

Quotation (12/31/20)

PLAS3 - R\$ 5.64 (*)

Market value at 12/31/20 – (MARKET CAP BOVESPA)

R\$ 70.1 milhões

Number of shares (*)

Ordinárias: 12,425 M

Investor Relations

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– Sala 01 – Distrito
Industrial - Jundiaí – SP –
CEP 13213-000

Board of Directors

Paulo Silvestri
Andrew C. de Araújo
Edson F. Menezes
Rui Chammas
Paulo Zimath

Supervisory Board

Antonio Farina
Cleidir Donizete de Freitas
Charles Dimetrius Popoff

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Jundiaí, SP, March 03, de 2021 - Plascar Participações Industriais SA (Bovespa: PLAS3), a company operating in the Brazilian market for plastic auto parts, related to the internal and external finishing of automotive, light and heavy, supplying automakers in Brazil, announces its 2020 results. The Company's operating and financial information, except when otherwise indicated, is consolidated and the monetary values are expressed in Reais.

2020 was marked by the COVID-19 pandemic and its effects on the industry. In an unprecedented event, all Plascar automotive customers stopped their activities at the end of March. This situation caused significant negative impacts at Plascar, notably the very high idleness for approximately 04 months.

Since the beginning of the pandemic, the Company has defined as a priority to protect the health and safety of its employees and their families, through the implementation of strict protocols. Upon resuming production, meeting the schedules of its customers, the Company was faced with the need to adapt its operations to these new safety and health demands.

According to ANFAVEA data, in 2020 there was a drop in vehicle production of 31.6%, when compared to 2019. The Company, however, performed better than the market, notably in the last two quarters of the year. The Company's net revenue for the 4th Quarter of 2020 was 16.8% higher than in the same period of 2019 and 39.1% higher in relation to the 3rd Quarter of 2020, thus showing a gradual and consistent recovery in volumes. For the full year 2020, the Company's net revenue decreased by 9.4%, when compared to the previous year.

Events related to the pandemic led the Company to record a drop in gross margin, from 7.7% in 2019 to a negative 1.3% in 2020, as well as a drop in adjusted EBITDA, from 1.5% or R\$ 6,066 positive in 2019 to 4.8% or R\$ 17,570 negative in 2020. These results are mainly explained by the effect of idleness, but also due to inefficiencies generated with the adoption of strict health and safety protocols. Equally, increases in the price of raw materials contributed to the loss of margin in the year. The Company's adjusted net income, in turn, amounted to a loss of R\$ 112,306 in 2020, and in the exercise of 2019 it added a loss of R\$ 144,771.

The year 2021 should also be marked by the challenges of recovery, with the continued search for increase in production volume, recovery of margins and strengthening of cash generation.

2020 Performance Framework:

- **Negative EBITDA of R\$ 22,3 million (Margin -6.0%), with adjusted EBITDA of R\$ 17,6 million negative (Margin -4.8%).**
- **Net Revenue of R\$ 369,2 million.**
- **Negative Gross Margin of 1.3% (R\$ 4,7 million).**

Plascar	Performance in the Period			
	Amounts in R\$ thousand	2020	2019	Var %
Gross Sales		452,530	492,084	-8.0%
Net Revenue		369,188	407,550	-9.4%
Gross Income (Loss)		(4,692)	31,303	-115.0%
Gross Margin %		(1.3%)	7.7%	-9.0p,p,
EBITDA (1)		(22,277)	67,051	-133.2%
EBITDA Margin %		(6,0%)	16,5%	-22.5p,p,
Reported Net Loss (2)		(117,013)	(6,825)	-1,614.5%

Elimination of non-recurring items:

ICMS exclusion credit in the PIS-COFINS calculation base (Note 9)	-	(85,282)
Impairment Assets Provision (Note 13a)	-	17,955
Others	4,707	6,342
Adjusted EBITDA (1)	(17,570)	6,066
ICMS bc PIS-COFINS credit update	-	(76,961)
Adjusted Net Loss (2)	(112,306)	(144,771)

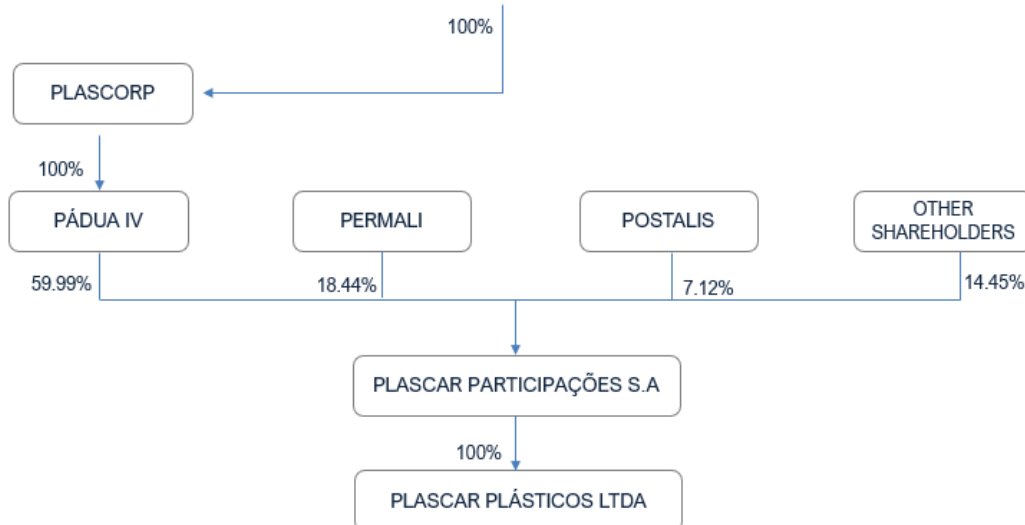
History

The company started its activities in October 1963 in Jundiaí/SP, in the field of rubber artifacts. From 1973, it began to operate in the automotive market, and in the mid-1980s, after several incorporations, the company enlarged its operations, through a program of growth and modernization, which turned Plascar into a leading company in the plastic parts market for the automotive sector.

Corporate Structure

Following the completion of the Company's financial restructuring on January 31, 2019, the controlling entity of Plascar S.A. became Padua IV S.A., with a 59.99% stake in its capital, which is also composed of Permali do Brasil Indústria e Comércio Ltda., with 18.44%, by Postalís Instituto de Seguridade dos Correios e Telégrafos, with 7.12%, and by other individual shareholders who hold, together, 14.45%.

Mapa Capital



Operating Performance

According to data from the Brazilian Association of Motor Vehicle Manufacturers (ANFAVEA), in 2020 vehicle production fell 31.6% over the same period in 2019. The drop in the Company's net revenue was 9.4% in the compared periods, reaching a negative gross margin of 1.3%.

Source: ANFÁVEA – BRASIL			
AUTOMOTIVE INDUSTRY SCENARIO	2019	2020	VAR, %
VEHICLE PRODUCTION	2,945	2,014	-31.6%
VEHICLE SALES	2,788	2,058	-26.2%

Production expands at the end of 2020 and Anfavea expects a 25% growth in 2021

Effects of a new Covid cause concern: hurdles lead manufactures to reduce stocks to historically low levels.

ANFAVEA presented its first monthly balance of the year and reported that 209,3 thousand vehicles were produced in December 2020, which represents a 12.1% decrease in comparison to the 238,2 thousand units manufactured in November. However, when compared to the volume for the same month of 2019 (170,5 thousand), there was an increase of 22.8%. The accumulated volume for of 2020, as predicted, decreased by 31.6% with just over 2 million cars produced in 2020, against 2,9 million in 2019.

Luiz Carlos Moraes, president of the organization, noted that the result obtained was the best for a month in December since 2017. "The industry ended 2020 with a very strong production, considering the scenario we were living in," he said. "The factories faced some micro stops due to lack of materials, but the industry sought to compensate with overtime, additional hours or even shorter collective vacations: everything to try to keep the supply of products on the market and to meet the growth in demand in the last months of the year. This showed the sector's commitment, together with the supply chain, to mitigate the lack of products as much as possible", added Moraes.

Despite the good figures for December, 2020, the sector's aggregate performance was the worst since 2003. In addition, the idleness of the national automakers remains very high, at approximately 3 million units.

Stocks at the lowest level in history

Another worrying number is the very low stock, both in factories and in dealerships. In December there were 96,800 vehicles produced waiting for buyers, with 82,800 in stores and 14,000 in the yards of automakers. Based on the month's sales pace, this total was sufficient for just 12 days of sales and was the lowest in the industry's history.

The president of ANFAVEA noted that, although he is concerned, this number reflects the current moment, with manufacturers having to face difficulties with the social distancing rules, reduced working hours, number of employees and, mainly, disruptions in the delivery of materials and components for productions. "The important thing is that the industry has endeavored to maintain the product offering," he said.

Growth forecast, with caution

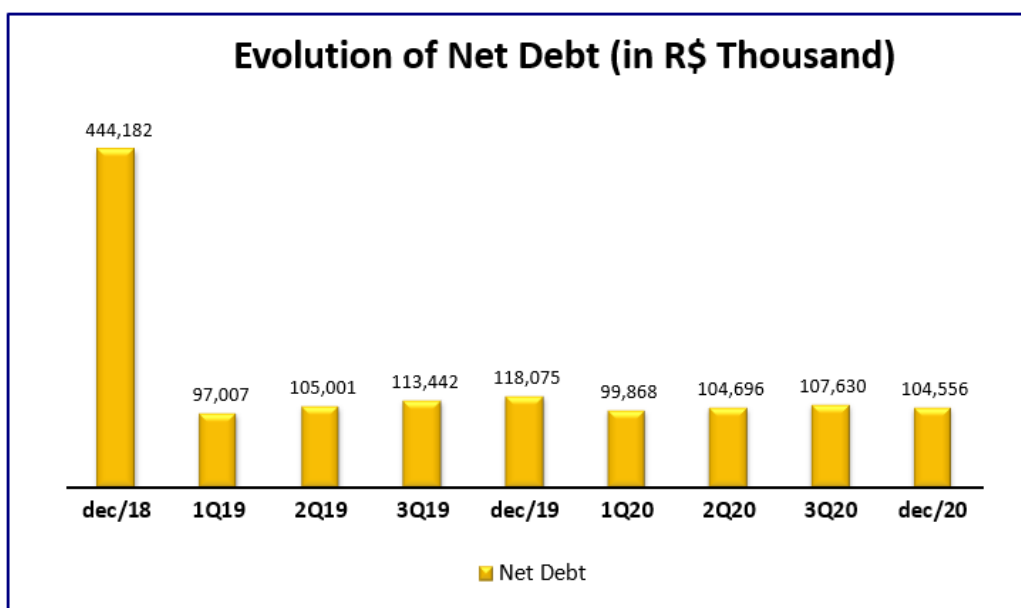
During the presentation of results for 2020, ANFAVEA also released its first projection for 2021, and Luiz Carlos Moraes made a point of remembering that this is a conservative estimate, since there are still many uncertainties on the horizon, such as the health crisis that can be aggravated again by a second wave of contagions. He also mentioned others obstacles, such as the increase in the ICMS announced by the government of São Paulo, in addition to the always mentioned and criticized "Brazil cost" and the country's lack of competitiveness. Thus, the entity projects that the production of vehicles will grow 25% surpassing 2,5 million units until the end of this year.

The numbers may seem encouraging, but Moraes insisted that the country has the technical capacity to manufacture up to 5 million vehicles per year, and that, if Anfavea's projection materializes, the industry's idleness will still be very high, at 50 % approximately. "We are seeing a scenario with some positive aspects and some important concerns, which make us have a somewhat conservative projection for growth in 2021", he noted.

Company Restructuring

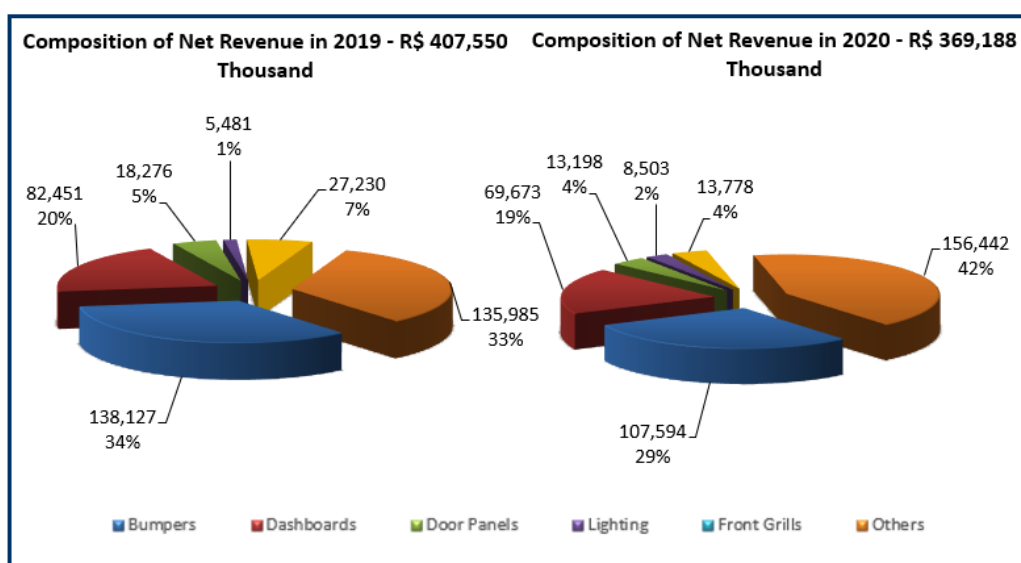
On December 13th, 2018, the restructuring of the Company's debt was approved according to the Extraordinary General Meeting.

On January 31th, 2019, in accordance with the Notice to Shareholders and with the ad-hoc announcement, the Company's capital was increased through the issuance of new 7,455,251 common shares, totally subscribed by Padua IV S.A. and paid-up with credits held against Plascar Ltda, thus concluding the Company's restructuring process.



Management continues to negotiate liabilities with several creditors, with the objective of adjusting them to the Company's cash generation capacity. During 2019 and early 2020, certain liabilities were renegotiated, which are now reported in noncurrent liabilities.

PLASCAR				
	Gross Revenue		Net Revenue	
2020	R\$	452,530	R\$	369,188
2019	R\$	492,084	R\$	407,550
Change (%)		-8.04%		-9.41%



Gross P&L vs. Gross Margin %

In 2020 the gross margin was negative 1.3% against positive 7.7% in 2019.

EBITDA in R\$ vs. EBITDA%

EBITDA in 2020 totaled a negative R\$ 22,277 thousand, The EBITDA margin was 6.0% negative in 2020 against 16.5% positive in 2019.

The net loss amounted to R\$ 117,013 thousand in 2020, in the same period of 2019 it added a loss of R\$ 6,825.

Human Resources

Despite the economic adversities in the country, the Company continued to invest in the professional development of its employees, with approximately 22,15 hours of teaching and training per employee (in the last 12 months), focused on SENAI learning courses, internships, in addition to internal training, with technical and operational development.

The Company ended 2020 with 1,728 employees (1,801 in 2019).

Credit Exclusion of ICMS from the calculation basis of PIS / COFINS - Accounting record transit on trial

The Company informs that, in 2010, it issued a Writ of Mandamus in order to exclude ICMS from the PIS and COFINS calculation base. 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). At 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 19th, 2019, the Company had a favorable sentence for the use of the ICMS in tax notes for credit calculation.

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 as tax credits in the balance sheet, to offset against taxes administered by the Brazilian Federal Revenue, in future periods. The principal amount of the credits, net of lawyers' success fees, was recognized as other operating income. The monetary restatement was recognized as financial income in the statement for the period.

The approval and qualification of R\$ 123,396, a portion of the referred credit with the Federal Revenue of Brazil for future tax compensation, occurred on January 3, 2020. The remaining amount of the credit in the amount of R \$ 55,673, will be subject to analysis by the Federal Revenue of Brazil, for a possible cash refund or for future compensation of taxes which had previously been renegotiated under tax amnesty programs in years past.

As of December 31, 2020, the Company had compensated the amount of R\$ 43,551 in taxes, using the referred tax credits and based on projections, it believes that the balance will be fully realized in the next 4 years, with no need to set up a provision for losses (impairment).

Renegotiation of unpaid lease

The Company concluded in January 2020 the renegotiation of its overdue lease, the balance of which at December 31, 2019 was R\$ 137 million, recorded under the heading "other liabilities" and "rental liabilities" in the current year.

With the conclusion of this negotiation, the renegotiated debt will be paid in installments, with a grace period over one year. The balance was transferred to other liabilities, noncurrent liabilities in January 2020.

Impacts of COVID-19 (Coronavirus) on the Company's business

On March 11, 2020, the World Health Organization (WHO) declared the Coronavirus outbreak (COVID-19) 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 could generate impacts on financial statements. The world's main economies and major economic blocs have implemented support packages of significant economic stimulus to overcome the potential recession caused by the measures to mitigate the spread of COVID-19.

In Brazil, the Executive and Legislative Branches of the Union published several normative acts to prevent and contain the pandemic, as well as mitigate the respective impacts on the economy, especially Legislative Decree No, 6, published on March 20, 2020, which declares the state of public calamity. State and municipal governments have also published several normative acts seeking to restrict the free movement of people and commercial and service activities, in addition to enabling emergency investments in the health area.

Automotive production suspensions have reached almost the entire sector in the country, with 123,000 workers stopped at 63 factories located in 40 cities in 10 states.

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

The Company implemented the following measures during the first and second quarters:

- Implementation of a Crisis Management committee;
- Restrictions on the movement and agglomeration of people in their facilities, as a way to prevent the spread of the virus;
- Suspension of trips, face-to-face training and participation in events for all employees;
- Guidance of home office regime for employees whose function enables this modality of work and isolation of all employees classified as at higher risk (over 60 years and with chronic diseases, according to the guidance of public entities);
- Intensification of internal communications of preventive measures, availability of 24-hour medical care channels to support employees and family members and availability of internal communication channels to employees, focused on pandemic care; And
- Optimization of the use of technology to ensure virtual service to its customers, impacting as little as possible its administrative and operational activities.

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

- Acceleration of collective vacations for its employees and, on April 1, 2020, aligned with the unions responsible for the category, implemented reduced working hours, at 50% for all employees, a measure which was reversed in the third quarter;
- Renegotiation of maturities of certain liabilities with banks, suppliers and other creditors;
- From the end of February through early March 2020, the Company implemented an even greater control of its inventories to keep them at the minimum level;
- The Administration benchmarked with other auto parts makers and also with selected OEMs to exchange covid related information and measures for application in the Company.

Despite the total shutdown of the automakers, which occurred in different periods between the months of March and June 2020, the three plants continued to operate. However, the pace of work was very reduced, focusing on specific projects and preventive maintenance activities. The costs related to the idle capacity of the plants for the entire period of reporting were measured by Management and recorded directly against the income for the period, in accordance with CVM guidance 24/92.

The Company's operations in 2020 were significantly impacted by the pandemic, recording a total drop in revenues of 9.4% when compared to 2019.

Management continues to monitor the effects of the crisis. After a period of recovery in the Brazilian vehicle market, which in September, October, November and December 2020 registered higher volumes than those recorded before the Coronavirus pandemic hit the country, ANFAVEA presented new and improved sales projections for production, foreseeing a 25% increase in vehicle production for 2021. However, the manufacturers' association places a number of caveats to the new estimates, pointing out that there are still uncertainties on the horizon of the coming months that may change the numbers down or upwards, starting with the development of Covid-19 itself, which continues to be a major threat to the economy. Also, according to ANFAVEA, there was an increase in vehicle production in December 2020 of the order of 22.8% compared to December 2019.

In view of this potential market recovery, the Company has already adopted some flexibility measures and a gradual resumption of its production capacity, including:

- Resumption of full working hours gradually from August 2020 (from September 2020, all employees of the Company had full working hours);

- Flexibilization of the home office rules
- Resumption of visits by third parties to the Company's facilities, by prior appointment and following security protocols;
- Intensification of hygiene and health protocols to ensure the health of all employees, customers and partners of the Company.

The Crisis Committee implemented at the beginning of the pandemic has been demobilized. However, the committee can be summoned again immediately, if necessary. It should be noted that in December, with the worsening of the pandemic rates in the general population, the Company decided to reinstate the home-office program for the administrative areas, in addition to limiting travel and visits. Guidance and alert initiatives to employees regarding the risks of the pandemic and preventive measures were intensified.

Summarized financial statements

Asset

Statement of financial position (In thousands of reais)

	Individual		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Current assets				
Cash and cash equivalents	31,444	29	33,681	17,383
Trade accounts receivable	-	-	58,774	26,062
Inventories	-	-	43,008	44,439
Taxes recoverable	-	-	30,406	51,844
Other assets	17	17	2,414	2,389
Total current assets	31,461	46	168,283	142,117
Noncurrent assets	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Taxes recoverable	-	-	126,601	132,957
Judicial deposits	-	-	4,103	4,792
Other assets	-	-	158	115
Investment property			8,452	8,542
Property, plant and equipment in operation	7	7	275,848	307,193
Right-of-use assets			21,672	35,766
Total noncurrent assets	7	7	436,834	489,365
Total assets	31,468	53	605,117	631,482

Summarized financial statements

Liabilities and equity

Statement of financial position

(In thousands of reais)

	Individual		Consolidated	
	12/31//2020	12/31/2019	12/31//2020	12/31/2019
Current liabilities				
Loans and financing	-	-	19,864	35,296
Lease liabilities	-	-	23,175	17,562
Trade accounts payable	-	-	36,886	22,313
Taxes payable	32	35	46,848	47,145
Payroll, vacation pay and social charges payable	-	-	101,168	56,932
Advances from customers	-	-	15,184	20,785
Related parties	-	-	-	6,160
Other liabilities	-	-	30,919	114,864
Total current liabilities	32	35	274,044	321,057
Noncurrent liabilities				
Loans and financing	-	-	118,373	100,162
Lease liabilities	-	-	22,377	42,736
Related parties	44,460	11,554	7,450	-
Payroll, vacation pay and social charges payable	-	-	10,366	15,017
Taxes payable	-	-	110,592	116,286
Deferred income and social contribution taxes	-	-	19,205	18,501
Contingencies	-	-	11,550	7,395
Provision for capital deficiency	176,192	60,667	-	-
Other liabilities	-	-	220,376	82,531
Total noncurrent liabilities	220,652	72,221	520,289	382,628
	220,684	72,256	794,333	703,685
Equity				
Capital	931,455	931,455	931,455	931,455
Equity adjustments	335	405	335	405
Accumulated losses	(1,121,006)	(1,004,063)	(1,121,006)	(1,004,063)
Attributed to the participation of the controllers	(189,216)	(72,203)	(189,216)	(72,203)
Total equity	(189,216)	(72,203)	(189,216)	(72,203)
Total liabilities and equity	31,468	53	605,117	631,482

Summarized financial statements

Profit and Loss Statement for the periods ended of December 31, 2020 and 2019

(In Thousand of Reais)

	Individual		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Net operating revenue	-	-	369,188	407,550
Cost of goods sold	-	-	(373,880)	(376,247)
Gross profit / (loss)	-	-	(4,692)	31,303
Operating (expenses) and income				
Selling expenses	-	-	(22,603)	(19,726)
General and administrative expenses	(1,549)	(1,639)	(52,411)	(62,989)
Equity pick-up	(115,525)	(5,207)	-	-
Other operating income/(expenses), net	-	-	(3,941)	57,791
Operating expenses	(117,074)	(6,846)	(78,955)	(24,924)
Operating income before finance income (expenses)	(117,074)	(6,846)	(83,647)	6,379
Finance income (expenses)				
Finance income	(22)	(18)	(53,065)	(96,391)
Finance costs	83	39	20,402	84,861
	61	21	(32,663)	(11,530)
Loss before income and social contribution taxes	(117,013)	(6,825)	(116,310)	(5,151)
Income and social contribution taxes				
Deferred	-	-	(703)	(1,674)
	-	-	(703)	(1,674)
Net loss for the period	(117,013)	(6,825)	(117,013)	(6,825)
Loss attributable to:				
Non-controlling shareholders	-	-	(117,013)	(6,825)
Controlling shareholders	-	-	(117,013)	(6,825)

Summarized financial statements

Cash flow statements for the years ended December 31, 2020 and 2019

(In Thousand of Reais)

	Individual		Consolidated	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Cash flows from operating activities				
Net loss for the year before income tax and social contribution	(117,013)	(6,825)	(116,310)	(5,151)
Adjustments to reconcile net income to cash generated by (used in) operational activities:				
Depreciation	-	-	37,774	41,469
Amortization	-	-	23,443	19,082
loss on the sale of assets	-	-	160	186
Constitution of provision for property, plant and equipment loss	-	-	-	17,955
Interest and monetary variation, net	-	-	45,346	61,071
Net tax credit recognized	-	-	-	(168,067)
Provision for legal claim	-	-	11,052	9,947
Provision for adjustment of inventories to market and obsolescence	-	-	47	(3,485)
Allowance for doubtful accounts	-	-	1,747	(5,167)
Equity pick-up	115,525	5,207	-	-
(Increase) / decrease in asset and liability accounts				
Accounts receivable from customers	-	-	(34,461)	(8,568)
Inventory	-	-	1,384	(6,457)
Taxes to recover	-	-	27,794	(54)
Judicial deposits	-	-	689	(14)
Other asset accounts	-	-	25	8,544
Suppliers	-	-	14,044	(969)
Obligations with staff and social charges	-	-	31,589	17,919
Advances from customers	-	-	(8,456)	(6,159)
Taxes, contributions and installments to be collected	(3)	16	(17,082)	5,830
Provision for legal claims (payments)	-	-	(6,897)	(8,492)
Other accounts payable	-	-	23,957	15,880
Interest paid	-	-	(12,028)	(13,923)
Net cash from (invested in) operating activities	(1,491)	(1,602)	23,817	(28,623)
Cash flows from investment activities				
Acquisitions of property, plant and equipment and intangible assets	-	-	(6,589)	(8,649)
Net cash used in investment activities	-	-	(6,589)	(8,649)
Cash flows from financing activities				
Borrowings	-	-	21,547	66,582
Payment of loans and financing	-	-	(23,767)	(12,561)
Net increase in loans receivable from related parties	32,906	1,631	1,290	331
Net cash used in financing activities	32,906	1,631	(930)	54,352
(Decrease) / increase in cash and cash equivalents	31,415	29	16,298	17,080
Cash and cash equivalents at beginning of year	29	-	17,383	303
Cash and cash equivalents at year-end	31,444	29	33,681	17,383
(Decrease) / increase in cash and cash equivalents	31,415	29	16,298	17,080