



4Q20 Earnings Release

Eucatex (B3: EUCA3 and EUCA4), one of the largest manufacturers of panels in Brazil, with operations also in the paint, varnish, laminated flooring, partitions and doors segments, announces today its results for the 4th quarter of 2020 (4Q20). The consolidated financial statements are presented in accordance with the International Financial Reporting Standards (IFRS). Except where stated otherwise, the amounts are in millions of Brazilian real (R\$ million) and comparisons are with the same period the previous year.

Conference Call (Portuguese only)

March 30, 2021
11:00 a.m. (Brasília)

www.eucatex.com.br/ri

An English transcript will be made available after the event

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Highlights

4Q20

- Net Revenue of R\$527.9 million (+32.8%)
- Recurring EBITDA of R\$110.6 million (+44.3%), with Margin of 20.9%
- Recurring Net Income of R\$41.5 million (+79.5%)

2020

- Net Revenue of R\$1,797.6 million (+17.8%)
- Recurring EBITDA of R\$359.4 million (+24.1%), with Margin of 20.0%
- Recurring Net Income of R\$94.8 million (+24.9%)

| Amounts in R\$ million | 4Q20 | 4Q19 | Var. (%) | 2020 | 2019 | Var. (%) |
|---|--------------|--------------|-----------------|--------------|--------------|---------------|
| Net Revenue | 527.9 | 397.5 | 32.8% | 1,797.6 | 1,525.8 | 17.8% |
| Gross Profit | 161.0 | 116.7 | 38.0% | 567.8 | 434.9 | 30.6% |
| Gross Margin (%) | 30.5% | 29.4% | 1.1 p.p. | 31.6% | 28.5% | 3.1 p.p. |
| EBITDA adjusted by non-cash events | 42.9 | 72.3 | -40.6% | 306.1 | 256.2 | 19.5% |
| EBITDA Margin (%) | 8.1% | 18.2% | -10.1 p.p. | 17.0% | 16.8% | 0.2 p.p. |
| Net Income (Loss) | 38.1 | 20.2 | 88.4% | 144.2 | 65.6 | 119.6% |
| Recurring Net Income (Loss) | 41.5 | 23.1 | 79.5% | 94.8 | 75.9 | 24.9% |
| Net Debt | 420.9 | 414.7 | 1.5% | 420.9 | 414.7 | 1.5% |
| Net Debt / EBITDA (LTM) | 1.2 | 1.5 | -21.1% | 1.2 | 1.5 | -21.1% |
| Recurring Adjusted EBITDA | 110.6 | 76.6 | 44.3% | 359.4 | 289.6 | 24.1% |
| Recurring Adjusted EBITDA Margin (%) | 20.9% | 19.3% | 1.6 p.p. | 20.0% | 19.0% | 1 p.p. |

Management Comments

After a third quarter when all of the Company's production units were operating normally, the fourth quarter continued to surpass Management's expectations, delivering significantly higher results than in the same period in 2019, reflecting the rebound in activities that began in late 2Q20. The economy, which had been battered initially due to the adoption of physical distancing measures in Brazil and other countries, recovered strongly, especially in sectors related to the construction industry, benefitting the operations of the Company, which reorganized and restructured itself for this moment by taking advantage of the opportunities that arose from the new "normal".

Emergency aid measures that injected billions of reais in the economy, and the reduction of interest rates to the lowest ever levels, drove consumption especially in the Company's business segments that are associated with decoration and construction. With people staying at home due to the quarantine, demand for construction material increased sharply, driven by DIY construction and renovations, which boosted the performance of the construction industry, which sustained its recovery trend throughout 4Q20.

As in 3Q20, demand in 4Q20 remained strong in all of the Company's business segments, in both the Domestic and Export markets, with the normalization of receipts, terms and inventories.

Many industrial segments, including Panels, reduced supply during the most critical period of the pandemic, disrupting the supply chain, causing an imbalance between supply and demand. This imbalance, coupled with a weaker real, triggered shortages and delays in receiving some inputs in 4Q20, in addition to the pressure from rising costs, which remains strong. The Company has been striving to pass on these hikes in order to preserve its margins at healthy levels.

In this scenario of strong demand, the Company sustained its high utilization rates at some of its key production lines, reaching record sales. Actions focused on increasing exports proved right and were reinforced by the weakening real, which improved business profitability.

The ABRAMAT (Brazilian Construction Materials Industry Association) Index, which measures the performance of construction material industries, fell 0.3% in 2020, lower than the 5.8% drop in 9M20, reflecting the excellent performance by the sector, especially from the beginning of the second half of the year. ABRAMAT forecasts an increase of 4.0% for 2021, showing its confidence that the sales growth will continue.

Indicators for the panels market, which includes MDF/HDF/MDP/Fiberboard sales, according to IBÁ (Brazilian Tree Industry) figures and the Company's estimates, increased 23.3% in the domestic market and 23.2% in the export market in 4Q20 compared to 4Q19.

Despite the sharp decline in April and May, the indicators for panels ended 2020 with positive numbers: up 6.4% in the domestic market and 7.2% in the export market compared to 2019, reflecting the sector's rebound in the second half of the year.

Operating Performance and Results

Sales volume in the Company's Wood segment, considering both domestic and export markets, increased 1.1% in 4Q20 compared to the same period last year. In 2020, sales declined 7.6%, mainly due to lower supply of products in 2Q20 as a result of the slowdown or stoppage of production at some of the company's units. Production fell 9.6%. The quarterly performance is the result of the upswing in exports (+44.5%) and the downturn in domestic sales (-7.1%). This was a strategic decision taken by the company mainly in 2Q20, when domestic demand fell sharply and its impact was felt during the remainder of the year. In 2020, domestic sales declined 13.9%, while exports grew 26.2%. According to IBÁ and Eucatex estimates, the Panels Market as a whole grew 23.3% in 4Q20 and 6.5% in 2020, compared to the same periods in 2019.

The Company's below-market performance reflects the production cutbacks in 2Q20 due to the pandemic and social distancing measures. Production fell 36% in 2Q20 compared to 2Q19. By and large, the market is operating at a significant level of idleness, which enabled the recovery of overall production during the year even after the shutdowns that happened in 2Q20.

In 4Q20, the market continued to suffer from the disruption caused across the chain by the cutback in production and inventories. Considering that demand remains high, the Company was unable to keep up with the growth in market volumes as it had been operating close to its capacity. On the other hand, the Company continues to register high utilization rates in its finishing production lines and ramping up the sales of higher value-added products, in line with its strategy.

Paint sales increased 21.9% in 4Q20 and 23.9% in 2020, respectively, from the same periods in 2019. Among the Company's products, the Paint segment was the most impacted by the emergency aid, particularly in sales in the wholesale and distribution channels, which have a wide coverage in remote locations and outskirts of large cities. This, combined with management improvements rolled out in 2019 enabled the Company's sales to outpace market growth. According to ABRAFATI (Brazilian Paint Manufacturers Association), the market expanded 13.0% in 4Q20 and 5.1% in 2020 compared to the same periods in 2019.

Operating Performance base 100 - 2005

| Physical Sales | 4Q20 | 4Q19 | Var. (%) | 2020 | 2019 | Var. (%) |
|------------------|------|------|----------|------|------|----------|
| Wood Panels (DM) | 138 | 148 | -7.1% | 139 | 162 | -13.9% |
| Wood Panels (EM) | 373 | 258 | 44.5% | 248 | 197 | 26.2% |
| Paints | 398 | 326 | 21.9% | 424 | 342 | 23.9% |

DM - Domestic Market / EM - Export Market

Net Revenue

| Net Revenue Breakdown (R\$ million) | 4Q20 | 4Q19 | Var. (%) | 2020 | 2019 | Var. (%) |
|-------------------------------------|--------------|--------------|--------------|----------------|----------------|--------------|
| Wood Segment | 384.6 | 287.7 | 33.7% | 1,268.2 | 1,125.6 | 12.7% |
| Paint Segment | 115.6 | 85.0 | 36.0% | 403.5 | 303.4 | 33.0% |
| Other | 27.8 | 24.8 | 11.9% | 125.9 | 96.8 | 30.0% |
| Net Revenue | 527.9 | 397.5 | 32.8% | 1,797.6 | 1,525.8 | 17.8% |

Total net revenue in 4Q20 came to R\$527.9 million, compared to R\$397.5 million in 4Q19, up 32.8%. In 2020, total net revenue was R\$1,797.6 million, as against R\$1,525.8 million in 2019, growing 17.8%.

In the Wood Segment, revenue grew 33.7% in 4Q20 from 4Q19, reflecting the higher export volumes. The weaker real and higher sale prices in the domestic market helped drive this performance, which were a reaction to the escalating cost increases observed by the Company. Net revenue in 2020 rose 12.7% compared to 2019.

Net revenue from the Paint segment increased 36.0% in 4Q20 from the same period in 2019, due to higher sales volumes and prices, which offset the increase in costs. Paint sales grew 33.0% in 2020 as against 2019.

Recurring Cost of Goods Sold (COGS)

COGS increased 32.1% in 4Q20 compared to 4Q19. Input costs have come under strong pressure due to the weaker real and the rising demand for commodities around the world. Although cost increases were impacting the 4Q20 result, this was offset by a higher utilization rate across all production lines and by the higher dilution of fixed costs.

Fair Value of Biological Assets

In 4Q20, the fair value of biological assets was R\$5.5 million, affected by the expansion of planted areas in the quarter and by the changes in the assumptions used, such as costs, prices and fees.

Recurring Gross Profit and Gross Margin

Gross profit amounted to R\$161.0 million in 4Q20, as against R\$116.7 million in 4Q19, up 38.0%, mainly due to productivity gains on account of the high utilization rates of production lines and the variation in the fair value of biological assets. In 2020, gross profit was R\$567.8 million, an increase of 30.6% from R\$434.9 million in 2019.

Recurring Operating Expenses

| Breakdown of Expenses (R\$ million) | 4Q20 | 4Q19 | Var. (%) | 2020 | 2019 | Var. (%) |
|-------------------------------------|---------------|---------------|------------------|----------------|----------------|------------------|
| General and Administrative | (18.6) | (19.0) | -2.0% | (66.8) | (66.9) | -0.1% |
| Selling | (74.5) | (55.6) | 34.0% | (254.9) | (207.5) | 22.8% |
| Total Operating Expenses | (93.1) | (74.5) | 24.9% | (321.7) | (274.4) | 17.3% |
| % Net Revenue | 17.6% | 18.8% | -1.2 p.p. | 17.9% | 18.0% | -0.1 p.p. |
| Other Operating Income and Expenses | 0.4 | 1.8 | -75.6% | 1.7 | 5.6 | -69.6% |

In 4Q20, operating expenses corresponded to 17.6% of Net Revenue, falling 1.2 p.p. General and administrative expenses remained stable, while selling expenses increased sharply due to sales growth and the increased share of total revenue from Exports and Construction sales, whose variable selling expenses are higher than those of other segments. In 2020, selling expenses corresponded to 17.9% of NOR, stable in relation to 2019.

Recurring EBITDA and EBITDA Margin

As a result of the above, recurring EBITDA amounted to R\$110.6 million, growing 44.3% from 4Q19. Recurring EBITDA Margin reached 20.9% in 4Q20, increasing 1.6 p.p. from the same period last year. In 2020, recurring EBITDA amounted to R\$359.4 million, up 24.1% from 2019, while Recurring EBITDA Margin rose 1 p.p.

| EBITDA Reconciliation (R\$ million) | 4Q20 | 4Q19 | Var. (%) | 2020 | 2019 | Var. (%) |
|---|--------------|--------------|------------------|--------------|--------------|-----------------|
| Net Income (Loss) | 38.1 | 20.2 | 88.4% | 144.2 | 65.6 | 119.6% |
| Income and Social Contribution Taxes | 28.5 | 11.2 | 153.8% | 98.0 | 29.7 | 230.3% |
| Net Financial Income (Loss) | (65.9) | 8.1 | -913.7% | (47.8) | 37.3 | -228.1% |
| EBIT | 0.7 | 39.5 | -98.2% | 194.3 | 132.7 | 46.5% |
| Depreciation and Amortization | 47.7 | 33.9 | 40.7% | 143.4 | 133.9 | 7.1% |
| EBITDA under CVM instr. 527/12 | 48.4 | 73.4 | -34.1% | 337.8 | 266.6 | 26.7% |
| EBITDA Margin | 9.2% | 18.5% | -9.3 p.p. | 18.8% | 17.5% | 1.3 p.p. |
| Non-cash adjustments | | | | | | |
| Fair value variation in biological assets | (5.5) | (1.2) | 367.3% | (31.7) | (10.4) | 205.7% |
| EBITDA adjusted by non-cash events | 42.9 | 72.3 | -40.6% | 306.1 | 256.2 | 19.5% |
| Non-recurring operational events | 67.7 | 4.4 | 1445.3% | 53.3 | 33.4 | 59.7% |
| Recurring adjusted EBITDA | 110.6 | 76.6 | 44.3% | 359.4 | 289.6 | 24.1% |
| Adjusted recurring EBITDA Margin | 20.9% | 19.3% | 1.6 p.p. | 20.0% | 19.0% | 1 p.p. |

Recurring Net Income

Recurring Net Income in 4Q20, excluding the effect of non-recurring expenses, net of income tax, amounted to R\$41.5 million.

In 4Q20, non-recurring expenses consisted of the following: R\$5.1 million of expenses, as follows: R\$6.1 million related to labor lawsuits and terminations; R\$88.0 million associated to the installment payment plan, which has now been discussed for 10 years, and, during this period, there was a change in jurisprudence and a decision was taken to provision for it; tax credits of R\$62.5 million related to the recognition of ICMS exclusion, net of lawyer's fees; R\$30.1 million from the adjustment of Eletrobrás compulsory loan, net of lawyer's fees; and R\$3.6 million in other expenses. In 2020, the total of R\$74.8 million consists of the following: R\$4.9 million of expenses related to the increase in the allowance for doubtful accounts; positive R\$177.6 million from lawsuits that sought to exclude ICMS from the PIS and COFINS calculation base, net of lawyer's fees, of which R\$102 million were booked under financial result; R\$30.1 million from the adjustment of Eletrobrás compulsory loan, net of lawyer's fees; R\$103.9 million of expenses related to the installment payment plan; R\$20.5 million related to labor lawsuits and terminations; and R\$3.6 million in other expenses.

Debt

The Company's net debt at the end of 2020 was R\$420.9 million and was equivalent to 1.2 times its annualized recurring EBITDA.

| Debt (R\$ million) | 2020 | 9M20 | Var. (%) | 2019 | Var. (%) |
|----------------------------------|--------------|--------------|---------------|--------------|---------------|
| Short-Term Debt | 274.5 | 320.6 | -14.4% | 240.2 | 14.3% |
| Long-Term Debt | 231.7 | 199.1 | 16.3% | 193.0 | 20.0% |
| Gross Debt | 506.2 | 519.7 | -2.6% | 433.2 | 16.9% |
| Cash and Cash Equivalents | 85.2 | 79.4 | 7.4% | 18.5 | 361.7% |
| Net Debt | 420.9 | 440.3 | -4.4% | 414.7 | 1.5% |
| % Short-Term Debt | 54% | 62% | -8 p.p. | 55% | -1 p.p. |
| Net Debt/Recurring EBITDA | 1.2 | 1.4 | -14.1% | 1.5 | -21.1% |

Investments

Investments in 4Q20 and 2020 totaled R\$32.2 million and R\$153.4 million, respectively, and were allocated to maintaining the Company's industrial and forest operations, as well as the strategic acquisition of the utilities platform and the wood yard from Duratex for the fiberboard plant and a new BP press for the MDP plant, both in Botucatu. For 2021, investments of around R\$175.9 million are planned, an increase of 14.7% from 2020, explained by the significant increase in the volume of new forests.

Sustainability

Eucatex's forest sustainability is assured by 52,100 hectares of forests, all located in the state of São Paulo.

The Company is recognized for its sustainable development practices and was the first in the industry to obtain the ISO 9001 certification, in 2000. It also holds the ISO 14001 certification and the Green Seal awarded by the Forest Stewardship Council (FSC), which certifies that its forests are managed in accordance with rigorous environmental, social and economic standards.

In another pioneering initiative, Eucatex became the first in the industry in South America to build a woodchip recycling line on an industrial scale. Its state-of-the-art equipment enables materials obtained within a radius of approximately 120 kilometers from the Salto (São Paulo) unit to be used as raw material for producing panels and as biomass for firing its boilers. Its total processing capacity is 240,000 metric tons/year, which is equivalent to approximately 2 million trees, 470,000 m³ of standing timber or 1,500 hectares of planted forests. Investments in land and planting to maintain this volume of wood, considering a seven-year cycle, would be around R\$200 million. Not only does it generate cost benefits, but recycling woodchips also prevents this material from being deposited in local landfills.

Capital Markets

Eucatex's preferred stock, listed on the B3 under the ticker EUCA4, closed 2020 quoted at R\$7.12. The Company's market capitalization at the end of the period was R\$659.4 million, around 45% of its book value.

About Eucatex

Eucatex S.A. Indústria e Comércio, which completes 70 years in 2021, is one of Brazil's largest manufacturers of laminated flooring, wall partitions, doors, MDP/MDF/T-HDF panels, fiberboard, and paints and varnishes. It operates six plants in Botucatu and Salto (both in São Paulo) and Cabo de Santo Agostinho (Pernambuco), employing 2,786 people. Its products are exported to more than 37 countries. For more information, visit www.eucatex.com.br/ri.

This document contains forward-looking statements related to the business prospects, estimates of operating and financial results, and those related to the growth prospects of Eucatex. These are merely projections and as such are based exclusively on the expectations of Eucatex management concerning the future of the business. These forward-looking statements substantially depend on market conditions, the performance of the Brazilian economy, the sector and the international markets and therefore are subject to change without prior notice.

Audit

The policy of the Eucatex Group regarding services provided by its independent auditors that are not related to the external audit of its financial statements is based on the principles of maintaining professional independence. These principles are based on the premise that the auditor must not examine their own work, perform managerial functions or practice law on behalf of clients. In 2020, the Eucatex Group did not engage BDO RCS Auditores Independentes S.S. for services other than audit. Our independent auditors did not audit the operational and financial indicators.

Income Statement

| Income Statement (R\$ million) | 4Q20 | 4Q19 | Var. (%) | 2020 | 2019 | Var. (%) |
|--|---------------|---------------|-----------------|----------------|----------------|-----------------|
| Gross Revenue | 624.2 | 475.1 | 31.4% | 2,118.5 | 1,833.4 | 15.6% |
| Sales taxes and Deductions | (96.3) | (77.7) | 24.0% | (320.9) | (307.6) | 4.3% |
| Net Revenue | 527.9 | 397.5 | 32.8% | 1,797.6 | 1,525.8 | 17.8% |
| Fair value variation in biological assets | 5.5 | 1.2 | 367.3% | 31.7 | 10.4 | 205.7% |
| Cost of Goods Sold | (372.4) | (282.0) | 32.1% | (1,261.6) | (1,101.3) | 14.6% |
| Gross Profit | 161.0 | 116.7 | 38.0% | 567.8 | 434.9 | 30.6% |
| % Gross Margin | 30.5% | 29.4% | 1.1 p.p. | 31.6% | 28.5% | 3.1 p.p. |
| Selling Expenses | (74.5) | (55.6) | 34.0% | (254.9) | (207.5) | 22.8% |
| General and Administrative Expenses | (16.3) | (17.3) | -5.4% | (60.1) | (60.2) | -0.2% |
| Management Compensation | (2.2) | (1.7) | 33.9% | (6.7) | (6.7) | 1.4% |
| Other Operating Income / (Expenses) | 0.4 | 1.8 | -75.6% | 1.7 | 5.6 | 69.6% |
| Operating Income (Expenses) | (92.6) | (72.8) | 27.3% | (320.1) | (268.8) | 19.1% |
| Net Income before Financial Result | 68.4 | 43.9 | 55.7% | 247.7 | 166.1 | 49.1% |
| Financial Income (Expense) | 3.3 | (8.1) | 141.0% | (80.3) | (55.2) | -45.5% |
| Non-recurring Income (Expense) | (5.1) | (4.4) | -17.3% | 74.8 | (15.5) | 582.6% |
| Net Income after Financial Result | 66.6 | 31.5 | 111.7% | 242.2 | 95.3 | 154.0% |
| Provision for Income Tax and Soc. Contr. | (28.5) | (11.2) | 153.8% | (98.0) | (29.7) | 230.3% |
| Net Income (Loss) before Non-Controlling Interest | 38.1 | 20.2 | 88.3% | 144.2 | 65.7 | 119.6% |
| Non-controlling interest | 0.0 | (0.0) | -150.1% | (0.0) | (0.0) | -57.9% |
| Net Income (Loss) from the Period | 38.1 | 20.2 | 88.4% | 144.2 | 65.6 | 119.6% |
| Net Margin | 7.2% | 5.1% | 2.1 p.p. | 8.0% | 4.3% | 3.7 p.p. |

* Values of items: Cost of Goods Sold, Selling Expenses, General and Administrative Expenses, and Other Operating Expenses / Income are net of non-recurring expenses.

Balance Sheet

| Balance Sheet (R\$ '000) | 2020 | 2019 | Var. (%) |
|--|----------------|----------------|--------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and Cash Equivalents | 7.1 | 8.0 | -11.8% |
| Marketable Securities | 78.2 | 10.4 | 649.1% |
| Trade Accounts Receivable | 428.7 | 344.0 | 24.6% |
| Inventories | 277.6 | 261.7 | 6.1% |
| Taxes Recoverable | 126.4 | 44.9 | 181.8% |
| Prepaid Expenses | 13.3 | 13.5 | -2.0% |
| Other receivables | 3.0 | 2.6 | 15.5% |
| Total Current Assets | 934.2 | 685.2 | 36.3% |
| Non-Current Assets | | | |
| Long-Term Assets | | | |
| Trade Accounts Receivable | 25.4 | 24.7 | 2.7% |
| Taxes Recoverable | 87.5 | 1.7 | 5160.6% |
| Deferred income and social contribution taxes | 63.9 | 67.4 | -5.2% |
| Assets held for sale | 0.2 | 0.2 | -16.4% |
| Investment properties | 25.6 | 25.6 | 0.0% |
| Judicial Deposits | 5.4 | 7.6 | -29.6% |
| Other receivables | 50.9 | 11.1 | 357.5% |
| Total Long-Term Assets | 258.8 | 138.3 | 87.1% |
| Investments | - | - | 0.0% |
| Biological Assets | 487.0 | 433.8 | 12.3% |
| Fixed Assets | 1,038.3 | 1,027.7 | 1.0% |
| Intangible Assets | 16.0 | 13.9 | 14.8% |
| Total Permanent Assets | 1,541.3 | 1,475.5 | 28.1% |
| Total Non-Current Assets | 1,800.1 | 1,613.8 | 11.5% |
| Total Assets | 2,734.2 | 2,299.0 | 18.9% |
| LIABILITIES | | | |
| Current liabilities | | | |
| Trade Accounts Payable | 171.5 | 165.5 | 3.6% |
| Loans and Financing | 274.5 | 240.2 | 14.3% |
| Labor Liabilities | 37.2 | 29.9 | 24.5% |
| Tax Liabilities | 70.9 | 18.1 | 290.7% |
| Related Parties | 4.2 | - | 0.0% |
| Tax Installments | 32.0 | 8.1 | 293.8% |
| Advances from Clients | 27.0 | 18.0 | 50.3% |
| Dividends and interest on equity payable | 68.1 | 72.8 | -6.4% |
| Accounts Payable | 58.7 | 27.7 | 112.4% |
| Lease liabilities | 23.7 | 18.3 | 29.6% |
| Total Current Liabilities | 767.9 | 598.5 | 28.3% |
| Non-Current Liabilities | | | |
| Loans and Financing | 231.7 | 193.0 | 20.0% |
| Tax Installments | 76.6 | 29.0 | 163.8% |
| Deferred Income and Soc. Contr. Taxes | 122.4 | 113.6 | 7.7% |
| Provision for Contingencies | 18.0 | 18.0 | 0.0% |
| Related parties | 6.0 | - | 0.0% |
| Lease liabilities | 30.5 | 20.2 | 51.2% |
| Total Long-Term Liabilities | 485.2 | 373.8 | 29.8% |
| Shareholder's Equity | | | |
| Capital | 851.9 | 488.2 | 74.5% |
| Revaluation Reserves | 182.7 | 182.7 | 0.0% |
| Profit Reserve | 352.5 | 569.3 | -38.1% |
| Asset Valuation Adjustment | 89.8 | 89.8 | 0.0% |
| Other Comprehensive Income | 7.4 | (0.3) | -2837.5% |
| Treasury Stock | (2.9) | (2.9) | 0.0% |
| Accrued earnings | - | - | 0.0% |
| Total Shareholder's Equity | 1,481.3 | 1,326.7 | 11.6% |
| Non-controlling interest | (0.1) | (0.1) | 18.1% |
| Total Shareholder's Equity & Non-controlling Interest | 1,481.2 | 1,326.7 | 11.6% |
| Total Liabilities and Shareholder's Equity | 2,734.2 | 2,299.0 | 18.9% |

Cash Flow

| Cash Flow (RS '000) | 2020 | 2019 |
|--|----------------|----------------|
| Net Income (Loss) before Income and Social Contribution Taxes | 144.2 | 65.7 |
| Adjustments to Reconcile Net Income and Operating Cash Flow | | |
| Depreciation and Amortizations | 81.4 | 71.3 |
| Exhaustion of biological assets | 62.0 | 62.6 |
| Residual Value of Fixed Assets Sold | 1.8 | 3.0 |
| Write-off of investments | 0.0 | 0.1 |
| Fair value variation in biological assets | (31.7) | (10.4) |
| Interest, Monetary and Exchange Variations, net | 47.3 | 21.3 |
| Income tax and social contribution | 86.0 | 24.7 |
| Provision for tax gains | (175.0) | - |
| Income and social contribution taxes - deferred | 12.1 | 5.0 |
| Other provisions | 128.7 | (0.4) |
| Changes in operating assets and liabilities | | |
| Marketable Securities | (67.7) | 8.0 |
| Trade accounts receivable | (87.4) | (36.0) |
| Inventories | (15.9) | (10.5) |
| Recoverable taxes | 32.5 | (5.5) |
| Income and social contribution taxes - deferred | 0.3 | - |
| Deferred expenses | 0.3 | (6.3) |
| Judicial deposits | 2.3 | (1.2) |
| Other receivables | (40.2) | (1.2) |
| Trade accounts payable | 5.9 | (0.7) |
| Labor and Tax Liabilities | (40.0) | (29.7) |
| Tax Installments | (32.4) | 1.0 |
| Advances from Clients | 9.0 | 4.7 |
| Accounts payable | 52.0 | (11.9) |
| Net Cash Flow from Operating Activities | 175.3 | 153.6 |
| Cash Flow from Investing Activities | | |
| Capital decrease in subsidiaries | - | 0.1 |
| Addition to fixed assets | (95.8) | (56.9) |
| Addition to biological assets | (83.5) | (66.0) |
| Net cash used in investment activities | (179.3) | (122.8) |
| Cash Flow from Financing Activities | | |
| Amortization of loans and financing | (315.8) | (331.0) |
| Amortization of leases | (30.0) | - |
| New loans and financing | 341.6 | 299.1 |
| Loans with related parties | 10.2 | - |
| Payment of Dividends/Interest on Equity | (3.0) | - |
| Net cash used in financing activities | 3.0 | (31.8) |
| Increase (Reduction) in Net Cash and Cash Equivalents | (1.0) | (1.0) |
| Cash and Cash Equivalents | | |
| Opening balance of cash and cash equivalents | 8.0 | 9.0 |
| Closing balance of cash and cash equivalents | 7.1 | 8.0 |
| Increase (Reduction) in Net Cash and Cash Equivalents | (1.0) | (1.0) |