

The possibility of the Company and its subsidiary incurring losses due to financial problems with its OEM customers is reduced due to the profile of these customers (vehicle manufacturers and other companies operating worldwide). As of September 30, 2021, and December 31, 2020, the Company and its subsidiary did not have significant balances receivable from DSH category customers.

No credit limit was exceeded during the period, and Management does not expect any loss arising from default by these counterparties more than the amount already provisioned.

(c) Liquidity risk

The cash flow forecast is performed at the Company's operating entity and aggregated by the Finance department. This department monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operating needs. This forecast considers the Company's debt financing plans, compliance with clauses, compliance with internal balance sheet quotient targets and, if applicable, external regulatory or legal requirements - for example, currency restrictions.

The treasury invests any excess cash in interest-bearing bank accounts, time deposits, short-term deposits and bonds and securities, choosing instruments with appropriate maturities or sufficient liquidity to meet the aforementioned forecasts. At the balance sheet date, the Company maintained short-term funds in the amount of R$1,767, which are expected to readily generate cash inflows to manage liquidity risk.

The table below analyzes the Company's financial liabilities, by maturity, corresponding to the remaining period between the balance sheet date and the contractual maturity date. The amounts disclosed in the table are the contracted discounted cash flows and represent the expected effective disbursement flows, disregarding any bank requirements for anticipated maturities.

Statements of Value Added for the period ended September 30, 2021 and the year ended December 31, 2020
(In thousands of reais)

	Consolidated				
	Up to three months	**From four to 12 months**	**Between one and five years**	**Up to five years**	**Total**
On September 30, 2021					
Loans and financing	18,189	22,999	66,759	27,121	135,068
Lease Liabilities	4,771	14,312	38,916	-	57,999
Suppliers	49,309	-	-	-	49,309
Liabilities with related parties	-	-	7,857	-	7,857
Other liabilities	**16,865**	24,431	98,870	102,993	243,159
	89,134	61,742	212,402	130,114	493,392

	Consolidated				
	Up to six months	**From four to 12 months**	**Between one and five years**	**Up to five years**	**Total**
On December 31, 2020					
Loans and financing	8,270	11,594	88,820	29,553	138,237
Lease Liabilities	7,216	15,959	22,377	-	45,552
Suppliers	36,886	-	-	-	36,886
Liabilities with related parties	-	-	7,450	-	7,450
other liabilities	**9,909**	21,010	100,991	119,385	251,295
	62,281	48,563	219,638	148,938	479,420

4.2 Capital management

The Company's objectives in managing its capital are to safeguard the Company's ability to continue to offer returns to shareholders and benefits to other stakeholders, in addition to maintaining an ideal capital structure to reduce this cost.

	Consolidated	
	09/30/2021	**12/31/2020**
Total loans (Note 15)	135,068	138,237
Minus: cash and cash equivalents (Note 6)	(13,965)	(33,681)
Net debt	121,103	104,556
Total equity	(286,400)	(189,216)
Total capital	(165,297)	(84,660)
Financial leverage ratio - %	-	-

4.3 Fair value estimate

It is assumed that the balances of accounts receivable from customers and accounts payable to suppliers at book value, less the loss (impairment) in the case of accounts receivable, are close to their fair values. Currently, the book values recorded by the Company are the same at fair value. However, below are the comparisons of financial assets recorded at amortized cost and their respective fair value:

	09/30/2021		12/31/2020	
	Book value	**Fair value**	**Book value**	**Fair value**
Loans and financing (Note 15)				
Working capital – national currency	135,068	135,068	138,237	138,237
Lease liabilities (Note 14)	57,999	57,999	45,552	45,552
Suppliers (Note 16)	49,309	49,309	36.886	36,886
	242,376	242,376	220,675	220,675

5 Financial instruments by category

The table below shows the classification of the Company's Consolidated financial instruments by category on each of the dates presented:

(a) Amortized cost

	Consolidated	
	09/30/2021	**12/31/2020**
Assets, as per the balance sheet		
Cash and cash equivalents	13,965	33,681
Accounts receivable from customers	37,966	58,774
Judicial deposits	2,836	4,103
Other accounts receivable	2,496	2,414
	57,263	98,972

(b) Fair value through profit or loss

	Consolidated	
	09/30/2021	**12/31/2020**
Liabilities, as per the balance sheet		
Suppliers	49,309	36,886
Loans and financing	135,068	138,237
Lease Liabilities	57,999	45,552
Related parts	7,857	7,450
other liabilities	243,159	251,295
	493,392	479,420

6 Cash and cash equivalents

	Individual		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Cash and banks	11,253	31,444	13,965	33,681
	11,253	31,444	13,965	33,681

Banks and available earn interest at floating rates based on daily rates on short-term bank deposits. Funds are used depending on the Company's immediate cash needs.

7 Accounts receivable from customers

	Consolidated	
	09/30/2021	12/31/2020
Third parties in the country	30,852	50,468
Third parties abroad (Note 4.1)	8,004	7,648
Tooling accounts receivable in the country	7,557	8,434
	46,413	66,550
Provision for impairment - doubtful credits	(8,447)	(7,776)
	37,966	58,774

During the period ended September 30, 2021 and year ended December 31, 2020, the change in the estimated loss for doubtful accounts was as follows:

	Consolidated	
	09/30/2021	12/31/2020
Opening balance	(7,776)	(6,029)
(Increase)/Reversal of provision	(671)	(1,747)
Final balance	(8,447)	(7,776)

On September 30, 2021 and December 31, 2020, the opening of accounts receivable by maturity age was as follows:

	Consolidated	
	09/30/2021	**12/31/2020**
Current	29,931	49,179
Past Due:		
From 1 to 30 days	5,614	7,271
From 31 to 60 days	320	859
From 61 to 90 days	90	119
More than 90 days ago	10,458	9,122
	16,482	17,371
Total	46,413	66,550

The Company's policy for the provision for expected loss with doubtful accounts includes the balance overdue for more than 90 days. The balance overdue for more than 90 days not provisioned on September 30, 2021, net of the expected loss for loan losses, refers to the sale of tooling, for which Management does not expect to record losses.
In addition, in line with CPC 48 (IFRS 9) Financial Instruments, the Company's policy also considers the expected credit losses for its receivables, which are the present value of the difference between the contractual cash flows due to the Company of agreement signed with customers and the cash flows that the Company expects to receive.

8 Inventory

	Consolidated	
	09/30/2021	**12/31/2020**
Finished products	5,786	4,361
Products under preparation	11,034	9,001
Raw materials	21,302	17,786
Import in progress	3,364	743
Maintenance and auxiliary materials	2,515	2,437
Tools and molds under development intended for sale	58,394	10,072
Advances to suppliers	393	864
Provision for adjustment to market value and obsolescence	(2,596)	(2,256)
	100,192	43,008

During the period ended September 30, 2021 and year ended December 31, 2020, the change in the provision for adjustment to market value and obsolescence was as follows:

	Consolidated	
	09/30/2021	**12/31/2020**
Opening balance	(2,256)	(2,209)
Reversal of provision	447	1,719
Increase in provision	(787)	(1,766)
Net reduction (note 24)	(340)	(47)
Final balance	(2,596)	(2,256)

9 Tributes to recover

	Consolidated	
	09/30/2021	**12/31/2020**
Credit exclusion of ICMS calculation base PIS/COFINS (1)	122,665	153,297
Funrural Process (Note 19)	2,237	2,237
ICMS on fixed assets - CIAP	1,319	732
Others	726	741
	126,947	157,007
Current	23,624	30,406
Non-current	103,323	126,601
	126,947	157,007

(1) Credit Exclusion of ICMS from PIS/COFINS calculation base - Final transit accounting record

The Company informs that, in 2010, it issued a Writ of Mandamus to exclude ICMS from the PIS and COFINS calculation bases. In September 2017, the Company obtained a favorable decision at first instance and, in October 2019, it obtained a new favorable sentence in appeal (STF). In the same act, the process became final. In view of this, the Company initiated a procedure to collect amounts unduly paid as from 2005 and claim their respective reimbursement. The Company has reliably calculated and measured the respective amounts.

On August 19, 2019, the Company obtained a favorable sentence for using the ICMS highlighted in the invoices for calculating the credit.

In the fourth quarter of 2019, based on the opinion and report prepared by its advisors, the Company recorded the amount of R$ 179,069 in the caption of taxes to be recovered in the balance sheet to offset against current taxes administered by Receita Federal do Brasil in future periods. The principal amount of the credits, net of lawyers' success fees, was recognized as other operating income and the monetary restatement was recognized in the financial income item in the income statement for the year.

The approval and qualification of R$ 123,396 related to part of the referred credit with Receita Federal do Brasil for future tax compensation, occurred on January 3, 2020, and the remaining amount of the credit in the amount of R$ 55,673, will be subject to analysis by Receita Federal do Brasil for refund or future compensation of taxes previously paid in installments.

The Company revised its financial projections for 2021 and three subsequent years and, considering the initial balance of R$ 179,069, the offsets made of R$ 63,469 and the monthly monetary restatement of the credit R$ 27,694, the Company concluded that it will not be able to offset 100 % of the current balance during the limitation period of 5 years, starting in October 2019 and with a final term in October 2024. Thus, there was a need to carry out an impairment in the amount of R$ 20,629 that was recorded in this quarter.

10 Income tax and social contribution

Deferred income tax and social contribution are calculated on income tax loss carryforwards, the negative social contribution base and the corresponding temporary differences between the calculation bases for tax on assets and liabilities and the carrying amounts of the financial statements. The rates of these taxes, currently defined for determining deferred taxes, are 25% for income tax and 9% for social contribution.

Deferred tax assets, when applicable, are recognized to the extent that it is probable that future taxable profit will be available to be used to offset temporary differences / tax losses, based on projections of future results prepared and based on internal assumptions and scenarios. future economic conditions that may therefore change.

(a) Composition of deferred income tax and social contribution

	Consolidated	
	09/30/2021	**12/31/2020**
Liabilities:		
Asset - assigned cost (1)	(453)	(460)
Depreciation - useful life review - economic (2)	(18,778)	(18,745)
	(19,231)	(19,205)

(1) Refers to deferred taxes calculated on the cost attributed to fixed assets resulting from the accounting of its fair value in the initial adoption of CPC 27 (IAS 16).

(2) It refers to deferred taxes calculated on the depreciation difference of fixed assets generated after a review of the useful life – economic of the goods. Until December 31, 2010, the Company, as permitted by tax law, also considered for tax purposes the depreciation calculated based on the new useful and economic lives of the goods. As of September 2011, the Company began to use for tax purposes the depreciation calculated based on the useful life allowed by the tax legislation and, consequently, recognized the corresponding deferred tax effects.

The Company has tax loss and social contribution negative base balances of R$ 58,491 and R$ 69,493, respectively on September 30, 2021 (R$ 57,630 and R$ 68,632 on December 31, 2020, respectively), subsidiary Plascar Ltd. has tax loss and social contribution negative base balances of R$ 936,478 and R$ 931,421, respectively on September 30, 2021 (R$ 838,499 and R$ 833,443 on December 31, 2020, respectively), on which no taxes were established deferred assets in their entirety, as determined by CVM Instruction 371, since the Company does not expect to generate future taxable income.

(b) Movement of deferred tax liabilities

	Consolidated
	Liabilities
Balances as of December 31, 2020	(19,205)
eferred taxes on the realization of the cost attributed to fixed assets arising from depreciation and retirement of these assets	7
Deferred taxes on depreciation difference	(33)
Balances as of September 30, 2021	(19,231)

(c) Reconciliation of income tax and social contribution expenses

	Consolidated			
	07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020
Loss before income tax and social contribution	(60,641)	(97,158)	(35,891)	(99,542)
Income tax and social contribution at current rates (34%)	20,617	33,033	12,203	33,844
Adjustments for effective rate statement:				
Tax effect on tax loss and negative basis for the unrecognized period (1)	(20,647)	(33,059)	(12,335)	(34,382)
Deferred income tax and social contribution expense	**(30)**	**(26)**	**(132)**	**(538)**

(1) Tax effect on tax loss and negative social contribution base of Plascar S.A., which is not recorded due to the fact that there is no expectation of future taxable profits.

11 Related parties

(a) Remuneration to Directors

The remuneration of the Board of Directors and the Supervisory Board is composed of fixed remuneration approved by the General Meeting, paid monthly.

The remuneration of the main executives and administrators of the Company and its subsidiary is composed of fixed, variable remuneration based on established goals and complementary benefits.

In the three- and nine-month periods ended September 30, 2021 and 2020, the total remuneration of Directors was as follows:

	Consolidated			
	07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020
Fixed remuneration (1)	1,408	4,563	1,164	3,650
Variable remuneration (2)	-	486	-	-
Administration fees	1,408	5,049	1,164	3,650

(1) Refers to administration salaries and fees, vacations, 13th salary, private pension and social charges (contributions to social security - INSS, FGTS and others).

(2) Refers to profit sharing and bonuses.

(b) Balances and transactions

The Company conducts commercial transactions and loan transactions with its subsidiary and other related parties, in accordance with the criteria defined below:

The Company and its subsidiary enter into loan agreements with related parties, so that cash needs are met immediately, without the need for approval processes required by financial institutions. Such contracts are subject to the availability of funds and the non-commitment of the lender's cash flow. These loan agreements are entered at rates agreed between the parties.

Below are the main balances of assets and liabilities at September 30, 2021 and December 31, 2020, as well as the transactions that influenced the results of the periods:

	Individual		Consolidated	
	09/30/2021	12/31/2020	09/30/2021	12/31/2020
Current liabilities				
Loan agreement:				
W&L Ross & Co., LLC	-	-	5,049	4,824
Permali do Brasil Ind. e Com. Ltda.	-	-	2,808	2,626
Plascar Ltda.	25,580	44,460	-	-
	25,580	44,460	7,857	7,450

The effects of the transactions on the result correspond to the monetary restatement and exchange variation recorded in the financial result.

The loan agreement between the Company (borrower) and Plascar Ltda. (lender) is not subject, exceptionally, to financial charges, as the Company is the direct holder of 100% of the share capital of Plascar Ltda. It is the only loan agreement in which the lender is a non-operating company and holds a direct interest in approximately 100% of the capital of the borrower, a circumstance that justified the non-incidence of interest. This agreement was signed on May 31, 2000, to adjust the cash flow of Plascar Ltda, with an indefinite maturity.

The loan agreement between Permali do Brasil Indústria e Comércio Ltda. (lender) and Plascar Ltda. (borrower) is subject to 0.8% monthly interest and matures indeterminate. This agreement was signed on March 31, 2009 to adjust the cash flow of Plascar Ltda.

12 Provision for loss on investments in subsidiary

The movement of investments is shown below:

	09/30/2021	12/31/2020
Opening balance	(176,192)	(60,667)
Losses of subsidiaries	(95,873)	(115,525)
Final balance	(272,065)	(176,192)

The relevant information relating to Plascar Ltda., is presented below:

	09/30/2021	12/31/2020
Equity	838,565	838,565
Total quotas	838,565,144	838,565,144
Shares owned	838,565,144	838,565,144
Participation	100%	100%
Subsidiary's equity	(272,065)	(176,192)
Net loss for the period/year (1)	(95,873)	(115,525)
Equity equivalent results	(95,873)	(115,525)

(1) In the nine-month period ended September 30, 2020, Plascar Ltda. recorded a loss of R$ 99,066 resulting in an equity pickup recognized by the Company in the same amount.

13 Property, Plant and Equipment

(a) Composition

	Consolidated				
	Annual depreciation rate %	09/30/2021			12/31/2020
		Cost	Depreciation	Net	Net
Buildings	2 a 4	10,872	(2,793)	8,079	8,300
Machinery and equipment	4 a 13.79 (1)	862,277	(583,209)	279,068	278,965
Molds	6 a 21	47,854	(46,998)	856	569
Furniture and utensils	6 a 10	12,598	(11,970)	628	864
Vehicles	18.57 a 20	4,302	(4,077)	225	316
Computing equipment	15 a 33	3,865	(3,454)	411	386
Spare parts and materials		4,209	-	4,209	3,906
Advances to suppliers		53,767	-	53,767	44,581
Provision for *impairment* advances and machines and equipment (2)		(62,039)	-	(62,039)	(62,039)
		937,705	(652,501)	285,204	275,848

(1) Weighted average rate of 7.82%.

The amount of R$ 26,703 (September 30, 2020 - R$ 28,229) referring to the depreciation expense for the nine-month period, was recognized in income under "Cost of sales", R$ 299 (September 30, 2020 - R$ 69) in "Selling expenses" and R$ 366 (September 30, 2020 - R$ 335) in "Administrative expenses".

(2) Refer to advances to suppliers for the purchase of machinery and equipment to expand the operational and productive capacity of the Company's industrial units, carried out between 2010 and 2011 for the company Sandretto and financed with BNDES through the FINAME / PSI program in the amount of R$ 44,084. Of the amount recorded in fiscal year 2018, R$ 36,548 were advanced by financial institutions and R$ 7,536 in advance to the supplier with own resources. The Company, after careful analysis with its legal advisors, decided to record a loss on the total amount outstanding, in the amount of R$ 44,084, in fiscal year 2018. The Company adopted all possible legal measures and will continue to seek its rights through the legal system. However, the Company considers it unlikely that these assets will be received in the short term, even though the lawsuit remains in progress.

In 2019, the Company recorded a provision for loss of R$ 17,955 related to machinery and equipment identified as non-operating in the year. The Company is raising with its technical staff the necessary investments and feasibility to adapt part of this equipment to production.

(b) Cost movement

	Consolidated				
	Six-month period ended September 30, 2021				
	Initial Balance	Additions	Write-offs	Transfers	Final Balance
Buildings	10,882	3	-	(13)	10,872
Machinery and equipment	843,545	26,657	(2,232)	(37)	867,933
Molds	47,333	527	(7)	1	47,854
Furniture and utensils	12,611	20	(37)	4	12,598
Vehicles	4,302	-	-	-	4,302
Computing equipment	3,660	187	-	18	3,865
Spare parts and materials	3,906	276	-	27	4,209
Advances to suppliers	44,581	9,186	-	-	53,767
Provision for impairment advance and machinery and equipment	(67,695)	-	-	-	(67,695)
	903,125	36,856	(2,276)	-	937,705

(c) Depreciation movement

	Consolidated				
	Six-month period ended September 30, 2021				
	Initial Balance	Additions	Write-offs	Transfers	Final Balance
Buildings	(2,582)	(218)	-	7	(2,793)
Machinery and equipment	(564,580)	(26,378)	2,100	(7)	(588,865)
Molds	(46,764)	(224)	7	(17)	(46,998)
Furniture and utensils	(11,747)	(261)	37	1	(11,970)
Vehicles	(3,986)	(98)	-	7	(4,077)
Computing equipment	(3,274)	(189)	-	9	(3,454)
Provision for impairment and machinery and equipment	5,656	-	-	-	5,656
	(627,277)	(27,368)	2,144	-	(652,501)

(d) Test for non-financial asset impairment verification

The assets owned by the Company were evaluated according to the market value of each asset, obtained by the product between the replacement value and the depreciation coefficient, taking into consideration the useful life, age, remaining useful life, residual value and depreciation, resulting in a net sale value higher than their residual book value, thus not indicating the need for impairment.

The other information referring to this explanatory note has not undergone any significant changes in relation to that disclosed in Note 13 of the annual financial statements for the year ended December 31, 2020

14 Right to Use Assets and Lease Liabilities

As of January 1, 2019, with the adoption of CPC 06 (R2) /IFRS16 – Leases, the Company started to record future rents discounted to present value as Lease Liabilities. The initial impact on Assets and Liabilities was R$ 53,065. The amount was calculated considering the total term of the contract. Management considered an incremental rate of 9.5% for discounting the debt to Present Value (AVP), which is the same rate considered in the renewals of loans with banks. During the nine-month period ended September 30, 2021, the Company recorded R$ 20,740 as amortization expense in profit or loss (R$ 17,063 as of September 30, 2020).

(a) Assumptions for recognition

The Company recognizes the Right to Use Assets and Liabilities for leases considering the following premises:

(i) Inclusion of contracts in the base at the beginning of their term, with their value of the right-of-use asset defined at this time.

(ii) Transactions with contracts signed for more than 12 months fall within the scope of the standard. The Company does not consider aspects of renewal in its methodology, given that the assets involved in its operation are not indispensable for the conduct of its business, and may be replaced at the end of the contract by new assets acquired or by other operations other than those agreed upon.

(iii) Contracts that involve the use of immaterial and low value assets are not considered.

(iv) Only transactions involving specific assets defined in the contract or for exclusive use over the period of the contract are considered.

(v) The methodology used to calculate the net present value of the contracts corresponds to the cash flow of the assumed installments discounted at the discount rate defined for the asset class.

(vi) The discount rate used was 9.5% per year for the operations of administrative properties and industrial warehouses. The rate was obtained by financing operations for assets of these classes.

The Company's lease operations effective on September 30, 2021 and December 31, 2020 do not have restriction clauses that impose the maintenance of indexes
financial, as well as do not have variable payment clauses that should be considered, or residual value guarantee clauses and purchase options at the end of the contracts.

(b) Summary composition and movement of right-of-use assets and lease liabilities

Right to use assets	**12/31/2020**	**Addition (1)**	**Amortization**	**09/30/2021**
Buildings	21,672	17,054	(20,739)	17,987
Total assets	**21,672**	**17,054**	**(20,739)**	**17,987**

Lease liabilities	**12/31/2020**	**Addition (1)**	**Payments**	**Interest**	**Transfer short term /long term**	**09/30/2021**
Current Liabilities	23,175	-	-	-	(4,092)	19,083
Non-current Liabilities	22,377	17,054	(8,186)	3,579	4,092	38,916
Total liabilities	**45,552**	**17,054**	**(8,186)**	**3,579**	**-**	**57,999**

(1) In the nine-month period ended September 30, 2021, a new contract was added. The initial impact on assets and liabilities was R$ 17,054. Management considered an incremental rate of 6.5% for discounting the debt to the present value (AVP).
There was no write-off of contracts in force in the nine-month period ended September 30, 2021.

In the nine-month period ended September 30, 2021, the Company recorded an expense of R$ 152 referring to short-term

leases (less than 12 months of contract) or operations with low-value assets involved in the contracts.

(c) Lease expiration schedule

	Consolidated 09/30/2021
	Edifícios
2021	4,301
2022	17,210
2023 onwards	36,488
	57,999

15 Loans and financing

(a) Loan summary:

Mode / purpose	Financial charges on 09/30/2021	Consolidated 09/30/2021	Consolidated 12/31/2020
Floating capital – national currency	Market charges	135,068	138,237
Total		135,068	138,237
Current		41,188	19,864
Non-current		93,880	118,373
		135,068	138,237

The maturity schedule for the non-current balance is shown below:

	Value
2022	31,221
2023	25,877
2024	22,045
2025 onwards	14,737
	93,880

(b) Loan details by financial institution

Loans Summary	BRASIL	FIBRA	BDMG	ITAÚ	BRADESCO	CEF	DAYCOVAL	SOFISA	GOAL	ALFA	Total
Floating capital – national currency	21,062	15,610	24,825	15,220	17,854	11,987	7,327	10,011	2,041	9,131	135,068
% In relation to the total	15.6%	11.6%	18.4%	11.3%	13.2%	8.9%	5.4%	7.4%	1.5%	6.7%	100%

Part of the composition of the balance of loans, R$ 27,928, is due to the debt with BNDES relating to previous periods, which was renegotiated by the Company at the time. During the first half of 2021, the Company raised an amount of R$ 9,191 in new loans.

The working capital loans taken out by the subsidiary Plascar Ltda. are guaranteed by machinery and equipment (CAPEX) and the remaining balances are guaranteed by receivables and sureties.

On January 31, 2019, as per the Notice to Shareholders and Material Fact disclosed to the market, the Company's capital stock was increased with payment through the use of credits held against Plascar Ltda, by private subscription, in the amount of R$ 449,483, upon the issue of 7,455,251 common shares at the unit issue price of R$ 60.29 per common share. After the completion of the Capital Increase, the Company's capital, previously in the amount of R$ 481,972 and divided into 4,970,167 common shares, increased to R$ 931,455, divided into 12,425,418 common shares.

16 Suppliers

	Consolidated	
	09/30/2021	**12/31/2020**
National suppliers	48,625	35,747
International suppliers (Note 4.1)	684	1,139
	49,309	36,886

The terms and conditions of the financial liabilities referred to above reflect the outstanding balance of accounts payable with suppliers, with an average payment term of 35 days.

17 Salaries, vacations, and social charges payable

	Consolidated	
	09/30/2021	**12/31/2020**
Social charges	115,822	81,953
Labor indemnities	676	1,129
Holiday provision / 13th salary	27,138	17,109
Provision for profit sharing	10,759	11,300
Other	1,280	43
	155,675	111,534
Current	145,196	101,168
Non-current	10,479	10,366

The Company was notified of the drawing up, by the Federal Revenue, of a Notice of Violation and Imposition of Fine, with respective representation for criminal purposes, in which it demanded the collection of social security contributions and third-party contributions on amounts paid as PLR to employees in the 2017 financial year, in violation of Law 10.101/2000. The corrected amount of the Tax Assessment Notice is R$ 5,081 and, after the end of the discussion at the administrative level, the Company opted to settle the liability through adherence to the tax transaction program authorized by Ordinance PGFN 11/2021, in installments and with discounts to be applied after approval of the transaction. The Company recorded a provision for this amount, which is duly included in the “Social Charges” line.

18 Customer advances

	Consolidated	
	09/30/2021	12/31/2020
Fiat Automóveis	3,527	4,800
Man	11,642	3,025
VW	14,329	2,557
Scania	2,121	2,121
Calsonic Kansei	-	1,429
Mercedes Benz	1,076	597
Volvo	2,432	330
Chery	103	276
Others	3,070	49
	38,300	15,184

19 Commitments and provision for contingencies

(a) Renegotiation of rent debt

The Company concluded in January 2020 the renegotiation of its arrear's debt, the balance of which at December 31, 2019 was R$ 137 million, recorded under the heading "other liabilities" and "Leases liabilities" in the current year.

With the conclusion of this negotiation, the updated debt was split, with a grace period of more than one year to start payments. The balance was transferred to the item Other Liabilities in the non-current in January 2020.

(b) Legal proceedings - Amounts involved and accounting provision criteria for probable loss cases

The Company is a party to several labor (and social security), civil and tax claims that are currently in progress. The criterion adopted by the Company for classification of the loss risk is estimated as "remote", "possible" and "probable". "Remote" indicates minimum loss risk, "possible" indicates moderate loss risk, and "probable" indicates high loss risk, and the outside legal advisors, with the assistance of the Company's legal Department, examine in detail each lawsuit, either new or pending judgment, and classify them according to their best outcome estimates.

These risk classifications are assessed monthly and can be changed whenever the legal advisor's understanding indicates this need. In addition, all proceedings also receive monthly monetary restatement, according to the legal rates adopted by the courts, in order to reflect the most accurate and current economic situation of each lawsuit.

For all cases where external and internal legal advisors indicate the loss risk as "probable", the Company sets up an individual provision in an amount sufficient to face the estimated amount of this loss, which is duly calculated and determined through court bookkeeping (in the case of the court) or accounting expert (in the case of the Company), based on convictions and/or any other decisions arising from higher levels (appeals) handed down by courts and that indicate, without a doubt, that the Company must make the payment in the short term, due to the advanced stage of the proceedings. In addition, the Company adopts a conservative practice and also sets up monthly provisions for labor claims classified as "possible" loss risk, for which the Company estimates that legal agreements will be signed for the settlement and closure of claims before the enforceable process begin. After an analysis carried out by the legal advisors, the Company reviewed the percentages of historical agreements made and decided to complement these provisions by R$ 3,142, which were recorded in full in the 3rd Quarter of 2020.

Considering the cases with "probable" risk of loss, the Company has a total provision set up as indicated below:

	Consolidated	
	09/30/2021	**31/12/20120**
Social security and labor provisions	7,685	11,550
	7,685	11,550

The change in the provision for lawsuits, in the six-month period ended September 30, 2021, is represented as follows:

	Initial Balance	**Addition**	**Payments**	**Final Balance**
Labor	11,550	4,399	(8,264)	7,685
	11,550	4,399	(8,264)	7,685

(c) Estimate of "possible" losses, not provisioned in the balance sheet

For the other legal actions of the Company, whose risk of loss is classified by the external and internal legal advisors as "possible" or "remote", there is no accounting provision. Despite this, the Company recognizes the importance of informing the amounts involved in these processes, as a way of giving enough knowledge and information to the market about all the actions to which the Company is a party. For new shares, the amount informed by the Company considers the amount given to the cause (initial amount). As the lawsuit progresses, legal advisors determine the amounts involved in each proceeding with greater discretion, valuing each one more precisely as to the amounts involved, as well as their effective risk of loss.

Considering the processes with "possible" risk of loss, the Company informs that the amounts involved are as follows:

	Consolidated	
	09/30/2021	**12/31/2020**
Tax	5,342	4,340
Labor	9,895	13,537
Civil	4,035	4,257
	19,272	22,134

(d) Relevant contingent assets

Currently, Plascar Ltda. appears as an active party in two lawsuits considered relevant against FUNRURAL and ELETROBRÁS, whose amounts involved are R$ 8,585 and R$ 19,249, respectively.

(i) The lawsuit against ELETROBRÁS, whose sentence was favorable to the Company, is at an advanced stage of the proceedings, and the Company had already started the process of provisional execution of the sentence, requiring payment of the amount due. However, in July 2020, through its external advisors, the Company became aware of an alleged assignment of rights, which would have been carried out in May 2003, whereby ownership and the economic benefits arising from this process would be assigned to third parties. Having not identified elements internally that confirmed such assignment of rights, the Company manifested itself in the case file, requesting more information on the matter and, at this moment, awaits judgment.

(ii) The lawsuit against FUNRURAL was processed and judged on September 4, 2001, with Plascar being granted the net and certain right to receive the amount of R$ 2,237. This amount, however, was questioned by the Company regarding its monetary restatement, which was not considered by the court. A definition of said update is still pending and, consequently, the correct amount to be paid in favor of the Company, whose estimate by the legal advisors indicates the amount of R$ 8,585.

20 Other liabilities

	Consolidated	
	09/30/2021	**12/31/2020**
Rentals payable (Notes 14.b and 19.b)	137,754	137,754
Miscellaneous creditors - agreements signed	90,513	97,814
Other liabilities	14,892	15,727
	243,159	251,295
Current	41,298	30,919
Non-current	201,861	220,376
	243,159	251,295

21 Equity

(a) Capital

Capital increase and issue of shares

On January 31, 2019, according to the Notice to Shareholders and Material Fact disclosed to the market, the Company's capital was increased with the payment of credits held against Plascar Ltda., By private subscription, in the amount of R$ 449,483, through the issue of 7,455,251 common shares at the unit issue price of R$ 60.29 per common share. After effecting the Capital Increase, the Company's capital stock, previously in the amount of R$ 481,972 and divided into 4,970,167 common shares, became R$ 931,455, divided into 12,425,418 common shares.

The issue price of the shares was fixed, without unjustified dilution for the current shareholders of the Company, considering the methodologies allowed by article 170, paragraph 1, of the Brazilian Corporation Law, in view of the current financial situation of the Company, which has high indebtedness and negative equity.

Since the Brazilian Corporation Law does not establish a rigid formula for setting the issue price, this price was fixed in view of the criteria of article 170, paragraph 1, of the Brazilian Corporation Law, in respect of the Company's social interest. that the Company could carry out the restructuring as planned.

Subscription Bonus

The Company issued in favor and as an additional advantage to the subscribers of the Capital Increase shares, upon reaching Plascar Plásticos EBITDA targets in the years 2020, 2021 or 2022, 7,455,251 subscription bonus, in a single series and under the book-entry and nominative form, with 1 subscription bonus attributed to each share of the subscribed Capital Increase.

The granting to its holders, jointly, grants the right to subscribe shares of the Company representing 5% of the Company's capital after the issue of such shares. The subscription price for 1 share issued as a result of the exercise of the Subscription Bonus will be R$ 0.01 “Exercise Price”. The subscription of the shares resulting from the exercise of the Subscription Bonus is to be made in a particular way, in the act of exercising the Subscription Right, and the payment of the shares then subscribed must be made through the payment in cash of the Exercise Price, in currency national chain, upon the subscription of such shares.

(b) Reserves

Equity valuation adjustments

Constituted by the accounting record of realization of the cost attributed to property, plant and equipment and respective taxes. This heading also includes the impacts on the change in the parent company's stake in the subsidiary from 99.89% to 100% after the financial restructuring that took place on January 31, 2019

(c) Compensation to shareholders

According to the Company's Bylaws, shareholders are entitled to receive a minimum annual dividend of 25% of net income for the year, adjusted pursuant to articles 189 and 202 of Law No. 6,404/76.

22 Earnings per share

The basic calculation of profit or loss per share is made by dividing the net profit or loss for the year, attributed to holders of common shares of the parent company, by the weighted average number of common shares available during the year.

Diluted earnings or loss per share is calculated by dividing the net profit or loss attributable to holders of common shares of the parent company by the weighted average number of common shares available during the year, plus the weighted average number of common shares that would be issued on conversion of all potential common shares diluted in common shares.

The table below shows the result and share data used in the calculation of basic and diluted losses per share for the quarter and the nine-month period ended September 30, 2021 and 2020 (in thousands, except amounts per share):

Prejuízo básico por ação:

	07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020
Numerator:				
Loss for the period	(60,671)	(97,184)	(36,023)	(100,080)
Denominator:				
Weighted average number of shares	12,425,418	12,425,418	12,425,418	12,425,418
Basic and diluted net loss per share - R$	(4.88)	(7.82)	(2.90)	(8.05)

Diluted loss per share: (*)

	07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020
Numerator:				
Loss for the period	(60,671)	(97,184)	(36,023)	(100,080)
Denominator:				
Weighted average number of shares	19,880,669	19,880,669	19,880,669	19,880,669
Basic and diluted net loss per share - R$	(3.05)	(4.89)	(1.81)	(5.03)

(*) Considers the potential shares to be issued when exercising the Subscription Right (Note 21.a).

23 Net operating revenue

	Consolidated			
	07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020
Gross sales revenue	198,858	551,590	121,036	284,115
Sales taxes	(34,691)	(95,947)	(21,086)	(49,258)
Returns and sales rebates	(3,207)	(6,852)	(1.355)	(2,828)
	160,960	448,791	98,595	232,065

Taxes on sales consist mainly of Tax on the circulation of goods and services - ICMS (rates of 4%, 7%, 12% and 18%), Tax on industrialized products - IPI (rates of 5% and 15%), social integration - PIS (1.65% and 2.30% rates), Social security financing contribution - COFINS (7.60% and 10.80% rates).

24 Costs and expenses by nature

The Company opted to present the statement of income by function and presents the details by nature below:

	Consolidated			
	07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2021 to 09/30/2021	01/01/2020 to 09/30/2020
Raw material, inputs, materials for use and consumption and personnel expenses	(139,392)	(362,785)	(88,774)	(212,433)
Depreciation and amortization	(15,838)	(48,107)	(14,991)	(45,696)
Third party services	(8,923)	(25,020)	(3,534)	(10,448)
Provision for adjustment to market value and obsolescence in inventories (Note 8)	122	(340)	(352)	(443)
Others	(11,578)	(45,778)	(12,160)	(30,326)
	(175,609)	(482,030)	(119,811)	(299,346)
Classified as				
Costs of products sold	(155,105)	(419,709)	(98,106)	(244,779)
Selling expenses	(7,755)	(21,647)	(5,923)	(15,407)
Administrative and general expenses	(12,749)	(40,674)	(15,782)	(39,160)
	(175,609)	(482,030)	(119,811)	(299,346)

25 Financial result

	Consolidated			
	07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020
Financial expenses				
Interest and fines	(25,769)	(36,197)	(3,834)	(17,289)
Charges on overdue / installment taxes (1)	(15,532)	(29,537)	(8,874)	(16,319)
Adjustment to present value of leases (Note 14)	(1,292)	(3,579)	(1,009)	(2,992)
Passive exchange variations	(1,161)	(3,546)	(1,373)	(4,650)
IOF	(200)	(596)	(220)	(525)
Others	(347)	(1,185)	(56)	(156)
	(44,301)	(74,640)	(15,366)	(41,931)
Financial income				
Interest and monetary restatement (2)	104	10,102	4,299	10,229
Exchange rate variations	662	3,019	963	3,300
Others	29	41	22	92
	795	13,162	5,284	13,621
Financial result	(43,506)	(61,478)	(10,082)	(28,310)

(1) Charges for overdue taxes and installments of PIS / COFINS and ICMS.
(2) The positive impact is mainly due to the accounting record of monetary restatement related to the ICMS exclusion credit in the PIS-COFINS calculation base.
(3) Additionally, the Company decided to record an impairment loss on the total amount of credits provisioned, in the amount of R$20,629 in the 3rd Quarter of 2021 (note 9).

26 Tax Obligations and Social Charges

The outstanding balance of taxes on September 30, 2021 is R$ 168,256 and R$ 110,764 of payroll charges, of which R$ 5,823 current taxes falling due, R$ 82,353 current taxes overdue and R$ 190,844 in installments.

				Installments		
				Current		
	Open	Current	Past due	Current	Past due	Non-current
REFIS (PERT MP 783/17)	56,763	-	-	4,553	7,967	44,243
Parcel. Ordinário PIS/COF/IPI	26,301	-	-	7,173	11,955	7,173
PIS	-	-	-	-	-	-
COFINS	-	-	-	-	-	-
ICMS (Regularize – MG)	44,143	-	-	6,540	-	37,603
ICMS	19,066	87	651	1,141	8,585	8,602
IPI (Parcelamento – MG)	815	-	-	353	-	462
IPI	5	5	-	-	-	-
Attorney charges – active debt.	20,347	-	-	20,347	-	-
Others (ISS IPTU)	816	661	-	25	-	130
	168,256	**753**	**651**	**40,132**	**28,507**	**98,213**
IRRF (Employees)	818	818	-	-	-	-
Parcel. Ordinário INSS	14,106	-	-	3,504	5,383	5,219
FGTS	2,750	705	-	2,045	-	-
INSS (Company)	76,031	2,832	73,199	-	-	-
INSS (Employees)	9,218	715	8,503	-	-	-
INSS Installments Sesi Senai (Company)	7,841	-	-	2,051	530	5,260
	110,764	**5,070**	**81,702**	**7,600**	**5,913**	**10,479**
Total (Company)	**268,984**	**4,290**	**73,850**	**47,732**	**34,420**	**108,692**
Total (Employees)	**10,036**	**1,533**	**8,503**	**-**	**-**	**-**
Total	**279,020**	**5,823**	**82,353**	**47,732**	**34,420**	**108,692**

Regarding the amounts due, the Company registers a fine of 20% in addition to correction by the indexes provided for by the legislation, plus the attorney's fees when applicable.

Programa Especial de Regularização Tributária (PERT)

Plascar Ltda. joined PERT on August 29, 2017. The balance of taxes past due up to April 2017, under the Attorney General's Office, was divided into 120 installments, with the value of the installments in the first 12 months corresponding to 0.4% of the debt, 0.5% in the second year, 0.6% in the third year and the remaining balance in 84 installments. The installment correction index is the Selic.

Additionally, MP 783/17 was converted into Law No. 13,496 / 17 on October 25, 2017, including a new installment plan, where there is the possibility of using tax losses and a negative CSLL base to write off the consolidated debt in scope of the Receita Federal do Brasil.

The installments in the areas of the Attorney General's Office and the RFB were fully consolidated during 2018.

Below, we briefly present the accounting effects of this transaction:

	Attorney General of the Ministry of the Economy	Receita Federal do Brasil (RFB) Tax	Receita Federal do Brasil (RFB) Non-Tax	Total
Original balance (a)	54,607	76,649	27,555	158,811
Use of tax loss and negative basis CSLL Law 13,496/17 (b)	-	(59,110)	(20,760)	(79,870)
Amortization of debt until September 31, 2021	(8,236)	(20,197)	(7,013)	(35,446)
Installment update	10,392	2,658	218	13,268
Total	56,763	-	-	56,763

(a) Total tax and non-tax debt updated on the date of PERT membership, including Social Integration Program - PIS, Social Security Financing Contribution - COFINS, Tax on Industrialized Products - IPI, and National Institute of Social Security - INSS (Exemption of Payroll).

(b) The Company migrated to this new modality. The amount involved to deduct the balance with tax losses and negative basis is R$ 79,870.

27 Employee benefits

3The expenses with salaries, benefits and social charges are shown below:

	Consolidated			
	07/01/2021 to 09/30/2021	01/01/2021 to 09/30/2021	07/01/2020 to 09/30/2020	01/01/2020 to 09/30/2020
Salaries and social charges	39,777	116,548	36,982	94,899
Profit sharing plan	2,029	4,485	1,065	5,342
Layoffs	112	3,027	1,090	2,518
Benefits provided by law	5,058	13,839	3,685	9,666
Additional benefits	164	350	11	49
	47,140	138,249	42,833	112,474

Additional benefits

In addition to the usual benefits provided for in labor legislation, the Company and its subsidiary have the practice of granting their employees additional benefits contracted from third parties, such as: collective transportation, food, basic food basket, medical assistance and daycare assistance.

Profit Sharing Plan

The Company and its subsidiary have complementary variable compensation plans that consider meeting the established goals:

(i) Profit sharing plan (PPR): The Company remunerates its employees through profit sharing in accordance with the collective agreement established between the Company, the employees' commission, and the union of the category, which establishes goals that are monthly measured and disclosed. This plan aims to stimulate development and productivity, providing opportunities for financial gains and conditions for effective participation in the Company's results.

(ii) Additional profit-sharing bonus plan (short-term PPR): The Company also grants a bonus to the Company's managers and directors with a different salary. Profit sharing due to employees occupying these functions is based on performance (individual and the Company), according to pre-established goals.

28 Insurance

In the nine-months ended September 30, 2021, there were no changes in insurance coverage, value of policies and risks involved. Accordingly, there were no changes in relation to the disclosures in note no. 28 of the annual financial statements of December 31, 2020.

The risk assumptions adopted, given their nature, are not part of the scope of an audit of financial statements, consequently they were not examined by our independent auditors.

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Plascar Participações Industriais S.A.

Statements of Value Added for the period ended September 30, 2021 and the year ended December 31, 2020
(In thousands of reais)

Board of Directors

Paulo Silvestri
Chairman of the Board of Directors

Rui Chammas
Counselor

Andrew Catunda de Araújo
Counselor

Antonio Farina
Counselor

Paulo Alberto Zimath
Counselor

Executive Board

José Donizeti da Silva
Director

Paulo Silvestri
Chief Executive Officer

Rodrigo Cartagena do Amaral
Chief Financial Officer
Investor Relations Officer

Board (non-statutory)

Daniel Paulo Fossa
Commercial Director

Marcelo Casagrande
Director of Industrial Operations

Ana Lúcia de Aguiar Zacariotto
Human Resources Director

Claudio Batista
Accounting Manager
Accountant CRC 1SP170282/O-9

Supervisory Board

Marcelo Ferreira do Nascimento
Counselor

Cleidir Donizete de Freitas
Counselor

Charles Dimetrius Popoff
Counselor